PAKISTAN ECONOMIC SURVEY 2024-25

CHAPTER NAME

OVERVIEW OF THE ECONOMY

Global Economic Review

In 2024, the global economy entered a stabilization phase following unprecedented shocks in recent years. Inflation has decreased from multidecade highs and is gradually aligning with the targets set by central banks, although this progress remains uneven across different regions. Labor markets have largely normalized, with employment and vacancies returning to levels observed prior to the COVID-19 pandemic. Looking ahead, global economic growth, which is estimated at 3.3 percent in 2024, projected to moderate to 2.8 percent in 2025, before recovering slightly to 3.0 percent in 2026. This projected deceleration is attributed to cyclical headwinds and structural realignments within global trade. The rise of tariffs and increased uncertainty negatively impact business sentiment and disrupt supply chains. Global headline inflation is recorded at 5.7 percent in 2024. It is projected to decline to 4.3 percent in 2025 and 3.6 percent in 2026, supported by easing commodity prices. However, cost pressures persist due to emerging trade frictions and structural challenges. Tariffs exert cost pressures on the countries that impose them while simultaneously suppressing demand in the targeted economies, thereby creating a volatile global environment characterized by subdued investment, constrained consumption, tightened financial conditions, and heightened exchange rate volatility.

In the United States, economic growth recorded at 2.8 percent in 2024. However, emerging indicators of a slowdown were observed in 2025, characterized by declining consumer spending and diminished business confidence amid increasing policy uncertainty and newly imposed trade barriers. Therefore, its economic growth is anticipated to moderate to 1.8 percent in 2025. In China, GDP is projected to grow by 4.0 percent through 2026, hindered by ongoing vulnerabilities in the real estate sector, fiscal pressures, and deflationary trends in consumer behavior. The economy of the United Kingdom is expected to expand by only 1.1 percent in 2025, adversely affected by tariff implications, rising gilt yields, and subdued private consumption.

In the Euro Area, economic growth is projected to be modest, with an anticipated rate of 0.8 percent in 2025, followed by a slight improvement to 1.2 percent in 2026. Spain is highlighted as a positive exception, exhibiting expected growth of 2.5 percent. However, the region as a whole is confronted with challenges stemming from weak domestic demand, elevated energy prices, and sluggish industrial performance. Japan is forecasted to experience a growth rate of 0.6 percent in 2025.

In advanced economies, on average, growth is expected to decline from 1.8 percent in 2024 to 1.4 percent in 2025, with a modest recovery anticipated thereafter. Emerging markets and developing economies are projected to witness a decrease in growth, estimated at 3.7 percent in

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2025, followed by a slight increase to 3.9 percent in 2026. Furthermore, growth in Sub-Saharan Africa is expected to decelerate to 3.8 percent before rebounding to 4.2 percent, amidst ongoing structural vulnerabilities, including significant debt burdens and constrained fiscal capacity.

A significant reordering of policy priorities presents downside risks to the global economic trade outlook for 2025. According to the IMF, Global trade volume grew by 3.8 percent in 2024. It is projected to decelerate to 1.7 percent in 2025 amid tariff-related uncertainty, before recovering to 2.5 percent in 2026. Trade-related uncertainties have reached unprecedented levels, with their long-term implications expected to differ across economies based on their susceptibility to protectionist measures, financial integration, and geopolitical factors. Increasing domestic imbalances, divergent demand trends between the United States and China, and a revival of state-driven economic interventions have exacerbated global trade asymmetries. Although the global trade-to-GDP ratio has remained relatively stable, the patterns of underlying trade flows are evolving: globalization is transforming to regionalization, with trade increasingly concentrated within geopolitical blocs. This fragmentation presents risks to the cohesion and efficacy of the global trading system.

Addressing these challenges necessitates a coordinated international response aimed at reestablishing a robust and collaborative global trade framework. The primary objectives include comprehensive structural reforms, along with debt restructuring and credible fiscal consolidation. Central banks continue to navigate a delicate balance, striving to control inflation while ensuring financial stability, all managing the fluctuations in currency markets. Concurrently, governments are under increasing pressure to rebuild fiscal buffers and tackle entrenched inefficiencies within labor, product, and financial markets to promote inclusive growth and mitigate inequality.

The resurgence of nationalism and protectionism has significantly undermined the pro-growth narrative associated with globalization. Although multinational corporations continue to engage in cross-border operations, geopolitical tensions and regional conflicts, have disrupted global food and energy supplies, thereby exacerbating inflationary pressures. Investor apprehension has propelled gold prices to exceed US$ 3,000 per ounce, reflecting concerns regarding broader geopolitical and policy uncertainties. Conversations surrounding energy transitions remain politically contentious, and advancements in climate action have been notably slow. Furthermore, the emergence of generative artificial intelligence has been accompanied by increased cyber threats.

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Building on recovery that started in FY 2024, the economy maintained its upward trajectory in FY 2025, recording a 2.68 percent annual growth. This progress is underpinned by effective macroeconomic management, improved fiscal and external account balances, and a significant reduction in inflation. Implementing a 37-month, US$ 7 billion IMF Extended Fund Facility (IMF-EFF) has bolstered policy credibility and provided essential financial support to promote inclusive and reform-driven growth.

Inflation has experienced a significant reduction, decreasing from 20.7 percent in April 2024 to a near-zero (0.3%) in April 2025. The average inflation rate for July through April in FY 2025 was recorded at 4.7 percent, in stark contrast to the 26.0 percent observed during the previous year. This decline can be attributed to several factors, including fiscal consolidation, a stringent monetary policy, targeted relief measures, and efforts to stabilize the exchange rate.

Despite persistent supply-side constraints, growth prospects have significantly improved. Investor confidence has notably increased, as demonstrated by a 27.5 percent rise in company incorporations. Additionally, fiscal discipline has shown marked enhancement during July-March FY 2025: the fiscal deficit has contracted to 2.6 percent of GDP from 3.7 percent last year, the primary surplus has risen to 3.0 percent from 1.5 percent, and tax revenues have surged by 26.3 percent, totaling Rs 9.3 trillion (July-April FY 2025). On the external front, there has been a remarkable reversal in the current account, shifting from a US$ 1.3 billion deficit to a US$ 1.9 billion surplus, a change attributed to improved export performance and record remittance inflows.

The IMF-EFF, alongside around US$ 1.4 billion disbursement under the Resilience and Sustainability Facility (RSF), and improved credit ratings from Moody's and Fitch, reflect growing international recognition of Pakistan's reform momentum. Strengthened macroeconomic fundamentals have enabled the State Bank of Pakistan to lower the policy rate, supporting private sector credit growth and spurring economic activity. Continued remittance inflows offer a vital buffer for the external account and help sustain household consumption, with further upside potential through skills development and greater diversification of overseas labor markets.

Sustaining the recent developments in Pakistan's growth necessitates the resolution of ongoing structural challenges. The country's youthful demographic presents a significant opportunity but also highlights the urgent need for comprehensive reforms in education, technical and vocational training, and job creation. This is particularly crucial in labor-intensive sectors such as agriculture, construction, and manufacturing. A concentrated effort to mitigate regional disparities and to empower small and medium-sized enterprises and entrepreneurs is vital for promoting inclusive economic growth.

The digital economy presents a transformative opportunity for growth and development. Pakistan's information technology exports have significantly benefited from a young, highly skilled workforce and competitive cost structures. Nevertheless, the growth of this sector faces limitations due to deficiencies in digital infrastructure, inconsistent regulatory environments, and insufficient investment in digital skills development. Addressing the digital divide, particularly among women and rural communities, will be essential for unlocking the full potential of this sector.

In conclusion, Pakistan finds itself at a crucial crossroads. The foundational elements for economic recovery are becoming increasingly robust, and investor confidence is re-emerging. However, sustaining this positive momentum necessitates transitioning from short-term stabilization measures to comprehensive structural reforms. Through disciplined implementation of policy and strategic guidance anchored in a long-term vision, URAAN Pakistan, which emphasizes export-led and investment-driven growth, has the potential to cultivate a resilient, inclusive, and prosperous economic future.

Executive Summary of Chapters

Growth and Investment: The real, fiscal, financial, and external sectors continued to demonstrate resilience and steady improvement in FY 2025. Pakistan's GDP grew by 2.68 percent, supported by stabilization across all major macroeconomic indicators. The industrial

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sector posted a growth of 4.77 percent. Manufacturing growth was also positive despite a slow recovery in large-scale manufacturing, supported by gains in small-scale manufacturing and slaughtering. The services sector (58.4% of GDP) emerged as the main growth driver, expanding by 2.91 percent, while the agriculture sector recorded a growth of 0.56 percent due to a decline in major crops.

The GDP, valued at current market prices, reached Rs 114,692 billion (US$ 411 billion), showing a 9.1 percent increase from the previous year's Rs 105,143 billion (US$ 372 billion). The economy experienced price stability, with GDP deflator growth recorded at 4.0 percent, the lowest level since FY 2018, which has helped stabilizing the exchange rate. Thus, with improved economic activity, per capita income rose to US$ 1,824 from US$ 1,662 in the previous year.

The investment-to-GDP ratio improved to 13.8 percent, compared to 13.1 percent in FY 2024, supported by stronger public and private capital formation. Gross Fixed Capital Formation (GFCF) stood at Rs 13,814.7 billion, marking a 15.0 percent increase over FY 2024. Private investment grew by 9.9 percent, while public investment, including general government development spending, rose sharply by 34.2 percent. National saving also improved, recorded at 14.1 percent of GDP, reflecting stronger domestic resource mobilization.

Agriculture: The agriculture sector in Pakistan plays an essential and sustainable role in ensuring food security, supporting rural livelihoods, and fostering national economic resilience. In FY 2025, the sector accounted for 23.54 percent of the Gross Domestic Product and employed over 37 percent of the labor force, underscoring its structural significance within the economy.

Despite challenging climatic conditions, the agricultural sector demonstrated a positive growth rate of 0.56 percent, highlighting its inherent resilience and adherence to historical trends. Livestock emerged as the primary contributor, achieving an expansion of 4.72 percent, reinforcing its significant role in agricultural value addition. This sector has consistently played a crucial role in supporting household incomes and ensuring the national food supply. Similarly, the fisheries and forestry sub-sectors exhibited steady growth rates of 1.42 percent and 3.03 percent, respectively, bolstered by favorable policy measures and prevailing market dynamics.

The crops sub-sector experienced a contraction of 6.82 percent, primarily driven by a 13.49 percent decline in key crops and a 19.03 percent decrease in cotton ginning. These downturns can be attributed to adverse weather conditions and reduced sowing areas. Nevertheless, a growth of 4.78 percent in other crops indicates the potential for crop diversification and demonstrates resilience in the face of challenging circumstances.

Recent developments in crop production have presented contrasting trends across various commodities. Notably, wheat production experienced a decline of 8.9 percent, attributable to a reduction in cultivated area and adverse climatic conditions. Conversely, while rice exhibited an increase in acreage, it nonetheless encountered a minor dip in production of 1.38 percent. Other crops, including cotton (-30.7%), sugarcane (-3.88%), and maize (-15.4%), faced considerable challenges due to decreased planting area, delayed sowing, and extreme weather patterns. On a more positive note, vegetable categories such as onion and potato reported substantial output growth, with increases of 15.9 percent and 11.5 percent, respectively.

The livestock and poultry sectors have continued serving as fundamental economic growth pillars. Livestock has significantly contributed 14.97 percent to the GDP and accounts for 63.6 percent of the value added in agriculture. This growth has been supported by increased production of milk and meat, herd expansion, and a 4.72 percent rise in value addition. The poultry sector also demonstrated a robust trajectory, exhibiting a 9.4 percent increase in meat production and a surge in egg output to 26.7 billion. This reinforces its critical role in enhancing food security and generating employment opportunities within the agricultural domain.

The agriculture sector in Pakistan has made advancements in essential farm inputs and modernization initiatives. The availability of fertilizers remained relatively stable despite prevailing economic constraints. Conversely, access to certified seeds has met over 34.3 percent of the national requirements. Tax incentives and collaborative initiatives between the public and private sectors bolstered efforts to enhance mechanization. However, there was a decline in tractor production attributable to macroeconomic factors. Water resource management continues to be a priority, with substantial investments dedicated to major dam projects, including the Diamer-Basha and Mohmand Dams, in accordance with the National Water Policy.

Agricultural credit disbursement reached Rs 1,880.4 billion during the first nine months of the FY 2025, representing a 15.0 percent increase compared to the previous year. This performance underscores a robust institutional commitment, expanded outreach, and enhanced support for both smallholder and commercial farmers.

The government has prioritized value-added production, modernization, climate resilience, and integrated policy initiatives through investments made under the Special Investment Facilitation Council (SIFC). Nevertheless, addressing persistent structural constraints, enhancing the dissemination of knowledge, and investing in climate-smart technologies remain crucial for unlocking the sector's full potential.

In summary, the FY 2025 presented a landscape characterized by diverse trends, yet demonstrated significant resilience within the agricultural sector. With strategic policy support and sustained investments, this sector is anticipated to substantially contribute to economic development, enhance rural incomes, and strengthen food security.

Manufacturing and Mining: During July-March FY 2025, Large-Scale Manufacturing (LSM) experienced a contraction of 1.47 percent, in contrast to a slight decline of 0.22 percent observed in the corresponding period of the previous year. This marks the third consecutive year of negative growth in LSM, which can be attributed to ongoing structural challenges, elevated input costs, and downturns in critical sectors such as Food, Chemicals, Iron & Steel, and Electrical Equipment. Despite the overall lackluster performance, it is noteworthy that nearly half of the LSM sectors demonstrated positive growth, including significant industries such as Wearing Apparel, Textiles, Coke & Petroleum Products, Pharmaceuticals, and Automobiles.

In March 2025, the growth of LSM registered a year-on-year (YoY) increase of 1.8 percent, in contrast to a growth rate of 1.7 percent during the same month in the previous year. Furthermore, on a month-on-month (MoM) basis, LSM experienced a decline of 4.6 percent in March

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2025, following a drop of 5.6 percent in February 2025.

The Mining and Quarrying sector experienced a decline of 3.4 percent during FY 2025, an improvement from a decrease of 4.0 percent observed in the previous year. During July-March FY 2025, there were significant reductions in the extraction of crude oil (-14.8%), natural gas (-6.8%), coal (-5.7%), and iron ore (-20.2%), which indicates a contraction in both energy and metallic mineral outputs. Conversely, there were marked increases in the production of sulphur (341.9%), dolomite (43.3%), limestone (34.1%), marble (20.2%), and ocher (70.3%), suggesting positive growth in specific mineral categories.

Fiscal Development: The ongoing efforts towards fiscal consolidation continue to reinforce fiscal discipline throughout the current fiscal year, underpinned by a substantial increase in revenues attributed to various tax policy and administrative measures and effective expenditure management. Encouragingly, fiscal indicators are on improving trajectory for last three years and further strengthened during the current fiscal year. Thus, the fiscal deficit decreased to 2.6 percent of GDP during July-March FY 2025 from 3.7 percent the previous year. Additionally, the primary surplus improved to Rs 3,468.7 billion (3.0 percent of GDP) compared to Rs 1,615.4 billion (1.5 percent) the previous year, facilitated by restrained non-markup expenditures. The provinces also significantly contributed to the fiscal consolidation initiatives of the federal government, achieving a higher cumulative surplus of Rs 1,053.3 billion during the same period, compared to the surplus of Rs 435.4 billion recorded last year.

Total expenditure increased by 19.4 percent to Rs 16,337.0 billion during July-March FY 2025, compared to Rs 13,682.8 billion in the previous year. This growth in expenditure is primarily due to a notable rise in development spending, while current expenditures have experienced relatively moderate growth. Current expenditure rose by 18.3 percent, amounting to Rs 14,588.2 billion in July-March FY 2025, an increase from Rs 12,333.3 billion last year. Additionally, markup payments expanded by 16.7 percent during this period, in contrast to a significant growth rate of 54.0 percent recorded in the prior year. Conversely, the growth rate of non-markup spending has decelerated to 19.6 percent in July-March FY 2025, down from 20.4 percent last year. The restrained growth in current spending has afforded some flexibility for enhancing development expenditures within the current fiscal year. Notably, the federal Public Sector Development Program (PSDP) experienced substantial growth of 28.6 percent, reaching Rs 413.6 billion during July-March FY 2025, an increase from Rs 321.6 billion in the previous year.

Total revenues increased by 36.7 percent, reaching Rs 13,367.0 billion during July-March FY 2025, compared to Rs 9,780.4 billion for the same period in the previous year. This notable performance in tax and non-tax revenues has significantly contributed to the rise in total revenues. Non-tax collections experienced an extraordinary growth of 68 percent, totaling Rs 4,229.7 billion during July-March FY 2025, compared to Rs 2,517.9 billion the same period last year. Key drivers of this increase included higher receipts from the SBP profit and the petroleum levy, alongside improved collections from dividends, PTA profits, royalties on oil and gas, and the natural gas development surcharge, which also played substantial roles in enhancing non-tax revenues. Furthermore, total tax collections, encompassing federal and provincial contributions, rose by 25.8 percent during July-March FY 2025, amounting to Rs 9,137.3 billion, compared to Rs 7,262.5 billion in the preceding year.

The Federal Board of Revenue (FBR) reported a net provisional tax collection growth of 26.3 percent, amounting to Rs 9,300.2 billion during July-April FY 2025, compared to Rs 7,361.9 billion in the previous year. Domestic tax collection experienced an increase of 27.7 percent, reaching Rs 8,256.8 billion during the same period in FY 2025, in contrast to Rs 6,464.3 billion the prior year. Additionally, Rs 427.5 billion has been disbursed in refunds during July-April FY 2025, compared to Rs 411.1 billion in the previous year. The FBR has exhibited commendable performance in revenue collection during the first ten months of FY 2025, attributed to various tax measures introduced in the Budget 2024-25.

The government is advancing significant fiscal reforms in collaboration with provincial authorities to address emerging challenges. In this context, the National Fiscal Pact represents a critical initiative to rebalance intergovernmental relationships. These reforms are poised to ensure long-term fiscal sustainability, essential for achieving sustained, inclusive, and robust economic growth.

Money and Credit: Over the past year, the global monetary environment has transitioned from an extended period of synchronized tightening to the nascent phases of easing, supported by decreasing inflationary pressures and improved supply chain conditions. Prominent central banks, including the Federal Reserve and the European Central Bank, have indicated a gradual approach to rate reductions. Concurrently, central banks in emerging markets have cautiously approached easing measures amid stabilizing inflation and exchange rates. Nevertheless, enduring structural challenges, such as elevated debt levels, restrictive financing conditions, and geopolitical tensions, present risks to the medium-term global economic outlook.

Domestically, Pakistan's economy has displayed consistent signs of stabilization and recovery during FY 2024 and FY 2025, driven by proactive governmental interventions and sound macroeconomic management. Inflation has significantly decelerated, foreign exchange reserves have strengthened, and the exchange rate has stabilized. In response, SBP initiated a measured easing cycle beginning in June 2024, cumulatively reducing the policy rate by 1100 basis points as of May 2025.

Inflation is anticipated to remain within the SBP's medium-term target range of 5 to 7 percent, facilitating ongoing monetary policy normalization and an economic recovery in FY 2026. The sustainability of this positive momentum will hinge on preserving macroeconomic stability, effective policy coordination, and creating a conducive environment for investment, job creation, and external financing inflows, which are essential for ensuring broad-based growth and financial stability.

Capital Markets and Corporate Sector: Pakistan's capital markets, specifically the equity market, exhibited superior performance compared to major global stock markets in FY 2025. The KSE-100 index demonstrated significant growth of 50.2 percent during July-March FY 2025. This increase can be attributed to strong corporate earnings, a decline in both the policy rate and inflation, the successful first review of the IMF-EFF program, and subsequent tranche disbursements, all of which contributed to a stable macroeconomic environment that bolstered investor confidence.

Market capitalization rose from Rs 10,375 billion on June 30, 2024, to Rs 14,374 billion on March

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31, 2025, reflecting a remarkable increase of 38.5 percent or Rs 4,000 billion. The debt market also remained well, marking a noteworthy return of net inflows under the National Savings Scheme after a four-year hiatus. During July-March FY 2025, a net inflow of Rs 171.3 billion was recorded under National Savings Schemes.

The government executed 19 auctions of government debt securities in the debt market, successfully raising Rs 2.3 trillion as of March 31, 2025. Various types of sovereign Sukuk instruments, including discounted, fixed-rate, and variable-rate Sukuks across different maturities, have been issued and are currently available for trading at the Pakistan Stock Exchange (PSX). The number of privately placed debt securities stood at 23, generating Rs 41.6 billion. As of March 31, 2025, there were 77 outstanding debt securities with a cumulative value of Rs 318.4 billion. Furthermore, during this same period, 5.88 million lots of various commodity futures contracts, including gold, crude oil, and U.S. equity indices, were traded on the Pakistan Mercantile Exchange Limited, totalling Rs 6.54 trillion.

Moreover, during July-March FY 2025, the Securities and Exchange Commission of Pakistan (SECP) issued 38 certificates for Shariah-compliant securities under the Shariah Governance Regulations of 2023, aimed at fostering the development of the Islamic capital market. During this timeframe, in the secondary capital market, 288 securities, accounting for 54.6 percent of a total of 527 listed companies, were identified as Shariah-compliant, representing a market capitalization of Rs 9,284 billion, which constitutes 64.6 percent of the overall market capitalization of Rs 14,375 billion.

Inflation: During FY 2025, inflationary pressures experienced a substantial decline, indicative of significant stability within the economy. The Consumer Price Index (CPI) inflation rate, which recorded 11.1 percent year-on-year in July 2024, represented a notable decrease from 28.3 percent in July 2023. This downward trajectory continued, with inflation dropping as low as 1.5 percent in February, followed by 0.7 percent in March and 0.3 percent in April, marking a multi-decade low.

The CPI inflation during July-April FY 2025 was recorded at 4.7 percent, in contrast to 26.0 percent during the corresponding period of the previous year. Other inflation indicators, such as the Sensitive Price Indicator (SPI), indicated a rate of 4.9 percent compared to 30.2 percent in the prior year. Moreover, the Wholesale Price Index (WPI) reported an increase of 2.2 percent, a significant reduction from 22.4 percent in the same period last year.

The government has effectively stabilized prices and enhanced the affordability of food and energy products for the general population by implementing a strategic combination of administrative measures, relief initiatives, and policy adjustments.

Trade and Payments: Global trade experienced significant disruptions in 2024 due to geopolitical tensions; however, it regained momentum in the latter half of the year, with worldwide merchandise exports growing by 2 percent to reach US$ 24.43 trillion. In this context, Pakistan's external sector demonstrated resilience, achieving a current account surplus of US$ 1.9 billion during July-April FY 2025, a remarkable turnaround from a US$ 1.3 billion deficit in the previous year. This improvement was primarily supported by a historic rise in remittances, which reached US$ 31.2 billion, an increase of nearly 31 percent YoY, culminating in a peak of US$ 4.1 billion in March 2025.

Nonetheless, the trade deficit in goods expanded to US$ 21.3 billion as imports surged by 11.8 percent, outpacing the 6.8 percent growth in exports. Furthermore, the services account exhibited a heightened deficit of US$ 2.5 billion, attributable to accelerated import growth. The primary income account deficit also rose to US$ 7.1 billion, driven by increased dividend repatriation and interest payments. Despite these challenges, the remittance surge alleviated much of the external pressures, allowing for a build-up of foreign exchange reserves, reaching US$ 16.64 billion (SBP: US$ 11.50 billion; Commercial Banks: US$ 5.14 billion) by May 27, 2025. This stability contributed to the exchange rate, which stabilized at Rs 278.72 per US$.

A net outflow of US$ 1.6 billion was recorded on the financial front, as government debt repayments escalated and net liabilities decreased sharply. Foreign direct investment experienced a slight decline of 2.7 percent, resulting in total inflows of US$ 1.8 billion, reflecting cautious investor sentiment amid prevailing global and regional uncertainties. According to data from the Pakistan Bureau of Statistics, exports rose 6.4 percent during July-April FY 2025, totalling US$ 26.9 billion, primarily driven by the knitwear, garment, bedwear, and rice sectors. Imports grew by 7.5 percent to US$ 48.3 billion, predominantly in petroleum, machinery, and food-related items.

Looking ahead, global trade growth is anticipated to be around 2.7 percent in 2025 (WTO). Pakistan's strategic emphasis on enhancing exports, diversifying trade, and maintaining macroeconomic stability will be crucial in addressing the external challenges. Pakistan's trade recovery hinges on structural improvement; sustaining the momentum necessitates a transition from short-term solutions to long-term, reform-oriented policies. The focus will remain on diversifying exports, improving supply chains, rationalizing import tariffs, and strengthening trade infrastructure to bolster global competitiveness.

The URAAN Pakistan framework offers the strategic direction necessary for this transformation, anchored in export-led, investment-driven growth. Key initiatives, such as the expansion of export credit, support for small and medium enterprises, facilitating IT sector expansion, and promoting trade diplomacy, are instrumental in unlocking new markets and mitigating reliance on volatile inflows. Moving forward, enhanced policy coordination and institutional reforms will help in building a resilient external sector. With a clear commitment to targeted execution, Pakistan has the potential to transform trade into a significant engine of sustainable and inclusive economic growth.

Public Debt: Total Public debt was recorded at Rs 76,007 billion by end-March 2025, comprising of Rs 51,518 billion in domestic debt and Rs 24,489 billion (US$ 87.4 billion) in external debt. Various developments were witnessed in the Public Debt domain during first nine months of the outgoing fiscal year, some of which are highlighted below:

- Within domestic debt, the Government relied mostly on long-term borrowing through Pakistan Investment Bonds (PIBs) and Sukuks for financing fiscal deficit. During the period, an amount of Rs 2.4 trillion in Treasury bills was retired. The government also introduced a new Two-year Zero-coupon bond through which an amount of Rs 610 billion was raised. These measures helped improve the maturity profile, reflected by the extension of the average time to maturity (ATM) of the domestic debt from 2.9 to 3.5 years.
- Regarding auction of domestic debt

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securities, robust market participation was witnessed. Total bids received for Treasury bills were Rs 28,230 billion (acceptance of Rs 9,473 billion), Pakistan Investment Bonds Rs 23,540 billion (acceptance of Rs 9,682 billion), and Sukuk Rs 4,889 billion (acceptance of Rs 1,562 billion). The government followed a calibrated acceptance strategy to manage cost and rollover risk.

- The government successfully launched a Buyback and Exchange Programme as part of its strategic Liability Management Operations (LMOs). Through this initiative, the government successfully repurchased approximately Rs 1 trillion worth of government debt securities.
- In addition to existing 1-year, 3-year and 5-year Ijara Sukuk, the Government introduced new 10-year Ijarah Sukuk (for both fixed and floating rental rates). During this period, the Government successfully issued Sukuk amounting to around Rs 1.6 trillion. These measures increased the share of sharia-compliant instruments of total government debt securities to 12.7 percent.
- External disbursements were recorded at US$ 5.1 billion, including US$ 2.8 billion from multilaterals, US$ 0.3 billion from bilateral, US$ 1.5 billion via Naya Pakistan Certificates, and US$ 0.56 billion from commercial banks. An additional US$ 1.03 billion was received under the IMF's EFF.
- Out of the total External Debt stock of US$ 87.4 billion, almost 83 percent comes from multilateral (including IMF) and bilateral (including Paris club & friendly country deposits) sources. These debts are of long-term tenor with mostly concessional lending rates as compared with commercial borrowing sources, therefore limiting refinancing risk and supporting debt sustainability.

As part of its debt management strategy, the Government is committed to ensuring fiscal discipline through revenue mobilization and expenditure rationalization measures. With a narrower fiscal deficit and effective debt management, public debt is further projected to enter a downward path.

Education: According to the Population and Housing Census of 2023, Pakistan's literacy rate is 60.7 percent. The male literacy rate of 68.0 percent is notably higher than the female literacy rate of 52.8 percent. A significant advancement of this census is including literacy data pertaining to the transgender community, which has been reported at 40.2 percent.

The literacy rate in urban regions is considerably elevated, recorded at 74.1 percent, compared to 51.6 percent in rural areas. Punjab exhibits the highest literacy rate among the provinces at 66.3 percent, followed by Sindh at 57.5 percent, Khyber Pakhtunkhwa at 51.1 percent, and Balochistan at 42.0 percent.

Furthermore, as per the Pakistan Education Statistics 2022-23 released by the Pakistan Institute of Education in Islamabad, the rate of Out of School Children (OOSC) stands at 38 percent, with 35 percent being male and 42 percent female. The distribution of OOSC is as follows: Punjab at 32 percent, Khyber Pakhtunkhwa at 30 percent, Sindh at 47 percent, and Balochistan at 69 percent.

During the current fiscal year, the Government has allocated Rs 61.1 billion to the Higher Education Commission (HEC), which includes Rs 12.0 billion dedicated to a laptop scheme, aimed at implementing 159 development projects (comprising 138 ongoing and 21 new) in public sector universities and institutions under the

HEC. During July-April FY 2025, Rs 32.6 billion were released. The HEC has initiated the IT Component of the Higher Education Development Program in Pakistan (HEDP), a World Bank-supported project with a budget of US$ 400 million, which aims to modernize the technological infrastructure of the education sector in Pakistan.

Moreover, skill development, recognized as a crucial element within the educational framework, has emerged as a government priority, evidenced by substantial achievements and ongoing initiatives. The National Vocational & Technical Training Commission (NAVTTC) is central to this endeavor, and it is pivotal in offering professional training to the youth and the skilled workforce, enhancing national productivity, and supporting workforce export abroad.

Various measures are being implemented at both federal and provincial levels to improve the quality of education, in alignment with the commitment to achieving Goal 4 of the Sustainable Development Goals (SDGs). The current government is investing considerable efforts and resources into the education sector, with initiatives designed to ensure quality education for all, promote access to girls' education, facilitate the enrollment of diverse groups of out-of-school children, enhance teacher capacity, upgrade educational institutions, and foster skill development.

Health and Nutrition: The Government of Pakistan, in pursuance of Article 38 of the Constitution, remains dedicated to enhancing the well-being of its citizens through improved access to quality healthcare services and targeted interventions aimed at reducing malnutrition. Despite facing ongoing challenges, Pakistan is consistently progressing towards attaining SDG3 – Good Health and Well-being, and SDG 2 – Zero Hunger. For the fiscal year FY 2025, an allocation of Rs 103.5 billion had been designated under the Public Sector Development Programme (PSDP) for the health sector. Additionally, total health expenditures have risen by 9.7 percent, escalating from Rs 843.2 billion in FY 2023 to Rs 924.9 billion in FY 2024.

To bolster national health security, the National Action Plan for Health Security (NAPHS) 2024–2028 has been developed, concentrating on enhanced disease surveillance, improved laboratory infrastructure, and robust healthcare systems. Key national health initiatives include the Prime Minister's National Programme for the Elimination of Hepatitis C (2024–2027) and the Prime Minister's National Programme for the Prevention and Control of Diabetes (2024–2029). Additional initiatives comprise the Common Management Unit (CMU) for preventing and controlling HIV/AIDS, Tuberculosis, and Malaria, as well as the Expanded Programme on Immunization (EPI). Cancer treatment services provided through Atomic Energy Cancer Hospitals cater to nearly 80 percent of the nation's cancer patients, managing approximately 40,000 new cases annually.

To combat malnutrition, the Scaling Up Nutrition (SUN) Youth Network Programme has been inaugurated to engage young individuals in promoting healthy lifestyles and advocating for policy reforms. Furthermore, the National Multi-Sectoral Nutrition Programme to Reduce Stunting and Other Forms of Malnutrition, alongside the National Early Childhood Development Framework, is currently in effect. The Anti-Narcotics Force (ANF) has also conducted 6,523 drug demand reduction activities, with 2,386 patients receiving treatment at Model Addiction Treatment and Rehabilitation Centres (MATRCs). These initiatives are expected to enhance health outcomes, improve nutritional status, and contribute to Pakistan's

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overarching goals of sustainable human development.

Population, Labour Force and Employment: According to the Seventh Population and Housing Census conducted in 2023, the population of Pakistan has reached 241.5 million, comprised of 124.3 million males and 117.2 million females. A notable demographic characteristic of Pakistan is its substantial youth population, with 26 percent of individuals aged between 15 and 29 years and 53.8 percent of the total population categorized within the working-age group of 15 to 59 years. This demographic dividend presents a significant opportunity for economic prosperity and social advancement, provided it is effectively harnessed into a resource embedded with scientific knowledge and technology, thereby serving as a robust engine for innovation and sustainable growth.

The government of Pakistan is actively focusing on unlocking the potential of its youth by enhancing their employment prospects through targeted initiatives. Among the most prominent programs are the Prime Minister's Youth Business and Agriculture Loan Scheme and the "Skills for All" Programme, designed to promote entrepreneurship, vocational training, and digital competencies. These initiatives reflect a comprehensive strategy aimed at transforming Pakistan's demographic profile into a catalyst for inclusive economic growth and long-term social stability. Additionally, the government is exploring overseas employment opportunities, which are anticipated to alleviate the domestic unemployment challenge and augment remittances.

To address gender inequality, the government remains steadfast in its commitment to eliminating all forms of discrimination against women and promoting gender equality and empowerment at all societal levels. This commitment is underscored by Pakistan's historical engagement with the global human rights agenda. As one of the inaugural signatories of the Universal Declaration of Human Rights (UDHR) in 1948 and a signatory to seven core international human rights treaties, including the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), Pakistan has consistently demonstrated its dedication to advancing the rights of women and girls. Recognizing the essential role of women in the country's socio-economic development, the government is implementing the Prime Minister's Women Empowerment Package, 2024, nationwide. This comprehensive initiative is focused on economic inclusion, financial independence, skill development, and leadership opportunities for women.

Transport and Communication: The transport and communication sector constitute a fundamental component of Pakistan's economic development, facilitating the efficient movement of individuals, goods, and information. As a pivotal driver of national progress, this sector directly expands trade, creates employment opportunities, and enhances access to essential services such as healthcare, education, and emergency response. In alignment with the strategic objectives of URAAN Pakistan, and capitalizing on the nation's unique geographical position within South Asia and the China-led Belt and Road Initiative (BRI), the government has prioritized investments in this sector by allocating Rs 268 billion in FY 2025 to establish a modern, integrated, and efficient transport and communication network.

Of this allocation, Rs 161.3 billion has been earmarked for 105 projects under the National Highway Authority (NHA), aimed at developing and enhancing a 14,480 km network of highways, motorways, and strategic roads. Pakistan

Railways has exhibited improved operational performance, reporting gross earnings of Rs 65.2 billion during July-March FY 2025. Despite a 16.8 percent decrease in operating revenue in the aviation sector, Pakistan International Airlines (PIA) achieved a profit of Rs 9.3 billion, attributed to a significant reduction in operating expenditures. The maritime sector showed mixed outcomes, with Karachi Port experiencing a 4.0 percent increase in cargo handling, while the Port Qasim Authority reported a slight decline of 1.6 percent. The Pakistan National Shipping Corporation noted reduced profits of Rs 8.9 billion due to a contraction in its fleet of vessels.

In the realm of communication, Pakistan's electronic media landscape comprises 139 satellite television channels and 34 foreign channels with landing rights for broadcast within the country. The Pakistan Electronic Media Regulatory Authority (PEMRA) contributed Rs 2.1 million to the national exchequer during the review period. Simultaneously, the Pakistan Broadcasting Corporation (PBC) maintained a wide national presence through a network of 80 broadcasting units in 32 locations nationwide.

Energy: The energy sector serves as a crucial driver of economic and industrial development in Pakistan, influencing productivity, trade competitiveness, and overall quality of life. During July-March FY 2025, Pakistan confronted energy affordability, sustainability, and security challenges. Nonetheless, several strategic reforms, capacity enhancements, and modifications in the energy mix indicate a gradual progression towards a more resilient and diversified energy landscape.

As of March 2025, the total installed electricity generation capacity reached 46,605 MW. Hydropower, nuclear, and renewable sources collectively constituted 44.4 percent of the installed capacity, an increase from prior years, while the proportion of thermal power declined to 55.7 percent. Regarding electricity generation, Pakistan produced a total of 90,145 GWh during the specified period, with 53.7 percent derived from hydropower, nuclear, and renewable sources, signifying a positive transition towards indigenous and environmentally sustainable energy solutions. Sectoral consumption patterns reveal the household sector as the predominant consumer, accounting for nearly half of the national electricity usage.

During July-March FY 2025, the total consumption of petroleum products across all sectors amounted to 13.2 million metric tons (MMT), reflecting a YoY increase of 7.0 percent, as compared to 12.3 MMT in the same timeframe of FY 2024. The transport sector, which remains the leading consumer, experienced 8.0 percent increase in consumption, rising from 9.8 MMT in July-March FY 2024 to 10.5 MMT (80% of total demand) during same period of FY 2025. This growth indicates heightened mobility, a rebound in trade and logistics, and an increased demand for fuel from road transport and commercial vehicles. Furthermore, Pakistan imported 12.5 MMT of petroleum products in the period under review, an increase from 11.1 MMT during the same timeframe in FY 2024, representing a 12.5 percent rise in quantity. However, the total import bill in monetary terms remained relatively stable, amounting to US$ 8.4 billion, nearly unchanged from last year. This stability reflects a combination of higher import volumes, lower international oil prices, and enhanced procurement efficiency.

During this period, the average natural gas consumption was approximately 3,143 million cubic feet per day (MMCFD), including 798 MMCFD from re-gasified liquefied natural gas (RLNG). During the same timeframe, 13,591 new gas connections were established nationwide,

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comprising 11,755 domestic connections, 1,786 commercial connections, and 50 industrial connections. The highest gas consumption levels originated from the power sector, domestic use, and fertilizer production, accounting for 973 MMCFD, 777 MMCFD, and 764 MMCFD, respectively.

Information Technology and Telecommunication: Information Technology (IT) represents one of the most rapidly expanding sectors within Pakistan's economy, playing a pivotal role in the evolution of a knowledge-based society. A Joint Working Group (JWG) has been established between China and Pakistan to foster collaboration in this sector. Both nations have committed to cooperating in several critical areas, including Information and Communication Technology (ICT) Infrastructure Development, ICT Application Innovation, Cybersecurity, Policy and Regulation, Radio Spectrum Regulation, Human Resource Development, and the Technology Business Forum.

During July-March FY 2025, export of ICT services experienced a significant increase of US$ 541 million, representing a growth of 23.7 percent, culminating in a total of US$ 2.825 billion. In March 2025, it reached US$ 342 million, reflecting a 12.1 percent increase compared to US$ 305 million in February 2025, indicating an 11.7 percent growth over the US$ 306 million recorded in March 2024. The Information Technology and IT-enabled Services (ITeS) industry achieved a trade surplus amounting to US$ 2.4 billion, the highest surplus among all service sectors during July-March FY 2025, representing an increase of 21.6 percent. Furthermore, Pakistan-based freelancers contributed significantly to the economy, earning foreign exchange through remittances totalling US$ 400 million during the specified period.

To further bolster the ICT sector, the Pakistan Software Export Board (PSEB) has launched an ambitious initiative to establish 250 e-Rozgaar centers across the country by FY 2027, as part of a PSDP project titled "Prime Minister's Initiatives - Support for IT Startups, Specialized IT Training, and Venture Capital, Component-2". These centers aim to promote freelance work and entrepreneurship, aiming to create 20,000 jobs. Fifty e-Rozgaar centers are expected to be operational by FY 2025. The National Incubation Centers (NICs) have successfully incubated over 1,900 startups, with more than 960 graduating from the program. These startups have generated in excess of 185,000 jobs, attracted total investments of Rs 30.8 billion, and reported combined revenues exceeding Rs 27.3 billion. Additionally, the initiative has empowered over 12,000 women entrepreneurs.

During July-March FY 2025, the telecom sector further strengthened by broadening its service offerings and generating revenues of Rs 803 billion. By the end of March 2025, total telecom subscriptions, encompassing mobile and fixed services, reached around 199.9 million, resulting in a total teledensity of 81.3 percent in the country. The telecom sector also contributed substantially to the national treasury, raising Rs 271 billion in taxes and duties during the same fiscal period. A sustained emphasis on skills development, investment facilitation, and international collaboration is essential to unlocking new avenues for growth, job creation, and inclusive socioeconomic advancement.

Social Protection: Social Safety Net (SSN) programmes are essential for enhancing living standards, mitigating vulnerability, and breaking the cycle of poverty. Recent global crises have underscored the significance of effective social protection systems, critical buffers against poverty, unemployment, illness, and various livelihood shocks. Interventions led by governmental entities, in collaboration with non-governmental organizations and international donors, are crucial for fostering a resilient society. These safety nets provide immediate relief and promote long-term stability and opportunity. Establishing a well-functioning and inclusive social safety net system is not merely a moral obligation; it constitutes a strategic investment in the future of a nation.

Pakistan is one of the few developing countries explicitly recognizing social security as a constitutional right as mandated in Article 38 of the Constitution. The government administers various SSN programs through institutions such as the Benazir Income Support Programme (BISP), the Pakistan Poverty Alleviation Fund (PPAF), Microfinance Network, Zakat, Pakistan Bait-ul-Mal (PBM), the Employees' Old-Age Benefits Institution (EOBI), and the Workers Welfare Fund (WWF). Moreover, specialized financial institutions provide microfinance services to individuals facing economic disadvantages.

Pakistan has made significant progress in advancing social protection programmes aimed at poverty alleviation and improving access to healthcare, education, clean water, and sanitation. In light of the escalating risks associated with climate change, it is imperative to enhance social protection budgets to safeguard the most vulnerable population, affected by these challenges disproportionately. Future initiatives must be designed to offer immediate relief and support long-term adaptation and mitigation strategies. Furthermore, strengthening coordination and interlinking social protection initiatives between Federal and Provincial Governments is vital for optimizing resource allocation and minimizing redundancy in efforts.

Climate Change: Climate change, driven by human-induced greenhouse gas emissions, is intensifying global warming and altering weather patterns. The World Meteorological Organization's "State of the Global Climate 2024" reports 2024 as the warmest year in 175 years, with global temperatures 1.55 °C above pre-industrial levels. Although contributing less than 1 percent of global emissions, Pakistan remains among the most climate-affected countries.

The State of the Pakistan Climate 2024 by the Pakistan Meteorological Department records intense climate irregularities, with a national average temperature increase to 23.52°C and a 31 percent rise in average rainfall. Provinces such as Sindh and Balochistan experienced extreme heat, cyclones, and sharp rainfall variations.

Despite these challenges, Pakistan made notable progress on climate action in FY 2025. At COP29, Pakistan showcased its commitment at a vibrant national pavilion. Key initiatives include the Pakistan Green Building Code, the Urban Resilience Policy Framework under provincial consultation, and the CPEC-II Green Corridor promoting low-carbon transport. Pakistan's National Adaptation Plan was advanced with cabinet approval of 117 measures across six vulnerable sectors. To finance these initiatives, the government has secured around US$ 1.4 billion under the IMF RSF.

Ministry of Climate Change has rolled out a project Recharge Pakistan for ecosystem-based flood management (US$ 77 million) and the Pakistan Glacier Protection Strategy. Pakistan also introduced its first Carbon Market Policy to attract clean tech investments and secured around US$ 82 million from the Green Climate Fund. Financial innovations include the Rs 30 billion Green Sukuk and the National Climate Finance Strategy.

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Provincial governments also contributed Punjab launched the Climate Resilient Vision 2024, smog reduction programs, and green building initiatives. Sindh developed a Provincial Climate Action Plan, while Khyber Pakhtunkhwa continued the 10 Billion Tree Tsunami with 121.5 million plantations. Balochistan enforced its anti-plastic law and is establishing a Climate Finance Cell. To address escalating climate risks, Pakistan needs enhanced international support, climate justice, and investment in resilience and sustainability.

GROWTH AND INVESTMENT

FY2025

GDP Growth	2.68% ▲	
▪ Agriculture	0.56% ▲	
▪ Industries	4.77% ▲	
▪ Services	2.91% ▲	
Per Capita Income (US$)	1,824 ▲	
Investment	13.8% (as % of GDP) ▲	
Savings	14.1% (as % of GDP) ▲	

Chapter 1

GROWTH AND INVESTMENT

In FY 2025, Pakistan's economy has been widely recognized as a notable macroeconomic success among emerging markets. It has demonstrated overall stabilization and is rebuilding confidence, amidst a challenging global environment and regional geopolitical risks. Improvements have been observed across all major macroeconomic indicators: inflation has declined from double digits to a single digit, the current account deficit has shifted to a surplus, the fiscal deficit has narrowed, the primary balance has further strengthened, and the Pakistan Stock Exchange maintains a bullish trend. This improvement in key macroeconomic indicators has fostered overall stability, positioning the economy to enter the take-off stage in the medium term. On the account of these developments, the real GDP growth is recorded at 2.68 percent in FY 2025.

On the global front, the economic slowdown persists amid elevated trade barriers, protectionist measures, financial market volatility, and reduced investment and trade flows. Although inflation is moderating, energy-related shocks and demographic trends continue to weigh on medium-term prospects. Uncertainty in global conditions, particularly among major trading partners such as the United States, China, and the United Kingdom, poses downside risks to Pakistan's export demand and investment outlook (WEO, 2025).

In Pakistan, inflation declined to a record low of 0.3 percent in April 2025, down from 17.3 percent in April 2024. During the fiscal year, headline inflation declined to single digits, supported by a tight monetary policy stance and exchange rate stability. This stability was reinforced by administrative measures aimed at curbing hoarding, smuggling, and speculative activity in the foreign exchange market. Subsidized essential commodities through Utility Stores, the expanded network of Sasta Bazaars, and the expanded coverage of the BISP Kafalat program provided targeted relief to vulnerable populations. During July–April, average CPI inflation was recorded at 4.7 percent, a significant moderation from 26.0 percent in the previous year.

In FY 2025, national savings outpaced the total investment (as percent of GDP), reflecting a surplus on the external account. National savings stood at 14.1 percent of GDP, while the investment-to-GDP ratio improved to 13.8 percent, resulting in a foreign saving surplus of 0.4 percent of GDP. Private investment grew by 9.9 percent, while public investment including general government development spending rose by 34.2 percent. The improvement in both investment and savings reflects effective domestic resource mobilization and positive prospects for future growth.

The external account position remained resilient during FY 2025, on account of rising remittances and steady export growth, despite a pickup in imports. During July-April FY 2025, the current account posted a US$ 1.9 billion surplus, reversing a deficit of US$ 1.3 billion last year. Export gains were led by key textile categories such as knitwear, garments, and bedwear, while the import bill rose largely due to increased demand for essential items, including palm oil and electrical machinery. Crude oil imports, however, registered a slight decline. Services exports maintained a positive trend, in which IT exports witnessed a strong growth, reflecting the sector's increasing contribution to the external account. Remittance inflows remained a major stabilizing force, showing a significant increase with major contributions from the Gulf region, particularly Saudi Arabia and the UAE. On the investment front, net foreign direct investment recorded a slight decline, though financial services, power, and oil and gas sectors continued to attract inflows. Foreign exchange reserves improved to US$ 16.64 billion as of May 27, 2025, reflecting continued support from

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multilateral and bilateral partners and a more stable external position.

On the fiscal front, revenue growth surpassed expenditure growth during the first three quarters of FY 2025, reflecting the impact of improved collection efforts and enhanced economic activity. Tax revenues increased by 26.3 percent, while non-tax revenues registered a sharp rise of 68 percent, primarily due to higher SBP profits, petroleum levy, dividends, and surcharges. On the expenditure side, current spending rose moderately, while development spending saw a notable increase, indicating a shift toward growth-supportive outlays. These trends led to a significant improvement in the primary surplus, which reached Rs 3,468.7 billion (3.0 % of GDP) during Jul-Mar FY 2025, compared to Rs 1,615.4 billion (1.5% of GDP) in the same period last year. Meanwhile, the fiscal deficit narrowed to 2.6 percent of GDP, down from 3.7 percent, highlighting the government's commitment to fiscal consolidation. These outcomes underscore improved fiscal discipline and the effectiveness of ongoing policy measures aimed at ensuring macroeconomic stability.

Economic activity remained resilient during FY 2025. The agriculture sector recorded modest growth of 0.56 percent in FY 2025, primarily constrained by a significant decline in major crop production. However, the performance of other crops has boosted the sector's growth, with a growth rate of 4.78 percent on the back of increased production of fruits, vegetables, condiments, and oilseeds. Livestock remained stable, while forestry and fishing also posted consistent growth, contributing to the overall performance of the agriculture sector. The government ensured the timely availability of quality seeds, fertilizers, and credit, which enhanced farm productivity. Although growth in major crops declined due to persistent challenges, continued policy support and improved input delivery provide a foundation for recovery going forward.

The industrial sector witnessed a growth of 4.77 percent, reversing the contraction observed in the previous year. The Large Scale Manufacturing (LSM) sector exhibited a mixed trend during the first nine months of the outgoing fiscal year, reflecting resilience following a period of high inflation. Notably, the automobile and export-oriented industries showed encouraging performance. This trend underscores positive growth expectation ahead supported by stable inflation and a policy rate approaching single digit. Moreover, Small scale and slaughtering have witnessed a positive growth. The overall recovery in the manufacturing sector is constrained by tight monetary conditions and a slow rebound in external demand. Nonetheless, improving macroeconomic fundamentals and targeted policy measures are expected to support a gradual strengthening in industrial output.

While the services sector emerged as the key driver of economic activity, it registered growth of 2.91 percent, higher than the 2.19 percent recorded last year. Unlike agriculture and industry, the services sector showed consistent quarterly improvement, with a strong pickup driven by robust growth in wholesale and retail trade and a sustained rebound in finance and insurance, owing to overall economic stabilization and easing inflation. Information and communication services also posted strong growth, led by a surge in computer programming and consultancy. The overall performance reflects the sector's resilience and signals a positive outlook for future growth.

The government's commitment to structural reforms such as fiscal consolidation through enhanced revenue mobilization by aligning provincial agricultural income tax with federal frameworks, broadening the tax base, and reforms in energy pricing and privatization, underpins the outlook for sustainable growth. The ongoing IMF's Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF) is strengthening the macroeconomic environment, improving investor confidence, and attracting both private and public investment. Moreover, the government is addressing long-term challenges such as climate change. Climate finance initiatives, including access to the RSF and the launch of the Green Sukuk, reinforce the path toward inclusive and sustainable growth.

1.1 Global Economic Perspective and Pakistan Economy

In the latest World Economic Outlook (WEO) of April 2025, the IMF slightly revised the global growth forecast downward, reflecting escalating trade tensions and persistent geopolitical uncertainties. Global growth, estimated at 3.3 percent in 2024, is projected to decelerate to 2.8 percent in 2025 before recovering modestly to 3.0 percent in 2026. This decline is attributed to widespread tariff implementations, protectionist policies, and financial market volatility, which continue to weigh on investment and trade flows. While inflation is projected to ease globally, falling to 4.3 percent in 2025 and 3.6 percent in 2026, the lingering effects of energy shocks and demographic pressures pose challenges for medium-term growth. Advanced economies are expected to observe a sharper slowdown, with growth rates in the Euro Area and the United States declining significantly. Meanwhile, emerging markets and developing economies face stagflation risks due to commodity price shocks, currency depreciation, and constrained access to development finance. The moderation in emerging and developing Asia will only be partially offset by rising growth in the Middle East, Central Asia, and sub-Saharan Africa, underscoring the uneven recovery across regions.

For Pakistan, the economic outlook mirrors the challenging global environment. WEO has projected real GDP growth at 2.6 percent for FY 2025 and 3.6 percent for FY 2026, marking a downward revision from the earlier estimate, assuming that domestic fiscal constraints, tight financial conditions, and external headwinds from slowing global trade will have an impact. Inflationary pressures are expected to moderate significantly, with headline inflation forecasted at 7.7 percent in 2026, aided by global disinflationary trends and declining oil prices. On the external front, Pakistan's current account deficit is projected to narrow slightly, due to easing import demand, stable remittance flows, and reduced energy import costs.

The uncertainty in global economic conditions, particularly in major trading partners such as in the USA, China, UK, and others, has implications for Pakistan's economy. For instance, escalating trade measures and policy uncertainty could affect the export demand and investment sentiment and pass through their impacts on emerging markets like Pakistan. Rising global risk premiums and volatile financial markets increase the likelihood of asset repricing and systemic instability, complicating Pakistan's efforts to stabilize its macroeconomic environment. Stringent immigration pathways in destination countries may lead to higher return migration and remittance volatility, highlighting the need for stronger domestic labor absorption. Climate risks also loom large, necessitating urgent adaptation and resilience-building measures. These global headwinds, coupled with domestic vulnerabilities, pose constraints to growth potential in Pakistan. The government is prioritizing sustained reform momentum, coupled with proactive external engagement and internal resilience-building, to achieve medium- to long-term macroeconomic stability and inclusive growth.

1.2 Economic Performance in FY 2025

In FY 2025, the GDP at current market prices increased by 9.1 percent, moderating from 25.7 percent in FY 2024. This change reflects the normalization of nominal growth following two consecutive years of nominal expansion driven by inflationary pressures. The size of the economy reached Rs 114,691.8 billion, up from Rs 105,142.7 billion last year. Gross National Income (GNI), which adds net primary income to GDP, witnessed a trend similar to GDP (Fig-1A).

This growth reflects the impact of tight fiscal and monetary policies aimed at bringing macroeconomic stability. Net primary income witnessed a sharp rebound, posting a growth of 33.4 percent during FY 2025. This increase is attributed to increased workers' remittances, driven by improved employment prospects in key corridors such as the Gulf, the United States, and the European Union. Rising returns on foreign investments also contributed to this gain. The surge in net primary income reflects the rise of external earnings in national income, supporting a more balanced growth alongside domestic stabilization efforts. The rise in national income has increased, as evident by the GDP per capita increase in both USD and PKR terms (Fig-1B).

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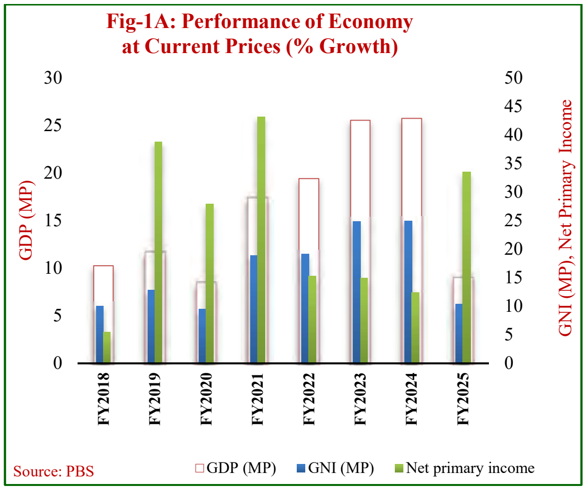
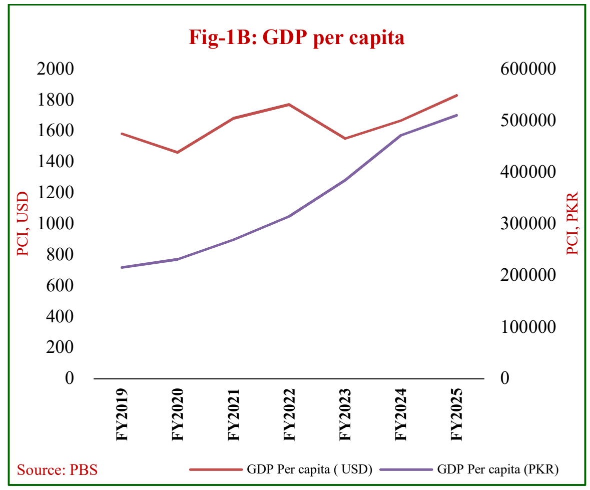




1.2-a Aggregate Demand in FY 2025

Aggregate demand picked up gradually in FY 2025, growing by 9.01 percent, underpinned by consistent consumption and a rebound in investment (Table 1.1). Total consumption (including private and government consumption), which accounted for 93.4 percent of GDP, moderated in growth but still contributed 8.24 percentage points to aggregate demand. Investment gained momentum, increasing by 14.21 percent, driven by both private and public sectors. However, the external sector remained consistent with a persistent gap between exports and imports as a percentage of GDP. The demand-side recovery was driven mainly by domestic factors, signaling a shift toward internally anchored growth.

Table 1.1: Composition of GDP (at Current Prices): Expenditure Approach

	FY2023	FY2024	FY2025	FY2023	FY2024	FY2025	FY2023	FY2024	FY2025
	As Percent of GDP (MP)			Growth Rates (%)			Point Contribution		
Household Consumption	82.24	83.84	83.01	21.41	28.15	7.99	18.20	23.15	6.70
NPISH Consumption	0.93	0.95	1.04	30.79	28.43	19.38	0.27	0.26	0.18
General Government Consumption	10.34	8.87	9.37	23.73	7.78	15.27	2.49	0.80	1.35
Total Consumption [C]	93.51	93.66	93.42	21.75	25.90	8.80	20.96	24.22	8.24
Gross Fixed Investment	12.26	11.43	12.05	11.06	17.17	14.98	1.53	2.10	1.71
Private	9.30	9.05	9.11	12.69	22.25	9.91	1.31	2.07	0.90
The public, including the General Public	2.96	2.38	2.93	6.25	1.21	34.24	0.22	0.04	0.82
Changes in Stock	1.60	1.60	1.60	25.49	25.69	9.08	0.41	0.41	0.15
Valuables	0.11	0.11	0.11	25.49	25.69	9.08	0.03	0.03	0.01
Total Investment [I]	13.97	13.14	13.76	12.65	18.21	14.21	1.97	2.54	1.87
Exports (Goods & Services) [X]	10.49	10.40	9.94	24.94	24.51	4.33	2.63	2.57	0.45
Imports (Goods & Services) (M]	17.97	17.20	17.12	0.29	20.25	8.58	0.06	3.64	1.48
Net Exports [X-M]	-7.48	-6.80	-7.17	-21.45	14.28	15.07	2.56	-1.07	-1.02
Aggregate Demand [C+I+X]	117.97	117.20	117.12	20.87	24.86	9.01	25.56	29.33	10.56
Domestic Demand [C+I]	107.48	106.80	107.17	20.48	24.90	9.46	22.93	26.76	10.11
GDP (MP)	100.00	100.00	100.00	25.49	25.69	9.08	25.49	25.69	9.08

NPISH: Non-profit institutions serving households

Source: Pakistan Bureau of Statistics

1.2-a(i) Consumption

Total consumption expenditure includes household consumption, Non-Profit Institutions Serving Households (NPISH), and general government consumption. In FY 2025, household consumption remained the main driver of demand, accounting for 83.0 percent of GDP (Table 1.1). Although the growth in household consumption slowed to 7.99 percent in FY 2025 from 28.15 percent last year, its contribution to overall growth remained the highest at 6.70 percentage points. The share of NPISH consumption remained low but steady, rising slightly to 1.04 percent of GDP, with a growth rate of 19.4 percent, highlighting ongoing support from charitable and development sector institutions.

While general government consumption recovered modestly in FY 2025 after a subdued outturn in FY 2024. Its share in GDP rose to 9.4 percent, supported by the easing of fiscal restraints and a pickup in administrative and development-related spending. The restrictive monetary conditions and the fading impact of previous inflation-driven growth has reduced the growth in total consumption. Moreover, sustained inflows of workers' remittances and targeted cash support programs have continued to protect lower-income segments and keep consumption levels stable.

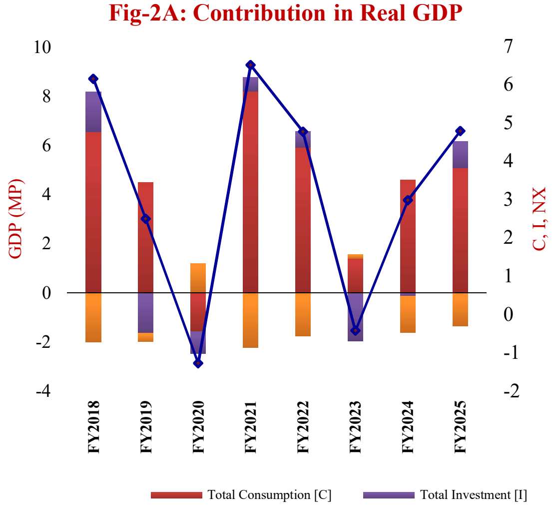
1.2-a(ii) Investment

The national income identity establishes that net exports must equal the difference between national savings and investment. When this gap turns negative, it implies a reliance on foreign savings, where domestic investment exceeds national saving and is financed through capital inflows. In Pakistan, the investment-to-GDP ratio remains stagnant around 13 to 14 percent, among the lowest in the region. The encouraging signal observed in FY 2025, the contribution of investment to real GDP has increased compared to the last three years, as illustrated in Fig-2A.

Furthermore, the behavior of the trade balance is closely linked with the underlying movements in saving and investment. Policies that encourage investment without a corresponding increase in domestic saving tend to widen the trade deficit. Conversely, policies aimed at improving national saving, either by compressing consumption or reducing fiscal deficits, help narrow the external gap. As shown in Fig-2A, the trade balance improved in FY 2025.

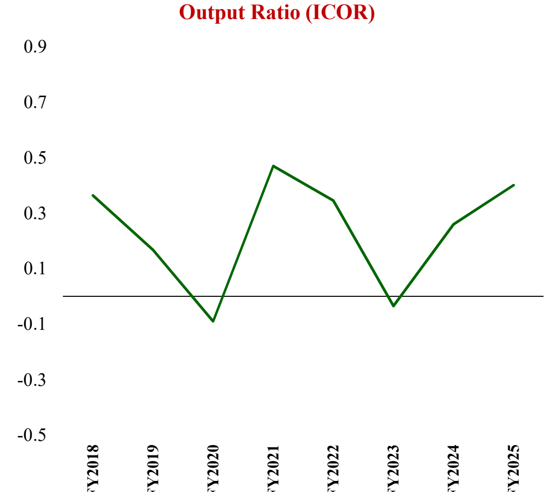
The inverse of the Incremental Capital Output Ratio (ICOR) reflects the efficiency of investment in generating additional output (Fig-2B). The trend indicates that growth has recovered and that investment as a percentage of GDP has increased, suggesting that the productivity of investment is gradually improving. As shown in the figure, the inverse ICOR has been on an upward path since FY 2023, reflecting a sustained gradual improvement. The easing of inflation and the anticipated fall in the policy rate will enhance investment efficiency in future.

Fig-2A: Contribution in Real GDP



Source: PBS

Fig-2B: Inverse Of Incremental Capital Output Ratio (ICOR)



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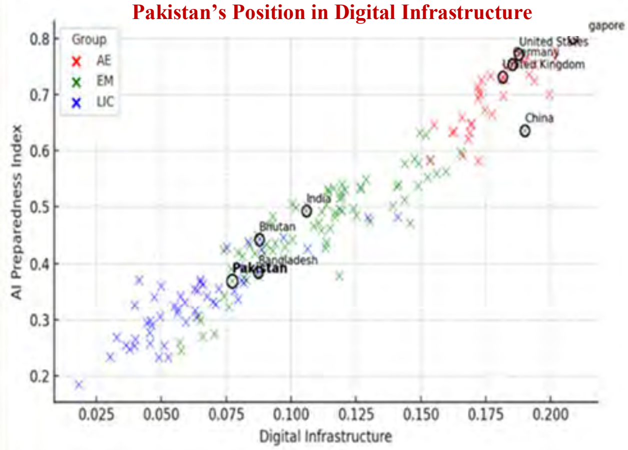
Box-1: AI Preparedness and Economic Transformation in Pakistan

Pakistan is at a critical juncture where digital transformation, if strategically executed, can become a catalyst for sustainable and inclusive economic growth. The global experience shows that countries equipped with strong digital infrastructure, a digitally skilled workforce, and institutional readiness are better placed to leverage AI technologies for structural transformation and long-term productivity gains. Literature indicates that, integration of AI across economies may represent the most significant shift since the Industrial Revolution. The returns from AI adoption are strongly correlated with a country's preparedness in terms of infrastructure, human capital, and policy coordination.

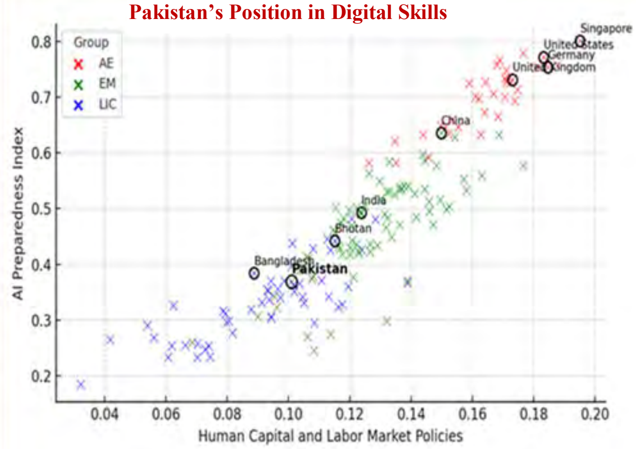
Pakistan's Position in Digital Infrastructure



Source: based on Faraz, N (2025), 38th PSDE Conference PIDE

Pakistan's demographic structure offers a distinct advantage. With over 80 percent of the population below the age of 40, a large reservoir of young individuals to train to support an AI-enabled economy. Moreover, low female labor force participation presents an untapped opportunity to expand the digital workforce. The presence of a large informal economy can in fact, become a testing ground for inclusive AI-enabled service models. Pakistan's expanding digital consumer base indicates latent demand for AI-driven platforms in commerce, health, education, and governance.

Pakistan's Position in Digital Skills



Source: based on Faraz, N (2025), 38th PSDE Conference PIDE

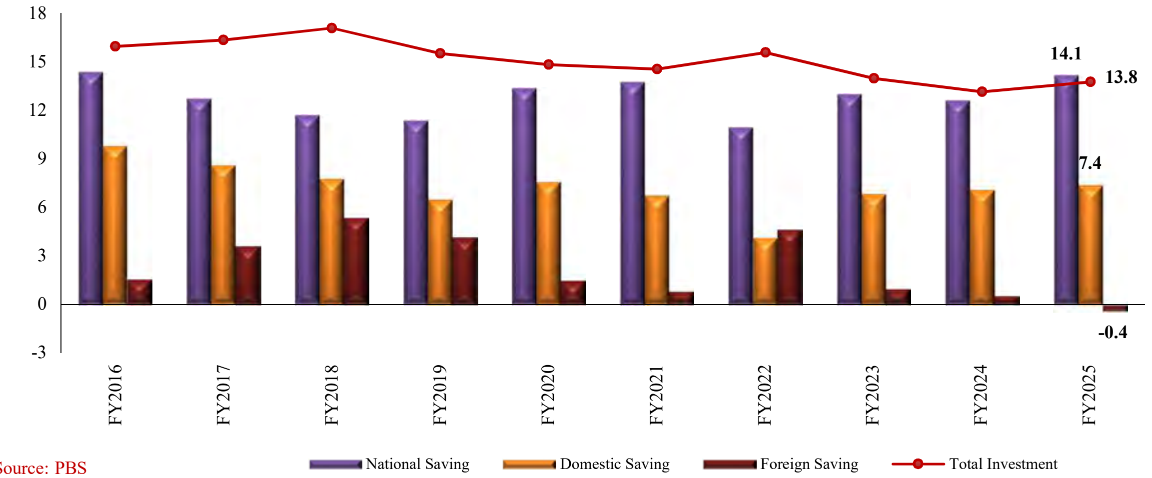
Despite this potential, Pakistan currently lags regional economies in AI preparedness, reflected by its position in digital infrastructure and digital skills. As depicted in the IMF's Artificial Intelligence Preparedness Index. The gap highlights the urgency of targeted interventions.

To harness the potential of AI for economic transformation, government is committed to carrying out a sequenced strategy, under the National Economic Transformation Plan, for foundational reforms in digital infrastructure, education systems, and regulatory capacity. Pilot projects in high-impact sectors are taking place, which can demonstrate value and build institutional confidence in the near future. However, in the medium to long term, Pakistan can scale up AI deployment across economic sectors, invest in research and innovation, and deepen academic-industry partnerships to build domestic capabilities. With these strategies, Pakistan can position itself as a regional AI leader by embedding AI technologies across governance and economic institutions, and ensuring inclusive access through global partnerships and socially responsive digital policies. Without adequate preparedness, Pakistan risks being left behind in the unfolding wave of global economic transformation driven by artificial intelligence.

As depicted in Fig-3, Pakistan's investment needs have consistently outpaced its national and domestic savings over the last decade. In FY 2025, national savings stood at 14.1 percent of GDP, while domestic savings recorded at 7.4 percent, after decades, leaving a foreign saving surplus of 0.4 percent, reflecting a surplus on the external account.

Historically, periods of high growth have coincided with increased reliance on foreign savings (i.e., current account deficits), which occurred at the expense of domestic saving performance. For example, in FY 2022, foreign savings were as high as 4.7 percent of GDP, while national and domestic savings stood at 10.9 percent and 4.2 percent, respectively. Over the past ten years, national savings have averaged around 12.8 percent, whereas gross investment remained near 13.5 percent of GDP, reinforcing the trend of external financing filling the domestic resource gap.

Fig-3: Investment and Saving as % of GDP



Source: PBS

This structural saving-investment imbalance has constrained Pakistan's ability to finance growth through domestic resources. Recognizing this limitation, the government established the Special Investment Facilitation Council (SIFC) in June 2023 to channel both domestic and foreign capital, remove investment bottlenecks, and create a streamlined policy framework to enhance long-term productive investment. Furthermore, the combination of low investment productivity and structural reliance on foreign savings underscores the need for deeper reforms in the investment regime. The Government has taken initiatives under the URAAN Pakistan (National Economic Transformation Plan 2024-2029) to stimulate economic growth with the focus on exports, E-Pakistan, environment, energy, and equity. However, to achieve sustainable growth, raising domestic and national saving rates remains imperative, alongside continued reform in savings mobilization and investment facilitation.

In total investment, the Gross Fixed Capital Formation (GFCF) is provisionally estimated at Rs 13,814.7 billion in FY 2025, reflecting a 15.0 percent increase over the revised estimate of Rs 12,014.8 billion for FY 2024. Private sector GFCF grew by 9.9 percent to Rs 10,453.2 billion, continuing its upward trajectory amid improved investor confidence. Public sector investment increased marginally by 1.2 percent to Rs 572.3 billion, maintaining its level of capital outlays. In contrast, general government investment recorded a significant rise of 43.9 percent, reaching Rs 2,789.3 billion - primarily due to enhanced development spending and improved data reporting. The sectoral breakdown of these investments is detailed in the next sections.

1.2-a(ii)A Public Sector Enterprises GFCF

Public sector enterprises GFCF for FY 2025 is provisionally estimated at Rs 572.3 billion, marking a modest 1.2 percent increase from Rs 565.5 billion last year. Mixed sectoral performance is observed. Negative growth was recorded in manufacturing (-33.7 percent, due to lower investments by National Refinery and Karachi Shipyard), electricity, gas and water supply (-7.1 percent, linked to WAPDA), and transportation and storage (-7.7 percent, due to Railways and PNSC). In contrast, strong growth was observed in mining and quarrying (32.9 percent, driven by OGDC), construction (82.1

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percent, led by public development authorities such as LDA, FGEHA, and GDA), communication (13.2 percent, with major contributions from PTCL and Ufone), and finance and insurance (49.9 percent, due to increased spending by SBP and EOBI).

1.2-a(ii)B General Government GFCF

Provisional GFCF for the general government sector is estimated at Rs 2,789.3 billion in FY 2025, marking a substantial 43.9 percent increase over the revised figure of Rs 1,938.5 billion in FY 2024. Capital expenditures by the federal, provincial, and district governments grew by 24.2 percent, 52.2 percent, and 59.5 percent, respectively. Industry-level data shows strong growth in public administration and social security (38.8 percent), education (171.0 percent), and human health and social work (51.9 percent), reflecting an overall improvement in public development outlays.

1.2-a(ii)C Private Sector GFCF

In FY 2025, private sector GFCF is projected at Rs 10,453.2 billion, up 9.9 percent from Rs 9,510.8 billion in FY 2024. Investment in agriculture, forestry, and fishing rose to Rs 3,296.8 billion, reflecting a 9.3 percent increase driven by higher imports of agricultural machinery and additions to livestock stock. Mining and quarrying GFCF is estimated at Rs 138.9 billion, up 4.8 percent, owing to increased exploration activity.

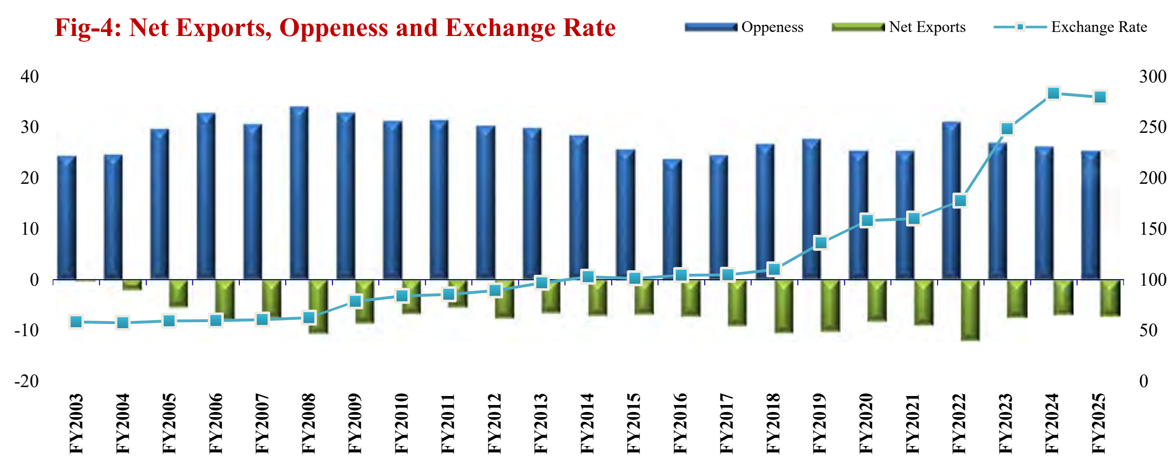
GFCF in large-scale manufacturing is provisionally estimated at Rs 925.8 billion, down 8.9 percent from the previous year, mainly due to conservative reporting by private firms. In contrast, small-scale manufacturing (including slaughtering) rose by 10.4 percent to Rs 218.3 billion, guided by SME financing data. Investment in electricity, gas, and water supply reached Rs 219.1 billion, up 3.5 percent, on the account of increased outlays from Independent Power Producers (IPPs). The construction sector posted a significant gain, with GFCF increasing by 58.1 percent to Rs 82.9 billion, driven by stronger project activity.

GFCF in private services also improved in FY 2025. Notable increases were observed in wholesale and retail trade (40.1 percent), accommodation and food services (222.7 percent), transportation and storage (1.7 percent), information and communication (14.4 percent), finance and insurance (15.6 percent), real estate (9.6 percent), education (8.8 percent), human health and social work (7.5 percent), and other services (6.5 percent).

1.2-a(iii) Net Exports

The final component of aggregate demand is net exports or net capital outflow, which plays a vital role, reflecting the persistent gap between investment and saving. Net exports remained negative in FY 2025. Trade openness - the ratio of exports and imports to GDP - has hovered around 25 percent since 2005, showing moderate improvement in global integration. As shown in Fig-4, net exports have remained negative throughout, despite of rising openness.

Fig-4: Net Exports, Oppeness and Exchange Rate



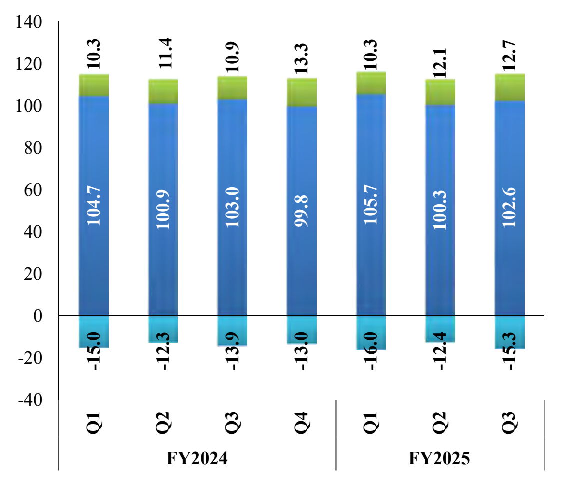
Source: PBS

Since FY 2018, the exchange rate has depreciated steeply, from below 100 to 280 PKR/USD by FY 2024. However, this persistent trade deficit points out the challenges with export capacity in Pakistan.

1.2-b Quarterly Aggregate Demand Dynamics

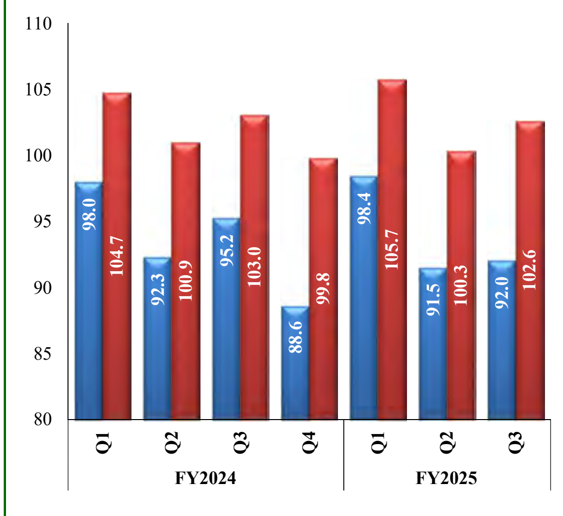
This section sheds light on the quarterly variation in aggregate demand, which is important for understanding timing-related factors in framing policy evidence. The expenditure-side performance in FY 2025 indicates a consumption-led growth trajectory, as shown in Fig-5, total consumption remained consistently above 100 percent of GDP, peaking at 105.7 percent in Q1 and settling at 102.6 percent in Q3. The sustained consumption reflects improved purchasing power amid easing inflation and steady remittance inflows.

Fig-5: Quarterly Expenditures (% of GDP)



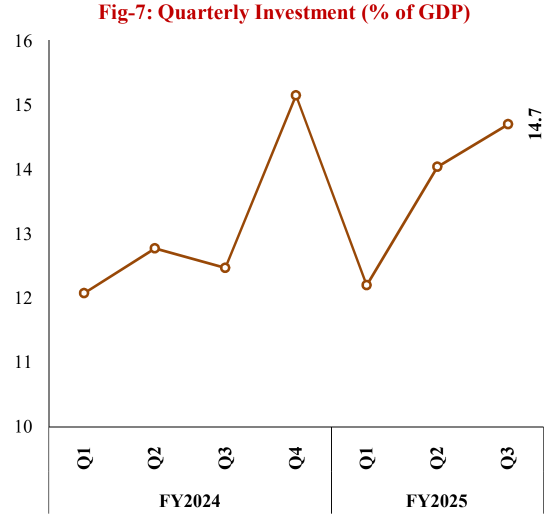
Source: PBS

Fig-6: Quarterly Consumption (% of GDP)



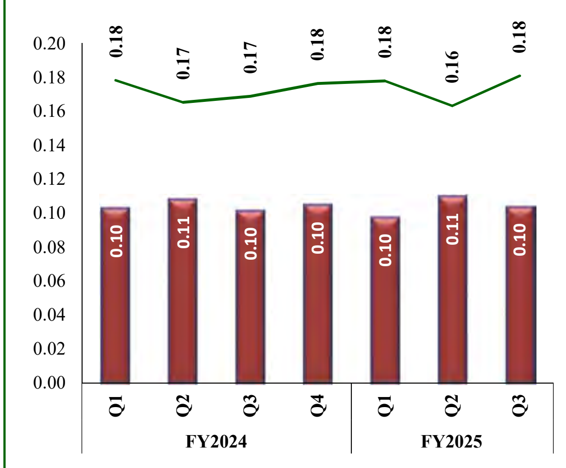
Source: PBS

Fig-7: Quarterly Investment (% of GDP)



Source: PBS

Fig-8: Quarterly Consumption (% of GDP)



Source: PBS

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Investment activity showed a mild recovery, with total investment rising from 10.3 percent of GDP in Q1 to 12.7 percent in Q3, though still below the threshold needed for broad-based supply-side gains. Net exports stayed negative throughout, with the deficit narrowing slightly from -16.0 percent in Q1 to -15.3 percent in Q3, reflecting persistent trade imbalance. The expenditure trends in FY 2025 underscore the need to accelerate structural reforms to unlock productive investment and enhance external competitiveness while maintaining domestic demand resilience.

1.2-b(i) Quarterly Consumption

In FY 2025, consumption remained the main driver of aggregate demand, with total consumption consistently above 100 percent of GDP (Fig-6). It peaked at 105.7 percent in Q1, backed by a strong rebound in private consumption (98.4 percent), reflecting improved real incomes, stable inflation, and resilient remittances. In the following quarters, private consumption moderated to 91.5 percent in Q2 and 92.0 percent in Q3 amid tighter financial conditions. Despite this easing, total consumption stayed elevated, suggesting that public consumption continued to play a stabilizing role. These trends reaffirm that domestic demand anchored the recovery, though sustaining momentum will require further gains in purchasing power and consumer sentiment.

1.2-b(ii) Quarterly Investment

In FY 2025, total investment showed a gradual recovery start, though it remained below the level needed to accelerate potential growth. As shown in Fig-7, investment fell to 12.2 percent of GDP in Q1, reflecting the lagged impact of tight monetary conditions, high input costs, and slow project execution. However, it recovered to 14.1 percent in Q2 and 14.7 percent in Q3, on the back of government measures to re-energize development spending and crowd in private investment. The government prioritized PSDP allocations toward high-impact infrastructure projects, streamlined approvals under the PPP framework, and eased restrictions on the import of capital goods to facilitate industrial activity.

On the policy front, improved coordination between fiscal and monetary authorities, coupled with a stable macroeconomic environment, helped restore investor sentiment. While these steps supported the uptick in investment, the overall level remains below the required threshold to sustain higher growth. Moving forward, consistent policy direction, institutional continuity, and unlocking private capital will be key to deepening the investment response and strengthening the economy's productive base.

1.2-b(iii) Quarterly Net Exports

Over the quarters, net exports continued to weigh on economic performance in FY 2025, reflecting a persistent trade imbalance. As shown in Fig-8, exports remained stagnant at 10 to 11 percent of GDP, while imports stayed elevated at 16 to 18 percent due to essential and energy-related purchases. The gap widened in Q2, with imports peaking at 18 percent, before narrowing slightly in Q3 as import demand softened. The government has been focusing on structural reforms to boost export competitiveness, diversify products, and reduce import dependence to support external stability.

1.3 Economic Performance FY2025 - Production Side

GDP growth for FY 2025 is provisionally estimated at 2.68 percent, up from 2.51 percent in FY 2024 and a contraction of -0.21 percent in FY 2023 (Table 1.2). Agriculture slowed to 0.56 percent growth, contributing only 0.13 percentage points, down from 1.48 points last year. Industry rebounded with 4.77 percent growth, after contracting last year. The services sector continued its recovery, growing by 2.91 percent and contributing the largest share of 1.70 points. Sectoral contributions are summarized in Table 1.2.

Table 1.2: Sectoral Point Contributions at Constant Prices FY 2016

	FY2023	FY2024	FY2025	FY2023	FY2024	FY2025	FY2023	FY2024	FY2025
	As Percent of GDP			Growth Rates (%)			Point Contribution		
A. Agriculture	23.16	24.03	23.54	2.24	6.40	0.56	0.51	1.48	0.13
B. Industry	18.40	17.71	18.07	-3.88	-1.37	4.77	-0.74	-0.25	0.85
Commodity Producing Sector (A+B)	41.56	41.74	41.61	-0.56	2.96	2.35	-0.24	1.23	0.98
C. Services Sector	58.44	58.26	58.39	0.04	2.19	2.91	0.02	1.28	1.70
GDP (GVA)	100	100	100	-0.21	2.51	2.68	-0.21	2.51	2.68

Source: Pakistan Bureau of Statistics

1.3-a Agricultural Sector

The agriculture sector recorded modest growth of 0.56 percent in FY 2025 compared to the 6.4 percent last year, largely constrained by negative trends in major crops (Table 1.3). Key crops - wheat, cotton, rice, sugarcane, and maize - all posted declines in output.

Table 1.3: Components of Agriculture Sector FY 2025

	Share in Agriculture	Share in GDP	Growth Rate (%)
Agriculture, Forestry and Fishing		23.54	0.56
1. Crops	32.78	7.72	-6.82
i) Important Crops	17.82	4.19	-13.49
ii) Other Crops	13.88	3.27	4.78
iii) Cotton Ginning	1.08	0.25	-19.03
2. Livestock	63.60	14.97	4.72
3. Forestry	2.31	0.54	3.03
4. Fishing	1.31	0.31	1.42

Source: Pakistan Bureau of Statistics

Wheat production dropped to 28.98 million tons from 31.81 million tons last year, showing a contraction of 8.9 percent. Cotton output declined sharply by 30.7 percent, with 7.084 million bales produced in FY 2025 against 10.22 million bales in FY 2024. Rice production fell slightly to 9.72 million tons, marking a 1.4 percent decline. Sugarcane production reduced by 3.9 percent to 84.23 million tons, while maize output dropped by 15.4 percent to 8.24 million tons.

However, other crops showed a marked recovery, growing by 4.78 percent compared to just 0.07 percent last year, facilitated by higher production in fruits (4.1%), vegetables (7.8%), condiments (9.8%), and oilseeds (29.8%). However, the cotton ginning contracted by 19.03 percent, reflecting the slump in cotton production. Livestock remained stable, while forestry and fishing sectors continued to retain a sustainable growth.

1.3-b Industrial Sector

The industrial sector rebounded in FY 2025, posting a growth of 4.77 percent after remaining in negative territory during the previous year. This recovery was driven by improvements in key sub-sectors, despite continued weaknesses in some areas.

Mining and quarrying declined by 3.38 percent, mainly due to contractions in crude oil (-14.72%) and natural gas (-7.05%) production. However, coal production registered a modest growth of 2.84 percent.

Manufacturing remained in positive territory, with the support of gains in small-scale manufacturing and slaughtering, despite a

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contraction in LSM. The LSM, based on the Quantum Index of Manufacturing (QIM), declined by 1.53 percent during FY 2025, compared to a growth of 0.94 percent last year. The slowdown reflects mixed performance across key industries - declines were observed in chemicals (-5.51%), iron and steel (-10.94%), electrical equipment (-15.89%), and fabricated metal products (-17.16%), while strong growth was recorded in automobiles (40.0%), wearing apparel (7.62%), textiles (2.15%), and petroleum products (4.48%) (Table 1.4).

Table 1.4: Components of Industry FY2025

	Share in Industry	Share in GDP	Growth Rate %
Industrial Activities		18.07	4.77
1. Mining and Quarrying	7.93	1.43	-3.38
2. Manufacturing	65.27	11.79	1.34
i) Large Scale	44.08	7.97	-1.53
ii) Small Scale	13.50	2.44	8.81
iii) Slaughtering	7.69	1.39	6.34
3 Electricity, Gas and Water supply	14.24	2.57	28.88
4. Construction	12.56	2.27	6.61

Source: Pakistan Bureau of Statistics

The electricity, gas, and water supply sector showed a strong recovery with 28.88 percent growth, reversing the previous year's decline of 19.86 percent. This improvement was driven by a sharp increase in real subsidies, rising from Rs 601 billion to Rs 1,290 billion, and a lower deflator. While construction posted a growth of 6.61 percent, compared to a contraction of 1.14 percent last year. This turnaround reflects both a low base effect and higher public sector development spending on infrastructure projects.

1.3-c Services Sector

The services sector posted a modest growth of 2.91 percent in FY 2025, slightly higher than the 2.19 percent recorded last year. This performance reflects mixed trends across subsectors, with several offsetting factors contributing to the overall growth (Table 1.5).

Table 1.5: Components of Services FY 2025

	Share in Services	Share in GDP	Growth Rate (%)
Services Sector		58.39	2.91
1. Wholesale & Retail Trade	30.55	17.84	0.14
2. Transport & Storage	17.99	10.51	2.20
3. Accommodation and Food Services Activities (Hotels & Restaurants)	2.56	1.50	4.06
4. Information and Communication	5.21	3.04	6.48
5. Finance and Insurance Activities	2.49	1.45	3.22
6. Real Estate Activities (OD)	10.11	5.90	3.75
7. Public Administration and Social Security (General Government)	7.39	4.32	9.92
8. Education	5.43	3.17	4.43
9. Human Health and Social Work Activities	2.96	1.73	3.71
10.Other Private Services	15.31	8.94	3.64

Source: Pakistan Bureau of Statistics

Wholesale and retail trade (WRT) registered a marginal growth of 0.14 percent. While agricultural output declined, the impact was partially offset by positive contributions from manufacturing and imports, which together supported a 0.61 percent rise in WRT value added. Transport and storage grew by 2.20 percent, driven mainly by water transport (9.57%) and air transport (9.31%) due to increased activity at ports, shipping lines, and airlines. Road transport also showed a moderate increase of 1.83 percent, though pipeline transport contracted by 21.8 percent. Information and communication services recorded a strong growth of 6.48 percent, led by a surge in computer programming and consultancy (24%). Finance and insurance rebounded to 3.22 percent growth, after a contraction last year.

Public administration and social security rose by 9.92 percent, reflecting increased spending across all levels of government and lower inflation. Education and health services also improved, growing by 4.43 percent and 3.71 percent, respectively, due to higher public spending and a lower deflator. Other private services grew by 3.64 percent, supported by increased activity in technical, professional, and engineering services.

1.3-d Sectoral GDP in Quarters

The economic trajectory in FY 2025 reflects optimistic growth, supported by targeted government interventions amid ongoing structural challenges. As shown in Fig-9, the first quarter began with a contraction in agriculture and industry, largely due to elevated input costs and energy constraints. However, the services sector remained resilient, helping maintain overall economic stability. By the second quarter, government efforts to ensure timely input distribution and support to key sectors began to show results. Agriculture posted marginal gains, and services showed slight improvement, while industry remained weak.

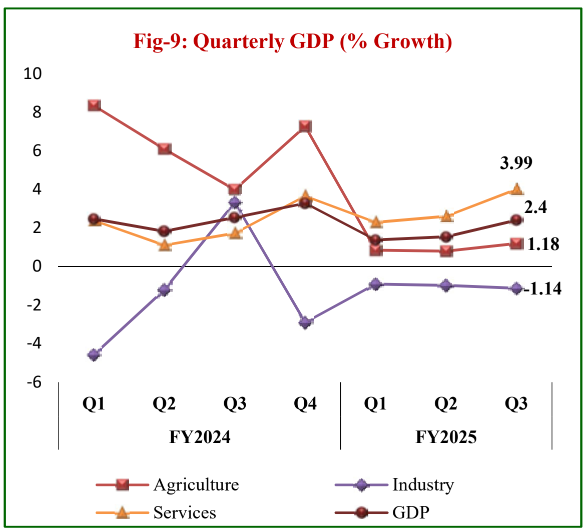

Fig-9: Quarterly GDP (% Growth)

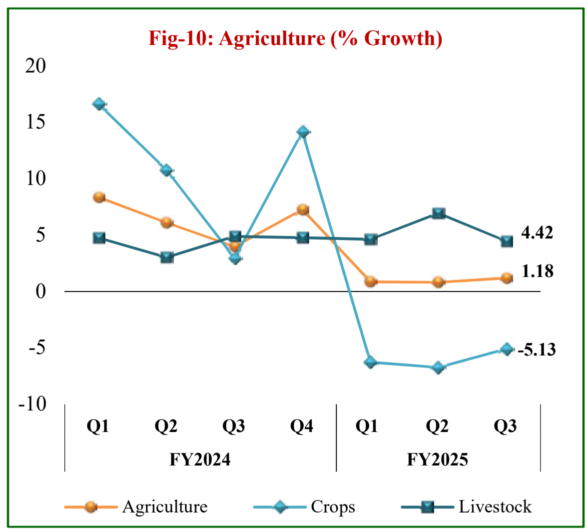

Fig-10: Agriculture (% Growth)

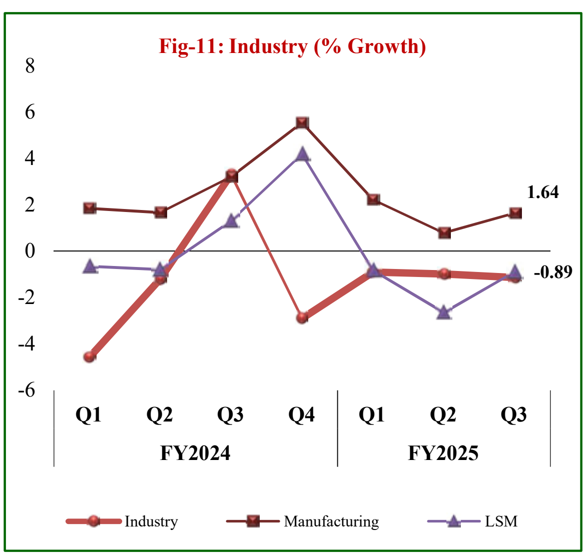

Fig-11: Industry (% Growth)

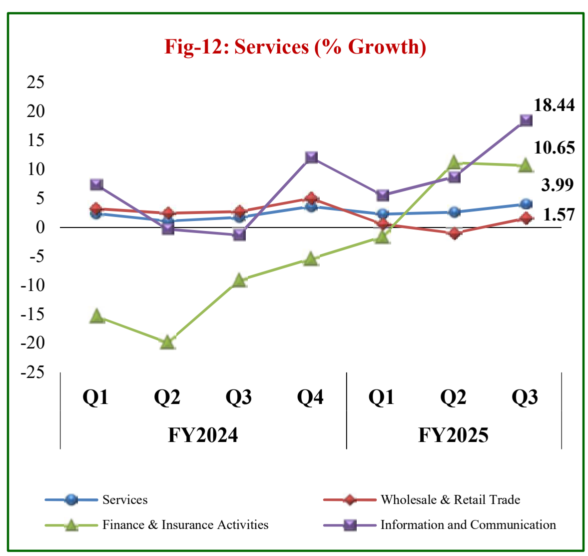

Fig-12: Services (% Growth)

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These outcomes reflected the early impact of policy continuity and macroeconomic stabilization measures. In the third quarter, the economy gained traction. Strong growth in the services sector (3.99 percent) and a recovery in agriculture (1.18 percent) contributed to a pickup in GDP growth, reaching 2.4 percent. The rebound in agriculture was supported by enhanced credit to farmers, improved water availability, and better crop management practices. Overall, FY 2025's quarterly trends highlight the economy's improving fundamentals, with government measures laying the foundation for growth prospects. Strengthening industrial revival and sustaining agricultural momentum remain key to accelerating growth in the coming quarters.

1.3-d(i) Agriculture-Quarterly GDP Growth

In FY 2025, the agriculture sector exhibited mixed quarterly performance, marked by sharp fluctuations in crop output and steady contributions from livestock. Agriculture growth remained reduced throughout the first two quarters, primarily due to a steep contraction in crops, which fell by -6.3 percent in Q1 and -6.8 percent in Q2, as depicted in Fig-10. This decline reflects delayed sowing, weather-related disruptions, and high input costs. Livestock, however, maintained a stable growth path, rising to 6.9 percent in Q2 and acting as the main anchor for the sector. By Q3, agriculture showed signs of recovery, posting a growth of 1.18 percent, driven by marginal improvement in crop output (-5.13 percent) and sustained momentum in livestock (4.42 percent). The quarterly trend underscores the vulnerability of crop production to shocks and the relatively stable role of livestock in supporting overall agricultural performance.

1.3-d(ii) Industry-Quarterly GDP Growth

In FY 2025, the industrial sector remained under stress, with all three quarters showing negative growth, as depicted in Fig-11. In Q1, industry contracted by -0.91 percent, largely due to persistent weaknesses in manufacturing. The contraction deepened in Q2, driven by a sharp decline in LSM, which fell below -3 percent, reflecting high production costs, and weak domestic demand. By Q3, the industrial sector showed a slight improvement but remained in contraction at -1.14 percent. Manufacturing and LSM both posted modest recoveries, yet the rebound was insufficient to pull the overall sector into positive territory. The quarterly pattern highlights continued challenges in LSM, which has consistently weighed down industrial performance in the outgoing fiscal year.

1.3-d(iii) Services-Quarterly GDP Growth

In FY 2025, the services sector demonstrated robust growth, emerging as the primary engine of economic expansion, as shown in Fig-12. In Q1, overall services growth was modest, due to improvement in wholesale and retail trade and a recovery in finance and insurance activities, which had contracted sharply in the previous year. The momentum continued in Q2, with finance and insurance activities recording double-digit growth (11.15 percent), driven by improved profitability in the banking sector and enhanced financial intermediation. By Q3, the services sector accelerated further, posting robust growth of 3.99 percent, bolstered by exceptional performance in information and communication (18.44 percent) and sustained strength in financial services (10.65 percent). This led the services sector as the dominant contributor to quarterly GDP growth in FY 2025.

1.4 Economic Outlook

Despite facing considerable domestic and external challenges, Pakistan's economy has maintained a path of gradual stabilization during FY 2025. This improvement has been supported by disciplined macroeconomic management, improved fiscal and external balances, and the success in price stability. These developments have facilitated a downward adjustment in the policy rate, improving liquidity conditions and supporting private sector credit uptake. Real GDP growth is projected to grow at potential in FY 2026, assuming continued stable macroeconomic environment, easing inflation, and pro-growth policy interventions. The URAAN Pakistan (National Economic Transformation Plan) strategy prioritizes fiscal prudence, external sector stability, and targeted support for key productive sectors. In the medium term, GDP growth is expected to reach at 5.7 percent, on the back of reforms aimed at enhancing agricultural productivity, revitalizing industrial activity, promoting exports, and expanding the digital and IT sectors.

Moreover, easing global commodity prices are expected to support low inflation, whereas improved crop yields will contribute to domestic food security and reduce import dependence. The medium-term inflation outlook remains anchored at 5 to 7 percent. The SBP will remain vigilant in its monetary stance to ensure price stability. To mitigate external risks, including volatility in global trade and geopolitical tensions, the government is actively pursuing export diversification, strengthening regional and bilateral trade linkages, and promoting value chain integration. The expected moderation in global energy prices, particularly oil, is projected to reduce the import bill and ease pressure on the external account. Simultaneously, the government's push to scale up domestic production, especially in commodity-producing sectors, alongside the growth in IT exports and skilled labor deployment to the GCC will further improve the external position. As a result of these aligned efforts, the current account deficit is expected to remain at a sustainable level of 0.8 percent of GDP over the medium term, reinforcing the foundation for durable and inclusive economic growth.

TABLE 1.1

GROSS NATIONAL PRODUCT AT CONSTANT BASIC PRICES OF 2015-16

Rs million

Sectors	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P	% Change 2023-24/ 2022-23	% Change 2024-25/ 2023-24
A AGRICULTURE	7,831,296	8,137,860	8,424,041	8,778,647	8,975,069	9,549,541	9,602,693	6.40	0.56
1. Crops	2,532,070	2,692,121	2,849,148	3,083,439	3,047,425	3,377,987	3,147,561	10.85	-6.82
i). Important Crops	1,431,198	1,506,263	1,593,985	1,681,708	1,689,304	1,977,942	1,711,021	17.09	-13.49
ii). Other Crops	977,166	1,067,179	1,152,009	1,289,069	1,271,187	1,272,054	1,332,902	0.07	4.78
iii). Cotton Ginning	123,706	118,679	103,154	112,662	86,934	127,991	103,638	47.23	-19.03
2. Livestock	5,006,731	5,146,701	5,269,009	5,387,611	5,587,106	5,831,991	6,107,274	4.38	4.72
3. Forestry	172,129	177,917	183,877	185,162	217,372	215,428	221,966	-0.89	3.03
4. Fishing	120,366	121,121	122,007	122,435	123,166	124,135	125,892	0.79	1.42
B. INDUSTRIAL SECTOR	6,800,675	6,409,967	6,935,438	7,421,583	7,133,708	7,036,211	7,372,123	-1.37	4.77
1. Mining & Quarrying	738,791	685,844	697,669	651,208	630,143	604,790	584,329	-4.02	-3.38
2. Manufacturing	4,305,977	3,970,246	4,388,024	4,864,350	4,608,423	4,748,114	4,811,843	3.03	1.34
i). Large Scale	3,274,235	2,906,578	3,240,794	3,626,559	3,269,760	3,300,544	3,249,939	0.94	-1.53
ii). Small Scale	638,626	647,374	705,485	768,249	838,794	914,697	995,259	9.05	8.81
iii). Slaughtering	393,116	416,293	441,745	469,542	499,869	532,873	566,645	6.60	6.34
3. Electricity, Gas and Water Supply	786,907	814,703	888,101	926,804	1,016,276	814,482	1,049,676	-19.86	28.88
4. Construction	969,000	939,174	961,644	979,221	878,866	868,825	926,275	-1.14	6.61
COMMODITY PRODUCING SECTOR (A+B)	14,631,971	14,547,827	15,359,479	16,200,230	16,108,777	16,585,752	16,974,816	2.96	2.35
C. SERVICES SECTOR	20,284,070	20,038,838	21,223,003	22,643,030	22,651,994	23,147,841	23,821,888	2.19	2.91
1. Wholesale & Retail Trade	6,331,734	5,998,707	6,647,199	7,325,882	7,034,557	7,266,955	7,276,768	3.30	0.14
2. Transport & Storage	3,990,773	3,634,152	3,811,190	3,980,936	4,132,065	4,194,275	4,286,432	1.51	2.20
3. Accommodation and Food Services Activities (Hotels & Restaurants)	479,936	499,522	520,024	541,222	563,348	586,418	610,198	4.10	4.06
4. Information and Communication	763,216	868,338	953,818	1,125,119	1,118,252	1,166,510	1,242,139	4.32	6.48
5. Finance and Insurance Activities	662,149	647,435	682,988	730,220	658,921	575,007	593,518	-12.74	3.22
6. Real Estate Activities (OD)	1,932,853	2,006,873	2,080,095	2,156,942	2,237,142	2,320,700	2,407,706	3.74	3.75
7. Public Administration and Social Security (General Government)	1,776,775	1,830,153	1,820,093	1,853,122	1,722,958	1,602,234	1,761,167	-7.01	9.92
8. Education	991,899	1,024,760	1,012,428	1,071,646	1,133,051	1,238,727	1,293,573	9.33	4.43
9. Human Health and Social Work Activities	535,541	568,638	585,137	600,835	657,046	679,014	704,222	3.34	3.71
10. Other Private Services	2,819,194	2,960,260	3,110,031	3,257,106	3,394,654	3,518,001	3,646,165	3.63	3.64
GDP {Total of GVA at bp (A + B + C)}	34,916,041	34,586,665	36,582,482	38,843,260	38,760,771	39,733,593	40,796,704	2.51	2.68
Indirect Taxes	2,555,422	2,449,628	2,894,190	2,906,476	2,672,001	2,749,577	3,868,174	2.90	40.68
Subsidies	287,359	325,947	375,056	779,803	632,838	466,788	636,326	-26.24	36.32
GDP {GVA + T - S}	37,184,104	36,710,346	39,101,616	40,969,933	40,799,934	42,016,382	44,028,552	2.98	4.79
Net Primary Income (NPI)	1,934,448	2,424,050	3,275,406	2,806,550	3,235,842	3,193,525	4,137,478	-1.31	29.56
Gross National Income	39,118,552	39,134,396	42,377,022	43,776,483	44,035,776	45,209,907	48,166,030	2.67	6.54
Population (in million)	213.95	218.24	222.59	227.00	231.45	235.95	240.49	1.94	1.92

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.2

SECTORAL SHARE IN GDP

%

Sector	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P
A. AGRICULTURE	22.43	23.53	23.03	22.60	23.16	24.03	23.54
1. Crops	7.25	7.78	7.79	7.94	7.86	8.50	7.72
Important Crops	4.10	4.36	4.36	4.33	4.36	4.98	4.19
Other Crops	2.80	3.09	3.15	3.32	3.28	3.20	3.27
Cotton Ginning	0.35	0.34	0.28	0.29	0.22	0.32	0.25
2. Livestock	14.34	14.88	14.40	13.87	14.41	14.68	14.97
3. Forestry	0.49	0.51	0.50	0.48	0.56	0.54	0.54
4. Fishing	0.34	0.35	0.33	0.32	0.32	0.31	0.31
B. INDUSTRIAL SECTOR	19.48	18.53	18.96	19.11	18.40	17.71	18.07
1. Mining & Quarrying	2.12	1.98	1.91	1.68	1.63	1.52	1.43
2. Manufacturing	12.33	11.48	11.99	12.52	11.89	11.95	11.79
Large Scale	9.38	8.40	8.86	9.34	8.44	8.31	7.97
Small Scale	1.83	1.87	1.93	1.98	2.16	2.30	2.44
Slaughtering	1.13	1.20	1.21	1.21	1.29	1.34	1.39
3. Electricity Generation & Distribution & Gas Distribution	2.25	2.36	2.43	2.39	2.62	2.05	2.57
4. Construction	2.78	2.72	2.63	2.52	2.27	2.19	2.27
COMMODITY PRODUCING SECTOR (A+B)	41.91	42.06	41.99	41.71	41.56	41.74	41.61
C. SERVICES SECTOR	58.09	57.94	58.01	58.29	58.44	58.26	58.39
1. Wholesale & Retail Trade	18.13	17.34	18.17	18.86	18.15	18.29	17.84
2. Transport & Storage	11.43	10.51	10.42	10.25	10.66	10.56	10.51
3. Accommodation and Food Services Activities (Hotels & Restaurants)	1.37	1.44	1.42	1.39	1.45	1.48	1.50
4. Information and Communication	2.19	2.51	2.61	2.90	2.89	2.94	3.04
5. Finance and Insurance Activities	1.90	1.87	1.87	1.88	1.70	1.45	1.45
6. Real Estate Activities (OD)	5.54	5.80	5.69	5.55	5.77	5.84	5.90
7. Public Administration and Social Security (General Government)	5.09	5.29	4.98	4.77	4.45	4.03	4.32
8. Education	2.84	2.96	2.77	2.76	2.92	3.12	3.17
9. Human Health and Social Work Activities	1.53	1.64	1.60	1.55	1.70	1.71	1.73
10. Other Private Services	8.07	8.56	8.50	8.39	8.76	8.85	8.94
GDP {Total of GVA at bp (A + B + C)}	100.00	100.00	100.00	100.00	100.00	100.00	100.00

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.3

GROWTH RATES

%

Sector	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P
A. AGRICULTURE	0.94	3.91	3.52	4.21	2.24	6.40	0.56
1. Crops	-4.38	6.32	5.83	8.22	-1.17	10.85	-6.82
Important Crops	-8.59	5.24	5.82	5.50	0.45	17.09	-13.49
Other Crops	3.62	9.21	7.95	11.90	-1.39	0.07	4.78
Cotton Ginning	-11.23	-4.06	-13.08	9.22	-22.84	47.23	-19.03
2. Livestock	3.65	2.80	2.38	2.25	3.70	4.38	4.72
3. Forestry	7.22	3.36	3.35	0.70	17.40	-0.89	3.03
4. Fishing	0.78	0.63	0.73	0.35	0.60	0.79	1.42
B. INDUSTRIAL SECTOR	0.25	-5.75	8.20	7.01	-3.88	-1.37	4.77
1. Mining & Quarrying	0.54	-7.17	1.72	-6.66	-3.23	-4.02	-3.38
2. Manufacturing	4.52	-7.80	10.52	10.86	-5.26	3.03	1.34
Large Scale	3.53	-11.23	11.50	11.90	-9.84	0.94	-1.53
Small Scale	9.01	1.37	8.98	8.90	9.18	9.05	8.81
Slaughtering	5.89	5.90	6.11	6.29	6.46	6.60	6.34
3. Electricity Generation & Distribution & Gas Distribution	5.55	3.53	9.01	4.36	9.65	-19.86	28.88
4. Construction	-18.14	-3.08	2.39	1.83	-10.25	-1.14	6.61
COMMODITY PRODUCING SECTOR (A+B)	0.62	-0.58	5.58	5.47	-0.56	2.96	2.35
C. SERVICES SECTOR	5.00	-1.21	5.91	6.69	0.04	2.19	2.91
1. Wholesale & Retail Trade	3.55	-5.26	10.81	10.21	-3.98	3.30	0.14
2. Transport & Storage	7.63	-8.94	4.87	4.45	3.80	1.51	2.20
3. Accommodation and Food Services Activities (Hotels & Restaurants)	4.12	4.08	4.10	4.08	4.09	4.10	4.06
4. Information and Communication	8.50	13.77	9.84	17.96	-0.61	4.32	6.48
5. Finance and Insurance Activities	6.10	-2.22	5.49	6.92	-9.76	-12.74	3.22
6. Real Estate Activities (OD)	3.70	3.83	3.65	3.69	3.72	3.74	3.75
7. Public Administration and Social Security (General Government)	3.47	3.00	-0.55	1.81	-7.02	-7.01	9.92
8. Education	1.96	3.31	-1.20	5.85	5.73	9.33	4.43
9. Human Health and Social Work Activities	7.73	6.18	2.90	2.68	9.36	3.34	3.71
10. Other Private Services	6.17	5.00	5.06	4.73	4.22	3.63	3.64
GDP {Total of GVA at bp (A + B + C)}	3.12	-0.94	5.77	6.18	-0.21	2.51	2.68

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.4

EXPENDITURE ON GROSS NATIONAL PRODUCT AT CONSTANT PRICES OF 2015-16

Rs million

Flows	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P	% Change 2023-24/ 2022-23	% Change 2024-25/ 2023-24
Household Final Consumption Expenditure	31,583,262	30,674,157	33,595,078	35,968,918	36,685,392	38,892,728	40,541,990	6.02	4.24
NPISH Final Consumption Expenditure	370,679	374,912	384,937	378,011	389,766	403,285	457,230	3.47	13.38
General Government Final Consumption Expenditure	3,766,290	4,086,774	4,161,026	4,105,674	3,945,893	3,600,679	4,023,422	-8.75	11.74
Total Investment	5,557,257	5,220,581	5,429,828	5,679,486	4,877,071	4,820,554	5,276,969	-1.16	9.47
Gross Fixed Capital Formation	4,921,409	4,592,834	4,761,190	4,978,900	4,179,392	4,102,074	4,524,080	-1.85	10.29
A. Private Sector	3,812,927	3,627,468	3,681,814	3,758,192	3,226,094	3,308,793	3,471,384	2.56	4.91
B. Public Sector	404,028	257,481	272,571	285,204	195,381	161,255	159,760	-17.47	-0.93
C. General Govt.	704,454	707,885	806,805	935,504	757,917	632,026	892,936	-16.61	41.28
Change in Inventories	594,946	587,366	625,626	655,519	652,799	672,262	704,457	2.98	4.79
Valuable	40,903	40,381	43,012	45,067	44,880	46,218	48,431	2.98	4.79
Export of Goods and Non-Factor Services	3,648,583	3,703,874	3,945,411	4,179,734	4,301,175	4,244,016	4,192,502	-1.33	-1.21
Less Imports of Goods and Non-Factor Services	7,741,968	7,349,952	8,414,664	9,341,889	9,399,363	9,944,880	10,463,560	5.80	5.22
Expenditure on GDP at Market Prices	37,184,104	36,710,346	39,101,616	40,969,933	40,799,934	42,016,382	44,028,552	2.98	4.79
Plus Net Primary Income	1,934,448	2,424,050	3,275,406	2,806,550	3,235,842	3,193,525	4,137,478	-1.31	29.56
Expenditure on GNP at at Market Prices	39,118,552	39,134,396	42,377,022	43,776,483	44,035,776	45,209,907	48,166,030	2.67	6.54
Less Indirect Taxes	2,555,422	2,449,628	2,894,190	2,906,476	2,672,001	2,749,577	3,868,174	2.90	40.68
Plus Subsidies	287,359	325,947	375,056	779,803	632,838	466,788	636,326	-26.24	36.32
GDP at Factor Cost	34,916,041	34,586,665	36,582,482	38,843,260	38,760,771	39,733,593	40,796,704	2.51	2.68
GNP at Factor Cost	36,850,489	37,010,715	39,857,888	41,649,810	41,996,613	42,927,118	44,934,182	2.22	4.68

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.5
GROSS NATIONAL PRODUCT AT CURRENT PRICES

Rs million

Sectors	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P	% Change 2023-24/ 2022-23	% Change 2024-25/ 2023-24
A. AGRICULTURE	9,056,577	10,389,544	12,653,889	14,882,612	19,596,632	24,975,599	25,882,629	27.45	3.63
1. Crops	3,026,409	3,704,256	4,720,729	5,791,412	7,801,117	10,495,180	8,583,384	34.53	-18.22
Important Crops	1,692,431	2,015,035	2,730,576	3,278,811	4,598,141	6,591,547	4,500,036	43.35	-31.73
Other Crops	1,152,141	1,502,853	1,798,827	2,194,185	2,924,717	3,429,678	3,744,100	17.27	9.17
Cotton Ginning	181,837	186,368	191,326	318,416	278,259	473,955	339,248	70.33	-28.42
2. Livestock	5,681,368	6,301,160	7,504,838	8,644,011	11,210,370	13,817,927	16,555,481	23.26	19.81
3. Forestry	184,508	197,771	236,197	252,747	364,003	406,305	464,459	11.62	14.31
4. Fishing	164,292	186,357	192,125	194,442	221,142	256,187	279,305	15.85	9.02
B. INDUSTRIAL SECTOR	8,568,673	8,837,507	10,551,041	13,606,601	17,331,360	21,277,848	22,680,945	22.77	6.59
1. Mining & Quarrying	1,156,829	1,230,493	1,264,280	1,488,638	1,789,766	2,226,814	2,237,611	24.42	0.48
2. Manufacturing	5,513,025	5,427,248	6,663,895	9,171,212	11,415,656	13,836,554	14,728,469	21.21	6.45
Large Scale	4,266,145	4,026,236	4,933,633	7,040,683	8,536,018	10,138,638	10,350,690	18.77	2.09
Small Scale	772,543	851,921	1,038,496	1,286,555	1,732,217	2,252,074	2,619,649	30.01	16.32
Slaughtering	474,337	549,090	691,765	843,974	1,147,421	1,445,842	1,758,130	26.01	21.60
3. Electricity Generation & Distribution & Gas Distribution	723,614	936,384	1,239,849	1,096,839	1,966,814	2,734,775	2,886,717	39.05	5.56
4. Construction	1,175,205	1,243,382	1,383,017	1,849,912	2,159,124	2,479,705	2,828,148	14.85	14.05
COMMODITY PRODUCING SECTOR (A+B)	17,625,250	19,227,051	23,204,930	28,489,213	36,927,992	46,253,447	48,563,574	25.25	4.99
C. SERVICES SECTOR	23,484,914	25,519,825	29,049,079	34,816,267	42,636,272	53,336,262	57,735,037	25.10	8.25
1. Wholesale & Retail Trade	7,719,369	7,827,884	9,587,513	13,067,848	15,855,830	19,240,158	19,743,925	21.34	2.62
2. Transport & Storage	3,663,539	3,976,118	4,668,572	4,399,679	4,318,117	7,170,153	9,848,947	66.05	37.36
3. Accommodation and Food Services Activities (Hotels & Restaurants)	587,976	620,711	726,385	822,966	1,201,656	1,534,879	1,755,565	27.73	14.38
4. Information and Communication	764,469	929,777	1,019,851	1,229,714	1,314,876	1,573,410	1,728,881	19.66	9.88
5. Finance and Insurance Activities	904,881	1,088,992	925,285	1,514,327	3,189,460	3,676,422	2,083,929	15.27	-43.32
6. Real Estate Activities (OD)	2,356,250	2,572,654	2,806,288	3,083,508	3,366,051	3,705,332	4,066,806	10.08	9.76
7. Public Administration and Social Security (General Government)	2,102,445	2,385,741	2,567,759	2,942,698	3,474,295	4,000,026	4,630,823	15.13	15.77
8. Education	1,373,330	1,494,309	1,488,542	1,646,706	1,886,354	2,255,349	2,567,566	19.56	13.84
9. Human Health and Social Work Activities	701,212	792,130	882,244	982,782	1,222,837	1,473,427	1,768,482	20.49	20.03
10. Other Private Services	3,311,443	3,831,509	4,376,640	5,126,039	6,806,796	8,707,106	9,540,113	27.92	9.57
GDP {Total of GVA at bp (A + B + C)}	41,110,164	44,746,876	52,254,009	63,305,480	79,564,264	99,589,709	106,298,611	25.17	6.74
Indirest Taxes	3,015,143	3,184,272	4,068,363	4,568,689	5,327,680	6,804,791	10,080,076	27.73	48.13
Subsidies	326,906	390,739	486,147	1,216,301	1,241,114	1,251,769	1,686,874	0.86	34.76
GDP {GVA + T - S}	43,798,401	47,540,409	55,836,225	66,657,868	83,650,830	105,142,731	114,691,813	25.69	9.08
Net Primary Income (NPI)	2,135,631	2,730,935	3,907,559	4,503,951	5,174,759	5,814,769	7,759,466	12.37	33.44
Gross National Income	45,934,032	50,271,344	59,743,784	71,161,819	88,825,589	110,957,500	122,451,279	24.92	10.36
Population (in million)	214.0	218.2	222.6	227.0	231.5	236.0	240.5	1.94	1.92
Per Capita Income(Rs)	214,695	230,349	268,403	313,488	383,779	470,259	509,174	22.53	8.28
Per Capita Income(US $)	1,577.6	1,457.6	1,677.3	1,766.6	1,547.3	1,662.3	1,824.5	7.43	9.76
GDP Deflator Index	117.74	129.38	142.84	162.98	205.27	250.64	260.56	22.10	3.96
GDP Deflator (Growth %)	9.18	9.88	10.41	14.10	25.95	22.10	3.96		

F: Final R: Revised P: Provisional

Source : Pakistan Bureau of Statistics

TABLE 1.6

EXPENDITURE ON GROSS NATIONAL PRODUCT AT CURRENT PRICES

Rs million

Sectors	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P	% Change 2023-24/ 2022-23	% Change 2024-25/ 2023-24
Household Final Consumption Expenditure	36,301,307	38,265,131	46,061,461	56,663,411	68,793,024	88,156,118	95,202,412	28.15	7.99
NPISH Final Consumption Expenditure	434,362	487,348	541,106	594,195	777,155	998,090	1,191,495	28.43	19.38
General Government Final Consumption Expenditure	4,708,220	5,604,444	6,102,658	6,993,667	8,653,074	9,326,145	10,749,886	7.78	15.27
Total Investment	6,788,597	7,043,368	8,115,623	10,372,326	11,684,471	13,812,762	15,775,956	18.21	14.21
Gross Fixed Capital Formation	6,039,644	6,230,427	7,160,824	9,232,476	10,254,042	12,014,821	13,814,726	17.17	14.98
A. Private Sector	4,665,930	4,885,372	5,502,024	6,903,875	7,779,813	9,510,770	10,453,190	22.25	9.91
B. Public Sector	475,183	349,556	417,382	530,539	539,659	565,532	572,271	4.79	1.19
C. General Govt.	898,531	995,499	1,241,418	1,798,062	1,934,570	1,938,519	2,789,265	0.20	43.89
Change in Inventories	700,774	760,647	893,380	1,066,526	1,338,413	1,682,284	1,835,069	25.69	9.08
Valuable	48,178	52,294	61,420	73,324	92,016	115,657	126,161	25.69	9.08
Export of Goods and Non-Factor Services	4,113,048	4,420,573	5,054,072	7,026,133	8,778,284	10,929,759	11,403,288	24.51	4.33
Less Imports of Goods and Non-Factor Services	8,547,132	8,280,456	10,038,695	14,991,863	15,035,178	18,080,142	19,631,224	20.25	8.58
Expenditure on GDP at Market Prices	43,798,401	47,540,409	55,836,225	66,657,868	83,650,830	105,142,731	114,691,813	25.69	9.08
Plus Net Primary Income	2,135,631	2,730,935	3,907,559	4,503,951	5,174,759	5,814,769	7,759,466	12.37	33.44
Expenditure on GNP at at Market Prices	45,934,032	50,271,344	59,743,784	71,161,819	88,825,589	110,957,500	122,451,279	24.92	10.36
Less Indirect Taxes	3,015,143	3,184,272	4,068,363	4,568,689	5,327,680	6,804,791	10,080,076	27.73	48.13
Plus Subsidies	326,906	390,739	486,147	1,216,301	1,241,114	1,251,769	1,686,874	0.86	34.76
GDP at Factor Cost	41,110,164	44,746,876	52,254,009	63,305,480	79,564,264	99,589,709	106,298,611	25.17	6.74
GNP at Factor Cost	43,245,795	47,477,811	56,161,568	67,809,431	84,739,023	105,404,478	114,058,077	24.39	8.21

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.7

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE, PUBLIC, AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CURRENT MARKET PRICES

Rs million

Sectors	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P	% Change 2023-24/ 2022-23	% Change 2024-25/ 2023-24
GFCF (A+B+C)	6,039,644	6,230,427	7,160,824	9,232,476	10,254,042	12,014,821	13,814,726	17.17	14.98
A. Private Sector	4,665,930	4,885,372	5,502,024	6,903,875	7,779,813	9,510,770	10,453,190	22.25	9.91
B. Public Sector	475,183	349,556	417,382	530,539	539,659	565,532	572,271	4.79	1.19
C. General Govt.	898,531	995,499	1,241,418	1,798,062	1,934,570	1,938,519	2,789,265	0.20	43.89
Private & Public (A+B)	5,141,113	5,234,928	5,919,406	7,434,414	8,319,472	10,076,302	11,025,461	21.12	9.42
SECTOR-WISE:									
1. Agriculture, forestry and fishing	1,138,639	1,251,854	1,523,084	1,825,742	2,347,313	3,017,754	3,297,800	28.56	9.28
2. Mining and quarrying	73,327	90,144	62,148	69,707	102,972	159,908	164,720	55.29	3.01
3. Manufacturing	891,741	870,779	958,082	1,134,483	1,119,667	1,227,727	1,153,244	9.65	-6.07
i. Large Scale	749,597	699,962	772,726	913,781	919,905	1,030,052	934,932	11.97	-9.23
ii. Small Scale (including Slaughtering)	142,144	170,817	185,356	220,702	199,762	197,675	218,312	-1.04	10.44
4. Electricity, gas, and water supply	461,987	314,993	336,502	367,600	474,826	599,575	579,551	26.27	-3.34
5. Construction	44,489	50,961	50,710	95,807	76,967	79,365	131,925	3.12	66.22
6. Wholesale and retail trade	430,297	408,671	458,047	470,201	402,591	514,834	721,194	27.88	40.08
7. Accommodation and food service activities (Hotels and Restaurants)	85,772	57,994	57,050	58,629	48,220	61,631	198,881	27.81	222.70
8. Transportation and storage	558,132	364,876	604,019	829,445	614,788	639,721	644,807	4.06	0.80
9. Information and communication	155,142	368,840	231,062	412,601	185,824	198,371	226,527	6.75	14.19
10. Financial and insurance activities	72,956	78,146	95,648	119,339	140,900	175,342	209,163	24.44	19.29
11. Real estate activities (Ownership of Dwellings)	709,639	803,990	901,130	1,230,687	1,676,199	2,020,504	2,215,129	20.54	9.63
12. Public Administration and Social Security (General Government)	804,220	888,918	1,070,774	1,634,531	1,777,696	1,798,449	2,496,688	1.17	38.82
13. Education	198,774	217,294	271,247	312,379	401,008	443,303	591,081	10.55	33.34
14. Human health and social work activities	118,991	146,936	181,159	230,726	289,265	349,850	408,527	20.94	16.77
15. Other Private Services	295,537	316,032	360,161	440,599	595,806	728,488	775,489	22.27	6.45

F: Final R: Revised P: Provisional (Contd.)

TABLE 1.7 a
GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE SECTOR BY ECONOMIC ACTIVITY
AT CURRENT MARKET PRICES

Rs million

Sectors	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P	% Change 2023-24/ 2022-23	% Change 2024-25/ 2023-24
Private Sector	4,665,930	4,885,372	5,502,024	6,903,875	7,779,813	9,510,770	10,453,190	22.25	9.91
1. Agriculture, forestry and fishing	1,138,425	1,251,552	1,522,821	1,825,428	2,346,744	3,017,037	3,296,776	28.56	9.27
Crops	237,615	240,929	314,441	409,345	516,968	743,448	710,805	43.81	-4.39
Cotton Ginning	1,274	1,487	1,748	2,128	3,530	4,577	4,839	29.66	5.72
Livestock	855,920	958,893	1,148,439	1,344,047	1,711,993	2,121,161	2,426,083	23.90	14.38
Forestry	1,712	2,000	2,355	2,872	4,772	6,198	6,564	29.88	5.91
Fishing	41,904	48,243	55,838	67,036	109,481	141,653	148,485	29.39	4.82
2. Mining and quarrying	55,204	65,017	36,853	45,096	79,240	140,467	138,881	77.27	-1.13
3. Manufacturing	889,976	862,159	943,687	1,112,402	1,111,127	1,213,926	1,144,091	9.25	-5.75
i. Large Scale	747,832	691,342	758,331	891,700	911,365	1,016,251	925,779	11.51	-8.90
ii. Small Scale (including Slaughtering)	142,144	170,817	185,356	220,702	199,762	197,675	218,312	-1.04	10.44
4. Electricity, gas, and water supply	86,747	78,541	71,544	102,146	140,649	211,702	219,050	50.52	3.47
5. Construction	43,519	46,805	40,935	59,687	36,644	52,442	82,896	43.11	58.07
6. Wholesale and retail trade	430,297	408,671	458,047	470,201	402,591	514,834	721,194	27.88	40.08
7. Accommodation and food service activities (Hotels and Restaurants)	85,772	57,994	57,050	58,629	48,220	61,631	198,881	27.81	222.70
8. Transportation and storage	515,888	340,198	547,769	772,818	551,408	580,766	590,383	5.32	1.66
9. Information and communication	126,389	326,496	196,051	311,841	137,142	159,233	182,226	16.11	14.44
10. Financial and insurance activities	65,082	70,269	84,213	94,767	120,644	156,658	181,163	29.85	15.64
11. Real estate activities (Ownership of Dwellings)	709,639	803,990	901,130	1,230,687	1,676,199	2,020,504	2,215,129	20.54	9.63
12. Education	139,770	160,611	169,452	230,595	315,190	376,293	409,471	19.39	8.82
13. Human health and social work activities	83,685	97,037	112,311	148,979	218,209	276,789	297,560	26.85	7.50
14. Other Private Services	295,537	316,032	360,161	440,599	595,806	728,488	775,489	22.27	6.45

F: Final R: Revised P: Provisional (Contd.)

TABLE 1.7 b

GROSS FIXED CAPITAL FORMATION (GFCF) IN PUBLIC AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CURRENT MARKET PRICES

Rs million

Sectors	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P	% Change 2023-24/ 2022-23	% Change 2024-25/ 2023-24
Public Sector and General Govt. (B+C)	1,373,714	1,345,055	1,658,800	2,328,601	2,474,229	2,504,051	3,361,536	1.21	34.24
B. Public Sector (Autonomous & Semi Auto-Bodies)	475,183	349,556	417,382	530,539	539,659	565,532	572,271	4.79	1.19
1. Agriculture, Forestry & Fishing	214	302	263	314	569	717	1,024	26.01	42.82
2. Mining and Quarrying	18,123	25,127	25,295	24,611	23,732	19,441	25,839	-18.08	32.91
3. Manufacturing (Large Scale)	1,765	8,620	14,395	22,081	8,540	13,801	9,153	61.60	-33.68
4. Electricity Generation & Water Supply	375,240	236,452	264,958	265,454	334,177	387,873	360,501	16.07	-7.06
5. Construction	970	4,156	9,775	36,120	40,323	26,923	49,029	-33.23	82.11
6. Transport & Storage	42,244	24,678	56,250	56,627	63,380	58,955	54,424	-6.98	-7.69
Railways	14,612	6,261	4,239	7,177	18,266	21,618	14,734	18.35	-31.84
Post Office & PTCL	997	1,539	2	-1	-1	-1	-1	0.00	0.00
Others	26,635	16,878	52,009	49,451	45,115	37,338	39,691	-17.24	6.30
7. Information and Communication	28,753	42,344	35,011	100,760	48,682	39,138	44,301	-19.60	13.19
8. Financial and insurance activities	7,874	7,877	11,435	24,572	20,256	18,684	28,000	-7.76	49.86
C. General Govt.	898,531	995,499	1,241,418	1,798,062	1,934,570	1,938,519	2,789,265	0.20	43.89
Federal	354,495	387,225	477,178	542,267	591,344	623,435	774,354	5.43	24.21
Provincial	463,854	527,970	653,800	1,086,307	1,164,239	1,125,263	1,712,199	-3.35	52.16
District Governments	80,182	80,304	110,440	169,488	178,987	189,821	302,712	6.05	59.47
General Government (By industries)	898,530	995,500	1,241,418	1,798,062	1,934,570	1,938,519	2,789,265	0.20	43.89
i) Public Administration and Social Security (General Government)	804,220	888,918	1,070,774	1,634,531	1,777,696	1,798,449	2,496,688	1.17	38.82
ii) Education	59,004	56,683	101,795	81,784	85,818	67,010	181,610	-21.92	171.02
iii) Human health and social work activities	35,306	49,899	68,848	81,747	71,056	73,061	110,967	2.82	51.88

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.8
GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE, PUBLIC, AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CONSTANT PRICES (2015-16)

Rs million

Sectors	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P	% Change 2023-24/ 2022-23	% Change 2024-25/ 2023-24
Total GFCF(A+B+C)	4,921,409	4,592,834	4,761,190	4,978,900	4,179,392	4,102,074	4,524,080	-1.85	10.29
Private Sector	3,812,927	3,627,468	3,681,814	3,758,192	3,226,094	3,308,793	3,471,384	2.56	4.91
Public Sector	404,028	257,481	272,571	285,204	195,381	161,255	159,760	-17.47	-0.93
General Government	704,454	707,885	806,805	935,504	757,917	632,026	892,936	-16.61	41.28
Private & Public Sector (A+B)	4,216,955	3,884,949	3,954,385	4,043,396	3,421,475	3,470,048	3,631,144	1.42	4.64
(Sector wise total)									
1. Agriculture, forestry and fishing	996,522	996,479	1,043,770	1,087,897	1,053,047	1,112,118	1,118,214	5.61	0.55
2. Mining and quarrying	57,706	55,167	37,088	37,983	45,496	47,055	45,830	3.43	-2.60
3. Manufacturing	706,175	627,453	625,998	599,711	449,473	411,341	377,703	-8.48	-8.18
i. Large Scale	587,689	497,732	502,193	475,433	360,394	335,829	299,303	-6.82	-10.88
ii. Small Scale (including Slaughtering)	118,486	129,721	123,805	124,278	89,079	75,512	78,400	-15.23	3.82
4. Electricity, gas, and water supply	399,832	239,057	220,800	205,300	177,735	196,957	203,750	10.81	3.45
5. Construction	36,618	38,333	35,276	50,595	30,938	27,447	43,154	-11.28	57.23
6. Wholesale and retail trade	337,356	290,600	297,684	244,641	157,724	167,852	230,878	6.42	37.55
7. Accommodation and food service activities (Hotels and Restaurants)	67,246	41,238	37,077	30,504	18,891	20,094	63,668	6.37	216.85
8. Transportation and storage	437,579	259,458	392,552	431,553	240,810	208,584	206,424	-13.38	-1.04
9. Information and communication	121,632	262,277	150,167	214,673	72,790	64,678	72,518	-11.14	12.12
10. Financial and insurance activities	57,198	55,568	62,162	62,091	55,201	57,167	66,960	3.56	17.13
11. Real estate activities (Ownership of Dwellings)	584,065	604,777	626,873	649,919	673,768	698,749	724,586	3.71	3.70
12. Public Administration and Social Security (General Government)	630,514	632,097	695,903	850,422	696,457	586,358	799,273	-15.81	36.31
13. Education	161,297	161,121	184,036	164,327	160,315	152,103	192,080	-5.12	26.28
14. Human health and social work activities	93,289	104,484	117,736	120,045	113,327	114,062	130,783	0.65	14.66
15. Other Private Services	234,380	224,726	234,068	229,240	233,420	237,509	248,259	1.75	4.53

F: Final R: Revised P: Provisional

(Contd.)

TABLE 1.8 a

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE SECTOR BY ECONOMIC ACTIVITY AT CONSTANT PRICES (2015-16)

Rs million

Sectors	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P	% Change 2023-24/ 2022-23	% Change 2024-25/ 2023-24
PRIVATE SECTOR	3,812,927	3,627,468	3,681,814	3,758,192	3,226,094	3,308,793	3,471,384	2.56	4.91
1. Agriculture, forestry and fishing	996,336	996,250	1,043,597	1,087,724	1,052,854	1,111,927	1,117,951	5.61	0.54
Crops	206,156	182,757	206,978	225,734	175,303	198,300	182,919	13.12	-7.76
Cotton Ginning	1,106	1,128	1,150	1,173	1,197	1,221	1,245	2.01	1.97
Livestock	751,233	774,253	797,164	822,266	837,611	872,970	893,887	4.22	2.40
Forestry	1,485	1,517	1,550	1,584	1,618	1,653	1,689	2.16	2.18
Fishing	36,356	36,595	36,755	36,967	37,125	37,783	38,211	1.77	1.13
2. Mining and Quarrying	43,443	39,790	21,993	24,573	35,011	41,334	38,641	18.06	-6.52
3. Manufacturing (A+B)	704,791	621,324	616,643	588,222	446,127	406,841	374,773	-8.81	-7.88
i. Large Scale	586,305	491,603	492,838	463,944	357,048	331,329	296,373	-7.20	-10.55
ii. Small Scale (including Slaughtering)	118,486	129,721	123,805	124,278	89,079	75,512	78,400	-15.23	3.82
4. Electricity, gas, and water supply	74,272	59,696	46,394	58,915	64,416	93,501	110,979	45.15	18.69
5. Construction	35,819	35,207	28,476	31,520	14,729	18,136	27,116	23.13	49.51
6. Wholesale and retail trade	337,356	290,600	297,684	244,641	157,724	167,852	230,878	6.42	37.55
7. Accommodation and food service activities (Hotels and Restaurants)	67,246	41,238	37,077	30,504	18,891	20,094	63,668	6.37	216.85
8. Transportation and Storage	404,459	241,910	355,995	402,091	215,984	189,361	189,001	-12.33	-0.19
9. Information and communication	99,089	232,167	127,414	162,248	53,722	51,917	58,336	-3.36	12.36
10. Financial and Insurance activities	51,025	49,967	54,730	49,306	47,265	51,075	57,996	8.06	13.55
11. Real estate activities (Ownership of Dwellings)	584,065	604,777	626,873	649,919	673,768	698,749	724,586	3.71	3.70
12. Education	115,037	120,815	117,879	121,776	126,694	130,255	133,941	2.81	2.83
13. Human health and social work activities	65,609	69,002	72,991	77,513	85,489	90,242	95,259	5.56	5.56
14. Other Private Services	234,380	224,726	234,068	229,240	233,420	237,509	248,259	1.75	4.53

F: Final R: Revised P: Provisional

(Contd.)

TABLE 1.8 b

GROSS FIXED CAPITAL FORMATION (GFCF) IN PUBLIC AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CONSTANT PRICES (2015-16)

Rs million

Sectors	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 P	% Change 2023-24/ 2022-23	% Change 2024-25/ 2023-24
Public Sector and									
General Govt. (B+C)	1,108,482	965,366	1,079,376	1,220,708	953,298	793,281	1,052,696	-16.79	32.70
B. Public Sector (Autonomous & Semi Auto-Bodies)	404,028	257,481	272,571	285,204	195,381	161,255	159,760	-17.47	-0.93
1. Agriculture, Forestry & Fishing	186	229	173	173	193	191	263	-1.04	37.70
2. Mining and Quarrying	14,263	15,377	15,095	13,410	10,485	5,721	7,189	-45.44	25.66
3. Manufacturing (Large Scale)	1,384	6,129	9,355	11,489	3,346	4,500	2,930	34.49	-34.89
4. Electricity Generation & Water Supply	325,560	179,361	174,406	146,385	113,319	103,456	92,771	-8.70	-10.33
5. Construction	799	3,126	6,800	19,075	16,208	9,311	16,038	-42.55	72.25
6. Transportation and Storage	33,120	17,548	36,557	29,462	24,826	19,223	17,423	-22.57	-9.36
Railways	11,456	4,452	2,755	3,734	7,155	7,049	4,717	-1.48	-33.08
Post Office & PTCL	782	1,094	1	-1	0	0	0		
Others	20,882	12,002	33,801	25,729	17,671	12,174	12,706	-31.11	4.37
7. Information and Communication	22,543	30,110	22,753	52,425	19,068	12,761	14,182	-33.08	11.14
8. Financial and Insurance activities	6,173	5,601	7,432	12,785	7,936	6,092	8,964	-23.24	47.14
C. General Government	704,454	707,885	806,805	935,504	757,917	632,026	892,936	-16.61	41.28
Federal	277,926	275,350	310,121	282,133	231,674	203,262	247,896	-12.26	21.96
Provincial	363,664	375,432	424,909	565,189	456,120	366,876	548,132	-19.57	49.41
District Governments	62,863	57,103	71,776	88,182	70,123	61,888	96,908	-11.74	56.59
C. General Government (By industries)	704,453	707,886	806,805	935,504	757,917	632,026	892,936	-16.61	41.28
i) Public Administration and Social Security (General Government)	630,514	632,097	695,903	850,422	696,457	586,358	799,273	-15.81	36.31
ii) Education	46,260	40,306	66,157	42,551	33,621	21,848	58,139	-35.02	166.11
iii) Human health and social work activities	27,680	35,482	44,745	42,532	27,838	23,820	35,524	-14.43	49.13

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.9

QUARTER-WISE GDP GROWTH

%

Sector (growth %)	Summary Table (Seasonally un-adjusted)										
	2022-23				2023-24 (R)				2024-25 (P)		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
(A) AGRICULTURE	0.11	3.40	3.94	1.60	8.32	6.07	3.96	7.24	0.84	0.79	1.18
1. Crops	-8.29	3.90	3.09	-4.48	16.58	10.73	2.94	14.13	-6.29	-6.76	-5.13
i) Important Crops	-11.80	9.08	9.26	-7.81	30.60	15.12	1.47	25.48	-13.87	-12.09	-11.14
ii) Other Crops	-2.13	-1.38	-1.48	-0.57	-1.76	-0.30	1.09	1.17	5.53	5.52	4.84
iii) Cotton Ginning	-23.58	-31.16	-26.75	-8.40	34.16	61.42	60.95	35.24	-1.56	-19.23	-26.76
2. Livestock	4.11	2.47	3.91	4.12	4.70	3.00	4.85	4.75	4.60	6.90	4.42
3. Forestry	15.65	20.07	19.55	14.45	4.25	-1.23	-3.47	-2.82	0.79	3.18	4.25
4. Fishing	0.58	0.60	0.58	0.61	0.71	0.77	0.70	0.89	-0.06	1.96	0.50
(B) INDUSTRY	-0.61	1.46	-6.96	-8.84	-4.58	-1.21	3.31	-2.90	-0.91	-0.99	-1.14
1. Mining & Quarrying	-17.58	-1.13	6.86	1.22	6.04	-3.42	-6.22	-11.61	-6.25	-2.33	-3.96
2. Manufacturing	1.21	0.75	-9.17	-12.44	1.84	1.66	3.20	5.54	2.22	0.78	1.64
i) Large Scale	-1.31	-1.86	-14.47	-19.52	-0.65	-0.80	1.30	4.18	-0.84	-2.65	-0.89
ii) Small Scale	8.93	9.15	9.29	9.34	8.87	8.84	9.03	9.44	10.15	9.87	8.68
iii) Slaughtering	6.37	6.42	6.48	6.56	6.39	6.45	6.63	6.92	7.32	7.08	6.23
3. Electricity, Gas & Water Supply	6.00	22.71	-1.80	13.01	-37.19	-13.42	26.34	-29.31	-2.30	-3.40	-7.72
4. Construction	-5.52	-6.99	-6.88	-21.55	6.64	-3.38	-5.89	-1.15	-11.73	-7.16	-9.12
Commodity Producing Sector (A+B)	-0.21	2.52	-1.15	-3.28	2.56	2.83	3.68	2.77	0.11	0.03	0.17
(C) SERVICES	2.67	2.42	-1.12	-3.60	2.38	1.09	1.72	3.63	2.28	2.59	3.99
1. Wholesale & Retail Trade	0.21	0.71	-6.40	-9.85	3.23	2.43	2.71	4.99	0.55	-1.01	1.57
2. Transport & Storage	3.52	4.39	5.27	2.01	3.86	1.02	1.06	0.10	0.57	0.89	0.67
3. Accommodation & Food Services	4.09	4.09	4.09	4.08	3.96	3.99	4.11	4.32	4.62	4.51	4.00
4. Information & Communication	-0.77	3.99	-1.28	-4.36	7.36	-0.33	-1.33	12.06	5.55	8.69	18.44
5. Financial & Insurance Activities	-0.66	-4.20	-13.54	-19.86	-15.33	-19.85	-9.15	-5.43	-1.65	11.15	10.65
6. Real Estate Activities	3.70	3.71	3.72	3.74	3.60	3.63	3.75	3.96	4.26	4.17	3.71
7. Public Administration & Social Securities (Gen Government)	4.48	-3.13	-11.09	-16.97	-9.74	-10.27	-7.39	0.09	4.58	9.28	13.73
8. Education	6.03	5.73	5.61	5.57	9.07	9.11	9.46	9.65	4.68	4.81	4.63
9. Human Health & Social Work Activities	9.26	9.84	9.63	8.71	3.99	2.71	3.06	3.62	5.25	5.99	5.06
10. Other Private Services	4.55	4.28	4.18	3.90	3.93	3.86	3.34	3.42	3.30	3.14	2.93
Total of GVA (A+B+C)	1.43	2.46	-1.13	-3.47	2.46	1.81	2.52	3.27	1.37	1.53	2.40

P : Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.10
SECTOR-WISE GROWTH RATES OF QUARTERLY GDP
(AT CONSTANT PRICES)

%

Years / Quarters		Agriculture	Industry	Services	Overall
2017-18:	Q1	4.28	9.62	8.27	7.55
	Q2	3.18	8.76	6.49	6.15
	Q3	3.91	7.25	5.64	5.58
	Q4	4.12	11.20	3.58	5.16
2018-19:	Q1	0.88	5.86	2.93	3.03
	Q2	1.16	-1.41	3.90	2.24
	Q3	1.23	-2.73	5.24	2.73
	Q4	0.50	-0.54	7.89	4.47
2019-20:	Q1	3.49	-2.49	3.23	2.13
	Q2	4.48	1.36	1.96	2.42
	Q3	4.45	-0.57	-1.53	-0.05
	Q4	3.27	-20.88	-8.07	-8.02
2020-21:	Q1	3.60	0.37	1.61	1.84
	Q2	3.63	5.34	4.52	4.47
	Q3	4.40	3.76	5.83	5.11
	Q4	2.46	27.01	12.00	12.11
2021-22:	Q1	4.49	6.47	6.59	6.06
	Q2	3.75	2.33	5.53	4.52
	Q3	4.21	7.87	7.37	6.76
	Q4	4.38	11.34	7.24	7.36
2022-23:	Q1	0.11	-0.61	2.67	1.43
	Q2	3.40	1.46	2.42	2.46
	Q3	3.94	-6.96	-1.12	-1.13
	Q4	1.60	-8.84	-3.60	-3.47
2023-24:	Q1	8.32	-4.58	2.38	2.46
	Q2	6.07	-1.21	1.09	1.81
	Q3	3.96	3.31	1.72	2.52
	Q4	7.24	-2.90	3.63	3.27
2024-25:	Q1	0.84	-0.91	2.28	1.37
	Q2	0.79	-0.99	2.59	1.53
	Q3	1.18	-1.14	3.99	2.40

Source: Pakistan Bureau of Statistics

AGRICULTURE

GROWTH

Agriculture	0.56% ▲
Crops	6.82% ▼
Livestock	4.72% ▲
Forestry	3.03% ▲
Fishing	1.42% ▲

INPUTS

Agriculture Credit	15% ▲
Fertilizer Off-Take	3.4 (Million Tonne)
Certified Seeds Availability	714.6 (Million Tonne)

Chapter 2

AGRICULTURE

Pakistan's agriculture sector continues to play a pivotal role in economic resilience and rural livelihood, contributing 23.5 percent to GDP and employing over 37 percent of the labour force. Despite climatic challenges during the current year, the agriculture sector has shown resilience, especially through sustained growth in livestock. In FY 2025, the sector recorded growth of 0.56 percent, primarily led by a 4.72 percent rise in livestock, despite diverse challenges. Other major contributing sub-sectors include fisheries and forestry, which grew by 1.42 percent and 3.03 percent, respectively. As a result of weather-related adverse challenges, the crop sub-sector witnessed negative growth (-6.82 percent). Similarly, important crops' growth plummeted to -13.49 percent from 17.09 percent last year. However, better performance in other crops, with a growth of 4.78 percent, partially offset the decline in important crops, which highlighting the potential for diversification within the crop sector. Cotton ginning also faced significant challenges during FY 2025, resulting in a decline of 19.03 percent.

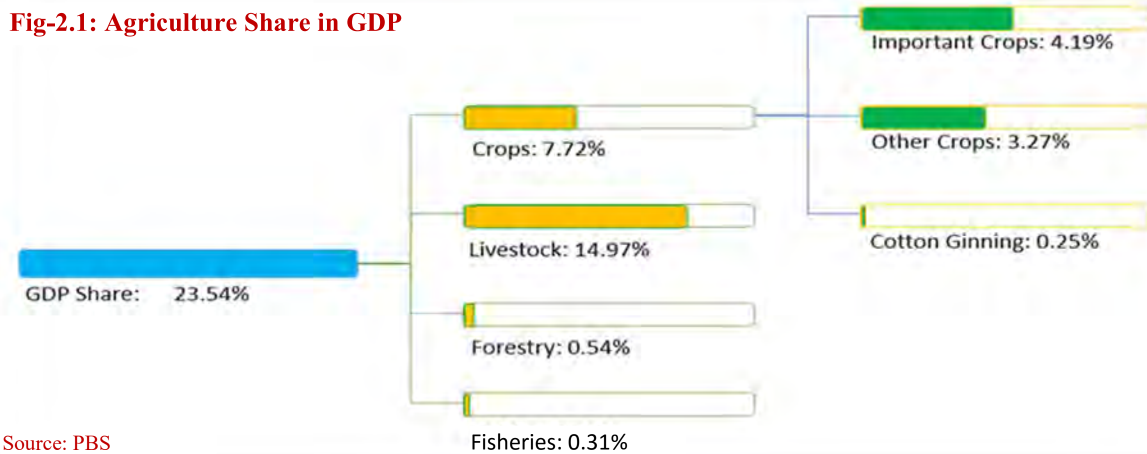
Overall, the agriculture sector in FY 2025 showed a combination of resilience and challenges across its sub-sectors. The growth trend emphasizes the sector's enduring importance, while also highlighting the urgent need for modernization, climate adaptation, knowledge enhancement, and productivity improvements to sustain its contribution to economic growth and social well-being.

The government continues to emphasize agriculture modernization through mechanization, improved water management, promotion of certified seeds and fertilizer availability. Additional initiatives, such as solarization of tubewells and expansion of credit facilities, have also been taken to boost agricultural productivity. Targeted investments under the Special Investment Facilitation Council (SIFC) reaffirm agriculture's strategic importance in economic planning. However, recurring climatic anomalies, rising input costs, a limited agriculture knowledge base and structural inefficiencies remain key risks, highlighting the urgent need for climate-adaptive practices, policy continuity, and new targeted interventions to ensure food security, sustainable rural development and agricultural self-reliance.

2.1 Agriculture Performance 2024-25

During FY 2025, consistent with the historical trend, Pakistan's agriculture sector recorded a growth of 0.56 percent. Although it is below the historical average but notable given the challenging climatic conditions. The sector's growth was largely supported by 4.72 percent growth in livestock, 1.42 percent expansion in the Fisheries and 3.03 percent growth in forestry. The crop sub-sector, which historically remained the principal growth driver, faced headwinds during FY 2025. It registered a contraction of 6.82 percent, largely due to the decline in important crops by 13.49 percent and in cotton ginning by 19.03 percent. Other crops, however, registered a positive growth of 4.78 percent, which highlights potential for diversification. In the previous year, crop growth had been exceptionally strong at 10.85 percent. This was followed by a decline of 1.17 percent during FY 2023, illustrating the cyclical nature of the sector and its inherent capacity to rebound when conditions are favourable.

Fig-2.1: Agriculture Share in GDP



Source: PBS

Table 2.1: Agriculture Growth (Base = 2015-16) %

Sector	2019-20	2020-21	2021-22	2022-23	2023-24 (R)	2024-25 (P)
Agriculture	3.91	3.52	4.21	2.24	6.40	0.56
1.Crops	6.32	5.83	8.22	-1.17	10.85	-6.82
i) Important Crops	5.24	5.82	5.50	0.45	17.09	-13.49
ii) Other Crops	9.21	7.95	11.90	-1.39	0.07	4.78
iii) Cotton Ginning	-4.06	-13.08	9.22	-22.84	47.23	-19.03
2.Livestock	2.80	2.38	2.25	3.70	4.38	4.72
3.Forestry	3.36	3.35	0.70	17.40	-0.89	3.03
4.Fisheries	0.63	0.73	0.35	0.60	0.79	1.42

R: Revised, P: Provisional

Source: Pakistan Bureau of Statistics

Regarding water availability, the Kharif 2024 season, water availability was 60.5 million acre-feet (MAF), lower than average system usage and Kharif 2023. For Rabi 2024-25, water availability remained at 29.4 MAF (Table 2.2). The Rabi season observed reduced rainfall, while the Kharif season saw above-average rainfall (Table 2.13).

Table 2.2: Surface Water Availability Million Acre Feet

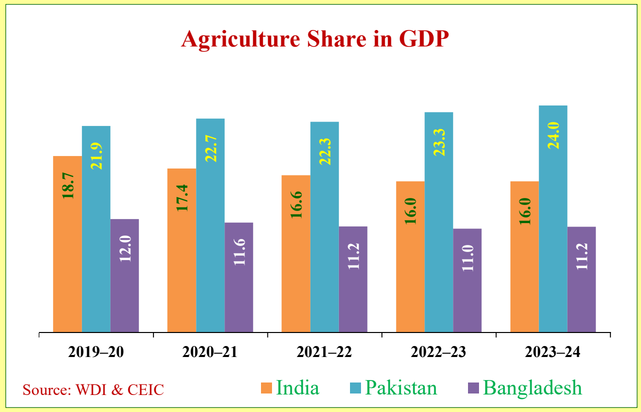
Period	Kharif (Apr-Sep) 2024	Rabi (Oct-Mar) 2024-25	Total	% increase/decrease over the average system usage (103.5 MAF)
Average system usage	67.1	36.4	103.5	-
2015-16	65.5	32.9	98.4	-4.9
2016-17	71.4	29.7	101.1	-2.3
2017-18	70.0	24.2	94.2	-9.0
2018-19	59.6	24.8	84.4	-18.5
2019-20	65.2	29.2	94.4	-8.8
2020-21	65.1	31.2	96.3	-7.0
2021-22	65.1	27.4	92.5	-10.6
2022-23	43.3	29.4	72.7	-29.8
2023-24	61.9	30.6	92.5	-10.6
2024-25	60.5	29.4	89.9	-13.1

Source: Indus River System Authority

Box-I: Regional Agricultural Comparison

Agriculture in South Asia is shaped by a shared agro-climatic context, but countries vary in crop priorities due to policy choices, market demands and natural resource endowments. A comparison of agriculture contribution in total GDP of Pakistan, India and Bangladesh reveals interesting insights..

Pakistan's agriculture share in GDP increased from 21.9% in 2019–20 to 24.03% in 2023–24, reflecting the sector's growing importance in the economy. This trend highlights agriculture's resilience and its role in supporting economic growth. Moving forward, balanced growth across agriculture, industry, and services will be key to building a more diverse and sustainable economy.



India's agriculture share in GDP has shown volatility in last five years. It has fallen to 16.0 percent in 2023-24 from 18.7 percent in 2019-20. Consistent decline in agriculture share indicates that other sectors have expanded speedily as compare to the agriculture sector. Growth in the industrial and services sector may widen rural-urban disparities if agricultural productivity and per capita income are not improved.

Bangladesh has seen a gradual decline in agriculture's GDP share, from 12.0 percent in 2019-20 to 11.2 percent in 2023-24. This trend highlights successful structural transformation, with the economy increasingly driven by the industrial, particularly textile and service sectors. Though agriculture remains important for employment and food security, its reduced share suggests greater productivity and urbanization-led growth. Declining share indicates positive structural change, but requires policy focus on rural livelihoods to avoid marginalization of smallholder farmers and food insecurity.

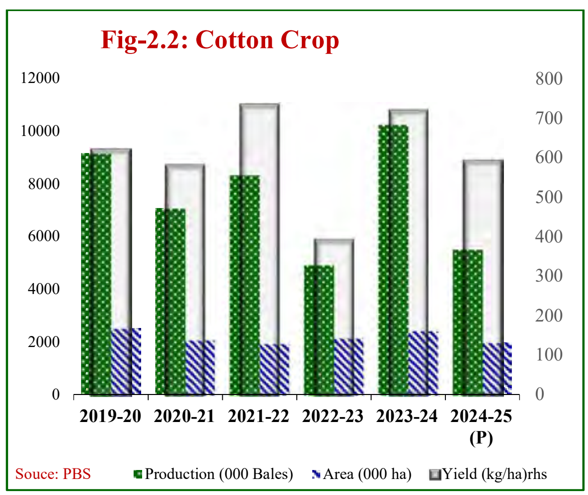
2.1-a Crop Position

In FY 2025, important crops accounted for 17.82 percent of the value added in the agriculture sector and contributed 4.19 percent to the national GDP. Meanwhile, other crops contributed 13.88 percent to agricultural value addition and 3.27 percent to GDP.

2.1-a(i) Important Crops

Cotton

In FY 2025, Pakistan's cotton sector could not maintain its performance due to above-average rainfall during monsoon, late sowing, and reduced sowing area. The area under cotton cultivation declined to 2.04 million hectares from 2.4 million hectares in the previous year, depicting a contraction of 15.7 percent. Furthermore, production volumes dropped by 30.7 percent from 10.22 million bales to 7.08 million bales, depicting a reversal after recovery seen in the previous year. The yield per hectare also decreased from 717 kg/ha to 590 kg/ha, depicting the consequences of climate change and delay in sowing (Fig-2.1).



The dip contrasts with the growth recorded in FY 2024. The volatile performance of the crop highlights the agriculture sector's vulnerability to temperature fluctuations, varying rainfall, policy shifts and input availability. This emphasizes the need for sustained investment in

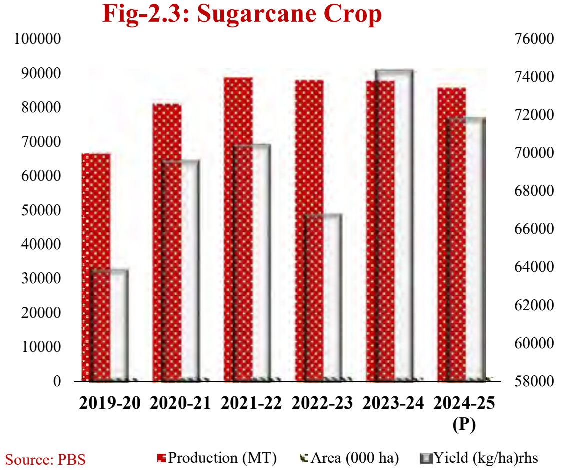
Pakistan Economic Survey 2024-25

high-yield seed technology, climate adaptation, and improvement in farmers' relevant knowledge.

Sugarcane

In FY 2025, sugarcane cultivation in Pakistan covered 1.19 million hectares of land, depicting a 1.1 percent increase from previous year. Despite the slight expansion in the area, sugarcane production registered a modest decline of 3.88 percent, falling to 84.24 million tonnes, primarily due to reduced rainfall and high temperature. Sugarcane's yield remained 71,764 kg/ha, above the long-term average, though it was slightly below the previous year's peak of 74,269 kg/ha. This reflects ongoing improvements in agronomic practices, and use of high-yielding varieties (Fig-2.2).

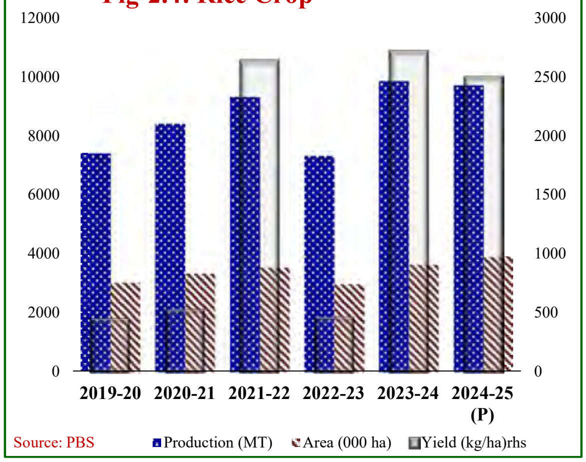
Fig-2.3: Sugarcane Crop



Rice

Rice continued a strong performance as a key contributor to Pakistan's agriculture sector in FY 2025. Area under rice cultivation expanded to 3.90 million hectares, reflecting a growth of 7.2 percent. Despite an increase in cultivated area, production volume experienced a marginal decline of 1.38 percent, falling to 9.72 million tonnes. This reflects sustained high output relative to historical average. The reduction in the yield (from 2,713 kg/ha to 2,494 kg/ha) indicates some pressure on productivity, potentially linked to localized weather, water availability, and input constraints. The strong performance over the past two years can be attributed to a consistent increase in cultivated area, buoyed by favourable weather patterns, international demand, and high domestic rice prices. The outlook for rice remains positive, contingent on continued exports and the competitiveness of Pakistani rice in global markets.

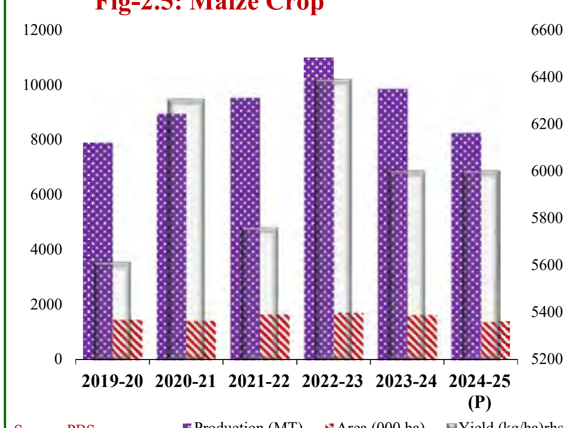
Fig-2.4: Rice Crop



Maize

In FY 2025, maize cultivation in Pakistan is estimated at 1.44 million hectares. Production of maize is estimated at 8.24 million tonnes, marking a decline of 15.4 percent from the previous year's 9.74 million tonnes. The decrease was primarily due to reduced sowing area. Despite these fluctuations, maize continues to hold a stable position in the agriculture sector. However, the crop remains sensitive to shifts in input costs, market incentives, and climatic variability, necessitating targeted interventions to ensure long-term sustainability and growth.

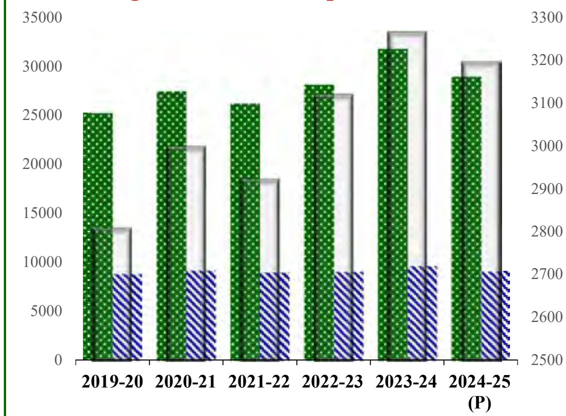
Fig-2.5: Maize Crop



Wheat

During FY 2025, wheat yield in Pakistan maintained its performance, continuing the impressive gains during the previous year. Wheat yield is estimated at 3,193 kg/ha, slightly below the previous year's peak of 3,264 kg/ha but above the past five-years average of 3,021 kg/ha. This fluctuation in productivity reflects a significant impact of climatic variability, especially the extended dry spell after the sowing season, which challenged crop development across key wheat-producing regions. Consequently, total estimated wheat output is 28.98 million tonnes, marking an 8.9 percent decline from the record-high harvest of 31.81 million tonnes in FY 2024. The decline in production was also contributed to reduction of 6.5 percent in the cultivated area, which decreased to 9.10 million hectares and high temperature in the sowing season. Despite these short-lived setbacks, wheat remains central to Pakistan's food security and rural livelihood. The performance during FY 2025 performance highlights the need for advancing climate-resilient farming, optimizing water usage though advanced techniques and reinforcing adaptive policy frameworks to support sustainable productivity and farmers' resilience.

Fig-2.6: Wheat Crop



Source: PBS

2.1-a(ii) Other Crops

The area and production of selected other crops of Kharif and Rabi show mixed trends. During FY 2025, Bajra and Gram production declined by 14.3 percent and 16.3 percent, respectively. With a marginal decline in the sown area, a decreased production indicates yield reduction. Similarly, Jowar and Moong experienced production declines of 2.6 percent and 14.4 percent, mainly due to reductions in cultivated area. However, Mash, Onion and Potato witnessed increase of 4.7 percent, 15.9 percent and 11.5 percent, respectively.

Table 2.3: Area and Production of Other Kharif and Rabi Crops Area: 000 Hectares; Production: 000 Tonnes

Crops	2023-24		2024-25 (P)		% Change in production
	Area	Production	Area	Production	
Bajra	238	294	229	252	-14.4
Jowar	47	39	46	38	-2.5
Gram	797	209	710	175	-16.6
Barley	40	44	36	39	-12.1
Rapeseed & Mustard	362	389	427	470	17.9
Tobacco	55	186	55	186	0.0
Masoor	6	5	6	5	-0.5
Moong	201	153	185	131	-14.4
Mash	7	6	8	6	4.7
Potato	339	8434	386	9400	11.5
Onion	143	2304	167	2670	15.9
Chillies	56	218	55	191	-12.1

P: Provisional

Source: Pakistan Bureau of Statistics

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Box-II: Regional Crop Yield Comparison

Agricultural productivity varies significantly across South Asian countries due to differences in agronomic practices, irrigation coverage, seed quality, and policy focus. Comparing the yields of key crops (wheat, rice, cotton, and sugarcane) between Pakistan, India, and Bangladesh reveals important insights into the relative efficiency and areas for improvement in the agricultural system.

Wheat yield is highest in India, averaging around 3615 kg/ha, followed closely by Bangladesh 3550 kg/ha. Pakistan trails slightly with an average yield of 3240 kg/ha. This indicates that India's focus on wheat production, combined with widespread use of improved seed varieties and better extension services. Pakistan also shows commendable performance, though further gains could be achieved through enhanced mechanization and precision irrigation. Rice productivity is led by Bangladesh, with an impressive yield of 4720 kg/ha, ahead of India (4300 kg/ha) and Pakistan (2713 kg/ha). The higher yields in Bangladesh reflect intensive cultivation systems, conducive climate, effective dissemination of high-yielding varieties, and a strong public research-extension linkage. On the other hand, India and Pakistan still face challenges related to water use efficiency and post-harvest losses in rice production.

In the case of cotton, Bangladesh again shows the highest yield at 734 kg/ha, followed by Pakistan (717 kg/ha) and India (436 kg/ha). Despite cultivating on a smaller scale, Bangladesh's superior yield points to efficient crop management practices and possibly better pest and disease control. Meanwhile, India and Pakistan, major cotton producers, continue to grapple with pest outbreaks, input quality issues, and inconsistent agronomic support. Sugarcane yields are highest in India, with a remarkable 84,000 kg/ha, significantly outperforming Pakistan (74,269 kg/ha) and Bangladesh (48,000 kg/ha). India's higher yield can be attributed to well-established support systems, use of early maturing varieties, and relatively better farm infrastructure. In contrast, the lower yields in Pakistan and Bangladesh highlight the need for modernization in cultivation techniques, improved input use, and better water management.

Crop Yield Comparison

Crop (kg/ha)	Pakistan	India	Bangladesh
Wheat	3,264	3,615	3550
Rice	2,713	4,300	4,720
Cotton	717	436	734
Sugarcane	74,269	84,000	48,000

Source: PBS & U.S. Department of Agriculture

Oilseeds

In FY 2025, the total availability of edible oil in Pakistan is projected at 3.07 million tonnes, ensuring a stable supply for domestic consumption. This includes 2.58 million tonnes of imports valued Rs.764.90 billion (US$ 2.75 billion), of which 0.148 million tonnes was extracted from imported oilseeds. This highlights the growing role of value-added processing. Encouragingly, local production of edible oil is estimated to reach 0.486 million tonnes (Table 2.4), showing modest growth driven by an expansion in oilseed cultivation and yield improvements in certain oilseed crops. However, the data highlights Pakistan's continued reliance on imports, with over 79 percent of edible oil demand met by foreign sources. This emphasizes the need for investment in domestic oilseed development to reduce import dependency and improve food security.

Table 2.4: Area and Production of Major Oilseed Crops 000 Tonnes

Crops	2023-24			2024-25 (P)		
	Area (000 Acres)	Production		Area (000 Acres)	Production	
		Seed	Oil		Seed	Oil
Cottonseed	5,849	2,142	257	4,955	1,905	229
Rapeseed & Mustard	897	389	148	1,055	470	178
Sunflower	156	99	37	150	97	39
Canola	111	64	24	170	100	40
Total	**7,013.4**	**2,693.3**	**466**	**6,330**	**2,571**	**486**

P: Provisional

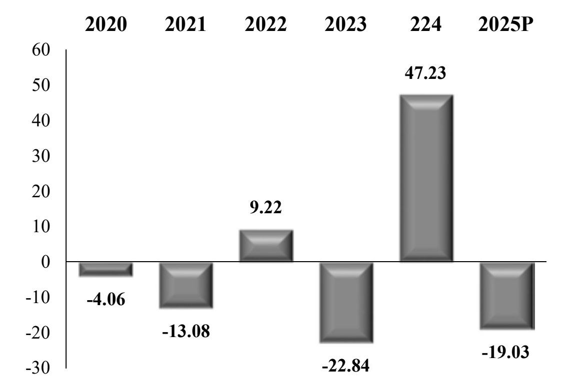
Source: Pakistan Oilseed Department (POD), Pakistan Bureau of Statistics

2.1-a(iii) Cotton Ginning

The cotton ginning sector has shown volatility and cyclical patterns over the last six years. In FY 2025, the sector witnessed a contraction of 19.03 percent over exceptional growth of 47.23 percent the previous year. This decline reflects underlying structural challenges, adverse weather conditions and pest outbreaks.

In FY 2020, the sector contracted by 4.06 percent, followed by a sharp decline of 13.08 percent in FY 2021. These consecutive negative growth rates reflect the adverse weather conditions, and the impacts of COVID-19, which severely affected agriculture-based industries. However, a turnaround occurred in FY 2022, with a strong 9.22 percent growth, due to a recovery in cotton output and normalization of economic activities after COVID-19.

Fig-2.7: Cotton Ginning Growth



Source: PBS

The sector contracted again by -22.84 percent in FY 2023, marking one of the largest declines in recent years. This reduction was driven by flooding in major cotton intensive regions and a decreased area under cotton cultivation. This cyclical fluctuation has persisted in subsequent years.

Overall, cotton ginning industry exihibits a cyclical pattern, closely tied to raw cotton availability and broader macroeconomic conditions. Ensuring sustained growth in the sub-sector requires the implementation of robust and consistent policy measures.

2.1-b Livestock and Poultry

2.1-b(i) Livestock

Livestock remains the most dynamic and resilient sub-sector of Pakistan's agriculture, integrated into rural livelihood. Engaging over 8 million rural households, it contributes significantly (approximately 30-40 percent) to their incomes. In FY 2025, livestock continues to dominate Pakistan's agricultural landscape. The sector contributed 63.6 percent to agriculture's value addition and 14.97 percent to the country's GDP at constant market prices. This reaffirms its status as the primary driver of agricultural growth. The gross value addition of the livestock sector increased by 4.72 percent over the previous year. Additionally, the livestock sector has its positive contribution to the external sector. It accounts for approximately 2.9 percent of total exports, through the trade of meat, live animals, and animal-based products.

During FY 2025, herd sizes grew moderately across major species. Cattle and buffalo populations reached 59.7 million and 47.7 million, respectively. This was mainly driven by rising demand for milk and meat, improved veterinary services, and better market access. Goat and sheep populations are also rose, as these small ruminants are well-suited to smallholder farmers and areas with limited water availability.

During the FY 2025, Pakistan's gross milk production remained 72.34 million tonnes, reflecting a 3.2 percent annual increase, driven by higher yields and increased livestock population. Buffalo milk remains the dominant contributor at 43.13 million tonnes, followed by cow milk at 27.08 million tonnes. Growth is supported by improved animal health services, better feeding practices, and expansion in commercial dairy operations. Of the total milk output, 58.3 million tonnes are estimated for human consumption, marking a 3.2 percent rise from the previous year. This increase aligns with population growth and rising urban demand for dairy products. In the meat segment, total production remained 5.97 million tonnes, registering a growth of 2.7 percent over the last year. The increase was primarily attributed to

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poultry meat, which showed the strongest growth (9.4 percent), reaching 2.58 million tonnes, due to intensified production practices and rising consumer preference. Beef and mutton outputs are measured at 2.55 million tonnes and 0.84 million tonnes, respectively, reflecting steady but slower growth rates.

The national herd population of livestock for the last three years is given in Table 2.5.

Table 2.5: Estimated Livestock Population million numbers

Species	2022-23[1]	2023-24[1]	2024-25[1]
Cattle	55.4	57.5	59.7
Buffalo	45.0	46.3	47.7
Sheep	32.3	32.7	33.1
Goat	84.7	87.0	89.4
Camels	1.1	1.2	1.2
Horses	0.4	0.4	0.4
Asses	5.8	5.9	6.0
Mules	0.2	0.2	0.2

[1]: Estimated figure based on inter-census growth rate of Livestock Census 1996 & 2006

Source: Ministry of National Food Security & Research

The milk and meat production data for the last three years are given in Table 2.6.

Table 2.6: Estimated Milk and Meat Production 000 Tonnes

Species	2022-23[1]	2023-24[1]	2024-25[1]
Milk (Gross Production)	**67,873**	**70,071**	**72,343**
Cow	25,151	26,099	27,083
Buffalo	40,678	41,887	43,132
Sheep[2]	42	42	43
Goat	1,046	1,074	1,103
Camel[2]	956	956	981
Milk (Human Consumption)[3]	**54,707**	**56,474**	**58,300**
Cow	20,121	20,880	21,667
Buffalo	32,542	33,509	34,505
Sheep	42	42	43
Goat	1,046	1,074	1,103
Camel	956	968	981
Meat[4]	**5,504**	**5,809**	**5,967**
Beef	2,544	2,630	2,548
Mutton	799	817	835
Poultry meat	2,160	2,362	2,583

1: The milk and meat production figures for the indicated years are calculated by applying milk production parameters to the projected population of respective years based on the inter-census growth rate of Livestock Census 1996 & 2006.
2: The figures for the milk production for the indicated years are calculated after adding milk production from camel and sheep to the statistics reported in the Livestock Census 2006.
3: Milk for human consumption is derived by subtracting 20 percent of wastage (15 percent from faulty transportation and lack of chilling facilities and 5 percent from suckling calf nourishment) from the gross milk production of cows and buffalo.
4: The figures for meat production are for red meat and do not include edible offal.

Source: Ministry of National Food Security & Research

The estimated production of other livestock products for the last three years is given in Table 2.7.

Table 2.7: Estimated Livestock Products Production

Products	Units	2022-23[1]	2023-24[1]	2024-25[1]
Eggs	million Nos.	23,819	25,212	26,696
Hides	000 Nos.	19,398	20,051	20,727
Cattle	000 Nos.	9,868	10,240	10,626
Buffalo	000 Nos.	9,414	9,694	9,982
Camels	000 Nos.	117	118	120
Skins	000 Nos.	63,697	65,181	66,703
Sheep Skin	000 Nos.	12,231	12,376	12,523

Table 2.7: Estimated Livestock Products Production

Products	Units	2022-23[1]	2023-24[1]	2024-25[1]
Goat Skin	000 Nos.	32,645	33,530	34,439
Fancy Skin	000 Nos.	18,821	19,275	19,741
Lamb Skin	000 Nos.	3,633	3,676	3,719
Kid Skin	000 Nos.	15,188	15,599	16,022
Wool	000 Tonnes	49.0	49.6	50.2
Hair	000 Tonnes	31.8	32.7	33.6
Edible Offal's	000 Tonnes	462	475	489
Blood	000 Tonnes	78.3	80.4	82.5
Casings	000 Nos.	64,351	65,851	67,388
Guts	000 Nos.	20,651	21,344	22,061
Horns & Hooves	000 Tonnes	69.0	71.1	73.2
Bones	000 Tonnes	1,031.4	1,063.0	1,095.5
Fats	000 Tonnes	326.1	335.8	345.8
Dung	000 Tonnes	1,493	1,540	1,587
Urine	000 Tonnes	450	464	477
Head & Trotters	000 Tonnes	294.9	303.2	311.9
Ducks, Drakes & Ducklings	million Nos.	0.34	0.32	0.31

1: The figures for livestock products for the indicated years were calculated by applying production parameters to the projected population of respective years.

Source: Ministry of National Food Security & Research

Box-III: The 7th Agricultural Census - 2024-25

The Pakistan Bureau of Statistics (PBS) has led agricultural data collection nationwide since 1960, conducting 24 censuses on agriculture, livestock, machinery, and Mouza-level information, alongside targeted surveys on milk, poultry, and livestock. Aligned with global best practices and the UN's WCA 2020 guidelines, PBS is now implementing the 7th Integrated Agricultural Census (2024-25), unifying previously separate censuses on agricultural, livestock, and machinery into a comprehensive framework. The 9th Mouza Census (2020) served as a foundational step for this transition.

PBS has adopted digital tools to modernize its data collection, utilizing tablets, GIS-based monitoring dashboards, and custom software. A two-tier training program prepared 350 Master Trainers who trained 7,868 field staff using interactive digital tools. The census is a collaborative national effort, involving federal and provincial governments, academia, and local institutions. Fieldwork has been completed in 24 districts and continues in 136 others, with the final report expected by June 2025 to support informed agricultural policy and rural development.

2.1-b (ii) Poultry

The poultry sector remains one of the most vibrant and rapidly evolving components of Pakistan's livestock industry. Employing over 1.5 million people nationwide, it contributes significantly to both rural livelihoods and national food security. In FY 2025, the sector's gross value added is estimated at Rs 923.5 billion, reflecting its dynamic role in the agricultural economy. With an average annual growth rate of 8.1 percent over the past decade, Pakistan has emerged as the 11th largest poultry producer globally, demonstrating its strong potential for continued expansion and modernization. The poultry industry currently accounts for around 43.3 percent of Pakistan's total meat production, signifying its vital role in meeting the country's protein needs. However, the sector also faces persistent challenges, including frequent disease outbreaks, volatile market conditions, and rising feed and production costs, threatening profitability and sustainability. Addressing these structural bottlenecks through enhanced biosecurity, improved supply chain integration, and supportive policies is essential for ensuring the sector's long-term resilience and growth.

Analysis of the poultry sector reveals steady growth across both domestic and commercial poultry categories during FY 2025. The total poultry bird population is projected to reach 2.26

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billion, driven primarily by commercial broiler expansion, estimated at 2.06 billion birds. Similarly, day-old chick production is expected to rise by 9.8 percent to 2.19 billion, indicating robust forward integration in the breeding and hatchery segments. Poultry meat production is forecast to grow to 2.58 million tonnes, an increase of 9.4 percent. Egg production is also expected to reach 26.7 billion, up from 25.2 billion last year, reflecting improvements in layer performance and flock management. While rural poultry shows modest gains, commercial production remains the main growth driver, highlighting the sector's increasing commercialization. These upward trends not only reinforce poultry's critical role in Pakistan's food supply chain but also highlight the need for continued investment in feed quality and value chain efficiencies to sustain this momentum.

Table 2.8: Estimated Domestic/Rural & Commercial Poultry

Type	Units	2022-23[1]	2023-24[1]	2024-25[1]
Domestic Poultry	**million Nos.**	94.04	95.50	96.98
Cocks	million Nos.	13.55	13.92	14.30
Hens	million Nos.	46.34	47.17	48.02
Chicken	million Nos.	34.15	34.41	34.66
Eggs[2]	million Nos.	4634	4717	4802
Meat	000 Tonnes	132.36	135.01	137.72
Duck, Drake & Duckling	**million Nos.**	0.34	0.32	0.31
Eggs[2]	million Nos.	15.12	14.49	13.89
Meat	000 Tonnes	0.46	0.44	0.42
Commercial Poultry	**million Nos.**	1632.06	1792.46	1968.71
Layers	million Nos.	73.28	78.41	83.90
Broilers	million Nos.	1,703.36	1,873.69	2,061.06
Breeding Stock	million Nos.	15.81	16.61	17.44
Day Old Chicks	million Nos.	1,779.16	1,957.07	2,152.78
Eggs[2]	million Nos.	19,170	20,480	21,880
Meat	000 Tonnes	2027.57	2226.54	2445.14
Total Poultry				
Day Old Chicks	million Nos.	1,813	1,991	2,187
Poultry Birds	million Nos.	1,887	2,065	2,260
Eggs	million Nos.	23,819	25,212	26,696
Poultry Meat	000 Tonnes	2,160	2,362	2,583

1: The figures for the indicated years are statistically calculated using the statistics for 2005-06.
2: The figures for Eggs (Farming) and Eggs (Desi) are calculated using the poultry parameters for egg production.

Source: Ministry of National Food Security & Research

Livestock Sector Projects

Pakistan is implementing multiple high-impact projects to strengthen animal health systems, control diseases, and combat antimicrobial resistance (AMR). Key initiatives include the Fleming Fund-supported AMR surveillance enhancement, the National PPR Eradication Programme, collaboration with WOAH for disease reporting and veterinary reforms, FAO-led ECTAD for transboundary disease preparedness, and the ACT project promoting Codex AMR standards in food production.

i. Antimicrobial Resistance (AMR) Initiatives - Fleming Fund Country Grant (Phase II)

Building on Phase I, the UK government has allocated £6 million for Phase II (2024-25) to strengthen AMR surveillance, laboratory capacity, and data-driven policymaking. Under the coordination of the MoNFSR's AMR-CU, the project includes launching the National AMR Surveillance Strategy in Aquaculture, conducting technical training workshops, and fostering public engagement through AMR Awareness Week. MoUs with private stakeholders and forming a Technical Working Group further enhance data sharing and evidence-based decision-making.

ii. National Peste des Petits Ruminants (PPR) Eradication Programme (Phase I)

Launched in 2020-21 with a budget of Rs 1.79 billion, this project targets eradicating the highly contagious PPR disease in sheep and goats by 2030, aligning with international commitments. Led by the National Veterinary Laboratory, the program has procured and distributed 19.85 million vaccine doses and trained veterinary personnel nationwide. Preventive vaccination campaigns began in May 2022, supported by awareness drives and emergency vaccine reserves at the provincial level.

iii. WOAH Collaboration on Animal Health and Trade

As a WOAH member, Pakistan actively reports disease data via the WAHIS platform to support global trade transparency. WOAH has allocated US$ 30,000 for AMU workshops and veterinary education seminars. Additionally, WOAH-supported experts have contributed to drafting the Pakistan Animal Health, Welfare, and Veterinary Public Health Act, aligning national policies with global standards. Programmes like PVS evaluations and lab training further strengthen Pakistan's veterinary infrastructure.

iv. Emergency Centre for Transboundary Animal Diseases (ECTAD) Project

Implemented by FAO Pakistan with a US$ 1 million budget (2023-2027) and supported by USAID, the ECTAD project aims to enhance Pakistan's preparedness for zoonotic and transboundary animal diseases. A comprehensive review of the national surveillance system was completed and endorsed by MoNFSR. The initiative is part of FAO's One Health approach and contributes to regional and global efforts to mitigate high-impact animal diseases.

v. ACT Project: Implementing Codex AMR Texts

The Action to Support Implementation of Codex AMR Texts (ACT) project, led by FAO Pakistan and funded by Korea with a US$ 10 million budget, supports six countries, including Pakistan (2021-2026). It focuses on foodborne AMR prevention by improving surveillance, risk management, and monitoring of antimicrobial use in food production. The project promotes Codex Alimentarius standards and builds national capacity to mitigate AMR risks in the food chain.

vi. National Programme for Animal Disease Surveillance, FMD Control, and Track & Traceability

The project is a planned initiative approved in principle by the CDWP to control Foot and Mouth Disease, enhance disease surveillance, and implement a livestock traceability system. With a proposed budget of Rs 7,300 million, the program will utilize ICT tools and collaborate closely with provincial extension departments, guided by defined KPIs and formal agreements to ensure effective implementation.

Livestock Sector Policy Measures

The government is actively working to expand export markets for livestock and animal-origin products by facilitating the registration of slaughterhouses and exporters with global regulatory bodies (e.g., GACC for China) and engaging with key partners like Saudi Arabia, UAE, Iran, and Uzbekistan. Technical dossiers are also being developed for potential markets such as Russia, Malaysia, and Vietnam to meet specific import requirements.

Efforts are underway to harmonize trade regulations by aligning sanitary protocols and strengthening veterinary certification agreements with countries like Canada, Brazil, and Russia. For EU markets, the government is sustaining the annual residue monitoring plan and expanding the number of exporters registered under the EU's TRACES NT system for items such as animal casings and hoofs. Integration of export certifications with the Pakistan Single Window is in progress to facilitate private sector trade, alongside measures to support private sector compliance with global standards.

Future plans emphasize inter-provincial coordination, private sector collaboration for

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value addition, and diversification of livestock products. Disease control remains a priority through the implementation of the National Foot and Mouth Disease Control Programme and provincial efforts to manage trade-sensitive animal diseases. The policy also aims to boost exports in the Global Halal Food Market, develop a National Livestock Breeding Policy, National Poultry Policy, and an Export Policy for Livestock Products. Strategic initiatives like breed improvement under the Agriculture Transformation Plan and the establishment of a Task Force on Livestock are expected to drive sectoral growth and enhance rural livelihoods.

2.1-c Forestry

Pakistan's forest cover spans approximately 4.12 million hectares, accounting for 4.68 percent of the country's land area. Among forest types, Dry Temperate Forests constitute the largest share at 32 percent, followed by Scrub Forests (25 percent), Chir Pine (16 percent), and Moist Temperate Forests (14 percent). Mangroves, riverine systems, and thorn forests together make up around 10 percent, while irrigated plantations and sub-alpine forests comprise the remaining 5 percent.

The country continues to face an average annual deforestation rate of 11,000 hectares. This challenge is intensified by a combination of factors including climatic stresses, rural poverty, heavy reliance on natural resources, changing land-use patterns, and population-driven demand for timber and fuel wood. These pressures, coupled with limited forest coverage, have rendered Pakistan highly vulnerable to the adverse impacts of climate change.

2.1-d Fisheries

The fisheries sector plays a pivotal role in Pakistan's economy and food security, providing an alternative source of protein and reducing the nation's dependence on traditional meats like beef, mutton, and poultry. This sector contributes 1.31 percent in the agriculture sector while its contribution to GDP is meager 0.31 percent. The sector significantly supports employment, enhances food security, and promotes sustainable resource management. In FY 2025 (July-March), total fish production reached 798.48 million metric tonnes (mmt), comprising 590.48 mmt from marine fisheries and 280 mmt from inland waters. Compared to the same period last year, fish production increased by 36 percent, driven largely by 55.3 percent increase in marine fisheries.

Pakistan's export of fish and fisheries products has seen consistent growth, reflecting rising global demand for seafood. The primary export items include fresh and frozen fish, shrimp, shellfish, and processed products such as fillets, canned fish, and fishmeal. Major export destinations include the Middle East, European Union, United States, and Southeast Asia, with China, Thailand, the UAE, Japan, and Malaysia being the top buyers. In the first three quarters of FY 2025, Pakistan exported a total of 152.6 million metric tonnes of fish and fisheries products, earning approximately US$ 318.9 million in export revenue.

Table 2.9: Exports of fish and fisheries products FY 2025 (July-March)

Countries	Quantity (000 MT)	Value (US$ million)
EU	1.30	5.3
Non-EU	151.30	313.6
Total	152.6	318.9

Source: Marine Fisheries Department

2.2 Agriculture Inputs

Agriculture inputs include fertilizer, water, quality seeds, and agricultural credit. These are essential for improved productivity and better food security. In FY 2025, total fertilizer offtake stood at 3.4 million tonnes, showing a 14.1 percent year-on-year decline, mainly due to high prices and subdued crop prices. Water availability remained a critical factor, with Kharif 2024 receiving 60.5 MAF and Rabi 2024-25 receiving 29.4 MAF, lower than long-term averages. Certified seed availability met only 35.6 percent of the national requirement, with a total of 0.742 mmt available against a 2.09 mmt requirement. Agricultural credit disbursement reached Rs 1,880 billion during July-March FY 2025, marking a 15 percent increase over the same period last year.

2.2-a Fertilizer

Fertilizer, alongside quality seeds and irrigation water, remains a vital input in enhancing crop productivity across Pakistan. Usage patterns show a near-even distribution, with 51 percent applied during the Rabi season and 49 percent during Kharif, coinciding with the cultivation of major crops such as wheat, cotton, rice, maize, and sugarcane. During the FY 2025 (July-March), fertilizer nutrient offtake declined by 14.1 percent year-on-year to 3.4 million tonnes, reflecting broader economic challenges. The offtake of nitrogen and phosphate fertilizers fell by 14.3 percent and 14.1 percent, respectively, while potash showed a marginal increase of 0.8 percent. The primary factor contributing to reduced demand was the economic slowdown, particularly subdued market prices for wheat, which discouraged input use among farmers. In terms of supply dynamics, domestic fertilizer production registered a slight drop of 0.9 percent, while imports declined sharply by 20.8 percent over the same period, resulting in an overall 3.7 percent reduction in total availability. This tightening supply scenario reflects both lower demand and constrained import activity.

Fertilizer prices showed a mixed trend. While DAP prices remained largely stable, prices of other major products increased significantly, particularly Urea (up 12%) and CAN (up 20.3 percent). The surge in Urea prices was primarily driven by a revision in gas tariffs for Sui network-based plants from February 2024 and pricing adjustments to bridge the disparity between imported Urea (Rs 7,532 per 50 kg bag) and domestically produced Urea (Rs 3,600 per bag).

During Rabi 2024-25, total Urea availability stood at 3.94 million tonnes, of which 3.1 million tonnes were consumed, leaving a stock of 824,000 tonnes for the upcoming Kharif season. DAP availability totaled 1.02 million tonnes, supported by a blend of domestic production (393 thousand tonnes), imports (247 thousand tonnes), and opening stocks (384 thousand tonnes). Consumption reached 843 thousand tonnes, resulting in closing stocks of 186k tonnes.

Kharif 2025 began with a Urea inventory of 824k tonnes and is expected to have total availability of 4.2 million tonnes, including 3.38 million tonnes of domestic production. Projected offtake stands at 3.26 million tonnes, ensuring a comfortable closing stock of 0.95 million tonnes.

Contrarily, DAP availability is estimated at 687 thousand tonnes, compared with the projected demand of 788 thousand tonnes, signaling a shortfall of 201 thousand tonnes. This gap includes a planned buffer stock of 0.1 million tonnes, while the deficit will be addressed through private sector imports.

Table 2.10: Fertilizer Supply Demand Situation 000 Tonnes

Description	Rabi (Oct-Mar) 2024-25 (Actual)		Kharif (Apr-Sep) 2025 (Estimated)	
	Urea	DAP	Urea	DAP
Opening stock	622	384	824	186
Imported supplies	0	247	0	59
Domestic Production*	3,317	393	3,381	442
Total Availability	3,939	1,024	4,205	687
Offtake/Demand@	3,103	843	3,259	788
Write on/off	-12	5	0	0
Closing stock	824	186	946	-101

* Domestic production is based on data provided by the fertilizer industry with the assumption that two SNGPL-based plants will remain operational during Kharif 2025.

@ Urea offtake for Kharif 2025 is based on the four-year average (2020-2023) plus a 1 percent increase, while DAP offtake is based on the last 5-year average.

Source: National Fertilizer Development Centre

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2.2-b Seeds

Seed is a fundamental input for achieving higher agricultural productivity. High-quality seeds contribute to a successful harvest, enhance climate resilience, improve yields, and strengthen global recognition, ultimately boosting agricultural profitability.

Table 2.11 highlights the gap between total seed requirement (2.09 million MT) and available certified seed (742,776 Mt), with only about 35.6 percent of the national seed demand being met. The private sector contributes the majority share (83.22 percent) of seed availability, followed by public sources (7.53 percent) and imports (9.25 percent). The data depicts the critical role of the private sector and the need to enhance certified seed production to address the shortfall and ensure agricultural productivity.

The area, seed requirement, and seed availability during FY 2025 (July-December) are given in Table 2.11.

Table 2.11 Area, Seed Requirement and Seed Availability 2025-26

Crop	Area (000 Ha)	Total seed requirement (MT)	Seed Availability (M.T)			
			Public	Private	Imported	Total
Wheat *	9,262	1,143,857	52,292.97	517,468.29	0.00	569,761.26
Cotton*	3,118	61,612	311.74	20,559.84	0.00	20,871.58
Paddy*	3,062	59,801	2,109.00	36,176.00	6327.91	44,612.91
Maize*	1,512	37,346	1978.8	3,491.84	12178.14	17,648.78
Pulses	1,121	40,352	817.42	1,409.60	0.00	2,227.02
Mung	215		36.70%	63.30%	0.00%	5.52%
Oilseeds	830	1,660	177.04	4,687.91	930.75	5,795.70
Vegetables	236	7,080	5.0721	2,953.286	2094.03	5,052.39
Fodders	2,038	61,140	844.87	19,002.65	19356.37	39,203.89
Potato	268	670,250	0.00	0.00	9383.69	9,383.69
Total	21,447	2,083,098	58,537	605,749	50271	714,557.22
			8.19%	84.77%	7.04%	

*Rabi 2024-25, *Kharif 2025-26, (Provisional based on Procurement availability)

Source: Federal Seed Certification & Registration Department, M/o NFS&R

Achievements of the Seed Sector FY 2025

The following table presents a comprehensive overview of key activities undertaken in the seed sector, including company registrations, renewals, inspections, testing, and certification efforts during the period.

Table 2.12: Seed Sector Achievements in 2024-25

S. No.	Activity	Details
1	Registration as Local Seed Producers	77 companies recommended by SBRC and approved by Ministry; required to sign performance contracts and submit performance bonds under Rule 4 (8) (a) & (b) for 5-year registration.
2	Registration as Seed Importers	46 companies recommended and approved; required to fulfil same rules as above for 5-year registration.
3	Registration as Seed Exporters	9 companies registered for 5 years upon fulfilment of terms and conditions.
4	Renewal of Registration (Local Producers & Importers)	137 companies granted 5-year renewal under Rule 4 (14) (b) & (e); 2 companies conditionally renewed for 1 year.
5	Registration of Seed Processing Units	23 seed processing units registered by SBRC.
6	Permission to Produce Basic Seed	Fourteen companies approved post-verification; 2 conditionally approved; 2 suspended; 5 withheld due to Seed Act violations pending court decisions.
7	Reinstatement of Cancelled Local Seed Producers	Registration of 7 companies reinstated based on verified progress reports.

Table 2.12: Seed Sector Achievements in 2024-25		
S. No.	**Activity**	**Details**
8	Field Crop Inspection	195,974.78 acres of crops inspected (cotton, paddy, maize, pulses, oilseeds, vegetables, fodders) by public & private seed agencies.
9	Seed Sampling & Testing	776,906.61 MT of local seed tested for purity, germination, and health.
10	Seed Quality Monitoring in Markets	268 cases filed in courts (Jul-Dec 2024) against seed dealers selling substandard seeds under the Seed Act enforcement.
11	Testing of Imported Seed Consignments	26,114.4 MT (worth Rs 21,009.9 million) of imported seeds tested under Truth in Labelling Rules, 1991 at Lahore and Karachi ports.
12	DUS Examination	131 candidate lines received; 27 DUS reports issued; 11 trial site visits conducted (crops: oilseeds, vegetables, pulses, fruits, maize, wheat, cotton, etc.).
13	Seed Health Lab, Islamabad	350 samples tested using ISTA, FAO & FSC&RD protocols; 30 ISTA certificates issued.
14	Fruit Plant Certification Scheme	10 new horticultural nurseries were registered, and 9 nurseries were renewed.

2.2-c Farm Machinery

Mechanization is an important element in accelerating growth in the agriculture sector. The main constraint in increasing agriculture productivity also includes the non-availability of tractors and other farm machinery.

In FY 2025, the following steps were taken to promote the agriculture sector productivity:

- Agricultural machinery imports increased by 40.5 percent from US$ 61.1 million to US$ 85.7 million during July-March FY 2025.
- The Punjab government has launched a program to provide modern agricultural machinery rental services to farmers, amounting Rs 40 billion for this purpose.
- The harvesting period is shortening due to climate change, and timely harvesting is critical if farmers grow three crops annually. To support this, all duties and taxes on combine harvesters have been exempted to encourage their use. It is proposed to continue this exemption.
- To increase rice production, seed, Rice Planters, and Dryers are also exempted from duties and taxes.

The domestic tractor industry has played a pivotal role in fulfilling farmers' tractor requirements. There are 714,447 operational tractors in the country. During July-March FY 2025, total tractor production remained 23,814 (a decline of 34.6 percent) compared to 36,385 production of the previous year.

Table 2.13: Prices, Production, and Sales of Locally Manufactured Tractors FY 2025 (July-Mar)			
Tractors Model-(HP)	**Tractor Price (Rs)**	**Production (Units/ Nos.)**	**Sales (Units/ Nos.)**
Al-Ghazi Tractors Limited			
NH 480-S (55HP)	2,369,400	1,919	1,976
NH 480-PP (55HP)	2,461,800	1,450	1,453
NH Ghazi (55HP)	2,739,000	1997	2,552
NH Ghazi SE (55HP)	2,739,000	150	106
NH 640 (55HP)	3,553,000	654	820
NH 850(with Lifto Matic) (55HP)	3,849,300	252	250
NH 850(W/O Lifto Matic) (55HP)	3,667,000	175	146
Total		6,597	7,303
M/s Millat Tractors Limited			
MF-235 (50HP)	2,274,300	68	37
MF-240 (50HP)	2,423,640	5,734	5,649
MF-260 (60HP)	2,807,820	2,031	1,938
MF-260 Delux (60HP)	3,055,200	563	572
MF-360 (60HP)	2,964,000	135	137

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Table 2.13: Prices, Production, and Sales of Locally Manufactured Tractors FY 2025 (July-Mar)

Tractors Model-(HP)	Tractor Price (Rs)	Production (Units/ Nos.)	Sales (Units/ Nos.)
MF-360 4WD (60HP)	4,149,600	16	15
MF-375 (75)	3,692,460	199	221
MF-375 SE (75HP)	3,573,900	48	1
MF-375 4WD (75HP)	4,963,560	34	41
MF-385 (85HP)	3,830,400	4,975	4,889
MF-385 Delux (85HP)	4,202,040	611	573
MF-385 4WD (85HP)	5,055,900	260	302
MF-385 4WD Delux (85HP)	5,386,500	134	107
Total		14,808	14,518
Grand Total		23,814	21,821

Source: Tractor Manufacturers, Federal Water Management Cell

2.2-d Irrigation

Notable fluctuations in rainfall patterns across Pakistan have been observed during 2024-25. Monsoon rainfall (July-September 2024) was significantly above average at 212.1 mm, reflecting a 50.6 percent excess over the long run average. In contrast, post-monsoon (Oct-Dec 2024) and winter rainfall (January-March 2025) experienced substantial deficits of 44.9 percent and 39.9 percent, respectively. These imbalances suggest potential implications for water availability, crop planning, and reservoir levels, particularly during the Rabi season when winter rainfall is crucial for wheat and other key crops.

Table 2.14: Pakistan's Rainfall* Recorded During FY 2025 (in Millimetres)

	Monsoon Rainfall (Jul-Sep) 2024	Post Monsoon Rainfall (Oct-Dec) 2024	Winter Rainfall (Jan-Mar) 2025
Normal**	140.9	26.4	125.96
Actual	212.1	14.6	75.7
Shortage (-)/excess (+)	+71.2	-11.8	-50.26
% Shortage (-)/excess (+)	+50.6	-44.9	-39.9

*: Area Weighted **: Normal/Long Period Average of 1961-2010

Source: Pakistan Meteorological Department

Canal head withdrawals during Kharif 2024 declined by 2.0 percent to 60.48 MAF, down from 61.85 MAF in Kharif 2023. While it declined by around 4 percent to 29.43 MAF in Rabi 2024-25 compared to 30.59 during Rabi 2023-24

Table 2.15: Canal Head Withdrawals (Below Rim Stations) Million Acre Feet

Province	Kharif (Apr-Sep) 2023	Kharif (Apr-Sep) 2024	% Change in Kharif 2024 Over 2023	Rabi (Oct-Mar) 2023-24	Rabi (Oct-Mar) 2024-25	% Change in Rabi 2024-25 Over 2023-24
Punjab	31.42	31.77	1	16.61	15.56	-6
Sindh	28.00	26.16	-7	12.41	12.15	-2
Balochistan	1.57	1.59	2	0.94	1.04	11
Khyber Pakhtunkhwa	0.86	0.95	10	0.63	.067	5
Total	**61.85**	**60.48**	**-2**	**30.59**	**29.43**	**-4**

Source: Indus River System Authority

Water is a critical natural resource for Pakistan, especially given its population of over 240 million. Meeting the growing demand for water, ensuring its availability, effective management and sustainability pose significant challenge for the government. Water is important to agriculture, industry, and domestic consumption. Its scarcity poses serious risks to economic growth and social well-being across the country, especially to the people living in the least developed areas of the country, where water is in short supply and land is ridden with waterlogging and salinity.

The River Indus is Pakistan's main source of surface water. It flows from the northern part through the country's length towards the southern part. Several tributaries, including the Jhelum, Chenab, Ravi, and Sutlej rivers feed the Indus Basin. These rivers provide about 90 percent of the country’s water supply for agricultural and other domestic use.

The surface irrigation system, recognized as the world's largest contiguous irrigated network, features three storage reservoirs with a live storage capacity of 13 MAF, along with 19 barrages, 12 inter-river link canals, 02 syphons, and 44 canal commands. The extensive network of main canals and distributaries spans 64,000 kilometers, complemented by an additional 1,621,000 kilometers of watercourses.

Groundwater is a vital water source, especially in areas with limited or seasonal surface water. Pakistan has an extensive network of wells and tube wells, especially in the arid regions of Sindh, Balochistan, and Punjab. Groundwater in Sindh is meagre as most aquifers are brackish. Groundwater extraction is crucial for irrigation in many parts of the country, though it is being used at unsustainable rates. Groundwater contributes 50 MAF of water (NWP-2018).

Rainfall patterns vary significantly across Pakistan. The monsoon season typically brings heavy rainfall, especially to the eastern and northern regions. However, rainfall is highly erratic and often does not align with the demand cycles for water, leading to periods of drought and floods.

Pakistan is one of the most water-stressed countries in the world, with an average per capita annual water availability of less than 1,000 cubic meters. The country is transitioning from water-stressed to water-scarce status driven by population growth, industrial expansion, inefficient irrigation, unsustainable groundwater use, inadequate storage, low water productivity, and poor management efficiency.

The government needs to invest in modernizing irrigation systems, such as adopting drip irrigation, which uses water more efficiently. Additionally, improving the maintenance and management of canal systems is crucial. Public awareness campaigns on water conservation and the efficient use of water in both agriculture and domestic sectors can help mitigate water scarcity.

Building new dams and reservoirs, such as Diamer Basha Dam, is critical for improving water storage capacity. These projects will help store water during the monsoon season and release during periods of drought.

Main targets for 12 years, i.e., 2018-2030, under the National Water Policy (2018) are:

- 33 percent reduction (i.e., 15.24 MAF) in the 46 MAF river flows lost in conveyance through watercourses lining,
- Live storage capacity enhancement of 10 MAF.
- 30 percent increase in water use efficiency through modern irrigation techniques. By increasing 30 percent water use efficiency, irrigation efficiency will be increased from 39 percent to 50.7 percent, resulting in an increase in future agriculture production and food security.
- Refurbishment of irrigation infrastructure, Real-time monitoring of water distribution for transparent water accounting, and development of a unified authentic database for reliable water resources assessment.

During FY 2025, an amount of Rs 142.59 billion (12.96 percent of total PSDP) was allocated for 59 water sector development projects/studies, including Rs 35.1 billion for Mohmand Dam, Rs 15.125 billion for Diamer Basha Dam, Rs 4.5 billion for Diamer Basha Land Acquisition, and Rs 5 billion for Nai Gaj Dam. The water sector budget allocation for FY 2025 is projected to be utilized by the end of June 2025.

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Water Sector Projects

During FY 2025, Pakistan made substantial progress on critical water sector projects aimed at improving water storage, irrigation efficiency, and hydropower generation. Mega initiatives such as the Diamer-Basha and Mohmand dams remained under active construction and are expected to address national water and energy shortages significantly. Restoration and development efforts in flood-affected and arid regions, particularly through projects like the Kachhi Canal and Sindh Flood Emergency Rehabilitation Project, underscore the government's commitment to water resilience and agricultural productivity.

Table 2.16: Water Sector Projects

Project / Initiative	Description / Progress	Impact / Purpose
Diamer-Basha Dam	Construction in progress	Will add 6.4 MAF storage and 4,500 MW to the grid: critical for water and energy security
Prime Minister Agriculture Emergency Programme	A range of agriculture machinery/structures will be provided including Ponds, solar pumps, Laser levellers, etc.	To increase the command area in Pakistan.
Mohmand Dam	Construction underway	Will store 0.676 MAF and generate 800 MW; supports irrigation and flood mitigation.
Kachhi Canal (Phase-I Restoration)	Post-flood restoration completed; 500 cusecs water supply restored	Supports irrigation recovery in flood-affected areas
Kachhi Canal (Remaining Works)	Works progressing to bring 30,000 acres CCA under irrigation; completion expected by June 2025	Expands irrigation coverage in Balochistan
Sindh Flood Emergency Rehabilitation (Irrigation Component)	Approved by ECNEC on 30.12.2024	Rehabilitation of irrigation infrastructure post-floods
Integrated Dev. of Chitral, Swat, and Kabul River Basin	Feasibility study workshop held on 15.08.2024	Strategic planning for integrated water resource management
Mangi Dam & Kachhi Plains Flood Management (Revised PC-Is)	PC-Is reviewed by CDWP; returned with recommendations for revision	Aimed at improving water security in Balochistan
Balochistan Water Sector Projects	Consultations held per PM directives to address approval delays	Resolve bottlenecks for project implementation
Neelum Jhelum Hydropower Project	Multiple meetings held to resolve head race tunnel issues to restore 969 MW generation capacity	Restoration of critical hydropower infrastructure

2.2-e Agricultural Credit

Agricultural financing in Pakistan has shown strong momentum in FY2025, supported by a forward-looking shift in policy by the State Bank of Pakistan (SBP). By empowering financial institutions to develop their own agricultural credit expansion plans, instead of working under fixed indicative targets, the SBP has successfully fostered greater institutional ownership and innovation in rural financing. Consequently, agricultural credit disbursement is planned to reach Rs 2,572 billion in FY 2025, reflecting a 16 percent growth over FY 2024's disbursement of Rs 2,216 billion.

During July-March FY 2025, agricultural credit disbursement has continued its upward trajectory, reflecting the growing commitment of financial institutions toward the sector. The total credit disbursed reached Rs 1,880.4 billion, marking a 15 percent increase from Rs 1,635.2 billion in the same period of FY2024. The overall achievement stands at 73.1 percent of the annual target of Rs 2,572.3 billion, slightly higher than the 72.7 percent achieved in the corresponding period last year, indicating a steady pace in credit delivery and stronger financial outreach.

The most notable performance came from the five large commercial banks, which collectively disbursed Rs 1,063.6 billion, a robust 22.2 percent increase over the previous year. They also improved their target achievement rate from 75.9 percent to 79.7 percent, underscoring their central role in mainstream agricultural lending. Islamic banks followed closely with an impressive 31.9 percent year-on-year increase, disbursing Rs 163.7 billion and surpassing 80 percent of their annual target. This demonstrates rising demand for Sharia-compliant financial products in the agriculture sector.

Encouragingly, Punjab Provincial Cooperative Bank Ltd. (PPCBL) also recorded a significant 19.5 percent growth, reaching Rs 7.9 billion in disbursement and achieving a much-improved 74.4 percent of its annual target, up from just 44 percent a year earlier. This performance reflects strengthened operational efficiency and outreach in the cooperative sector.

However, some institutions faced challenges. ZTBL, despite being a key specialized agricultural lender, posted a 12.9 percent decline in disbursements, falling from Rs 59.4 billion to Rs 51.8 billion. Microfinance Banks (MFBs) showed a steady progress, with an 11.1 percent growth in disbursement, reaching Rs 177.9 billion and raising their achievement rate to 72.5 percent.

In contrast, MFIs and Rural Support Programmes (RSPs) saw a 20.2 percent decline in disbursement volumes, from Rs 25.3 billion to Rs 20.1 billion, although they still maintained a respectable 64 percent target achievement rate.

Table 2.17: Supply of Agriculture Credit by Institutions Rs billion

Banks	Target FY 2024	FY 2024 (Jul-Mar)		Target FY 2025	FY 2025 (Jul-Mar)		% Change over the Period
		Disbursed	Achieved (%)		Disbursed	Achieved (%)	
5 Big CBs	1,147.00	870.533	75.9	1,335.00	1063.623	79.7	22.2
ZTBL	115	59.432	51.7	90	51.786	57.5	-12.9
PPCBL	15	6.601	44.0	10.6	7.891	74.4	19.5
DPBs (13)	488.2	389.12	79.7	655.8	395.4	60.3	1.6
IBs (6)	167	124.145	74.3	204.1	163.725	80.2	31.9
MFBs (11)	280.6	160.132	57.1	245.3	177.879	72.5	11.1
MFIs/RSPs (10)	37.2	25.251	67.9	31.5	20.148	64.0	-20.2
Total	**2,250.00**	**1,635.21**	72.7	**2,572.30**	**1,880.42**	73.1	15.0

CBs: Commercial Banks, **ZTBL:** Zarai Taraqiati Bank Limited, **PPCBL:** Punjab Provincial Cooperative Bank Ltd, **DPBs:** Domestic Private Banks, **IBs:** Islamic Banks, **MFBs:** Microfinance Banks, **MFIs/RSPs:** Microfinance Institutions/Rural Support Programmes

Source: State Bank of Pakistan

During July-December 2024, agricultural credit distribution reflected a balanced focus between farm and non-farm activities, with total disbursements reaching Rs 1,266.7 billion. The farm sector received Rs 708.4 billion (55.9 percent), while the non-farm sector accounted for Rs 558.3 billion (44.1 percent). Within the farm sector, the disbursement pattern by landholding size presents an encouraging trend: subsistence-level farms received Rs 272.3 billion, marking a 14.4 percent increase year-on-year, a strong indicator of continued financial support for smallholders. In contrast, economic-size farms saw a slight contraction, with disbursements declining by 5.8 percent to Rs 81.7 billion. Meanwhile, above-economic-size farms benefited from a robust expansion, receiving Rs 354.4 billion, a significant 26.6 percent increase over the same period last year. On the non-farm side, credit support remained

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strong across scales; small-scale enterprises received Rs 153.1 billion, reflecting a 16.3 percent rise, while large-scale enterprises secured Rs 405.2 billion, up 9.6 percent, reinforcing the sector's vital role in employment and rural economic diversification.

Comparative details of sector-wise credit disbursements are presented in Table 2.18.

Table 2.18: Credit Disbursement to Farm & Non-Farm Sectors Rs billion

Sector (Land Holding/Farm size)		FY 2024 (Jul-Dec)		FY 2025 (Jul-Dec)		% Growth over the Period
		Disbursement	% Share in Total	Disbursement	% Share in Total	
A	**Farm Sector**	**604.7**	**54.7**	**708.4**	**55.9**	**17.2%**
1	Subsistence Holding	238.0	21.5	272.3	21.5	14.4%
2	Economic Holding	86.7	7.8	81.7	6.4	-5.8%
3	Above Eco. Holding	279.9	25.3	354.4	28.0	26.6%
B	**Non-Farm Sector**	**501.2**	**45.3**	**558.3**	**44.1**	**11.4%**
1	Small Farms	131.7	11.9	153.1	12.1	16.3%
2	Large Farms	369.5	33.4	405.2	32.0	9.6%
Total (A+B)		**1,105.8**	**100.0**	**1,266.7**	**100.0**	**14.5%**

Source: State Bank of Pakistan

Farm sector production loans and non-farm sector working capital loans witnessed growth of 14.8 percent and 9.9 percent, respectively. Compared to the last year, the development loans for the farm sector and fixed investment loans for the non-farm sector witnessed higher growth of 38.5 percent and 30.9 percent, respectively.

Table 2.19: Credit Disbursements by Sector and Purpose Rs billion

Sector & Purpose		FY 2024 (Jul-Dec)		FY 2025 (Jul-Dec)		% Growth over the Period
		Disbursement	% Share in Total	Disbursement	% Share in Total	
A	**Farm Sector**	**604.7**	**54.7**	**708.4**	**55.9**	**17.2**
1	Production Loans	543.6	49.2	623.8	49.2	14.8
2	Development Loans	61.1	5.5	84.6	6.7	38.5
B	**Non-Farm Sector**	**501.2**	**45.3**	**558.3**	**44.1**	**11.4**
1	Working Capital	465.8	42.1	512.0	40.4	9.9
2	Fixed Investment	35.4	3.2	46.3	3.7	30.9
Total (A+B)		**1,105.8**	**100.0**	**1,266.7**	**100.0**	**14.5**

Source: State Bank of Pakistan

SBP's Initiatives for Promotion of Agriculture Financing

The SBP, in collaboration with federal and provincial authorities, has introduced a range of initiatives to expand agricultural credit access. Under the Prime Minister's Youth Business and Agriculture Loan Scheme, 20 banks were allocated Rs 32.5 billion for agriculture finance in FY 2025, of which Rs 22.46 billion had been disbursed by end-December. Since February 2022, Electronic Warehouse Receipt Financing has enabled 20 banks to lend Rs 1.8 billion against 637 receipts, backed by capacity-building for over 120 bank staff. Progress on digital land records—most advanced in Punjab—has further facilitated access to finance, with 30 banks processing 39,453 fards and 10,273 charge registrations during H1 FY 2025, laying the groundwork for broader collateral-free lending across the country. Additionally, the mandatory Crop Loan Insurance Scheme (CLIS) and Livestock

Insurance Scheme for Borrowers (LISB), with premiums fully covered by the federal government, received reimbursements of Rs 200 million each in FY 2024. So far in FY 2025, Rs 180 million has been reimbursed under CLIS and Rs 280 million under LISB.

Concluding Remarks

Overall, the sector demonstrated resilience amid multiple challenges, maintaining its contribution to income generation, employment and the supply of raw materials to various industries. As farmers prepare for the upcoming Kharif season, early indicators point to improved input availability and more favorable production prospects compared to last year. Stable prices in both domestic and international markets, along with increased crop profitability, are expected to boost the sown area. The government interventions, including targeted incentives and expanded agricultural credit, will play a key role in easing financial constraints and promoting productivity-driven cultivation. Nonetheless, longstanding challenges persist, including limited access to certified seeds, rising fertilizer costs, constrained mechanization, and gaps in credit access and market linkages. To address these challenges, the government is pursuing a multi-pronged approach focused on improving irrigation efficiency, advancing seed sector reforms, scaling up digital agriculture initiatives, and strengthening R&D and extension services. These measures are essential not only for short-term stability but also for fostering a resilient, self-sustaining agriculture sector capable of driving inclusive economic growth and rural transformation.

TABLE 2.1 A

PRODUCTION INDEX OF IMPORTANT CROPS

Fiscal Year	Food crops			Cash crop	Fiber crop
	Wheat	Maize	Rice	Sugarcane	Cotton
			Base Year 2005-06		
2005-06	100	100	100	100	100
2006-07	109.5	99.3	98.0	122.6	98.7
2007-08	98.5	115.9	100.3	143.1	89.5
2008-09	113.0	115.5	125.3	112.0	90.8
2009-10	109.6	104.9	124.1	110.5	99.2
2010-11	118.5	119.2	87.0	123.8	88.0
2011-12	110.3	139.5	111.1	130.7	104.4
2012-13	113.8	135.7	99.8	142.7	100.1
2013-14	122.1	159.0	122.6	151.0	98.1
2014-15	117.9	158.7	126.2	140.7	107.2
			Base Year 2015-16		
2015-16	100	100	100	100	100
2016-17	104.1	116.4	100.7	115.3	107.6
2017-18	97.8	112.0	109.5	127.3	120.5
2018-19	95.0	129.5	105.9	102.6	99.4
2019-20	98.5	149.1	109.0	101.4	92.2
2020-21	107.1	169.6	123.8	123.7	71.3
2021-22	102.2	180.7	137.1	135.4	84.0
2022-23	109.9	208.4	107.7	134.4	49.5
2023-24	124.1	186.8	145.1	133.8	103.1
2024-25 P	113.1	-	143.0	130.8	71.4

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 2.1 B

BASIC DATA ON AGRICULTURE

Fiscal Year	Cropped Area (million hectares)	Improved Seed distribution (000 Tonnes)	Water ^ Availability (MAF)	Fertilizer Offtake (000 N/T)	Credit Disbursed (Rs million)	Tubewells Public & Private (Number in 000)
2010-11	22.72	331.02	137.16	3,933	263,022	1,103.40
2011-12	22.50	346.38	135.86	3,861	293,850	997.7
2012-13	22.56	327.08	137.51	3,621	336,247	1,220.40
2013-14	23.16	359.18	137.51	4,089	391,353	1,317.30
2014-15	23.26	481.30	138.59	4,316	515,875	1,332.90
2015-16	24.04	431.79	133.00	3,699	598,287	1,357.00
2016-17	23.01	554.95	132.70	5,040	704,488	1,382.20
2017-18	23.45	604.58	133.40	4,763	972,606	1,391.30
2018-19	23.45	554.13	127.40	4,614	1,173,990	1,251.40
2019-20	24.10	550.77	130.00	4,549	1,214,684	1,514.94
2020-21	23.83	616.76	131.50	5,008	1,365,870	1,285.77
2021-22	24.00	778.22	131.02 *	5,001	1,418,906	1,562.56
2022-23	24.00	655.89	114.10 *	4,366	1,775,956	1,552.92
2023-24	24.59	642.50	-	3,961	1,635,215	-
2024-25 P	-	714.60	-	3,404	1,880,420	-

- : Not available

(Contd.)

TABLE 2.1 B (Continued)

BASIC DATA ON AGRICULTURE

Fiscal Year	Production of Tractors (Nos)	Production of meat (000 Tonnes)	Milk (000 Tonnes)	Fish Production (000 Tonnes)	Total Forest Production (000 cu.mtr.)
2010-11	71,550	3,094	37,475	699.9	352
2011-12	48,120	3,232	38,617	724.8	354
2012-13	48,871	3,379	39,855	728.8	354
2013-14	36,685	3,531	41,133	735.0	-
2014-15	49,328	3,696	42,454	765.0	-
2015-16	38,151	3,873	43,818	788.0	-
2016-17	60,128	4,061	45,227	797.0	-
2017-18	71,894	4,262	46,682	807.0	-
2018-19	49,902	4,478	48,185	799.0	-
2019-20	32,451	4,708	49,737	804.0	-
2020-21	50,751	4,954	51,340	810.0	-
2021-22	58,880	5,220	52,996	812.0	-
2022-23	31,651	5,503	54,707	831.0	-
2023-24	36,385	5,809	56,474	720.9	-
2024-25 P	23,814	5,967	72,343	798.5	-

P : Provisional (Jul-Mar)
- : Not available
^: At farm gate
*: Water at farm gate has been calculated on estimation basis

Source: Pakistan Bureau of Statistics
Ministry of National Food Security and Research
Ministry of Planning, Development & Special Initiatives

TABLE 2.2

LAND UTILIZATION

Million Hectares

Fiscal Year	Total Area	Reported Area	Forest Area	Not Available for Cultivation	Culturable Waste	Cultivated Area			Area Sown more than once	Total Cropped Area
						Current Fallow	Net Area Sown	Total Area Cultivated		
	1	2	3	4	5	6	7	8	9	10
2010-11	79.61	57.64	4.26	23.37	7.98	6.38	15.65	22.03	7.07	22.72
2011-12	79.61	57.73	4.26	23.25	8.19	7.05	14.98	22.03	7.52	22.50
2012-13	79.61	57.78	4.26	23.06	8.21	7.04	15.22	22.26	7.34	22.56
2013-14	79.61	57.99	4.55	25.56	8.27	6.68	15.40	22.06	7.76	23.16
2014-15	79.61	57.99	4.54	25.54	8.30	6.66	15.46	23.24	7.82	23.26
2015-16	79.61	58.11	3.99	25.56	8.27	7.10	15.62	22.74	7.90	24.04
2016-17	79.61	58.00	4.47	25.54	8.37	9.51	15.59	22.11	7.46	23.01
2017-18	79.61	58.02	4.47	25.60	8.29	9.40	15.74	22.15	7.75	23.45
2018-19	79.61	57.90	4.47	23.00	8.29	9.40	15.74	22.15	7.75	23.45
2019-20	79.61	57.90	3.90	23.10	8.20	10.10	15.74	22.80	8.40	24.10
2020-21	79.61	57.90	3.90	23.40	8.10	6.80	15.60	22.50	8.20	23.83
2021-22	79.61	57.88	3.88	23.23	8.23	6.84	15.70	22.54	8.30	24.00
2022-23	79.61	57.88	3.88	23.23	8.23	6.84	15.70	22.54	8.30	24.00
2023-24	79.61	58.26	4.50	23.06	8.21	6.36	16.16	22.52	8.43	24.59

P: Provisional

Source: Pakistan Bureau of Statistics
Ministry of National Food Security and Research

Note:

1. Total Area Reported is the total physical area of the villages/deh, tehsils or districts, etc.
2. Forest Area is the area of any land classed or administered as forest under any legal enactment dealing with forests. Any cultivated area which may exist within such forest is shown under heading "cultivated area".
3. Area Not Available for Cultivation is that uncultivated area of the farm which is under farm home-steads, farm roads and other connected purposes and not available for cultivation.
4. Culturable Waste is that uncultivated farm area which is fit for cultivation but was not cropped during the year under reference nor in the year before that.
5. Cultivated Area is that area which was sown at least during the year under reference or during the previous year.
   Cultivated Area = Net Area Sown + Current Fallow.
6. Current Fallow (ploughed but uncropped) is that area which is vacant during the year under reference but was sown at least once during the previous year.
7. Net Area Sown is that area which is sown at least once during (Kharif & Rabi) the year under reference.
8. Area Sown more than once is the difference between the total cropped area and the net area sown.
9. Total Cropped Area means the aggregate area of crops raised in a farm during the year under reference including the area under fruit trees.

TABLE 2.3

AREA UNDER IMPORTANT CROPS

000 Hectares

Fiscal Year	Wheat	Rice	Bajra	Jowar	Maize	Barley	Total Food Grains	Gram	Sugar-cane	Rapeseed and Mustard	Sesa-mum	Cotton	Tobacco
2010-11	8,901	2,365	548	229	974	77	13,094	1,054	988	212	78	2,689	51
2011-12	8,650	2,571	458	214	1,087	72	13,052	1,008	1,058	201	76	2,835	46
2012-13	8,660	2,309	461	198	1,060	73	12,761	992	1,129	224	71	2,879	50
2013-14	9,199	2,789	475	198	1,168	71	13,900	950	1,173	220	82	2,806	49
2014-15	9,204	2,891	462	195	1,142	68	13,962	943	1,141	214	83	2,961	54
2015-16	9,224	2,739	486	274	1,191	66	13,980	940	1,131	201	79	2,902	53
2016-17	8,972	2,724	469	256	1,348	61	13,830	971	1,218	190	80	2,489	47
2017-18	8,797	2,901	489	255	1,251	58	13,751	977	1,342	199	83	2,700	46
2018-19	8,678	2,810	456	241	1,374	57	13,616	943	1,102	237	83	2,373	45
2019-20	8,805	3,034	522	199	1,404	49	14,013	944	1,040	353	139	2,517	51
2020-21	9,168	3,335	350	126	1,418	42	14,439	883	1,165	224	170	2,079	55
2021-22	8,977	3,537	227	77	1,653	38	14,509	862	1,260	276	200	1,937	44
2022-23	9,033	2,976	241	59	1,719	41	14,069	843	1,319	539	260	2,144	46
2023-24	9,734	3,637	238	47	1,641	44	15,341	794	1,180	362	400	2,424	56
2024-25 P	9,099	3,899	229	46	1,437	36	14,746	710	1,193	427	739	2,043	56

P: Provisional

Source: Pakistan Bureau of Statistics

Note: 1 ha = 2.47 acres

TABLE 2.4

PRODUCTION OF IMPORTANT CROPS

000 Tonnes

Fiscal Year	Wheat	Rice	Bajra	Jowar	Maize	Barley	Total Food Grains	Gram	Sugar-cane	Rape-seed and Mustard	Sesa-mum	Cotton (000 tonnes)	Cotton (000 Bales)	Tob-acco
2010-11	25,214	4,823	346	141	3,707	71	34,302	496	55,309	188	31	1,949	11,460	103
2011-12	23,473	6,160	304	137	4,338	66	34,478	284	58,397	164	30	2,310	13,595	98
2012-13	24,211	5,536	311	123	4,220	67	34,468	751	63,750	205	29	2,214	13,031	108
2013-14	25,979	6,798	301	119	4,944	67	38,208	399	67,460	203	32	2,170	12,769	130
2014-15	25,086	7,003	294	115	4,937	63	37,498	379	62,826	196	33	2,372	13,960	120
2015-16	25,633	6,801	300	161	5,271	61	38,227	286	65,482	185	32	1,688	9,917	116
2016-17	26,674	6,849	305	148	6,134	58	40,168	330	75,482	181	34	1,815	10,671	100
2017-18	25,076	7,450	339	153	5,902	55	38,975	323	83,333	225	35	2,032	11,946	107
2018-19	24,349	7,202	350	149	6,826	55	38,931	447	67,174	302	36	1,677	9,861	104
2019-20	25,248	7,414	384	120	7,883	48	41,097	498	66,380	488	64	1,556	9,148	133
2020-21	27,464	8,420	266	96	8,940	42	45,228	234	81,009	296	102	1,202	7,064	168
2021-22	26,209	9,323	226	64	9,525	38	45,385	316	88,651	402	128	1,417	8,329	134
2022-23	28,161	7,322	256	49	10,985	44	46,817	244	87,981	673	152	835	4,910	152
2023-24	31,438	9,869	294	39	9,739	44	51,423	230	87,638	389	301	1,739	10,223	186
2024-25 P	28,980	9,723	252	38	8,239	39	47,271	175	84,235	470	436	3,615	7,084	186

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 2.5

YIELD PER HECTARE OF MAJOR AGRICULTURAL CROPS

Kg/Hectare

Fiscal Year	Wheat	Rice	Sugarcane	Maize	Gram	Cotton
2010-11	2,833	2,039	55,981	3,806	471	725
2011-12	2,714	2,396	55,196	3,991	282	815
2012-13	2,796	2,398	56,466	3,981	757	769
2013-14	2,824	2,437	57,511	4,233	420	774
2014-15	2,726	2,422	55,062	4,323	402	802
2015-16	2,779	2,483	57,897	4,426	304	582
2016-17	2,973	2,514	61,972	4,550	340	729
2017-18	2,851	2,568	62,096	4,718	331	753
2018-19	2,806	2,563	60,956	4,968	474	707
2019-20	2,868	2,444	63,841	5,614	528	618
2020-21	2,996	2,525	69,534	6,305	265	578
2021-22	2,920	2,635	70,341	5,764	367	731
2022-23	3,117	2,460	66,711	6,389	289	390
2023-24	3,268	2,714	74,252	5,933	262	717
2024-25 P	3,185	2,494	70,604	5,733	246	590

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 2.6

PRODUCTION AND EXPORT OF FRUIT

000 Tonnes

Fiscal Year	Production of Important Fruit								Export	
	Citrus	Mango	Apple	Banana	Apricot	Almonds	Grapes	Guava	Quantity	Value (Mln. Rs)
2010-11	1,982	1,889	526	139	190	22	64	547	669	25,017
2011-12	2,147	1,700	599	97	189	21	64	495	737	32,068
2012-13	2,002	1,680	556	116	179	22	64	500	718	38,085
2013-14	2,168	1,659	606	119	178	22	66	496	784	45,196
2014-15	2,395	1,717	617	118	171	22	66	488	682	44,375
2015-16	2,344	1,636	620	135	173	22	66	523	677	44,607
2016-17	2,180	1,784	670	137	166	21	66	548	646	39,878
2017-18	2,351	1,734	565	135	142	21	67	586	697	43,842
2018-19	2,469	1,723	544	136	108	20	68	548	756	56,272
2019-20	2,369	1,639	604	151	94	20	82	706	798	67,769
2020-21	2,621	1,714	672	142	124	21	89	963	975	76,846
2021-22	2,372	1,845	732	216	159	19	108	938	622	84,385
2022-23	2,230	1,787	791	292	204	18	70	807	629	68,762
2023-24	2,230	2,091	844	311	187	17	196	555	782	75,465
2024-25 P	2,304	2,649	844	317	187	17	201	539	498	70,363

P: Provisional (Jul-Mar)

Source: Pakistan Bureau of Statistics

- : Not available

TABLE 2.7
CROP WISE COMPOSITION OF OUTPUT OF IMPORTANT AGRICULTURAL CROPS (AT CONSTANT BASIC PRICES)

% Share

Fiscal Year/ Crops	Base Year 2015-16								
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 P
Important Crops	100	100	100	100	100	100	100	100	100
Food Crops	65.07	61.56	66.21	68.43	70.65	68.09	72.82	69.08	71.01
Wheat	44.97	41.41	43.09	43.63	44.14	40.85	44.88	43.39	44.75
Maize	10.47	9.87	12.24	13.76	14.5	14.93	17.62	13.81	12.94
Rice	9.63	10.28	10.88	11.04	12.01	12.31	10.32	11.88	13.32
Cash Crop	17.13	18.92	16.47	15.92	18.08	19.12	19.46	16.90	18.16
Sugarcane	17.13	18.92	16.47	15.92	18.08	19.12	19.46	16.90	18.16
Fibre Crop	17.79	19.53	17.32	15.66	11.26	12.79	7.73	14.02	10.83
Cotton	17.79	19.53	17.32	15.66	11.26	12.79	7.73	14.02	10.83

P: Provisional
Source: Pakistan Bureau of Statistics

TABLE 2.8

CREDIT DISBURSED BY AGENCIES

Rs Million

Fiscal Year	ZTBL	DPBs	PPCBL	Commercial Banks	MFBs	Islamic Banks*	MFIs/RSPs **	Total
2010-11	65,361	50,187	7,162	140,312	-	-	-	263,022
2011-12	66,068	60,876	8,520	146,271	12,115	-	-	293,850
2012-13	67,068	69,271	8,304	172,833	18,770	-	-	336,247
2013-14	77,920	84,813	8,809	195,488	22,796	1,527	-	391,353
2014-15	95,827	108,708	10,486	262,912	32,951	4,991	-	515,875
2015-16	90,977	123,097	10,335	311,401	53,938	8,540	-	598,287
2016-17	92,451	139,061	10,880	342,068	87,772	12,326	19,930	704,488
2017-18	83,187	184,863	10,724	523,930	124,756	16,392	28,754	972,606
2018-19	71,478	211,942	9,677	653,531	153,998	39,379	33,984	1,173,990
2019-20	62,286	224,970	8,825	708,245	139,298	42,143	28,917	1,214,684
2020-21	78,500	274,525	8,205	801,472	132,070	47,815	23,281	1,365,870
2021-22	69,216	298,719	7,516	764,338	186,344	66,579	26,195	1,418,906
2022-23	75,424	366,741	8,513	978,192	216,380	101,276	29,430	1,775,956
2023-24	59,432	389,121	6,601	870,533	160,133	124,146	25,252	1,635,218
2024-25 P	51,786	395,400	7,891	1,063,623	177,879	163,725	20,148	1,880,420

P: Provisional (Jul-Mar) - : Not available Source: State Bank of Pakistan

ZTBL: Zarai Taraqiati Bank Limited

DPBs: 13 Domestic Private Banks

PPCBL: Punjab Provincial Corporative Bank Limited

Commercial Banks: Include ABL, HBL, MCB, NBP & UBL

MFBs: 11 Microfinance Banks

*: 6 Islamic Banks

**: 10 Microfinance Institutions / Rural Support Programmes

Note: Faysal Bank converted into full fledged Islamic Bank in February 2023. Therefore, data of Faysal Bank has been shifted from DPBs category to Islamic Bank category

TABLE 2.9

FERTILIZER OFFTAKE AND IMPORTS OF FERTILIZERS & PESTICIDES

000 N/Tonnes

Fiscal Year	Fertilizer Offtake				Import of Fertilizers	Import of Insecticides	
	Nitrogen	Phosphorus	Potash	Total		Quantity (Tonnes)	Value (Mln Rs.)
2010-11	3,134	767	32	3,933	645	36,183	13,178
2011-12	3,207	633	21	3,861	1,177	32,152	12,255
2012-13	2,853	747	21	3,621	735	17,882	8,507
2013-14	3,185	881	24	4,089	1,148	23,546	12,572
2014-15	3,309	975	33	4,316	984	23,157	14,058
2015-16	2,672	1,007	20	3,699	901	17,386	15,974
2016-17	3,730	1,269	41	5,040	961	18,088	16,680
2017-18	3,435	1,279	50	4,763	1,191	26,480	19,162
2018-19	3,408	1,153	53	4,614	1,093	29,117	25,909
2019-20	3,415	1,084	50	4,549	890	32,089	29,572
2020-21	3,711	1,228	69	5,008	884	37,441	30,083
2021-22	3,838	1,092	71	5,001	684	34,316	36,266
2022-23	3,604	734	29	4,366	479	38,551	51,036
2023-24	3,087	835	39	3,961	524	26,384	41,000
2024-25 P	2,647	718	39	3,404	415	20,885	29,886

P: Provisional (Jul-Mar)

Source: Pakistan Bureau of Statistics
National Fertilizer Development Centre

TABLE 2.10

AVERAGE RETAIL SALE PRICES OF FERTILIZERS

Rs per bag of 50 Kgs

Fiscal Year	Urea	CAN	AS	NP	SSP(G)	DAP	SOP
2010-11	1,035	843	1,124	2,108	896	3,236	2,807
2011-12	1,719	1,392	-	2,691	1,260	4,054	3,797
2012-13	1,799	1,443	-	2,524	1,172	3,902	3,945
2013-14	1,827	1,566	-	2,513	1,050	3,640	4,233
2014-15	1,883	1,606	-	2,584	1,012	3,677	4,904
2015-16	1,860	1,564	-	2,339	973	3,343	5,131
2016-17	1,378	1,198	-	1,869	886	2,596	4,100
2017-18	1,386	1,241	-	2,175	890	2,882	3,659
2018-19	1,745	1,571	-	2,829	1,002	3,518	3,945
2019-20	1,850	1,700	-	2,695	1,068	3,558	4,299
2020-21	1,698	1,547	-	3,144	1,249	4,432	4,462
2021-22	1,913	1,686	-	5,371	1,968	8,227	7,727
2022-23	2,649	2,461	-	6,293	2,698	10,924	13,589
2023-24	4,046	3,511	-	7,217	2,751	12,047	12,170
2024-25 P	4,533	4,224	-	7,585	2,895	11,898	12,489

P: Provisional (Jul-Mar) -: Not available

Source: Pakistan Bureau of Statistics
National Fertilizer Development Centre

CAN: Calcium Ammonium Nitrate
AS: Ammonium Sulphate DAP: Diammonium Phosphate
NP: Nitrophosphate SOP: Sulphate of Potash
SSP: Single Super Phosphate

TABLE 2.11

AREA IRRIGATED BY DIFFERENT SOURCES

Million Hectares

Fiscal Year	Canals	Wells	Canal Wells	Tubewells	Canal Tubewells	Others	Total
2010-11	6.00	0.36	0.25	3.92	7.60	0.72	19.16
2011-12	5.59	0.35	0.19	4.03	7.86	0.72	18.99
2012-13	5.22	0.30	0.19	3.81	7.86	0.19	18.68
2013-14	5.55	0.38	0.27	3.71	8.15	0.17	19.28
2014-15	5.55	0.38	0.27	3.71	8.15	0.17	19.28
2015-16	5.59	0.35	0.30	4.48	8.19	0.26	19.33
2016-17	5.56	0.10	0.30	3.57	7.89	0.21	18.91
2017-18	6.04	0.43	0.28	3.57	8.19	0.21	18.72
2018-19	5.67	0.27	0.28	3.75	8.23	0.16	18.36
2019-20	6.03	0.26	0.25	4.04	8.51	0.25	19.34
2020-21	5.67	0.28	0.24	3.98	8.75	0.23	19.15
2021-22	5.87	0.28	0.24	3.98	8.75	0.23	19.35
2022-23	5.90	0.25	0.23	4.15	8.71	0.20	19.49
2023-24 P	-	-	-	-	-	-	-

P: Provisional

- : Not available

Source: Pakistan Bureau of Statistics

Ministry of National Food Security & Research

TABLE 2.12

PROCUREMENT/SUPPORT PRICES OF AGRICULTURAL COMMODITIES

Rs per 40 Kg

Fiscal Year	Wheat	Sugarcane* (at factory gate)			Seed Cotton (Phutti)
		Khyber Pakhtunkhwa	Punjab	Sindh	
2010-11	950	125	125	125	-
2011-12	1,050	150	150	154	-
2012-13	1,200	170	170	172	-
2013-14	1,200	170	170	172	-
2014-15	1,300	180	180	182	3,000
2015-16	1,300	180	180	172	3,000
2016-17	1,300	180	180	182	-
2017-18	1,300	180	180	182	-
2018-19	1,300	180	180	182	-
2019-20	1,400	190	190	192	-
2020-21	1,800	200	200	202	-
2021-22	2,200	225	225	250	5,000
2022-23	3,900 #	300	300	302	-
2023-24	3,900 #	400	400	425	8,500

Source: Ministry of National Food Security & Research

* : Sugarcane prices are notified by the respective Provincial Governments

: A Support Price for Wheat for Sindh was announced @ Rs 4000 / 40 Kg

TABLE 2.13

PROCUREMENT, RELEASES AND STOCKS OF WHEAT

000 Tonnes

Fiscal	Wheat (May-April)		
Year	Procurement	Releases	Stocks
2010-11	6,150.0	6,404.0	3,186.0
2011-12	5,792.0	5,820.0	3,506.0
2012-13	7,910.0	6,363.0	1,681.0
2013-14	5,948.0	6,149.0	7,566.0
2014-15	6,139.0	3,380.0	6,447.0
2015-16	5,806.0	4,468.1	6,284.0
2016-17	6,516.0	-	4,531.0
2017-18	5,942.0	-	9,858.0
2018-19	4,034.0	-	3,777.0
2019-20	6,596.0	1,846.3	602.2
2020-21	5,810.5	3,894.0	8,144.1
2021-22	6,614.0	7,130.0	2,030.7
2022-23	3,144.1	8,841.0	4,641.5
2023-24 *	5,899.5	3,519.2	4,362.0

- : Not available

Source: Ministry of National Food Security & Research

* : As on 15-04-2024

TABLE 2.14

LIVESTOCK POPULATION

Million Numbers

Fiscal Year	Buffalo	Cattle	Goat	Sheep	Poultry	Camels	Asses	Horses	Mules
2010-11	31.7	35.6	61.5	28.1	663.0	1.0	4.7	0.4	0.2
2011-12	32.7	36.9	63.1	28.4	721.0	1.0	4.8	0.4	0.2
2012-13	33.7	38.3	64.9	28.8	785.0	1.0	4.9	0.4	0.2
2013-14	34.6	39.7	66.6	29.1	855.0	1.0	4.9	0.4	0.2
2014-15	35.6	41.2	68.4	29.4	932.0	1.0	5.0	0.4	0.2
2015-16	36.6	42.8	70.3	29.8	1,016.0	1.0	5.1	0.4	0.2
2016-17	37.7	44.4	72.2	30.1	1,108.0	1.1	5.2	0.4	0.2
2017-18	38.8	46.1	74.1	30.5	1,210.0	1.1	5.3	0.4	0.2
2018-19	40.0	47.8	76.1	30.9	1,321.0	1.1	5.4	0.4	0.2
2019-20	41.2	49.6	78.2	31.2	1,443.0	1.1	5.5	0.4	0.2
2020-21	42.4	51.5	80.3	31.6	1,578.0	1.1	5.6	0.4	0.2
2021-22	43.7	53.4	82.5	31.9	1,725.0	1.1	5.7	0.4	0.2
2022-23	45.0	55.5	84.7	32.3	1,887.0	1.1	5.8	0.4	0.2
2023-24	46.3	57.5	87.0	32.7	2,065.0	1.2	5.9	0.4	0.2
2024-25	47.7	59.7	89.4	33.1	2,260.0	1.2	6.0	0.0	0.2

Source: Ministry of National Food Security & Research

Note: Estimated figures based on inter census growth rate of Livestock Census 1996 & 2006

TABLE 2.15

LIVESTOCK PRODUCTS

000 Tonnes

Fiscal Year	Milk*	Beef	Mutton	Poultry Meat	Wool	Hair	Bones	Fats	Blood	Eggs (Mln.Nos.)	Hides (Mln.Nos.)	Skins (Mln.Nos.)
2010-11	37,475	1,711	616	767	42.5	23.2	735.1	234.8	58.3	12,857	13.5	48.5
2011-12	38,617	1,769	629	834	43.0	23.8	757.5	241.7	59.8	13,114	13.9	49.6
2012-13	39,855	1,829	643	907	43.6	24.4	780.5	248.8	61.3	13,813	14.4	50.7
2013-14	41,133	1,887	657	987	44.1	25.1	802.9	255.8	62.8	14,556	14.9	51.9
2014-15	42,454	1,951	671	1,074	44.6	25.8	827.2	263.3	64.4	15,346	15.4	53.1
2015-16	43,818	2,017	686	1,170	45.1	26.5	852.3	271.0	66.1	16,188	15.9	54.3
2016-17	45,227	2,085	701	1,276	45.7	27.2	878.2	279.0	67.8	17,083	16.4	55.5
2017-18	46,682	2,155	717	1,391	46.2	27.9	904.9	287.3	69.5	18,037	17.0	56.8
2018-19	48,185	2,227	732	1,518	46.8	28.6	932.5	295.8	71.3	19,052	17.5	58.1
2019-20	49,737	2,303	748	1,657	47.3	29.4	961.0	304.5	73.1	20,133	18.1	59.5
2020-21	51,340	2,380	765	1,809	47.9	30.2	990.3	313.6	75.0	21,285	18.8	60.8
2021-22	52,996	2,461	782	1,977	48.4	31.0	1020.7	322.9	77.0	22,512	19.4	62.3
2022-23	54,707	2,544	799	2,160	49.0	31.8	1052.0	332.5	79.0	23,819	20.0	63.7
2023-24	56,474	2,630	817	2,362	49.6	32.7	1084.3	342.5	81.0	25,212	20.7	65.2
2024-25	72,343	2,548	835	2,583	50.2	33.6	1095.5	345.8	82.5	26,696	20.8	66.7

*: Human Consumption

Source: Ministry of National Food Security & Research

Note: From 2006-07 onward figures estimates are based on Inter census growth rate of Livestock Census 1996 & 2006

MANUFACTURING AND MINING

(Jul-Mar FY2025)

LSM Growth Rate	-1.5%	▼
Textile Growth	2.2%	▲
Wearing Apparel	7.6%	▲
Food	-0.5%	▼
Coke & Petroleum Products	4.5%	▲
Chemicals	-5.5%	▼
Pharmaceutical	2.3%	▲
Mining & Quarrying	-3.4%	▼

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Chapter 3

MANUFACTURING AND MINING

The Manufacturing and Mining sectors remain critical for Pakistan's industrial base, jointly contributing 13.2 percent to GDP. Within manufacturing, Large-Scale Manufacturing (LSM) plays a dominant role, accounting for 67.5 percent of the manufacturing sector and 8.0 percent of GDP, followed by Small-Scale Manufacturing (SSM) and Slaughtering, which contribute 2.4 percent and 1.4 percent to GDP, respectively.

Over the past few years, Pakistan's manufacturing sector, particularly LSM, has faced significant headwinds amid a challenging macroeconomic environment. The country has grappled with a precarious current account position and a high fiscal deficit, necessitating stabilization measures under the IMF program. While these adjustments were critical for restoring macroeconomic stability, they resulted in import compression, exchange rate hike, elevated policy interest rates, and energy constraints, adversely impacting industrial performance.

Macroeconomic conditions began to stabilize in FY 2025 as reflected in easing inflation, a declining policy rate, and improvements in fiscal and external indicators. Despite this, overall manufacturing growth slowed to 1.3 percent in FY 2025, compared to 3.0 percent last year. This deceleration was primarily driven by a contraction of 1.5 percent in LSM, compared to a modest growth of 0.9 percent in the previous year. In contrast, SSM and Slaughtering grew by 8.8 percent and 6.3 percent, respectively, providing some support to the sector.

Meanwhile, the Mining and Quarrying sector continued to face difficulties, contracting by 3.4 percent in FY 2025; an improvement compared to the 4.0 percent decline recorded in the previous year. This subdued performance across both manufacturing and mining signals the need for targeted policy interventions to address persistent structural bottlenecks and unlock the sectors' growth potential.

Section 3.1 presents an overview of LSM's recent performance and key drivers, while the following sections (3.2 to 3.5) explore the dynamics of key industrial segments, namely textiles, automobiles, fertilizers, and cement, highlighting sector-specific developments, challenges, and emerging trends.

3.1 Performance of Large-Scale Manufacturing: Gradual Stabilization with Persistent Headwinds

The trajectory of LSM during July-March FY 2025 remained subdued, with a contraction of 1.47 percent compared to a contraction of 0.22 percent in the same period last year. Despite visible signs of stabilization in key macroeconomic indicators, the recovery in industrial output has been uneven and slower than anticipated. As depicted in Figure 3.1, this marks the third consecutive year of negative growth in LSM, following a steep contraction in FY 2023 and near-stagnation in FY 2024. The trend reflects persistent structural and cost-side challenges that continue to weigh on LSM.

High input costs, and elevated tax rates, continued to pose headwinds to LSM growth. At the same time, supportive measures were introduced on both the monetary and fiscal fronts, most notably, a cumulative reduction of 850 basis points in the policy rate by the State Bank of Pakistan during July-March, and a targeted winter electricity tariff relief package by the government, to ease financial constraints and reduce energy costs for industrial units. While

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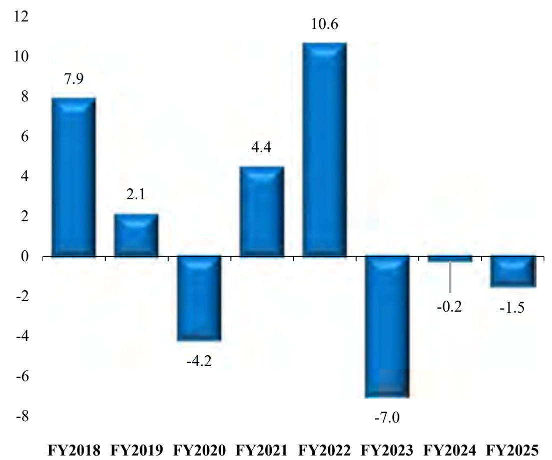
these interventions helped improve business confidence and liquidity in selected sectors, their full impact on production activity is still unfolding.

Nearly half of the LSM basket (48.8% weight of QIM) recorded positive growth during the period, reflecting resilience in industries such as textiles, automobiles, wearing apparel, tobacco, and transport equipment. However, the overall index growth remained negative due to pronounced output declines in sectors like food, chemicals, non-metallic minerals, iron & steel, and electrical equipment. The contraction in these sectors, many of which have substantial backward and forward linkages, exerted a disproportionately large drag on aggregate LSM growth.

Localized disruptions, such as law and order concerns in parts of Khyber Pakhtunkhwa, led to temporary closures of some production units, though their overall impact remained marginal. In parallel, certain plants permanently ceased operations due to sustained un-competitiveness or a market shift toward imported alternatives, further weighing on industrial output.

The disparity between financial relief measures and real sector recovery suggests a time lag in the transmission of macroeconomic policy to production outcomes. With improving credit availability, declining inflation, and enhanced investor sentiment, the outlook for LSM recovery remains cautiously optimistic provided that stability is sustained and structural bottlenecks continue to be addressed.

Fig-3.1: LSM Growth % (July-March)



On a year-on-year (YoY) basis, LSM's growth was 1.8 percent in March 2025, compared to a growth of 1.7 percent in the same month last year. Meanwhile, on a month-on-month (MoM) basis, LSM declined by 4.6 percent in March 2025, compared to 5.6 percent decline in February 2025.

Table 3.1 presents group-wise growth trends in the manufacturing sector for July–March FY 2024 and FY 2025. Out of 22 industrial groups, 12 recorded positive growth during July–March FY 2025, indicating a modest recovery in selected segments of the manufacturing sector.

Table 3.1: Group-wise growth for July-March 2023-24 vs July-March 2024-25

S.No.	Manufacturing Items	Weight	% Change (July-March)		(%) Point Contribution (July-March)	
			2023-24	2024-25	2023-24	2024-25
1	Food	10.69	1.84	-0.49	0.34	-0.09
2	Beverages	3.84	-3.94	0.88	-0.17	0.04
3	Tobacco	2.07	-33.59	13.12	-0.66	0.17
4	Textile	18.16	-8.81	2.15	-1.57	0.35
5	Wearing Apparel	6.08	5.41	7.62	0.77	1.14
6	Leather Products	1.23	5.32	1.30	0.04	0.01
7	Wood Products	0.18	12.09	0.89	0.00	0.00
8	Paper & Board	1.63	-2.10	0.34	-0.05	0.01
9	Coke & Petroleum Products	6.66	4.85	4.48	0.31	0.30
10	Chemicals	6.48	8.07	-5.51	0.61	-0.45
	- Chemicals Products	2.55	-3.16	-12.28	-0.10	-0.38
	- Fertilizers	3.93	16.40	-1.34	0.71	-0.07
11	Pharmaceuticals	5.15	23.19	2.32	1.08	0.13
12	Rubber Products	0.24	3.60	-2.92	0.01	-0.01

Table 3.1: Group-wise growth for July-March 2023-24 vs July-March 2024-25

S.No.	Manufacturing Items	Weight	% Change (July-March)		(%) Point Contribution (July-March)	
			2023-24	2024-25	2023-24	2024-25
13	Non-Metallic Mineral Products	5.01	-4.35	-10.45	-0.30	-0.68
14	Iron & Steel Products	3.45	-2.20	-10.94	-0.11	-0.51
15	Fabricated Metal	0.42	-5.42	-17.16	-0.02	-0.06
16	Computer, electronics, and Optical products	0.03	-15.99	2.55	0.00	0.00
17	Electrical Equipment	2.05	-7.48	-15.89	-0.24	-0.47
18	Machinery and Equipment	0.39	61.43	-32.74	0.20	-0.17
19	Automobiles	3.10	-37.38	40.00	-1.01	0.68
20	Other transport Equipment	0.69	-9.89	32.83	-0.05	0.14
21	Furniture	0.51	23.13	-61.07	0.60	-1.94
22	Other Manufacturing (Football)	0.32	1.34	-13.41	0.01	-0.06

Source: Pakistan Bureau of Statistics

The output of the food group recorded a moderate contraction of 0.5 percent during July-March FY 2025 against the growth of 1.8 percent last year. Notable declines were recorded in sugar, bakery products, and chocolate & sugar confectionery (7.1 percent), tea blended (3.7 percent), and vegetable ghee (2.0 percent). In contrast, wheat and rice milling increased by 6.4 percent, and starch and its products rose by 0.4 percent, supported by better crop harvests. The decline in sugar production was primarily attributed to the deregulation of the Minimum Indicative Price of sugarcane by provincial governments, which created uncertainty for farmers. This was compounded by adverse environmental conditions, pest attacks, and low sucrose content, all of which significantly affected crop yields and sugar recovery rates. Moreover, imposing a Federal Excise Duty (FED) of Rs 15 per kg at the beginning of FY 2025 further escalated production costs, adding pressure to an already struggling sugar industry.

The textile sector witnessed a growth of 2.2 percent during July-March FY 2025, compared to a contraction of 8.8 percent in the same period last year. Growth in cotton yarn (8.4 percent), cotton cloth (0.8 percent), and terry towels & bathrobes (4.0 percent) were key contributors. This turnaround was supported by improved macroeconomic conditions and a shift in the policy rate, which lowered borrowing costs and encouraged investment. Furthermore, political unrest and labour disputes in Bangladesh between December 2024 and March 2025 led to the redirection of some export orders to textile producers in other Asian countries, including Pakistan. Although domestic cotton production declined during FY 2025, rising imports of raw cotton bridged the supply gap, ensuring continuity in production. Additionally, increased imports of textile machinery and higher working capital borrowing signal the industry's intent to expand and modernize operations, reinforcing positive growth momentum for the coming months. However, challenges persist in jute and woolen-related products, with output of jute goods and woolen & worsted cloth declining sharply by 25.1 percent and 24.9 percent, respectively. The woolen industry remains constrained by the poor quality of domestic wool, while the jute sector continues to face operational inefficiencies (Table 3.7).

The wearing apparel sector sustained its growth momentum, recording a 7.6 percent increase during July-March FY 2025, up from 5.4 percent in the same period last year. The continued expansion reflects the strengthening position of the readymade garment industry, driven by improved competitiveness and rising demand in both domestic and international markets. This is further evidenced by a 7.8 percent increase in export volumes and a notable 19.1 percent rise in export values (Table 3.4).

Coke and Petroleum products posted a growth of 4.5 percent in July-March FY 2024, slightly lower than 4.8 percent last year. The main contributors to this performance were high-weighted products such as high-speed diesel (9.3 percent), motor spirit (2.0 percent), furnace oil (2.7 percent), and solvent naphtha (14.6 percent), reflecting increased demand from the transport, industrial, and power generation

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sectors. Additionally, low-weighted products like jet batching oil and kerosene oil, which grew by 43.4 percent and 33.1 percent, respectively, also contributed to the overall growth.

The automobile sector witnessed a strong rebound, recording a growth of 40.0 percent during July-March FY 2025, in contrast to a sharp contraction of 37.4 percent in the same period last year. This robust performance reflects improved macroeconomic fundamentals, including declining inflation, exchange rate stability, and a lower policy rate, which collectively reduced borrowing costs and restored consumer and investor confidence. The introduction of 31 new vehicle models, including 11 electric and hybrid variants (e.g., Seres3 EV, Hyundai EV, MG PHEV, EGO Green EV), expanded consumer choice and revitalized market dynamics. Additionally, the industry achieved around 90 percent localization in the motorcycle and tractor segments and generated approximately 8,200 jobs during the period. However, tractor production declined by 35.3 percent, mainly due to agriculture sector-specific challenges and delays in government procurement.

In parallel, Pakistan's Electric Vehicle (EV) ecosystem is steadily gaining momentum under the Automotive Industry Development and Export Policy 2021–26. To date, 57 manufacturers have been granted licenses for producing electric two- and three-wheelers, supported by fiscal incentives, tax exemptions, and reduced charging tariffs aligned with the government's 'Clean Green Pakistan' and 'Make in Pakistan' initiatives. During July-March FY 2025, 13 new manufacturing certificates were issued, and production of EV 2/3 wheelers reached 32,923 units, making the total production since FY2022 reach 76,979 units. In a further boost to the sector, Chinese EV giant BYD, in partnership with Mega Motors, is set to establish an EV assembly plant in Karachi by 2026, targeting annual sales of 100,000 electric vehicles by 2030. These developments highlight Pakistan's growing commitment to a greener and more sustainable automotive future.

The pharmaceuticals sector recorded a modest growth of 2.3 percent during July–March FY 2025, compared to a substantial 23.2 percent increase in the same period last year. This deceleration reflects a more subdued expansion in key product categories, with tablets growing by 2.5 percent, liquids/syrups by 2.9 percent, and galenicals by 23.8 percent. Meanwhile, the beverages sector showed signs of mild recovery, posting a growth of 0.9 percent after a decline of 3.9 percent last year. The contraction of 4.0 percent in juices, syrups, and squashes was offset by an 8.1 percent increase in the production of soft drinks and mineral water.

Tobacco, paper & board, computer, electronics & optical products, and other transport equipment showed signs of recovery during July–March FY 2025. Tobacco grew by 13.1 percent, rebounding from a significant contraction last year. Paper & board recorded a modest growth of 0.34 percent, while computer, electronics & optical products and other transport equipment posted stronger recoveries of 2.6 percent and 32.8 percent, respectively. Although their weights in the manufacturing index are relatively small, their positive contributions, particularly from other transport equipment, reflect improving industrial activity in these segments.

The chemicals sector contracted by 5.5 percent during July-March FY 2025, reversing the growth momentum of last year. Within this group, chemical products declined sharply by 12.3 percent, driven by reduced output in industrial chemicals and basic materials, while fertilizer production saw a marginal drop of 1.3 percent. This decline was largely attributed to subdued demand, operational disruptions at certain plants, limited availability of key raw materials, and sufficient inventory levels that reduced the need for new production. The sector collectively contributed a negative 0.45 percentage points to cumulative LSM growth, making it one of the major drags on industrial output during the period.

The construction-allied sectors, including non-metallic mineral products, iron & steel, and electrical equipment, continued to underperform, reflecting subdued activity in housing, infrastructure, and public investment. Non-metallic mineral products declined by 10.5

percent, driven by weak domestic cement demand. In addition, the shift toward imported glass plates and sheets further dampened domestic output. Iron & steel products contracted by 10.9 percent, while electrical equipment fell by 15.9 percent, owing to reduced production of transformers, meters, bulbs, storage batteries, and related components. Together, these sectors collectively dragged down cumulative LSM growth by over 1.6 percentage points, underscoring persistent challenges in the construction and industrial base despite recovery in selected segments.

Furniture production contracted sharply by 61.1 percent during July-March FY 2025, significantly impacting overall growth. Despite its small weight, this decline reduced cumulative LSM growth by nearly 02 percentage points, highlighting its major negative contribution to the sector's performance. The production of selected LSM items is shown in Table 3.2.

Table 3.2: Production of selected industrial items of Large Scale Manufacturing

S. No.	Name of items	Unit of Quantity	Weight	Production (Jul-Mar)		% change (Jul-Mar)	(%) Point Contribution (Jul-Mar)
				2023-24	2024-25	2024-25	2024-25
1	Deep freezers	Nos.	0.167	77,014	60,483	-21.46	-0.04
2	Jeeps and Cars	Nos.	2.715	71,174	96,795	36.00	0.56
3	Refrigerators	Nos.	0.246	604,652	518,101	-14.31	-0.02
4	Upper leather	000 Sq. M	0.398	10,150	8,681	-14.47	-0.03
5	Cement	`000' Tonnes	4.650	30,502	28,546	-6.41	-0.37
6	Liquids/syrups	`000' Litres	1.617	150,253	154,547	2.86	0.09
7	Phos. fertilizers	N. Tonnes	0.501	557,765	563,974	1.11	0.01
8	Tablets	`000' Nos.	2.725	11,809,928	12,109,794	2.54	0.04
9	Cooking oil	Tonnes	1.476	475,541	475,913	0.08	0.00
10	Nit. fertilizers	N. Tonnes	3.429	2,688,369	2,643,314	-1.68	-0.07
11	Cotton cloth	000 Sq. M	7.294	652,748	657,853	0.78	0.05
12	Vegetable ghee	Tonnes	1.375	1,125,062	1,102,620	-1.99	-0.04
13	Cotton yarn	Tonnes	8.882	1,834,338	1,987,851	8.37	0.58
14	Sugar	Tonnes	3.427	6,762,257	6,281,463	-7.11	-0.47
15	Tea blended	Tonnes	0.485	105,676	101,782	-3.68	-0.02
16	Petroleum Products	`000' Litres	6.658	10,208,738	10,631,280	4.48	0.30
17	Cigarettes	Mil. Nos.	2.072	23,315	26,373	13.12	0.17

Source: Pakistan Bureau of Statistics

3.2 Textile Industry

Textiles represent the most vital segment of Pakistan's manufacturing sector, featuring the longest production chain with significant potential for value addition at every stage from cotton cultivation through ginning, spinning, weaving, dyeing, and finishing, to the production of made-ups and garments. The sector accounts for nearly one-fourth of the total industrial value-added and provides employment to approximately 40 percent of the industrial labor force. Textile products maintained a consistent average share of around 55.2 percent in Pakistan's total exports during July–March FY 2025, reflecting the sector's strong and stable export performance.

Ancillary Textile Industry

The ancillary textile industry includes cotton spinning, cotton cloth, cotton yarn, cotton fabric, fabric processing, home textiles, towels, hosiery, knitwear, and readymade garments. These components are being produced both in the large-scale organized sector and in the unorganized cottage / small and medium units. The performance of these various ancillary textile industries is highlighted below:

i. Cotton Spinning Sector

The spinning sector is the backbone of textile production. It comprises 408 Textile Units (40 Composite and 368 Spinning units), 13.409

million Spindles, and 198,800 rotors installed. Out of which 9.5 million spindles and 126,583 rotors are in operation, with capacity utilization of 70.8 percent and 63.7 percent, respectively, during July-March FY 2025.

ii. Cloth Sector

This sector produces comparatively low value-added grey cloth of mostly inferior quality due to poor technology, scarcity of quality yarn, and lack of institutional financing for its development from an unorganized sector to an organized one. The number of Looms installed in cotton textile mills is 9,084, with 6,384 currently in operation. Production of cloth in the mill sector is reported, whereas the non-mill sector is not reported and taken as estimated. The production of cotton cloth has slightly increased while the exports have decreased in terms of quantity, as evident in Table 3.3.

Table 3.3: Production and Export of the Clothing Sector

Production	July-March 2024-25	July-March 2023-24	% Change
Mill Sector (000. Sq. Mtrs)	657,853	652,748	0.78
Non-Mill Sector (000. Sq. Mtrs)	5,248,167	5,245,782	0.05
Total	5,906,020	5,898,530	0.13
Cotton Cloth Exports			
Quantity (Million. Sq. Mtrs)	264.664	278.837	-5.08
Value (M.US $)	1,424.503	1,422.886	0.11

Source: Textile Commissioner's Organization

iii. Textile Made-Up Sector

As a value-added segment of the textile industry, the made-up sector comprises different subgroups: towels, tents and canvas, cotton bags, bedwear, hosiery, knitwear and readymade garments, and fashion apparel. The table below compares the made-up sector's export performance from July-March FY 2025 against the same period last year.

The readymade garment industry has emerged as a key small-scale industry in Pakistan, fulfilling almost the entire domestic demand for garments. Its products are in high demand both locally and internationally. This industry provides employment opportunities to a large number of people with minimal capital investment. It primarily relies on locally produced raw materials, while most of the machinery used is either imported or assembled locally.

Table 3.4: Export of Textile Made-Ups

	Jul-Mar 2024-25	Jul-Mar 2023-24	% Change
Hosiery Knitwear			
Quantity (M.Doz)	195.962	179.448	9.20
Value (M.US$)	3785.369	3240.272	16.82
Readymade Garments			
Quantity (M.Doz)	60.255	55.877	7.84
Value (M.US$)	3091.574	2596.889	19.05
Towels			
Quantity (M Kgs)	173.039	166.353	4.02
Value (M.US$)	818.733	783.799	4.46
Tents/Canvas			
Quantity (M Kgs)	32.723	28.353	15.41
Value (M.US$)	101.135	88.359	14.46
Bed Wears			
Quantity (000 MT)	391.331	348.783	12.20
Value (M.US$)	2374.260	2088.267	13.70
Other Made up			
Value (M.US$)	588.138	535.662	9.80

Source: Textile Commissioner's Organization

iv. Synthetic Textile Fabrics

Synthetic fibers such as nylon, polyester, acrylic, and polyolefin dominate the domestic market in Pakistan. Currently, five major producers operate in the country with a combined production capacity of 636,000 tons per annum. Artificial silk, which imitates the look and feel of natural silk at a significantly lower cost, is manufactured using approximately 9,000 looms nationwide. Table 3.5 shows the exports of synthetic textile fabrics during the period July-March FY 2025.

Table 3.5: Export of Synthetic Textile

	(Jul-Mar) 2024-25	(Jul-Mar) 2023-24	% Change
Quantity (Thousand. Sq. Mtrs)	64.046	61.850	3.55
Value (M.US $)	303.919	273.662	11.06

Source: Textile Commissioner's Organization

v. Woolen Industry

The woolen industry in Pakistan primarily produces carpets and rugs. However, locally available wool is generally not suitable for the production of high-quality woolen fabrics and hosiery items. The export of carpets during the period July-March FY 2025 are given in Table 3.6:

Table 3.6: Exports of Carpets and Rugs (Woolen)

	(Jul-Mar) 2024-25	(Jul-Mar) 2023-24	% Change
Quantity (Th.Sq.Mtrs)	2.262	2.497	-9.41
Value (M.US$)	42.134	44.640	-5.61

Source: Textile Commissioner's Organization

vi. Jute Industry

The jute industry in Pakistan primarily manufactures jute sacks and hessian cloth, which are widely used for packaging and handling wheat, rice, and other food grains. Table 3.7 presents the installed capacity, operational capacity, and production details of the jute industry.

Table 3.7: Installed and Working Capacity of Jute

	(Jul-Mar) 2024-25	(Jul-Mar) 2023-24	% Change
Total No. of Units	10	10	0
Spindles Installed	25,060	25,060	0
Spindles Worked	15,400	16,815	-8.41
Looms Installed	1,186	1,186	0
Looms Worked	640	763	-16.12
Production			
Total No of Units (000 kg)	22,796	30,440	-25.11

Source: Textile Commissioner's Organization

3.3 Automobile Industry

The performance of the auto industry during July-March FY 2025 represents growth in all subsectors except the Farm Tractor sector, where production and sales were down by 35 percent. In the remaining sectors, there has been worthwhile growth in the range of 29 percent to 88 percent. It may be noted that the Farm Tractor sector, a vital component of the country's agriculture, faced challenges in the first quarter of the current fiscal year, as decisions regarding the refund procedure and the applicable rate of sales tax remained pending during that period. In addition, assemblers and manufacturers have adopted a wait-and-see approach to benefit from the Green Tractor Scheme.

Passenger car production and sales increased by 37.1 percent and 39.4 percent, respectively, during the period under review. For the first time, local production and sales of electric cars were reported at 150 and 132 units, respectively. Introducing this new technology highlights the sector's exposure to technological change and the growing strength of competitive forces within the auto industry.

The production of heavy commercial vehicles - trucks and buses - registered robust growth of 88 percent and 83.8 percent, respectively, during the period under review. Truck production reached 2,822 units during July-March FY 2025, up from 1,501 units in the same period last year. Similarly, bus production rose to 546 units from 297 units over the corresponding period. Despite this growth, the overall volume of locally produced trucks and buses remains modest relative to the size of the domestic market. A significant portion of demand continues to be met through imports, while the local heavy commercial vehicle industry operates at around 80 percent idle capacity, indicating substantial underutilization of existing manufacturing potential.

In the category of other locally produced vehicles - including Light Commercial Vehicles (LCVs), jeeps, and pickups - production and sales witnessed substantial growth, increasing by 80 percent and 70 percent, respectively. In addition to shifting consumer preferences, this surge reflects overall market expansion, driven partly by new entrants capturing market share and the growing presence of Chinese manufacturers in recent years.

In the two/three-wheeler sector, production reached 1,088,493 units during the period under review, compared to 843,504 units in the same period last year, reflecting a growth of 29.0 percent. Similarly, sales increased by 30.7 percent, rising from 833,816 to 1,089,922 units. This represents steady, expected growth, as two- and three-wheelers continue to fulfill the bulk of transportation needs for the general public. Notably, a significant portion of the growing demand is being met by a widespread unorganized sector, often operating as part of the

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cottage industry. Due to its informal nature, this report could not capture data from this segment.

The production and the sales of the auto industry during July-March FY 2025 is shown below:

Table 3.8: Production of Automobiles

Category	Installed Capacity	No. of Units		
		2023-24 (Jul-Mar)	2024-25 (Jul-Mar)	% Change
Car*	341,000	55,678	76,339	37.1
LCV/Jeeps/ SUV/Pickup	52,000	14,542	26,147	79.8
Bus	5,000	297	546	83.8
Truck	29,000	1,501	2,822	88.0
Tractor	100,000	36,425	23,581	-35.3
2/3 Wheelers	2,500,000	843,504	1,088,493	29.0

* : Including EV

Source: Pakistan Automotive Manufacturer Association (PAMA)

The auto industry gained some momentum in FY 2025. However, the sector's full supply and demand potential could not be realized due to unforeseen regulatory challenges. Encouragingly, the adoption of new technologies, entry of new market players, and rising investment trends indicate that this fast-growing sector is well-positioned to return to its historical growth trajectory.

3.4 Fertilizer Industry

Fertilizer is the key crop production input contributing 30 to 50 percent towards yield enhancement. At least 60 percent of total fertilizer volume is used for production of cereal crops (wheat, rice and maize) having prime role in national food security. Thus, fertilizer has direct linkage with achieving the objective of "Food Secure Pakistan". Growth of the fertilizer industry is also desirable for economic development and prosperity of farming community.

There are ten urea manufacturing plants, one DAP, three NP, four SSP (out of which one plant is idle), two CAN, two plants of blended NPKs, and three plants of SOP, having a total production capacity of 9,787 thousand product tonnes per annum. In product terms, fertilizer production during Jul-Mar FY2025 was 7,071 thousand tonnes, which was 1.4 percent less than last year. In nutrient terms, fertilizer production was 3,223 thousand tonnes which was 0.9 percent lower compared to last year.

Urea is the main fertilizer having 68 percent share in overall production capacity. Its installed production capacity (6.6 million tonnes per annum) is sufficient to meet domestic demand provided all plants are operational at full capacity year round. Two SNGPL-based plants (Fatima Fert and Agritech) have no permanent gas allocation and were operational on and off during previous years. However, uninterrupted gas supply to two SNGPL-based urea manufacturing plants has been ensured by the Federal Government since April 2023, which has led to sufficient buffer stock (> 300 thousand tonnes) and subsequently price stability in the market. Resultantly, the price of urea decreased by 5.4 percent from Rs 4,705 in July 2024 to Rs 4,453 per 50 kg bag in March 2025.

DAP accounted for 96 percent share in total import volume of fertilizer as almost half of its domestic demand is met through imported supply. DAP import was 623 thousand tonnes during July-March FY 2025 compared to 597 thousand tonnes last year. Import volume in term of fertilizer nutrient was 415 thousand tonnes compared to 524 thousand tonnes the previous year, showing a decrease of 20.8 percent.

Urea and DAP are two major fertilizers having combined share of 83 percent in total fertilizer use. Urea and DAP offtake during the period was 4,639 and 1,229 thousand tonnes, respectively. Urea offtake decreased by 13.6 percent while that of DAP decreased by 9.6 percent compared to last year.

Nutrient offtake during July-March FY 2025 was 3,404 thousand tonnes which was 14.1 percent less than the previous year. Nitrogen and Phosphate offtake were 2,647 and 718 thousand tonnes, respectively, whereas Potash offtake was 39.4 thousand tonnes. Thus, nitrogen and phosphate offtake decreased by 14.3 and 14.1 percent, respectively whereas potash offtake increased slightly by 0.8 percent compared to last year.

3.5 Cement Industry

The cement industry in Pakistan has witnessed a substantial increase in production capacity over the years, rising from 45.62 million tonnes in FY 2016 to 84.58 million tonnes in FY 2025. This expansion reflects significant investment and growth potential within the sector. However, capacity utilization has declined notably from a peak of 94.4 percent in FY 2018 to just 52.97 percent in the current fiscal year, primarily due to sluggish domestic demand. The slowdown in construction activity is largely attributed to high input costs which have constrained private sector construction.

Amid subdued local demand, the cement industry has increasingly shifted its focus toward international markets. Exports have recorded a notable upward trend, reflecting the industry's resilience and adaptability. This growth underscores Pakistan's competitive edge in regional and global markets, especially as economic conditions in neighboring countries stabilize and construction demand picks up.

Northern Region

Domestic consumption in the north was recorded at 22.791 million tonnes during the first nine months of FY 2025, compared to 24.236 million tonnes despatched last year, thus showing a negative growth of 6.0 percent. Exports from the north grew by 7.8 percent and stood at 1.120 million tonnes during the period, compared to 1.039 million tonnes during the same period last year.

Southern Region

Domestic consumption in the south decreased by 9.6 percent and reached 4.671 million tonnes during July-March FY 2025, compared to 5.166 million tonnes last year. Exports from the region increased by 33.3 percent, from 4.061 million tonnes to 5.412 million tonnes last year.

Cumulative

Cumulatively, the Cement industry recorded a decline of 1.5 percent during the period under review, with total dispatches standing at 33.994 million tonnes compared to 34.503 million tonnes last year, primarily due to subdued domestic demand. Domestic consumption contracted by 6.6 percent, reaching 27.462 million tonnes compared to 29.403 million tonnes last year. Despite the challenges, there was a positive aspect with an uptick in export shipments, surging 28.1 percent from 5.100 million tonnes to 6.532 million tonnes over the same period.

Table 3.9: Cement Production Capacity & Despatches Million Tonnes

Years	Production Capacity	Local Despatches	Exports	Total Despatches	Capacity Utilization% age
2015-16	45.62	33.00	5.87	38.87	85.21
2016-17	46.75	35.65	4.66	40.32	86.23
2017-18	48.61	41.15	4.75	45.89	94.40
2018-19	55.90	40.34	6.54	46.88	83.88
2019-20	63.53	39.97	7.85	47.81	75.26
2020-21	69.14	48.12	9.31	57.43	83.07
2021-22	69.29	47.64	5.26	52.89	76.33
2022-23	72.24	40.01	4.57	44.58	61.71
2023-24	78.90	38.18	7.11	45.29	57.40
2024-25 (July-March)	84.58	27.46	6.53	33.99	52.97

Source: All Pakistan Cement Manufacturers Association (APCMA)

3.6 Small and Medium Enterprises

SMEs are a cornerstone of inclusive economic growth, contributing significantly to employment generation, poverty reduction, and a more balanced income distribution. Small and Medium Enterprises Development Authority (SMEDA) is dedicated to nurturing the growth of the SME sector through a comprehensive set of services, including business development support, the establishment of common facility centers for enhancing access to infrastructure, resources and services, industry assistance to enhance productivity and energy efficiency, human capital development through training programs, and collaboration on SME-focused projects with national and international development partners. The subsequent section outlines the key activities and achievements of SMEDA during the period July-March FY 2025.

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Supporting and Developing SME Sector: To adopt a whole-of-government approach toward SME development, the Prime Minister constituted a Steering Committee on SME Development. In line with this vision, the SMEDA has formulated a comprehensive 3-Year Business Plan (2024–27) focusing on five strategic themes: improving access to finance, boosting exports, facilitating SME subcontracting, promoting women entrepreneurship, and enhancing climate resilience. Key developments during July-March FY 2025 include:

- **Access to Finance:**
  - A simplified loan application form, developed with the Pakistan Bankers Association and approved by the State Bank of Pakistan, will be rolled out in English and Urdu.
  - A capacity-building framework is being devised for improving SME access to government financing schemes and credit risk coverage.
  - SMEDA will facilitate SME financing under PMYBALS through the structured Non-Financial Advisory Services desk.
  - The Finance Minister formed a working group on rationalizing SME lending rates.
  - Revision of SME definitions initiated to account for inflation and currency devaluation, along with the inclusion of the Micro Enterprises category.
- **Boosting Exports:**
  - SMEDA submitted formal proposals to the Export Development Fund for SME export development initiatives, following endorsement by the Ministry of Commerce.
- **SME Subcontracting:**
  - The legal framework for SME subcontracting is under development, with the scope of work vetted by the Attorney General of Pakistan.
- **Women Entrepreneurship:**
  - A Draft Women Entrepreneurship Policy and Action Plan was developed with support from Revenue Mobilization, Investment & Trade, an FCDO-funded project, UN Women, and ADB.
  - A Digital Skills Training Program was launched to train 1,500 women entrepreneurs nationwide.
  - A Women Inclusive Finance Program was initiated in collaboration with ADB to improve access to finance for women entrepreneurs, with SMEDA as an implementation partner.
- **Climate Resilience:**
  - A Banana Bio-Economy Project, led by FAO and supported by SMEDA, aims to reduce chemical use in textiles by converting banana waste into fiber.
  - A Climate Vulnerability Index has been developed for SMEs.
  - A study to measure the carbon footprint of manufacturing SMEs in five key export sectors is underway.

Table 3.10: SMEDA Over the Counter (OTC) Services

Sr. No.	Initiatives	Achievements (July–March FY2025)
1.	SME Facilitation	3,831
2.	Thematic Helpdesks	9
3.	Pre-feasibility Studies Development (New & Updated)	35
4.	Business Plans	03
5.	Investment Facilitation (Rs. Million	91.9
6.	Training Programs	86
7.	District Profiles/ Sector Profile/ Sector Reports/ Business Guides (New and Update)	11
8.	SMEDA Web Portal (Download Statistics)	391,947
9.	News letters	2
10.	Industry Support Programs (Energy Efficiency & Productivity)	
	Energy Efficiency	11 Factories Facilitated
	Productivity Improvement	11 Factories Facilitated
	Occupational Health and Safety (OHS) Assessments	02 Factories Facilitated
	Guides Developed	02
	Training & Awareness Sessions	12

Source: SMEDA

Establishment of SME Fund: SME Fund, a key initiative under the National SME Policy 2021, has been approved. The fund will ensure that SMEDA has consistent funding for managing SME grants and innovative enterprise development activities. SME Fund shall be instrumental in implementing the SME Policy Action Plan. The Fund is also a central element in building a self-sustainable SMEDA. The Cabinet Committee for Disposal of Legislative Cases has approved the SME Fund Rules.

Public Sector Development Projects (PSDP) - Demonstration Projects: SMEDA is executing various demonstration projects, i.e., Common Facility Centers (CFCs) in major SME clusters. These projects, strategic in nature, have been set up to revitalize clusters to improve competitiveness and productivity through access to technology, productivity improvement, skill development, matching grants, and provision of services. Presently, the following PSDP projects are under different stages of implementation vis-à-vis providing various services to facilitate the SMEs.

Completed Projects

- Sports Industries Development Center, Sialkot
- Sialkot Business and Commerce Centre

Ongoing Projects

- 1000 Industrial Stitching Units
- Product Development Center for Composites-Based Sports Goods, Sialkot
- Research, Regulatory Insight & Advocacy Assistance for SMEs
- Business Skill Development Centers for Women at Dera Ismail Khan
- SME Facilitation Centers

Mapping of initiatives aimed at reducing informality in enterprises: SMEDA, in collaboration with the International Labour Organization, has conducted a mapping study on initiatives aimed at Reducing Informality in Enterprises. A roadmap for encouraging business formalization is currently being designed.

Growth for Rural Advancement and Sustainable Progress (GRASP): GRASP is a project funded by the European Union and implemented by the International Trade Centre, a joint agency of the United Nations and the World Trade Organization. It is a five-and-a-half-year project to support livestock and horticulture sectors in the Sindh and Balochistan provinces. The following were the achievements during July-March FY 2025:

- Training of Trainers on Business Registration for 30 persons
- Execution of Training Program for 780 MSMEs for Agri Entrepreneurship in 22 districts of Sindh & Balochistan.
- 4 training sessions on Business Registration and Compliance Level 1, attended by 132 participants
- 9 training sessions on Business Registration and Compliance Level 2, attended by 169 participants

3.7 Performance of Mining and Quarrying

Pakistan is endowed with substantial mineral wealth, including some of the world's largest reserves of coal, copper, pink salt, and rock salt, along with significant deposits of gold, chromite, and gemstones. Recognizing the untapped potential of the mining sector, the government, under the platform of the Special Investment Facilitation Council (SIFC), has prioritized mining and minerals as a key area for investment and reform. The SIFC is working to attract both domestic and foreign investment by streamlining regulatory frameworks, improving transparency, and promoting value-added mineral development to transform Pakistan into a regional hub for mining activities.

During July-March FY 2025, the performance of principal minerals extraction in Pakistan was mixed compared to the same period in FY 2024 (Table 3.11). Notable declines were observed in the extraction of crude oil (-14.8 percent), natural gas (-6.8 percent), coal (-5.7 percent), and iron ore (-20.2 percent), indicating a contraction in energy and metallic mineral outputs. However, there were significant

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increases in sulphur (341.9 percent), dolomite (43.3 percent), limestone (34.1 percent), marble (20.2 percent), and ocher (70.3 percent), reflecting positive growth in selected minerals. Overall, the trend indicates a shift towards higher output in non-metallic minerals amid subdued performance in energy-related and metallic mineral sectors.

Table 3.11: Extraction of Principal Minerals

Minerals	Unit of Quantity	2022-23	2023-24	July-March		%Change FY2025/FY2024
				2023-24	2024-25	
Coal	000 M.T	15,070	19,260	14,694	13,857	-5.7
Natural Gas	000 MMCFT	1,189	1,141	866.3	807.3	-6.8
Crude Oil	M.Barrels	25.4	25.8	19.6	16.7	-14.8
Chromite	000 M.T	155.6	252.0	200.0	196.0	-2.0
Magnesite	000 M.T	5.0	2.1	1.6	0.8	-52.0
Dolomite	000 M.T	544.3	518.1	412.8	591.6	43.3
Gypsum	000 M.T	1,640.0	2,079.0	1,632.0	1,391.0	-14.8
Lime Stone	000 M.T	58,941.3	47,240.0	36,162.0	48,481.0	34.1
Rock Salt	000 M.T	2,907.4	3,185.0	2,474.0	2,284.0	-7.7
Sulphur	000 M.T	11.7	7.1	7.1	31.4	341.9
Barytes	000 M.T	141.0	139.0	97.0	85.0	-12.4
Iron Ore	000 M.T	377.0	676.3	555.0	442.7	-20.2
Soap Stone	000 M.T	164.2	220.0	174.0	163.0	-6.3
Marble	000 M.T	5,714.4	6,785.0	5,487.0	6,598.0	20.2
Ocher	000 M.T	92.0	53.6	47.1	80.2	70.3

*: Provisional
Source: Pakistan Bureau of Statistics

Each province has its own Mines and Minerals Department tasked with overseeing the exploration and promotion of investments in their mineral resources. These departments play a crucial role in harnessing the mineral endowments within their respective provinces, ensuring that the resources are utilized efficiently and sustainably. In recent years, there has been a concerted effort across all provinces to adopt scientific methods for exploring and exploiting mineral resources. The following initiatives have been taken during the period of July-March FY 2025.

i. Major Initiatives of Punjab:

The Government of Punjab has undertaken a series of strategic reforms, technological upgrades, and exploration initiatives to enhance the efficiency, transparency, and economic potential of the mining sector, aligning with broader goals of sustainable resource utilization and regional development.

- **Collaboration for Resource Exploration:** A Memorandum of Understanding (MoU) was signed between the Mines & Minerals Department, Punjab, and the Geological Survey of Pakistan on March 3, 2025, for collaborative geological surveys and mineral exploration.
- **Regulatory Reforms:** Punjab Mining Concession Rules, 2002, have been re-drafted with updated amendments and notifications to enhance governance and operational efficiency in the mining sector.
- **Targeted Mineral Exploration Initiatives:**
  - Reconnaissance surveys were launched to identify prospective sites for Lithium, Iron, Aluminum, and Titanium exploration in Punjab.
  - A separate survey initiated to locate promising placer gold deposits from paleo deposits in the River Indus sand.
- **Digitization and Transparency:**
  - Implementing an e-auction module to ensure transparent and competitive bidding for mineral concessions.
  - Successful e-auction of 33 blocks for small-scale mining licenses, generating strong investor interest.
- **Revenue Mobilization:** Revision of royalty rates for various minerals resulted in a 58

percent increase in revenue collection compared to the previous year.

- **Support for the Construction Industry:** Regular auctions are conducted to ensure the supply of construction materials such as gravel, sand, and slate stone across Punjab.
- **Feasibility Studies:**

– Catch drain water management in the mining zones of District Sargodha

– Evaluation of placer gold potential in the River Indus, District Attock

- **Technology Adoption:** Procurement of drone technology for mineral mapping and survey.

ii. Major Initiatives of the Sindh

The Government of Sindh is actively promoting the sustainable development of the mineral sector through one ongoing and one proposed scheme, aimed at strengthening institutional capacity and enhancing resource mapping and exploration. Details are as follows:

- **Scheme-1:** Strengthening & Rehabilitation of Directorate General Mines & Mineral Development

– Establishment of a Mineral Testing Laboratory.

– Procurement of geological and lab equipment to support exploration activities.

– Purchase of vehicles for field monitoring.

– Provision of necessary hardware, furniture, and fixtures for operational efficiency.

– Improved service delivery through better working conditions and staffing capacity.

- **Scheme-2:** Profile Study for Identified Minerals for Reserve Estimation in Sindh

– Assessment of mineral quantity, quality, and potential new deposits.

– Generation of reliable data to attract local and foreign investment.

– Public dissemination of study findings to support informed decision-making.

– Promotion of modern mining techniques to reduce mineral wastage.

– Enhancement of small mining operators' capacity.

– Contribution to local employment generation and socioeconomic uplift.

– Increased government revenue through optimized extraction and royalty mechanisms.

iii. Major Initiatives of Balochistan

- **The Balochistan Mines and Minerals Act, 2025:** The Balochistan Mines and Minerals Act, 2025, was passed by the provincial assembly and notified on 17th March 2025. The department will now fully transition to the newly enacted Balochistan Mines and Minerals Act, 2025, to develop the Mineral Sector in the Province. The Department will take steps in its implementation, prioritize the notification of all statutory committees, and initiate comprehensive enforcement of the new legal framework in the coming year.
- **Capacity Building of Officers in the Mines & Minerals Development Department:** A project to enhance the skills of the Mines & Minerals Development Department officers was launched with an estimated total cost of Rs 300 million. Recently, four training sessions were conducted, i.e., Occupational Safety & Health Administration (OSHA) International Certification, GIS & Remote Sensing, and Administrative & Financial Skills at BUITEMS, Quetta, and Geological Field Work by the Geological Department, University of Balochistan. Another training, i.e., the Mineral Processing at the Pakistan Institute of Engineering & Applied Sciences (PIEAS) Islamabad, is scheduled in the coming days. Further training sessions are scheduled in the coming three months, including:

  – Second Batch of Mineral Processing at PIEAS Islamabad

  – Hands-on Geophysical Instruments Training for MMD Geologists and Engineers at the University of Balochistan

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- Second batches of OSHA, Geological Field Work, and GIS & Remote Sensing.

- **Automation Software Project:** The Government has revised the total cost of the project "Automation of Royalty Regime in the Mining Sector" from Rs 150 million to Rs 264 million, accordingly, PC-I has recently been approved and the Department will now take steps to procure and install Cloud Server, Hardware, Internet Connectivity across sites, and Surveillance, facilitating ease of doing business and online application.

- **Geo-Resource Survey of Balochistan:** The Geo-Resource Survey Project is a flagship initiative aiming to identify critical mineral zones across Balochistan. Key achievements and next-year targets include:
  - Processing and interpreting legacy magnetic survey data
  - Identifying anomalous mineralization zones
  - Conducting preliminary sampling and surveys in resource-rich areas like Muslim Bagh and Khanozai
  - The department has initiated initial surveys and staff hiring.

- **Reko Diq Project Feasibility Completed:** Reko Diq Mining Company (RDMC) has completed the update of the feasibility study of the project, which has been submitted to the shareholders and is currently under review. Key stats of the project are:
  - Mine life of the project: 38+ years
  - Copper Production: 260 KT (Phase I) and 400KT (Phase II)
  - Gold Production: 300 Koz (Phase I) and 500 Koz (Phase II)
  - Employment Generation: 8000+

- **Exploration License for Lead+Zinc in District Khuzdar:** In the current fiscal year, the Exploration License for Lead-Zinc in Khuzdar has been approved in favor of two companies, National Resources Limited (NRL) and Sky-word International. This will pave the way for economic activity and employment generation in the province.

- **Agreements over Exploration Licenses:** The Government has reached an agreement over EL-302 and EL-303 of BMRL with International Resources Holding of the UAE. The company will now start exploring the areas in District Chagai. In addition, the Government is also in negotiations with international investors for EL-255 and EL-256 of BMEC.

iv. Major Initiatives of Khyber Pakhtunkhwa

- **Insertion of Schedule-IV** to rationalize mineral royalty rates, resulting in additional revenue of Rs 3.5 billion.
- **A separate category for placer gold was** introduced for open auction, including royalty, leading to the successful auction of four blocks worth Rs 4.93 billion.
- **In-house processing of metallic minerals is** mandated for better management of Profit Sharing Projects.
- **Auction jurisdiction expanded** from the divisional level to the Tehsil and Sub-Division levels to encourage local participation.

Concluding Remarks

The outcomes of FY 2025 in manufacturing and mining underline the need for deeper reforms to unlock industrial growth. Pakistan's LSM sector continues to grapple with persistent structural challenges, despite early signs of macroeconomic stabilization. While some sectors have shown resilience, overall recovery remains fragile amid high input costs, weak investment, and uneven policy transmission. Sustained progress hinges on the successful implementation of medium-term reform initiatives.

The Government's National Economic Transformation Plan, under URAAN *Pakistan*, places strong emphasis on export-led growth through interventions in key areas such as energy, infrastructure, SME development, and value-added manufacturing. Complementing this, the SIFC plays a pivotal role in unlocking private investment, particularly in priority sectors like mining and quarrying, agriculture, IT, defense production, and energy, by streamlining regulatory processes and addressing investor bottlenecks. These coordinated efforts will likely revitalize the manufacturing and mining sectors and lay the foundation for more resilient and broad-based industrial growth over the medium term.

TABLE 3.1 A

RESERVES AND EXTRACTION OF PRINCIPAL MINERALS

Minerals (000 tonnes)	Antimony (tonnes)	Argonite/ Marble (000 tonnes)	China Clay (000 tonnes)	Chromite (000 tonnes)	Coal (000 tonnes)	Dolomite (tonnes)	Fire Clay (000 tonnes)	Fullers Earth (000 tonnes)	Gypsum Anhydrite (000 tonnes)	Lime Stone (000 tonnes)
Years										
2011-12	12	1,751	22	179	3,179	198,392	408	7	1,260	35,016
2012-13	89	2,360	23	136	2,813	335,819	455	4	1,250	38,932
2013-14	979	2,920	16	86	3,340	720,633	465	6	1,326	38,787
2014-15	114	2,874	19	102	3,408	222,378	405	8	1,417	40,470
2015-16	21	4,747	21	69	3,749	669,920	551	14	1,872	46,123
2016-17	65	4,906	29	105	3,954	301,124	584	18	2,080	52,149
2017-18	-	8,813	19	97	4,478	488,825	842	9	2,476	70,819
2018-19	-	7,736	21	138	5,407	472,474	671	11	2,518	75,596
2019-20	-	5,797	15	121	8,428	302,045	884	3	2,150	65,810
2020-21	-	7,917	12	140	9,229	388,038	1,010	2	2,527	76,632
2021-22	-	6,626	17	195	9,678	487,151	675	2	2,325	58,362
2022-23	78	5,714	14	156	15,070	544,298	747	1	1,640	58,941
2023-24	539	6,785	15	252	19,260	518,104	1,495	2	2,079	47,240
July-March										
2023-24	10	5,487	8	200	14,694	412,805	1,126	2	1,632	36,162
2024-25 P	816	6,598	9	196	13,857	591,579	823	10	1,391	48,481

P: Provisional (Contd.)

- : Not available

TABLE 3.1 B

RESERVES AND EXTRACTION OF PRINCIPAL MINERALS

Minerals in 000 tonnes	Magne-site (tonnes)	Rock Salt (000 tonnes)	Silica Sand (000 tonnes)	Ochre (tonnes)	Sulphur (tonnes)	Soap Stone (000 tonnes)	Baryte (000 tonnes)	Bauxite/ Laterite (tonnes)	Iron Ore (tonnes)	Crude Oil (m. barrels)	Natural Gas (000 m.cu.mtr.)
Years											
2011-12	5,444	2,136	270	42,107	25,560	56	49	323,848	384,893	24.57	44.15
2012-13	6,705	2,160	356	37,769	20,610	93	118	353,355	412,108	27.84	42.65
2013-14	4,130	2,220	298	32,634	35,672	89	134	480,054	197,074	31.58	42.3
2014-15	4,581	2,136	268	33,909	19,730	116	205	451,818	328,702	34.49	41.51
2015-16	35,228	3,553	387	68,352	14,869	126	158	773,289	432,156	31.65	41.96
2016-17	19,656	3,534	338	86,080	23,740	152	92	719,030	501,664	32.27	41.68
2017-18	23,596	3,654	376	75,939	22,040	142	89	995,855	677,206	32.56	41.32
2018-19	42,996	3,799	805	81,502	20,715	157	116	779,118	627,464	32.50	40.68
2019-20	16,165	3,369	780	132,144	19,948	150	55	639,890	573,695	28.09	37.29
2020-21	15,120	3,366	466	106,704	19,398	289	52	1,085,913	805,696	27.56	36.22
2021-22	5,886	2,716	637	90,731	16,288	301	128	514,164	717,281	28.09	37.03
2022-23	4,954	2,907	734	92,002	11,692	164	141	627,202	376,970	25.36	33.68
2023-24	2,078	3,185	518	53,565	7,096	220	139	525,517	676,322	25.81	32.3
July-March											
2023-24	1,630	2,474	452	47,067	7,096	174	97	432,783	555,008	19.65	24.53
2024-25 P	782	2,284	379	80,171	31,357	163	85	472,186	442,661	16.75	22.86

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 3.2

PRODUCTION INDEX OF MINING AND MANUFACTURING

Year	Mining	Manufacturing
	Base Year 2005-06 = 100	
2010-11	108	111.1
2011-12	113.7	112.4
2012-13	115.3	117.4
2013-14	118.5	123.7
2014-15	120.5	127.9
2015-16	121.6	131.9
	Base Year 2015-16 = 100	
2016-17	101.9	104.23
2017-18	108.3	111.51
2018-19	109.4	115.32
2019-20	101.0	102.62
2020-21	104.1	114.50
2021-22	117.4	127.96
2022-23	120.7	114.78
2023-24	111.9	115.67
July-March		
2023-24	114.5	117.7
2024-25 P	128.0	116.01

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 3.3

COTTON TEXTILES STATISTICS

Year	No. of Mills	Installed Capacity		Working at the end of the period		Spindle Hours Worked	Loom Hours Worked	Consumption of Cotton	Total Yarn Produced	Surplus Yarn	Total Production of Cloth
		Spindles (000 Nos)	Looms (000 Nos)	Spindles (000 Nos)	Looms (000 Nos)	(million)	(million)	(bln. kg)	(mln. kg)	(000 tonnes)	(mln. sqmtr.)
2010-11	524	11,762	7	10,757	5	76,835	23.0	3,405.7	2,939.5	2,851.2	1,020.3
2011-12	212	11,762	7	10,653	5	76,933	23.0	3,427.1	2,954.6	2,857.3	1,023.4
2012-13	526	11,946	8	10,872	5	76,757	23.0	3,539.3	3,060.0	2,960.9	1,029.1
2013-14	538	13,269	8	10,999	6	78,207	24.0	3,675.5	3,323.7	2,669.5	1,036.1
2014-15	411	13,184	8	11,058	5	79,184	24.0	2,732.7	3,360.0	3,256.2	1,037.0
2015-16	408	13,142	8	11,263	5	78,548	28.0	2,732.5	3,405.6	3,301.6	1,039.2
2016-17	408	13,409	9	11,338	6	77,213	30.0	2,733.1	3,428.1	3,315.3	1,043.3
2017-18	408	13,409	9	11,313	6	51,280	19.0	1,825.0	3,430.1	2,190.3	1,043.7
2018-19	408	13,409	9	11,338	6	86,871	29.6	2,735.2	3,431.4	3,314.4	1,046.0
2019-20	408	13,409	9	11,338	6	19,897	9.0	2,467.3	3,059.9	2,945.6	934.5
2020-21	408	13,409	9	11,338	6	80,315	30.2	2,743.1	3,441.6	3,324.7	969.8
2021-22	408	13,409	9	11,338	6	82,685	34.6	2,743.5	3,445.8	3,328.9	1,050.7
2022-23	408	13,409	9	11,338	6	69,487	29.6	2,138.6	2,694.8	2,609.6	920.6
2023-24	408	13,409	9	9,700	6	50,614	17.1	1,455.7	1,834.3	1,531.9	652.8
2024-25 P	408	13,409	9	9,500	7	53,156	16.8	1,578.1	1,987.9	1,705.5	657.9

P: Provisional (Jul-Mar)

Source: Textile Commissioner Organization

TABLE 3.4

PRODUCTION OF FERTILIZERS, VEGETABLE GHEE, SUGAR AND CEMENT

(000 tonnes)

Year	Fertilizers					Vegetable Ghee	Sugar	Cement
	Urea	Super Phosphate	Ammonium Nitrate	Dia-Ammonium phosphate	Nitro Phosphate			
2010-11	4,552.1	173.3	275.1	663.8	252.3	1,092	4,169	28,716
2011-12	4,470.7	114.7	432.3	622.6	337.6	1,103	4,634	29,557
2012-13	4,215.1	79.3	401.3	729.9	291.9	1,139	5,074	31,055
2013-14	4,930.3	87.8	519.1	693.1	447.2	1,185	5,582	31,418
2014-15	5,073.1	63.6	569.2	754.9	501.9	1,185	5,150	32,185
2015-16	5,846.9	89.5	647.4	787.6	594.6	1,241	5,115	35,432
2016-17	5,912.7	81.6	664.7	802.4	630.2	1,280	7,049	37,022
2017-18	5,405.2	65.2	518.9	758.4	471.4	1,347	6,566	41,148
2018-19	5,957.9	78.1	448.9	785.1	443.9	1,392	5,260	39,924
2019-20	6,159.8	55.8	545.7	737.7	602.7	1,454	4,881	39,121
2020-21	6,294.9	104.6	786.1	788.7	876.4	1,455	5,694	49,797
2021-22	6,442.4	97.6	827.9	896.6	835.7	1,403	7,921	48,011
2022-23	5,993.7	70.7	819.9	635.3	740.8	1,559	6,709	41,448
2023-24	6,591.0	86.4	888.0	812.4	823.6	1,491	6,796	39,566
July-March								
2023-24	5,108.2	65.9	674.1	597.8	615	1,125	6,762	30,502
2024-25 P	5,041.1	61.2	645.4	619.3	636.1	1,103	6,281	28,546

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 3.5

PRODUCTION OF SELECTED INDUSTRIAL ITEMS

Year	Food and Tobacco		Jute	Rubber			
	Beverages (Million liters)	Cigarettes (Million Nos)	Textiles (000 tonnes)	Motor Tyres (000 Nos)	Motor Tubes (000 Nos)	Cycle Tyres (000 Nos)	Cycle Tubes (000 Nos)
2010-11	1,492	65,403	93	9,222	19,108	2,879	6,534
2011-12	1,813	61,954	94	7,011	20,338	3,431	6,846
2012-13	2,079	67,377	103	7,864	20,269	3,429	7,746
2013-14	2,552	64,482	102	8,802	20,825	4,038	8,061
2014-15	2,956	62,667	94	9,058	22,001	4,633	8,391
2015-16	3,137	53,522	55	9,735	24,467	4,205	7,285
2016-17	3,565	34,341	60	9,710	24,635	3,930	7,577
2017-18	3,440	59,058	74	10,392	24,665	3,753	7,717
2018-19	3,459	60,729	67	10,807	25,514	4,584	9,907
2019-20	3,232	46,085	65	11,128	24,550	4,438	9,058
2020-21	3,449	51,527	70	9,458	22,447	3,519	6,795
2021-22	3,385	59,695	58	7,906	22,391	3,846	7,030
2022-23	3,424	42,766	63	7,587	22,927	3,974	6,728
2023-24	3,220	32,925	41.109	7,449	23,658	4,286	6,657
July-March							
2023-24 R	2,196	23,315	30	5,627	17,605	3,174	4,928
2024-25 P	2,342	26,373	22.794	5,438	18,296	3,480	5,316

P: Provisional R: Revised (Contd.)

TABLE 3.5

PRODUCTION OF SELECTED INDUSTRIAL ITEMS

Year	Chemicals						Transport, Machinery & Electrical Appliances		
	Soda Ash (000 tonnes)	Sulphuric Acid (000 tonnes)	Caustic Soda (000 tonnes)	Chlorine Gas (000 tonnes)	Paints & Varnishes (tonnes)	Polishes & Creams for Footwear (mln. grams)	Bicycles (000 Nos.)	Sewing Machines (000 Nos.)	Total TV Sets (000 Nos.)
2010-11	378.0	114.8	172.0	15.2	25,673	1,018.6	345.3	47.0	425.6
2011-12	370.7	100.4	179.1	15.8	23,026	1,028.8	262.1	39.6	268.8
2012-13	366.2	89.4	182.9	15.5	28,048	1,039.1	233.0	32.9	462.9
2013-14	409.1	85.3	167.5	15.0	37,236	1,049.5	203.7	19.8	426.6
2014-15	437.1	70.2	184.0	17.4	48,631	975.7	210.9	19.3	428.2
2015-16	468.5	75.1	225.3	16.4	53,651	985.5	199.0	13.5	453.2
2016-17	479.7	56.0	223.9	16.3	49,173	995.3	200.2	18.3	438.9
2017-18	509.8	49.0	270.1	16.6	51,930	1,005.3	200.3	23.4	400.3
2018-19	572.1	49.4	246.6	17.5	52,265	1,015.3	173.5	35.4	380.7
2019-20	550.6	40.3	342.4	15.8	51,761	1,025.5	141.1	28.6	282.1
2020-21	594.3	72.5	394.1	17.1	90,166	1,035.7	79.3	20.2	209.7
2021-22	651.3	111.3	405.1	19.1	88,234	1,046.1	141.2	14.7	217.2
2022-23	736.7	71.5	475.7	20.5	86,455	1,056.5	146.5	4.0	151.3
2023-24	785.3	63.8	497.2	17.2	88644	1,067.1	159.0	3.0	132.5
July-March									
2023-24	564.2	49.4	379.7	13.6	66,292	738.4	117.7	2.3	99.1
2024-25 P	523.2	34.1	354.8	12.4	65,127	745.7	126.5	2.4	101.6

P: Provisional (Contd.)

TABLE 3.5

PRODUCTION OF SELECTED INDUSTRIAL ITEMS

Year	Electrical Appliances		Paper & Board		Steel Products		
	Electric Bulbs (Mln.Nos)	Electric Tubes (000 metres)	Paper Board (000 tonnes)	Paper (All Types) (000 tonnes)	Coke (000 tonnes)	Pig Iron (000 tonnes)	Billets (000 tonnes)
2010-11	79.6	1,180	206.1	228.7	301.7	433.1	1,628.9
2011-12	79.0	1,266	283.0	246.3	192.9	249.1	1,616.4
2012-13	79.7	-	381.9	232.4	203.4	201.5	1,638.5
2013-14	75.1	-	465.8	218.7	31.9	89.4	2,128.3
2014-15	64.6	-	415.7	204.0	275.8	265.5	2,731.0
2015-16	73.9	-	376.9	233.1	57.4	1.5	3,183.3
2016-17	72.4	-	404.6	263.9	0.0	0.0	4,099.0
2017-18	76.4	-	457.3	273.9	0.0	0.0	5,186.0
2018-19	63.7	-	447.3	256.7	0.0	0.0	3,874.0
2019-20	57.8	-	448.9	257.6	0.0	0.0	3,164.0
2020-21	51.3	-	501.2	229.0	0.0	0.0	4,777.0
2021-22	46.6	-	544.1	322.5	0.0	0.0	6,358.0
2022-23	25.9	-	438.0	353.7	0.0	0.0	5,338.0
2024-24	7.2		420.5	366.2	0.0	0.0	4,914.0
July-March							
2023-24	6.0	-	322.5	278.7	0.0	0.0	3,964.0
2024-25 P	1.7	-	332.1	271.1	0.0	0.0	2,905.0

P: Provisional

-: Not available

Source: Pakistan Bureau of Statistics

TABLE 3.6

PERCENT GROWTH OF SELECTED INDUSTRIAL ITEMS

(in %)

Year	Cotton Yarn	Cotton Cloth	Jute Goods	Veg.Ghee	Cigarettes	Fertilizers	Cement	Soda Ash	Caustic Soda	Sugar
2010-11	5.46	1.08	(12.30)	1.57	0.17	(8.88)	(8.43)	(7.70)	(5.62)	32.62
2011-12	0.52	0.30	0.98	1.01	(5.27)	0.08	2.93	(1.93)	4.11	11.16
2012-13	3.57	0.56	9.28	3.25	8.75	(4.02)	5.07	(1.22)	2.11	9.48
2013-14	8.62	0.68	(1.07)	4.08	(4.30)	16.50	1.17	11.72	(8.42)	10.03
2014-15	1.09	0.08	(7.21)	(0.04)	(2.81)	4.56	2.44	6.83	9.85	(7.75)
2015-16	1.36	0.22	(41.33)	4.78	(14.59)	13.87	10.09	7.18	22.45	(0.68)
2016-17	0.66	0.40	8.15	3.12	(35.84)	1.68	4.49	2.39	(0.62)	37.80
2017-18	0.06	0.04	23.86	5.21	71.98	(9.87)	11.14	6.26	20.67	(6.85)
2018-19	0.04	0.22	(9.54)	3.34	2.83	7.59	(2.97)	12.22	(8.70)	(19.89)
2019-20	(10.83)	(10.66)	(3.08)	4.50	(24.11)	4.32	(2.01)	(3.75)	38.85	(7.20)
2020-21	12.47	12.19	7.33	0.01	11.81	7.41	27.29	7.93	15.10	16.66
2021-22	0.50	0.22	(17.38)	(3.55)	15.85	2.73	(3.59)	9.59	2.79	39.11
2022-23	(22.09)	(12.39)	9.88	11.13	(28.36)	(9.00)	(13.67)	13.11	17.41	(15.31)
2023-24	(8.07)	(5.34)	(35.13)	(4.39)	(23.01)	11.58	(4.54)	6.60	4.54	1.30
July-March										
2023-24 R	(12.19)	(7.27)	(36.67)	(3.48)	(33.59)	16.40	(4.14)	3.07	9.70	1.74
2024-25 P	8.37	0.78	(25.12)	(1.99)	13.12	(1.34)	(6.41)	(7.25)	(6.56)	(7.11)

P: Provisional

Source: Pakistan Bureau of Statistics

Note: Figures in parenthesis represent negative growth

FISCAL DEVELOPMENT

Jul-Mar FY2025

Total Revenue (Rs. Trillion) 13.37

Tax Revenues	25.8%	Rs 9.14 tr ▲
Non-Tax Revenues	68.0%	Rs 4.23 tr ▲

Total Expenditure (Rs. Trillion) 16.34

Current Expenditure	18.3%	Rs 14.59 tr ▲
Development Expenditure	32.6%	Rs 1.54 tr ▲
Fiscal Deficit (% of GDP)	2.6%	(Lower than last year)
Primary Surplus (% of GDP)	3.0%	▲

Chapter 4

FISCAL DEVELOPMENT

The fiscal consolidation efforts initiated in FY 2024 remained on track in FY 2025 for a second consecutive year, thus reinforcing fiscal discipline. Effective consolidation measures helped in reducing the fiscal deficit to 2.6 percent of GDP during July-March FY 2025 from 3.7 percent last year. Similarly, the primary surplus improved to Rs 3,468.7 billion (3.0 % of GDP) from Rs 1,615.4 billion (1.5% of GDP) due to contained non-markup expenditures. Provinces also played a major role in supporting the fiscal consolidation efforts of the federal government by posting a significantly higher cumulative surplus of Rs 1,053.3 billion during July-March FY 2025 against the surplus of Rs 435.4 billion last year. The current performance of fiscal accounts is paving the way to create ample space for social and development spending, going forward.

Recent improvement in fiscal accounts despite a challenging economic environment is a testament to the fact that the fiscal challenges are being managed effectively, and structural reforms are progressing. However, certain fiscal side risks persist as outlined in the Fiscal Risk Statement 2025[1], which can pose significant challenges for expenditure management and enhancing revenues. Additionally, emerging global and domestic challenges may expose the economy to potential shocks, posing risks to both economic and fiscal sustainability.

However, to cope with the potential risks and safeguard fiscal sustainability, the government is advancing comprehensive fiscal reforms in coordination with provinces aimed at optimizing revenue mobilization, improving expenditure efficiency, strengthening fiscal institutions, and improving debt sustainability. These efforts would not only ensure long-term fiscal and debt sustainability but also create ample space for public sector investments in growth-enhancing projects, thus steering the economy towards higher, inclusive, and sustainable economic growth.

4.1 Global Fiscal Performance

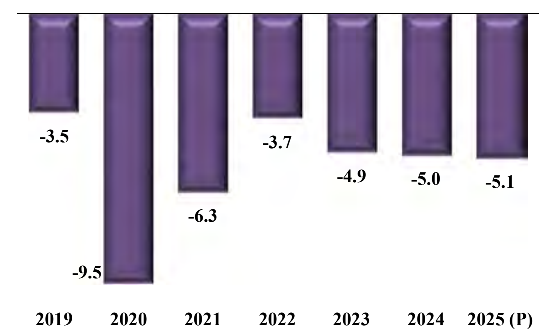
The global fiscal situation worsened in 2024, due to the lingering effects of high subsidies, social benefits, other current spending from the COVID-19 pandemic, and higher interest payments. Consequently, the global fiscal deficit increased by 0.1 percentage points to an average of 5.0 percent of GDP in 2024, while the global public debt increased by 1 percentage point to 92.3 percent of GDP in the same period.[2]

The global fiscal deficit is projected to rise further to 5.1 percent of GDP in 2025, while government debt is expected to reach 95.1 percent of GDP. This deterioration has been driven by escalating uncertainty due to trade tensions, policy ambiguity and financial conditions. The increase in debt is primarily led by major economies such as Brazil, China, France, South Africa, the UK and the US. Gross financing needs are also anticipated to remain high in most countries. Risks of further higher debt have increased as a result of tighter, more unstable financial conditions and increased uncertainty.[3]

[1] Potential risks to economic growth, revenues, expenditure, debt, SOEs and climate change etc
[2] Fiscal Monitor (IMF) April 2025.
[3] Fiscal Monitor (IMF) April 2025

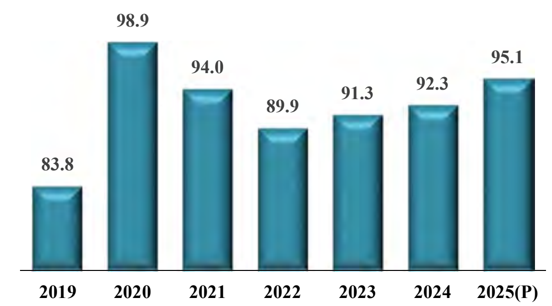
Pakistan Economic Survey 2024-25

Fig-1(a): Global Fiscal Deficit % of GDP



Source: Fiscal Monitor, April 2025. IMF

Fig-1(b): General Govt Debt % of GDP



Source: Fiscal Monitor, April 2025. IMF

The recent tariff announcements have fuelled uncertainty and tightened more volatile financial conditions, raising borrowing costs. While higher tariffs can raise revenue in the short term, this gain is probably short-lived as increased prices lower imports and production. Fiscal deficits and debt in the U.S and China, the two largest world economies, continue to propel global fiscal trends.

Pakistan's economic and fiscal outlook is also vulnerable to the rising global uncertainties and can impede the government's efforts to reduce fiscal vulnerabilities. However, with gradual fiscal adjustment, the government is committed to creating fiscal buffers, enhancing resilience to future shocks, and creating the necessary space to support sustainable long-term growth.

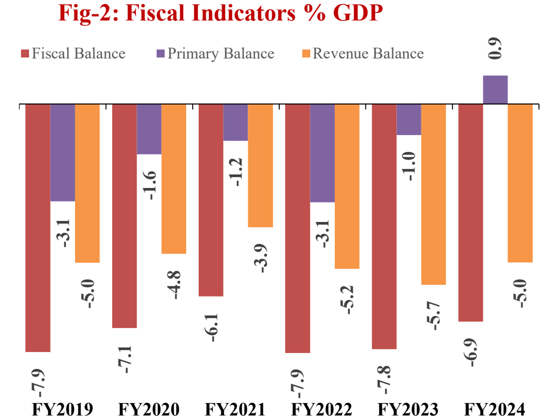
4.2 Overview of Pakistan's Fiscal Performance (FY 2024)

A cursory look into the major fiscal indicators reveals notable improvement in FY 2024, driven by effective consolidation measures and prudent fiscal management.

The fiscal deficit reduced to 6.9 percent of GDP in FY 2024 from a persistently higher level of 7.8 and 7.9 percent of GDP in the preceding two years, i.e FY 2023 and FY2 022, respectively. Similarly, the primary deficit that was on a declining trajectory since FY 2022 turned into a surplus of 0.9 percent of GDP in FY 2024, well above the target of 0.4 percent. Additionally, revenue deficit reduced to 5.0 percent of GDP in FY 2024 from 5.7 percent in FY 2023, reflecting higher growth in total revenue relative to current expenditure.

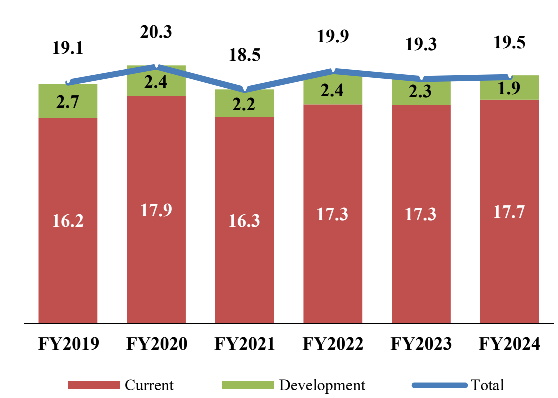
Although measures for fiscal consolidation contributed to strong revenue growth, the persistently higher interest rate environment put significant strain on spending. To address this challenge, the government continued its efforts to control expenditures through austerity measures. Consequently, total expenditures in terms of GDP slightly increased from 19.3 percent in FY 2023 to 19.5 percent in FY 2024.

Fig-2: Fiscal Indicators % GDP



Source: Budget Wing & EA Wing's calculations

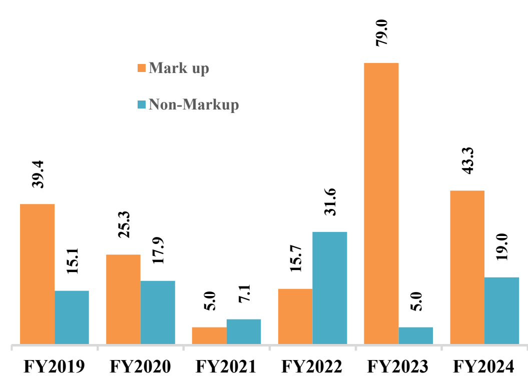
Fig-3: Expenditure % of GDP



Source; Budget Wing & EA Wing's calculations

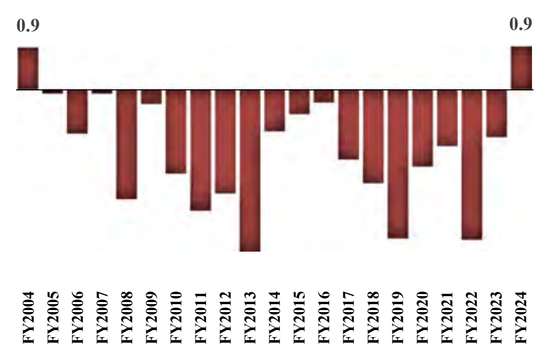
The growth in current spending reached 28.5 percent in FY 2024 from 25.4 percent in the preceding year. The increase in current expenditure was largely attributed to higher growth in markup spending due to elevated interest rates at both the domestic and global levels. However, the pace of growth in mark up spending reduced from 79.0 percent in FY 2023 to 43.3 percent in FY 2024. The markup payments on domestic and foreign debt surged 45.1 percent and 31.1 percent, respectively, in FY 2024, increasing the share of markup payments in current expenditure to 44 percent in FY 2024 from 39 percent in FY 2023.

Fig-4: Growth in Current Expenditure (%)



Source: Budget Wing & EA Wing's calculations

Fig-5: Primary Balance % of GDP



Source: Pakistan Fiscal Operations and EA wing calculations

Contrary to a sharp rise in markup spending, the non-markup current expenditure grew moderately, though still higher, recorded at 19.0 percent compared to 5.0 percent in FY 2023. Since FY 2023, the markup spending grew at a faster pace than non-markup current spending, resulting in constrained fiscal space for priority areas. Nevertheless, the government's stringent measures for prudent expenditure management contained the non-interest spending, leading to a primary surplus for FY 2024, first time in 20 years (Figure 5).

The trend in component-wise spending is presented in Table 4.1.

Table 4.1: Trends in Components of Expenditure (% of GDP)

Year	Total Expenditure	Current Expenditure	Markup Payments	Defence	Development Expenditure*	Non-Interest Non-Defence Exp
FY 2016	17.7	14.3	3.9	2.3	4.0	11.5
FY 2017	19.1	14.6	3.8	2.5	4.8	12.8
FY 2018	19.1	14.9	3.8	2.6	4.0	12.7
FY 2019	19.1	16.2	4.8	2.6	2.7	11.7
FY 2020	20.3	17.9	5.5	2.6	2.4	12.2
FY 2021	18.5	16.3	4.9	2.4	2.2	11.2
FY 2022	19.9	17.3	4.8	2.1	2.4	13.1
FY 2023	19.3	17.3	6.8	1.9	2.3	10.6
FY 2024	19.5	17.7	7.8	1.8	1.9	9.9
FY 2025 B.E	21.1	18.4	7.9	1.7	2.5	11.5

* Excluding net lending

Source: Budget Wing, Finance Division and EA Wing's Calculations

Development expenditures witnessed a moderate growth of 7.1 percent in FY 2024 as against 17.1 percent recorded in FY 2023. The federal PSDP (including development grants to provinces) reduced by 1.5 percent in FY 2024, after witnessing a sharp increase of 33.1 percent in the preceding year. In contrast, provincial development spending accelerated by 12.1

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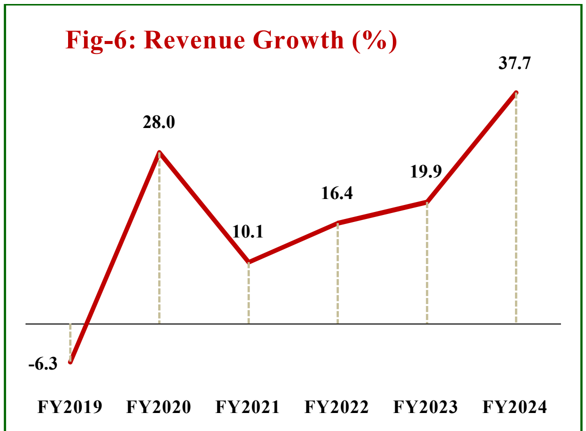
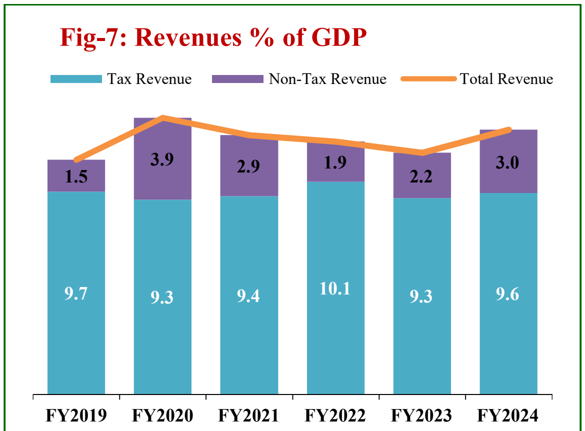
percent in FY 2024 compared to 2.0 percent growth recorded in FY 2023. Overall, the slow pace in development spending was aligned with fiscal consolidation amid limited fiscal space. However, the government prioritized important national projects that were nearing completion. In this regard, the focus was on infrastructure projects, followed by the social sector.



Source: Budget Wing & EA Wing's calculations

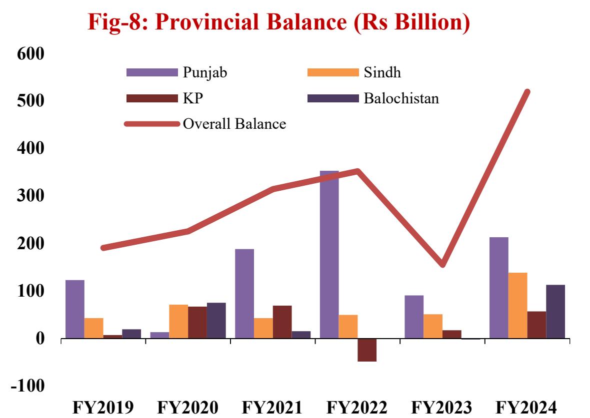


Source: Budget Wing & EA Wing's calculations

Encouragingly, the revenues maintained an upward trajectory during the second consecutive year. In FY 2024, it posted a robust growth of 37.7 percent (12.6 % of GDP), up from 19.9 percent (11.5 % of GDP) in FY 2023.

While both tax and non-tax collection supported this growth, the primary driver was a sharp acceleration in non-tax collection. During FY 2024, non-tax revenues grew by 75.4 percent from 41.8 percent growth in FY 2023. Higher receipts from the petroleum levy, SBP's profits, and markup of Public Sector Enterprises (PSEs) & others were the main contributors to this substantial growth in non-tax collection. Similarly, improved tax collection both at the federal and provincial levels triggered a significant rise in overall tax collection in FY 2024, which grew 29 percent (9.6% of GDP) from 15.7 percent (9.3% of GDP) in FY 2023. Notably, federal tax collection witnessed a substantial increase of 30 percent in FY2024 from 16.7 percent in FY 2023, driven by effective policy and administrative measures. Provincial tax collection also increased significantly by 19.2 percent in FY 2024 from 6.1 percent recorded in the preceding year. The overall performance in tax collection indicates a broad-based improvement in the country's tax mobilization.

Provinces also contributed significantly to improving the overall fiscal performance during FY 2024. All four provinces posted a cumulative provincial surplus of Rs.518.2 billion (0.5% of GDP) in FY 2024, up from Rs 154.6 billion (0.2% of GDP) in FY 2023. Punjab, Sindh, Khyber Pakhtunkhwa and Balochistan generated a surplus of Rs 212.2 billion, Rs 137.6 billion, Rs 56.2 billion, and Rs 112.3 billion in FY 2024.



Source; Pakistan Fiscal Operations

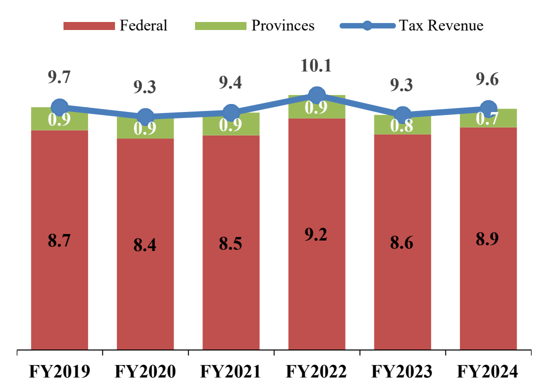
During FY2024, the strong execution of fiscal consolidation measures with a strategic focus on revenue generation improved the fiscal accounts. The government contained non-essential expenditures with the effective implementation of austerity measures. Consequently, these measures yielded significant gains in terms of narrowing the gap between revenues and expenditures. Further, it has laid the foundation for sound fiscal management to ensure sustainable and inclusive growth over the medium term.

4.3 Structure of Tax Revenues

Taxation is not only a primary source of domestic resource mobilization but also an effective tool for promoting a more equitable income distribution. A significant and sustainable boost in tax revenue enables the government to finance domestic investment and social programmes, which is crucial for inclusive and sustainable economic growth.

Pakistan has been struggling with a low tax-to-GDP ratio over the years due to various economic and structural factors. Resultantly, it constricted the resources available for priority investments, including human capital. Overall, the tax-to-GDP ratio (federal and provincial) is stagnant within a narrow range of 9.3-10.1 percent between FY 2019 and FY 2024 (Fig:9).

Fig-9: Tax Revenues % of GDP



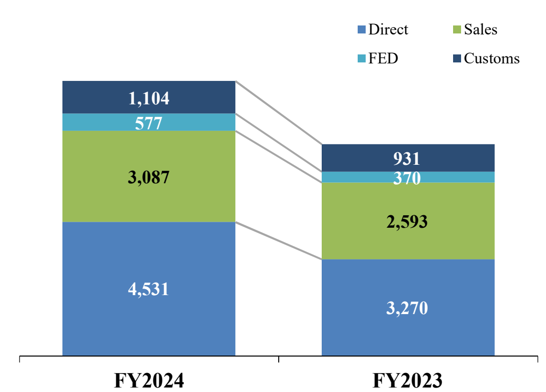
Source: Budget wing & EA wing's calculations

At the federal level, more than 90 percent of taxes are collected by FBR; however, in terms of GDP, the contribution is lower and hovering between 8.4-9.2 percent between FY 2019 and FY 2024. Over the years, various exemptions/concessions, low compliance, weak enforcement, narrow tax base, tax evasion, and fragmentation across provinces have severely affected tax collection. Particularly, a narrow tax base highlights the misalignment between sectoral contribution to tax and their contribution to GDP.

More recently, the performance of FBR has improved. During FY 2024, FBR revenue collection improved significantly by 30 percent to reach Rs 9,299.1 billion, up from Rs 7,163.8 billion in FY 2023. The tax collection witnessed a broad-based growth. Revenues from federal excise duty surged by 56.2 percent, followed by direct taxes 38.5 percent, sales tax 19.5 percent, and customs duty 18.1 percent. Similarly, FBR remained committed to the timely processing of refunds and rebates to strengthen the cash flow to businesses. In FY 2024, FBR issued a substantial amount of refunds and rebates, amounting to Rs 482.4 billion, showing a growth of 30 per cent over the preceding year.

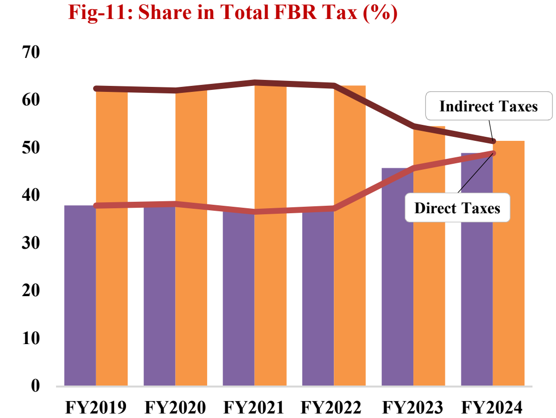
In the wake of various challenges both at the domestic and global level, the FBR tax performance signifies a remarkable effort of the government to improve the tax collection through various tax policies and administrative reforms initiated in the Budget FY 2024.

Fig-10: FBR Tax Collection (Rs Billion) FY2024



Source: FBR & EA wing's calculations

Fig-11: Share in Total FBR Tax (%)



Source: FBR & EA wing's calculations

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Pakistan's tax system is heavily reliant on indirect taxes. However, various efforts aimed at improving the share of direct taxes are underway and have started to yield significant results. Since FY 2021, the share of direct tax in total FBR revenues has consistently risen from 36.5 percent to 48.7 percent in FY 2024. In FY 2024, the increase in the share is primarily due to a 56.9 percent growth in advance taxes, followed by a 36.5 percent increase in withholding taxes, and a 35.8 percent growth in collections with returns. Direct tax has also witnessed a significant shift in its composition as the share of advance taxes increased from 29.8 percent to 33.8 percent, while there was a marginal decline in the contribution of withholding taxes from 61.4 percent to 60.5 percent in FY 2024.[4]

In contrast, the contribution of indirect taxes reduced from 63.5 percent in FY 2021 to 51.3 percent in FY 2024. The increase in direct taxes relative to indirect taxes reflects the government's commitment to make taxation progressive and equitable. The component-wise share indicates that sales tax accounted for 37.9 percent, FED 7.3 percent, and customs 12.3 percent in total FBR tax collection during FY 2024. The structure of FBR tax revenues is given in Table 4.2:

Table 4.2: Structure of Federal Tax Revenue Rs billion

Year	Total (FBR)	Tax Rev as % of GDP	Direct Taxes	Indirect Taxes			
				Customs	Sales	Excise	Total
FY2016	3,112.7	9.5	1,217.3	404.6	1,302.7	188.1	1,895.4
			[39.1]	{21.3}	{68.8}	{9.9}	[60.9]
FY2017	3,367.9	9.5	1,344.2	496.8	1,329.0	197.9	2,023.7
			[39.9]	{24.5}	{65.7}	{9.8}	[60.1]
FY2018	3,843.8	9.8	1,536.6	608.4	1,485.3	213.5	2,307.2
			[39.7]	{26.4}	{64.4}	{9.3}	[60.0]
FY2019	3,828.5	8.7	1,445.5	685.6	1,459.2	238.2	2,383.0
			[37.8]	{28.8}	{61.2}	{10.0}	[62.2]
FY2020	3,997.4	8.4	1,523.4	626.6	1,596.9	250.5	2,474.0
			[38.1]	{25.3}	{64.5}	{10.1}	[61.9]
FY2021	4,745.0	8.5	1,731.3	748.4	1,988.3	277.0	3,013.7
			[36.5]	{24.8}	{66.0}	{9.2}	[63.5]
FY2022	6,148.5	9.2	2,284.9	1,010.7	2,532.2	320.7	3,863.6
			[37.2]	{26.2}	{65.5}	{8.3}	[62.8]
FY2023	7,163.8	8.6	3,269.8	930.9	2,593.3	369.8	3894.043
			[45.6]	{23.9}	{66.6}	{9.5}	[54.4]
FY2024	9,299.1*	8.8	4,530.7	1,104.1	3,086.8	577.5	4,768.3
			[48.7]	{23.2}	{64.7}	{12.1}	[51.3]
FY2025B.E	12,970.0	10.4	5,512.0	1,591.0	4,919.0	948	7,458.0
			[42.5]	{21.3}	{66.0}	{12.7}	[57.5]

* Revised numbers

Source: Federal Board of Revenue

4.4 Fiscal Performance (July-March FY 2025)

Fiscal consolidation efforts continue to reinforce the fiscal discipline during the current fiscal year. They were supported by a significant rise in revenues owing to various tax policies, administrative measures, and efficient expenditure management. Consequently, the primary surplus improved significantly, and the overall fiscal deficit remained on the lower side.

Encouragingly, the fiscal indicators are on an improving trajectory for the last three years and further strengthened during the current fiscal year (Fig-12). Notably, the government achieved a fiscal surplus of 1.7 percent of GDP in the first quarter of FY 2025, the first in 24 years.

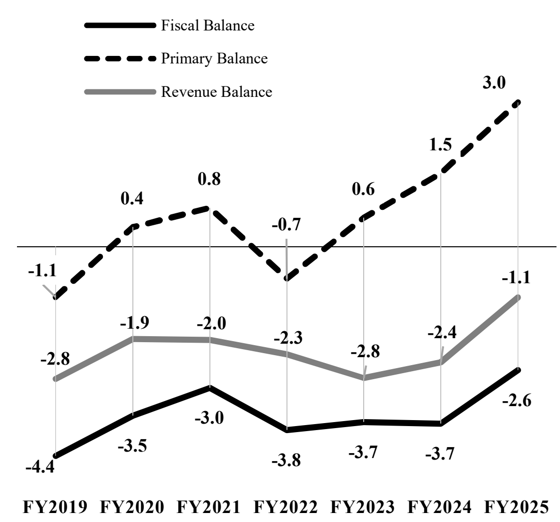
Furthermore, the effective consolidation efforts contributed to ensuring macroeconomic stability, thus restoring investors' and

[4] FBR Revenue Division Year Book 2023-24

multilateral agencies' confidence, evident by continued disbursements under the IMF program and improved sovereign credit ratings.

According to the consolidated revenue and expenditure accounts, the substantial rise in revenues outpaced the growth in expenditures, reflecting the effectiveness of ongoing consolidation efforts. Consequently, during July-March FY 2025, the fiscal deficit narrowed down by 23.9 percent to 2.6 percent of GDP, down from 3.7 percent recorded in the same period last year. Notable primary surplus increased to Rs 3,468.7 billion (3.0% of GDP) during July-March FY 2025, more than double the level observed in FY 2024, i.e Rs 1,615.4 billion (1.5% of GDP). Similarly, the revenue deficit improved to 1.1 percent of GDP in July-March FY 2025 from 2.4 percent of GDP last year.

Fig-12: Fiscal Indicators % of GDP (Jul-Mar)



Source:Budget wing & EA wing's calculations

Table 4.3: Consolidated Revenue & Expenditure of the Government

	FY2025 B.E	July-March (Rs billion) FY2025	July-March (Rs billion) FY2024	Growth
A. Total Revenue	18,883.1	13,367.0	9,780.4	36.7
% of GDP	15.2	11.7	9.3	
a) Tax Revenue	13,888.0	9,137.3	7,262.5	25.8
% of GDP	11.2	8.0	6.9	
Federal (FBR Taxes)	12,970.0	8,453.1	6,711.5	25.9
% of GDP	10.4	7.4	6.4	
Provincial Tax Revenue	918.0	684.3	551.0	24.2
b) Non-Tax Revenue	4,995.1	4,229.7	2,517.9	68.0
% of GDP	4.0	3.7	2.4	
B. Total Expenditure	26,166.0	16,337.0	13,682.8	19.4
% of GDP	21.1	14.2	13.0	
a) Current Expenditure	22,876.0	14,588.2	12,333.3	18.3
% of GDP	18.4	12.7	11.7	
Federal	17,090.4	10,581.9	9,123.7	16.0
Markup Payments	9,775.0	6,438.8	5,517.8	16.7
% of GDP	7.9	5.6	5.2	
Defence	2,122.0	1,424.0	1,222.4	16.5
% of GDP	1.7	1.2	1.2	
Provincial	5,785.6	4,006.3	3,209.6	24.8
b) Development Expenditure & net lending	3,290.0	1,543.2	1,142.8	35.0
% of GDP	2.7	1.3	1.1	
PSDP	3,153.0	1,535.6	1,158.1	32.6
c) Net Lending	137.0	7.5	46	-83.8
e) Statistical discrepancy	0.0	205.7	206.8	-0.5
C. Overall Fiscal Balance	-7,283.0	-2,970.0	-3,902.4	-23.9
As % of GDP	-5.9	-2.6*	-3.7	
D. Primary Balance	2,492.0	3,468.7	1,615.4	
% of GDP	2.0	3.0*	1.5	
Financing	7,283.0	2,970.0	3,902.4	-23.9
i) External Sources	666.3	19.5	493.8	
ii) Domestic	6,616.6	2,950.5	3,408.6	-13.4
- Bank	3,924.0	1,331.5	3,786.6	
- Non-Bank	2,662.6	1,619.0	-378.0	
Privatization Proceeds	0.0	0.0	0.0	
GDP at Market Prices	124,150	114,692	105,143	9.1

*Based on revised GDP

Source: Budget Wing, Finance Division

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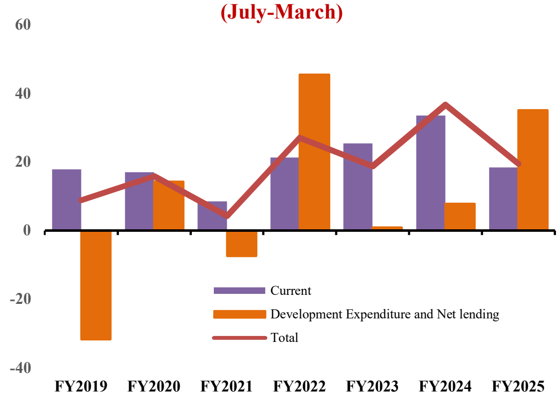
4.4-a Expenditure

Total expenditure grew by 19.4 percent, reaching Rs 16,337.0 billion (14.2 % of GDP) during July-March FY 2025, from Rs 13,682.8 billion (13.0 % of GDP) last year. The rise in expenditure is primarily attributed to a significant increase in development spending compared to current expenditures, which remained relatively moderate.

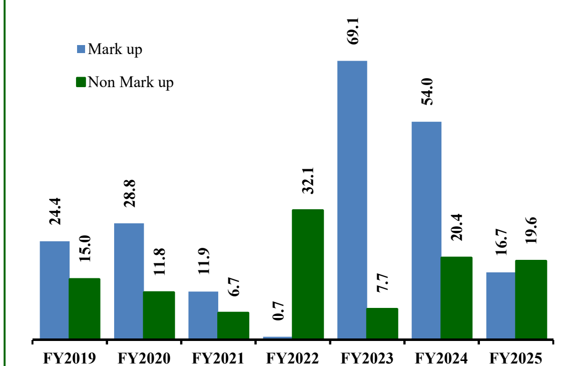
Current expenditure increased by 18.3 percent to Rs 14,588.2 billion in July-March FY 2025, up from Rs 12,333.3 billion last year. Within current spending, the markup payments grew by 16.7 percent to Rs 6,438.8 billion during July-March FY 2025 compared to Rs 5,517.8 billion last year. Notably, during the last two years, the markup payments grew sharply; however, during the current fiscal year, the reduced policy rate provided some relief to fiscal accounts.

Fig-13: Growth in Expenditure (July-March)



Source: Budget wing & EA wing's calculations

Fig-14: Growth in Current Expenditures (July-March)

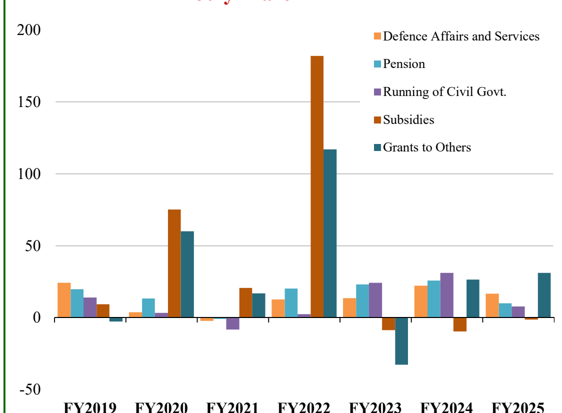


Source: Budget wing & EA wing's calculations

The growth in non-markup spending reduced to 19.6 percent in July-March FY 2025 from 20.4 percent last year. Except for grants, the growth across all other components remained lower than the level observed last year, reflecting improved expenditure control. During July-March FY 2025, grants to others grew by 31.0 percent to Rs 1,021.5 billion from Rs 779.9 billion last year. The increase has been realized largely due to increased grants for the Benazir Income Support Programme. Other contributing factors are grants for Railways, AJK, Bait-ul-mal, contingent liability, and reimbursement of T.T charges for remittances.

The containment in non-markup spending has been realized on the back of an efficient expenditure management strategy through various austerity (Box item: 1) and reform measures.

Fig-15: Non Markup Expenditure (%) July-March



Box-1: Austerity Measures

During the current fiscal year, the government issued guidelines for austerity measures to all government entities as part of a broader expenditure rationalization strategy. These measures aim at rationalizing the current expenditure by discouraging the procurements of durables such as new vehicles except for those needed for essential services, i.e., ambulances, firefighting vehicles, buses for educational institutions, waste management and motorbikes; machinery & equipment's excluding those for health, agriculture, schools, etc.

The government also imposed a moratorium on the creation of new positions, including contingent paid staff/temporary posts. In addition to this, the government also stopped funding medical treatments abroad and banned unnecessary / non-obligatory official foreign trips at the expense of the federal government.

However, keeping in view the absolute operational need, the government formed a committee headed by the Finance Secretary to relax the ban where the procurement is unavoidable, but on a case-by-case basis after due consideration.

The dedicated Austerity Committee ensures regular review of spending on items seeking relaxation, and due diligence is exercised before the exemption is accorded. Case-by-case assessment enables the committee to maintain a tight grip on exceptions, ensuring that only essential expenditures proceed.

Source: Expenditure Wing. Finance Division

In addition to austerity measures, the government has initiated various reforms to ensure long-term fiscal and debt sustainability. The reform strategy aims to rationalize the federal government's footprint, introduce parametric reforms to contain rising pension liabilities, enhance efficiency in the energy sector through cost recovery and reduction measures, eliminate cross-subsidies, ensure timely adjustments to gas and electricity tariffs, and improve the performance of state-owned enterprises (SOEs) through restructuring, privatization, governance enhancements, and greater transparency.

Overall, the expenditure management strategy will ensure that a proportion of unspent budgetary resources is diverted to essential developmental or debt reduction initiatives. These measures would minimize the need for borrowing or reallocation of funds from other critical sectors, thus supporting fiscal discipline that aligns with broader economic stability goals.

The contained growth in current spending has created some space for increased development expenditures during the current fiscal year. Particularly, the federal PSDP grew significantly by 28.6 percent to reach Rs 413.6 billion during July-March FY 2025, up from Rs 321.6 billion last year.

Under PSDP, the completion of ongoing projects has been accorded top priority in FY 2025, with almost 94 percent of resources allocated to the ongoing project, while only 6 percent of the resources have been earmarked for new projects. The priority has been assigned to the infrastructure sector, being the primary responsibility of the Federal Government, with over 59 percent of allocations, followed by the Social Sector, having 18 percent, and balanced regional development (AJ&K, GB, and Merged Districts of Khyber Pakhtunkhwa) with 13 percent of allocations for FY 2025. About 10 percent of resources are earmarked for other sectors like IT& Telecom, S&T, Governance, and Production sectors. Similarly, importance has also been given to the development projects relating to 5Es, i.e., Exports, Equity, Empowerment, Environment and Energy Framework, CPEC, as well as 4RF, i.e., Resilient, Recovery, Rehabilitation and Reconstruction Framework.

The allocation of PSDP spending reflects the government's commitment to advancing its infrastructure and addressing key challenges in transportation, energy, and water resource management to support economic growth and improve the quality of life for its citizens.

4.4-b Revenues

The impact of broad-based policy reforms and macroeconomic stability has been translated into substantial growth in total revenues. Total revenues grew 36.7 percent to reach Rs 13,367.0 billion (11.7 % of GDP) during July-March, FY 2025, against Rs 9,780.4 billion (9.3 % of GDP) last year. The impressive performance, both in tax and non-tax revenues, led this significant rise in total revenues.

Non-tax collection witnessed a remarkable growth of 68 percent, reaching Rs 4,229.7 billion during July-March FY 2025 against Rs 2,517.9

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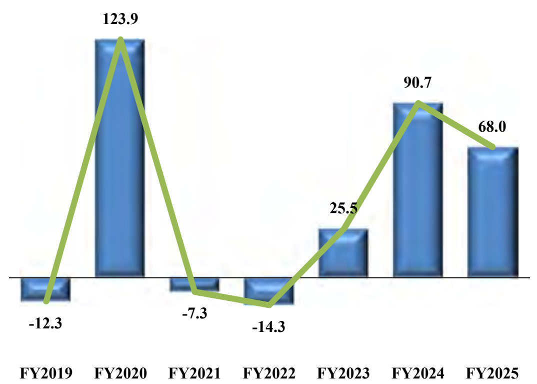
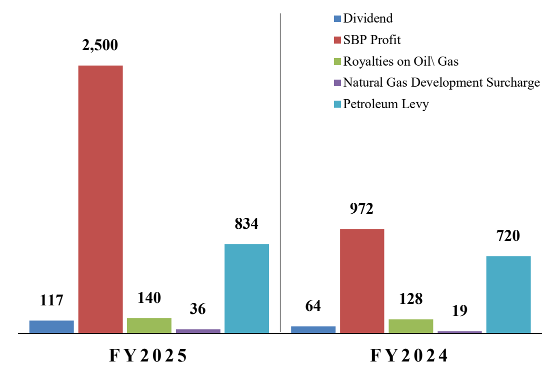
billion last year. Higher receipts from SBP profit and petroleum levy remained the major contributors, while improved collection from dividends, PTA profit, royalties on oil/gas, and natural gas development surcharge also played a significant role in boosting non-tax collection.

Fig-16: Growth in Non Tax collection (%)



Source: Budget wing & EA wing's calculation

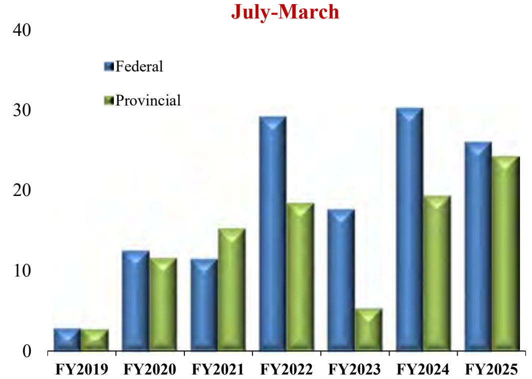
Fig-17: Major Components Of Non Tax Revenues (Rs billion)



Source: Budget wing & EA wing's calculation

The performance of tax collection also remained impressive, as it grew by 25.8 percent in July-March FY 2025 to reach Rs 9,137.3 billion from Rs 7,262.5 billion last year. In terms of GDP, tax collection increased to 7.4 percent of GDP during July-March FY 2025 from 6.9 percent last year.

Fig-18: Growth in Tax Collection (%) July-March



Source: Budget wing & EA wing's calculation

Tax collection from both federal and provincial levels witnessed a considerable improvement owing to various tax-enhancing measures implemented under the Finance Act 2024. The collection under federal tax increased by 25.9 percent, while from provincial taxes, it grew by 24.2 percent. The government is taking proactive measures to unlock provincial tax potential, particularly in undertaxed sectors such as agriculture. In this regard, all provinces have approved the updated legislation on Agriculture Income Tax (AIT), aligning AIT to personal and corporate income tax.

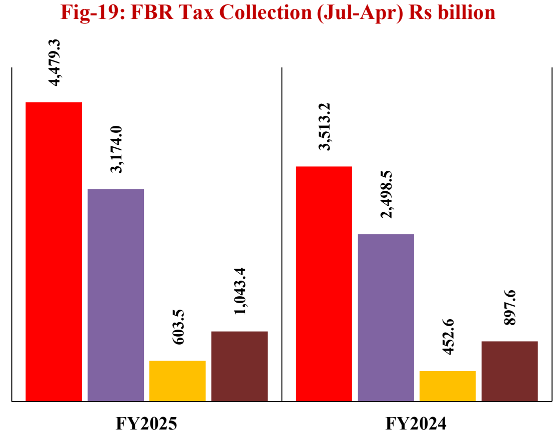
As an important step towards shared fiscal responsibility in line with the 18th Constitutional Amendment, the Federal and Provincial Governments have signed a National Fiscal Pact (NFP) to enhance revenue generation and balance expenditure & revenue responsibilities. According to the agreement, the federal government shall devolve some spending responsibilities to provinces in education, health, social protection, and regional public infrastructure investment, subjects covered under the 18th Amendment. The provinces will take administrative as well as legal measures to increase their own tax collection, including sales tax on services, property tax, and agriculture income tax. For the latter purpose the National Tax Council, its Executive Committee, and Subcommittees are working on the relevant tax measures, including the necessary legal and administrative changes, and implementing them so that the provinces may increase their tax collection.

4.5 FBR Tax Performance (July-April FY 2025)

FBR demonstrated a strong performance in revenue collection during the first ten months of FY 2025, driven by various tax measures introduced in the Budget 2024-25. Furthermore, strict enforcement measures and compliance, along with the removal of various exemptions, also helped in improving tax collection. Similarly, the government has taken revolutionary steps to equip the revenue organization with modern tools and technologies to make it a highly efficient organization. (Box item-2).

Collectively, the impact of these measures has been realized in terms of improved tax collection that grew by 26.3 percent during July-April FY 2025. In absolute terms, the net provisional collection increased to Rs 9,300.2 billion during July-April FY 2025 as compared to Rs 7,361.9 billion last year. The domestic tax collection increased by 27.7 percent to Rs 8,256.8 billion during July-April FY 2025 from Rs 6,464.3 billion last year. An amount of Rs 427.5 billion has been paid back as refunds during July-April FY 2025 against Rs 411.1 billion last year.

Fig-19: FBR Tax Collection (Jul-Apr) Rs billion



Source: FBR

The net revenue collection from direct tax grew by 27.5 percent during the first ten months of FY 2025 to reach Rs 4,479.3 billion from Rs 3,513.2 billion last year. The bulk of the direct taxes is realized from income tax. The major income tax contributions have come from contracts, imports, and profit payout. The tax payments with tax declaration and collection on demand have also shown high growth.

On the other hand, the net collection from the indirect tax registered a growth of 25.3 percent to Rs 4820.9 billion during July-April FY2025 from Rs 3,848.6 billion last year. In total, the net collection from sales tax grew by 27 percent. In absolute terms, the collection increased to Rs 3,174.0 billion during July-April FY 2025 from Rs 2,498.5 billion last year. Around 59.5 percent of total sales tax was contributed by the sales tax on imports during July-April, FY 2025, while the rest was contributed by the domestic sector. Tax-wise details are presented in the Table 4.4:

Table-4.4: FBR Tax Collection

Revenue Heads	FY2024	July-April (Rs Million)		% Change
	Actual	FY2024	FY2025*	
Income Tax				
Gross		3,561,456	4,531,587	27.2
Refund/Rebate		48,232	52,290	8.4
Net	**4,530,731**	**3,513,224**	**4,479,297**	**27.5**
Indirect Tax				
Gross		4,211,527	5,196,091	23.4
Refund/Rebate		362,895	375,204	3.4
Net	**4,768,348**	**3,848,632**	**4,820,887**	**25.3**
Sales Tax				
Gross		2,836,909	3,521,092	24.1
Refund/Rebate		338,443	347,051	2.5
Net	**3,086,831**	**2,498,466**	**3,174,041**	**27.0**
Federal Excise				
Gross		453,092	603,477	33.2
Refund/Rebate		513	0	-100.0
Net	**577,451**	**452,579**	**603,477**	**33.3**
Customs				
Gross		921,526	1,071,522	16.3
Refund/Rebate		23,939	28,153	17.6
Net	**1,104,066**	**897,587**	**1,043,369**	**16.2**
Total Tax Collection				
Gross	0	7,772,983	9,727,678	25.1
Refund/Rebate	0	411,127	427,494	4.0
Net	**9,299,079**	**7,361,856**	**9,300,184**	**26.3**

*: Provisional.

Source: FBR

During July-April FY2025, net collection from the federal excise duties (FED) grew by 33.3 percent to Rs. 603.5 billion against Rs. 452.6 billion last year. The major revenue spinners of FED are cigarettes, cement, concentrates used in beverages/food, motor cars, air travel, etc.

Customs duty has registered a growth of 16.2 percent during July-April FY 2025. The net

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collection has increased to Rs 1,043.4 billion during July-April, FY 2025, from Rs 897.6 billion last year. The major revenue spinners of customs duty have been mineral fuels, vehicles, edible oil, and machinery.

Box-2: Major Tax reform and initiatives

1. **Transformation Plan (TP)**

- A transformation plan for FBR was approved by the Prime Minister in September 2024. It has around eight work streams, including value chain digitalization, internal system digitalization, policy changes, faceless and digital key, BPR implementation, anti-smuggling and enhancing human resources.

Tax Digitalization and Transformation Program focuses on four key pillars:

- **Digitalization:** Improving economic linkages, digitizing processes, and strengthening digital delivery.
- **Capacity building and digital adoption of the workforce:** Building institutional capacity through expert oversight, performance incentives, and training
- **Digitally enabled Anti-smuggling initiatives:** Deploying digital solutions to curtail smuggling through digitally enabled enforcement stations across critical chokepoints
- **Policy reforms:** Linking transactions to tax returns with stricter KYC and penalties to curb evasion
- A detailed implementation roadmap has been developed with the following key areas/ interventions based on potential impact and relevance to FBR's operations:
- **HR / Capacity Enhancement:** Hiring of 3rd party audits, deployment of audit mentors and sectoral experts, hiring of law firms. Set up of the model tax office for improved oversight
- **Value Chain Digitalization:** Production tracking and enforcement across priority sectors, digital invoicing for B2B sales, and POS integration across provinces
- **Internal Systems Digitalization:** AI-based audit selection, Digital workflows and taxpayer journeys, chatbot for taxpayer facilitation, data integration
- **Policy Changes:** Required policy changes incl. external bodies, e.g., SBP, ICAP, SECP
- **Anti-smuggling:** Digital Enforcement Stations (Indus & Baluchistan), restructuring of the Directorate of Intelligence, Customs Enforcement, National Targeting Center, scoring system for Clearing Agent, Cargo Tracking System. Anonymous and automated clearing systems for goods
- **BPR Implementation / RMS Scanners:** Improvement of Risk Management System, deployment of scanners, redesign of customs workflows and taxpayer journeys, AI model for post clearance audit
- **PRAL Transformation:** Overall reform of governance structure and working model, set-up of Advanced Analytics Hub and Procurement Cell
- **Short Term Revenue:** Performance management routines against revenue collection targets

Early Impact and Progress

- Implementation of initiatives is currently underway, yielding tangible results.
- Production counting solution has been deployed across all sugar mills, increasing tax collection by 47 percent (PKR 12.4 billion) between December 24 to February 25 compared to the previous year. Furthermore, PKR 9.8 billion in fraudulent sales tax claims were blocked through advanced analytics.
- Faceless assessment, rolled out to eliminate collusion between importers and tax officers, has reduced average clearing time by approximately 80 percent and increased revenue collection by 13 percent.
- Integration of POS systems for restaurants with FBR across all four provinces has been completed.
- An AI-driven audit selection tool for corporate sales and income tax has been deployed, identifying over 200 cases worth PKR 13.3 billion during its initial roll-out.

- Operational efficiency has been significantly improved through the restructuring of the Directorate of Intelligence, reducing its officer structure from 563 to just 100. A new, empowered PRAL Board (the digital arm of FBR) has been established to enhance the delivery of digital interventions.

2. Inland Revenue Service – Legal Measures

- The Finance Act, 2024, has revised income tax rates on salaries for individuals, particularly increasing the tax on high-salaried persons. New tax slabs have been introduced, lowering the taxable income threshold and raising rates for high-income earners, with the highest rate reaching 35 percent.
- The rate of tax on dividends received from a mutual fund and the rate of tax to be deducted on dividends received from a mutual fund, which derives 50 percent or more of its income from profit on debt, has been enhanced to 25 percent.
- Sections 236G and 236H of the Income Tax Ordinance, 2001, previously applied to specific sectors, have now been extended to cover all sectors through the Finance Act, 2024. Under Section 236G, manufacturers and commercial importers are required to collect advance tax on sales to distributors, dealers, and wholesalers, while Section 236H applies to sales to retailers by manufacturers, distributors, wholesalers, and importers. The removal of sector-specific applicability aims to broaden the tax base and document the supply chain.
- Additionally, tax rates for non-filers have been significantly increased—up to 2 percent under Section 236G and 2.5 percent under Section 236H—serving as a strong incentive for registration and compliance.
- The rates of withholding tax (WHT) under sections 236C and 236K have been revised with a progressive slab structure based on the value of the property.
- For individuals on the Active Taxpayers List (ATL), the applicable rates are 3 percent for properties valued up to Rs 50 million, 3.5 percent for properties valued between Rs 50 million and Rs. 100 million, and 4 percent for properties exceeding Rs. 100 million. However, for late filers included in the ATL, higher rates apply—6 percent, 7 percent, and 8 percent, respectively, for the same property value slabs.
- For non-ATL individuals, the rates are significantly higher: 10 percent under section 236C, and 12 percent, 16 percent, and 20 percent under section 236K for the respective property value categories.
- The government introduced a Federal Excise Duty (FED) on the first sale or transfer of immovable properties, including residential and commercial units. The rates were set at 3 percent for Active Taxpayers (filers), 5 percent for late filers, and 7 percent for non-filers.
- FED on cement in Pakistan was increased from Rs 2 per kilogram to Rs 4 per kilogram, effective from July 1, 2024. This 100 percent hike aims to boost government revenue, with projections estimating an additional Rs. 60 billion in the fiscal year 2024–25.
- The government imposed a FED of Rs. 15 per kilogram on the supply of white crystalline sugar by any person to manufacturing, processing, or packaging entities. This measure, effective from July 1, 2024, aims to enhance revenue collection from the sugar industry.
- FBR increased the FED on international air travel effective July 1, 2024, to boost revenue. However, there is a rebate of Rs. 7,500 for travelers to GCC countries holding labor visa printed on their passports, duly verified by the Protector of Emigrants (Bureau of Emigration & Overseas Employment).

3. Customs-Related Measures

- Faceless Customs Assessment (FCA) - Faceless Customs Assessment (FCA) system has been introduced to check revenue leakages and speedy assessments. It is operating through its Centralized Appraising Unit at South Asia Pakistan Terminal (SAPT), Karachi, and it is handling the clearance of imports made through four Customs Appraisement Collectorates of Karachi. It is expected to drastically reduce additional documentation and physical examinations. Since its inception on 15.12.2024, FCA has resulted in a 62 percent decrease in physical examinations and a 75 percent reduction in documents called for assessment purposes. FCA has resulted in an 83 percent reduction in Average Clearance Time from 107 hours to 18 hours.
- Development of Digital Enforcement Stations (DES) - This is a major anti-smuggling intervention under FBR's Transformation Plan to curb smuggling, which will positively impact revenue collection. Under

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this intervention, 27 DES are being established on key choke points/ crossings on the River Indus & Hub, besides strengthening 10 existing Customs Check Posts in Baluchistan and upgrading them to the level of DES. This strategy will significantly reduce the volume of smuggling in the Country.

- Cargo Tracking System – A fully automated tracking of cargo movement under Cargo Tracking System (CTS) is being established to effectively distinguish the legitimate duty/taxes paid goods from smuggled goods.

4. Compliance Risk Management System

- FBR has rolled out a Machine Learning (ML) based Compliance Risk Management (CRM) system in its field formations to detect anomalies, identify, assess, rank and address tax compliance risks based on diverse data sources. Techniques like clustering and multivariate analysis help identify outliers in group-specific data, revealing hidden patterns of potential fraud, thus helping flag high-risk cases for auditors. The system includes targeted campaigns, incentives and behavior change efforts to address non-compliance, with feedback mechanisms ensuring responsiveness to taxpayers' concerns.
- The system is up and running in all Large, Medium and Corporate tax offices in the country and anomalous cases with risk rating and profiling are available on the dashboard to all the assessing officers. This is resulting in optimal utilization of scarce audit resources in the field and providing a decision support system to officers to focus audit resources on risky cases, leading to FBR's ultimate goal of revenue enhancement.
- FBR is working to develop the same system for on-corporate cases of Income and Sales Tax, and work is at an advanced stage.

Source: FBR

4.6 Provincial Budget

In FY2025, the size of the provincial budget increased by 45.5 percent to Rs 8,815.6 billion from the revised estimate of Rs 6,059.9 billion last year. Current expenditures are expected to increase by 33.8 percent, while development spending is expected to grow by 85.3 percent over the revised estimates last year, reflecting a strong focus on public investment. Provincial revenues are budgeted at Rs 9,528.5 billion in FY 2025 against the revised estimates of Rs 6,450.1 billion last year, reflecting a growth of 47.7 percent. Within total, tax and non-tax collections are expected to grow by 44.4 percent and 88.2 percent, respectively.

Table 4.5: Overview of Provincial Budgets Rs billion

Item	Punjab		Sindh		Khyber Pakhtunkhwa		Balochistan		Total	
	FY2024 (R.E)	FY2025 (B.E)	FY2024 (R.E)	FY2025 (B.E)	FY2024 (R.E)	FY2025 (B.E)	FY2024 (R.E)	FY2025 (B.E)	FY2024 (R.E)	FY2025 (B.E)
Total Prov. Own Taxes	326.5	471.9	363.7	619.0	57.7	57.8	30.5	47.6	778.3	1,196.2
Share in Federal Taxes	2,560.4	3,682.7	1,214.8	1,747.4	808.4	1,165.7	481.2	647.0	5,064.8	7,242.8
Total Tax Revenues	2,886.9	4,154.6	1,578.5	2,366.4	866.0	1,223.4	511.6	694.6	5,843.1	8,439.1
Total Non-Tax Revenues	135.6	493.3	174.6	149.2	81.6	86.2	47.1	97.4	438.9	826.1
All Others	7.0	7.9	38.1	92.0	114.2	139.2	8.8	24.4	168.1	263.4
Total Revenue	3,029.5	4,655.8	1,791.2	2,607.6	1,061.8	1,448.8	567.5	816.4	6,450.1	9,528.5
Current Expenditure	1,985.1	2,633.8	1,399.9	1,912.4	905.1	1,166.1	399.9	564.9	4,689.9	6,277.1
Development Expenditure	567.6	842.0	467.1	959.1	162.5	416.3	172.9	321.1	1,370.0	2,538.5
Total Expenditure	2,552.7	3,475.8	1,867.0	2,871.4	1,067.6	1,582.3	572.7	886.0	6,059.9	8,815.6

Source: Provincial Finance Wing. Finance Division

4.7 Provincial Fiscal Operations

Under the 7th NFC Award, federal transfers to provinces (divisible pool and straight transfers) were budgeted at Rs 7,438 billion in FY 2025. During July-March FY 2025, federal transfers to provinces increased to Rs 5,084.4 billion from Rs 3,815.1 billion last year, an increase of 33.3

percent. The province-wise share of provinces during FY 2025 is budgeted as follows: Punjab: Rs 3,695.1 billion, Sindh: Rs 1,853.8 billion, Khyber Pakhtunkhwa: Rs 1,221.5 billion, inclusive of 1 percent war on terror, and Balochistan: Rs 667.6 billion.

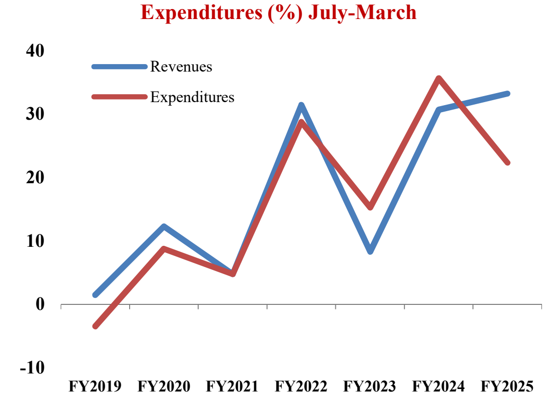
Table 4.6: Overview of Provincial Fiscal Operations Rs billion

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Jul-Mar	
								FY2025	FY2024
A. Tax Revenue	**2,618.8**	**2,799.6**	**2,917.6**	**3,250.3**	**4,201.4**	**4,873.0**	**6,037.8**	**5,768.6**	**4,366.1**
Provincial Taxes	401.4	401.8	413.6	508.4	612.4	649.6	774.2	684.3	551.0
Share in Federal Taxes	2,217.4	2,397.8	2,504.0	2,741.9	3,589.0	4,223.5	5,263.6	5,084.4	3,815.1
B.Non Tax Revenue	**146.7**	**86.3**	**102.4**	**150.3**	**128.3**	**165.9**	**223.1**	**203.0**	**158.9**
C.All Others	**173.0**	**110.0**	**221.0**	**327.5**	**357.8**	**260.5**	**447.1**	**422.9**	**277.3**
Total Revenue (A+B+C)	**2,938.5**	**2,995.9**	**3,241.0**	**3,728.0**	**4,687.5**	**5,299.4**	**6,708.0**	**6,394.6**	**4,802.3**
a. Current Expenditure	2,080.7	2,350.8	2,541.9	2,844.2	3,200.8	3,859.6	4,690.6	4,079.1	3,267.5
b. Development Expenditure	880.1	506.2	622.0	770.2	1,216.6	1,241.0	1,391.7	1,226.2	887.9
c. Statistical Discrepency	-4.8	-51.1	-147.9	-200.0	-80.9	44.2	107.5	35.9	211.5
Total Expenditure (a+b+c)	**2,956.0**	**2,805.9**	**3,016.1**	**3,414.4**	**4,336.5**	**5,144.8**	**6,189.8**	**5,341.2**	**4,366.9**
Overall, Balance	**-17.5**	**190.0**	**224.9**	**313.6**	**351.0**	**154.6**	**518.2**	**1,053.3**	**435.4**

Source: Pakistan Fiscal Operations

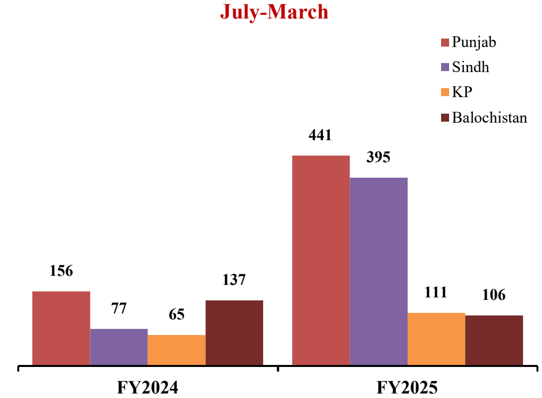
The provincial fiscal operations provided significant support to the federal government in improving the overall fiscal accounts. The dedicated efforts at the provincial level for effective resource mobilization and prudent expenditure management triggered the higher growth in provincial revenues relative to expenditures.

Fig-20: Growth in Provincial Revenues & Expenditures (%) July-March



Source: Pakistan fiscal Operations and EA wing's calculations

Fig-21: Provincial Surplus (Rs.billion) July-March



Source: Pakistan's fiscal operations and EA wing's calculation

Consequently, all four provinces collectively achieved the highest surplus of Rs 1,053.3 billion during July-March FY 2025 compared to the surplus of Rs 435.4 billion last year.

During July-March FY 2025, provincial revenues witnessed a substantial increase of 33.2 percent to Rs 6,394.6 billion, up from Rs 4,802.3 billion last year. The province's own source revenue receipts grew by 25.0 percent to Rs 887.3 billion in July-March FY 2025 from Rs 709.9 billion last year. Both provincial tax and non-tax revenues contributed to this consistent rise in own revenues during the period under review. Despite the increase in provincial own-source revenue receipts, the federal transfers continue to be the main source, contributing around an 80 percent share in total provincial revenues.

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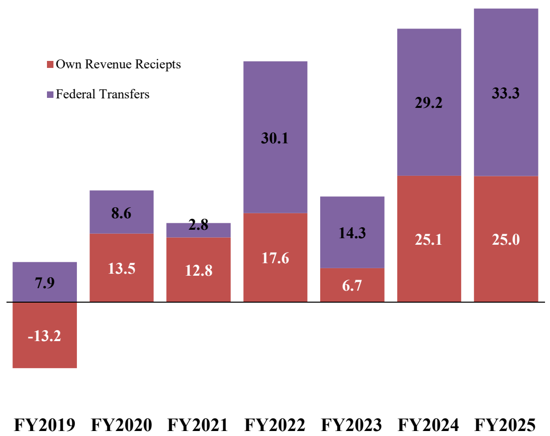
Fig-22: Provincial Own Revenues and Federal Transfers (Growth %)(Jul-Mar)



Source: Pakistan's fiscal operations & EA wing's calculation

Provincial tax collection improved to Rs 684.3 billion during July-March FY 2025 from Rs 551.0 billion last year, showing a growth of 24.2 percent. In total, the receipts from motor vehicle tax grew by 58.3 percent, and GST on services increased by 18.1 percent. Similarly, non-tax revenues grew by 27.8 percent to Rs 203.0 billion during July-March FY 2025 against Rs 158.9 billion last year. The major contribution came from higher receipts from hydroelectricity profit, interest on loans, dividends, and law & order.

On the expenditure side, the pace of growth remained moderate at 22.3 percent during July-March FY 2025, down from 35.6 percent last year. In absolute terms, provincial expenditures increased to Rs 5,341.2 billion during July-March FY 2025 from Rs 4,366.9 billion last year. Current expenditures grew by 24.8 percent to Rs 4,079.1 billion during July-March FY 2025 against Rs 3,267.5 billion last year. Major components responsible for this growth are housing and community development, social protection, recreational, cultural and religious, fuel & energy, construction & transport, and general public services.

The effective consolidation efforts enabled the provinces to scale up development spending, which increased by 38.1 percent to reach 1,226.2 billion during July-March FY 2025 from Rs 887.9 billion last year. The increase is primarily attributed to higher expenditure on environment protection, education affairs & service, public order & safety, General Economic, Commercial & Labour Affairs, Fuel & Energy, Mining & Manufacturing, public health services, recreational & sport services, and religious affairs.

4.8 Public Financial Management (PFM) Reforms

The Public Finance Management Act 2019 serves as a foundational framework, aiming to improve budget preparation, execution, and reporting processes. Effective implementation of these reforms is essential to ensure optimal use of public finances and reinforce economic stabilization efforts.

In FY 2025, PFM reforms focused on enhancing fiscal discipline, improving transparency, and aligning with international financial commitments, particularly under the IMF's program. In preparing the Federal Budget, significant attention is given to setting well-informed priorities and targets. Moreover, Pakistan has been progressively integrating thematic budgeting, particularly around gender, climate change, and the Sustainable Development Goals (SDGs), within its broader PFM reforms. The frameworks and directives are regularly updated to align with both national development agendas and international commitments.

In line with the provisions of the PFM Act 2019, the Federal Government has undertaken a series of PFM reforms in FY 2025, which include, but are not limited to, the amendment and formulation of various rules, with special focus on bringing these new rules in line with development in digital technologies. These are Special Purpose Fund (General) Rules, 2025, Grant in Aids Rules, 2025, Federal Government Receipts and Payments Rules 2025, and General Financial Rules, 2025.

Concluding Remarks

The fiscal performance during the first nine months of FY 2025 reaffirms the government's commitment to improve fiscal discipline aligned with the Budget 2024-25. Improved revenue mobilization, particularly through FBR reforms and strong revenue collection from non-tax, together with efficient management of expenditures, successfully reduced the fiscal deficit to 2.6 percent of GDP during July-March FY 2025 from 3.7 percent recorded last year. In addition, the contained non-markup spending triggered a significant rise in primary surplus to 3.0 percent of GDP from 1.5 percent last year. Similarly, the contribution of provinces in effective consolidation is visible through significantly higher combined surpluses by all the provinces.

In the wake of prevailing challenges, both at the domestic and global levels, the current performance of the fiscal sector is encouraging, indicating effective fiscal management. At the same time, to cope with emerging challenges, the government is progressing on comprehensive fiscal reforms in coordination with provinces. In this regard, the National Fiscal Pact is an important step to rebalance intergovernmental relationships. These reforms will ensure long-term fiscal sustainability, crucial for attaining higher, inclusive, and sustainable economic growth.

TABLE 4.1

FEDERAL GOVERNMENT OVERALL BUDGETARY POSITION

Rs million

Fiscal Year / Item	2023-24	2024-25 July-March (P)
A. REVENUE		
FBR Tax Revenue (1 +2)	9,311,007 *	8,453,051
1 Direct Taxes	4,530,722	4,127,815
2 Indirect Taxes	4,780,285	4,325,236
i. Customs	1,104,063	927,461
ii. Sales Tax	3,098,771	2,860,744
iii. Federal Excise	577,451	537,031
Non-Tax Revenue	3,050,455	4,099,450
Gross Revenue Receipts	12,361,462	12,552,501
B. EXPENDITURE		
Current Expenditure	14,073,122	10,668,308
i. Defence	1,858,805	1,423,960
ii. Mark-up payments	8,159,826	6,438,790
iii. Grants	1,395,283	1,108,005
vi. Others**	2,659,208	1,697,553
Development Expenditure and Net Lending	1,030,852	653,395
Statistical Discrepancy	-280,997	169,780
Total Expenditure	14,822,977	11,491,483

P : Provisional

Source: Budget Wing, Finance Division, Islamabad

* : Revised FBR Tax collection FY2023-24 is Rs 9299.1 billion

** : Includes other categories not shown here

TABLE 4.2

SUMMARY OF PUBLIC FINANCE (CONSOLIDATED FEDERAL & PROVINCIAL GOVERNMENTS)

Rs million

Fiscal Year / Items	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 Jul-Mar (P)
Total Revenues (i+ii)	4,900,724	6,272,168	6,903,370	8,035,383	9,633,505	13,269,037	13,366,986
Federal	4,412,625	5,756,162	6,244,698	7,294,720	8,818,070	12,271,725	12,479,711
Provincial	488,099	516,006	658,672	740,663	815,435	997,312	887,275
i) Tax Revenues	4,231,272	4,411,538	5,272,699	6,755,168	7,818,699	10,085,201	9,137,316
Federal	3,829,469	3,997,921	4,764,302	6,142,802	7,169,140	9,311,007	8,453,051
Provincial	401,803	413,617	508,397	612,366	649,559	774,194	684,265
ii) Non-Tax Revenues	669,452	1,860,630	1,630,671	1,280,215	1,814,806	3,183,836	4,229,670
Federal	583,156	1,758,241	1,480,396	1,151,918	1,648,930	2,960,718	4,026,660
Provincial	86,296	102,389	150,275	128,297	165,876	223,118	203,010
Total Expenditures (a+b+c+d)	8,345,640	9,648,488	10,306,691	13,295,275	16,154,950	20,475,945	16,337,029
a) Current	7,104,030	8,532,020	9,084,010	11,521,375	14,447,833	18,570,942	14,588,163
Federal	4,776,150	6,016,192	6,264,821	8,354,104	10,650,028	13,970,052	10,581,853
Provincial	2,327,880	2,515,828	2,819,189	3,167,271	3,797,805	4,600,890	4,006,310
b) Development	1,178,442	1,155,213	1,238,738	1,617,050	1,892,992	2,026,814	1,535,643
c) Net Lending to PSE's	40,750	48,528	76,938	40,372	59,876	51,670	7,532
d) Statistical Discrepancy	22,418	-87,273	-92,995	116,478	-245,750	-173,481	205,691
Overall Balance	-3,444,916	-3,376,320	-3,403,321	-5,259,892	-6,521,445	-7,206,908	-2,970,043
Primary Balance	-1,353,790	-756,581	-653,592	-2,077,460	-825,529	952,918	3,468,747
Financing (net)	3,444,916	3,376,320	3,403,321	5,259,892	6,521,445	7,205,570	2,970,043
External (net)	416,706	895,510	1,338,091	1,178,410	-679,848	320,713	19,505
Domestic (i+ii+iii)	3,028,210	2,480,810	2,065,230	4,081,482	7,201,293	6,884,857	2,950,538
i) Non-Bank	764,986	540,250	196,189	980,570	3,672,703	-312,801	1,618,999
ii) Bank	2,263,224	1,940,561	1,869,041	3,100,912	3,528,590	7,197,658	1,331,539
iii) Privatization Proceeds	2,000	-	-	-	-	1338	0
Memorandum Item							
GDP (mp) in Rs billion	43,798	47,540	55,836	66,658	83,651	105,143	114,692
	(As Percent of GDP at Market Price)						
Total Revenue	11.2	13.2	12.4	12.1	11.5	12.6	11.7
Tax Revenue	9.7	9.3	9.4	10.1	9.3	9.6	8.0
Non-Tax Revenue	1.5	3.9	2.9	1.9	2.2	3.0	3.7
Expenditure	19.1	20.3	18.5	19.9	19.3	19.5	14.2
Current	16.2	17.9	16.3	17.3	17.3	17.7	12.7
Development Expenditure & net Lending	2.8	2.5	2.4	2.5	2.3	2.0	1.3
Overall Balance	-7.9	-7.1	-6.1	-7.9	-7.8	-6.9	-2.6
Primary Balance	-3.1	-1.6	-1.2	-3.1	-1.0	0.9	3.0

P : Provisional

Source: Budget Wing, Finance Division, Islamabad

/1: During FY2021, the fiscal accounts have been reclassified in line with the implementation of PFM procedures. According to the reclassification, federal taxes other than FBR have now been included in non-tax revenue. To make the data comparable, the fiscal indicators since FY2016 have also been reclassified.

TABLE 4.3

CONSOLIDATED FEDERAL & PROVINCIAL GOVERNMENT REVENUES

Rs million

Fiscal Year/Items	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 Jul-Mar (P)
Total Revenue (I+II)	4,900,724	6,272,168	6,903,370	8,035,383	9,633,505	13,267,037	13,366,986
Federal	4,412,625	5,756,162	6,244,698	7,294,720	8,818,070	12,269,725	12,479,711
Provincial	488,099	516,006	658,672	740,663	815,435	997,312	887,275
I. Tax Revenues	4,231,272	4,411,538	5,272,699	6,755,168	7,818,699	10,083,201	9,137,316
Federal (A+B)	3,829,469	3,997,921	4,764,302	6,142,802	7,169,140	9,309,007	8,453,051
A. Direct Taxes	1,445,594	1,524,252	1,731,860	2,280,470	3,272,402	4,530,722	4,127,815
B. Indirect Taxes	2,383,875	2,473,669	3,032,442	3,862,332	3,896,738	4,778,285	4,325,236
i. Excise Duty	233,591	250,470	277,072	320,978	369,779	577,451	537,031
ii. Sales Tax	1,464,887	1,596,821	1,990,186	2,531,856	2,592,136	3,096,771	2,860,744
iii. Customs	685,397	626,378	765,184	1,009,498	934,823	1,104,063	927,461
Provincial	401,803	413,617	508,397	612,366	649,559	774,194	684,265
Sales Tax on services GST	202,881	232,969	293,645	355,720	416,973	504,617	417,318
Excise Duty	9,274	7,643	8,218	8,896	9,619	12,136	9,276
Stamp Duties	70,396	59,148	55,217	70,888	65,191	62,548	49,282
Motor Vehicle Taxes	24,850	17,979	26,779	36,219	31,705	34,112	39,548
Others	94,402	95,878	124,538	140,643	126,071	160,781	168,841
II. Non-Tax Revenues	669,452	1,860,630	1,630,671	1,280,215	1,814,806	3,183,836	4,229,670
Federal	583,156	1,758,241	1,480,396	1,151,918	1,648,930	2,960,718	4,026,660
Provincial	86,296	102,389	150,275	128,297	165,876	223,118	203,010
Surcharges*	211,612	306,037	447,177	147,901	590,582	1,049,733	869,492
i. Gas	5,304	12,356	22,523	20,372	10,672	30,510	35,645
ii. Petroleum	206,308	293,681	424,654	127,529	579,910	1,019,223	833,847

P: Provisional

Source: Budget Wing, Finance Division, Islamabad

* : Non-Tax Revenues under these heads are exclusively Federal

Note : According to the re-classification, of data as per PFM procedures, federal taxes other than FBR have now been included under Non tax revenues

TABLE 4.4

CONSOLIDATED FEDERAL & PROVINCIAL GOVERNMENT EXPENDITURES

Rs million

Fiscal Year/Items	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 Jul-Mar (P)
Current Expenditure	7,104,030	8,532,020	9,084,010	11,521,374	14,447,833	18,570,942	14,588,163
Federal	4,776,150	6,016,192	6,264,821	8,354,103	10,650,028	13,970,052	10,581,853
Defence	1,146,793	1,213,281	1,316,189	1,411,646	1,585,502	1,858,805	1,423,960
Mark-up Payments	2,091,126	2,619,739	2,749,729	3,182,432	5,695,916	8,159,826	6,438,790
Subsidies	195,345	359,923	425,023	1,529,609	1,080,262	1,067,360	466,229
Others	1,342,886	1,823,249	1,773,651	2,230,416	2,288,347	2,884,061	2,252,873
Provincial	2,327,880	2,515,828	2,819,189	3,167,271	3,797,805	4,600,890	4,006,310
Development Expenditure	1,178,442	1,155,213	1,238,738	1,617,050	1,892,992	2,026,814	1,535,643
Net Lending to PSEs	40,750	48,528	76,938	40,372	59,876	51,670	7,532
Statistical Discrepancy	22,418	-87,273	-92,995	116,478	-245,750	-173,481	205,691
Expenditure Booked excl discrepancy	8,323,222	9,735,761	10,399,686	13,178,796	16,400,701	20,649,426	16,131,338
Total Expenditure	8,345,640	9,648,488	10,306,691	13,295,274	16,154,951	20,475,945	16,337,029
Memorandum Items:	(Percent Growth over preceding period)						
Current Expenditure	21.3	20.1	6.5	26.8	25.4	28.5	-
Defence	11.3	5.8	8.5	7.3	12.3	17.2	-
Mark-up Payments	39.4	25.3	5.0	15.7	79.0	43.3	-
Current Subsidies	71.1	84.2	18.1	259.9	-29.4	-1.2	-
Development Expenditure	-25.6	-2.0	7.2	30.5	17.1	7.1	-
Expenditure Booked excl discrepancy	11.3	17.0	6.8	26.7	24.4	25.9	-
Total Expenditure	11.4	15.6	6.8	29.0	21.5	26.7	-
	As % of total expenditures						
Current Expenditure	85.1	88.4	88.1	86.7	89.4	90.7	89.3
Defence	13.7	12.6	12.8	10.6	9.8	9.1	8.7
Mark-up Payments	25.1	27.2	26.7	23.9	35.3	39.9	39.4
Subsidies	2.3	3.7	4.1	11.5	6.7	5.2	2.9
Development Expenditure*	14.6	12.5	12.8	12.5	12.1	8.4	9.4

P: Provisional

Source: Budget Wing, Finance Division

* : Include Net Lending

TABLE 4.5

DEBT SERVICING

Rs million

Fiscal Year / Item	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 Jul-Mar (P)
A. Mark-up Payments	2,091,126	2,619,739	2,749,729	3,182,432	5,695,916	8,159,826	6,438,790
Servicing of Domestic Debt	1,820,821	2,313,133	2,523,811	2,828,572	4,936,025	7,163,721	5,782,570
Servicing of Foreign Debt	270,305	306,606	225,918	353,860	759,891	996,105	656,220
B. Repayment/Amortization of Foreign Debt	974,001	1,362,353	940,278	1,681,088	3,087,445	2,438,180	1,228,324
C. Total Debt Servicing (A+B)	3,065,127	3,982,092	3,690,007	4,863,520	8,783,361	10,598,006	7,667,114
MEMORANDUM ITEMS	(As Percent of GDP)						
Servicing of Domestic Debt	4.2	4.9	4.5	4.2	5.9	6.8	5.0
Servicing of Foreign Debt	0.6	0.6	0.4	0.5	0.9	0.9	0.6
Repayment/Amortization of Foreign Debt	2.2	2.9	1.7	2.5	3.7	2.3	1.1
Total Debt Servicing	7.0	8.4	6.6	7.3	10.5	10.1	6.7

P: Provisional

Source: Budget Wing, Finance Division

MONEY & CREDIT

Current Policy Rate	11%
Broad Money (M2)	Rs 1,604.1 bn* (Growth of 4.5 %)
NFA	Rs 1,162.7 bn*
NDA	Rs 441.4 bn*
Private Sector Credit	Rs 767.6 bn*
Weighted Average Lending Rate	15%** (Average)
Weighted Average Deposit Rate	8%** (Average)

*: July-March FY2025
**: End March

Chapter 5

MONEY AND CREDIT

From July to March FY 2025, Broad Money (M2) increased by Rs 1,604 billion (13.0% growth on YoY basis) compared to Rs 2,219 billion (17.4%) during the same period last year. The banking system's Net Foreign Assets (NFA) expanded by Rs 1,162.7 billion, resulting from increased foreign exchange reserves due to improved balance of payments position with a contained current account deficit. On the other hand, the banking system's Net Domestic Assets (NDA) registered subdued growth, increasing by Rs 441.4 billion. From June 2024 to May 2025, SBP's policy rate reduced by a cumulative 1100 basis points. This easing stance was primarily driven by persistently low inflation, improved external, and fiscal position, alongwith a stable exchange rate. Inflationary expectations are anticipated to remain well-anchored allowing continued monetary easing, providing further breathing space for business activities.

5.1 Background

The global monetary landscape during the last year was marked by a significant transition from an extended phase of synchronized policy tightening to the early stages of monetary easing. This shift was underpinned by easing inflationary pressures across advanced and emerging economies, the unwinding of pandemic- and conflict-induced supply disruptions. Financial market sentiment improved markedly, reflected in declining global interest rates, narrowing bond spreads, and a resurgence in risk appetite particularly for emerging market assets.

In this context, major central banks signaled policy normalization. While the US Federal Reserve and the European Central Bank prepared for gradual rate cuts, several emerging market central banks, have taken early actions to curb inflation, cautiously moving towards easing, as inflationary pressures subsided and exchange rates stabilized. However, some challenges such as high levels of public and private debt, tight global financing conditions, and ongoing geopolitical tensions continue to cloud the medium-term global outlook.

The domestic economic recovery which started in FY 2024 continued in FY 2025, mainly due to the government's proactive measures tailored to address economic challenges and foster a conducive environment for sustained growth. Consequently, inflation decreased significantly, foreign exchange reserves increased, and the exchange rate stabilized. The positive momentum has been supported by sound macroeconomic management, with improved fiscal & external balance and effective measures to control inflation.

Pakistan's monetary policy during July-May FY 2025 marked a cautious pivot toward easing, amid global and domestic evolving environment. A notable disinflationary trend persisted from the beginning of the current fiscal year, driven by declining food and energy prices, improved domestic supply chains, and a relatively stable exchange rate. Inflation reached an all-time low of 0.3 percent in April, and with inflation easing alongside steadier domestic and external conditions, allowing State Bank of Pakistan (SBP) to adopt an accommodative policy stance.

5.2 Recent Monetary and Credit Developments

During July-March, FY 2025, the broad money supply (M2) increased by Rs 1,604 billion**,** translating into a 4.5 percent growth, significantly lower than the 7.2 percent recorded in the corresponding period of FY 2024. Within

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M2, NFA of the banking system increased by Rs 1,162.7 billion compared Rs 651.2 billion during the same period last year. The expansion in NFA was mainly due to improved external sector situation emanating from current account surplus and enough foreign inflows which contributed to accumulation of Foreign Exchange reserves. On the other hand, **Net Domestic Assets (NDA)** of the banking sector observed a growth of 1.4 percent to Rs 441.4 billion against a growth of 4.8 percent (Rs 1,568 billion) last year. The decline in NDA is underpinned by less government borrowing**,** especially for budgetary support and net retirement of financial obligations for commodity operations.

Fig-5.1: Net Foreign Asset

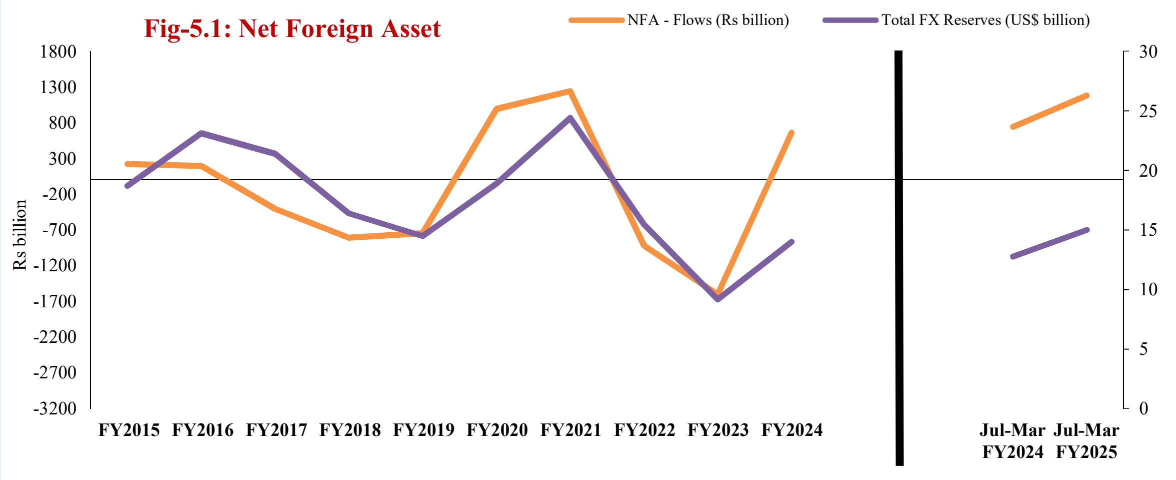
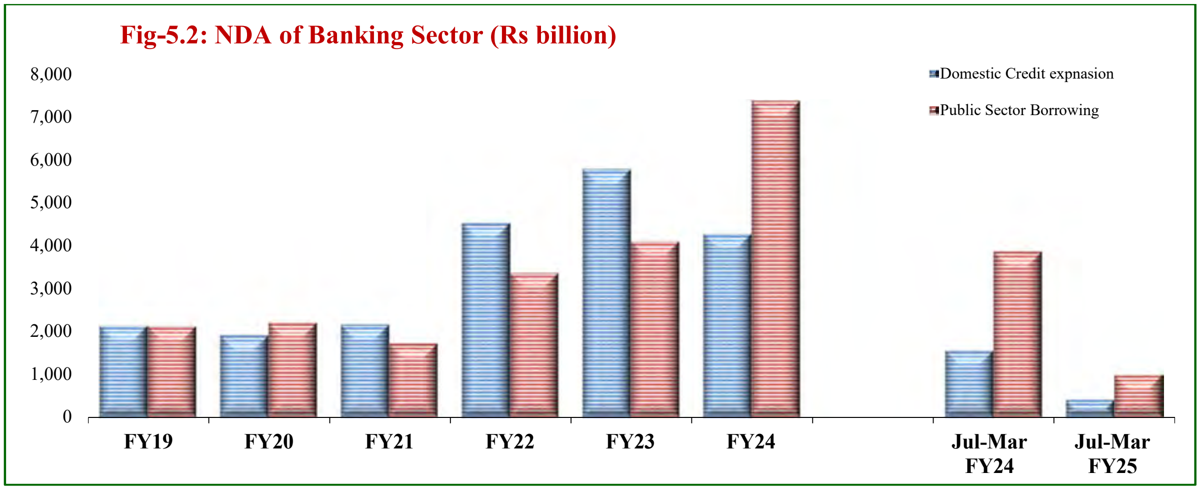


Table 5.1: Monetary Aggregates (Assets of Banking System) Rs billion

	FY 2024 (Stocks)	Flows			
		FY 2023	FY 2024	Jul-Mar FY 2025	Jul-Mar FY 2024
Net Foreign Assets (NFA)	-1,138.0	-1,602.1	659.2	1,162.7	651.2
Net Domestic Assets (NDA)	37,019.8	5,777.2	4,279.6	441.4	1,567.8
Net Government Borrowing	31,078.8	4,100.4	7,366.1	1018.9	3855.9
Borrowing for budgetary support	29,723.9	3,748.1	7,479.9	1320.9	4219.5
From SBP	4,527.7	108.8	-713.1	-287.4	-654.7
from Scheduled banks	25,196.2	3,639.3	8,192.9	1608.3	4874.2
Credit to Private Sector	8,866.9	45.9	512.9	767.6	265.2
Credit to PSEs	2,191.5	496.9	-99.9	12.5	-58.5
Broad Money	35,881.8	4,175.1	4,938.8	1604.1	2219.0
Reserve Money	11,612.8	2,082.3	255.7	1,057.4	-252.2
Growth in M2 (%)		15.6	16.0	4.5	7.2
Reserve Money Growth (%)		22.5	2.3	9.1	-2.2

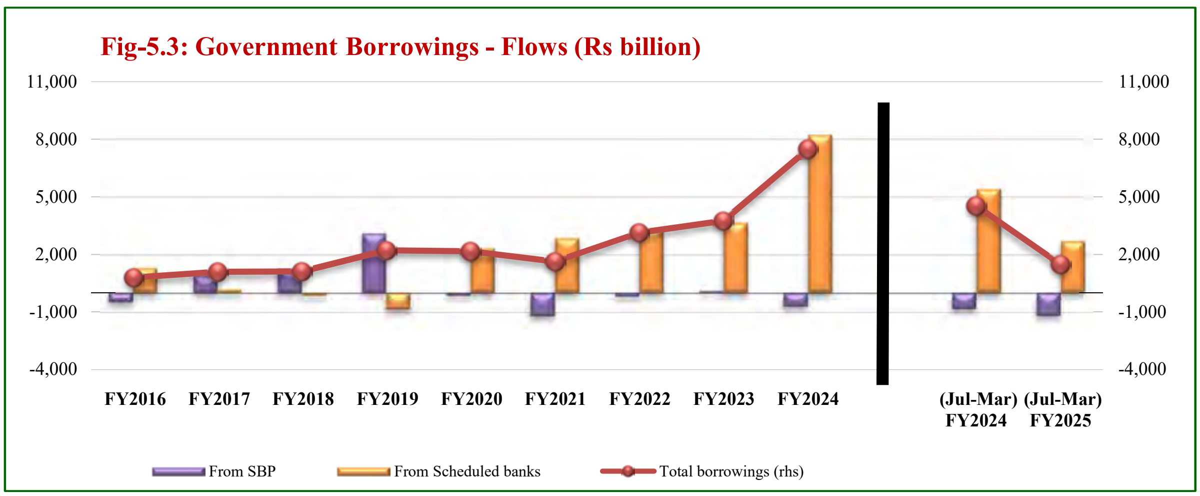
Source: SBP

Private sector credit grew near-three-fold to Rs 767.6 billion during July-March FY 2025, from Rs 265.2 billion in the same period last year. This signals a gradual revival in investment sentiment. Credit to Public Sector Enterprises (PSEs) reached Rs 12.5 billion compared to a contraction of Rs 58.5 billion last year. Similarly, Reserve Money substantially increased by Rs 1,057.4 billion (9.1 percent), against negative growth of 2.2 percent in last year, which reflects increased SBP's assets.



5.2-a Government Borrowing

During July-March FY 2025, the Government sector borrowing for budgetary support decreased to Rs 1,320 billion compared to Rs 4,219.5 billion during the same period last year. The government retired Rs 287.4 billion to SBP against a retirement of Rs 654.7 billion last year. Similarly, the government borrowed Rs 1,608 billion from scheduled banks, significantly less than 4,874 billion in the same period last year. Therefore, net government sector borrowing decreased from Rs 3,855.9 billion in July-March FY 2024 to Rs 1,018.9 billion in FY 2025. During the period under review, low government borrowing reflects fiscal consolidation as fiscal deficit remained 2.4 percent of GDP during July-March FY 2025 compared to 3.7 percent the same period last year.



5.2-b Commodity Finance

During July–March FY 2025, commodity financing recorded a net retirement of Rs 303.4 billion, slightly lower than Rs 362 billion observed in the same period last year. This was mainly contributed by Wheat financing, with a net retirement of Rs 326.9 billion, lower than Rs 427.7 billion recorded during the same period last year. The continued contraction in wheat financing reflects a significant policy shift, as the federal government has stepped back from regulating wheat prices and the Pakistan Agricultural Storage & Services Corporation (PASSCO) has not participated in wheat procurement during this period. This policy realignment contributed to reduced financing needs within the wheat supply chain.

In contrast, sugar financing recorded a net borrowing of Rs 23.2 billion during first nine months of FY 2025, compared to a net retirement

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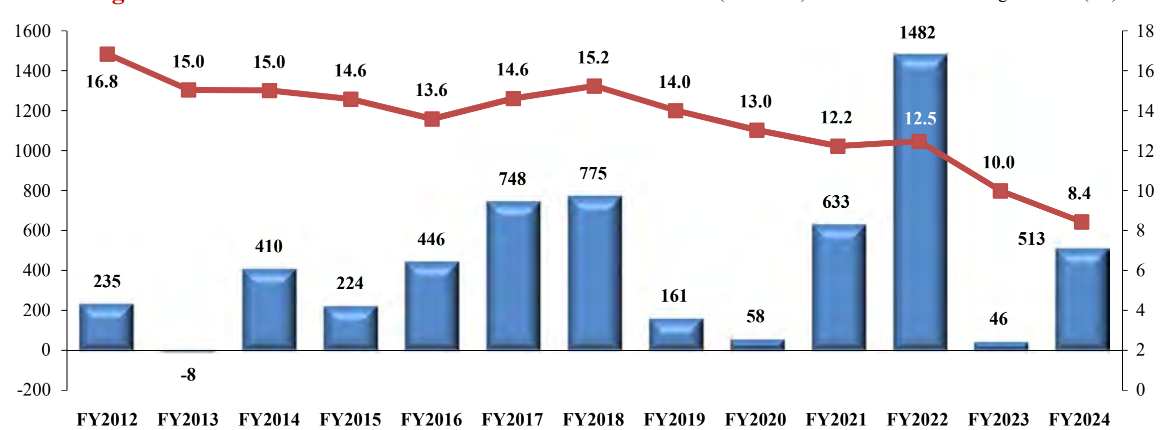
of Rs 1.0 billion in the corresponding period last year, indicating increased financing requirements by the sector. Fertilizer financing saw a notable decline, shifting from a substantial net borrowing of Rs 67.4 billion in the last year to a net retirement of Rs 3.7 million.

5.2-c Credit to Private Sector

From July to March FY 2025, credit to private sector rose markedly to Rs 767.6 billion, a substantial increase from Rs 265.2 billion in the same period last year. Within the private sector credit, loans to businesses observed expansion of Rs 830.9 billion compared borrowing of Rs 307.8 billion during same period last year. This expansion was primarily driven by the manufacturing sector, which accounted for Rs 573.1 billion (increase of Rs 278.7 billion). Across sectors, credit to food sector declined, whereas the textile sector witnessed a sharp surge in borrowing, reaching Rs 255.1 billion compared to Rs 26.7 billion in the previous year. Other sectors also exhibited strong credit growth: construction sector credit rose to Rs 19.9 billion (from Rs 4.2 billion), accommodation and food services jumped to Rs 40.4 billion (from Rs 2.6 billion), and the information and communication sector rebounded significantly with a credit inflow of Rs 103.5 billion from a net retirement of Rs 3.0 billion.

Fig-5.4: Credit to Private Sector



The disaggregated data shows that the increase in credit to private sector was largely concentrated in working capital loans, which rose to Rs 611.8 billion July-March FY 2025 from Rs 275.7 billion last year. Fixed investment loans also picked up significantly, owing to higher investment in petroleum, sugar and fertilizer. Fixed investment loans surged to Rs 236.7 billion during the period under review, up from Rs 47.2 billion last year. The revival in credit appetite is largely attributed to a more accommodative monetary policy stance, which lowered borrowing costs. Additionally, the relaxation of import restrictions on raw materials and capital goods, coupled with an improved outlook for business activity, supported the expansion in investment and operational financing.

Table 5.2: Loans to Private Sector Business (By Type of Finance) Rs billion

Position at the end of Mar-2025P Based on ISIC 4 Classifications of Private Sector Businesses	Total credit		Working capital		Fixed investment	
Description	Jul-Mar FY2024	Jul-Mar FY2025	Jul-Mar FY2024	Jul-Mar FY2025	Jul-Mar FY2024	Jul-Mar FY2025
Loans to Private Sector Business	307.8	830.9	275.7	611.8	47.2	236.7
A. Agriculture, forestry and fishing	47.8	44.2	0.9	10.8	47.0	33.6
B. Mining and quarrying	(2.8)	(17.8)	(0.6)	(20.5)	(2.2)	2.7
C. Manufacturing	294.7	573.1	286.1	493.1	12.2	86.3
10 - Manufacture of food products	229.4	86.7	236.5	69.8	(6.6)	17.1
a- Wheat Processing	(14.5)	(19.6)	(15.1)	(20.7)	0.6	1.1
b- Rice Processing	52.4	49.9	52.3	48.0	0.2	2.0

Table 5.2: Loans to Private Sector Business (By Type of Finance) Rs billion

Position at the end of Mar-2025P Based on ISIC 4 Classifications of Private Sector Businesses	Total credit		Working capital		Fixed investment	
Description	Jul-Mar FY2024	Jul-Mar FY2025	Jul-Mar FY2024	Jul-Mar FY2025	Jul-Mar FY2024	Jul-Mar FY2025
13 - Manufacture of textiles	26.7	255.1	16.3	254.4	9.2	2.2
D. Electricity, gas, steam and air conditioning supply	(77.0)	(13.5)	(43.3)	14.2	(33.6)	(27.2)
E. Water supply; sewerage, waste management and remediation activities	10.9	4.1	7.8	(2.6)	3.1	6.7
F. Construction	4.2	19.9	5.7	6.6	(1.2)	17.5
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	66.7	66.9	52.6	35.9	15.1	33.4
H. Transportation and storage	0.2	(7.5)	0.9	(16.6)	(0.4)	9.4
I. Accommodation and food service activities	2.6	40.4	0.1	(0.4)	4.1	41.4
J. Information and communication	(3.0)	103.5	(10.0)	72.6	7.3	30.4
K. Real estate activities	(2.5)	0.2	0.3	(0.4)	(0.2)	0.3
L. Professional, scientific and technical activities	(3.7)	13.7	(3.0)	15.7	(0.7)	(1.2)
M. Administrative and support service activities	(3.2)	4.0	(6.2)	1.7	3.0	2.3
N. Education	(5.4)	(2.7)	(3.4)	0.2	0.2	(1.0)
O. Human health and social work activities	(0.3)	(3.3)	(0.2)	(1.2)	1.1	(1.1)
P. Arts, entertainment and recreation	(0.3)	0.5	(0.1)	(0.0)	(0.1)	0.5
Q. Other service activities	(21.2)	5.0	(12.1)	2.6	(7.6)	2.8

Source: State Bank of Pakistan

5.2-d Consumer Finance

From July to March FY 2025, consumer financing in Pakistan experienced a strong growth, recording a net increase of Rs 71.4 billion compared to a net retirement of Rs 52.6 billion in the same period last year. The turnaround was largely supported by a significant decline in borrowing costs, following easing inflationary pressures and an accommodative monetary policy stance. Auto loans, which have traditionally held the largest share of consumer credit, rebounded markedly with a growth of 11.7 percent to Rs 26.9 billion, after a sharp decline in FY 2024. Personal loans and financing for consumer durables also posted solid growth of 12.2 percent and 17.5 percent respectively, while credit card borrowing continued to grow steadily at 15 percent.

Housing finance, however continued to face challenges, registering a net repayment of Rs 4.1 billion, though this decline was less severe compared to the previous year's Rs 6.6 billion retirement. The sustained contraction in this sector reflects binding constraints such as elevated construction costs and sectoral uncertainty. Overall, the positive momentum in consumer lending indicates that lower interest rates and improved monetary conditions have helped revive consumer demand and borrowing appetite, signaling a gradual improvement in household financial confidence and economic activity.

Table 5.3: Consumer Financing Rs billion

Description	July-March			
	(Flows)		Growth (%)*	
	FY2024	FY2025	FY2024	FY2025
Consumer Financing	-52.6	71.4	-6.1	8.9
1) For house building	-6.6	-4.1	-3.1	-2.0
2) For transport, i.e., purchase of a car	-54.3	26.9	-18.5	11.7
3) Credit cards	18.7	18.3	19.9	15.0
4) Consumers' durable	0.1	1.3	1.9	17.5
5) Personal loans	-10.6	29.1	-4.2	12.2

* Growth is calculated based on stocks

Source: State Bank of Pakistan

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5.3 Monetary Liabilities

Monetary Liabilities include Currency in Circulation, Demand deposits, Time deposits, and Resident Foreign Currency Deposits (RFCD).

5.3-a Currency in Circulation (CIC) and Deposits

During July-March FY 2025, CIC increased by Rs 1,108 billion (12.1percent) compared to a decrease of Rs 498 billion (-5.4 percent) during the same period last year. Bank Deposits mobilization (including demand, time, and RFCD) has observed an increase of Rs 490 billion (1.8 percent) against deposits increase of Rs 2,706 billion (12.4 percent) during the same period last year. As a result, the currency to deposit ratio increase to 37.8 at end March 2025 against 35.4 last year, suggesting a growing preference for cash holdings over bank deposit. This may partly reflect increased interest in alternative avenues offering higher returns, such as equities, amid improving stock market performance and investor sentiment, alongside expectations of declining interest rates.

Table 5.4: Monetary Aggregates (Liability Side of the Banking System) Rs billion

Items	End June-Stocks		Flows		end March Stocks		July-March (Flows)	
	2023	2024	2023	2024	2023-24	2024-25	2023-24	2024-25
A. Currency in Circulation	9,149	9,153	1,576	4	8,651	10,261	-498	1,108
Deposit of which:								
B. Other Deposits with SBP	49	63	6	13	61	69	11	6
C. Total Demand &Time Deposits incl. RFCDs	21,745	26,666	2,593	4,921	24,451	27,156	2,706	490
of which RFCDs	1,601	1,605	398	4	1,587	1,595	-15	-10
Monetary Assets Stock (M2) A+B+C	30,943	35,882	4,175	4,939	33,162	35,882	2,219	1,604
Memorandum Items								
Currency/Money Ratio	29.6	25.5			26.1	28.6		
Other Deposits/Money ratio	0.2	0.2			0.2	0.2		
Total Deposits/Money ratio	70.3	74.3			73.7	75.7		
RFCD/Money ratio	5.2	4.5			4.8	4.4		
Income Velocity of Money	2.7	2.9			_	_		

Source: State Bank of Pakistan

5.4 Monetary Management

During July-March FY 2025, liquidity requirements of the interbank money market remained higher than the last year. The government's increased reliance on scheduled banks for its financing needs affected the liquidity conditions of commercial banks. Therefore, the average outstanding open market operation (OMO) stood at Rs 11,283.5 billion compared to Rs 9,756 billion during FY 2024.

Table 5.5: Average Outstanding Open Market Operations* Rs billion

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Year (Average)	1,291.1	2,615.3	6,368.5	9,756.0	11,283.5
Q1	1,048.3	2,127.2	5,323.0	8,993.4	11,809.7
Q2	822.8	1,875.0	5,436.1	8,704.2	10,123.4
Q3	1,158.0	2,641.8	6,520.5	10,111.4	11,917.5
Q4	2,135.2	3,817.3	8,194.6	11,214.8	

*: The data does not include the impact of outright OMOs.

Note: (+) amount means net Injections. (-) amount means net mop-up.

Source: State Bank of Pakistan

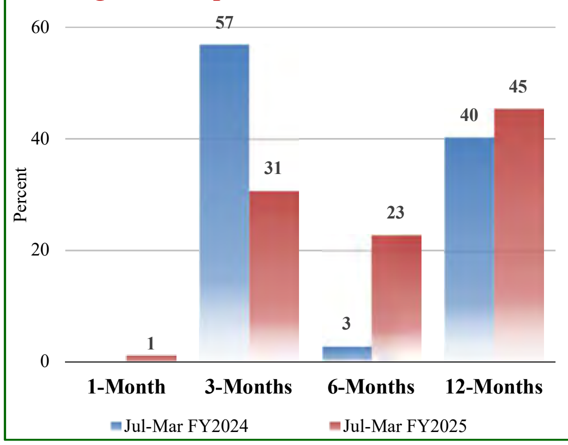
Foreign investment in government securities plays a vital role in deepening domestic capital markets, enhancing liquidity, and signaling investor confidence in macroeconomic stability. In FY 2025, foreign portfolio inflows reflected a cautious stance amid a declining interest rate environment, following a sharp reduction in the policy rate. While investors showed interest in short-term government securities such as Treasury Bills, driven by relatively higher returns, however, investment in long term securities remained subdued. Market insights suggest that a major share of these inflows were from overseas Pakistanis, attracted by yields that outpaced those in developed markets, where interest rates remained modest.

5.4-a T-Bills Auction

In the primary market for Treasury Bills (T-Bills), investor participation declined notably during July-March FY 2025, with total offers falling by approximately 39 percent to Rs 30,630 billion compared to Rs 50,019 billion in the same period last year. This reduced participation largely reflects expectations of a declining interest rate environment, as the State Bank of Pakistan has begun easing its monetary policy stance in response to improved inflation outlook and better liquidity conditions. Out of the offered amount, the government accepted Rs 10,282 billion constituting 33.6 percent of the bids, lower than the Rs 19,707 billion (39 percent of offers) raised in the previous year.

Recently, investors preference shifted toward longer tenors, signaling market expectations of further monetary easing. Around 45 percent of the outstanding T-Bills were issued in the 12-month tenor at a Weighted Average Rate (WAR) of 15 percent, while 31 percent were issued for 3-months (WAR: 16 percent), and 23 percent in 6-months (WAR: 16 percent). This tenor-wise distribution suggests growing investor confidence in a sustained downward trajectory of interest rates, encouraging longer-term commitments over short-term government securities.

Fig-5.5:Composition of T-bills



5.4-b Pakistan Investment Bonds (PIBs) Auction

The market offered Rs 23,897 billion in PIBs, 49.0 percent higher than the Rs 16,023 billion offered during the same period last year. Of this 30 percent (Rs 7,140 billion) was offered under fixed-rate PIBs, compared to Rs 3,658 billion (22.8 percent) last year. On the other hand, Rs 16,757 billion was offered under floating-rate PIBs, comprising 70.0 percent of the total, down from 77.2 percent last year. Amid the recent monetary easing and expectations of further policy rate cuts, investor preference has gradually shifted towards fixed-rate instruments to lock in returns before further declines in yields. This is also reflected in the government's accepted amount of Rs 2,194 billion from fixed-rate PIBs (22.5 percent of total accepted amount), up from 17 percent a year earlier. Within this category, 5-year PIBs carried 39 percent share, followed by 3-year and 10-year papers at 17 percent each.

Conversely, the share of floating-rate instruments in total accepted PIBs declined to 77 percent (Rs 7,541 billion), compared to 83 percent last year, as demand for floaters softened in light of easing inflation and reduced policy rate outlook. Among floaters, 5-year and 10-year semi-annual coupon instruments remained the main contributors, comprising 25 percent and 73 percent of the total accepted amount, respectively. The shift in investor appetite indicates rising market confidence in a continued disinflationary trend and a more conducive interest rate environment ahead.

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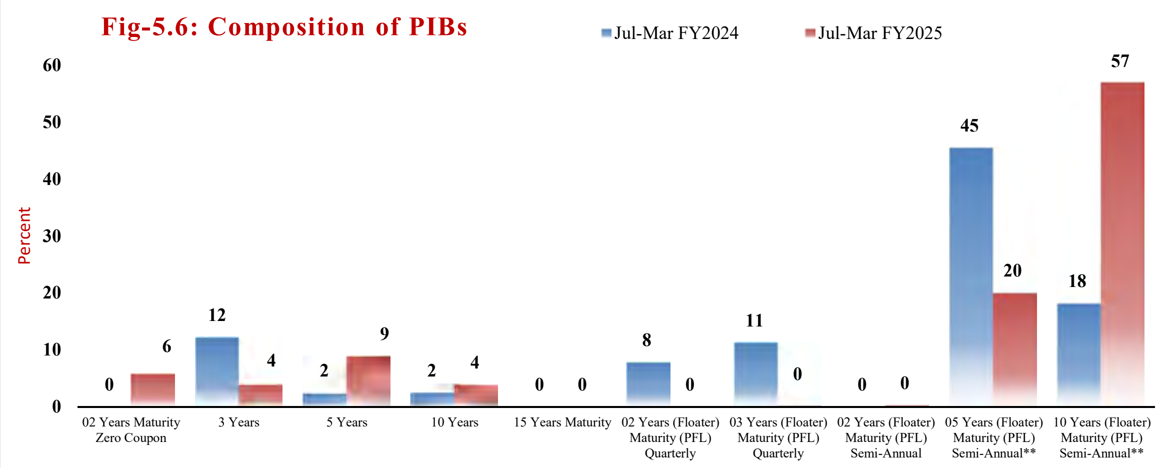


5.5 Monetary Policy Stance in Pakistan

During FY 2025, monetary policy remained adaptive and data-driven, striking a balance between anchoring inflationary expectations and supporting economic recovery. After keeping the policy rate unchanged at 22 percent for nearly a year, the central bank began a calibrated easing cycle in June 2024 in response to declining inflation, improved external sector performance, and enhanced macroeconomic stability. During the first nine months of FY 2025, the policy rate was reduced by a cumulative 850 basis points. This easing reflects increased confidence in the economic stabilization process, underpinned by a current account surplus, rising foreign exchange reserves, and a relatively stable exchange rate.

However, the pace of easing was moderate due to signs of resurging domestic demand and stickiness in core inflation. In March 2025, the Monetary Policy Committee (MPC) opted to keep the policy rate unchanged at 12 percent. The decision reflected mixed economic signals as headline inflation was on a declining path along with persistent core inflation and a recovery in credit demand. Concerns over temporary current account deficit in January 2025 also added to uncertainty.

Nonetheless, with a sharper-than-anticipated decline in headline inflation to just 0.3 percent in April driven by energy tariff adjustments, softening food prices, and a favorable base effect, the MPC resumed easing in May with a further 100 basis point cut. This brought the total reduction to 950 basis points for FY2025 (Jul-May) and 1100 basis points since the start of the easing cycle in June 2024. Core inflation also eased to 8 percent, while inflation expectations trended downward, reinforcing the central bank's confidence in continuing its accommodative stance within the medium-term inflation target of 5-7 percent.

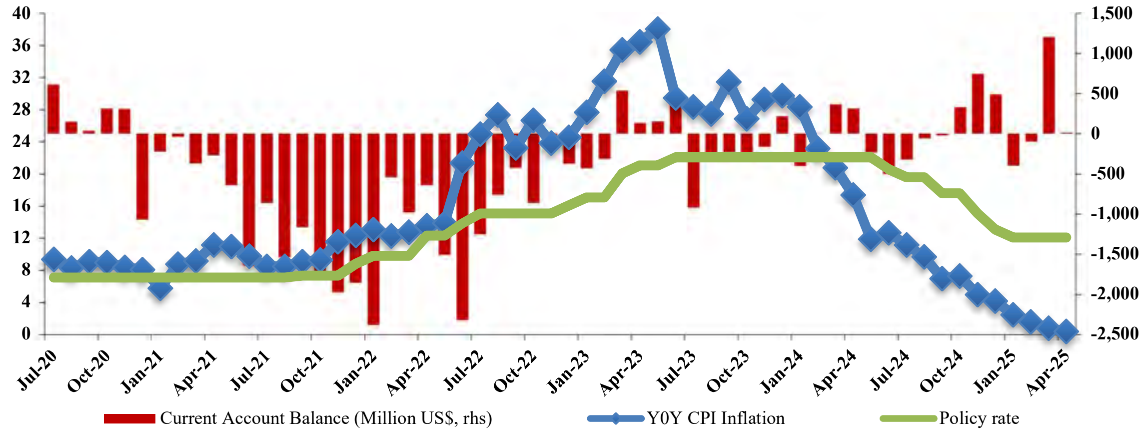
The economic outlook continued to improve during the review period. Real GDP grew by 2.68 percent in FY 2025, signaling a steady recovery. Looking ahead, it is expected that monetary policy will further support the economic recovery, anchoring inflation expectation, to ensure financial stability.

Table 5.6: Policy Rate

w.e.f	Policy rate
6-May-25	11
28-Jan-25	12
17-Dec-24	13
5-Nov-24	15
13-Sep-24	17.5
30-Jul-24	19.5
11-Jun-24	20.5
27-Jun-23	22
5-Apr-23	21
3-Mar-23	20
24-Jan-23	17
28-Nov-22	16
13-Jul-22	15
24-May-22	13.75
8-Apr-22	12.25
15-Dec-21	9.75
22-Nov-21	8.75
21-Sep-21	7.25
26-Jun-20	7

Source: State Bank of Pakistan

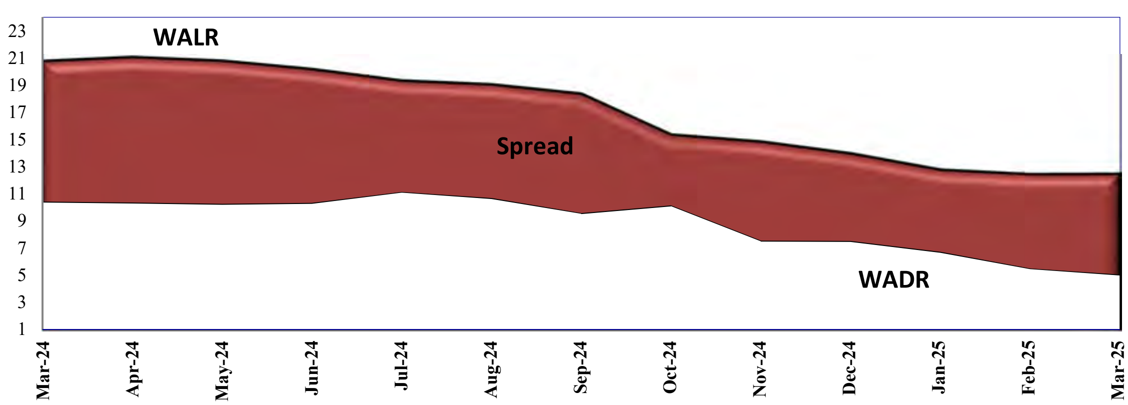
Fig-5.7: Monetary Policy Performance



5.5-a Banking Spread

During the period July-March FY2025, an accommodative monetary policy stance with cumulative reduction of 1100 bps in the SBP policy rate has been translated into the Weighted Average Lending Rate (WALR), decreasing from 20.8 percent in March 2024 to 12.4 percent in March 2025. Similarly, the Weighted Average Deposit Rate (WADR), offered on fresh deposits, also decreased to 5.0 percent in March 2025 from 10.4 percent in March 2024. Accordingly, the banking spread, the difference between the lending and deposit rates, and the cost of channeling funds through intermediaries decreased from 10.4 percent in March 2024 to 7.4 percent in March 2025, which remained instrumental for private sector credit demand.

Fig-5.8: Lending & Deposit Rates



Box-I: Changing Central banks' monetary policy stance amid inflation returning to target

Monetary policy across advanced and emerging economies has shifted in response to easing inflation and evolving growth concerns. Central banks are recalibrating their stances amid global uncertainty, trade tensions, and commodity price risks.

Advanced Economies

- **United States:** The Federal Reserve began cutting rates in September 2024 after peaking at 5.25–5.50% in July 2023. By April 2025, the rate stands at 4.50-4.75%. Despite easing inflation, recent tariff-related trade tensions complicate the policy outlook.
- **Eurozone:** The ECB lowered its deposit rate from 4.5% (May 2024) to 2.5% (Feb 2025), with further easing anticipated. Growth remains subdued (forecasted at 0.8% in 2025), and inflation is slightly above the 2% target.
- **United Kingdom:** The BoE cut rates to 4.5% in February 2025. In March, it held steady due to persistent inflation and labor market concerns, reflecting a cautious stance.

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- **Japan:** The BoJ ended its negative interest rate policy, raising the rate to 0.5%. Further tightening is possible if inflation remains above target.

Emerging Economies

- **India:** The RBI cut the repo rate by 25 bps to 6% in April 2025, aiming to support growth amid weak consumption and sluggish investment.
- **Turkey:** Following a cumulative rate hike of 1,055 bps in 2024, Turkey is expected to cut rates by 2,000 bps in 2025 to stimulate growth, despite inflation risks.
- **Brazil:** The central bank is tightening policy to combat inflation and ensure price stability.
- **Pakistan:** In response to falling inflation, the SBP reduced its policy rate from 22% to 11% by May 2025. The current stance is deemed appropriate to steer inflation toward the medium-term target of 5–7%.

Inflation and Growth Outlook

- **Inflation:** Global inflation is forecasted to decline from 5.8% (2024) to 4.3% (2025). Advanced economies see disinflation, while emerging markets face varying pressures, with some regions (e.g., MENA, Sub-Saharan Africa) likely to retain double-digit inflation.
- **Growth:** GDP growth is projected at 1.9% for advanced and 4.2% for emerging economies in 2025. High debt and currency volatility remain key vulnerabilities in emerging markets.

Risks & Policy Challenges

Geopolitical tensions, tariff escalations, and volatile commodity prices continue to pose upside risks to inflation. Elevated interest rates may suppress demand and investment. In this context, central bank credibility is essential to anchor expectations and enhance the effectiveness of monetary policy.

Policy Rate and Inflation of Selected Economies

Policy Rates		Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25
1	Canada	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.8	4.5	4.5	4.3	3.8	3.8	3.3	3.0
2	Euro area	4.0	4.3	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.3	4.3	4.3	3.5	3.3	3.3	3.0	2.8
3	Japan	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.3	0.3	0.3	0.3	0.5
4	UK	5.0	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.0	5.0	5.0	4.8	4.8	4.8
5	USA	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	4.9	4.9	4.6	4.4	4.4
6	Bangladesh	6.5	6.5	6.5	7.3	7.8	7.8	8.0	8.0	8.0	8.0	8.5	8.5	8.5	9.0	9.5	10.0	10.0	10.0	10.0
7	Brazil	13.8	13.3	12.8	12.8	12.3	11.8	11.8	11.3	10.8	10.8	10.5	10.5	10.5	10.5	10.8	10.8	11.3	12.3	13.3
8	China	3.6	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.4	3.4	3.4	3.1	3.1	3.1	3.1
9	Egypt	18.3	19.3	19.3	19.3	19.3	19.3	19.3	21.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3
10	India	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
11	Indonesia	5.8	5.8	5.8	6.0	6.0	6.0	6.0	6.0	6.0	6.3	6.3	6.3	6.3	6.3	6.0	6.0	6.0	6.0	5.8
12	Pakistan	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	20.5	19.5	19.5	17.5	17.5	15.0	13.0	12.0
13	Russia	8.5	12.0	13.0	15.0	15.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	18.0	18.0	19.0	21.0	21.0	21.0	21.0
14	Saudi Arabia	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	5.5	5.5	5.3	5.0	5.0
Inflation (YoY)		**Jul-23**	**Aug-23**	**Sep-23**	**Oct-23**	**Nov-23**	**Dec-23**	**Jan-24**	**Feb-24**	**Mar-24**	**Apr-24**	**May-24**	**Jun-24**	**Jul-24**	**Aug-24**	**Sep-24**	**Oct-24**	**Nov-24**	**Dec-24**	**Jan-25**
1	Canada	3.3	4.0	3.8	3.1	3.1	3.4	2.9	2.8	2.9	2.7	2.9	2.7	2.5	2.0	1.6	2.0	1.9	1.8	1.9
2	Euro Area	5.3	5.2	4.3	2.9	2.4	2.9	2.8	2.6	2.4	2.4	2.6	2.5	2.6	2.2	1.7	2.0	2.2	2.4	2.5
3	Japan	3.3	3.2	3.0	3.3	2.8	2.6	2.2	2.8	2.7	2.5	2.8	2.8	2.8	3.0	2.5	2.3	2.9	3.6	4.0
4	UK	6.4	6.3	6.3	4.7	4.2	4.2	4.2	3.8	3.8	3.0	2.8	2.8	3.1	3.1	2.6	3.2	3.5	3.5	3.9
5	USA	3.2	3.7	3.7	3.2	3.1	3.4	3.1	3.2	3.5	3.4	3.3	3.0	2.9	2.5	2.4	2.6	2.7	2.9	3.0
6	Bangladesh	9.7	9.7	9.5	9.8	9.5	9.5	10.0	9.7	9.9	9.8	9.9	9.7	11.7	10.3	9.9	10.9	11.3	11.0	10.0
7	Brazil	4.0	4.6	5.2	4.9	4.8	4.7	4.5	4.5	3.9	3.6	3.9	4.2	4.5	4.2	4.4	4.8	4.9	4.8	4.5
8	China	-0.3	0.2	0.2	-0.2	-0.4	-0.3	0.0	0.1	0.0	0.2	0.3	0.3	0.6	0.7	0.4	0.3	0.2	0.1	0.2
9	Egypt	36.6	37.4	37.9	36.1	34.8	33.7	29.8	35.5	33.2	32.5	28.1	27.5	25.7	26.2	26.4	26.6	25.6	24.2	23.9
10	India	7.4	6.7	5.0	4.9	5.7	5.7	5.1	5.1	4.8	4.8	4.8	5.0	3.6	3.7	5.5	6.3	5.5	5.3	4.3
11	Indonesia	3.1	3.5	2.3	2.6	3.0	2.8	2.6	2.8	3.1	3.0	2.9	2.5	2.1	2.1	1.8	1.7	1.5	1.6	0.8
12	Pakistan	28.2	27.3	31.5	26.9	29.5	29.8	28.3	23.1	20.7	17.2	11.7	12.5	11.0	9.5	7.0	7.3	5.0	4.1	2.3
13	Philippines	4.7	5.3	6.0	4.8	4.0	3.9	2.8	3.4	3.7	3.8	3.9	3.7	4.4	3.3	1.9	2.3	2.5	2.9	3.0
14	Russia	4.4	5.2	6.0	6.7	7.4	7.4	7.4	7.7	7.7	7.8	8.3	8.6	9.2	9.0	8.6	8.5	8.8	9.4	9.8
15	Saudi Arabia	2.3	2.0	1.7	1.6	1.7	1.5	1.5	1.8	1.7	1.6	1.6	1.5	1.5	1.6	1.7	1.9	2.0	1.9	2.0

Note:
1. Numbers in percent.
2. Table presents the data of only Selected Counties, representing global trends.
3. The above information is provided by SBP.

5.6 Financial Sector

The SBP continued to operate within its regulatory and supervisory ambit during FY 2025 to create a conducive and thriving environment for the banking industry.

5.6-a Financial Performance and Standing of the Banking Sector

The banking sector of Pakistan exhibited a steady performance that is reflected in the key financial soundness indicators related to capital adequacy, earnings, and asset quality. Assets base of the sector grew by 15.8 percent YoY in CY2024 to reach Rs 53.7 trillion by end December-2024. The expansion was mainly driven by investments and advances. The share of investments in total assets slightly decreased to 55.5 percent in December-2024 from 56.1 percent in December-2023, while that of advances improved to 29.4 percent in December-2024 from 26.3 percent in December-2023. On the funding side, deposits and borrowings financed 59.2 percent and 27.9 percent of the asset base, respectively in December-2024.

Asset quality indicators manifested no serious concerns as Non-Performing Loans (NPLs) are more than fully covered by the loan loss allowances and provisions. NPLs to total loans ratio fell to 6.3 percent in December-2024 compared to 7.6 percent in December-2023. Earnings of the banking sector remained steady; after-tax profit of the banking sector inched up to Rs 644 billion in CY2024 from Rs 642 billion the last year. After-tax return on assets (ROA) stood at 1.3 percent in December-2024 (1.6 percent in Dec-2023), and after-tax return on equity (ROE) was 21.5 percent in December-2024 (27.1 percent in Dec-2023). Solvency indicators, such as Capital Adequacy Ratio (CAR), improved to 20.6 percent by end December-2024 (from 19.7 percent in Dec-2023). The prevailing CAR is well above the domestic and international minimum benchmarks of 11.5 percent and 10.5 percent, respectively.

Table 5.7: Highlights of the Banking Sector Industry

	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24
Variables								(Rs billion)
Total Assets	18,342	19,682	21,991	25,124	30,058	35,796	46,364	53,693
Investments (net)	8,729	7,914	8,939	11,935	14,554	18,400	26,019	29,791
Advances (net)	6,512	7,955	8,249	8,292	10,121	11,818	12,178	15,805
Deposits	13,012	14,254	15,953	18,519	21,720	23,461	29,128	31,792
Equity	1,381	1,406	1,658	1,862	1,942	2,086	2,787	3,303
Profit Before Tax (ytd)	267	243	304	411	451	703	1,287	1,368
Profit After Tax (ytd)	158	149	171	244	264	336	642	644
Non-Performing Loans	593	680	761	829	860	924	995	1068
Non-performing loans (net)	76	110	141	97	75	97	73	(41)
Key FSIs (%)								
NPLs to Loans (Gross)	8.4	8	8.6	9.2	7.9	7.3	7.6	6.3
Net NPLs to Net Loans	1.2	1.4	1.7	1.2	0.7	1	0.6	-0.3
Capital Adequacy Ratio (all banks)	15.8	16.2	17	18.6	16.7	17	19.7	20.6
Advances in Deposit Ratio	50.1	55.8	51.7	44.8	46.6	50.4	41.8	49.7

Note: Statistics of profits are on year-to-date (ytd) basis.

Source: SBP (Quarterly Compendium: Statistics of the Banking System)

5.6-b Financial Development

Financial sector development is an essential determinant of economic development. It promotes economic growth through capital accumulation and technological progress by increasing the savings rate, mobilizing and pooling savings, producing investment information, facilitating and encouraging foreign capital inflows, and optimizing capital

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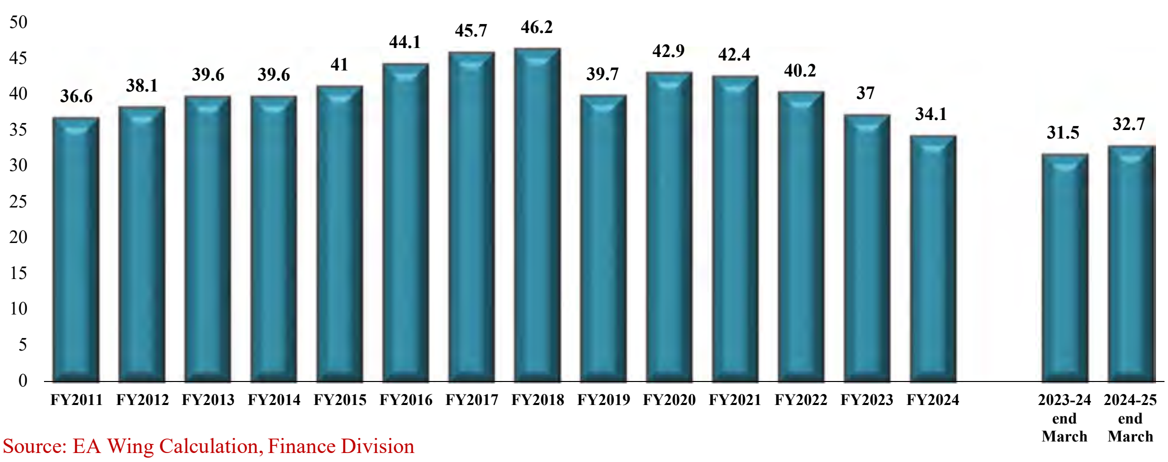
allocation.

Financial development (i.e. financial depth) can be measured by different macroeconomic variables such as domestic credit to the private sector as a percentage of GDP, money supply measures, and stock market indicators. In figure below, financial depth is measured by the M2/GDP ratio, which is widely used as an indicator of a deepening financial sector, where higher values represent a more developed financial sector. This ratio stood at 32.7 percent at the end of March 2025 compared to 31.5 percent at the end of March 2024.

Fig-5.9: M2/GDP



Source: EA Wing Calculation, Finance Division

5.6-c Financial Sector Reforms during July-March FY 2025

1. Regulatory and Supervisory Reforms

Strengthening of Resolution and Crisis Management Framework

In FY2025, the SBP achieved key milestones to enhance its resolution and crisis preparedness framework, reinforcing financial stability during periods of distress. Legal amendments to the Banking Companies Ordinance (1962) and the Deposit Protection Corporation (DPC) Act (2016) designated SBP as the resolution authority, expanded its powers, and brought Microfinance Banks under the resolution regime. In line with these changes, SBP established a dedicated department for resolution planning and assessments of systemically important institutions. The DPC's role was also upgraded from Pay-box to Pay-box Plus, enabling it to support bank resolutions under defined safeguards, with clarified funding mechanisms and improved depositor reimbursement options, ensuring financial resilience without burdening taxpayers.

Deposit Protection

In October 2024, the deposit coverage limit under the Deposit Protection Corporation (DPC) was enhanced from Rs 500,000 to Rs 1 million, ensuring protection for nearly 99 percent of depositors and fully covering around 97 percent of them. During CY24, the DPC continued fulfilling its mandate by reimbursing eligible depositors of SME Bank Ltd. declared failed by SBP in May 2023 up to the applicable coverage limit of Rs 500,000. To date, 94 percent of the protected deposit amount has been disbursed, with the remainder to be paid as depositors approach the bank or DPC.

Measures to Address Climate-related Risks to Financial Stability

SBP has incorporated climate risk as a strategic priority in its Vision 2028. During the review period, SBP advanced several initiatives, including developing a national Green Taxonomy launched in collaboration with the World Bank and currently under public consultation to standardize the classification of environmentally sustainable activities. Additionally, SBP conducted climate risk assessments, including transition risk-focused stress tests published in the FSR 2024, evaluating potential credit risk implications for banks. SBP also organized capacity-building sessions to enhance awareness and preparedness within the financial sector.

Launch of New eCIB System (V2)

SBP launched the upgraded Electronic Credit Information Bureau (eCIB) System (V2) on January 1, 2025, replacing the previous version to enhance the scope and quality of credit information reporting. The new system incorporates international best practices and technological advancements to improve the comprehensiveness of Credit Information Reports, aligning with SBP's vision to modernize financial infrastructure and support economic growth. All member financial institutions—including banks, MFBs, DFIs, NBFCs, and Modarabas, are required to ensure data accuracy, completeness, and timely submission to uphold the system's integrity and facilitate informed credit decision-making in the financial sector.

2. Money Market & Foreign Exchange Operations

SBP's Mudarabah based Financing Facilities (MFF) - Shariah Compliant Standing Ceiling Facility and OMO Injections against GIS issued through PSX

Following the PSX announcement of the implementation of a Revaluation Mechanism for GOP IjaraSukuk (GIS), SBP has operationalized mechanism to facilitate Islamic Banking Institutions (IBIs) to avail Mudarabah based financing facilities (Shariah Compliant Standing Ceiling Facility and Open Market Operations (OMO –Injections)) against GIS issued by GoP through Pakistan Stock Exchange (PSX), the custody of which resides with Central Depository Company (CDC). Earlier IBIs could only avail the Mudarabah based financing facilities (Ceiling and OMO Injections) against GIS issued through SBP. This operationalization of the mechanism would facilitate the IBIs in managing their liquidity position by using the Sukuk issued through PSX and improve the liquidity of the GIS issued through PSX.

Facilitation for Exporters

To further facilitate export-oriented companies, particularly those operating in the IT sector, in expanding their footprints abroad and increasing the exports of the country, SBP issued the amended Policy of Equity Investment Abroad by Residents. The key revisions in the policy are as follows:

i. Introduction of a new EIA category for export oriented companies operating in the IT sector.
ii. Removal of the requirement of prior designation of the bank for exporters utilizing funds for EIA from Exporters Special Foreign Currency Accounts (ESFCAs).
iii. Permission for export oriented companies in the IT sector to acquire interest in entities abroad.
iv. Relaxation of the restriction on establishing/acquiring one entity per jurisdiction for export oriented companies in the IT sector.

Promotion of Home Remittances

In line with the Government's agenda to promote home remittances, SBP has introduced performance-based incentives for Authorized Dealers (ADs), MFBs, and ECs to enhance their efforts in increasing home remittance inflows in Pakistan.

Regulatory Frameworks for Diversified Payment Rights (DPRs)

SBP has issued a comprehensive regulatory framework for DPRs which comprises two sets of instructions. The first "Framework Governing International Payment Orders" provides clarity regarding the roles and responsibilities of ADs in the international payment orders, particularly the creation of payment order contract and the ownership of rights in such payment orders. The second "Foreign Exchange Future Flow Transactions Framework" allows ADs to raise

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long-term funds through a Special Purpose Vehicle (SPV) outside Pakistan, by selling their DPRs to that SPV.

3. National Financial Inclusion Strategy (NFIS)

Financial inclusion has remained a strategic objective of SBP's policy framework for achieving sustainable growth and inclusive development. Towards this end, SBP has implemented two National Financial Inclusion Strategies (NFIS), during 2015-2018 and 2019-2023 respectively, with the goal to improve access and usage of formal financial services by the masses.

SBP undertook multiple initiatives including RAAST, Asaan Mobile Account, Digital On-boarding Framework, Roshan Digital Account (RDA), Licensing Framework for Digital Banks, etc. to broaden financial inclusion.

In order to further leverage those developments to boost usage and quality of financial services while improving access of underserved segments, especially youth and women, SBP has developed and launched the third edition of NFIS i.e. NFIS 2024-28. The strategy sets an overall target of improving financial inclusion in the country to 75 percent by the end Jun-28, from 64 percent at the end of 2023. Further, it aims to reduce the gender gap to 25 percent by 2028 from the existing 34 percent.

5.7 Islamic Banking

Assets of the Islamic Banking Industry (IBI) experienced a YoY growth of 23.1 percent in CY24, lower than the growth of 24.4 percent observed in CY23. Deposits of IBIs posted growth of 17.1 percent in CY24 against growth of 30.8 percent in CY23.

By the end of December 2024, IBI's market share of financing (net) and investment (net) in the overall banking industry stood at 27.4 percent and 16.3 percent, respectively. The branch network grew by 1,062, reaching a total of 6,017 branches by the end of December, showing a YoY growth of 21.4 percent. Meanwhile, Islamic Banking Windows stood at 2,253, portraying a YoY growth of 17.2 percent.[1]

Table 5.8: Islamic Banking Industry

	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24
Total Assets (Rs billion)	1,853.0	2,272.0	2,658.0	3,284	4,269	5,577	7229	8,994	11,070
Total Deposits (Rs billion)	1,573.0	1,885.0	2,203.0	2,652	3,389	4,211	5161	6,749	7,905
Share in Banks' Assets (%)	11.7	12.4	13.5	14.9	17	18.6	20.2	19.4	20.6
Share in Banks' Deposits (%)	13.3	14.5	15.5	16.6	18.3	19.4	22	23.2	24.9

Source: State Bank of Pakistan (FSR-2024)

Mode-wise financing breakup in CY 2024 showed that Diminishing Musharakah emerged as the most preferred structure, commanding a 44.8 percent share of the total financing portfolio. Istisna followed with a 15.5 percent share, while Musharaka financing secured a 12.8 percent share. Collectively, all other financing modes accounted for 26.9 percent of the total financing undertaken by (IBIs).

5.8 Microfinance

The Microfinance industry has gained a significant scale and footprint with the potential to increasingly leverage its vast infrastructure for the financial inclusion of the unbanked. There are a total of 12 MFBs (including 10 operating at national level and two at the provincial level) and 26 Non-Banking Microfinance Companies (NBMFCs) with 4,145 branches including 1,418 branches of MFBs with presence in 139 districts across the country. There are 118 million microfinance account holders, out of which, branch based accounts are 10 million while Branchless Banking accounts are 108 million. Further, the total number of borrowers of MFBs is 9.2 million. Some key statistics of the current outreach and market potential are as follows (December, 2024) in the Table below:

[1] Islamic Banking Bulletin-Dec 2024, SBP

Table 5.9: Microfinance Outreach in Pakistan

	Dec-2023	Dec-2024
Number of Branches/Units	4,050	4,145
Number of Districts Covered	139	139
Active Borrowers	9,560,000	12,341,290
Gross Loan Portfolio (Rs millions)	573,490	604,362
Average Loan Size (Rs)	59,988	48,971
Number of Depositors	105,530,026	118,805,610
Total Deposits (Rs millions)	597,023	732,954

Source: Microwatch, PMN and Financial Soundness Indicators, SBP

5.9 Branchless Banking (BB) Performance

During the last year, all key indicators of Branchless Banking (BB) exhibited an encouraging growth. SBP's measures regarding the use of Digital Payment Services have further pushed the growth trajectory. The number of agents, mobile wallets and deposits witnessed a boost. Notable growth was witnessed in the number and value of transactions during the period. The number of BB accounts of commercial banks and MFBs together reached 126 million in December, 2024 after witnessing a growth of 11 percent as compared to December, 2023. A little over 5.4 billion transactions were performed during CY2024, with total value of around Rs 25,846 billion. In CY2024, more than 14.9 million transactions per day with an average transaction size of Rs 4,744 were carried out.

Table 5.10: Branchless Banking Indicators

BB Indicators	Dec-2024	Dec-2023	Growth
Number of Agents	708,559	649,683	9%
Number of Accounts	126,765,048	114,643,002	11%
Deposits (Rs millions)	170,879	115,409	48%
No. of transactions ('000')	5,448,646	3,938,160	38%
Value of transactions (Rs million)	25,846,894	18,182,312	42%

Source: State Bank of Pakistan

Concluding Remarks

Pakistan's economy achieved macroeconomic stability, from the challenges emerged in FY 2023. Improved macroeconomic indicators including easing inflationary pressures, a stronger external account position along with fiscal consolidation have contributed to renewed economic confidence and a more favorable economic outlook. Inflation is expected to remain within the medium-term target range of 5-7 percent in coming years, reinforcing the effectiveness of recent policy measures in anchoring expectations and supporting recovery.

Nonetheless, the sustainability of this recovery hinges on the continued implementation of sound, well-coordinated economic policies. Government is cognizant of the fact that ensuring price stability and fostering broad-based growth will require a conducive business environment for investment and job creation, timely and adequate external inflows to meet financing needs, and resilience in the external sector.

TABLE 5.1

COMPONENTS OF BROAD MONEY (M2)

Rs million

Stock		End June					
		2020	2021	2022	2023	2024	2025 (Mar)
1	Currency Issued	6,468,725	7,288,807	8,002,583	9,674,077	9,708,060	10,950,171
2	Currency held by SBP	1,201	568	552	482	230	544
3	Currency in tills of Scheduled Banks	325,508	378,302	429,566	524,857	554,731	688,717
4	Currency in circulation (1-2-3)	6,142,016	6,909,937	7,572,465	9,148,739	9,153,099	10,260,910
5	Other deposits with SBP*	4,430	24,409	43,653	49,469	92,892	69,105
6	Scheduled Banks Total Deposits**	14,260,485	16,728,035	19,151,876	21,744,840	26,665,840	27,127,908
7	Resident Foreign Currency Deposits (RFCD)	1,010,425	1,004,218	120,932	1,601,062	1,604,935	1,709,744
8	Broad Money (4+5+6)	20,406,931	23,662,381	26,767,994	30,943,048	35,881,830	37,457,923
9	Growth rate (%)	17.3	16.0	13.1	15.6	16.0	4.4
MEMORANDUM							
1	Currency / Money ratio	30.1	29.2	28.3	29.6	25.5	27.4
2	Demand Deposits / Money ratio	61.9	64.3	65.1	63.3	67.1	66.4
3	Time Deposits / Money ratio	3.1	2.2	1.9	1.8	2.7	1.4
4	Other Deposits / Money ratio	0.0	0.1	0.2	0.2	0.2	0.2
5	RFCD / Money ratio	5.0	4.2	4.5	5.2	4.5	4.6
6	Income Velocity of Money***	2.3	2.3	2.4	2.7	2.9	-

P : Provisional R : Revised

Source: State Bank of Pakistan

* : The deposits of other institutions are part of 'other deposits' from July 03, 2020 onwards.

** : Excluding inter banks deposits and deposits of federal and provincial governments, foreign constituents and international organization etc.

*** : Income velocity of money is estimated using GDP (from PBS) at current prices (with latest base)/ Average of two periods monetary assets (M2)-only in case where full year monetary data is available.

TABLE 5.2

CAUSATIVE FACTORS ASSOCIATED WITH BROAD MONEY (M2)

Rs million

			2020	2021	2022	2023	2024	2025 (Mar)
			A. Stock End June					
1	Public Sector Borrowing (net)							
	(i + ii + iii)		14,537,449	16,254,716	19,612,386	23,712,768	31,078,845	32,069,702
	i.	Net Budgetary Support	13,738,524	15,363,061	18,496,004	22,244,063	29,723,917	31,016,824
	ii.	Commodity Operations	813,435	903,999	1,133,655	1,485,909	1,378,320	1,074,951
	iii.	Zakat Fund etc.	-14,510	-12,344	-17,273	-17,204	-23,392	-22,073
2	Non-Government Sector		8,189,526	8,836,898	10,496,761	11,190,671	11,543,424	13,084,956
	i.	Autonomous Bodies*	258,059	266,372	303,771	314,481	345,977	150,490
	ii.	Net Credit to Private Sector &PSEs	7,931,467	8,570,526	10,192,989	10,876,190	11,197,447	12,934,466
		a. Private Sector	6,192,456	6,825,611	8,308,070	8,353,947	8,866,853	9,580,579
		b. Public Sector Corp. other than 2(i)	1,519,086	1,458,827	1,490,715	1,976,918	1,845,504	2,111,333
		c. PSEs Special Account Debt Repayment	0	0	0	0	0	0
		d. Other Financial Institutions (NBFIs)	219,924	286,088	394,205	545,324	485,089	1,242,554
3	Counterpart Funds		-534	-534	-530	-530	-530	-530
4	Other Items (Net)		-2,459,392	-2,660,378	-3,145,615	-2,162,715	-5,601,941	-7,720,929
5	Domestic Credit (1+2+3+4)		20,267,049	22,430,701	26,963,002	32,740,194	37,019,799	37,433,200
6	Foreign Assets (Net)		139,882	1,231,679	-195,008	-1,797,146	-1,137,968	24,723
7	Broad Money (5+6)		20,406,931	23,662,381	26,767,994	30,943,048	35,881,830	37,457,923
			B. Changes over the year (July-June)					
8	Public Sector Borrowing (net)							
	(i+ii+iii)		2,210,338	1,717,267	3,357,671	4,100,381	7,366,077	990,857
	i.	Net Budgetary Support	2,151,610	1,624,536	3,132,944	3,748,059	7,479,854	1,292,907
	ii.	Commodity Operations	57,019	90,565	229,656	352,254	-107,589	-303,370
	iii.	Zakat Fund etc.	1,709	2,166	-4,929	69	-6,188	1,319
9	Non-Government Sector		235,172	647,372	1,659,863	693,910	352,753	1,541,533
	i.	Autonomous Bodies*	-27,686	8,313	37,400	10,710	31,496	-195,487
	ii.	Net Credit to Private Sector & PSCEs	262,858	639,059	1,622,463	683,200	321,257	1,737,020
		a. Private Sector*	58,304	633,155	1,482,459	45,877	512,906	713,726
		b. Public Sector Corp. other than 2(i)	196,974	-60,259	31,888	486,204	-131,414	265,829
		c. PSEs Special Account Debt Repayment	0	0	0	0	0	0
		d. Other Financial Institutions (NBFIs)	7,579	66,164	108,117	151,120	-60,235	757,465
10	Counterpart Funds		25	0	5	0	0	0
11	Other Items (Net)		-529,986	-200,986	-485,237	982,901	-3,439,226	-2,118,988
12	Domestic Credit Expansion (8+9+10+11)		1,915,549	2,163,653	4,532,301	5,777,192	4,279,604	413,402
13	Foreign Assets (Net)		1,096,147	1,091,797	-1,426,688	-1,602,138	659,178	1,162,692
14	Monetary Expansion (12+13)		3,011,696	3,255,449	3,105,613	4,175,054	4,938,782	1,576,093

P : Provisional R: Revised Source: State Bank of Pakistan

* : Autonomous bodies are WAPDA (PEPCO), OGDCL, SSGC, SNGPL, PIA, Pakistan Steel and Pakistan Railway.

Note: w.e.f December 31, 2022 Scheduled Banks credit to NBFIs, earlier reported under credit to private sector is reclassified as credit to NBFIs and become part of other Financial Institutions

TABLE 5.3

SCHEDULED BANKS' CONSOLIDATED POSITION BASED ON LAST WEEKEND POSITION OF LIABILITIES & ASSETS

Rs million

Item Description	2020	2021	2022	2022-23	2023-24	Mar-25
Assets						
Cash & Balances with Treasury Banks	1,408,559	1,528,246	2,308,137	2,650,786	3,197,004	2,828,118
Balances with other Banks	212,150	213,911	330,061	517,695	558,314	275,330
Lending to Financial Institutions	843,513	966,673	858,227	892,010	1,025,211	931,957
Investments	10,681,288	13,615,840	16,441,736	20,895,614	30,149,408	32,377,594
Gross Advances	8,202,328	8,831,088	10,771,563	12,202,125	12,447,146	13,474,324
Less: Provision for Non- Performing Advances	546,797	629,039	672,486	699,746	857,595	928,778
Advances – Net of Provision	7,655,531	8,202,049	10,099,077	11,502,379	11,589,550	12,545,546
Operating Fixed Assets	567,753	635,575	716,433	872,579	1,012,671	1,010,715
Deferred Tax Assets	56,161	70,764	107,049	220,831	186,560	206,469
Other Assets	950,083	908,754	1,202,385	1,892,967	2,404,598	3,069,100
Total Assets	22,375,037	26,141,812	32,063,106	39,444,861	50,123,316	53,410,298
Liabilities						
Bills Payable	245,363	322,389	358,528	424,912	459,192	367,509
Borrowings	2,865,768	4,097,113	6,725,049	8,916,845	13,071,917	14,860,147
Deposits and other Accounts	16,229,036	18,695,178	21,490,459	25,507,568	30,812,105	31,746,697
Sub-ordinated Loans	126,296	112,732	136,828	171,864	172,846	171,335
Liabilities Against Assets Subject to Finance Lease	2,134	1,823	10,134	12,518	11,106	143,378
Deferred Tax Liabilities	47,329	17,288	5,847	38,414	48,282	90,885
Other Liabilities	964,493	997,101	1,300,389	1,966,081	2,538,857	2,571,080
Total Liabilities	20,480,420	24,243,625	30,027,234	37,038,203	47,113,577	49,951,031
Net Assets	1,894,617	1,898,187	2,035,872	2,406,658	3,009,739	3,459,267
Represented by:						
Paid up Capital / Head Office Capital Account	556,465	561,451	584,837	614,275	631,074	632,418
Reserves	357,675	379,965	440,578	572,952	650,680	718,977
Un-appropriated / Un-remitted Profit	618,864	696,938	870,554	1,142,504	1,363,938	1,561,350
Sub total	1,533,004	1,638,354	1,895,969	2,329,731	2,645,692	2,912,745
Surplus/ (Deficit) on Revaluation of Assets	361,613	259,833	139,904	76,926	364,046	546,522
Total	1,894,617	1,898,187	2,035,875	2,406,658	3,009,739	3,459,267

Source: State Bank of Pakistan

TABLE 5.4

LIST OF DOMESTIC, FOREIGN BANKS, DFIs AND MICROFINANCE BANKS

Public Sector Commercial Banks

1	First Women Bank Ltd.
2	National Bank of Pakistan
3	Sindh Bank Limited
4	The Bank of Khyber
5	The Bank of Punjab

Specialized Scheduled Banks

1	Punjab Provincial Co-operative Bank
2	Zarai Taraqiati Bank Limited

Private Local Banks

1	Al-Baraka Bank (Pakistan) Limited*
2	Allied Bank Limited
3	Askari Bank Limited
4	Bank Al Falah Limited
5	Bank Al Habib Limited
6	Bank Makramah Limited (Formerly Summit Bank Limited)
7	Bank Islami Pakistan Limited*
8	Dubai Islamic Bank Pakistan Limited*
9	Faysal Bank Limited*
10	Habib Bank Limited
11	Habib Metropolitan Bank Limited
12	JS Bank Limited
13	MCB Bank Limited
14	MCB Islamic Bank Limited*
15	Meezan Bank Limited*
16	Samba Bank Limited
17	Soneri Bank Limited
18	Standard Chartered Bank (Pakistan) Limited
19	United Bank Limited
20	Easypaisa Digital Bank Limited

Foreign Banks

1	Bank of China Limited
2	Citibank N.A.
3	Deutsche Bank AG
4	Industrial and Commercial Bank of China Limited

Development Financial Institutions

1	House Building Finance Company Limited
2	PAIR Investment Company Ltd.
3	Pak China Joint Investment Company Ltd.
4	Pak Libya Holding Company Ltd.
5	Pak Oman Investment Company (Pvt) Limited
6	Pak-Brunei Investment Company Ltd.
7	Pakistan Kuwait Investment Company Ltd.
8	Saudi Pak Industrial & Agricultural Investment Company Ltd.
9	Pakistan Mortgage Refinance Company Ltd.
10	Export Import Bank of Pakistan

Micro Finance Banks

1	APNA Microfinance Bank Ltd.
2	FINCA Microfinance Bank Ltd.
3	Halan Microfinance Bank Limited (Formerly Advans Pakistan Microfinance Bank)
4	HBL Microfinance Bank Ltd. (Formerly The First Microfinance Bank)
5	Khushhali Microfinance Bank Ltd.
6	LOLC Microfinance Bank Ltd. (Formerly Pak Oman Microfinance Bank Ltd)
7	Mobilink Microfinance Bank Ltd.
8	(Formerly Waseela Microfinance Bank)
9	NRSP Microfinance Bank Ltd.
10	Sindh Microfinance Bank Ltd.
11	U Microfinance Bank Ltd.
12	ASA Microfinance Bank (Pakistan) Ltd.

* : Full fledged Islamic Banks

Source: State Bank of Pakistan

TABLE 5.5
SECURITY AND NATURE WISE WEIGHTED AVERAGE LENDING RATES / FINANCING RATES (ALL SCHEDULED BANKS)*

(Percent)

As at the End of		Precious Metal	Stock Exchange Securities	Merch-andise	Machi-nery	Real Estate	Financial Oblig-ations	Others	Unse-cured Advances	Total Advances
Conventional Banking										
2020	Jun	14.13	10.79	8.87	9.60	9.25	8.65	10.96	28.20	10.30
		(14.13)	(10.73)	(8.60)	(9.69)	(9.25)	(8.71)	(10.96)	(28.20)	(10.10)
	Dec	10.58	7.85	6.91	7.83	7.24	7.01	8.06	27.42	8.03
		(10.58)	(7.83)	(6.84)	(7.80)	(7.24)	(6.90)	(7.80)	(27.42)	(7.96)
2021	Jun	10.40	8.38	6.63	7.85	6.80	7.19	8.78	28.30	8.16
		(10.40)	(8.37)	(6.51)	(7.68)	(6.80)	(7.07)	(9.51)	(28.30)	(8.13)
	Dec	11.30	9.06	7.48	8.67	7.86	8.60	8.94	28.77	8.83
		(11.30)	(9.04)	(7.49)	(8.52)	(7.86)	(8.48)	(9.31)	(28.77)	(8.88)
2022	Jun	12.52	11.86	9.94	11.33	9.89	11.13	12.57	30.10	11.60
		(12.52)	(11.70)	(9.74)	(10.76)	(9.88)	(10.95)	(12.54)	(30.10)	(11.27)
	Dec	17.72	15.47	14.17	13.83	12.91	14.12	16.29	31.49	15.00
		(17.72)	(15.38)	(13.90)	(13.32)	(12.90)	(13.97)	(16.74)	(31.49)	(14.70)
2023	Jun	13.89	21.03	16.27	17.52	15.02	18.15	18.09	30.84	17.44
		(13.89)	(20.72)	(15.97)	(16.97)	(15.00)	(17.85)	(19.32)	(30.84)	(17.22)
	Dec	13.98	21.11	17.42	17.51	15.01	18.34	18.41	32.13	17.82
		(13.98)	(20.86)	(17.10)	(19.93)	(14.99)	(17.89)	(19.92)	(32.13)	(17.69)
2024	Jun	14.98	19.82	17.12	16.80	14.28	17.79	17.41	33.48	17.20
		(14.98)	(19.43)	(16.91)	(16.33)	(14.23)	(17.43)	(19.56)	(33.48)	(17.37)
	Dec	15.38	11.56	12.93	12.25	12.53	13.54	13.12	29.97	13.16
		(15.38)	(11.41)	(12.29)	(12.06)	(12.58)	(12.54)	(15.74)	(29.97)	(13.53)
Islamic Banking										
2020	Jun	-	13.12	9.55	11.10	10.30	9.30	10.56	10.81	10.38
		-	(11.43)	(9.46)	(11.16)	(10.25)	(8.83)	(10.20)	(10.74)	(10.19)
	Dec	-	7.96	7.50	8.41	7.75	6.57	7.40	9.82	7.68
		-	(9.56)	(7.51)	(8.42)	(7.71)	(6.48)	(7.32)	(9.82)	(7.72)
2021	Jun	-	8.90	6.84	8.01	7.59	5.03	7.71	16.06	7.53
		-	(8.93)	(6.79)	(7.99)	(7.48)	(5.03)	(7.66)	(16.06)	(7.44)
	Dec	-	7.12	7.55	9.08	8.46	5.20	7.93	16.45	8.14
		-	(7.02)	(7.54)	(9.04)	(8.33)	(5.20)	(7.68)	(16.45)	(8.14)
2022	Jun	-	12.70	10.14	11.30	10.27	9.29	11.26	23.66	10.82
		-	(12.65)	(9.90)	(11.23)	(10.22)	(8.86)	(10.11)	(23.66)	(10.46)
	Dec	-	14.64	13.06	14.03	12.79	11.25	14.64	27.70	13.76
		-	(14.58)	(12.73)	(13.89)	(12.63)	(11.04)	(13.25)	(27.70)	(13.17)
2023	Jun	-	21.31	16.30	17.28	15.01	12.57	20.49	30.68	17.81
		-	(21.10)	(16.03)	(16.95)	(14.78)	(12.39)	(17.45)	(30.68)	(16.29)
	Dec	-	21.65	17.33	18.44	15.94	13.05	20.43	31.93	18.33
		-	(21.51)	(17.20)	(18.24)	(15.70)	(12.81)	(18.25)	(31.93)	(17.39)
2024	Jun	-	19.29	17.89	18.13	16.22	19.64	19.92	29.47	18.48
		-	(18.70)	(17.04)	(17.91)	(15.82)	(19.69)	(18.26)	(29.47)	(17.47)
	Dec	-	11.33	11.71	12.69	11.83	15.48	12.07	27.05	12.35
		-	(10.99)	(10.83)	(12.77)	(11.82)	(15.53)	(12.23)	(27.05)	(12.11)

* : Weighted average rates shown in parentheses represent Private Sector

Source: State Bank of Pakistan

TABLE 5.6

SALE OF MARKET TREASURY BILLS THROUGH AUCTION

Rs million

No.	Securities	2020	2021	2022	2023	2024	Mar-25
Market Treasury Bills							
A.	Three Months Maturity						
	Amount Offered						
	i) Face value	14,913,709	15,505,232	17,474,185	32,134,362	24,448,745	8,229,412
	ii) Discounted value	14,486,853	15,250,389	17,044,574	30,794,061	23,246,041	7,892,658
	Amount Accepted						
	i) Face value	8,811,853	8,698,476	11,833,518	24,278,682	11,219,368	3,157,268
	ii) Discounted value	8,554,064	8,556,387	11,533,971	23,248,551	10,666,652	3,063,036
	Weighted Average Yield						
	i) Minimum % p.a.	7.6896	6.4267	7.2103	15.5734	20.4399	11.5854
	ii) Maximum % p.a.	13.7490	7.4418	15.1193	21.9923	23.3938	19.8384
B.	Six Months Maturity						
	Amount Offered						
	i) Face value	4,345,673	9,989,084	11,998,595	5,145,386	4,497,980	8,029,152
	ii) Discounted value	4,115,593	9,627,168	11,432,459	4,687,347	4,034,379	7,422,082
	Amount Accepted						
	i) Face value	1,705,828	5,585,878	5,318,275	583,249	554,592	2,336,261
	ii) Discounted value	1,613,386	5,384,224	5,071,332	537,522	500,076	2,173,217
	Weighted Average Yield						
	i) Minimum % p.a.	7.4786	6.4666	7.4292	15.6806	20.3903	11.4048
	ii) Maximum % p.a.	13.9498	7.7463	14.9545	21.9669	24.7868	19.6839
C.	Twelve Months Maturity						
	Amount Offered						
	i) Face value	14,210,931	2,462,402	5,378,274	6,555,553	21,073,116	13,781,630
	ii) Discounted value	12,653,509	2,287,089	4,811,666	5,501,107	17,298,374	12,078,644
	Amount Accepted						
	i) Face value	4,649,744	580,918	1,492,526	1,609,688	7,933,195	4,666,100
	ii) Discounted value	4,133,139	542,086	1,324,154	1,363,483	6,532,830	4,114,518
	Weighted Average Yield						
	i) Minimum % p.a.	7.2892	6.5475	7.6000	15.6655	19.9950	11.3459
	ii) Maximum % p.a.	14.2169	7.7908	15.1503	21.9996	20.0569	18.4236
D.	One Month Maturity						
	Amount Offered						
	i) Face value						590,394
	ii) Discounted value						584,898
	Amount Accepted						
	i) Face value						123,299
	ii) Discounted value						122,170
	Weighted Average Yield						
	i) Minimum % p.a.						12.0493
	ii) Maximum % p.a.						12.4930

Note : Amount includes Non-competitive Bids.

Source: State Bank of Pakistan

TABLE 5.7
SALE OF PAKISTAN INVESTMENT BONDS THROUGH AUCTION

Rs million

No.	Securities	2020	2021	2022	2023	2024	2025 (Mar)
	Pakistan Investment Bonds						
	Amount Offered (Face Value)						
	02 Years (Floater) Maturity (PFL) Quarterly	213,423	1,383,367	3,459,944	1,002,370	988,874	61,000
	02 Years Maturity Zero Coupon						2,406,162
	03 Years Maturity	1,181,021	1,856,725	1,368,358	2,653,101	2,326,074	1,459,387
	05 Years Maturity	866,330	2,020,087	1,820,692	853,285	659,681	2,433,430
	07 Years Maturity	-	-	-	-	-	
	10 Years Maturity	445,052	1,885,183	1,192,163	831,504	672,378	745,208
	02 Years (Floater) Maturity (PFL) Semi-Annual						1,584,775
	03 Years (Floater) Maturity (PFL) Semi-Annual	1,193,302	-	-	-	-	-
	05 Years (Floater) Maturity (PFL) Semi-Annual	776,785	359,750	2,331,221	9,972,610	7,149,085	5,412,648
	10 Years (Floater) Maturity (PFL) Semi-Annual	384,124	71,900	200,314	3,134,803	2,435,203	9,160,558
	03 Years (Floater) Maturity (PFL) Quarterly	365,931	2,620,598	2,236,263	2,048,119	1,792,119	626,905
	05 Years (Floater) Maturity (PFL) Quarterly	107,600	-	-	-	-	-
	10 Years (Floater) Maturity (PFL) Quarterly	130,050	-	-	-	-	-
	15 Years Maturity	96,589	96,051	5,700	-	-	96,500
	20 Years Maturity	72,061	10,529	-	-	-	
	30 Years Maturity	-	0	-	-	-	
	Amount Accepted (Face Value)						
	(a) 02 Years (Floater) Quarterly Maturity (PFL)						
	(i) Amount Accepted	175,664	908,867	2,356,042	576,086	576,086	-
	(ii) Cut-Off Price						
	(1) Minimum Cut-Off Price	99.5239	99.0272	98.3956	98.6068	98.6068	-
	(2) Maximum Cut-Off Price	99.6467	99.6516	99.2090	99.0041	99.0041	-
	(b) 03 Years Maturity						
	(i) Amount Accepted	479,261	551,365	598,016	1,047,680	894,978	387,217
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	7.2359	8.6626	13.7633	16.5557	16.5977	11.7085
	(2) Maximum % p.a.	9.3343	13.9550	19.2462	19.3499	19.3499	16.4665
	(c) 03 Years (Floater) Maturity (PFL) Semi-Annual**						
	(i) Amount Accepted	624,763					
	(ii) Margin* / Cut-Off Price						
	(1) Minimum bps / Cut-Off Price	98.8132					
	(2) Maximum bps / Cut-Off Price	100.4413					
	(d) 03 Years (Floater) Quarterly Maturity (PFL)						
	(i) Amount Accepted	228,976	1,683,880	1,350,369	826,373	826,373	25,405
	(ii) Cut-Off Price						
	(1) Minimum Cut-Off Price	98.9923	97.2128	96.5547	97.1677	97.1677	98.8149
	(2) Maximum Cut-Off Price	99.2323	99.2531	97.8357	98.1470	98.1470	98.8149
	(e) 05 Years Maturity						
	(i) Amount Accepted	301,239	663,029	690,156	232,456	180,223	862,268
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	8.2139	9.1602	13.0568	15.3764	15.3764	12.3595
	(2) Maximum % p.a.	9.8296	13.0731	13.4666	16.9500	16.9500	15.4053
	(f) 05 Years (Floater) Maturity (PFL) Semi-Annual**						
	(i) Amount Accepted	306,271	129,562	1,548,771	4,601,186	3,332,485	1,949,826
	(ii) Margin* / Cut-Off Price						
	(1) Minimum bps / Cut-Off Price	98.1794	98.2095	94.3250	94.5435	94.5435	96.4698
	(2) Maximum bps / Cut-Off Price	100.4845	98.266	96.3515	97.0617	97.0617	97.0481

(Contd…)

TABLE 5.7

SALE OF PAKISTAN INVESTMENT BONDS THROUGH AUCTION

Rs million

No.	Securities	2020	2021	2022	2023	2024	2025 (Mar)
	(g) 05 Years (Floater) Quarterly Maturity (PFL)						
	(i) Amount Accepted	90,500					
	(ii) Cut-Off Price						
	(1) Minimum Cut-Off Price	97.9779	-	-	-	-	-
	(2) Maximum Cut-Off Price	98.0119	-	-	-	-	-
	(h) 7 Years Maturity						
	(i) Amount Accepted						
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	-	-	-	-	-	-
	(2) Maximum % p.a.	-	-	-	-	-	-
	(i) 10 Years Maturity						
	(i) Amount Accepted	149,729	563,210	14,294	211,047	180,870	375,604
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	8.8570	9.8230	12.9197	14.2471	14.2750	12.6110
	(2) Maximum % p.a.	10.2140	13.0576	12.9197	15.2500	15.2500	13.1415
	(j) 10 Years (Floater) Maturity (PFL) Semi-Annual**						
	(i) Amount Accepted ***	136,707	64,553	181,383	1,694,790	1,334,764	5,535,698
	(ii) Margin* / Cut-Off Price						
	(1) Minimum bps / Cut-Off Price	100	100	93.0004	93.4369	93.4369	92.3971
	(2) Maximum bps / Cut-Off Price	101.0536	100	93.8497	94.8112	94.8112	94.5568
	(k) 10 Years (Floater) Quarterly Maturity (PFL)						
	(i) Amount Accepted	98,542	-				
	(ii) Cut-Off Price						
	(1) Minimum Cut-Off Price	95.2412	-	-	-	-	-
	(2) Maximum Cut-Off Price	95.2853	-	-	-	-	-
	(l) 15 Years Maturity						
	(i) Amount Accepted	64,000	59,000	-	-	-	-
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	9.7020	10.4000	-	-	-	-
	(2) Maximum % p.a.	10.0000	10.4000	-	-	-	-
	(m) 20 Years Maturity						
	(i) Amount Accepted	62,061	-	-	-		-
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	10.3400	-	-	-	-	-
	(2) Maximum % p.a.	10.5624	-	-	-	-	-
	(n) 30 Years Maturity						
	(i) Amount Accepted		-	-	-		-
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.						
	(2) Maximum % p.a.						
	(o) 02 Years (Floater) Maturity (PFL) Semi-Annual						
	(i) Amount Accepted						30,501
	(ii) Cut-Off Price						
	(1) Minimum Cut-Off Price						99.6532
	(2) Maximum Cut-Off Price						100.227
	(p) 02 Years Maturity Zero Coupon						
	(i) Amount Accepted						569,433
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	-	-	-	-	-	11.6888
	(2) Maximum % p.a.	-	-	-	-	-	13.9800

Source: State Bank of Pakistan

* : The benchmark for coupon rate is defined in clause 'B' of DMMD Circular No. 9 dated May 07, 2018.

** : Margins quoted ober benchmark rate in fresh auctions of floating rate PIB (PFL)

Note:

1 : A special issuance in PFL-SA 10 Years Issued by GoP to Independent Power Producer (IPPs) against their receivables from GoP on 4th June, 2021 (Rs 28,905.1 Million) and on 29-Nov-21 (Rs 43,322.80 Million)

2: Amounts include non-competitive bids & short sale accommodation as well.

CAPITAL MARKETS & CORPORATE SECTOR

(Jul-Mar FY2025)

KSE-100 Index	50.2% ▲
Market Capitalization	38.5% ▲ Rs 14,374 bn
Fund Mobilized at PSX	Rs 9.74 bn
Net Investment in NSS*	▲ Rs 171.3 bn
Incorporation of Companies (No.)	26,104
Commodities Contracts	Rs 6.64 tr

*: National Savings Scheme

Chapter 6

CAPITAL MARKETS AND CORPORATE SECTOR

Pakistan's capital markets, particularly the equity market, outperformed the world stock markets in FY 2025. The KSE-100 index grew substantially due to a stable macroeconomic environment and improved market sentiments. The debt market also remained steady; it is important to mention that net inflow is recorded after four years under the National Saving Scheme. This chapter covers the performance of Pakistan's capital markets, including the equity, debt, and commodity futures markets, as well as the performance of non-banking financial companies, the corporate sector, Islamic finance, and the insurance sector. Along with capital market performance, the chapter will also delve into the reforms and development activities introduced by the Securities and Exchange Commission of Pakistan (SECP), the regulatory body of capital markets in Pakistan.

Capital markets are an array of financial markets where corporations, governments, and other entities raise funds mostly for long-term financing needs through the issuance of securities and bonds. Securities represent ownership in companies where investors earn returns through dividends and capital gains, while bonds represent debt obligations issued by corporations or governments and are interest-bearing in nature. These markets play a crucial role in driving economic growth by enabling businesses to access the capital required for expansion and innovation and allowing governments to raise funds for development projects and finance budget deficits. By providing a platform for efficient allocation of capital, capital markets help investors diversify their portfolios in alignment with their risk profiles. In turn, capital markets provide broader access to investment opportunities, contribute to market liquidity, and create opportunities for financial inclusion.

6.1 Equity Market

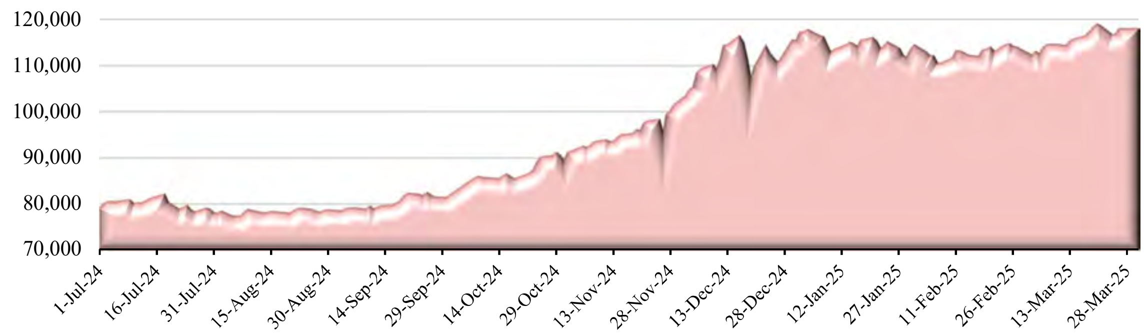
The equity market, usually referred to as the stock market, is where shares of publicly listed companies are issued and traded. Companies raise capital through Initial Public Offerings (IPOs) by issuing new shares which are later traded on the Pakistan Stock Exchange (PSX).

6.1-a Performance and Structure of Pakistan's Equity Market

During July-March FY 2025, the PSX's benchmark KSE-100 index performed remarkably well and registered a significant growth of 50.2 percent (from 78,445 to 117,807 points). During the period under review, the index closed at its highest level of 118,770 points on March 20, 2025, while the lowest level was observed at 77,084 points on August 05, 2024. The unprecedented performance of the KSE-100 index can be associated with the robust corporate earnings, declining policy rate and inflation, successful first IMF EEF programme review and subsequent disbursement of the tranche, and stable macroeconomic environment, which boosted investors' confidence (Figure-6.1).

Pakistan Economic Survey 2024-25

Fig-6.1: Trend of KSE-100 Index (July-March FY2025)



Source: PSX

The average daily volume surged to 828 million shares compared to 621 million shares witnessed during FY 2024. As of March 31, 2025, the number of listed companies stood at 527, with total listed capital of Rs 1,727 billion and market capitalization of Rs 14,374 billion. The profile of PSX from FY 2021 to March 2025 is reported in Table 6.1.

Table 6.1 Profile of Pakistan Stock Exchange

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 (July-March)
Total No. of Listed Companies	532	530	524	524	527
Total Listed Capital (Rs billion)	1,442.64	1,525.90	1,627.17	1,706.20	1,727.39
Total Market Capitalization (Rs billion)	8,297.31	6,956.51	6,369.47	10,374.80	14,374.20
Total Market Capitalization ($ billion)	52.7	34.0	22.26	37.27	51.30
New Companies Listed during the year	5	5	4	11	6
Average Daily Traded Volume-Ready + Futures (Shares in million)	527.5	408.0	273.0	621.0	828.0
Total Volume Traded (In millions)	131,354	101,657	67,199	151,427	155,691

Source: Pakistan Stock Exchange

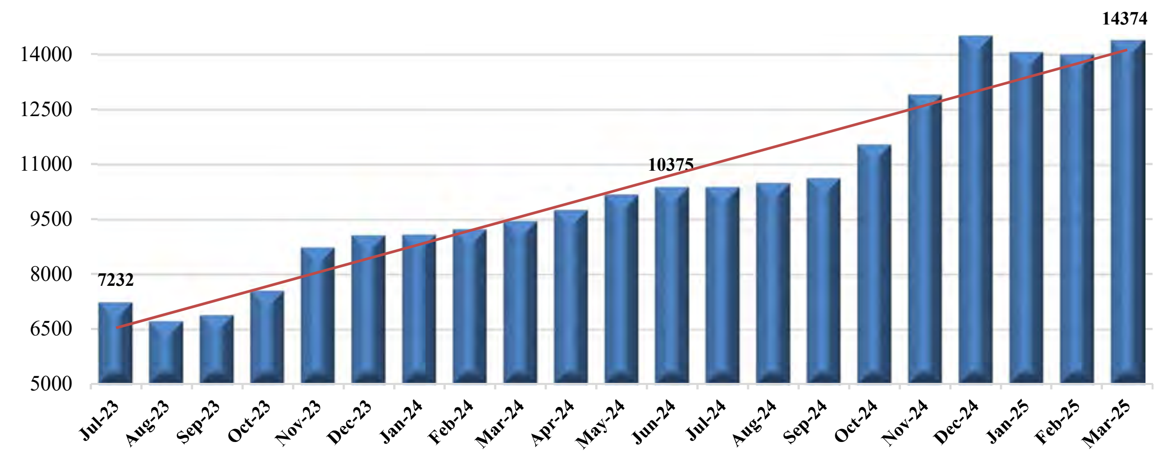
Table 6.2 presents the month-wise performance of the KSE-100 index, market capitalization, and shares' turnover. The turnover reached its peak in December 2024, indicating that investors were actively investing and participating in trading activities.

Table 6.2: Month-wise performance of KSE-100 Index

Months	FY 2024				Months	FY 2025			
	KSE 100 index	Total Market Cap (Rs billion)	Total Market Cap ($ billion)	Turnover in shares (billion)		KSE 100 index	Total Market Cap (Rs billion)	Total Market Cap ($ billion)	Turnover in shares (billion)
Jul-23	48,034.60	7,231.76	25.26	7.68	**Jul-24**	77,886.99	10,367.63	37.21	8.54
Aug-23	45,002.42	6,715.88	22.03	6.54	**Aug-24**	78,488.22	10,485.34	37.64	11.31
Sep-23	46,232.59	6,885.57	23.92	3.20	**Sep-24**	81,114.20	10,619.51	38.25	10.54
Oct-23	51,920.27	7,551.77	26.89	7.93	**Oct-24**	88,966.77	11,536.42	41.53	12.02
Nov-23	60,531.27	8,729.52	30.63	13.74	**Nov-24**	101,357.32	12,885.02	46.36	18.38
Dec-23	62,451.04	9,062.90	32.17	20.61	**Dec-24**	115,126.90	14,495.89	52.06	26.47
Jan-24	61,979.18	9,073.76	32.48	11.29	**Jan-25**	114,255.73	14,053.84	50.40	15.61
Feb-24	64,578.52	9,225.16	33.07	6.64	**Feb-25**	113,251.67	13,980.82	49.99	9.79
Mar-24	67,005.11	9,447.69	33.99	7.29	**Mar-25**	117,806.75	14,374.20	51.30	6.95
Apr-24	71,102.55	9,746.96	35.02	8.84					
May-24	75,878.48	10,169.96	36.53	11.83					
Jun-24	78,444.96	10,374.80	37.27	6.87					

Source: Pakistan Stock Exchange

Fig-6.2: Total Market Capitalization July-2023 to March-2025 (Rs billion)



Source: PSX

Total funds mobilized between July and March FY 2025 in the PSX amounted to Rs 9,740.6 million, which comprises Rs 8,991 million of capital of new listing, while the debt issued stood at Rs 750 million. Around $ 242 million worth of securities were offloaded by foreign investors which were absorbed by domestic investors Table 6.3.

Table 6.3 Local Investor's Portfolio Investment (LIPI) During July-March FY2025

	Gross Buy (Rs million)	Gross Sell (Rs million)	Net Buy / (Sell) (Rs million)	Net Buy / (Sell) ($ million)
Individuals	5,007,443.25	-4,996,931.79	10,511.46	37.68
Companies	278,269.36	-263,192.69	15,076.66	54.25
Banks / DFI	265,403.71	-186,906.41	78,497.29	280.71
NBFCs	4,056.39	-3,899.31	157.08	0.56
Mutual Funds	485,810.06	-518,408.58	-32,598.52	-115.81
Other Organization	61,260.51	-63,595.66	-2,335.15	-8.41
Broker Proprietary Trading	826,141.29	-830,453.85	-4,312.56	-15.44
Insurance Companies	94,885.57	-92,549.78	2,335.79	8.48
LIPI Net	**7,023,270.13**	**-6,955,938.08**	**67,332.05**	**242.02**

Source: NCCPL

6.1-b Sector-wise Market Capitalization at the Pakistan Stock Exchange

PSX's market capitalization recorded Rs 10,375 billion ($ 37.3 billion) on 30 June 2024. It closed at Rs 14,374 billion ($ 51.30 billion) on 31 March 2025, reflecting an increase of 38.5 percent (Rs 4,000 billion) in the period under review. Sector-wise details are given in Table 6.4.

Table 6.4: Sector-Wise Market Capitalization (Rs million)

Sectors	Market Cap End June 2024	Market Cap End March 2025	% Change	% of Total Market Cap
Commercial Banks	2,173,352.0	2,692,327.0	23.9	18.7
Oil & Gas Exploration Companies	1,401,774.1	2,504,230.3	78.6	17.4
Food & Personal Care Products	1,107,522.1	1,316,254.2	18.8	9.2
Cement	708,467.1	1,198,585.3	69.2	8.3
Fertilizer	782,365.7	1,033,074.6	32.0	7.2

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Table 6.4: Sector-Wise Market Capitalization (Rs million)

Sectors	Market Cap End June 2024	Market Cap End March 2025	% Change	% of Total Market Cap
Automobile Assembler	452,137.2	606,849.8	34.2	4.2
Power Generation & Distribution	472,302.1	445,434.3	-5.7	3.1
Tobacco	319,851.0	383,556.2	19.9	2.7
Textile Composite	349,451.1	347,025.9	-0.7	2.4
Chemical	243,777.4	327,594.2	34.4	2.3
All Others	2,363,799.46	3,519,867.46	48.9	24.5
Total	**10,374,799.26**	**14,374,799.26**	**38.6**	**100.0**

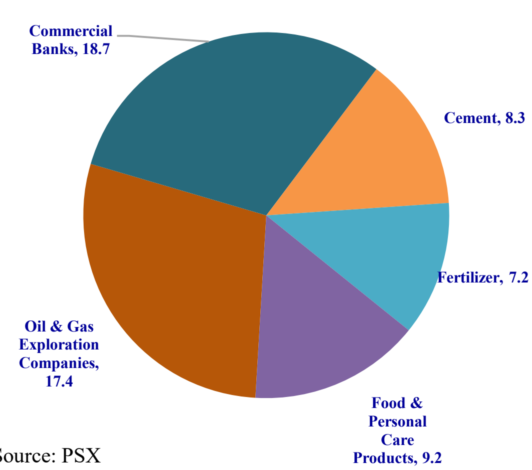
Source: Pakistan Stock Exchange

With respect to the size of market capitalization, the top five sectors are presented in Fig. 6.3. As evident from the figure, Commercial Banks dominate overall market capitalization with a share of 18.7 percent followed by Oil & Gas Exploration Companies with 17.4 percent, Food & Personal Care Products with 9.2 percent, Cement 8.3 percent and Fertilizer 7.2 percent. These five sectors occupy 60.8 percent of the total market capitalization.

6.1-c Trend in Global Equity Markets

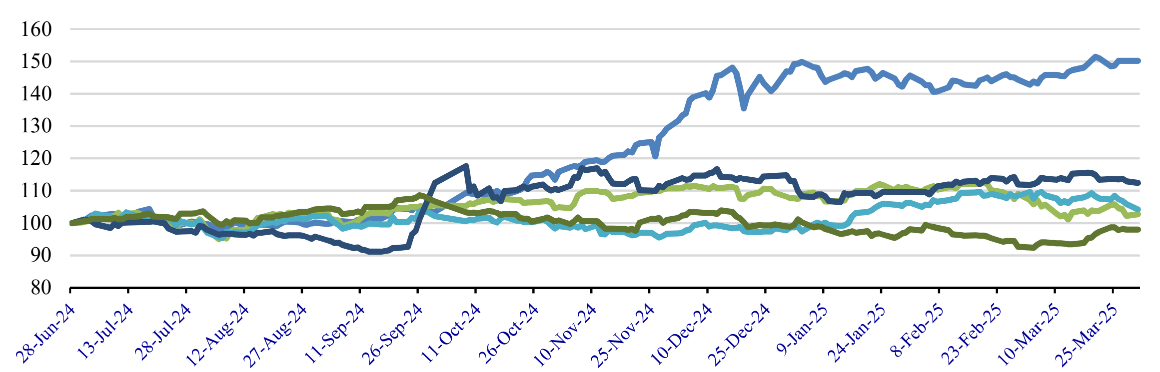
Fig-6.4 depicts the performance of the world's major stock markets over the first nine months of FY 2025. All markets revealed a positive trend except the Bombay Sensex 30 index. Compared to the other global indices, the KSE-100 index reflects a significant increase (50.2 percent) during July-March FY 2025. This indicates positive market sentiments and investors' trust in the PSX.

Fig-6.3 Top Five Sectors July-March FY2025 (% of Total Market Capitalization)



Source: PSX

Fig 6.4: Trend of Major World Equity Indices (Standardized)



Source: PSX and Investing.com[1]

[1] S&P 500 is a stock market index tracking the performance of 500 large companies listed at the US stock exchange.
SSE Composite index is a stock market index of all stocks that are traded at the Shanghai Stock Exchange.
Sensex 30 is a free-float market-weighted stock market index of 30 well established companies on the Bombay Stock Exchange.
The CAC 40 is a benchmark French stock market index, represents a capitalization-weighted measure of the 40 most significant stocks among the 100 largest market caps on the Euro next Paris.
The KSE-100 index is a stock market index acting as a benchmark to compare prices on the Pakistan Stock Exchange over a period.

6.1-d Performance of Major Asian Markets

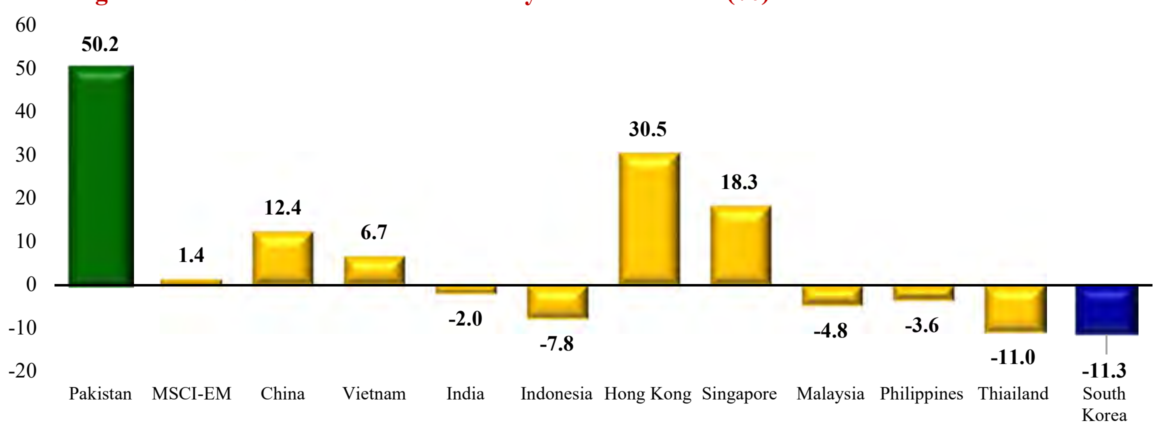
The performance of major Asian stock market indices presents a diverse situation from end-June 2024 to end-March 2025 (Table 6.5 & Fig-6.5). KSE-100 remained the most attractive market for investors with an unprecedented increase of 50.2 percent, followed by Hang Seng of Hong Kong (30.5 percent), FTSE Straits Times of Singapore (18.3 percent), Shanghai Composite of China (12.4 percent), and VN30 Index of Vietnam (6.7 percent). However, decline has been observed in the Korean Composite Index, the SET Index of Thailand, the Jakarta Composite Index, the PSEi Composite of the Philippines, the Kuala Lumpur Composite Index of Malaysia, and the BSE Sensex 30 of India.

Table 6.5: Performance of Major Asian Stock Market Indices (July-March FY 2025)

Country	Index	Index on 30.06.2024	Index 0n 31.03.2025	% Change
Pakistan	KSE-100 Index	78,445	117,807	50.2
MSCI-EM	MSCI Emerging Market Index	1,086	1,101	1.4
China	Shanghai Composite	2,967	3,336	12.4
Vietnam	VN30 Index	1,278	1,364	6.7
India	BSE Sensex 30	79,033	77,415	-2.0
Indonesia	Jakarta Stock Exchange Composite Index	7,064	6,511	-7.8
Hong Kong	Hang Seng	17,719	23,120	30.5
Singapore	FTSE Straits Times	3,333	3,942	18.3
Malaysia	Kuala Lumpur Composite Index	1,590	1,514	-4.8
Philippines	PSEi Composite	6,412	6,181	-3.6
Thailand	SET Index	1,301	1,158	-11.0
South Korea	Korean Composite Stock Price Index - KOSPI	2,798	2,481	-11.3

Source: PSX, Investing.com

Fig-6.5: Asian Stock Market Indices July-March FY2025 (%)



Source: PSX & Investing.com

Box-1: Pakistan's Stock Exchange among Best Performing Global Markets in 2024

According to Bloomberg, Pakistan's Stock Exchange ranked among the top-performing equity markets globally in CY2024, recording a remarkable growth of 30 percent in foreign investment, the highest growth over a decade. The KSE-100 index surged by 85 percent in Rs terms and 87 percent in $ terms. The exceptional performance was attributed to the influx of foreign capital, catalyzed by a series of positive domestic economic developments. These included the finalization of the IMF-EFF agreement that also unlocked additional bilateral and multilateral flows, a subsequent improvement in the external sector position, and the State Bank

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of Pakistan's decision to initiate monetary easing through interest rate cuts. These factors bolstered investor confidence.

Among the strongest performing sectors were pharmaceuticals, jute, and transport, and key sectors such as fertilizers and energy demonstrated substantial growth potential. Despite record-high performance, the PSX remained one of the most undervalued markets in Asia, continuing to trade at a significant discount relative to regional peers. With a one-year forward price-to-earnings (P/E) ratio of around 6.0x, the market was valued at approximately 50 percent below its long-term historical average. This compelling valuation, combined with improving macroeconomic indicators, reinforced the case for further significant upside potential. According to Bloomberg, the overall outlook for the PSX remains positive.

6.2 Debt Markets

The debt market, also known as the bond market or fixed-income market, is a financial market where investors buy and sell debt securities, typically bonds, treasury bills, Sukuks, deposit certificates, commercial papers, etc. It also allows investors to diversify their portfolios and manage risk through investments in different debt instruments. These are essentially loans made by investors to borrowers, governments, corporations, or institutions in exchange for regular interest payments and the return of principal at maturity.

Following the first auction of government debt securities (GDS) through capital market infrastructure institutions in December 2023, the government conducted 19 GDS auctions, raising Rs 2.3 trillion as of March 31, 2025. Different types of sovereign Sukuk instruments, including discounted, fixed-rate, and variable-rate Sukuks of various maturities, have been issued and are available for trading at PSX.

6.2-a. Debt Securities

a. Privately Placed Debt Securities:

Twenty-three (23) privately placed debt securities were reported during July-March FY 2025; their breakdown is given in Table 6.6

b. Debt Securities Outstanding:

As of March 31, 2025, 77 debt securities remain outstanding, amounting to Rs 318.4 billion. Table 6.7 shows a category-wise breakup.

Table 6.6: Debt Securities

Sr. No.	Type of Security	No. of Issues	Amount (Rs billion)
i.	Privately Placed Term Finance Certificates	8	16.2
ii.	Privately Placed Sukuk	15	25.4
	Total	**23**	**41.6**

Source: Securities and Exchange Commission of Pakistan

Table 6.7: Debt Securities (Outstanding)

Sr. No.	Name of security	No. of issues	Amount Outstanding (Rs billion)
i.	Term Finance Certificates (TFCs)	43	187.7
ii.	Sukuk	34	130.7
	Total	**77**	**318.4**

Source: Securities and Exchange Commission of Pakistan

6.2-b National Saving Schemes

The Central Directorate of National Savings (CDNS) has long served the country as the sole avenue for savings mobilization through government securities called the National Savings Scheme (NSS). The CDNS has fulfilled the exchequer's internal financial requirements while assuring financial inclusion and extending social security to the marginalized segments of society. The CDNS holds a portfolio of Rs 3.3 trillion, making it around 10.7 percent of the country's banking deposits, catering to around 03 million customers.

CDNS is primarily oriented towards providing a safety net to the general public, specifically senior citizens, pensioners, widows, differently abled individuals, and the families of Shuhada of war against terror, by launching and maintaining a product mix of NSS, according to customers' requirements. CDNS recently launched a web portal "National Saving Digital" to augment its digital financial channels. These services now allow the customers to manage their accounts, invest in Digital Saving Schemes, perform inter-bank transactions, and pay their utility bills, without visiting the National Saving Centers.

The NSS's product basket ranges from 3-month Short-Term Savings Certificates (STSC) to 10-year long-term Defence Savings Certificates. Table 6.8 depicts details of rates of return on different NSS products.

Table 6.8: Profit Rate on the Product Basket of National Savings Scheme (Per Annum)

S. No	Name of Scheme	w.e.f. 24-03-2024	w.e.f. 20-03-2025	Maturity Period	Tax Status
1	Defence Savings Certificates	13.36%	12.15%	10 Years	Taxable
2	Special Savings Certificates/Accounts	15.93% (Average)	11.13% (Average)	3 Years	Taxable
3	Regular Income Certificates	14.76%	11.74%	5 Years	Taxable
4	Savings Account	20.50%	10.50%	Running Account	Taxable
5	Pensioners' Benefit Account	15.60%	13.68%	10 Years	Tax exempt
6	Bahbood Savings Certificates	15.60%	13.68%	10 Years	Tax-exempt
7	Shuhada Family Welfare Account	15.60%	13.68%	10 Years	Tax-exempt
8	National Prize Bonds (Bearer)	10.00%	10.00%***	Perpetual	Taxable
9	Premium Prize Bonds (Registered)	16.40%**	13.80*	Perpetual	Taxable
10	Short Term Savings Certificates (STSC)				
	STSC 3 Months	19.40%	11.12%	3 Months	Taxable
	STSC 6 Months	19.38%	11.08%	6 Months	Taxable
	STSC 12 Months	19.00%	10.96%	12 Months	Taxable
11	SARWA Islamic Savings Schemes				
	SISA	20.50%	10.44%	Running Account	Taxable
	SITA 1 Year	18.54%	10.44%	1 Year	Taxable
	SITA 3Year	15.25%	10.92%	3 Year	Taxable
	SITA 5 Year	14.76%	11.39%	5 Year	Taxable

* Effective from 10.09.2024, ** Effective from 10.09.2023, ***Effective from 10.12.2024

Source: Central Directorate of National Savings

Table 6.9 provides the net investment under various NSS from FY 2021 to FY 2025. Over the years, net investments across different products have fluctuated.

Table 6.9: National Savings Schemes (Net Investment) (Rs million)

S #	Name of Scheme	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 (July-March)
1	Defence Savings Certificates	(9,132.6)	(10,440.0)	(38,530.1)	(27,787.2)	(821.6)
2	National Deposit Scheme	(0.0)	(0.4)	(0.02)	-	-
3	Khaas Deposit Scheme	(0.2)	(0.02)	(0.2)	(0.1)	(0.05)
4	Special Savings Certificates (Regd)	(6,327.9)	(44,748.0)	(79,014.8)	(11,527.0)	16,029.0
5	Special Savings Certificates (Bearer)	(0.5)	-	-	-	-
6	Regular Income Certificates	26,711.2	(10,563.3)	(127,536.2)	(197,349.1)	31,228.4
7	Bahbood Savings Certificates	2,549.4	16,628.9	(16,017.1)	39,098.3	72,900.1
8	Pensioners' Benefit Account	16,347.2	22,055.6	13,781.8	29,605.3	34,903.9
9	Savings Accounts	1,083.5	10,508.6	20,087.1	9,474.8	11,565.4
10	Special Savings Accounts	(39,659.1)	(273,790.9)	(197,457.1)	(46,630.17)	(3,946.3)
11	Mahana Amdani Accounts	(47.5)	31.1	(100.6)	(89.6)	(50.1)
12	Prize Bonds	(315,531.7)	(81,803.7)	10,069.1	2,570.4	8,425.6
13	National Savings Bonds	-	-	-	-	-
14	Short Term Savings Certificates	(20,362.2)	690.3	29,906.7	20,970.9	6,329.6
15	Premium Prize Bonds (Registered)	25,147.2	12,706.3	(2,155.1)	36.3	7,673.0
16	Postal Life Insurance	(1,311.9)	-	-	-	-
17	Shuhda Welfare Accounts	24.2	40.2	19.0	35.6	70.3
18	SARWA Islamic Savings Schemes	-	-	5,082.0	69,906.0	(15,504.3)
19	Digital Savings Schemes	-	-	-	1,615.7	2,506.2
Grand Total		(320,510.9)	(358,685.1)	(381,865.5)	(110,069.9))	171,309.1

Note: Figures in parentheses indicate negative values.
Source: Central Directorate of National Savings

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Box-2: Rally in Pakistan's International Bonds Signals Restored Market Confidence

One of the most significant financial developments for Pakistan during 2023 and 2024 was the strong rally in its international sovereign bonds, which marked a notable turnaround in investor sentiment. This rally reflected growing confidence in Pakistan's macroeconomic management, structural reform progress, and commitment to external debt sustainability. A key example of this trend was the performance of the Pakistan 2029 Eurobond. On January 1, 2024, this bond was trading at approximately 77 cents on the dollar indicative of heightened risk perceptions at the start of the year. By December 31, 2024, the bond had risen to around 92 cents, representing a gain of nearly 20 percent in value over the course of the year.

This improvement was accompanied by a sharp decline in Pakistan's 5-year Credit Default Swap (CDS) spread, which fell from a peak of over 12,000 basis points in late 2022 to around 500 basis points by the end of 2024. The rally in bond prices and narrowing CDS spreads were underpinned by improved foreign exchange reserve levels, progress under the IMF Extended Fund Facility (EFF), and a continued focus on fiscal consolidation and external account management. These positive market developments significantly improved investor confidence in Pakistan's credit outlook.

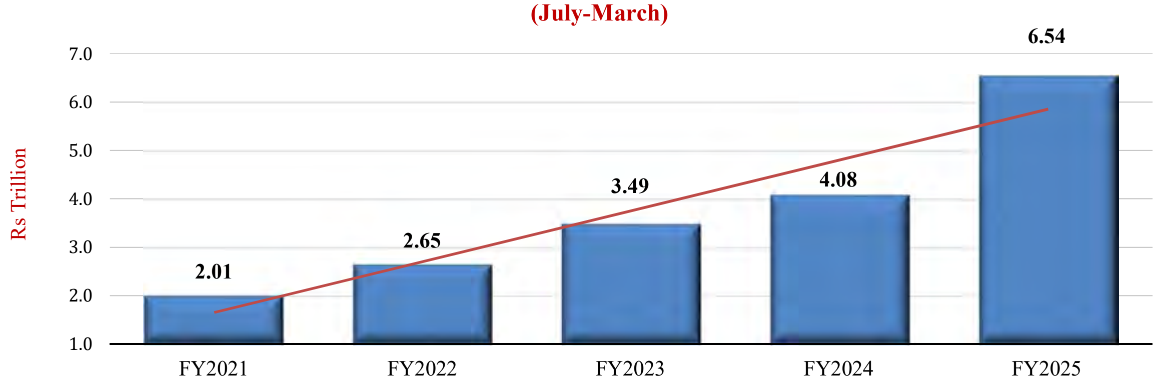
The rally in international bonds has important implications for the country's access to external financing. Rising bond prices lower the yield or cost of borrowing for the sovereign, thereby easing the terms for future debt issuance. Furthermore, improved pricing of Pakistan's bonds sends a strong signal to global investors, multilateral institutions, and credit rating agencies, reinforcing the credibility of the government's economic reform agenda. This bond market recovery represents a powerful endorsement of the country's stabilization efforts and offers an opportunity to re-engage with international capital markets on more favourable terms.

Source: The News International

6.3 Commodity Futures Market

The Pakistan Mercantile Exchange Limited (PMEX) offers a broad range of commodities futures contracts under four main categories: metals, agricultural, financial, and energy. During July-March FY 2025, 5.88 million lots of various commodities futures contracts worth Rs 6.54 trillion (Fig. 6.6) were traded on the exchange. Warehouses accredited by the collateral management company issued 448 electronic warehouse receipts (EWRs) carrying a value of Rs 4.72 billion against the deposit of eligible agricultural commodities. Around 64 percent of the issued EWRs were used as collateral, providing easy access to bank finance for the farmers and depositors of agriculture produce in accredited warehouses.

Fig-6.6: Total Traded Value on PMEX
(July-March)



Source: SECP

Box-3: Capital Market Reforms and Developmental Activities

SECP has taken numerous steps in the ongoing fiscal year to support and develop conventional and Islamic capital markets. The detail is discussed below:

Introduction of Regulations for Securities Managers: Securities Managers (Licensing and Operations) Regulations, 2024 were notified to facilitate investment advisory services in the securities market. These regulations permit eligible securities brokers to provide portfolio management services after obtaining the license of a securities manager. Before the issuance of these regulations, securities brokers were precluded from providing investment advisory services.

Amendments in PSX Regulations: To promote efficiency and ease of doing business for market intermediaries and listed companies, various amendments have been made in PSX Regulations regarding operational and administrative requirements for securities brokers; timelines for disposal of cases involving non-compliance; rationalization of listing fees for various market segment in the capital market and de-linking the submission of annual free float certificate from annual audited financial statements by listed companies.

Amendments in Postal Ballot Regulations, 2018: The role of the scrutinizer has been enhanced to ensure greater transparency and integrity in the election of companies' directors. The scrutinizer is now responsible for validating nomination papers and proxy forms and overseeing due diligence during selection. These measures aim to reinforce regulatory compliance and improve the overall corporate governance standards for listed companies.

Stakeholders Engagement and Awareness – Collaboration with the US Commodity Futures Trading Commission (CFTC): The SECP in collaboration with the U.S. CFTC, hosted a capacity building training programme regarding development of commodities futures market. Trainings were held in Karachi, Islamabad and Lahore for relevant government functionaries, regulators, market intermediaries, capital market infrastructure institutions, processors, agri-tech companies and corporates.

Strategic Action Plan 2024-26 for development of Islamic finance: The SECP issued a Strategic Action Plan 2024-26 aimed at fostering the growth and development of Islamic finance in the non-bank financial sector in line with the 26th Constitutional Amendment, which mandates the elimination of riba by January 1, 2028. During the period, the SECP issued a Shariah-compliance certificate to an Islamic housing finance company in line with its initiatives to introduce a new breed of Islamic financial institutions in the country.

2nd International Islamic Capital Market Conference: The SECP, in partnership with the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and the Islamic Development Bank Institute (IsDBI), organized the Second International Islamic Capital Market Conference on December 12, 2024. The Conference highlighted critical challenges and opportunities in building a resilient, inclusive, and sustainable Islamic capital market, and witnessed participation of over 20 international experts and policymakers from Bahrain, Saudi Arabia, Nigeria, Malaysia, Türkiye, Oman, Iran, and the United Kingdom.

Launch of ESG Sustain Portal: To promote responsible business practices and environmental stewardship, SECP issued Environmental, Social, and Governance (ESG) Voluntary Disclosure Guidelines for listed companies in June 2024. To drive sustainability disclosures through a data-driven online platform, SECP launched the online portal named 'ESG Sustain' on December 5, 2024. This platform will be instrumental in providing sustainability and climate-related information, providing gender disaggregated data for regulated sectors, supported by capacity-building material. It will showcase success stories, attracting investment. As of March 31, 2025, more than 50 companies have already been onboard the ESG Sustain Portal.

Pakistan Start-up Summit: SECP held a Startup Summit in November, 2024, marking a significant step towards collaborating with stakeholders to promote innovation and position Pakistan as a global technology and innovation leader. The event drew participation from policymakers, start-up founders, international speakers and other stakeholders who shared insights on fostering a robust and resilient startup ecosystem in Pakistan.

Source: SECP

6.4 Non-Banking Finance Companies

Non-Banking Finance Companies (NBFCs) are financial institutions providing various banking-like financial services but not holding a banking license. They play a key role in the financial system of an economy by offering credit and investment services. NBFCs include mutual funds, leasing companies, investment finance companies, pension funds, insurance companies, private equity funds, venture capital funds, housing finance companies, modarabas, investment advisory companies, etc.

Mutual Funds

Mutual Funds are investment channels that pool money from multiple investors to invest in a diversified portfolio of assets like stocks, bonds, or money market instruments, managed by

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professional fund managers. As of December 31, 2024, assets under management of mutual funds stood at Rs 4,438.6 billion. Money Market funds dominated the industry with the largest share of 43.6 percent of the mutual fund industry, followed by income funds with 31.9 percent, equity funds with an industry share of 9.5 percent, and the remaining 15 percent by other categories.

Investment Advisory

Investment Advisory refers to a professional service that provides individuals or institutions with advice and guidance on managing their investments to achieve specific financial goals. Currently, 28 NBFCs have licenses to conduct investment advisory business, including 20 asset management companies (AMCs) and eight NBFCs with exclusive licenses for conducting investment advisory services. As of December 31, 2024, the total assets of discretionary/non-discretionary portfolios held by all the investment advisors amounted to Rs 712 billion. The number of entities and total assets of the mutual fund industry are given in Table 6.10.

Table 6.10: Mutual Fund Industry

Description	Total number of Entities	Total Assets (Rs billion)
Asset management / Investment advisory Companies	28	79
Mutual Funds / Plans	403	4,439
Discretionary / non-discretionary portfolio	-	712
Total size of the industry	**431**	**5,230**

Source: Securities and Exchange Commission of Pakistan

Voluntary Pension Schemes

Voluntary Pension Schemes (VPS) are long-term investment programmes aimed at helping individuals accumulate funds for their post-retirement life in a structured and tax-efficient manner. These schemes are typically offered by financial institutions and regulated by government authorities to ensure transparency, safety, and investor protection.

As of December 31, 2024, the voluntary pension industry's assets under management stood at Rs 95.5 billion. Table 6.11 provides highlights of the pension fund industry.

Table 6.11: Voluntary Pension Schemes

Description	Status as of December 31, 2023
Total assets of the pension industry (Rs billion)	95.5
Total number of pension funds	45
Total number of pension fund managers	16

Source: Securities and Exchange Commission of Pakistan

Lending NBFCs

Lending NBFCs include leasing companies, investment finance companies, housing finance companies, discount houses, and non-bank microfinance companies. Table 6.12 shows the highlights of each category as of December 31, 2024.

Table 6.12: List of Lending NBFCs

Lending NBFC	No. of Companies	Asset Base (Rs billion)
Leasing Companies	5	6.7
Investment Banks	29	292.7
Non-Bank Microfinance Companies	44	323.1
Housing Finance Companies	5	0.9
Discounting Companies	1	0.1

Source: Securities and Exchange Commission of Pakistan

Real Estate Investment Trusts (REITs)

REITs are companies that own, operate, or finance income-producing real estate. They offer individuals a way to invest in large-scale, diverse portfolios of real estate assets in the same way they invest in other industries. Given the multifaceted reform to promote the REIT Sector, the total number of REIT Schemes registered with SECP as of December 31, 2024, has increased to 23. Out of these, 04 new REIT schemes, comprising 02 Developmental REIT Schemes and two 02 Rental REIT Schemes, were registered during the period.

As of December 31, 2024, the aggregate fund size of these REIT Schemes was Rs 176.4 billion. REIT continues to grow as a viable investing option in real estate projects, as seen from the constantly increasing number of companies licensed to undertake REIT management services.

6.5 Islamic Finance Sector

The Islamic finance sector under the regulatory purview of SECP consist of (a) Islamic institutions like Modarabas, Takaful operators, Islamic NBFIs, Shariah compliant businesses, and Shariah advisors; and (b) Islamic instruments like Shariah compliant securities, Sukuk, Islamic commercial papers, Islamic mutual funds, Islamic Exchange Traded Funds (ETFs) and Shariah compliant real estate investment trusts.

Islamic Capital Market

During July-March FY 2025, SECP issued 38 certificates of shariah-compliant securities under the Shariah Governance Regulations, 2023, for the development of the Islamic capital market. There has been an increasing trend to issue short-term Sukuk for Shariah-compliant resource mobilization by companies to fulfill their working capital requirements. During the period, in the secondary capital market, 288 (54.6 percent) securities out of a total of 527 listed securities were Shariah-compliant, with a market capitalization of Rs 9,284 billion or $ 33.13 billion (64.6 percent) out of the total market capitalization of Rs 14,375 billion.

Registered Shariah Advisors: During the period under review, 09 new Shariah advisors registered with SECP under the Shariah Governance Regulations, 2023, bringing the total number of registered Shariah advisors to 146. To enhance the standing of Shariah advisory services, the process of certification as Shariah-compliant companies has been completed for the eleven Shariah advisory companies that provide Shariah advisory services.

Modarabas

Modarabas are Shariah-compliant financial entities that operate under a unique partnership model. One partner provides capital, and the other manages the business, with profits/losses shared according to a pre-agreed ratio. This structure allows investors to participate in various business ventures without engaging in interest-based transactions, aligning with Islamic finance principles.

As of December 31, 2024, there are 31 registered Modaraba companies, 20 of which are currently operational and listed on PSX, and 04 of which are in the process of winding up / liquidation. The total assets of the Modaraba sector amounted to Rs 56.8 billion as of December 31, 2024. The first-ever Shariah-compliant green energy fund, Burj Clean Energy Modaraba, was listed on the PSX GEM Board in October 2024.

6.6 Corporate Sector

Company Incorporation

The SECP introduced numerous reforms periodically to facilitate and simplify company incorporation. Resultantly, a notable growth in company incorporation has been witnessed over time. During July-March FY 2025, 26,104 companies were incorporated with a capitalization of Rs 66.6 billion. Most companies were registered in the Information Technology (4,014), Trading (3,457), and Services (3,137) sectors.

To facilitate the corporate sector and ease of doing business, SECP has taken the following initiatives during FY 2025:

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i. **Electronic Mortgage Register (EMR)**: The SECP launched EMR of companies in November, 2024, to serve as a centralized system/database for Banks/Non-Banking Financial Institutions to quickly access and verify existing status of registered mortgages, thus, reducing the time, effort and administrative cost required for manual processes. EMR also reduces the risk of errors associated with manual preparation of mortgage information and enhances the trust of financial institutions in assessing the risk profiles of borrowers.

ii. **Cyber Security Guidelines for eZfile users**: In December 2024, SECP issued a directive for users of eZfile to take precautionary measures from potential misuse or misreporting of the company data in the eZfile portal. The salient features of the directive include that all the directors, the chief executive, subscribers, authorized officers, and authorized intermediaries are required to register with SECP and obtain eZfile login credentials for submission of documents, digital verification of appointment, election, resignation, and retirement of directors/chief executive of the company.

iii. **Digital verification of change of management of companies:** In September 2024, the SECP amended the Companies Regulations 2024 aimed at preventing misleading or fraudulent filing of statutory returns, reporting changes in management and directorships, ensuring return authenticity, and reducing management disputes. The amendments provide a mandatory requirement to file processes for change of management and directors online through 'eZfile' to ensure digitization and authenticity of change of management reports by the company.

iv. **Launch of LEAP phase 2(a):** The SECP launched Batch-1 of Phase 2(a) of its ongoing digital transformation initiative in March 2025. This significant development underscores SECP's continued commitment to modernizing corporate regulation through digital automation, improving regulatory compliance mechanisms, and enhancing the overall ease of doing business. Under this latest update, the following processes are now exclusively accessible through the eZfile platform, entirely replacing the previous eServices system:

- Registration of Foreign Companies and related Post-Registration Compliance
- Registration, Modification, and Satisfaction of Mortgages, Charges, and Pledges
- Change in Principal Line of Business, including Amendments to the Memorandum of Association
- Registration, Modification, and Satisfaction of an Entire Series of Debentures or Redeemable Capital

During July-March FY 2025, more than 40 sessions were held with companies' representatives, chambers, lawyers, consultants, and other stakeholders to encourage corporatization, promote statutory compliance, and create awareness for reforms initiated to facilitate the corporate stakeholders.

6.7 Insurance Sector

The insurance sector in Pakistan comprises 12 active life insurers (including 03 dedicated family Takaful operators), 30 non-life insurers (including 02 general Takaful operators, and 01 state-owned national reinsurer). Significant achievements in the insurance sector from July 2024 to March 2025 are as follows:

Release of the report – "Insured Pakistan: Pool Dynamics": In line with an objective of the Insured Pakistan 5-year Strategic Plan, the SECP released a comprehensive report titled Insured Pakistan: Pool Dynamics. This report underscores the necessity for establishing insurance pools in Pakistan by evaluating the current insurance landscape and existing official insurance schemes. It also provides international case studies and examples, evaluates domestic legal and regulatory frameworks, and proposes an action plan for creating insurance pools in Pakistan, emphasizing the collective responsibilities of involved stakeholders.

Insure Impact Conference Pakistan (ICP), 2025: The SECP successfully hosted ICP, 2025, themed "Journey to an Insured Pakistan –

Fostering Collaboration, Engagement & Innovation", aimed to advance SECP's five-year Strategic Plan and promote stakeholder collaboration. During the conference, the SECP unveiled digital initiatives for the insurance sector, including a motor insurance repository, automation of marine insurance policy, and an SMS-based Insurance Policy Finder to help beneficiaries locate policies of deceased family members and ease claims processing.

Revision in the Paid-up Capital Requirements for Insurers—Amendments to the Insurance Rules, 2017: Amendments to the Insurance Rules, 2017, regarding paid-up capital have been introduced. Non-life insurers must maintain a minimum paid-up capital of Rs 2.0 billion, and life insurers must meet a threshold of Rs 3.0 billion, with a phased implementation timeline extending until 2030. This enhanced capital requirement aims to strengthen the industry's risk absorption capacity, bolster financial stability, and provide greater protection for insurance policyholders.

Reinsurance Performance Review: The SECP published a technical report on the performance of the reinsurance business in Pakistan. The report presents a deep dive into Pakistan's reinsurance market, particularly amid slow insurance sector growth, and weak domestic risk retention. Valuable insights on issues in the (re)insurance market are presented in the report, and important areas of work are highlighted for all stakeholders, the (re)insurance industry, policymakers, and the regulator.

Concluding Remarks

The performance of the Pakistan Stock Exchange was notably strong during the first three quarters of FY 2025. The benchmark KSE-100 index posted exceptional gains, driven primarily by a more stable macroeconomic environment and the successful launch of the IMF Extended Fund Facility (EFF) program. The PSX ranked among the top-performing equity markets globally, attracting heightened interest from both domestic and foreign investors. Looking ahead, this bullish momentum is expected to persist, supported by continued improvement in macroeconomic fundamentals, regulatory reforms, and development initiatives undertaken by the Securities and Exchange Commission of Pakistan (SECP).

TABLE 6.1

NATIONAL SAVINGS SCHEMES (NET INVESTMENT)

Rs million

	Name of Scheme	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Jul-Mar)
1	Defence Savings Certificates	10,743.60	57,171.00	92,783.09	(9,132.62)	(10,439.99)	(38,530.09)	(27,787.20)	(821.62)
2	National Deposit Scheme	0.10	(0.03)	-	0.00	(0.36)	(0.02)	-	-
3	Khaas Deposit Scheme	(0.20)	(0.04)	(0.05)	(0.24)	(0.02)	(0.15)	(0.07)	(0.05)
4	Special Savings Certificates (R)	(51,180.10)	31,842.50	13,945.72	(6,327.88)	(44,748.00)	(79,014.78)	(11,526.97)	16,028.98
5	Special Savings Certificates (B)	(0.60)	-	(0.01)	(0.50)	-	-	-	-
6	Regular Income Certificates	8,726.30	142,088.10	83,232.25	26,711.24	(10,563.31)	(127,536.17)	(197,349.07)	31,228.43
7	Bahbood Saving Certificates	45,395.30	119,573.10	83,379.96	2,549.42	16,628.89	(16,017.10)	39,098.30	72,900.12
8	Pensioners' Benefit Account	21,504.40	43,367.40	33,875.95	16,347.15	22,055.63	13,781.81	29,605.25	34,903.92
9	Savings Accounts	3,413.00	(166.20)	4,536.97	1,083.53	10,508.61	20,087.07	9,474.80	11,565.35
10	Special Savings Accounts	59,939.20	(132,393.50)	200,770.58	(39,659.08)	(273,790.85)	(197,457.07)	(46,630.17)	(3,946.26)
11	Mahana Amdani Accounts	(46.70)	(73.80)	(60.42)	(47.52)	31.12	(100.55)	(89.60)	(50.10)
12	Prize Bonds	101,575.70	40,432.10	(171,109.88)	(315,531.72)	(81,803.74)	10,069.07	2,570.36	8,425.56
13	Postal Life Insurance	875.50	1,248.40	627.96	(1,311.91)	-	-	-	-
14	National Savings Bonds	-	-	(137.00)	-	-	-		
15	Short Term Saving Certificates	560.60	761.00	19,254.58	(20,362.16)	690.34	29,906.68	20,970.86	6,329.60
16	Premium Prize Bonds (R)	2,323.20	2,820.00	11,322.72	25,147.19	12,706.32	(2,155.11)	36.34	7,672.96
17	Shuhda Welfare Accounts	-	42.1	27.02	24.19	40.24	19.00	35.58	70.33
18	SARWA Islamic Savings Schemes			-	-	-	5,081.97	69,905.99	(15,504.33)
19	Digital Savings Schemes			-	-	-	-	1,615.70	2,506.20
	Grand Total	203,829.10	306,712.00	372,449.44	(320,510.91)	(358,685.12)	(381,865.44)	(110,069.97)	171,309.06

- : Not available

Source: Central Directorate of National Savings (CDNS)

Figures in Parenthesis represent negative value

TABLE 6.2

MARK UP RATE/PROFIT RATE ON FEDERAL GOVERNMENT'S DEBT INSTRUMENTS

S. No.	Name of Securities	Coupon/Profit Rates	Remarks	Tax Status
1	Pakistan Investment Bonds (PIBs)			Profit taxable
	Fixed-rate PIBs			
	2-years maturity	Zero Coupon (Discounted)	2-years PIB issued on 16-Jan-25	
	3-years maturity	12.00%	3-years PIB issued on 16-Jan-25	
	5-Years maturity	12.00%	5-years PIB issued on 16-Jan-25	
	10-Years maturity	12.00%	10-years PIB issued on 16-Jan-25	
	15-Years maturity	12.00%	15-years PIB issued on 16-Jan-25	
	20-Years maturity	11.00%	20-Years PIB first issued on 19-Sep-19	
	30-Years maturity	11.00%	30-Years PIB first issued on 07-Jan-21	
	Floating-rate PIBs			
	2-years maturity	coupon rate linked to 3-month t-bill auction's weighted-average yield	fortnightly coupon reset and quarterly coupon payment; issued on 21-Sep-23	
	3-years maturity		Quarterly coupon reset and payment; issued on 07-Feb-24	
	5-Years maturity	coupon rate linked to 6-month t-bill auction's weighted-average yield	For 5- and 10- year floating rate PIBs, coupon reset and payment are half yearly; 5- and 10- year floating-rate PIBs were issued on 09-Jan-2025.	
	10- Years maturity			
2	Government Ijara Sukuk			Profit taxable
	1-year Variable Rental Rate Sukuk	rental rate is benchmarked to 6-month t-bill's auction weighted-average yield adjusted with margin set on initial auction	Cut-off margin is -100 BPs; first issued on 04-Dec-23	
	3-year Variable Rental Rate Sukuk		Cut-off margin is -21 BPs; first issued on 04-Dec-23	
	5-year Variable Rental Rate Sukuk		Cut-off margin is -10 BPs; first issued on 04-Dec-23	
	1-year Fixed Rental Rate Sukuk	22.49%	First Issued on 09-Oct-23	
	3-year Fixed Rental Rate Sukuk	16.19%	First Issued on 04-Dec-23	
	5-year Fixed Rental Rate Sukuk	15.75%	First Issued on 04-Dec-23	
3	Naya Pakistan Certificate	w.e.f 20-02-2025	Mudaraba-based Shariah compliant mode of investment is also available for investors	Profit taxable
	1 years maturity PKR Certificate	13.00%		
	3 years maturity PKR Certificate	12.50%		
	5 years maturity PKR Certificate	12.50%		
	1 years maturity USD Certificate	7.00%		
	3 years maturity USD Certificate	7.50%		
	5 years maturity USD Certificate	7.50%		
	1 years maturity EUR Certificate	5.25%		
	3 years maturity EUR Certificate	5.25%		
	5 years maturity EUR Certificate	5.25%		
	1 years maturity GBP Certificate	7.25%		
	3 years maturity GBP Certificate	7.50%		
	5 years maturity GBP Certificate	7.50%		

Note: Federal Government debt securities auctioned by DMMD, SBP
The Securities issuance status is as of end March, 2025.

Source: State Bank of Pakistan

INFLATION

Consumer Price Index (CPI)	4.7% (FY2025)*	▼	26.0% (FY2024)*
CPI Urban	5.7% (FY2025)*	▼	26.3% (FY2024)*
CPI Rural	3.3% (FY2025)*	▼	25.5% (FY2024)*
Sensitive Price Indicator (SPI)	4.9% (FY2025)*	▼	30.2% (FY2024)*
Wholesale Price Index (WPI)	2.2% (FY2025)*	▼	22.4% (FY2024)*

CPI Urban — Food: ↓ 1.1% (FY2025)* 26.8% (FY2024)* — Non-Food: ↓ 9.1% (FY2025)* 25.9% (FY2024)*

CPI Rural — Food: ↓ -1.5% (FY2025)* 26.5% (FY2024)* — Non-Food: ↓ 8.3% (FY2025)* 24.5% (FY2024)*

Core: ▼

	Urban	Rural
FY2025*	8.8%	11.6%
FY2024*	16.9%	24.0%

FAO Food Price Index ** 7.6% ▲

*: Jul-Apr **: April 2025/April 2024

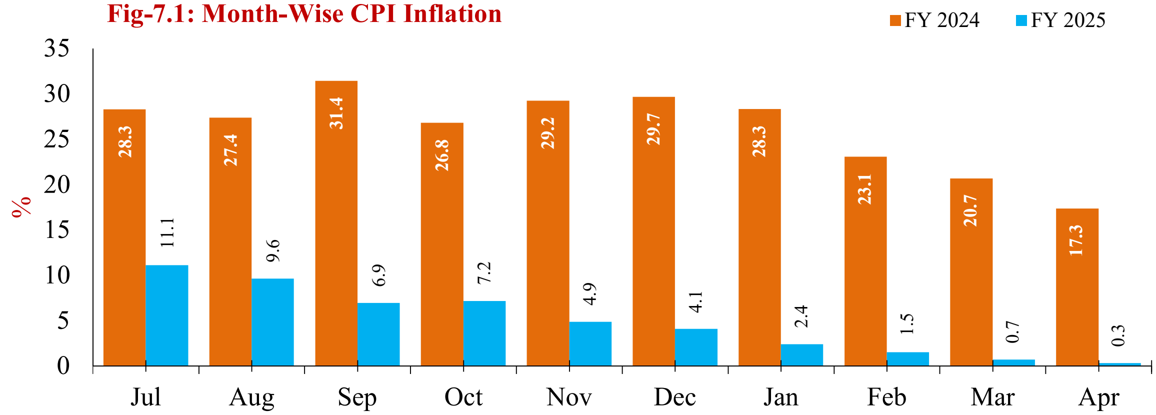
Chapter 7

INFLATION

FY 2025 has witnessed a significant decrease in inflation, reflecting the government's tireless efforts to tackle this complex issue that creates uncertainties and affects the households and businesses alike. By implementing the administrative, relief, and policy measures, the government has successfully stabilized prices and ensured food and energy affordability for the masses. Thus, Consumer Price Index (CPI) inflation decreased to 4.7 percent during July-April FY 2025, down from 26.0 percent in the same period last year. The drop in inflation from 23.4 percent in FY 2024 and 29.2 percent in FY 2023 is a testament to the government's effective strategy. These efforts demonstrate the government's commitment to improving citizens' lives and fostering a stable macroeconomic environment. This remarkable decline is a direct result of the government's balanced policy framework, which effectively combines fiscal discipline, targeted interventions by the State Bank of Pakistan (SBP), and exchange rate stability. Despite various external factors contributing to inflation, the government's concerted efforts have mitigated these pressures, bringing much-needed relief to the people.

Since the start of the current fiscal year, the economy has witnessed a marked decline in inflationary pressures, reflecting a notable stability in the economy. CPI inflation, which stood at 11.1 percent year-on-year in July 2024, marked a significant decline from 28.3 percent in July 2023. This downward trend persisted, with inflation hitting as low as 1.5 percent in February 2025, the lowest since September 2015. The trend continued, with inflation further easing to 0.7 percent by March 2025 and remarkably dropping to 0.3 percent in April 2025, a multi-decade low.

Fig-7.1: Month-Wise CPI Inflation



Source: Pakistan Bureau of Statistics

This sharp decline in inflation in Pakistan can also be attributed to several factors, including improved food availability, decreased energy prices, and excess production capacity. The easing of inflation is also influenced by the decline in commodity prices globally, primarily driven by improved energy supplies and food.

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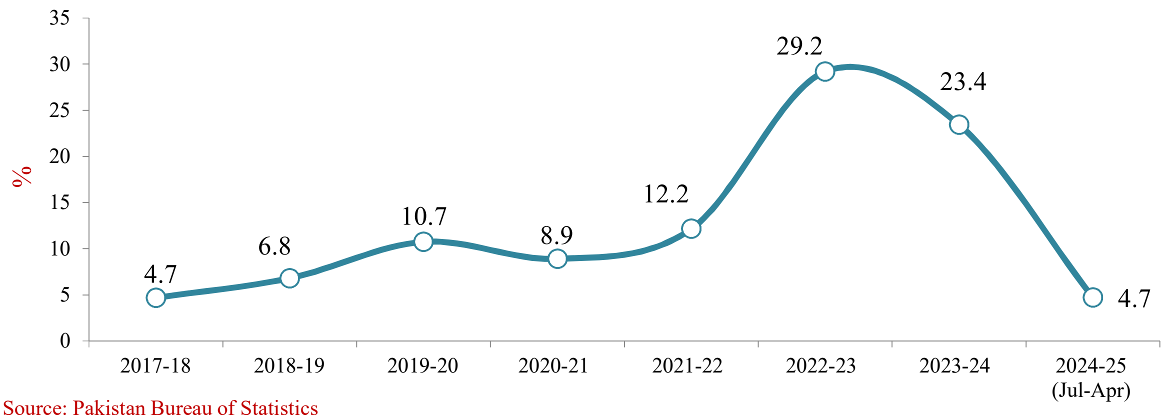
The year-wise trend of inflation from FY 2018 to July-April FY 2025 shows a steady rise up to FY 2023, followed by a gradual decline over the next two years, eventually returning to the levels observed in FY 2018 as shown in Fig-7.2.

Fig-7.2: Year-wise CPI Inflation



Source: Pakistan Bureau of Statistics

Reduced inflationary pressures ease input cost burdens, enabling firms to expand production capacity more efficiently. Additionally, as inflation declines and price stability is restored, investor confidence strengthens, encouraging capital formation and contributing to broader economic stability.

URAAN Pakistan initiative supports price stability by reducing production costs through energy sector reforms and promoting export-led growth, which strengthens the currency and lowers import-driven inflation. These measures, combined with fiscal discipline and structural reforms, help stabilize prices and build investor confidence.

7.1 Consumer Price Index (National) – Period Analysis

During July-April FY 2025, the headline CPI inflation was 4.7 percent, compared to 26.0 percent during the same period last year (Table 7.1). The decline in inflation was broad based, with single-digit inflation observed in all categories of CPI. In FY 2025, Clothing and Footwear recorded the higher inflation among all CPI components at 14.4 percent though it marked a decline from 19.8 percent in FY 2024. This suggests that price pressures in this category remain elevated. Following this, Health saw a notable inflation of 14.5 percent, down from 22.1 percent, indicating continued cost pressures in medical goods and services, though at a slower pace. Miscellaneous goods and services came next with 12.8 percent inflation, though it dropped sharply from 30.6 percent, showing significant improvement in price stability within this diverse category. Education also experienced relatively high inflation at 11.6 percent, nearly stable compared to 12.4 percent last year, reflecting persistent increases in tuition fees and educational expenses. The category of Housing, Water, Electricity, Gas, and Other Fuels remained an important contributor, posting 8.5 percent inflation due to its large weight in the CPI basket, despite a sharp fall from 28.4 percent a year earlier. Similarly, Restaurants and Hotels registered 8.2 percent inflation, down considerably from 28.3 percent, reflecting reduced pressure on hospitality prices.

Both Communication and Recreation & Culture recorded inflation of 7.3 percent and 8.0 percent respectively. While inflation in communication eased slightly from 11.1 percent, the recreation category saw a dramatic drop from 40.8 percent. Inflation for Alcoholic Beverages and Tobacco slowed drastically to 6.6 percent from a high of 59.8 percent, which may reflect the waning impact of earlier tax hikes. Likewise, inflation in Furnishing and Household Equipment Maintenance dropped to 6.0 percent from 31.5 percent, suggesting easing in consumer durable and maintenance-related costs.

Among food items, Perishable food inflation remained modest at 1.0 percent, down from 18.5 percent, likely influenced by supply improvements. In contrast, the Transport category entered deflation of 1.1 percent, reversing from 21.4 percent inflation the previous year, possibly due to a decline in fuel prices or stabilized transport fares. The most significant deflation was observed in Food and Non-Alcoholic Beverages, with prices declining 1.3 percent overall, compared to a 25.5 percent increase in FY 2024. Within this, Non-Perishable Food Items fell by 1.7 percent, reversing from a sharp rise of 26.7 percent. This shift likely reflects improved food supply chains, stable commodity prices, and government price control measures. Table 7.1 compares the percentage change in the disaggregated CPI-National Inflation for the period July-April of the current fiscal year with that of the previous fiscal year.

Table 7.1: Disaggregated CPI-National Inflation (July-April)

Group	Weights	Percent Change on average basis	
		2023-24	2024-25
CPI National	100.0	26.0	4.7
Food & Non-alcoholic Beverages	34.6	25.5	-1.3
i) Non- perishable Food Items	29.6	26.7	-1.7
ii) Perishable Food Items	5.0	18.5	1.0
Alcoholic Beverages & Tobacco	1.0	59.8	6.6
Restaurant & Hotels	6.9	28.3	8.2
Clothing &Footwear	8.6	19.8	14.4
Housing, Water, Electricity. Gas& other Fuel	23.6	28.4	8.5
Furnishing & Household Equipment Maintenance	4.1	31.5	6.0
Health	2.8	22.1	14.5
Transport	5.9	21.4	-1.1
Communication	2.2	11.1	7.3
Recreation & culture	1.6	40.8	8.0
Education	3.8	12.4	11.6
Miscellaneous	4.9	30.6	12.8

Source: Pakistan Bureau of Statistics

CPI Inflation-Urban increased by 0.5 percent on a YoY basis in April 2025 compared to an increase of 1.2 percent in the previous month and 19.4 percent in April 2024. The Urban Food recorded a decline of 1.9 percent and Non-Food inflation increased by 2.2 percent, compared to increases of 11.3 percent and 25.6 percent, respectively, in the same month last year. During July-April FY 2025, CPI Inflation-Urban was recorded at 5.7 percent against 26.3 percent in the previous year.

Fig-7.3: Composition of Urban CPI Inflation (YoY)

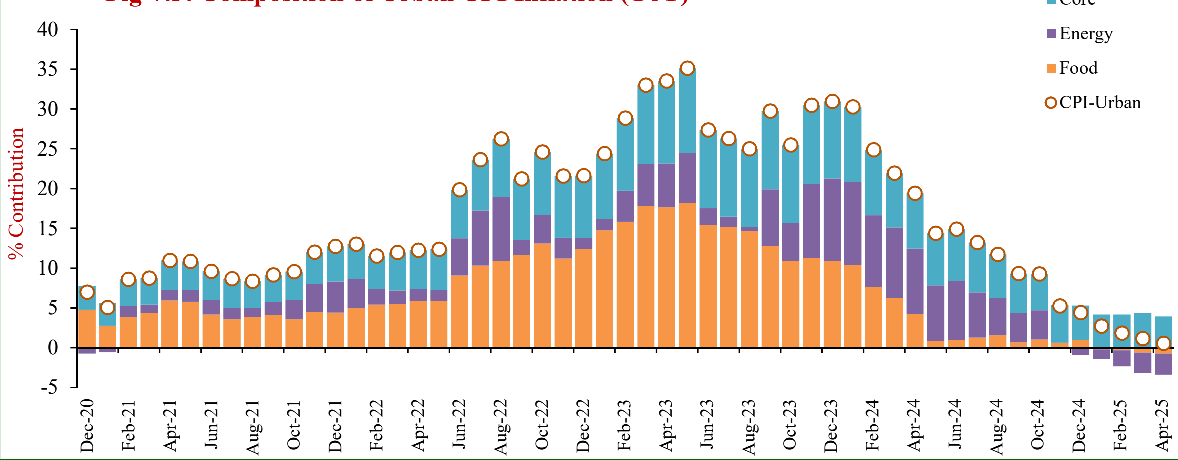


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Figure 7.3 shows that from mid-2022 to mid-2023, CPI-Urban inflation rose sharply, mainly because food and energy prices went up a lot. But starting in late 2023, things began to improve as food and energy prices started to ease, and by early 2025, even pulling inflation down to negative. This big change reflects the government's efforts to bring relief through price controls, energy subsidies, better supply of essentials, and tighter economic policies. These steps helped ease pressure on households and brought overall inflation down to much more manageable levels. Group-wise details of inflation are given in Table 7.2.

Table 7.2: Disaggregated CPI-Urban Inflation (July-April)

Group	Weights	Percent change on Average Basis	
		2023-24	2024-25
CPI Urban	**100.0**	**26.3**	**5.7**
Food Group	**38.7**	**26.8**	**1.1**
Food Products, Beverages and Tobacco, Textiles Apparel and Leather Products	30.4	25.7	0.0
i) Non- perishable	26.0	27.0	-0.3
ii) Perishable	4.5	18.2	1.8
Alcoholic Beverages & Tobacco	0.9	58.0	6.6
Restaurant & Hotels	7.4	27.9	6.8
Non-Food	**61.3**	**25.9**	**9.1**
Clothing & Footwear	8.0	16.9	14.9
Housing, Water, Electricity, Gas & Other Fuel	27.0	32.4	10.5
Furnishing & Household, Equipment Maintenance	4.1	29.5	5.1
Health	2.3	23.5	15.8
Transport	6.1	18.9	-0.9
Communication	2.4	12.1	6.3
Recreation & culture	1.7	39.9	6.0
Education	4.9	11.0	8.4
Miscellaneous	4.8	29.2	11.3

Source: Pakistan Bureau of Statistics

While overall inflation declined significantly, the reduction in core inflation which excludes volatile food and energy prices was more moderate and gradual (Table 7.3). Inflation expectations among businesses and consumers remained unanchored. However, as the effects of past shocks, especially from high food and energy prices, began to fade, core inflation also started to slow down noticeably. During the first ten months of FY 2025, core inflation, which excludes food and energy, fell to nearly half the level seen in the same period last year. In urban areas, this downward trend has been consistent since December 2023. In recent months, the narrowing gap between overall and core inflation confirms that the earlier shocks to food and energy prices are gradually subsiding.

Table 7.3: Core Inflation – Urban (percent)

Months	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Jul-Apr
2023-24	18.4	18.4	18.6	18.5	18.6	18.2	17.8	15.5	12.8	13.1	16.9
2024-25	11.7	10.2	9.3	8.6	8.9	8.1	7.8	7.8	8.2	7.4	8.8

Source: Pakistan Bureau of Statistics

CPI Inflation-Rural declined by 0.1 percent YoY in April 2025 compared to 0.02 percent in the previous month and 14.5 percent in April 2024.

While Food recorded a decline of 4.6 percent, Non-Food inflation increased by 4.4 percent, compared to 9.5 percent and 20.0 percent, respectively, in the same month last year. During July-April FY 2025, CPI Inflation-Rural was recorded at 3.3 percent, as against 25.5 percent during the same period the previous year.

This sharp disinflation was broad-based, affecting various groups within both urban and rural consumption baskets. It was driven by a combination of factors, including improved availability of key food items, a reduction in energy prices, underutilized production capacity in the economy due to still subdued domestic demand, and generally stable global commodity prices.

Fig-7.4: Composition of Rural CPI Inflation (YoY)

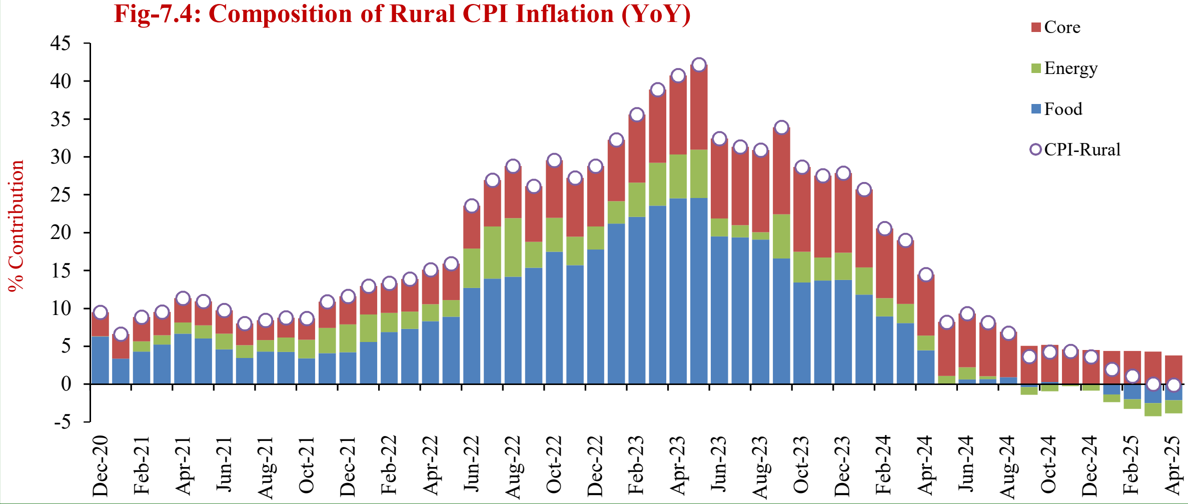

Figure 7.4 shows that from December 2020 onward, food became the dominant driver of rural inflation, contributing increasingly to overall CPI-Rural. Its contribution rose from 6.3 percentage points in December 2020 to a peak of 24.6 percentage points in May 2023, accounting for over half of the inflation during that period. Core inflation also grew rising from 3.2 percentage points in December 2020 to 11.3 percentage points in May 2023, showing broad-based price pressures. Energy's role was more volatile but added meaningfully to overall inflation, especially in 2022–23. After May 2023, food and energy contributions sharply declined, leading to a sharp decline in overall rural CPI. By April 2025, total CPI-Rural inflation turned negative (-0.1 percentage point), with food (-2.2 percentage point) and energy (-1.7 percentage point) dragging inflation down, while core (3.8 percentage point) remained positive, indicating inflation persistence in non-volatile components despite overall disinflation. The group-wise details are given in Table 7.4.

Table 7.4: Disaggregated CPI-Rural Inflation (July-April)

Group	Weights	Percent Change on Average Basis	
		2023-24	2024-25
CPI Rural	**100.0**	**25.5**	**3.3**
Food Group	**48.3**	**26.5**	**-1.5**
Food Products, Beverages and Tobacco, Textiles Apparel and Leather Products	40.9	25.3	-2.8
i) Non- perishable	35.1	26.4	-3.2
ii) Perishable	5.8	18.8	0.2
Alcoholic Beverages & Tobacco	1.3	61.8	6.5
Restaurant & Hotels	6.2	29.0	10.8
Non-Food	**51.7**	**24.5**	**8.3**
Clothing & Footwear	9.5	23.2	13.9
Housing, Water, Electricity, Gas & Other Fuel	18.5	20.2	4.0
Furnishing & Household, Equipment Maintenance	4.1	34.4	7.3
Health	3.5	20.8	13.2
Transport	5.6	25.7	-1.5

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Table 7.4: Disaggregated CPI-Rural Inflation (July-April)

Group	Weights	Percent Change on Average Basis	
		2023-24	2024-25
Communication	2.0	9.2	9.1
Recreation & culture	1.4	42.4	11.5
Education	2.1	17.4	22.6
Miscellaneous	5.0	32.6	15.0

Source: Pakistan Bureau of Statistics

Table 7.5 shows that prices in rural areas (excluding food and energy) were very high last year, especially around September 2023. But since then, things have been getting better, with prices slowly coming down every month. By April 2025, inflation dropped to 9 percent, showing a big improvement. On average, rural inflation was much lower this year compared to the last year.

Table 7.5: Core Inflation – Rural (percent)

Months	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Jul-Apr
2023-24	24.6	25.9	27.3	26.7	25.9	25.1	24.6	21.9	20.0	19.3	24.0
2024-25	16.9	14.4	12.1	11.7	10.9	10.7	10.4	10.4	10.2	9.0	11.6

Source: Pakistan Bureau of Statistics

7.2 Wholesale Price Index (WPI) Inflation

The Wholesale Price Index (WPI) collects prices of 419 items from 19 major cities. The WPI reflects the average change in prices at the wholesale level, serving as a key indicator of inflation from the producers' perspective. In FY 2024, the WPI remained consistently high throughout the year, peaking at 27.3 percent in December and staying above 20 percent for most months. This indicates that inflation at the wholesale level was significantly elevated during that period, which may have been driven by factors such as high commodity prices, supply chain disruptions, or increased production costs. In contrast, FY 2025 shows a steep decline in WPI across the same months. Starting at 10.4 percent in July, the index continues to fall each month, turning negative in February (-0.7 percent), March (-1.6 percent), and April (-2.2 percent).

The overall Wholesale Price Index (WPI) inflation fell sharply from 22.4 percent in July–April FY 2024 to just 2.2 percent in FY 2025, indicating significant easing of wholesale price pressures. The group-wise comparison can be found in Table 7.6.

Table 7.6: Disaggregated Wholesale Price Index (WPI) Inflation (percent)

Group	Weights	July-April	
		2023-24	2024-25
General (WPI)	**100.0**	22.4	2.2
Agriculture Forestry& Fishery	25.8	16.5	0.8
Ores & Minerals, electricity gas & water	12.0	47.4	9.3
Food Products, Beverages and Tobacco, Textiles Apparel and Leather Products	31.1	19.6	5.7
i) Food Products and Bev. & Tobacco	20.1	24.6	5.2
ii) Textiles & Apparel	10.3	9.7	7.0
iii) Leather Products	0.7	15.6	-0.6
Other Transportable Goods Except for Metal Products, Machinery and Equipments	22.4	17.5	-4.4
Metal Products Machinery & Equipment	8.7	31.7	4.1

Source: Pakistan Bureau of Statistics

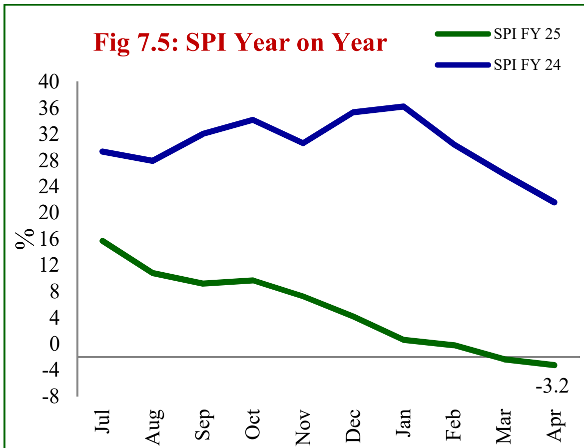
The Agriculture Forestry & Fishery group, with a large weight of 25.8 percent, saw a major drop in inflation from 16.5 percent to 0.8 percent, reflecting improved supply and stable input costs. The Ores, Minerals, Electricity, Gas & Water group remained inflationary but eased significantly, from 47.4 percent to 9.3 percent, due to lower global energy prices and tariff adjustments. The Food, Beverages, Textiles, and Leather Products (31.1 percent weight) also tamed down, with inflation dropping from 19.6 percent to 5.7 percent. Food prices fell sharply, while textiles and leather showed moderate to negative inflation. Other Transportable Goods experienced deflation, moving from 17.5 percent inflation to 4.4 percent deflation, largely due to reduced costs of fuels, chemicals, and related goods. Finally, Metal Products, Machinery & Equipment inflation dropped from 31.7 percent to 4.1 percent, easing pressures on industrial and development sectors.

7.3 Sensitive Price Indicator (SPI) inflation

SPI is computed weekly to assess the price movements of essential commodities at a shorter interval of time. SPI comprises 51 essential items, and the prices are collected from 50 markets in 17 cities/urban centers of the country (Table 7.7).

The trend of SPI is monitored regularly, and, if required, immediate measures are taken to control price fluctuations. The figures show a comparison of the SPI for fiscal years FY 2025 and FY 2024 on a monthly basis from July to April. This downward trend continued throughout the fiscal year, dropping to negative territory from February to April FY 2025.

Fig 7.5: SPI Year on Year



Source: Pakistan Bureau of Statistics

The annualized increase in SPI during July-April FY 2025 was recorded at 4.9 percent against 30.2 percent in the same period last year. Twenty-four (24) major food items, including wheat, wheat flour, rice, tomatoes, onions, masoor pulse, moong pulse, mash pulse, chicken, sugar, red chilies, etc., weighting 57 percent, influenced SPI by (-) 0.7 percent.

Table 7.7: Change in prices of major food items of SPI

Items	Units	Weights	Apr-25	Apr-24	Percent Change Apr-25/ Apr-24	Contributions
Wheat Flour Bag	20 Kg	4.0	1642.3	2410.1	-31.9	-1.3
Rice Basmati Broken	1 Kg	1.3	201.1	224.2	-10.3	-0.1
Bread plain	Each	0.6	108.7	116.2	-6.5	0.0
Beef with Bone	1 Kg	3.4	1083.2	902.5	20.0	0.7
Mutton	1 Kg	2.4	2005.4	1833.9	9.4	0.2
Chicken	1 Kg	3.9	459.6	473.9	-3.0	-0.1
Milk fresh (Un-boiled)	1 Litre	18.4	198.4	185.6	6.9	1.3
Curd	1 Kg	1.8	230.5	217.5	6.0	0.1
Powdered Milk	390 gm	0.4	1036.9	830.7	24.8	0.1
Eggs Hen	1 Dozen	1.4	238.5	262.6	-9.2	-0.1
Cooking Oil DALDA	5 Litre	3.1	2915.5	2634.2	10.7	0.3
Vegetable Ghee	1kg	1.5	576.2	498.5	15.6	0.2
Bananas	1 Dozen	0.9	184.4	169.7	8.6	0.1
Pulse Masoor	1 Kg	0.5	294.4	329.7	-10.7	0.0

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Table 7.7: Change in prices of major food items of SPI

Items	Units	Weights	Apr-25	Apr-24	Percent Change Apr-25/ Apr-24	Contributions
Pulse Moong	1 Kg	0.5	396.4	311.7	27.2	0.1
Pulse Mash	1 Kg	0.3	463.6	541.1	-14.3	0.0
Pulse Gram	1 Kg	0.5	309.2	257.8	19.9	0.1
Potatoes	1 Kg	2.1	63.6	72.2	-11.9	-0.3
Onions	1 Kg	1.7	56.5	192.3	-70.6	-1.2
Tomatoes	1 Kg	1.4	64.9	103.9	-37.5	-0.5
Sugar Refined	1 Kg	3.2	168.6	143.3	17.7	0.6
Chilies Powder Packet	200 gm	0.8	320.0	393.5	-18.7	-0.2
Garlic	1 Kg	0.6	463.0	595.8	-22.3	-0.1
Tea Lipton Packet	190 gm	2.4	452.2	544.7	-17.0	-0.4

Source: Pakistan Bureau of Statistics

7.4 Trend of Global Prices

In the global market, Palm oil, soybean oil, Urea and DAP showed increases of 6.2 percent, 16.4 percent, 20.9 percent and 16.5 percent, respectively, in April 2025 compared to the corresponding month last year. Meanwhile, sugar, crude oil, wheat, rice, and tea, recorded declines of 11.1 percent, 24.9 percent, 8.3 percent, 31.3 percent and 4.0 percent, respectively, compared to April 2024. Table 7.8 depicts the international prices of primary commodities.

Table 7.8: International Prices of Major Commodities

Months	Sugar (US$/Mt)	Palm Oil (US$/Mt)	Soybean oil (US$/Mt)	Crude oil (US$/Brl)	Wheat (US$/Mt)	Rice (US$/Mt)	Tea (US$/Mt)	DAP (US$/Mt)	Urea (US$/Mt)
Apr-24	450.0	936.0	959.0	90.1	272.3	578.0	3030.0	545.0	320.0
May-24	420.0	859.0	988.0	82.0	289.4	606.5	3200.0	522.0	284.8
Jun-24	430.0	874.0	1011.0	82.6	265.6	613.3	3220.0	543.0	336.3
Jul-24	430.0	896.0	1079.0	85.3	260.3	570.9	3300.0	539.4	342.5
Aug-24	410.0	933.0	1031.0	80.9	250.9	566.7	3220.0	546.0	342.5
Sep-24	450.0	983.0	1044.0	74.3	269.7	564.3	3270.0	554.8	337.5
Oct-24	460.0	1077.0	1095.0	75.7	272.9	504.8	3150.0	573.4	374.8
Nov-24	450.0	1169.0	1145.0	74.4	253.8	489.6	3090.0	574.5	352.3
Dec-24	440.0	1190.0	1064.0	73.8	252.2	501.9	2960.0	568.3	352.0
Jan-25	400.0	1070.0	1048.0	79.2	254.1	464.2	2780.0	582.7	380.5
Feb-25	420.0	1067.0	1069.0	75.2	264.6	419.1	2690.0	603.8	436.5
Mar-25	420.0	1068.0	1011.0	72.6	255.4	404.1	2690.0	615.1	394.5
Apr-25	400.0	994.0	1116.0	67.7	249.6	396.9	2910.0	635.0	386.9
Percent Change									
Apr 25/ Apr 24	-11.1	6.2	16.4	-24.9	-8.3	-31.3	-4.0	16.5	20.9
Apr 25/ Mar 25	-4.8	-6.9	10.4	-6.7	-2.3	-1.8	8.2	3.2	-1.9

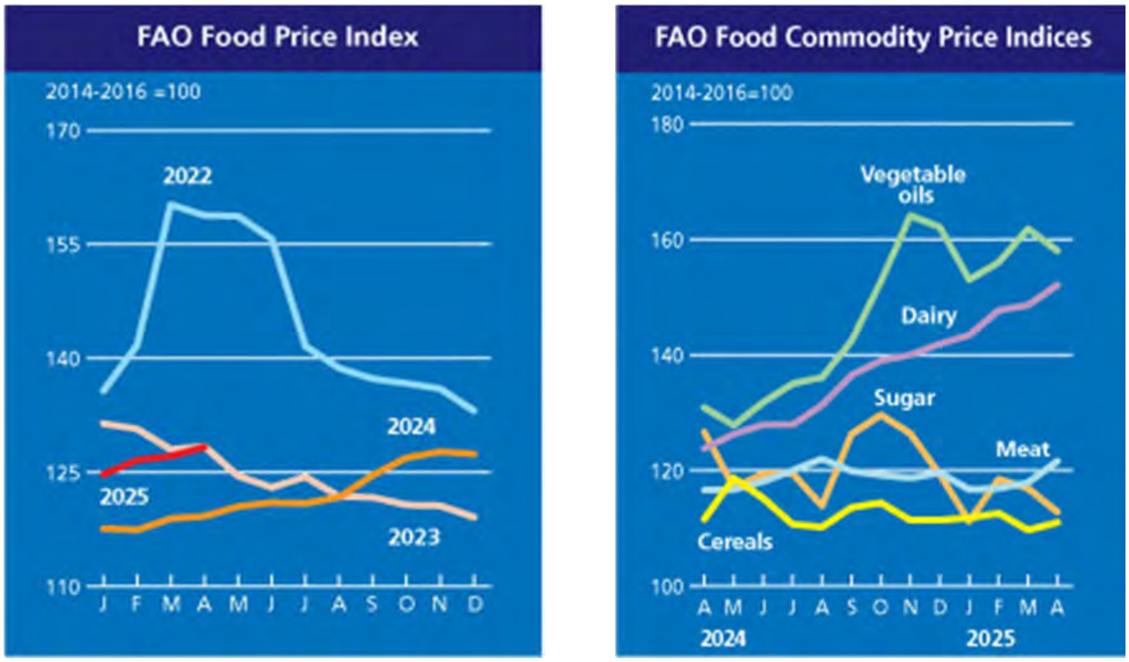
Source: Commodities Price Pink Sheet, WB

7.5 FAO Food Price Index

In April 2025, the FAO Food Price Index averaged 128.3 points, marking a 1.0 percent increase from March. This rise was driven by higher prices in cereals, dairy, and meat, which outweighed declines in sugar and vegetable oils.

Although the index was 7.6 percent higher than a year ago, it remained nearly 20 percent below the peak seen in March 2022.

Fig-7.6: FAO Food Commodity Prices



Source: FAO

Cereal prices rose by 1.2 percent compared to March, reflecting increases across all major grains. Wheat prices edged up slightly due to tighter export supplies from Russia, steady exports from key suppliers, and a weaker U.S. dollar. Maize prices also climbed up, supported by low seasonal stocks in the U.S. and recent trade policy changes, including tariff adjustments that favoured key importers like Mexico. Barley and sorghum followed similar upward trends. Rice prices rose modestly as demand strengthened, especially for fragrant varieties, while harvest supplies in Viet Nam began to dwindle.

Vegetable oil prices, in contrast, fell by 2.3 percent in April compared to March. The decline was mainly due to lower palm oil prices, as Southeast Asian producers entered a season of higher output. Meanwhile, soy and rapeseed oil prices went up, driven by strong global demand and tightening supplies. Sunflower oil prices held steady but remained significantly higher than a year ago, largely due to reduced availability from the Black Sea region.

Meat prices rose 3.2 percent, with increases across all types. Beef prices firmed due to limited global supply and solid demand, especially from markets like Brazil and Australia. Lamb prices also surged amid strong interest from major importers, while poultry prices climbed moderately as strong demand and holiday-related processing slowdowns tightened supply, particularly in Brazil.

Dairy prices went up by 2.4 percent, led by butter, which hit a record high. Finally, sugar prices dropped 3.5 percent in April, continuing their downward trend. The decline was influenced by concerns over a weakening global economy, which could reduce demand from the food and beverage sectors. Stronger-than-expected sugar production in Brazil, along with a weaker Brazilian currency and lower oil prices, also contributed to the fall.

Box-1: Regional Inflation Trends

Inflation dynamics across South Asia and the broader region presented a mixed picture over the past year, reflecting a combination of domestic policies, global supply chain shifts, and geopolitical pressures. A snapshot of inflationary trends in Pakistan, India, Bangladesh, Sri Lanka, and Iran reveals diverse challenges and recovery paths. Pakistan experienced a sharp decline in inflationary trend, with inflation falling from a peak of 20.7 percent in March 2024 to just 0.3 percent by April 2025. This remarkable slowdown reflects a combination of tight monetary policy, improved food supply conditions, and a high base effect. While easing inflation is a welcome relief for households and businesses. India maintained moderate and stable inflation, hovering between 3.3 percent and 6.2 percent throughout the year. The central bank's inflation-targeting regime appears to have anchored expectations effectively. Mild fluctuations were largely driven by seasonal food prices and global oil price movements. India's inflation stability stood out in the region and supported its continued economic resilience.

Bangladesh continued to face persistent inflation, with rates staying in the 9.0 percent to 11.7 percent range. Structural pressures, including currency depreciation, elevated import costs, and energy price adjustments, contributed to the sticky inflation. Despite policy efforts, inflation remained a concern for vulnerable groups, particularly in urban and lower-income households. Sri Lanka exhibited a rare deflationary trend, especially from September 2024 to April 2025, with inflation dipping to -2.0 percent in April 2025. This reflects the deep impact of ongoing fiscal consolidation and demand suppression following the country's recent economic crisis. Iran continued to grapple with elevated inflation, with rates consistently above 30 percent, peaking at 37.1 percent in March 2025. Sanctions, currency depreciation, and structural bottlenecks in supply chains contributed to these persistently high levels. Inflation remains a serious challenge for the Iranian economy, undermining purchasing power and creating uncertainty for long-term investment.

	Pakistan	India	Bangladesh	Sri Lanka	Iran
Mar-24	20.7	4.9	9.8	0.9	32.3
Apr-24	17.3	4.8	9.7	1.5	30.9
May-24	11.8	4.8	9.9	0.9	31.0
Jun-24	12.6	5.1	9.7	1.7	31.9
Jul-24	11.1	3.6	11.7	2.4	32.2
Aug-24	9.6	3.7	10.5	0.5	31.6
Sep-24	6.9	5.5	9.9	-0.5	31.2
Oct-24	7.2	6.2	10.9	-0.8	34.5
Nov-24	4.9	5.5	11.4	-2.1	32.5
Dec-24	4.1	5.2	10.9	-1.7	31.4
Jan-25	2.4	4.3	9.9	-4.0	31.8
Feb-25	1.5	3.6	9.3	-4.2	35.3
Mar-25	0.7	3.3	9.4	-2.6	37.1
Apr-25	0.3	3.2	9.2	-2.0	

Source: Trading Economics, PBS

7.6 Price Control Measures by the Government/Provinces/ICT

The government coordinates different bodies to ensure price stability and the smooth supply of essential items. The ECC and NPMC regularly monitor prices in collaboration with provincial and Federal bodies, while the CCP is actively curbing cartelization and profiteering. Additionally, the Ministry of National Food Security and Research, in coordination with provinces and stakeholders, is working to improve the supply chain of essential food items

Islamabad Capital Territory (ICT)

The district administration plays a pertinent role in ensuring price stability through the mechanism of structured price determination and enforcement measures. The ICT administration has implemented comprehensive measures to ensure price stability and market transparency. Assistant Commissioners and Magistrates actively monitor daily auction proceedings to maintain transparency and regulate price fluctuations. Additionally, the price determination process follows market committee auction proceedings and periodic reviews of essential commodities, contributing to overall market stability.

Therefore, in view of the above, ICT administration has adopted/implemented the following measures for ensuring price stability:

- Assistant Commissioners and Magistrates conduct routine inspections across various markets and retail outlets to ensure compliance with notified prices and address consumer grievances through the DC Office's 24/7 Control Room and digital complaint platforms.
- Assistant Commissioners and Magistrates monitor daily auction proceedings to maintain transparency and price stability.
- The price-setting mechanism includes market committee auction proceedings and periodic reviews of price regulations, ensuring regular assessment of essential commodity prices to maintain market stability.
- During the month of Ramzan, intensified monitoring efforts led to 2,812 inspections, resulting in 229 arrests and fines amounting to Rs 325,000. Similarly, in the 15 days preceding Ramzan, 6,421 inspections were conducted, leading to 376 arrests and Rs 343,500 in fines. These enforcement actions have served as a deterrent against price manipulation and contribute to the availability of quality products at regulated rates and ensuring price stability.
- The Food Department, in collaboration with the DC Office, held pre-Ramzan meetings with wholesalers and suppliers to address supply chain challenges and prevent market distortions. These proactive efforts ensured the availability of essential commodities, including sugar and wheat, aligned with consumption patterns during Ramzan, yielding positive outcomes.
- 20 Ramzan Fair Price Stalls were established in high-footfall areas to provide fruits and vegetables at regulated prices without any subsidy burden on public finances. Magistrates closely monitored these stalls to ensure adherence to quality and pricing standards. Additionally, five Ramzan Bazaars were set up at weekly market locations to supply essential commodities at notified rates under strict regulatory oversight.
- Relief measures also included setting up subsidized sugar stalls in collaboration with the Industries Division, offering sugar at Rs 130/kg compared to the prevailing market rate of Rs 165-170/kg. Special discounted stalls for ghee, eggs, and poultry were established through direct engagement with leading brands, ensuring affordability for consumers without any financial burden on the public exchequer.
- Additionally, the Committee has stalled discounted chicken stalls operational at two major Ramzan Bazaars from March 8, 2025, further strengthening the administration's commitment to market stabilization and consumer relief.

Punjab

The Government of Punjab has implemented several measures to combat inflationary pressure:

- District Price Control Committee (DPCC): Conducts regular meetings to assess and fix prices of essential commodities.
- Monthly Market Analysis Report: "Food in Focus" prepared for comprehensive analysis of supply and price situation.
- The Punjab Government has tasked the Urban Unit for Third Party Validation (TPV) of spot prices in the open market.
- Special Branch of Police regularly submits reports on spot prices as well as hoarding of essential commodities, and these reports are utilized in progress review meetings at the Provincial and District levels.
- There is indeed issue of over-charging by retailers. In order to curb this practice, around 2100 price magistrates are working in the province. They have been given special instructions to curb over-charging with iron hand.

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Monitoring of Prices

- Qeemat app and portals are being used for online reporting of prices & magisterial action.
- Public complaints are lodged through Qeemat app, which are referred to concerned SPMs who take action and report via the same application.
- E-pay system is being utilized for deposit of fines imposed by Magistrates.

District Level Measures

- District Price Control Committees have been activated.
- DCs and EADAs of Price Control & Commodities Management Department are regularly meeting with Wholesalers / Aarhtis to maintain supplies.
- Auction Committees have been constituted at Tehsil level (ADCR/AC + Market Committee officials) to monitor & regulate price fixation at F&V Markets.
- Training was arranged for all Special Price Magistrates at district level.

Public Assistance Programs

Nigehban Ramadan Package: A Rs 30 billion package was launched to provide financial aid to poor families during Ramzan through the distribution of Pay Orders. Details are as follows:

- Pay orders amounting to Rs 10,000/- were distributed to deserving families, identified through a survey by PSER.
- 3 million beneficiaries were identified.
- Distribution of POs started from 25th February with their validity till 15.04.2025.
- To further ensure transparency, Urban Unit conducted Third Party Validation (TPV) of the distribution of pay orders on a sample basis.

Sahulat Bazars: 78 bazars were established with zero cost to provide 16 essential commodities at wholesale/concessional rates. At all Sahulat Bazar, 16 selected items (Potato, Onion, Tomato, Kaddu, Dal Channa, Besan, Banana, Apple, Dates, Lemon, Guava, Garlic, Melon, Atta, sugar, and Chicken & Eggs) were available for the general public at less than the wholesale rates. These commodities remained available at concessional rates till the 29th of Ramzan.

Sindh

The Govt of Sindh is proactively initiating efforts to control the price hike and to ensure implementation of the notified prices under the relevant Price Control Act. The constant crackdown by the Special Magistrate (Price Control) and Assistant Directors BSP, Sindh, against illegal profiteers is being carried out in different markets to curb price hikes through the Sindh Performance Management System (SPMS). In addition, various measures/steps with respect to curb hoarding black marketing, initially pre-emptive measures were initiated by the Bureau of Supply and Prices, prior to Ramzan, by issuing advisory to Divisional Commissioner(s) for measures specially for the Holy Month of Ramzan for Fiscal year of 2024-2025, some of measures are listed below:

- To hold a meeting with relevant stakeholders and government functionary for rationalizing their prices and ensuring availability of all essential commodities.
- To fix and publish prices of fruits/vegetables (daily) and other essential commodities (fortnightly), to ensure distribution and display at shops.
- Regular monitoring the auction process at Fruit/Vegetable Mandi by ACs and Mukhtiarkar with the deputy staff of the Bureau of Supply and Prices.
- Establish Complaint Centers along with support of BSP on district levels jurisdiction in Sindh.
- To make available the required quantity of wheat and commodities by food dept. The food departments have also been requested to setup stalls of Wheat Flour at subsidized prices in Bachat bazaars being organized under the auspices of the Bureau of Supply and Prices.
- To take stern action against adulteration,

especially of milk and dairy items, given the demand in Ramzan by the Sindh Food Authority.

- Follow-up of letters is taken from time to time, and coordination is maintained with different Govt. institutions and stakeholders from Karachi, H.Q., and district offices.

Khyber Pakhtunkhwa

- The Khyber Pakhtunkhwa Consumer Protection Act, 1997 promotes healthy growth of fair commercial practices and protects legitimate consumers' rights, checks on Unfair Trade Practices, and speedy redressal of consumers' complaints.
- The above stated law is being implemented in the province through field formations and Consumer Courts, and the Consumer protection activities are uploaded on the MIS Portal on a daily basis.
- Achievements for the year 2024-25 (01.07.2024 to 31.03.2025) under the Khyber Pakhtunkhwa Consumer Protection Act, 1997 (Amended 2017) are as under:

Total Receipt Target for the Financial Year 2024-25	Rs 28,000,000
Total Achieved Target (July 2024 to March 2025)	Rs 26,737,800
Assistant Directors	
Total Inspections Carried out	55,041
Total Violators	6,250
Total Referred Cases to Consumer Courts	533
Fine Imposed (In Rs)	20,631,800
Consumer Protection Courts	
Total Cases Filed	16,657
Cases Disposal	5,075
Cases Balance	11,582
Fine Imposed (In Rs)	6,106,000

Balochistan

- The Provincial Government directed all the Deputy Commissioners to review and notify the District price fixation committees.
- All the Price Fixation Committees were directed to devise a Single Price Fixation Formula. The price of all the commodities will be notified after a detailed assessment of the commodities, keeping in view all the relevant factors.
- All the Deputy Commissioners are directed to take strict action against hoarding.
- A provincial-level price monitoring committee has been formulated to monitor and report the price variations throughout Balochistan.
- In the month of Ramadan, 2025, District Administration has taken action as under:

a.	Inspection:	8,822
b.	Fines: Approx Rs	2,258,150
c.	Arrests:	657
d.	Number of Confiscation:	52

Concluding Remarks

Inflation is projected to remain within the range of 4.5-5.0 percent during FY 2025, supported by a sharp decline in the prices of perishable food items and adequate stocks of key non-perishable commodities. Energy prices have also stayed contained, benefiting from lower global oil prices, a stable exchange rate, and a favorable base effect. Over the medium term, inflation is expected to gradually return to normal levels during FY 2026 and FY 2027, driven by anticipated improvements in the agriculture sector and more favorable global and domestic economic conditions.

TABLE 7.1 (A)

PRICE INDICES

A. COMBINED CONSUMER PRICE INDEX BY GROUPS\

Groups/ Fiscal Year	General	Food & Non Alcholic Beverages	Beverages & Tobaco	Clothing & Foot wear	Housing, Water, Elec.Gas & Fuel	Household Equipment & Repair Maintenance	Health	Transport	Commu-nication	Recreation & Culture	Education	Restaurant & Hotels	Miscellan-eous
	(Base Year : 2007-08 = 100)												
2010-11	146.45	164.10	151.64	133.35	135.27	135.59	123.79	149.01	122.47	134.62	128.17	164.04	152.45
2011-12	162.57	182.20	165.01	153.45	146.17	160.28	137.97	171.39	122.94	145.35	143.83	185.82	181.47
2012-13	174.53	195.18	191.02	175.58	151.34	179.87	156.56	186.43	126.16	169.07	156.69	203.63	199.49
2013-14	189.58	212.74	223.38	198.01	164.60	195.85	167.15	195.15	129.76	183.77	172.57	228.61	210.15
2014-15	198.16	220.20	269.93	213.82	174.93	208.68	176.19	187.22	130.09	190.29	196.40	244.58	221.13
2015-16	203.82	219.42	329.25	224.18	183.90	217.38	182.69	174.25	130.56	194.21	213.02	256.79	228.22
2016-17	212.29	226.59	368.88	233.36	192.91	223.90	201.82	172.93	131.79	196.31	235.72	256.79	240.23
2017-18	220.62	232.95	310.09	244.45	202.50	233.06	218.13	182.18	133.26	200.24	264.79	285.88	254.99
2018-19	236.81	242.62	345.33	260.88	221.07	251.44	235.29	211.50	141.29	215.90	289.97	302.04	276.48
	Base Year 2015-16=100												
	General	Food & Non-Alcoholic Beverages	Alcoholic Beverages Tobaco	Clothing and Footwear	Housing, Water, Elec., Gas and other fuels	Furnishing and Household Equipment Maintenance	Health	Transport	Commu-nication	Recreation & Culture	Education	Restau-ants and hotels	Misc. goods and services
2016-17	104.81	104.27	110.76	105.29	105.98	102.34	107.97	99.26	100.03	102.26	110.83	106.04	104.39
2017-18	109.72	107.49	100.83	110.94	111.23	106.00	114.98	108.04	100.65	104.91	123.88	113.14	109.93
2018-19	117.18	112.24	112.26	118.13	120.08	114.00	122.92	125.31	103.28	111.53	134.72	119.11	118.85
2019-20	129.76	129.59	135.80	129.56	128.33	125.70	136.81	138.71	106.84	118.70	141.90	127.76	132.96
2020-21	141.31	146.74	143.36	142.61	136.35	136.23	148.36	140.28	107.62	123.99	143.71	138.66	148.35
2021-22	158.48	166.46	149.57	157.47	151.01	153.40	162.29	174.06	110.23	134.71	150.58	156.09	164.07
2022-23	204.73	231.34	248.83	187.06	172.14	202.70	189.60	259.72	114.00	191.59	165.17	207.01	212.44
2023-24	252.66	279.39	364.62	223.40	222.70	259.25	230.67	310.19	127.17	256.80	186.64	259.45	270.83
July-April													
2023-24	252.11	282.43	363.13	219.96	219.56	257.53	228.23	309.90	125.72	255.04	184.11	257.96	268.23
2024-25	264.03	278.66	386.96	251.64	238.26	273.00	261.30	306.51	134.84	275.53	205.45	279.22	302.65

(Contd.)

Note: On the adoption of each new base year the data for the common periods may not be matched

TABLE 7.1 (B)

PRICE INDICES (HEADLINE & CORE INFLATION)

Year	Indices				Headline & Core Inflation			
	General	Food	Non-Food	Core	General	Food	Non-Food	Core
	(Base Year : 2007-08 = 100)							
2010-11	146.45	164.10	135.87	131.03	13.66	18.02	10.71	9.38
2011-12	162.57	182.20	150.81	144.78	11.01	11.03	11.00	10.49
2012-13	174.53	195.18	162.16	158.62	7.36	7.12	7.53	9.56
2013-14	189.58	212.74	175.69	171.82	8.62	9.00	8.35	8.32
2014-15	198.16	220.20	184.95	183.08	4.53	3.50	5.27	6.55
2015-16	203.82	224.78	191.25	190.71	2.86	2.08	3.41	4.17
2016-17	212.29	233.37	199.65	200.61	4.16	3.82	4.39	5.19
2017-18	220.62	237.59	210.45	212.34	3.92	1.81	5.41	5.85
2018-19	236.81	248.44	229.84	229.21	7.34	4.57	9.21	7.94

	CPI Indices (Base Year : 2015-16 = 100)						
	National	Urban			Rural		
	CPI	Food	Non-food	Core	Food	Non-food	Core
2016-17	104.81	104.32	105.13	106.10	105.11	104.48	105.60
2017-18	109.72	108.33	111.25	112.27	107.57	110.29	111.05
2018-19	117.18	113.35	120.70	120.34	112.68	118.74	118.55
2019-20	129.76	128.74	130.72	129.38	130.62	128.41	128.83
2020-21	141.31	144.74	138.17	137.13	147.74	137.89	138.62
2021-22	158.48	164.20	153.11	148.29	167.00	154.84	151.13
2022-23	204.73	226.00	183.90	172.30	235.71	193.29	182.22
2023-24	252.66	276.05	230.86	199.97	286.61	238.24	223.62
July-April							
2023-24	252.11	278.11	228.00	198.27	289.55	236.15	221.15
2024-25	264.03	281.04	248.67	215.68	285.16	255.72	246.78

	CPI (%) (Base Year : 2015-16 = 100)						
	National	Urban			Rural		
	CPI	Food	Non-food	Core	Food	Non-food	Core
2016-17	4.81	4.32	5.13	6.10	5.11	4.48	5.60
2017-18	4.68	3.84	5.82	5.82	2.34	5.56	5.16
2018-19	6.80	4.63	8.49	7.19	4.75	7.66	6.75
2019-20	10.74	13.58	8.30	7.51	15.92	8.14	8.67
2020-21	8.90	12.43	5.70	5.99	13.11	7.38	7.60
2021-22	12.15	13.44	10.83	8.14	13.04	12.29	9.02
2022-23	29.18	37.64	20.11	16.19	41.14	24.83	20.57
2023-24	23.41	22.15	25.54	16.06	21.59	23.26	22.72
July-April							
2023-24	25.97	26.81	25.88	16.90	26.55	24.53	24.01
2024-25	4.73	1.05	9.07	8.78	-1.52	8.29	11.59

(Contd.)

Note: (i) Core Inflation is defined as overall inflation adjusted for food and energy.

(ii) On the adoption of each new base year the data for the common periods may not be matched

TABLE 7.1 (C)

PRICES INDICES

B. Wholesale Price Index by Groups

Groups/ Fiscal Year	General	Agriculture Forestry & Fishery Product	Ores & Minerals, Materials electricity gas & water	Food Product, Beverages & Tobacco, Textiles Appreal Leather Products	Other Transport -able Goods	Metal Products Machinery & Equipment	Sensitive Price Indicator	GDP Deflator
	(Base Year : 2007-08 = 100)							
2010-11	164.17	183.20	159.13	166.49	155.77	128.10	159.48	193.50
2011-12	181.28	185.03	182.74	176.07	194.64	152.55	170.77	204.45
2012-13	194.61	198.23	211.17	188.39	203.93	159.29	184.04	219.00
2013-14	210.48	219.00	240.37	200.70	214.59	168.31	201.15	235.18
2014-15	209.85	220.56	245.47	206.76	197.12	172.72	205.18	245.40
2015-16	207.65	226.43	245.91	213.58	171.21	171.46	207.35	246.87

Base Year 2015-16=100

	General	Agriculture Forestry & Fishery	Ores/ Minerals, Elec., gas & water	Food, Beverages Tobacco, Textiles, Leather	Food Products Beverages & Tobacco	Textiles Apparels	Leather Products	Other Transport -able Goods	Metal Product Machinery & Equipment	Sensitive Price Indicator	GDP Deflator
2016-17	104.45	108.15	99.32	105.63	103.82	109.42	101.83	101.69	103.22	107.62	103.95
2017-18	109.97	113.34	100.88	107.08	104.00	115.64	101.40	115.52	106.06	110.28	107.84
2018-19	127.55	124.35	127.07	119.30	112.45	133.41	107.72	147.71	115.26	115.92	117.74
2019-20	140.63	137.80	163.40	131.68	126.74	141.64	113.65	147.95	131.83	131.85	129.38
2020-21	153.87	155.69	167.57	149.24	146.95	155.76	119.27	151.61	150.09	150.09	142.84
2021-22	192.20	194.98	183.52	177.03	171.86	190.49	127.27	218.97	181.34	175.75	162.98
2022-23	255.25	246.83	226.33	224.18	229.70	217.72	162.21	308.16	294.90	233.74	205.27
2023-24	306.72	280.48	338.00	261.23	275.96	237.90	184.43	356.76	374.91	298.07	250.64
July-April											
2023-24	306.40	280.82	331.86	261.39	276.99	236.41	183.93	358.59	373.52	297.07	250.64
2024-25	313.09	283.07	362.64	276.19	291.43	253.01	182.90	342.88	388.69	311.59	260.56

Source: Pakistan Bureau of Statistics

Note: On the adoption of each new base year the data for the common periods may not be matched

TABLE 7.2

MONTHLY PERCENTAGE CHANGES IN CPI, WPI AND SPI

Months		2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
		Base Year 2007-08=100							Base Year 2015-16=100								
Jul	A. CONSUMER PRICE INDEX (C.P.I)	-0.25	2.02	1.70	0.43	1.34	0.34	0.94	-	0.57	1.51	1.83	2.50	1.33	4.35	3.46	2.10
Aug		0.90	1.16	0.33	0.24	-0.30	0.19	0.21	-0.36	0.15	-0.31	1.64	0.63	0.58	2.45	1.72	0.39
Sep		0.79	-0.29	0.35	-0.10	0.20	0.63	-0.06	0.42	0.69	-0.03	0.77	1.54	2.12	-1.15	2.00	-0.52
Oct		0.38	1.97	0.21	0.49	0.81	0.75	2.33	0.93	1.09	2.12	1.82	1.70	1.90	4.71	1.01	1.23
Nov		-0.39	1.27	-0.51	0.59	0.21	0.37	0.11	0.47	0.66	-0.12	1.34	0.82	2.98	0.76	2.70	0.49
Dec		0.23	-1.32	-1.01	-0.57	-0.68	-0.10	-0.41	-0.58	-0.03	-0.30	-0.34	-0.68	-0.02	0.49	0.82	0.06
Jan		1.67	0.49	0.08	0.21	0.18	0.03	1.00	0.43	0.08	0.25	1.97	-0.21	0.39	2.88	1.83	0.20
Feb		-0.34	-0.32	-0.92	-0.25	0.28	-0.31	0.64	0.48	-0.26	0.87	-1.04	1.80	1.15	4.32	0.03	-0.83
Mar		0.41	0.96	0.23	0.15	0.84	0.31	1.42	1.05	0.22	2.00	0.04	0.36	0.79	3.72	1.71	0.89
Apr		1.09	1.70	1.32	1.55	1.40	1.82	1.26	0.72	1.08	0.73	-0.84	1.03	1.61	2.41	-0.43	-0.84
May		0.51	-0.26	0.76	-0.21	0.01	0.51	0.78	-0.52	0.46	0.60	0.32	0.10	0.44	1.58	-3.24	
Jun		0.72	0.61	0.62	0.64	-0.41	0.56	0.36	0.17	0.83	0.48	0.82	-0.24	6.34	-0.26	0.46	
									Base Year 2015-16=100								
Jul	URBAN CONSUMER PRICE INDEX (U.C.P.I)	-	-	-	-	-	-	-	-	0.59	1.41	1.98	2.15	1.29	4.46	3.57	2.03
Aug		-	-	-	-	-	-	-	-0.46	0.20	-0.31	1.46	0.81	0.48	2.62	1.60	0.27
Sep		-	-	-	-	-	-	-	0.32	0.42	-0.08	0.75	1.26	2.01	-2.06	1.67	-0.53
Oct		-	-	-	-	-	-	-	0.79	0.89	2.23	1.59	1.27	1.67	4.50	1.07	1.05
Nov		-	-	-	-	-	-	-	0.47	0.63	-0.09	1.00	0.64	2.86	0.38	4.34	0.49
Dec		-	-	-	-	-	-	-	-0.59	0.05	-0.32	-0.37	-0.35	0.32	0.35	0.73	-0.10
Jan		-	-	-	-	-	-	-	0.82	0.18	0.43	1.68	-0.16	0.06	2.36	1.81	0.19
Feb		-	-	-	-	-	-	-	0.51	-0.15	0.86	-1.09	2.27	0.93	4.54	0.24	-0.65
Mar		-	-	-	-	-	-	-	1.01	0.28	1.87	0.13	0.27	0.65	3.90	1.43	0.78
Apr		-	-	-	-	-	-	-	0.96	1.37	0.83	-0.68	1.34	1.60	2.00	-0.09	-0.70
May		-	-	-	-	-	-	-	-0.32	0.53	0.68	0.30	0.19	0.31	1.50	-2.80	
Jun		-	-	-	-	-	-	-	0.21	0.72	0.34	0.69	-0.37	6.19	0.10	0.58	
									Base Year 2015-16=100								
Jul	RURAL PRICE INDEX (R.P.I)	-	-	-	-	-	-	-	-	0.54	1.67	1.60	3.02	1.40	4.17	3.30	2.20
Aug		-	-	-	-	-	-	-	-0.21	0.07	-0.30	1.91	0.35	0.72	2.19	1.88	0.55
Sep		-	-	-	-	-	-	-	0.57	1.10	0.04	0.79	1.95	2.29	0.18	2.46	-0.50
Oct		-	-	-	-	-	-	-	1.15	1.40	1.96	2.17	2.35	2.25	5.01	0.92	1.49
Nov		-	-	-	-	-	-	-	0.48	0.72	-0.17	1.86	1.09	3.15	1.30	0.40	0.48
Dec		-	-	-	-	-	-	-	-0.56	-0.14	-0.29	-0.30	-1.17	-0.51	0.70	0.96	0.29
Jan		-	-	-	-	-	-	-	-0.14	-0.07	-0.02	2.41	-0.29	0.89	3.62	1.87	0.22
Feb		-	-	-	-	-	-	-	0.45	-0.45	0.87	-0.97	1.12	1.48	4.01	-0.25	-1.10
Mar		-	-	-	-	-	-	-	1.12	0.13	2.19	-0.10	0.51	1.00	3.48	2.13	1.05
Apr		-	-	-	-	-	-	-	0.36	0.64	0.58	-1.08	0.57	1.63	2.97	-0.93	-1.05
May		-	-	-	-	-	-	-	-0.82	0.35	0.47	0.34	-0.03	0.65	1.69	-3.89	
Jun		-	-	-	-	-	-	-	0.12	1.01	0.70	1.02	-0.06	6.57	-0.76	0.27	
		Base Year 2007-08=100							Base Year 2015-16=100								
Jul	B. WHOLESALE PRICE INDEX (W.P.I.)	0.36	1.65	0.54	-0.38	2.34	-0.24	2.41	-	-0.70	3.69	3.05	5.41	2.28	1.99	2.51	2.28
Aug		1.02	2.65	-0.48	-0.49	-0.03	0.33	0.79	0.06	0.19	0.55	1.25	1.27	1.17	3.14	4.16	0.30
Sep		0.35	0.71	0.15	-0.46	-0.53	0.06	-1.52	-0.40	0.28	-1.51	0.07	1.05	3.17	1.43	3.15	-1.05
Oct		0.11	1.13	-0.31	0.53	-0.04	0.61	4.17	-0.09	0.88	4.40	2.03	2.88	4.24	-0.47	-1.87	0.00
Nov		-0.37	0.25	-0.99	0.01	-0.21	0.36	0.70	0.54	1.05	1.04	-0.82	-0.94	3.79	-0.02	1.44	-0.12
Dec		0.43	-0.99	-1.89	-0.65	-0.14	0.36	-0.88	0.20	0.49	-1.34	-0.30	0.34	-0.24	-0.71	-0.02	-0.37
Jan		1.25	0.53	-1.03	-0.53	0.51	1.81	-0.21	0.83	2.60	-0.82	1.83	2.50	0.65	1.77	1.47	0.18
Feb		0.34	-0.14	-1.09	-0.59	0.47	-0.15	0.90	0.81	0.41	1.62	-0.80	2.20	1.91	8.19	1.12	-0.18
Mar		0.26	0.34	0.01	-0.40	0.66	0.25	1.70	0.42	-0.08	2.23	-0.88	3.72	3.86	4.67	1.25	0.29
Apr		0.77	0.10	0.86	1.30	0.89	1.27	2.33	0.43	1.28	1.76	-2.04	-0.36	3.16	0.09	-0.70	-1.29
May		-0.43	-0.08	1.10	0.55	-0.20	1.28	1.43	-0.15	2.02	1.47	-2.08	0.30	1.44	0.96	-2.55	
Jun		1.00	1.37	1.18	1.38	-0.46	1.48	0.33	-0.08	2.46	0.25	-0.32	0.91	8.18	-0.25	0.37	
		Base Year 2007-08=100							Base Year 2015-16=100								
Jul	C. SENSITIVE PRICE INDEX (S.P.I.)	0.51	2.27	1.95	0.34	1.32	-0.45	1.17	-	0.00	1.39	1.03	3.03	1.80	7.27	2.81	2.03
Aug		1.29	1.54	0.83	-0.19	0.23	0.54	0.22	-0.25	1.06	-0.20	2.72	0.92	0.70	5.25	4.12	-0.29
Sep		1.25	0.06	0.24	0.46	0.11	2.13	-0.06	0.21	2.06	-0.42	1.87	2.09	2.72	-1.42	1.72	0.22
Oct		-0.45	1.17	-0.03	1.18	0.67	0.86	1.15	0.49	0.94	2.27	2.66	3.36	2.15	-1.47	0.15	0.60
Nov		0.03	3.22	-1.13	1.00	0.33	0.34	0.26	0.68	0.20	-0.69	3.71	1.10	3.58	6.11	3.30	1.04
Dec		0.05	-2.54	-1.52	-0.71	-0.78	-0.67	0.02	-1.25	-0.88	-0.25	-1.97	-2.71	-0.43	0.15	3.75	0.77
Jan		1.92	-2.54	-0.87	-0.67	-0.80	-1.04	0.61	-1.00	-1.52	0.36	0.45	-0.82	-0.79	1.35	2.02	-1.45
Feb		0.07	-0.09	-0.99	-0.52	0.21	-1.21	1.48	0.42	-1.16	2.45	-0.79	3.14	1.27	3.66	-0.79	-1.62
Mar		0.78	2.15	0.00	-0.15	1.79	-0.60	1.56	2.75	-0.91	2.13	-0.31	5.70	0.64	5.77	2.11	-0.07
Apr		-0.29	0.07	0.39	-0.12	-0.91	0.45	0.89	-0.69	0.86	0.48	-1.77	0.41	1.48	2.70	-0.75	-1.66
May		0.07	-1.51	1.31	-0.96	-0.89	-0.15	1.24	-0.38	0.71	0.58	2.15	0.79	0.64	1.25	-4.00	
Jun		2.45	1.11	0.99	1.12	0.14	1.78	1.57	0.00	1.45	0.90	1.37	-0.44	6.19	0.20	1.33	

Source: Pakistan Bureau of Statistics

Note: On the adoption of each new base year the data for the common periods may not be matched

TABLE 7.3 (A)

PRICE INDICES BY CONSUMER INCOME GROUPS

Income Group/ Fiscal Year	Spliced with Base Year 2007-08 = 100					
	All Income Groups	Upto Rs 8000	Rs 8001 to 12000	Rs 12000 to 18000	Rs 18001 to 35000	Above Rs 35,000
2010-11	146.45	149.04	148.56	147.59	148.91	145.34
2011-12	162.57	164.00	164.37	163.06	165.01	162.09
2012-13	174.53	176.93	178.55	176.83	176.28	172.48
2013-14	189.58	192.57	193.69	193.00	192.26	186.72
2014-15	198.16	199.60	201.15	201.33	200.80	195.76
2015-16	203.82	204.45	206.72	206.14	206.80	201.65
2016-17	212.29	212.28	214.84	214.22	215.25	210.42
2017-18	220.62	218.23	221.44	221.15	222.70	220.09
2018-19	236.81	230.11	234.06	234.21	238.88	239.16
Consumption Group/ Fiscal Year	Base Year 2015-16 = 100					
	Urban					
	Combined	(Upto Rs. 17,732)	(Rs. 17,733 to 22,888)	(Rs. 22,889 to 29,517)	(Rs. 29,518 to 44,175)	(Above Rs. 44,175)
2016-17	104.83	104.21	104.38	104.49	104.60	105.05
2017-18	110.18	108.00	108.52	108.90	109.39	110.98
2018-19	117.99	113.92	115.00	115.57	116.31	119.90
2019-20	129.99	126.97	127.47	129.29	129.29	131.60
2020-21	140.58	140.81	140.22	141.34	140.74	141.11
2021-22	157.19	158.59	157.37	158.38	157.59	157.35
2022-23	199.39	206.27	203.34	204.11	202.21	198.45
2023-24	247.49	257.21	254.67	260.34	255.96	242.91
July-April						
2023-24	246.44	257.70	254.41	259.43	255.02	240.42
2024-25	260.58	263.65	263.48	272.82	268.60	257.32
	Rural					
	Combined	(Upto Rs. 17,732)	(Rs. 17,733 to 22,888)	(Rs. 22,889 to 29,517)	(Rs. 29,518 to 44,175)	(Above Rs. 44,175)
2016-17	104.77	104.54	104.66	104.69	104.84	104.95
2017-18	109.04	108.25	108.54	108.77	109.11	109.50
2018-19	115.95	114.33	114.94	115.31	115.83	118.02
2019-20	129.42	129.30	129.08	128.87	128.85	130.65
2020-21	142.42	144.61	143.31	142.26	141.40	141.82
2021-22	160.43	162.81	161.18	160.32	159.41	159.84
2022-23	212.78	218.18	214.99	213.91	211.68	208.90
2023-24	260.46	265.33	261.21	262.71	261.38	255.01
July-April						
2023-24	260.68	266.64	262.02	263.16	261.42	253.03
2024-25	269.25	268.37	266.30	269.94	270.89	269.62

Source: Pakistan Bureau of Statistics

Note: On the adoption of each new base year the data for the common periods may not be matched

TABLE 7.3 (B)

ANNUAL CHANGES IN PRICE INDICES AND GDP DEFLATOR

Fiscal Year	Consumer Price Index National	Consumer Price Index Urban	Consumer Price Index Rural	Wholesale Price Index	Sensitive Price Indicator	Annual GDP Deflator
	(Base Year : 2007-08 = 100)					
2010-11	13.66	-	-	21.25	16.57	19.52
2011-12	11.01	-	-	10.42	7.08	5.66
2012-13	7.36	-	-	7.35	7.77	7.12
2013-14	8.62	-	-	8.15	9.30	7.39
2014-15	4.53	-	-	-0.30	1.75	4.34
2015-16	2.86	-	-	-1.05	1.31	0.60
	(Base Year : 2015-16 = 100)					
2016-17	4.81	4.83	4.77	4.48	7.62	3.95
2017-18	4.68	5.10	4.08	5.27	2.47	3.74
2018-19	6.80	7.09	6.34	15.99	5.11	9.18
2019-20	10.74	10.17	11.62	10.24	13.74	9.88
2020-21	8.90	8.15	10.04	9.41	13.83	10.41
2021-22	12.15	11.82	12.65	24.91	17.10	14.10
2022-23	29.18	26.85	32.63	32.80	33.00	25.95
2023-24	23.41	24.12	22.41	20.16	27.52	22.10
July-April						
2023-24	25.97	26.27	25.55	22.37	30.17	22.10
2024-25	4.73	5.74	3.29	2.18	4.89	3.96

Source: Pakistan Bureau of Statistics

Note:

i) The base year period of Price Indices has been updated from 2007-08 to 2015-16

ii) The base for prices have been changed and different new groups have been included
Therefore, data may differ from the previous one

TABLE 7.4

AVERAGE RETAIL PRICES OF ESSENTIAL ITEMS

(Price in Rs.)
(Weight in Kg.)

Fiscal Year	Wheat (Av.Qlty)	Wheat Flour (Av.Qlty)	Basmati Rice (Broken	Moong Pulse (Washed)	Gram Pulse (Av.Qlty)	Beef (Cow/ Buffalo with bone)	Chicken (Farm)	Mutton (Goat) (Av.Qlty)	Eggs Hen (Farm) Doz.	Potato (Av.Qlty)	Dry Onion (Av.Qlty)	Tomato (Av.Qlty)
						(Base Year : 2007-08 = 100)						
2010-11	25.98	29.41	50.32	136.49	70.25	215.42	130.98	411.48	72.78	27.58	33.28	44.86
2011-12	26.74	30.26	60.36	127.90	83.32	252.41	150.07	482.04	86.95	25.33	32.24	46.46
2012-13	30.61	34.53	69.01	115.95	99.70	268.38	143.93	517.83	92.02	26.09	36.71	49.80
2013-14	37.02	40.98	74.09	137.64	74.77	283.99	161.40	559.49	97.61	42.79	41.63	58.36
2014-15	34.56	39.28	72.38	161.94	79.33	301.55	153.64	592.56	98.71	42.49	35.80	55.05
2015-16	33.92	38.57	63.00	160.30	123.53	316.37	151.95	627.94	89.84	25.75	44.29	49.14
2016-17	33.77	37.99	63.90	139.93	149.85	327.52	145.88	662.65	101.86	34.09	30.08	51.82
2017-18	33.11	37.45	72.07	118.15	118.76	348.64	158.87	733.68	103.17	33.89	48.59	59.62
2018-19	34.95	39.36	76.82	128.64	123.10	376.47	163.06	783.88	102.93	27.21	36.91	64.85
						Base Year : 2015-16=100						
2019-20	-	897.48	81.92	213.44	142.21	431.29	169.73	896.00	106.71	44.57	59.90	56.83
2020-21	-	1010.32	90.41	231.42	143.81	482.26	207.39	1004.05	153.10	53.41	43.01	61.38
2021-22	-	1173.32	100.93	171.96	159.66	584.71	234.56	1195.01	163.07	45.52	49.17	80.28
2022-23	-	1755.63	151.97	252.51	241.48	705.90	342.50	1471.31	251.16	62.38	118.42	83.56
2023-24	-	2575.18	222.46	292.91	251.64	847.36	395.28	1746.19	298.22	82.44	128.06	110.14
July-April												
2023-24	-	2754.56	224.65	289.40	247.02	829.42	406.30	1719.37	309.08	80.73	129.38	115.81
2024-25	-	1791.93	206.11	373.23	355.95	1021.01	425.87	1952.33	288.76	89.32	111.59	112.71

- : Not available (Contd.)

Note:

i) On the adoption of each new base year the data for the common periods may not matched

ii) In the new base year 2015-16, prices are disseminated w.e.f July, 2019

* : Wheat Flour price in Base year 2015-16 = 100 is quoted of 20 Kg bag

TABLE 7.4 (A)

AVERAGE RETAIL PRICES OF ESSENTIAL ITEMS

(Price in Rs.)
(Weight in Kg.)

Fiscal Year	Mustard Oil (Mill)	Vegeta-ble Ghee (Loose)	Rock Salt (Powder)	Red Chilies (Av.Qlty)	Sugar (Open Market)	Gur (Sup. Qlty)	Milk Fresh (Ltr.)	Tea in* Packet (Sup.Qlty) 200 grams
	(Base Year : 2007-08 = 100)							
2010-11	156.56	150.31	7.28	230.27	72.72	83.86	50.10	123.19
2011-12	178.29	166.26	8.13	299.42	60.99	78.27	58.17	135.15
2012-13	185.88	160.73	8.74	254.06	53.25	74.50	65.24	146.01
2013-14	184.48	160.57	9.37	221.33	53.82	82.83	69.86	154.58
2014-15	183.08	151.90	9.98	261.42	57.14	83.95	76.21	133.80
2015-16	179.67	138.35	10.43	274.03	62.60	89.28	78.24	172.76
2016-17	181.15	143.34	10.64	272.60	64.94	88.20	80.59	177.24
2017-18	183.83	146.22	11.10	266.58	53.70	81.49	82.75	189.44
2018-19	195.43	161.85	12.29	335.21	59.84	85.75	86.74	210.27
	Base Year : 2015-16=100							
2019-20	208.50	225.75	29.90	157.44	76.60	115.20	93.43	225.54
2020-21	254.12	269.95	30.01	318.56	94.21	128.82	105.17	230.17
2021-22	382.54	402.10	32.24	298.75	94.46	136.98	115.61	248.19
2022-23	545.73	559.95	45.95	217.04	98.35	144.68	151.70	400.91
2023-24	508.77	518.25	65.72	374.34	146.05	210.53	185.03	556.48
July-April								
2023-24	511.79	521.23	64.90	379.80	146.56	211.30	184.41	558.86
2024-25	535.58	546.94	71.29	322.17	146.45	211.77	196.68	522.25

(Contd.)

*: Tea packet prices in bases year 2015-16=100 is quoted of 190 grams packet price.

Note: In the new base year 2015-16, prices are disseminated started w.e.f July, 2019.

TABLE 7.4 (B)

AVERAGE RETAIL PRICES OF ESSENTIAL ITEMS

(Rs/unit)

Fiscal Year	Cigarettes (Pkt)	Long Cloth (Mtr.)	Georgerette (Mtr.)	Shoes Gents Concord Bata*	Firewood (Kikar/ Babul 40 Kgs.)	Match Box (40/ 50 Sticks) Each	Washing Soap (707/555 Cake)	Life-buoy Soap (Cake)
	(Base Year : 2007-08 = 100)							
2010-11	27.44	148.57	72.35	499.00	354.29	1.00	15.14	25.47
2011-12	29.10	111.21	88.07	499.00	441.74	1.06	18.39	30.50
2012-13	32.34	151.14	101.61	549.00	491.55	1.10	21.00	32.29
2013-14	38.45	176.59	112.40	671.92	538.12	1.42	23.34	35.86
2014-15	45.85	200.22	122.90	699.00	566.85	1.74	24.33	36.06
2015-16	57.75	203.29	123.29	699.00	593.42	1.99	24.74	36.16
2016-17	64.85	206.13	124.12	699.00	604.81	2.14	25.74	38.06
2017-18	50.86	215.80	127.34	699.00	621.24	2.24	26.39	40.67
2018-19	57.29	268.31	154.69	699.00	566.61	2.42	36.35	46.66
	Base Year 2015-16=100							
2019-20	81.24	306.67	146.50	899.00	668.45	2.51	45.13	44.66
2020-21	83.42	359.53	165.77	1013.60	716.92	3.11	53.78	47.04
2021-22	85.60	396.01	182.26	1260.33	787.06	3.58	72.75	54.77
2022-23	142.89	463.91	216.38	1572.67	989.78	4.67	109.00	86.90
2023-24	222.49	568.18	261.61	2298.72	1141.76	5.93	129.09	109.79
July-April								
2023-24	221.86	560.81	258.59	2260.64	1132.39	5.88	129.09	109.67
2024-25	233.69	620.03	291.02	2499.00	1264.48	6.22	130.46	107.52

(Contd.)

Note: In the new base year 2015-16, dissemination of prices started w.e.f July, 2019.

*: Prices of Gents Sandal Bata has been quoted in base year 2015-16 instead of prices of Shoes Gents Concord Bata in previous base year.

TABLE 7.4 (C)

AVERAGE RETAIL PRICES OF ESSENTIAL ITEMS

(Rs/unit)

Fiscal Year	Energy Saver (14-W)	Cooked Beef (Plate)	Cooked Dal (Plate)	Rice Irri-6 (Kg)	Masoor Pulse (Kg)	Mash Pulse (Kg)	Garlic (Kg)	Cooking Oil Dalda (2.5 Ltr*)	Vegetable Ghee (2.5 Kg)
	(Base Year : 2007-08 = 100)								
2010-11	124.75	52.88	33.65	38.87	117.72	163.16	198.92	435.88	435.98
2011-12	139.93	60.54	37.27	45.68	102.64	145.82	107.89	502.66	501.91
2012-13	151.82	68.55	40.16	49.90	100.39	132.72	123.18	535.55	519.06
2013-14	162.69	77.84	45.46	54.05	120.49	134.21	129.71	538.73	511.77
2014-15	165.49	82.86	48.41	51.99	135.32	163.82	139.00	513.55	495.00
2015-16	166.95	87.19	52.62	47.16	146.36	238.59	200.32	457.61	448.92
2016-17	167.79	92.56	56.70	48.71	140.36	223.70	273.46	460.79	452.68
2017-18	168.98	101.49	58.83	51.53	118.44	164.91	166.10	471.26	464.46
2018-19	173.40	113.60	64.17	54.59	107.55	152.18	157.72	497.94	483.96
	Base Year 2015-16=100								
2019-20	185.73	133.64	68.75	62.54	141.16	211.13	280.43	1199.22	586.30
2020-21	199.66	148.96	75.60	71.09	156.48	250.28	216.42	1374.94	690.38
2021-22	211.44	170.33	84.54	75.18	201.24	262.50	289.44	2038.51	1015.00
2022-23	264.53	224.01	113.88	113.16	284.32	390.82	354.16	2967.22	1430.10
2023-24	352.01	272.13	140.93	165.12	320.39	530.09	518.54	2810.06	1345.28
July-April									
2023-24	347.41	270.30	139.38	165.38	320.91	524.97	520.29	2841.93	1356.04
2024-25	380.24	295.40	160.16	160.25	305.59	518.12	587.13	2781.92	1396.57

(Contd.)

Note: In the new base year 2015-16. Prices are disseminated w.e.f July, 2019.

*: The unit of cooking oil Dalda has changed from 2.5 Ltr. to 5 Ltr. in base year 2015-16.

TABLE 7.4 (D)

AVERAGE RETAIL PRICES OF ESSENTIAL ITEMS

(Rs/Unit)

Fiscal Year	Curd (Kg)	Tea Pre-pared (Cup)	Banana (Doz.)	Lawn Hussain (Mtr.)	Shirting Hussain (Mtr.)	Shoes Lady Bata	Chappal Gents Spang	Bread Plain (M.Size)	Milk Pow-der Nido (400 grams*)
	(Base Year : 2007-08 = 100)								
2010-11	58.41	12.66	49.16	150.31	88.80	397.33	139.00	28.24	204.38
2011-12	68.19	14.25	65.10	166.26	108.37	399.00	152.08	31.23	247.85
2012-13	75.74	15.30	68.83	166.52	124.22	449.00	179.00	34.23	289.78
2013-14	81.88	16.97	70.63	198.05	144.91	499.00	179.00	39.17	310.50
2014-15	89.48	18.70	76.77	239.61	157.72	499.00	179.00	40.78	251.69
2015-16	92.10	19.36	75.70	244.90	162.32	500.61	179.02	40.82	372.70
2016-17	94.66	20.28	78.87	251.98	164.85	502.39	179.09	41.11	378.43
2017-18	99.15	21.23	81.04	260.65	171.58	524.53	183.65	42.07	379.46
2018-19	101.24	22.28	77.11	316.04	206.01	599.00	199.00	44.10	401.08
	Base Year 2015-16=100								
2019-20	108.22	25.81	78.82	355.16	201.32	599.00	199.00	47.82	448.85
2020-21	121.53	28.35	86.09	389.20	234.43	599.00	218.48	55.55	478.05
2021-22	133.44	32.70	90.98	420.28	264.98	650.41	277.80	63.55	507.25
2022-23	175.15	43.68	138.31	475.16	317.37	714.75	409.04	89.74	637.79
2023-24	215.67	56.87	136.52	560.31	415.53	822.91	599.00	113.60	819.69
July-April									
2023-24	214.65	56.36	133.33	554.13	406.98	808.48	599.00	113.55	813.52
2024-25	229.99	60.91	144.42	616.06	476.88	1146.55	599.00	109.19	1030.26

(Contd.)

Note: In the new base year 2015-16, dissemination of prices started w.e.f July, 2019.

* : The unit has changed from 400 gms to 390 gms in base year 2015-16.

TABLE 7.4 (E)

AVERAGE RETAIL PRICES OF ESSENTIAL ITEMS (Average of 17 Centers)

Fiscal Year	Kerosene (per ltr.)	Gas Charges (100 cf)	Elect Charges (upto 50 units)*	Petrol Super (per ltr.)	Tele Local Call Charges (per Call)
	(Base Year : 2007-08 = 100)				
2010-11	84.89	110.20	1.84	75.70	3.59
2011-12	104.84	132.73	1.89	92.93	3.59
2012-13	116.07	119.58	2.00	101.26	3.74
2013-14	123.45	124.18	2.00	110.99	3.94
2014-15	100.94	124.18	2.00	88.58	3.94
2015-16	80.62	127.79	2.00	72.31	3.94
2016-17	77.48	128.66	2.00	69.09	3.94
2017-18	98.74	128.70	2.00	80.70	3.94
2018-19	119.97	140.99	2.00	97.00	4.47
	Base Year 2015-16=100				
2019-20	-	141.57	3.90	106.49	1.55
2020-21	-	141.57	4.63	107.12	1.60
2021-22	-	141.57	6.36	144.00	1.79
2022-23	-	183.61	6.44	244.73	1.79
2023-24	-	944.61	7.28	281.33	1.79
July-April					
2023-24	-	814.94	7.32	283.21	1.79
2024-25	-	1976.50	6.33	256.90	1.79

-: Not available | Source: Pakistan Bureau of Statistics

Note: In the new base year 2015-16, prices are disseminated w.e.f July, 2019.

* : The unit has been changed from 50 units to lower income group consumers (Q1) in the base year 2015-16.

TABLE 7.5

INDICES OF WHOLESALE PRICES OF SELECTED COMMODITIES

Fiscal Year	Wheat	Rice	Gram (Whole)	Sugar Refined	Vegetab-le Ghee	Tea	Meat	Vegeta-bles	Fresh Milk	Cotton*	Motor Spirit
	(Base Year : 2007-08 = 100)										
2010-11	159.53	123.39	169.24	251.13	118.21	165.31	174.86	173.43	157.40	171.48	126.84
2011-12	163.44	149.45	-	229.24	141.37	192.23	214.40	211.52	190.29	189.55	155.00
2012-13	188.52	165.42	-	201.93	141.75	203.24	228.80	216.66	213.81	168.92	168.70
2013-14	227.13	177.67	-	206.98	141.51	215.49	238.93	254.41	225.98	185.58	184.99
2014-15	209.29	172.20	-	189.35	147.13	145.16	236.14	255.40	249.87	208.86	167.79
2015-16	209.07	147.58	-	237.16	119.85	242.82	267.79	258.45	255.23	249.16	120.71
2016-17	208.21	154.49	-	242.70	124.63	243.24	282.23	280.77	266.08	268.07	115.52
2017-18	202.02	172.15	-	201.60	127.22	261.70	311.25	294.16	275.05	262.92	134.99
2018-19	211.14	191.38	-	226.24	135.10	285.16	348.60	293.46	287.20	269.50	164.47
	(Base Year 2015-16=100)										
2019-20	119.09	145.34	-	123.16	138.46	126.36	139.45	178.87	116.22	127.20	150.35
2020-21	158.62	166.97	-	150.78	167.12	129.72	162.32	161.91	141.12	138.85	148.00
2021-22	175.16	182.90	-	153.61	262.71	142.24	192.37	195.68	149.26	146.49	206.78
2022-23	292.61	268.05	-	161.41	358.83	209.91	226.09	271.31	193.85	176.07	347.49
2023-24	338.58	355.83	-	237.32	321.53	266.69	275.99	347.61	226.88	178.55	399.13
July-April											
2023-24	359.12	357.82	-	237.65	323.62	266.05	271.05	361.95	225.77	178.28	401.78
2024-25	225.67	333.15	-	239.33	348.76	275.67	316.89	336.16	247.22	194.19	362.46

-: Not available (Contd.)

*: In the base year 2015-16 prices of Cotton Seeds has been quoted instead of Cotton prices.

TABLE 7.5

INDICES OF WHOLESALE PRICES OF SELECTED COMMODITIES

Fiscal Year	Kerosene Oils	Fire Wood	Cotton Yarn	Matches	Soaps	Ferti-lizers	Trans-port	Leather	Timber	Cement
	(Base Year : 2007-08 = 100)									
2010-11	141.73	151.43	182.87	110.37	130.52	174.65	116.77	107.07	127.27	140.80
2011-12	166.98	190.47	196.06	118.84	151.04	258.65	-	109.08	139.00	162.19
2012-13	177.67	215.48	208.38	132.57	167.01	261.38	-	111.60	149.51	185.77
2013-14	178.30	238.11	213.03	143.20	180.26	266.33	-	168.48	170.36	203.42
2014-15	179.03	252.59	246.11	175.76	160.21	235.83	-	216.67	200.60	225.95
2015-16	162.08	263.90	173.44	162.62	183.87	260.00	-	220.42	214.44	212.15
2015-16	161.99	263.88	173.41	162.62	183.87	260.10	-	220.40	214.35	212.23
2016-17	178.77	272.97	198.86	165.53	189.10	219.37	-	222.98	225.62	214.45
2017-18	186.98	282.43	216.99	171.36	191.32	222.52	-	215.78	233.96	217.99
2018-19	232.43	290.68	267.72	172.07	198.37	258.49	-	224.79	243.08	236.62
	Base Year 2015-16 = 100									
2019-20	169.85	111.12	164.90	1164.79	110.25	101.84	-	106.04	111.87	113.42
2020-21	141.77	124.41	179.14	1172.40	113.18	102.06	-	108.77	152.12	122.71
2021-22	230.78	132.99	232.48	1228.39	130.05	142.37	-	119.84	162.32	151.50
2022-23	369.05	159.31	239.61	1970.70	175.97	203.96	-	147.14	196.21	204.11
2023-24	384.14	181.44	239.61	3309.90	226.05	251.46	-	179.74	223.08	238.19
July-April										
2023-24	392.31	181.04	239.61	3307.09	225.46	246.66	-	179.17	221.76	236.25
2024-25	330.52	200.83	239.61	3332.20	235.71	275.39	-	176.46	238.17	286.08

-: Not available

Source: Pakistan Bureau of Statistics

In the new Base Year 2015-16, prices are disseminated w.e.f July, 2019.

TRADE AND PAYMENT

Jul-Apr FY2025 (US$ billion)

Current Account Surplus	1.9
Exports	27.3
Imports	48.6
Trade Deficit in Services	2.5
Primary Income Deficit	7.1
Remittances	31.2
FOREX Reserves	16.6 (27th May 2025)
Average Exchange Rate	278.75 (PKR Rs)

SBP: US$ 11.5

Banks: US$ 5.1

Chapter 8

TRADE AND PAYMENTS

Current Account recorded a surplus of US$ 1.9 billion during July-April FY 2025, marking a remarkable reversal from a US$ 1.3 billion deficit in the same period last year. This is a historic achievement in Pakistan's external sector, seen only once in FY 2003 when the surplus reached US$ 4.1 billion. While the balance of trade in goods and services and the primary income account showed some deterioration compared to the previous year, the current account still improved, largely due to a significant rise in secondary income, particularly remittances. Additionally, the trade deficit in goods and services was contained, supported by prudent import management and relatively stable global commodity prices, which helped moderate the overall external imbalance. Exports recorded 6.8 percent growth, led by a similar increase in textile exports, which continue to account for 53 percent of total exports.

Remittance inflows have been increasing since FY 2023, reaching a historic high of US$ 4.1 billion in March 2025, further strengthening the external account. During July-April FY 2025, remittances posted a growth of almost 31.0 percent. Contrary to this, the financial accounts during this period observed an outflow of US$ 1.6 billion compared to a net inflow of US$ 4.2 billion in the same period last year. This was mainly due to increased government debt repayments as well as lower than projected disbursement of official loans. Despite this, the notable progress in the current account and economic environment improvement driven by the IMF EFF program helped stabilize the exchange rate and preserve foreign exchange reserves, even in the face of ongoing debt obligations.

Collectively, these positive external sector developments have not only reinforced market confidence but also contributed to improving overall economic sentiment. These developments reflect the government's strong commitment to sound economic stewardship, rational policy making, and the implementation of targeted reforms. It highlights how external sector stability has become a cornerstone of macroeconomic resilience, reinforcing investor confidence, enabling sustainable growth, and enhancing the country's ability to meet development needs without compromising long-term economic sovereignty.

8.1 Global Trade Environment and Geopolitical Landscape

Global trade faced disruptions in 2024 due to ongoing conflicts in Ukraine and the Middle East, along with Houthi missile attacks in the Red Sea affecting key shipping routes. Despite these challenges, trade gained momentum in the second half of the year, with Emerging Markets and Developing Economies (EMDEs) and the U.S. expanding, while other advanced economies struggled.

World merchandise exports grew 2 percent to US$ 24.43 trillion, with China leading at US$ 3.58 trillion, followed by the U.S. (US$ 3.36 trillion) and the EU (US$ 2.80 trillion). Services exports surged 9 percent to US$ 8.69 trillion, with the EU dominating at US$ 1.64 trillion. The UK maintained growth despite weak domestic demand, while Germany stabilized after an industrial slowdown. The UAE strengthened its role as a trade hub, expanding re-exports across Africa and Central Asia. The growth pattern of global merchandise trade can be depicted in Fig-8.1. These global dynamics shaped Pakistan's trade environment. Growth in developed markets opened export opportunities, but heavy reliance on imports, particularly from China,

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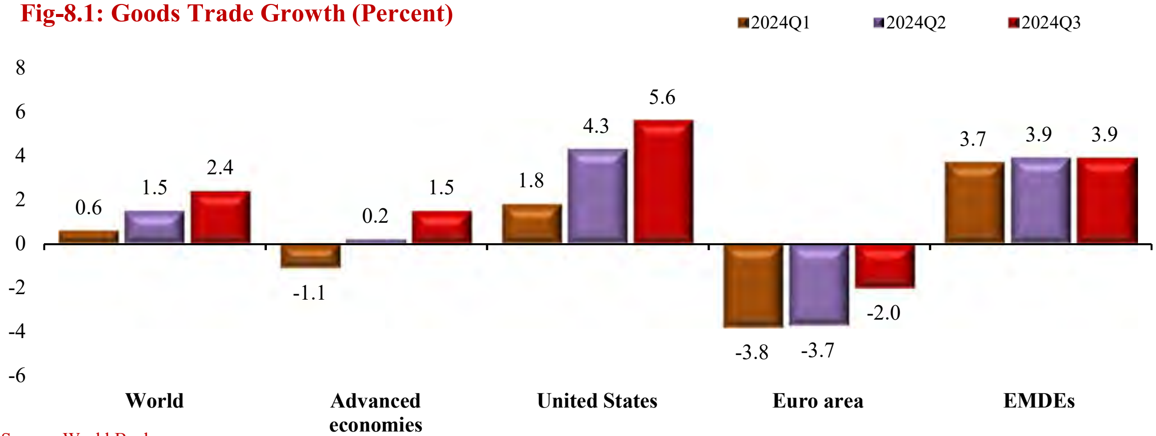
maintained trade imbalances. More recently, the rising protectionism and economic uncertainties pose risks, with the U.S. imposing broad tariffs, some reaching 145 percent on China, leading to retaliatory measures. Recent tariff reductions in May 2025 offer temporary relief, but investor sentiment remains cautious.

Geopolitical conflicts continue to pressure economies, disrupting supply chains and commodity flows, impacting energy-importing nations like Pakistan. Tensions between India and Pakistan escalated after the April 22 attack in Kashmir, with India suspending the Indus Water Treaty and conducting military operations against Pakistan on May 7, 2025. Pakistan's armed forces successfully safeguarded national security, demonstrating strategic strength and resilience, which will likely reinforce investor confidence and improve the overall security climate. This stability, combined with the approval of the IMF's first review, contributed to a strong market rebound, with the KSE-100 index surging by 9.3 percent, reflecting renewed optimism in the region's economic outlook.

With global trade of Goods and Services growth projected to slow to 1.7 percent in 2025. The government is taking all measures to strengthen economic buffers, expand exports, and enhance trade ties to navigate rising geopolitical and financial uncertainties.

Fig-8.1: Goods Trade Growth (Percent)



Source: World Bank

Box-1: Impact of US Tariff on Trade of Pakistan

Global trade turbulence may spare Pakistan and offer a unique opportunity. The intensifying U.S. tariff war under the renewed policies of President Trump marks a significant shift in the global trade landscape. Much of the international community is grappling with concerns over potential economic fallout. The evolving situation has downward risks as well as opportunities for the exports of Pakistan.

Pakistan is in the 33rd position in terms of trade surplus with the US. Pakistan's export to USA is only 17 percent of its total exports to the world in value terms. In 2024, U.S. exports to Pakistan totaled US$ 2.14 billion, while imports stood at US$ 5.47 billion. Pakistan is also a major trading partner of the EU, China, and other Middle Eastern and far eastern countries. Therefore, there is a possibility that Pakistan's trade will be adversely affected by the US actions and will allow it to maintain stable trade ties while larger economies face pressures.

Pakistan's lower reciprocal tariffs make it a more accessible market for the U.S. and strengthen the case for preferential treatment. Although Pakistan imposes a lower trade-weighted average tariff on import of US goods (7.3%) compared to US tariffs on Pakistan's exports (9.9%), the formula adopted by the US resulted in 30 percent additional tariffs on Pakistan. While countries like Cambodia (49%), Vietnam (46%), China (145% and above), and Bangladesh (37%) faced significantly higher reciprocal tariffs from the U.S., Pakistan's rate of 30 percent stands out, lower than several competitors and close to India's 27 percent. The comparatively open market profile in terms of trade-weighted average tariff strengthens Pakistan's case for preferential treatment or improved U.S. market access, positioning it as a cooperative and reasonably open trading partner.

Cotton trade forms the backbone of U.S. Pakistan textile cooperation. Pakistan is one of the largest importers of U.S. cotton, a vital input for its top export sector, textiles and apparel. In FY 2024, it imported over US$ 700 million worth of raw cotton, the largest item in imports from US. This number is expected to increase further in the ongoing year. By sourcing high-quality cotton from the U.S. and exporting back value-added finished goods, Pakistan built a mutually beneficial trade cycle. This model not only boosts industrial competitiveness but also strengthens long-term access to the U.S. market. The government is in consultations with the private sector to devise policies that will increase cotton imports from the U.S., solidify Pakistan's role as a reliable textile supplier, further anchoring bilateral trade. Pakistan has recently resolved the issues in the import of Soyabean and Beef products from the U.S., which will further enhance its trade with one of the largest markets in the world.

Trade diversion from China and other major US partners creates export opportunities for Pakistan. Pakistan has the opportunity to gain market share in the U.S. for several products where high tariffs have been imposed on key competitors like China, Cambodia, and Vietnam, while Pakistan faces relatively moderate tariffs, higher than Egypt and Turkey but lower than most others. The best opportunities lie in products that the US imports in large volumes from these high-tariff countries, where Pakistan already has some export presence. Key categories include textiles and apparel, where Pakistan can expand in cotton trousers, knit shirts, and denim, capitalizing on its strong textile base.

Beyond apparel, home textiles such as bed linen, towels, and curtains present strong potential, as Pakistan is already a major exporter and competitors like China and Vietnam face steeper tariffs. Similarly, leather gloves, sports goods, and footwear offer openings due to higher tariffs on Chinese and Vietnamese goods. With targeted improvements in quality, branding, and compliance, Pakistan can position itself as a reliable alternative supplier in these sectors.

Declining oil prices offer further breathing room for Pakistan's economy

Recent trends in global energy markets also favor Pakistan. As of today, May 17, 2025, Brent crude has fallen to US$ 64/barrel, easing inflationary pressures and reducing the import bill. Furthermore, Goldman Sachs has predicted that by December 2025, Brent and US crude could drop further, and by December 2026, they could fall to US$ 55 and US$ 51 per barrel, respectively. This is especially beneficial for the current account deficit, as 28 percent of imports contain petroleum and other energy-related products. Export-oriented sectors like textiles can benefit from lower energy costs and will become more competitive in international markets.

As per estimates by the Ministry of Commerce, the negative impact on exports of the country will not be more than US$ 400 million in the medium term. However, these estimates are based on the situation arising from the action of 2nd April 2025 by the US and will depend on the rapidly changing environment in the international markets.

In conclusion, amidst the turbulence of the U.S.-led trade war, Pakistan finds itself at a rare juncture, insulated from direct fallout yet well-placed to seize emerging opportunities. As global supply chains are reshaped and trade patterns recalibrated, Pakistan can position itself strategically by leveraging foresight, smart diplomacy, and targeted sectoral investment. With the right policy mix, it has the potential not only to mitigate risks but also to emerge as a sizeable player in the evolving global trade landscape. Pakistan has already engaged with the US authorities for resolving the issue of additional tariffs on exports of Pakistan. The government, as well as the private sector, are optimistic about the resolution of the issue through mutual consultation and negotiation.

8.2 Balance of Payments Performance

Recognizing the vulnerability of the external sector, the government. together with the State Bank of Pakistan (SBP), undertook a series of targeted measures beginning in FY 2023, which gained momentum in FY 2024 and further intensified in FY 2025. These efforts led to a record current account surplus of US$ 1.9 billion during July-April FY 2025, representing a significant turnaround from the US$ 1.3 billion deficit recorded in the same period last year. Though the overall external account posted a

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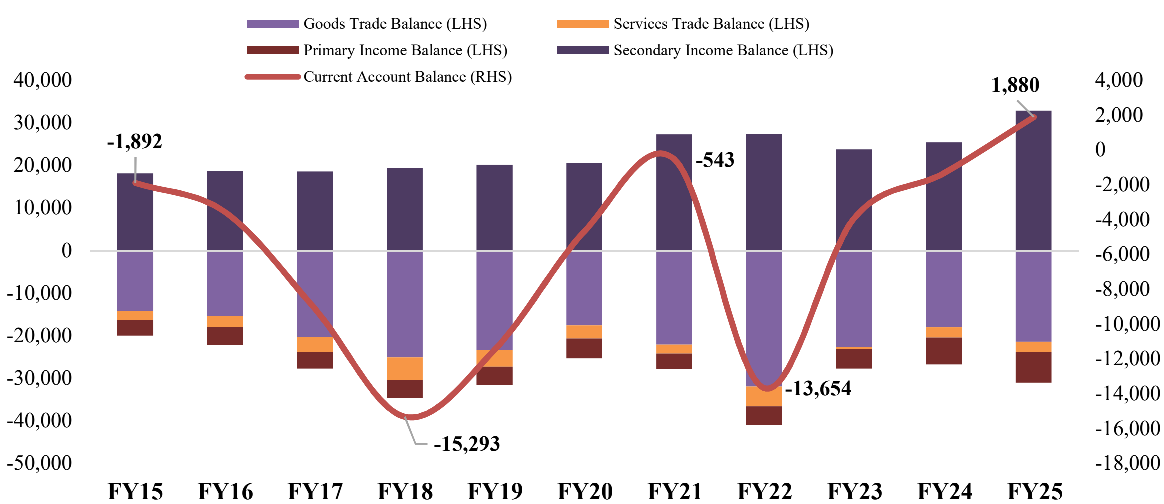
deficit of US$ 423 million, it marked a substantial improvement compared to the US$ 2.4 billion deficit in the previous year.

The recent US$ 1.02 billion tranche from the IMF signals a positive review of Pakistan's economic performance, affirming that macroeconomic stability is on track. This financial support is expected to bolster fiscal discipline, enhance investor confidence, and accelerate economic recovery, reinforcing Pakistan's commitment to sustainable reforms and long-term resilience. Accompanied by greater exchange rate stability and a rebuilding of foreign exchange reserves, these developments underscore Pakistan's strengthening external position and growing economic confidence.

8.2-a Current Account

The current account surplus of US$ 1.9 billion was primarily driven by a robust rise in official remittances, which more than offset the impact of a widened trade and primary income deficit. (Fig-8.2 A).

Fig-8.2: A: Period-wise (July-April) Current Account Balance (US$ million)



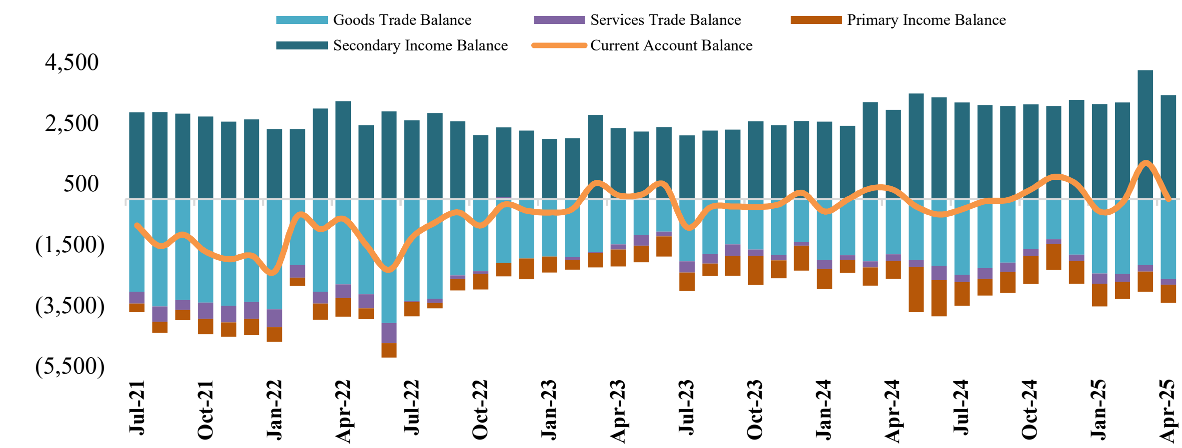
Source: SBP

The trade balance in goods registered negative growth, driven by an 11.8 percent increase in imports, which outpaced the 6.8 percent growth in exports. Similarly, although service exports grew by 9.3 percent, slightly outpacing the 7.9 percent growth in service imports, the overall trade deficit in services still widened due to the higher absolute value of imports, which remained significantly larger than exports. The primary income account posted a deficit of US$ 7.1 billion, an increase of US$ 803 million over the previous year, largely due to higher outflows in the form of dividends, investment income, and withdrawals from quasi-corporations.

Remittances emerged as a key stabilizer, performing exceptionally well and exceeding expectations. These inflows continued to play a pivotal role in offsetting the impact of trade and income deficits, thereby contributing to the current account surplus. This surplus, in turn, supported foreign exchange reserves accumulation, which reached US$ 16.64 billion (US$ 11.50 billion with SBP and US$ 5.14 billion with Commercial Banks) as of May 27, 2025, which helped stabilize the exchange rate (Average Ex Rate for July-April FY 2025 is 1$ = Rs 278.72).

Monthly comparison of the Current Account Balance is shown in Fig - 8.2 B.

Fig-8.2 B: Monthly Current Account Balance (US$ million)

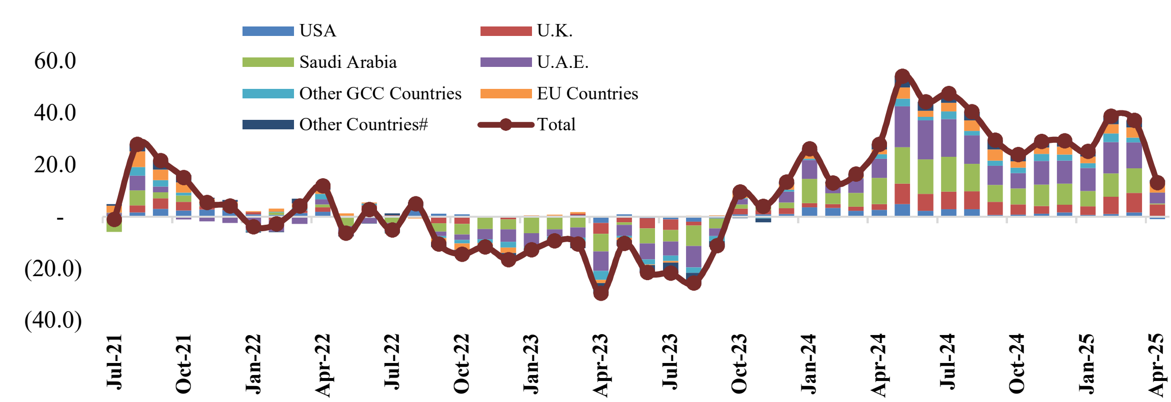


Source: SBP

8.2-a(i) Workers Remittances

During July-April FY 2025, workers' remittances surged by posting a significant growth of 30.9 percent, reaching US$ 31.2 billion, providing crucial support to Pakistan's external position. This broad-based growth was supported by resilient labor markets and easing inflation in the US and Europe during late 2023 and into 2024, which helped boost real wages and, in turn, remittance inflows. In the GCC region, expanding Saudi mega-projects led to a higher migrant employment, further contributing to inflows. Domestically, policy measures curbing KERB premium encouraged higher formal remittance transfers, strengthening financial inflows. Contribution-wise growth in workers' remittances is shown as:

Fig-8.2 B. (i): Country-wise Contribution in Workers' Remittances YoY Growth



Source: SBP

March 2025 marked a historic milestone, with remittances hitting an all-time high of US$ 4.1 billion, the largest monthly inflow ever recorded. This exceptional surge reflected heightened seasonal transfers, exchange rate stability, and improved financial system that redirected funds through formal banking channels. Elevated remittances helped offset trade and primary income deficits, mitigating the impact of imports outpacing exports amid rising domestic demand and relaxed import controls. Investment activity surged, driving higher imports of machinery for power, textiles, and mining. At the same time, exchange rate stability redirected flows through official banking channels, resulting in a robust 37.2 percent (YoY) growth in remittances during March 2025.

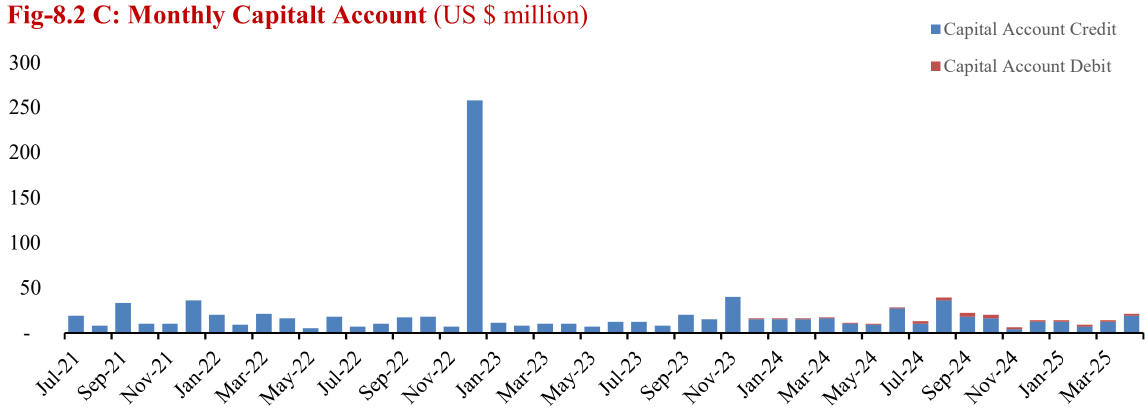
To maintain this momentum, sustained labor market strengthening, strategic policy measures, and expanded financial inclusion will be essential in maximizing remittance inflows and reinforcing external stability. The government remains committed to implementing these measures.

8.2-b Capital Account

The Capital Account in the Balance of Payments plays a vital role by capturing the international flow of capital transfers and transactions in non-produced, non-financial assets. However, in Pakistan's case, the scale of these flows remains relatively modest. During July-April FY 2025, the capital account recorded a surplus of US$ 120 million, compared to US$ 161 million in the same period last year, reflecting its limited but consistent contribution to the overall external account.

Figure 8.2 C presents the monthly performance of the Capital Account, which generally remains negligible. However, in January 2023, a capital transfer of US$ 258 million created a notable outlier, marking the highest monthly inflow during the period.

Fig-8.2 C: Monthly Capitalt Account (US $ million)



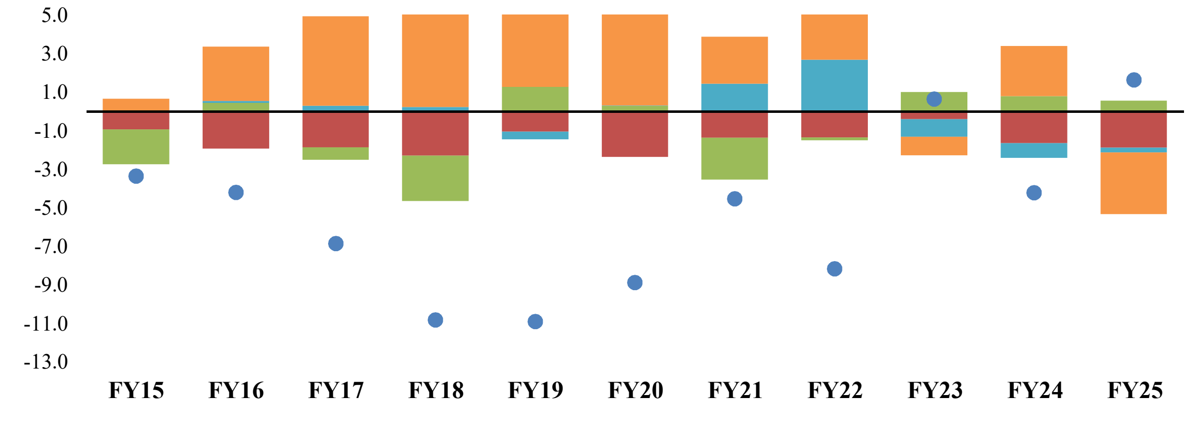
Source: SBP

8.2-c Financial Account

The Financial Account in the Balance of Payments offers critical insights into a country's investment dynamics and external financing position by tracking changes in ownership of international assets and liabilities. During July-April FY 2025, Pakistan's financial account registered net outflow of US$ 1.6 billion, a significant shift from net inflow of US$ 4.2 billion in the same period last year. This decline was primarily driven by higher government debt repayments and a substantial reduction in net incurrence of liabilities, which fell to negative US$ 3.2 billion, compared to US$ 2.6 billion during the corresponding period last year, reflecting a marked slowdown in external borrowing.

Foreign Direct Investment (FDI) decreased slightly to US$ 1.8 billion, with major inflows originating from China, Hong Kong, and the United Kingdom, concentrated mainly in the energy and financial sectors. Thus, FDI remains limited relative to the US$ 23.8 billion trade deficit in goods and services, underscoring the critical need to attract sustained and diversified investment to bridge this gap and bolster economic stability. During July-April FY 2025, portfolio investment recorded a net outflow of US$ 574 million, compared to US$ 797 million in the same period last year. This improvement is attributable to enhanced investor confidence resulting from domestic economic stabilization, a robust current account surplus, and proactive policy measures (Fig - 8.2 D).

Fig - 8.2 D: Period-Wise (July-April) Financial Account (US $ billion)



Source: SBP

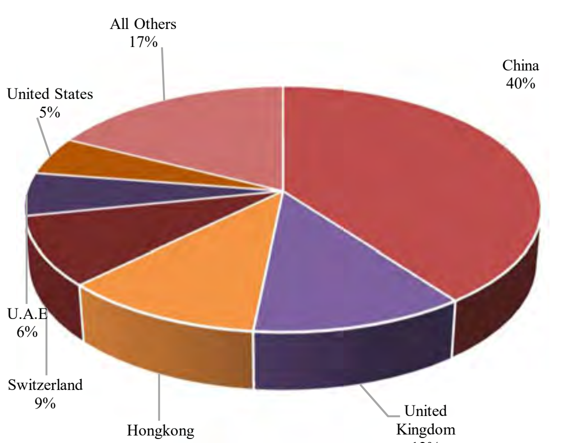
8.2-c(i) Foreign Direct Investment

During July-April FY 2025, FDI decline by 2.7 percent and clocked at US$ 1,785 million from US$ 1,837 during same period last year due to a significant outflow of US$ 253.0 million to France (93.3), Canada (79.7), Norway (42.0), Germany (19.6) and Panama (18.5). In April 2025, FDI witnessed a decrease of 64.2 percent and was recorded at US$ 141 million against US$ 394 million during same month last year. However, when compared to last month, there was a 442.0 percent increase as FDI was only US$ 26 million in March 2025.

A key reason was heightened global risk aversion, with investors shifting capital toward safer markets amid geopolitical tensions and economic uncertainty. Another key reason was the slowdown in global trade and investment flows, affecting developing economies, as multinational firms scaled back expansion plans. Furthermore, China's outbound investments declined, reducing FDI inflows to economies like Pakistan, which historically benefited from Chinese investment.

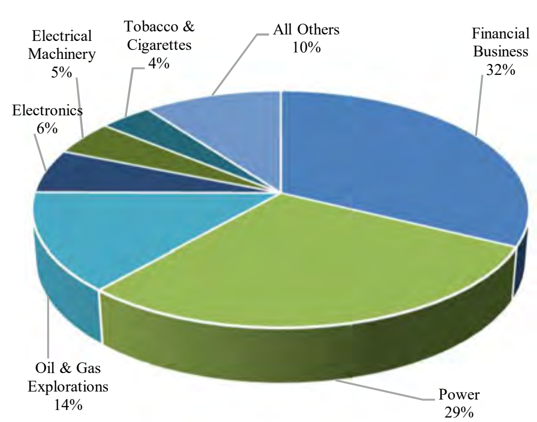
Fig - 8.2 D.(i): Foreign Direct Investment July-April FY 2025

Fig - A: Country-Wise Share (%)



Source: SBP

Fig - B: Sector-Wise Share (%)



Source: SBP

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8.2-c(ii) Foreign Portfolio Investment

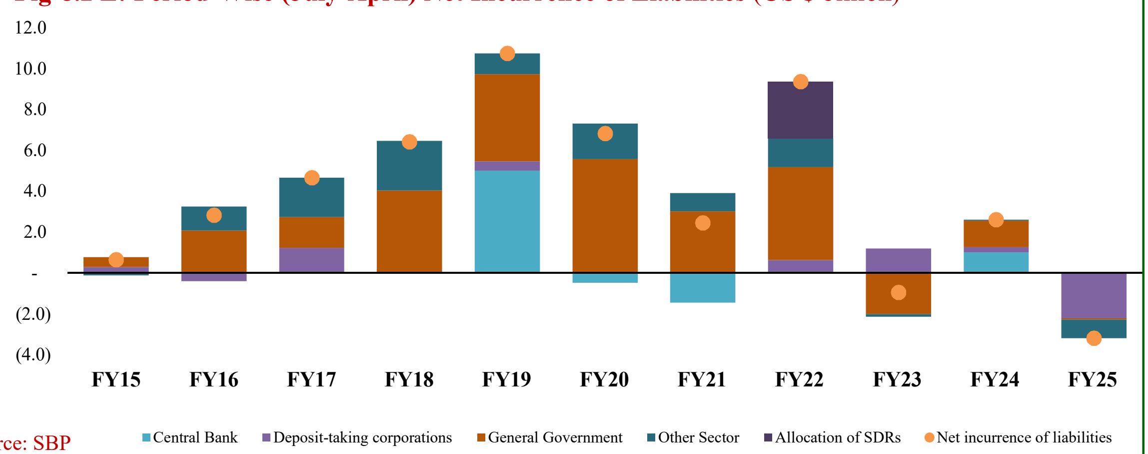
During July-April FY 2025, there was a net outflow of US$ 574 million in the Foreign Portfolio Investment (FPI), compared to an outflow of US$ 797 million in the corresponding period of the previous year. This may be because global investors are rebalancing their portfolios amid tighter monetary conditions and more attractive yields in developed markets. Recognizing these shifts, the government of Pakistan is proactively engaging with market participants and refining policy measures to sustain investor confidence and support a stable financial environment.

First Sovereign Domestic Green Sukuk: Pakistan has launched its first Sovereign Domestic Green Sukuk, valued at Rs 30 billion, on the Pakistan Stock Exchange (PSX) to finance climate-resilient and renewable energy projects. The Sukuk manifests growing investor confidence and is a key step toward lower-cost, long-term borrowing. Structured on an Ijarah basis under the Sustainable Investment Sukuk framework, the three-year Sukuk aims to boost Shariah-compliant financing, increasing its share in Pakistan's domestic debt to 14 percent. Proceeds will support green energy initiatives, including dam construction, with Meezan Bank, Dubai Islamic Bank, Bank Islami, and Alfalah Islamic serving as financial advisors. The auction was opened to local and international investors. It also coincides with Youm-e-Tashakur (national security successfully safeguarded by armed forces) and follows PSX's record high of 119,961.91 points, reinforcing economic optimism. It is also expected that ongoing macroeconomic reforms will be of interest to international investors. Pakistan's shift toward sustainable financing, including a planned Panda Bond issuance in late 2025, marks a strategic move toward economic resilience and environmental sustainability.

8.2-c(iii) Net Incurrence of Liabilities

During July-April FY 2025, the Net Incurrence of Liabilities fell to US$ 3.2 billion. (Fig-8.2 E).

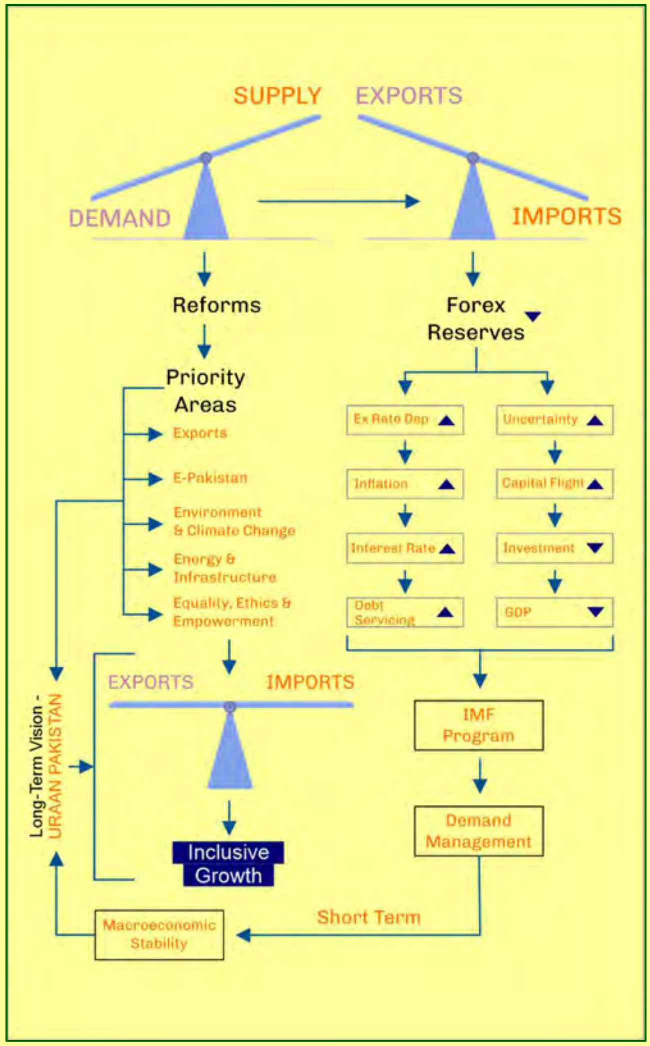
Fig-8.2 E: Period-Wise (July-April) Net Incurrence of Liabilities (US $ billion)



Source: SBP

Figure - 8.2 E illustrates a notable shift in Pakistan's external financing pattern. This marked the second year of negative net liability incurrence, following US$ 1.1 billion in FY 2023, indicating that Pakistan repaid more external obligations than it borrowed. In contrast, earlier years such as FY 2019 and FY 2022 saw significant external borrowing, driven by inflows to the central bank, general government, and special allocations like SDRs. The deepening negative position in FY 2025 reflects a deliberate policy focus on external debt reduction, driven by higher repayments and constrained external financing, and underscores a broader effort to reinforce macroeconomic stability and reduce external sector vulnerabilities.

Box-II: Beyond Surplus: Ensuring Sustainable Trade & Growth



The interconnection between current account stability, foreign exchange reserves, exchange rate dynamics, and debt sustainability plays a crucial role in shaping Pakistan's economic future. While the recent surplus has provided temporary relief, it must be complemented by structural reforms, export diversification, and investment-driven growth to prevent reliance on remittances and short-term trade gains. Pakistan's economic history has been shaped by cycles of external borrowing, fiscal imbalances, and exchange rate volatility, leading to recurrent IMF programs as a stabilizing mechanism. Historically, Pakistan has struggled with twin deficits, a high current account deficit and fiscal deficit, leading to excessive reliance on external financing and foreign loans. The depletion of forex reserves triggered currency crises, compelling the government to seek IMF assistance. These came with policy prescriptions including austerity measures, interest rate hikes, exchange rate liberalization, and subsidy reductions. While these reforms provided short-term stability, they often led to economic contractions, higher unemployment, and increased costs for businesses and consumers.

With a current account surplus in FY 2025, Pakistan is at a crossroads to avoid future IMF dependencies. The government's long-term vision, URAAN Pakistan, represents a strategic shift towards sustainable economic growth, reducing reliance on external borrowing, and ensuring financial independence. URAAN aims to diversify economic sectors, increase foreign direct investment, strengthen exports, and develop high-value industries to enhance external financial stability. This framework seeks to minimize fiscal deficits through better revenue generation and efficient public spending, reducing the need for international financial assistance.

URAAN's strategy can help Pakistan avoid frequent IMF programs by addressing structural bottlenecks and focusing on potentials, that previously led to external crises. Policies promoting technological advancements, industrial expansion, and green initiatives aim to create self-sustaining economic growth, rather than short-term fiscal corrections dictated by external lenders. Additionally, financial inclusion and social equity embedded in the URAAN Pakistan's framework ensure that economic benefits reach all segments of society, fostering inclusive growth rather than benefiting only specific sectors. With URAAN Pakistan's proactive strategies, the country can transition from reactive debt cycles to proactive economic expansion, positioning itself as a self-sufficient and globally competitive economy in the years ahead.

8.2-d Gross Official Reserves and the Exchange Rate

Building on the improved external sector performance, gross official reserves held by the State Bank of Pakistan remained stable, reflecting the effectiveness of coordinated fiscal and monetary policies. The alignment between government reforms and SBP's prudent external account management was pivotal in preserving

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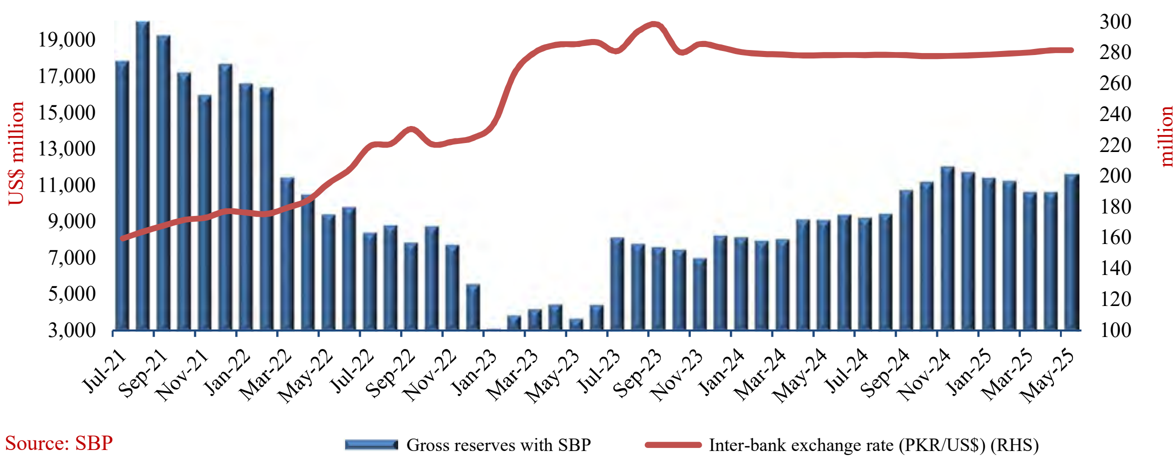
reserve buffers despite ongoing debt repayments. Simultaneously, the exchange rate remained broadly stable, supported by improved current account dynamics, controlling import demand, and sustained remittance inflows. This policy coherence helped anchor market expectations, enhance foreign exchange liquidity, and reinforce confidence in the domestic currency, contributing to the overall macroeconomic stability.

Fig - 8.2 F: Gross Reserves with SBP and the Exchange Rate

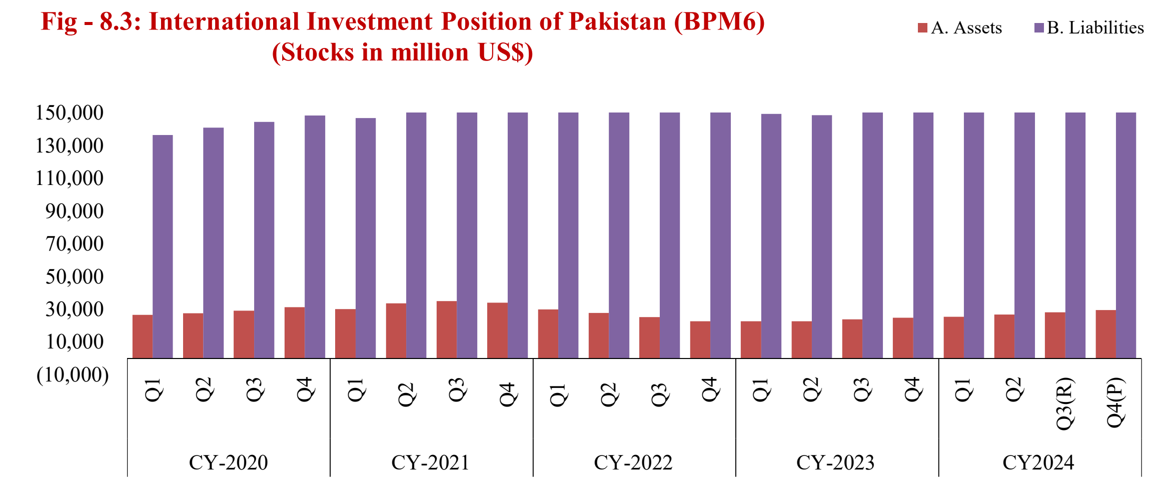


Source: SBP

8.3 International Investment Position of Pakistan (BPM6)

Pakistan's International Investment Position (IIP) under BPM6 has remained negative for a prolonged period, reflecting persistent liabilities exceeding financial assets on the international front.

Fig - 8.3: International Investment Position of Pakistan (BPM6) (Stocks in million US$)



Source: SBP

This prolonged net debtor status indicates that foreign obligations, such as external debt, portfolio investments, and other international liabilities, have consistently outweighed foreign assets like official reserves, direct investments abroad, and private sector foreign holdings. However, the recent stabilization in IIP over the past quarters suggests a relative improvement in financial balance, signaling controlled capital outflows, the government's better debt management, and more predictable international financial engagements.

Amid a persistently negative IIP, Pakistan must leverage its current account surplus and initiatives like URAAN Pakistan to drive FDI-led growth and export diversification, thereby bolstering reserves and achieving a balanced external financial position.

Box-III: Exchange Rate Stability in a Volatile Global Financial Environment

In the early months of FY 2024, Pakistan's exchange rate regime came under intense pressure amid global financial uncertainty and domestic imbalances. A sharp divergence of over 9 percent between the interbank and open market exchange rates triggered a surge in informal currency trading and caused an estimated US$ 4 billion loss in official remittance inflows. This misalignment eroded market confidence, fueled inflationary pressures, and led to a drawdown in foreign exchange reserves.

In response, the government acted decisively. In September 2023, a nationwide crackdown was launched against illegal currency trading, smuggling, and hoarding. Coordinated enforcement actions resulted in multiple arrests and the seizure of significant illicit funds, curbing the parallel market's influence. Simultaneously, the State Bank of Pakistan implemented key reforms to improve the functioning of the foreign exchange market. The central bank worked to align the interbank and open market exchange rates within the IMF-prescribed ±1.25 percent band, restoring transparency and credibility.

These combined efforts yielded tangible results. The Pakistani rupee appreciated 3.5 percent against the US dollar, and the premium between official and market rates narrowed significantly. This helped stabilize inflation expectations, reduce speculative pressures, and rechanneled remittances through formal banking network. The SBP maintained a market-based exchange rate policy, avoiding artificial interventions, enhancing operational transparency.

The recent IMF's disbursement of US$ 1.02 billion reflects a favorable assessment of Pakistan's economic performance, confirming that macroeconomic stability is evolving on a solid trajectory. As of May 16, 2025, foreign exchange reserves totaled US$ 16.8 billion, comprising US$ 11.6 billion held by the SBP and US$ 5.2 billion by commercial banks which has helped stabilize the exchange rate as well. For July-April FY 2025, Average Exchange Rate remained 1$ = Rs 278.72 which also restored market confidence, and strengthened the country's external position

These measures gained importance in the context of a globally volatile financial environment. Persistent trade tensions, uneven global monetary policy adjustments, and a shifting outlook for the US dollar have reduced global risk appetite, resulting in capital flow volatility. Such episodes often trigger large-scale outflows from emerging markets, placing high pressures on their currencies and tightening domestic financial conditions.

Pakistan's earlier experience in FY 2024 demonstrates the vulnerabilities that such global shocks can expose when policy and regulatory frameworks are misaligned. In response, the government and the SBP have since taken coordinated and targeted steps to reduce associated risks. These include enforcing a unified and transparent exchange rate mechanism, crackdowns on illegal currency trading, enhanced monitoring of foreign exchange operations, and strict regulatory oversight of exchange companies. Additionally, adopting a flexible, market-determined exchange rate, prudent reserve management, and the alignment of fiscal and monetary policies have collectively helped insulate the economy from external volatility. These measures aim not only to mitigate immediate shocks but also to build long-term resilience in Pakistan's external sector.

8.4 Merchandise Trade Performance - PBS

The Balance of Payments offers a comprehensive view of external sector dynamics, including the trade of goods. However, to examine merchandise trade in greater depth, the Pakistan Bureau of Statistics (PBS) provides detailed data that is crucial for analyzing export competitiveness, import patterns, and the real-time impact of trade-related policies.

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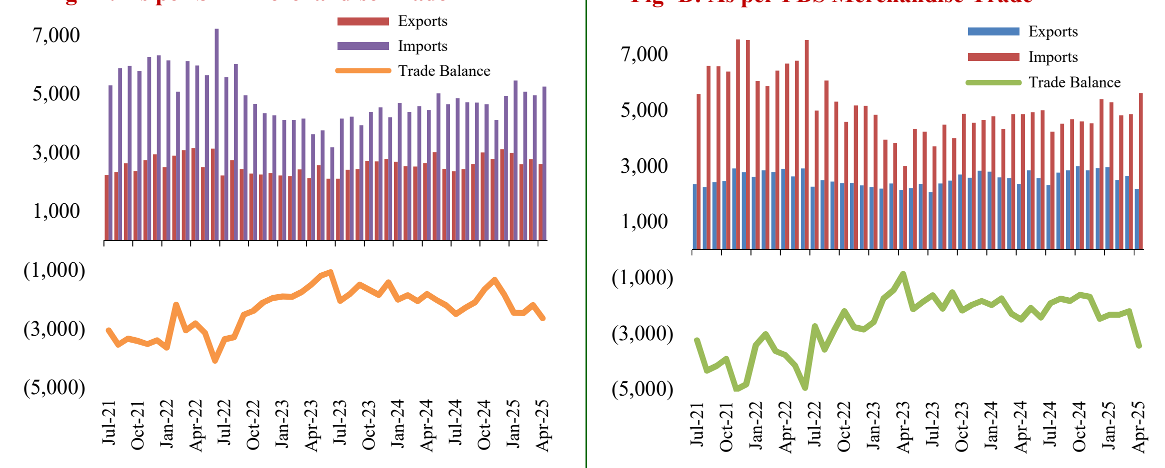
Fig-8.4: Comparison between SBP & PBS Merchandise Trade

Fig- A: As per SBP Merchandise Trade | **Fig- B: As per PBS Merchandise Trade**

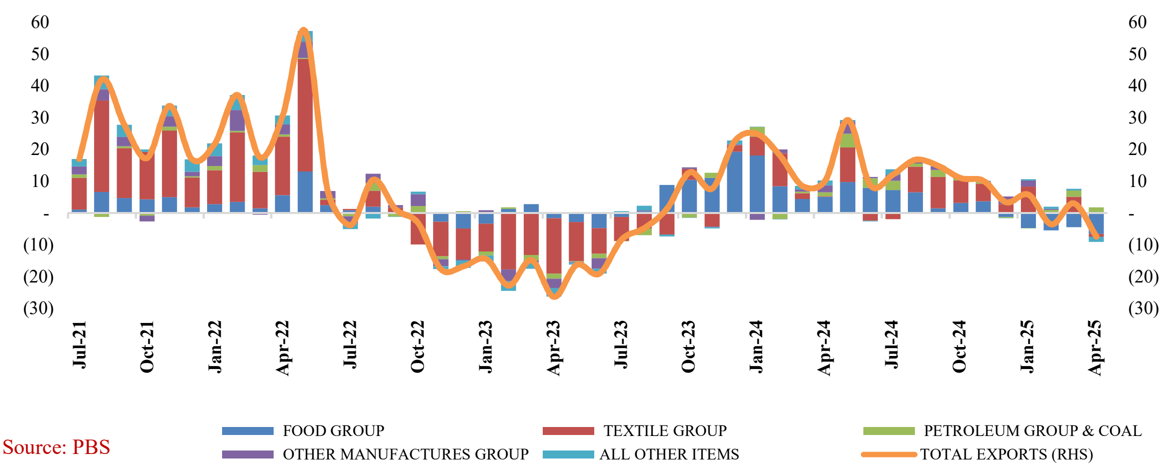


Source: SBP | Source: PBS

8.4-a Analysis of Export Performance

Historically, export performance did not remain impressive. However, during July-April, FY 2025, Pakistan's export performance showed signs of recovery, reflecting a combination of improved global demand, competitive exchange rate stability, and targeted policy support. Thus, as per PBS, the total exports showed an increase of 6.4 percent, totaling US$ 26.9 billion compared to US$ 25.3 billion during the corresponding period last year. The textile sector remained dominant, contributing 55 percent of total exports, with knitwear, bedwear, and ready-made garments driving growth through higher volumes and better pricing. Non-traditional exports, such as IT services, pharmaceuticals, and engineering goods, showed promising expansion, reflecting early success in diversification efforts. Government initiatives, including duty drawback schemes, energy subsidies, and improved market access, played a vital role in this positive trend.

Fig - 8.4.a: Contribution in Export YoY Growth (%)



Source: PBS

The government is implementing targeted measures to expand market reach and address supply-side constraints, thereby enhancing export stability, while reducing reliance on remittances and debt financing.

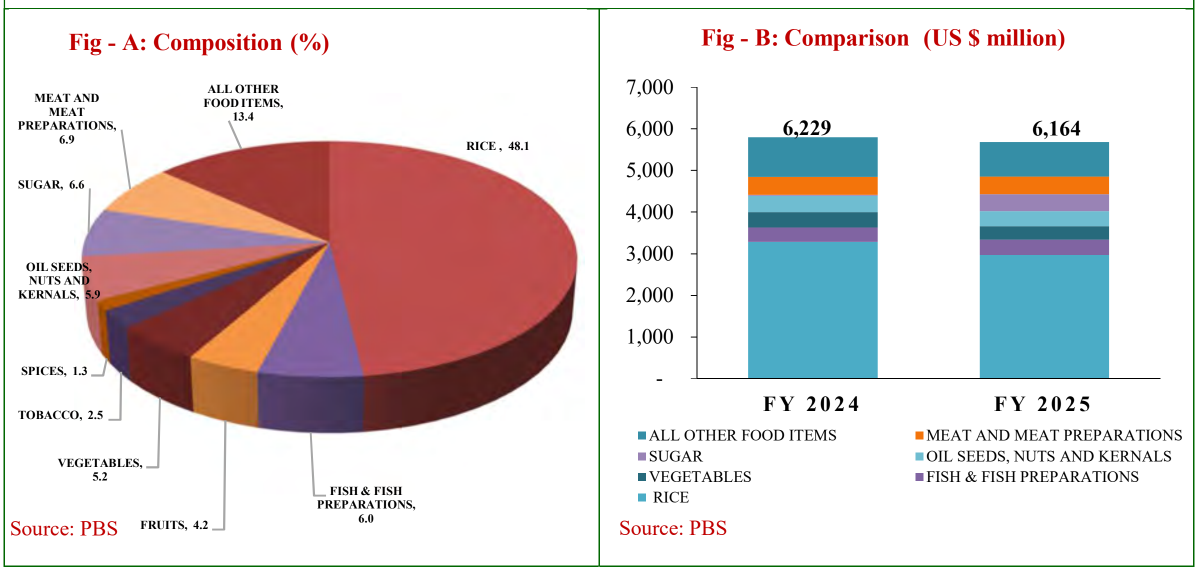
Food Group

Pakistan's food exports, accounting for 23 percent of total exports, reached US$ 6.2 billion during July-April FY 2025, marking a slight decline of 1.0 percent. Rice still has the highest share in exports of the Food Group, with a decrease of 9.7 percent in value, whereas quantity remained almost the same. This can be attributed to falling global prices for non-Basmati rice. In contrast, Basmati rice exports surged, with a 14.8 percent increase in quantity and a 3.4 percent increase in value.

A standout performer was sugar, with exports soaring to 757,779 metric tons, up from just 33,101 metric tons last year, generating US$ 407 million, compared to US$ 21 million previously. Tobacco exports more than doubled, with 127.7 percent growth in quantity and 143.1 percent in value, underscoring rising demand and market expansion.

While oil seeds, nuts, and kernels observed an increase of 29.1 percent in quantity, the value declined by 7.5 percent, reflecting lower global prices. Conversely, exports in Meat and Meat Preparation posted a decline of 1.2 percent in value and 5.7 percent in quantity. Likewise, spice exports also decreased by 27.2 percent in quantity and 16.8 percent in value, signaling supply and pricing pressures.

Fig - 8.4.a(i): Export of Food Group



Textile Group

Holding 55.2 percent share of total exports, Pakistan's textile sector remained resilient, with exports rising 8.4 percent, reaching US$ 14.8 billion during July-April FY 2025, compared to US$ 13.7 billion, the same period last year.

Among textile categories, ready-made garments saw the highest growth, with a 17.5 percent increase in value and 6.4 percent in quantity, fueled by strong global demand and improved local manufacturing. Knitwear exports expanded by 15.5 percent in value and 7.7 percent in quantity, reinforcing Pakistan's strength in high-value textile products.

Other gains included tents, canvas, and tarpaulin exports, rising 11.7 percent in value and 13.0 percent in quantity, whereas bedwear exports increased by 12.2 percent in value and 10.5 percent in quantity.

Conversely, cotton yarn exports plunged by 32 percent in both value and quantity, reflecting global shifts favoring finished textile products and rising competition from regional players.

To sustain momentum, Pakistan must focus on modernizing production, enhancing value-added exports, strengthening trade partnerships, and addressing supply chain inefficiencies.

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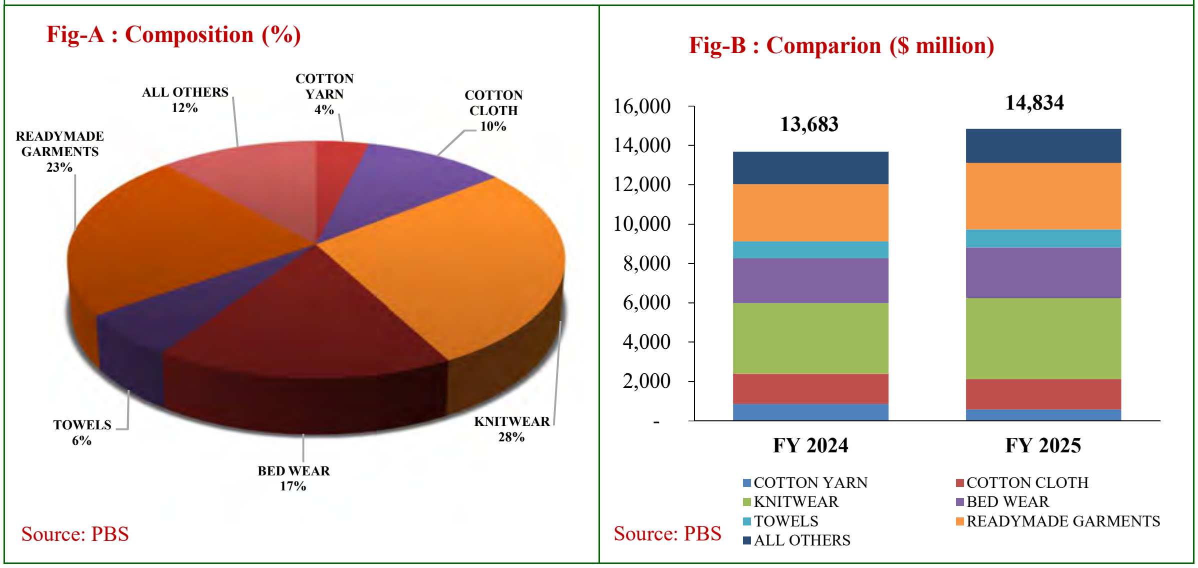
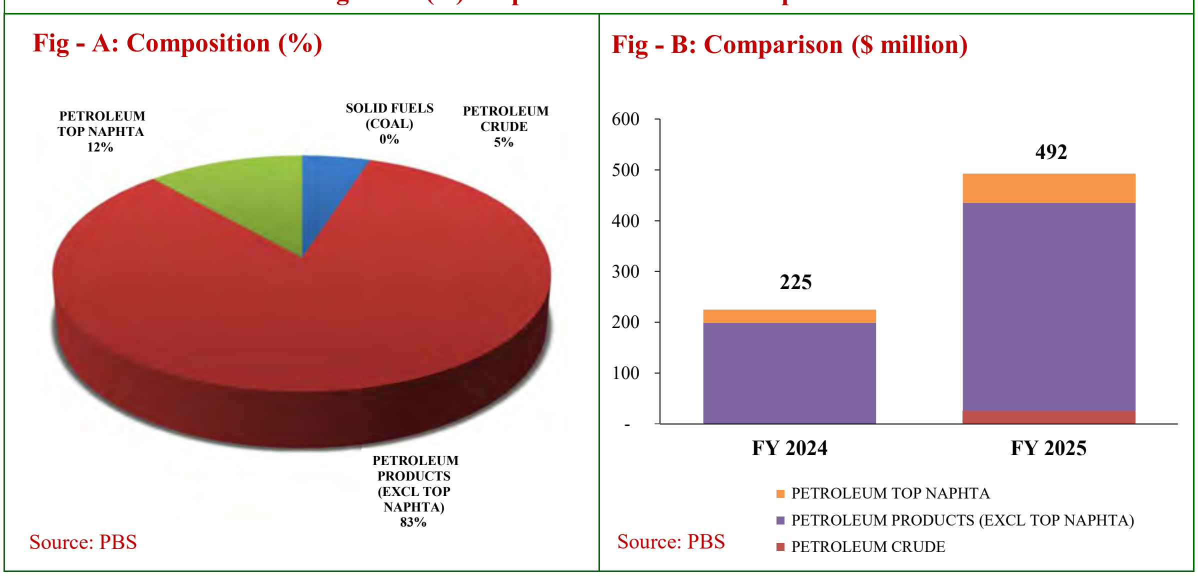
Fig - 8.4.a(ii): Export of Textile Group



Petroleum Group & Coal

Despite a modest 1.8 percent share in total exports, the Petroleum Group & Coal experienced an extraordinary 118.7 growth during July-April FY 2025, reaching US$ 492 million, driven by higher petroleum crude, refined products, and top naphtha exports. This surge resulted from rising global demand, enhanced refining capacity, and competitive pricing, supported by policy incentives and efficient supply chain management. The sector's growth highlights its role in diversifying Pakistan's trade and reducing dependence on conventional exports.

Fig - 8.4.a(iii): Export of Petroleum Group & Coal



Other Manufactures Group

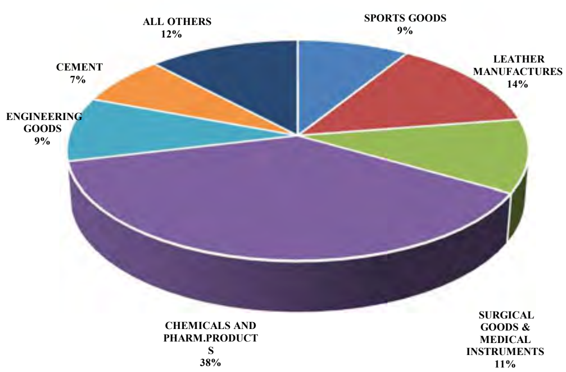
With a 13.0 percent share in total exports, this group grew 6.6 percent, reaching US$ 3.5 billion during July-April FY 2025, from US$ 3.3 billion in the same period last year. This was mainly due to 9.6 percent growth in Chemicals & Pharmaceuticals, the largest category having 38 percent share, which generated US$ 1.3 billion, driven by higher global demand.

The cement sector posted remarkable growth with 34.5 percent rise in quantity and 24.0 percent increase in value, benefiting from lower production costs, reduced freight rates, and a post-pandemic economic recovery. However, sports goods, particularly football exports, declined 17.1 percent following a temporary demand spike seen during the FIFA World Cup in FY 2023.

The steady expansion across high-value sectors underscores Pakistan's growing industrial capabilities and ability to adapt to shifting global trade patterns. Sustaining this momentum requires continued investment in innovation, cost efficiency, and targeted trade strategies to drive long-term export growth.

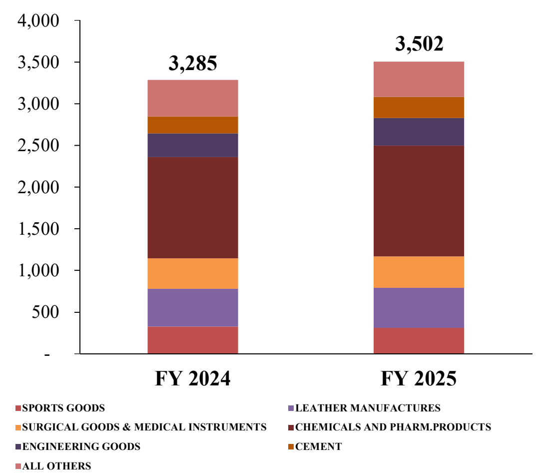
Fig - 8.4.a(iv): Export of Other Manufactures Group

Fig - A: Composition (%)



Source: PBS

Fig - B: Comparison ($ million)



Source: PBS

8.4-a(i) Emerging Sectors of Export of Pakistan

During July-April FY 2025, Pakistan's Manufacturing and Mining Products exports grew steadily, driven by emerging sectors like pharmaceuticals, plastics, engineering goods, footwear, and non-traditional items such as jewelry and handicrafts. This upward trend, fueled by rising global demand, enhanced industrial capacity, and targeted policy support, underscores the need for ongoing interventions, industrial upgrading, and greater global integration to secure long-term export-led growth.

- Among key contributor, plastic materials recorded a 27.0 percent surge, reaching US$ 408.0 million, benefiting from product diversification, competitive pricing, and better access to export markets.
- Engineering goods expanded by 16.2 percent to US$ 330.2 million, supported by rising machinery and mechanical appliance exports to South Asia and Africa.
- Similarly, rubber tires and tubes exports rose 13.3 percent, totaling US$ 83.7 million, driven by enhanced domestic production capabilities and new market penetration.
- Footwear exports grew by 11.8 percent, reaching US$ 148.4 million, leveraging improved design, branding, and international certifications.
- Leather-manufactured products, maintaining their leading position in value-added exports, saw a 5.5 percent rise to US$ 477.5 million.
- Jewelry exports, at US$ 11.5 million, surged 64.4 percent, benefiting from enhanced craftsmanship, renewed international demand, and better market connectivity via online platforms.

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- Similarly, despite their smaller share, handicrafts demonstrated a remarkable 105.7 percent growth, reflecting rising international interest in Pakistani traditional crafts in niche global markets.

The diversification of Pakistan's exports, coupled with sector-specific advancements, continues to play a vital role in strengthening the country's external trade and positioning it for sustainable long-term economic growth.

8.4-a(ii) Concentration of Exports

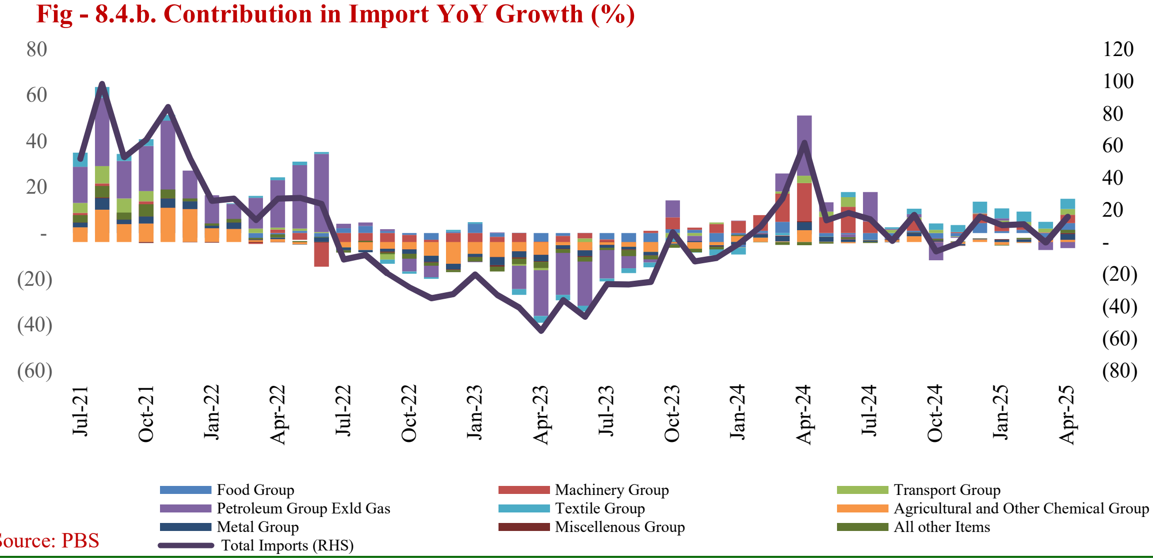
Pakistan's export structure has remained largely unchanged for decades, heavily relying on cotton textiles, leather, and rice. During July-April FY 2025, manufactured goods accounted for 74 percent of total exports, followed by primary commodities at 19 percent and semi-manufactures at 7 percent, with cotton and leather contributing 50 percent and rice 11 percent. This narrow product range makes Pakistan vulnerable to global price shifts and demand fluctuations.

The URAAN Pakistan initiative seeks to diversify exports by expanding high-value industries such as engineering goods, pharmaceuticals, plastics, footwear, and digital services. Policy reforms focus on technology-driven manufacturing, improving product quality, and meeting international standards to enter new markets. Investments in modern infrastructure, streamlined regulations, and trade agreements aim to boost industrial competitiveness, enhance regional integration, and reduce dependence on conventional exports. Through URAAN Pakistan's strategic interventions, Pakistan is transitioning toward an export-driven, resilient, and globally integrated economy.

8.4-b Analysis of Import Performance

Pakistan's import performance during July-April FY 2025 reflects a blend of economic recovery, exchange rate stability, and industrial expansion, with total imports rising 7.6 percent to US$ 48.3 billion, up from US$ 44.9 billion in the same period last year. After years of policy-driven import suppression, the recent increase signals revived domestic demand, particularly for capital goods and industrial inputs. Government and SBP policies promoting currency stability have also enhanced pricing predictability for essential imports, encouraging investment in productive sectors. The composition of imports indicates a shift toward investment-led growth, with a greater share of imports directed toward machinery, industrial materials, and agricultural inputs, laying the foundation for trade sustainability and economic resilience. Managing this rising import demand in line with long-term growth objectives will depend on continued regulatory stability and investment-focused reforms.

Fig - 8.4.b. Contribution in Import YoY Growth (%)



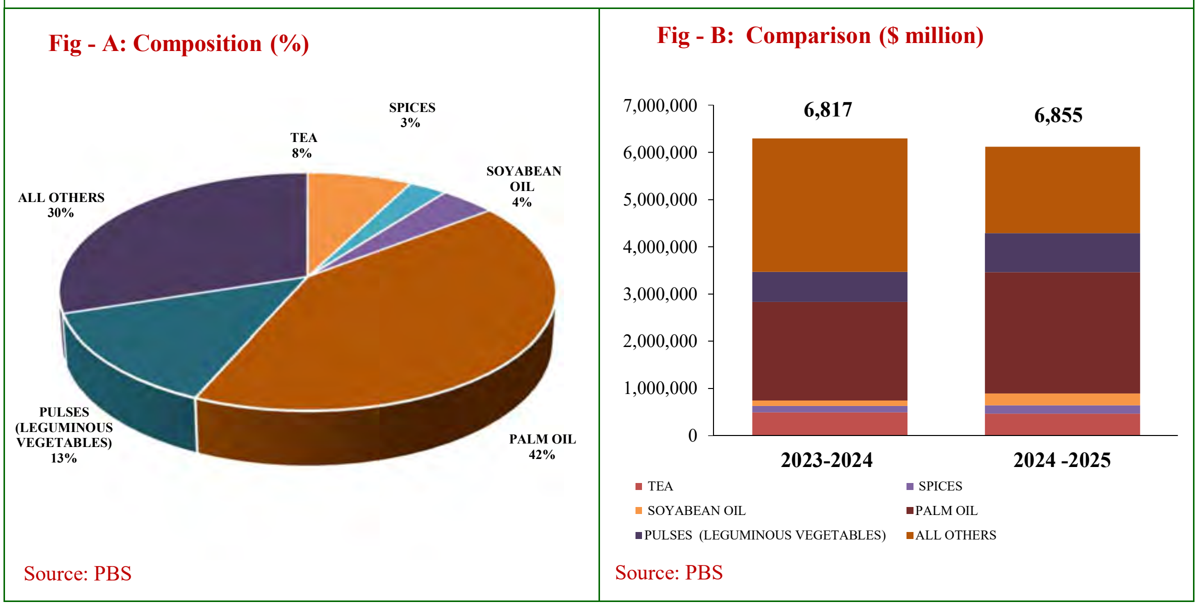
Source: PBS

Pakistan's imports primarily consist of petroleum and capital goods, making them highly sensitive to global oil price fluctuations and inflationary pressures, historically leading to external sector imbalances. However, the government is now implementing targeted policy measures to stabilize imports, mitigate price shocks, and enhance trade resilience to address these challenges effectively.

Food Group

The food group, accounting for 14.2 percent of total imports, posted a marginal increase of 0.6 percent, amounting to US$ 6.9 billion during July-April FY 2025, compared to US$ 6.8 billion in the same period last year. The drop was largely due to a complete halt in wheat imports, saving approximately US$ 1 billion, and smaller declines in tea (-5.5%). In contrast, there was a 4.2 percent growth in sugar. Dry fruits and nuts surged 114.7 percent in value, and soybean oil rose 129.9 percent, supported by favorable international prices. Palm oil, the largest item within the food group (42% share), increased by 24.8 percent in value and 10.1 percent in quantity, totaling US$ 2.9 billion. Pulses, representing 13.4 percent of food imports, rose by 33.5 percent in value and 25.7 percent in quantity, highlighting shifting dietary demand and price dynamics. These trends illustrate an adaptive import structure aligned with consumer needs and commodity market shifts.

Fig - 8.4.b(i): Import of Food Group



Machinery Group

Machinery imports increased 14.4 percent to US$ 7.7 billion during July-April FY 2025 (US$ 6.8 billion last year), reinforcing Pakistan's industrial recovery and modernization efforts. Notably, Power Generating Machinery surged 65.4 percent, Construction & Mining Machinery by 57.2 percent, and Textile Machinery 61.7 percent, pointing to higher investments in energy, infrastructure, and export-oriented sectors. Agricultural Machinery increased 33.8 percent, reflecting growing mechanization in farming. Electrical Machinery, holding a 38.4 percent share of the group, rose 14.6 percent to US$ 3.0 billion. In contrast, telecom imports declined 5.8 percent to US$ 1.7 billion, driven by a 14.2 percent drop in mobile phone imports as local manufacturing expanded. This capital-goods-driven growth underscores Pakistan's pivot toward productive investments, supporting export competitiveness and long-term resilience.

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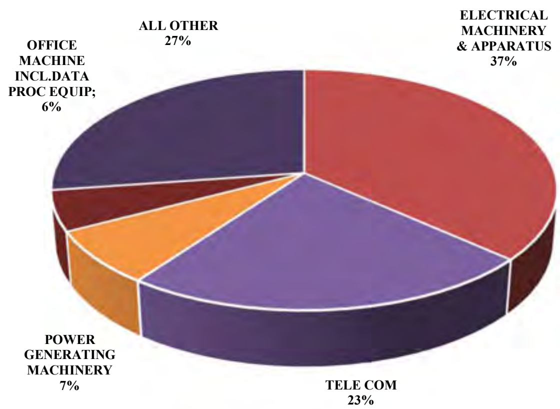
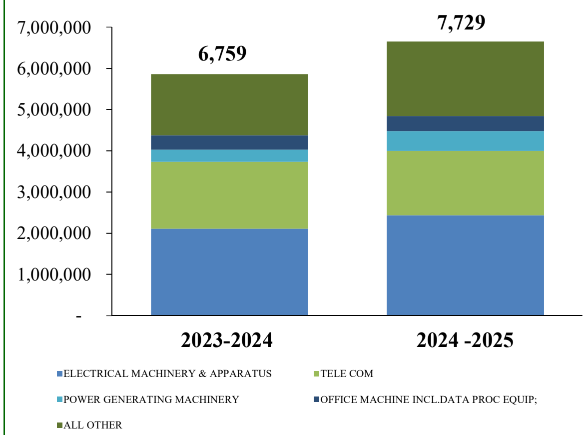
Fig - 8.4.b(ii): Import of Machinery Group

Fig - A: Composition (%)



Source: PBS

Fig - B: Comparison (US $ million)



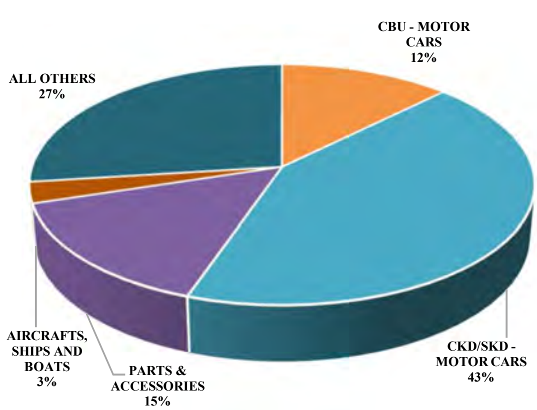
Source: PBS

Transport Group

The transport group, which comprises just 3.9 percent of total imports, grew 33.3 percent, reaching US$ 1.9 billion during July-April FY 2025 (US$ 1.4 billion last year). This surge was driven by strong demand for road motor vehicles, which make up 96.5 percent of the group, which posted growth of 40.9 percent and reached US$ 1.8 billion (US$ 1.3 billion last year). Imports of Completely Built Units (CBUs) rose 24.0 percent to US$ 315.0 million. In comparison, CKD (Completely Knocked Down) / SKD (Semi Knocked Down) units increased 54.2 percent to US$ 1.2 billion (US$ 769.7 million last year), and parts & accessories rose 19.0 percent to US$ 263.3 million. The surge in consumer demand is likely linked to robust remittance inflows that boost households' disposable incomes, while the ease and efficiency of Roshan Digital Account contributions enable non-resident Pakistanis to channel funds directly into the economy. This combination enhances consumer spending, creating a positive feedback loop that further fuels domestic demand. Meanwhile, aircraft, ships, and boat imports dropped 42.4 percent, reducing their share within the group. The overall trend signals a rebound in transport-related investment and consumer activity.

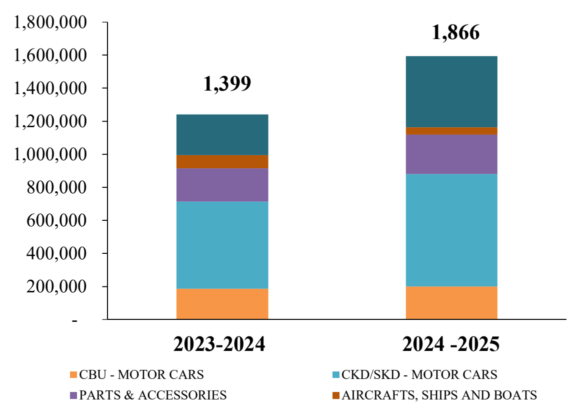
Fig - 8.4.b(iii): Import of Transport Group

Fig - A: Composition (%)



Source: PBS

Fig - B: Comparison ($ million)



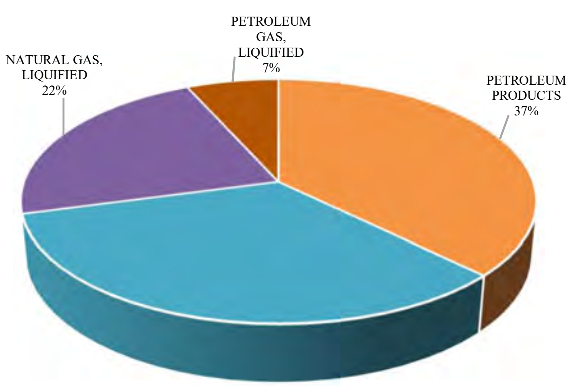
Source: PBS

Petroleum Group

With a 27.5 percent share during July-April FY 2025, the petroleum group remained the largest import category. However, imports declined 3.4 percent to US$ 13.3 billion (US$ 13.8 billion last year), aided by stable oil prices and currency stability. While crude oil value held steady at US$ 4.5 billion (US$ 4.6 billion last year), quantity rose 14.9 percent, indicating efficient procurement. Petroleum product imports fell 6.3 percent to US$ 5.0 billion (US$ 5.3 billion last year), reflecting demand management. LNG imports dropped 10.3 percent to US$ 2.9 billion (US$ 3.3 billion last year), while LPG imports rose 34.7 percent, albeit from a low base, to US$ 885.2 million. These shifts underscore strategic energy sources amid evolving domestic energy needs. Strengthening local refining capacity and diversifying energy inputs remain key to reducing external vulnerabilities.

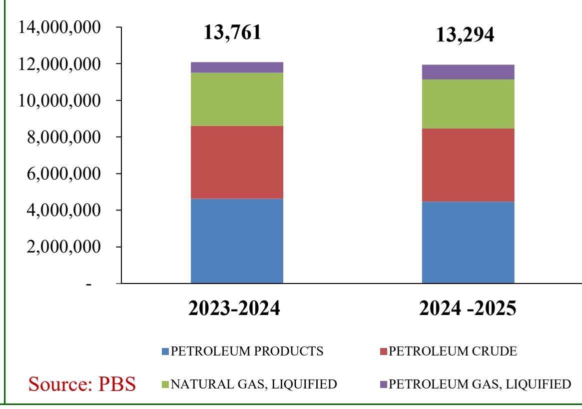
Fig - 8.4.b(iv): Import of Petroleum Group

Fig - A: Composition (%)



Source: PBS

Fig - B: Comparison (US $ million)



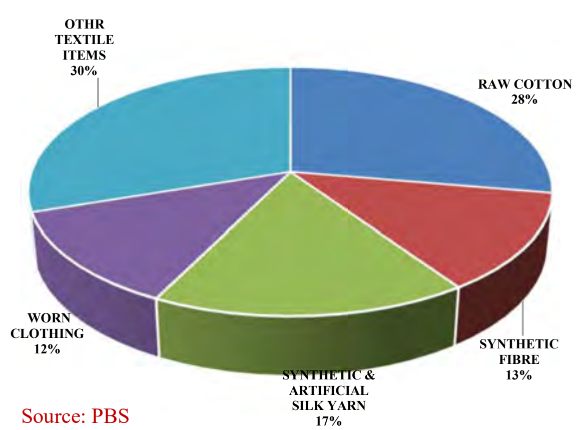
Source: PBS

Textile Group

During July-April FY 2025, Textile imports posted growth of 63.5 percent reaching US$ 3.5 billion from US$ 2.2 billion, reflecting both domestic cotton shortages and export demand. Raw cotton imports surged 236.6 percent in value and 300.4 percent in quantity to US$ 1.1 billion, highlighting shortage of domestic production of cotton. Imports of synthetic fiber (+9.2%), artificial silk yarn (+14.6%), and worn clothing (+21.2%) also rose, indicating rising demand for high-value production inputs. Other textile materials rose 74.9 percent, reaching US$ 1.0 billion (US$ 586.5 million last year), driven by global price shifts and domestic manufacturing needs. This trend reflects the industry's transition toward value-added exports and its reliance on global supply chains to sustain export competitiveness.

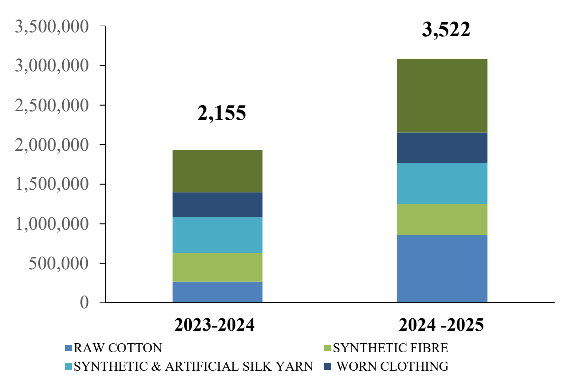
Fig - 8.4.b(v): Import of Textile Group

Fig - A: Composition (%)



Source: PBS

Fig - B: Comparison (US $ million)



Source: PBS

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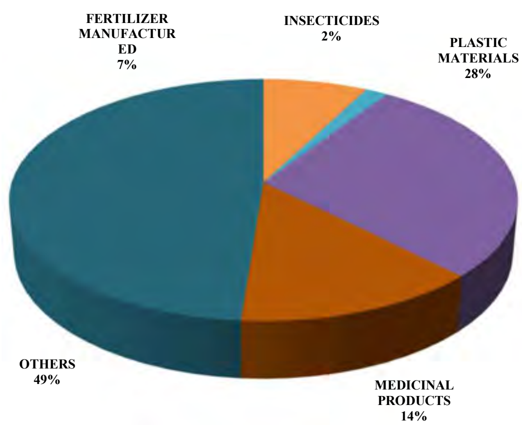
Agriculture & Other Chemicals Group

Imports in this group rose 4.1 percent to US$ 7.3 billion (US$ 7.1 billion last year), highlighting the importance of industrial and agricultural productivity. Plastic materials grew 10.0 percent, and medicinal products rose 13.6 percent. However, fertilizer imports declined 15.6 percent, and insecticides fell 21.9 percent, likely due to improved domestic supply and resource efficiency. These shifts reflect a strategic balancing of critical inputs, maintaining productivity, while optimizing costs.

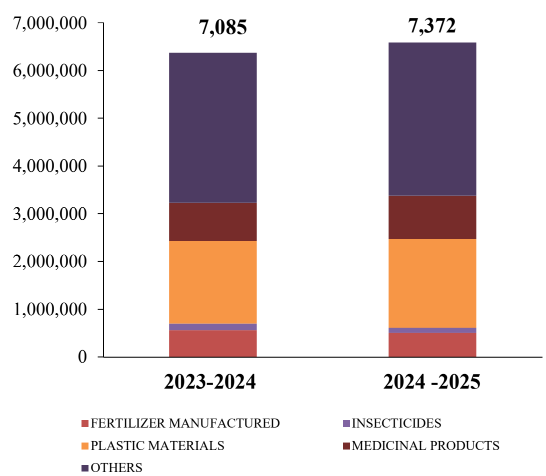
Fig - 8.4.b(vi): Import of Agriculture & Other Chemicals Group

Fig - A: Composition (%)



Source: PBS

Fig - B: Comparison (US $ million)



Source: PBS

Metals Group, Miscellaneous Group & All Other Items

Together, these groups contributed 15.9 percent to total imports; Metals (8.3%), Miscellaneous (1.7%), and All Other Items (5.9%). Their respective imports rose by 13.2 percent, 11.8 percent, and 6.7 percent, respectively during July-April FY 2025. The Metals Group growth reflects rising demand for infrastructure and construction-related materials. The Miscellaneous Group supports specialized and emerging industries, while All Other Items category comprises essential imports that do not fit neatly into conventional classifications, ensuring a comprehensive capture of diverse trade flows. These trends highlight a broad-based recovery, aligned with industrial needs and sectoral expansion.

This refined and structured import profile underscores Pakistan's ongoing transition toward investment-led growth, balancing industrial needs, consumer demand, and external account sustainability. Continued policy support, import rationalization, and industrial upgrades will be key to sustaining this momentum while managing external vulnerabilities.

8.5 Direction of Trade: Exports & Imports

Pakistan's export trends remain highly concentrated, with a limited number of key trading partners dominating its external trade. On the basis of the latest available data, during July-March FY 2025, the United States remained Pakistan's largest export market, accounting for 18 percent of total exports, slightly increase from 17 percent last year, reflecting adjustments in trade flows and evolving demand dynamics. Likewise, share of exports to China decreased to 8 percent, reinforcing its role as a strategic trade partner, driven mainly by shipments of textiles, agricultural products, and industrial goods.

Pakistan's trade with Germany, UAE, and the UK also showed varied movements, while Germany's share increased, and exports to

European markets remained steady, ensuring continued access to high-value industries. The overall export trajectory signals Pakistan's reliance on a few core markets, highlighting the need for diversification and expanded global outreach to minimize exposure to external shocks.

On the import side, Pakistan's trade dependence is even more pronounced, with China, Saudi Arabia, UAE, and Indonesia collectively accounting for nearly 50 percent of total imports. Notably, China's import share surged from 30 percent to 33 percent, reinforcing its dominance as Pakistan's largest supplier of industrial and consumer goods, driven by machinery, electronics, chemicals, and raw materials. Meanwhile, imports from the US remained same at 3 percent, reflecting shifting trade priorities and evolving demand trends.

Despite the overall increase in imports, Pakistan's trade deficit with major partners remains substantial, particularly with China, where the gap widened due to high import volumes relative to export earnings. Addressing this imbalance requires strategic trade policies, enhanced export competitiveness, and stronger industrial growth, allowing Pakistan to leverage trade agreements and market access initiatives for long-term economic resilience.

Table 8.1: Direction of Trade: Exports & Imports (July - March) Rs billion

Countries	Exports				Imports				Trade Deficit	
	2023-24		2024-25 (P)		2023-24		2024-25(P)		2023-24	2024-25(P)
	Rs	% Share	Rs	% Share	Rs	% Share	Rs	% Share	Rs	Rs
USA	1,108	17	1,210	18	301	3	377	3	807	833
CHINA	591	9	536	8	3,470	30	3,946	33	(2,879)	(3,410)
GERMANY	323	5	363	5	167	1	148	1	156	215
U.A. E	329	5	371	5	983	9	1,271	11	(655)	(900)
All Other	4,167	64	4,404	64	6,463	57	6,147	52	(2,295)	(1,743)
Total	**6,518**	**100**	**6,884**	**100**	**11,384**	**100**	**11,889**	**100**	**(4,866)**	**(5,004)**

Source: PBS

Box-IV: Strengthening Global Trade & Expanding Market Access

Pakistan has made significant progress in enhancing global trade integration, securing bilateral agreements, trade facilitation MoUs, and regional trade partnerships to diversify exports and improve market access. Key developments include the launch of Economic Partnership Agreement (EPA) negotiations with South Korea, enhanced trade cooperation with China via an MoU signed during President Asif Ali Zardari's visit, and preparations for a high-level ministerial visit to Malaysia in Q4 FY 2025. Pakistan has also confirmed participation in the Osaka Expo 2025, highlighting its commitment to global trade promotion.

Regional trade trends indicate a mixed performance; while exports to Ukraine (+259%) and Turkmenistan (+22%) surged, shipments to Belarus (-68%), Russia (-20%), and Uzbekistan (-37%) declined. On the import side, notable increases were seen from Tajikistan (+324%), Kyrgyzstan (+290%), and Turkey (+92%), reflecting stronger regional trade flows, whereas imports from Azerbaijan (-95%), Russia (-87%), and Ukraine (-81%) fell sharply.

In key bilateral engagements, Pakistan's exports to the US increased by 12 percent, reaching US$ 1.44B, with ongoing negotiations under TIFA for mangoes, dates, and beef market access. In South America, exports rose 13 percent to US$ 139M, with Pakistan ratifying the MERCOSUR Framework Agreement and working towards a Preferential Trade Agreement (PTA). The EU retained Pakistan's GSP+ status, granting zero-duty access to 66 percent of EU tariff lines, while exports to the United Kingdom increased by 3 percent to US$ 531.83M, led by textiles, rice, and leather goods.

Pakistan ratified several FTAs and PTAs in FY 2025, including the D-8 PTA, which became operational in January 2025, and the Pakistan-Azerbaijan PTA & Transit Trade Agreement (TTA), which was also signed.

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Upcoming agreements include the Pakistan-GCC FTA, Pakistan-UAE CEPA, Pakistan-Tajikistan PTA, Phase-II expansions of PTAs with Uzbekistan and Turkiye, and revised Afghanistan-Pakistan Transit Trade Agreement (APTTA).

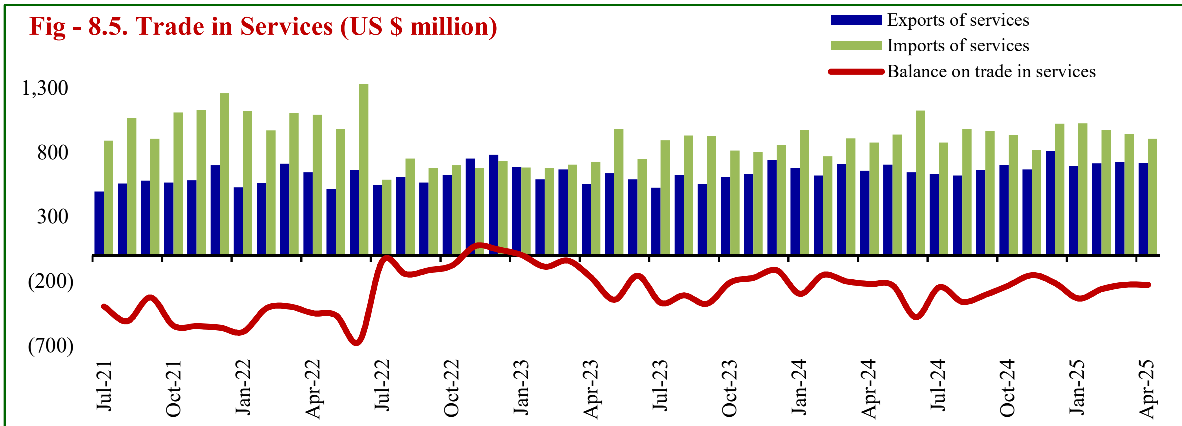
Additionally, Pakistan is advancing digital trade facilitation, signing MoUs on Industrial Property Cooperation and Digital Trade Verification, incorporating AI-powered IP systems and digitized Certificates of Origin to streamline processes and cut trade costs. Trade promotion initiatives included business forums with Turkiye, Azerbaijan, and Uzbekistan, fostering B2B engagements and unlocking millions in new trade deals.

At the multilateral level, Pakistan finalized the Post-Brexit EU-UK tariff quota apportionment and ratified the Agreement on Fisheries Subsidies, reinforcing commitments to global trade governance and sustainability. These strategic initiatives pave the way for Pakistan's long-term economic resilience, diversified exports, and stronger global positioning.

8.6 Trade in Services

The economy usually faces a services trade deficit because growth in services imports outweighs the increase in exports. During July-April FY 2025, trade deficit in Services remained US$ 2.5 billion compared to US$ 2.4 billion during the same period last year on account of high import of services US$ 9.4 billion while export of services remained US$ 6.9 billion, which posted 9.3 percent growth compared to the same period last year. The month-wise trade deficit is shown in Fig - 8.5.

Fig - 8.5. Trade in Services (US $ million)



Source: SBP

Exports of Service grew significantly, rising from US$ 6.34 billion to US$ 6.93 billion, reflecting strong external service earnings. However, imports also increased, climbing from US$ 8.74 billion to US$ 9.43 billion, causing the services trade deficit to widen slightly from US$ 2.40 billion to US$ 2.50 billion.

Among service categories, telecommunications, computer, and information services continued to lead, with exports increasing to US$ 3.14 billion, maintaining a healthy surplus of US$ 2.72 billion, reinforcing Pakistan's growing digital and IT sector. Other business services posted modest export growth, yet higher imports narrowed the surplus to US$ 308 million. In contrast, transport services remained deeply in deficit, with the gap expanding to US$ 3.22 billion, driven by high international freight and logistics costs. Similarly, the travel sector's deficit widened to US$ 1.46 billion, reflecting a rise in outbound travel and associated expenditures.

Other sectors also saw widening deficits. Insurance and pension services recorded a deficit of US$ 207 million due to a decline in exports and rising import costs, while financial services shifted from a surplus last year to a US$ 52 million deficit, highlighting Pakistan's growing dependence on external financial intermediation. Additionally, the deficit in charges for the use of intellectual property widened to US$ 235 million, indicating rising royalty payments for foreign technologies. On a positive note, construction services maintained a small surplus, while personal, cultural, and recreational services saw modest gains, suggesting gradual diversification within the service sector.

Despite encouraging growth in IT and digital services exports, the increasing cost of service imports continues to weigh on the trade balance. To address this challenge, targeted policies are needed to expand high-value service exports, strengthen domestic capabilities, and reduce reliance on costly imported services, ensuring a more sustainable and competitive services trade landscape. (Table - 8.2)

Table - 8.2: Trade in Services US$ million

	July - April						
	FY 2024			FY 2025			
	Exports	Imports	Balance	Exports	Imports	Balance	
Telecommunications, Computer, and Information Services	2,594	314	2,280	3,142	425	2,717	↑
Other Business Services	1,308	1,189	119	1,380	1,072	308	↑
Government Goods and Services n.i.e.	993	403	590	751	590	161	↓
Transport	631	3,921	-3,290	801	4,020	-3,219	↑
Travel	633	1,925	-1,292	620	2,081	-1,461	↓
Insurance and Pension Services	64	370	-306	88	295	-207	↑
Construction	43	22	21	39	33	6	↓
Financial Services	42	418	-376	50	602	-552	↓
Personal, Cultural, and Recreational Services	19	1	18	42	10	32	↑
Charges for the use of Intellectual Property n.i.e.	10	118	-108	12	247	-235	↓
Maintenance and Repair Services n.i.e.	4	62	-58	8	55	-47	↑
Total	**6,341**	**8,743**	**-2,402**	**6,933**	**9,430**	**-2,497**	↓

Source: State Bank of Pakistan

8.7 Strategic Tariff Policy for Export-Oriented Pakistan:

Pakistan's National Tariff Policy (NTP) 2019-24 was aimed to rationalize the tariff structure by shifting from revenue-driven import duties to a trade-focused approach that supports industrial growth and export competitiveness. It sought to reverse interventions like Additional Customs Duties (ACDs) and Regulatory Duties (RDs), ensuring tariffs function as policy tools rather than revenue measures. The policy identified several key issues:

a) Tariffs were predominantly used for revenue generation rather than trade facilitation.

b) High tariffs contributed to inefficiencies and created an anti-export bias.

c) The duty structure was complicated due to the proliferation of Statutory Regulatory Orders (SROs).

d) Elevated tariffs encouraged smuggling.

e) Distortions in the tariff structure resulted in intra-sector anomalies.

f) Regulatory Duties (RDs) were frequently introduced and revised, affecting predictability.

Presently, the new National Tariff Policy (2025-30) is being formulated. The upcoming policy aims to further reduce the Trade Weighted Average Tariff from the current 10.62 percent to around 6 percent by FY 2030. It also includes an impact analysis of the previous policy and sets forth the following key objectives:

i. To encourage export-led growth by providing a level playing field for the industry, particularly for the MSMEs/SMEs sector, to become part of the global supply chain.

ii. To support green initiatives to accelerate the development and growth of the energy-efficient industry.

iii. To encourage and support technology-intensive and high-value-added goods like

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those related to artificial intelligence, robotics, nanotechnology, electronics, chemicals, EVs, etc.

The new policy aims to achieve its objectives over the next five years based on the following principles:

i. The tariff will continue to be employed as an instrument of trade policy rather than revenue. The tariffs will be leveraged to create the right balance between trade liberalization and time-bound protection.

ii. Rationalization of customs duties and tariff slabs based on economic categories of the products, such as primary, secondary, intermediate, and finished goods, to encourage economic growth rather than immediate financial gains.

iii. To ensure the predictability and sustainability of tariffs for the industry, the tariffs once rationalized would remain unchanged for at least three years, except under peculiar circumstances like abnormal changes in market/economic conditions.

iv. Phasing out additional customs duties in five years and reducing the regulatory duties.

v. Simplifying the Fifth Schedule to the Customs Act, 1969, and other concessionary SROs.

vi. Strategic Protection of the nationally important sectors and nascent industries.

8.8 Measures for External Sector Sustainability

To strengthen external sector stability, the Government of Pakistan, under the strategic direction of URAAN Pakistan envisages a comprehensive set of reforms across four key domains:

Trade Facilitation and Export Competitiveness

- Expansion of the export credit portfolio from Rs 100 billion to Rs 280 billion.
- Increased allocation for the Export Refinance Scheme from Rs 3.8 billion to Rs 13.8 billion, with 20 percent earmarked for SMEs.
- Under the SME Strategy, credit will rise from Rs 540 billion to Rs 1.1 trillion, with Rs 100 billion added in FY 2025.
- Phased settlement of long-pending DLTL claims, and a proposed risk-sharing scheme for exporters.
- Operationalization of EXIM Bank to support export finance.
- Removing import restrictions to support export-oriented manufacturing.
- Tariff rationalization to reduce costs of essential inputs, covering raw materials, machinery, and finished goods in sectors such as agriculture, healthcare, energy, and auto parts.
- Exporters permitted to retain 100 percent of export proceeds in foreign currency, enhancing operational flexibility.
- Ongoing negotiations to conclude Free Trade Agreements (FTAs) with GCC, UAE, Korea, Vietnam, Eastern African Community, and Central Asian Republics.
- Rs 19 billion allocated for Technology Park development in Karachi and Islamabad to promote innovation-led exports.

IT-Sector Export Facilitation and Global Expansion

- To strengthen the international competitiveness of Pakistan's IT industry and enable global integration:
- SBP amended Para 13(II)A of Chapter 20 of the Foreign Exchange Manual (FEM) to facilitate outward investment by IT exporters.
- A new Equity Investment Abroad (EIA) category was introduced exclusively for IT-sector firms.
- Removed prior bank designation requirement, simplifying fund utilization from Exporters' Special Foreign Currency Accounts (ESFCAs).
- Permitted acquisition of equity interests in foreign entities by IT companies.
- Relaxed jurisdiction limits, enabling establishment/acquisition of multiple entities abroad.

These reforms reflect a deliberate shift toward incentivizing IT-sector growth, international market access, and higher export earnings.

Long-Term Foreign Exchange Fundraising

- SBP introduced a regulatory framework for Diversified Payment Rights (DPRs) to enable Authorized Dealers to raise long-term FX-backed financing.
- Introduced Para 21 in Chapter 10: Governing International Payment Orders (IPOs).
- Added Para 9 (iv-A) in Chapter 19: Foreign Exchange Future Flow Transactions Framework.

These frameworks support stable capital inflows and reduce dependency on short-term, volatile external financing.

Remittance Mobilization

- Revised Home Remittance Incentive Scheme for Exchange Companies (ECs):
  - Fixed incentive: Rs 2 per $ remitted.
  - Variable incentives: Rs 3-4 per $ for incremental growth based on defined thresholds.
- Enhanced Telegraphic Transfer (T.T) Charges Reimbursement Scheme:
  - SAR 20 per remittance ($ 100+) and additional SAR 7-8 per incremental transaction for annual remittance growth.

These measures aim to encourage formal channel inflows and support the balance of payments.

Foreign Exchange Market Stabilization

- Extended permission for exchange companies to import cash US$ up to 50 percent of export consignments until June 2025.
- Initiated monthly publication of SBP's net FX interventions to enhance market transparency and credibility.
- Facilitated sugar exports through ECC-approved export quotas, time extensions, and SBP's timely procedural guidance to Authorized Dealers.

These actions collectively demonstrate Pakistan's shift from short-term stabilization to strategic, sustainable external sector development, anchored in URAAN Pakistan's vision of investment-driven, export-led growth. The coordinated policy framework between the government and SBP is focused on building resilience, reducing external vulnerabilities, and integrating Pakistan more competitively into global markets.

Concluding Remarks

Pakistan's trade performance marks a positive shift toward structural improvement, but sustaining this momentum requires a transition from short-term fixes to long-term, reform-oriented policies. The focus must remain on diversifying exports, enhancing supply chains, rationalizing tariffs, and strengthening trade infrastructure to improve global competitiveness.

The URAAN Pakistan framework provides the strategic direction for this transformation, anchored in export-led, investment-driven growth. Key initiatives, such as expanding export credit, supporting SMEs, facilitating IT-sector expansion, and promoting trade diplomacy, are central to unlocking new markets and reducing reliance on volatile inflows.

Going forward, stronger policy coordination and institutional reforms will be critical to building a resilient external sector. With clear commitment and targeted execution, Pakistan can turn trade into a powerful engine of sustainable and inclusive economic growth.

TABLE 8.1

SUMMARY BALANCE OF PAYMENTS AS PER BPM6

US $ million

ITEM	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	July-March	
							R	2023-24	2024-25 P
Current Account Balance	-19,195	-13,434	-4,449	-2,820	-17,481	-3,275	-2,072	-1,652	1,859
Current Account Balance without off. transfers	-20,165	-14,177	-4,898	-3,079	-17,823	-3,642	-2,488	-1,965	1,478
Exports of Goods FOB	24,768	24,257	22,536	25,639	32,493	27,876	30,980	22,892	24,660
Imports of Goods FOB	55,671	51,869	43,645	54,273	71,543	52,695	53,157	39,057	43,388
Balance on Trade in Goods	-30,903	-27,612	-21,109	-28,634	-39,050	-24,819	-22,177	-16,165	-18,728
Exports of Services	5,851	5,966	5,437	5,945	7,102	7,596	7,691	5,685	6,235
Imports of Services	12,277	10,936	8,753	8,461	12,942	8,638	10,801	7,867	8,553
of which									
Transportation	3,956	3,639	3,036	3,279	7,405	4,058	4,677	3,554	3,653
Travel	2,289	1,709	1,229	752	1,413	1,877	2,266	1,714	1,876
Balance on Trade in Services	-6,426	-4,970	-3,316	-2,516	-5,840	-1,042	-3,110	-2,182	-2,318
Balance on Trade in Goods and Services	-37,329	-32,582	-24,425	-31,150	-44,890	-25,861	-25,287	-18,347	-21,046
Primary Income credit	726	578	479	508	652	652	909	680	712
Primary Income debit	6,163	6,188	5,938	4,908	5,900	6,417	9,895	6,405	7,236
of which: Interest Payments	2,600	3,066	3,109	2,176	2,994	4,612	5,546	4,050	3,903
Balance on Primary Income	-5,437	-5,610	-5,459	-4,400	-5,248	-5,765	-8,986	-5,725	-6,524
Balance on Goods, Services and Primary Income	-42,766	-38,192	-29,884	-35,550	-50,138	-31,626	-34,273	-24,072	-27,570
Secondary Income credit	23,800	24,990	25,802	33,027	32,949	28,665	32,668	22,766	29,909
of which: Workers' Remittances	19,914	21,740	23,131	29,450	31,279	27,333	30,251	21,038	28,029
Secondary Income debit	229	232	367	297	292	314	467	346	480
Balance on secondary Income	23,571	24,758	25,435	32,730	32,657	28,351	32,201	22,420	29,429
Capital Account Balance	376	229	285	224	205	375	195	152	103
Capital Account credit	376	229	288	224	205	375	202	156	127
Capital Account debit	0	0	3	0	0	0	7	4	24
borrowing (–)	-18,819	-13,205	-4,164	-2,596	-17,276	-2,900	-1,877	-1,500	1,962
Financial Account	-13,611	-11,759	-9,313	-8,768	-11,261	468	-5,370	-4,519	1,403
Direct investment	-2,772	-1,436	-2,652	-1,648	-1,702	-670	-2,126	-1,266	-1,725
Direct Investment Abroad	10	-74	-54	171	234	957	220	175	-81
Direct Investment in Pakistan	2,782	1,362	2,598	1,819	1,936	1,627	2,346	1,441	1,644
Portfolio investment	-2,257	1,274	409	-2,774	55	1,012	376	-169	329
Portfolio Investment Abroad	-48	-144	-115	-12	-24	-14	-6	-2	-12
Portfolio Investment in Pakistan	2,209	-1,418	-524	2,762	-79	-1,026	-382	167	-341
Financial Derivatives (other than reserves) and ESOs*	0	0	-8	0	-1	-9	-10	-5	0
Other Investment	-8,582	-11,597	-7,062	-4,346	-9,613	135	-3,610	-3,079	2,799
Net Acquisition of Financial Assets	273	-67	-127	1,345	2,613	-964	-381	13	292
Net Incurrence of Liabilities	8,855	11,530	6,935	5,691	12,226	-1,099	3,229	3,092	-2,507
of which									
General Government	4,894	4,294	5,919	5,738	6,117	-2,085	1,565	1,613	-78
Disbursements	8,507	8,255	13,181	9,808	11,256	9,891	6,044	3,510	3,609
Credit and Loans with the IMF (Other tha	0	0	2,834	500	1,053	1,166	0	0	0
Other Long Term	6,782	6,610	8,736	8,060	7,989	7,382	5,194	2,710	3,234
Short Term	1,725	1,645	1,611	1,248	2,214	1,343	850	800	375
Amortization	4,107	5,982	7,299	5,855	8,343	11,660	6,727	4,054	4,100
Credit and Loans with the IMF (Other tha	0	0	0	0	0	0	792	588	697
Other Long Term	2,619	4,444	6,117	5,071	7,811	10,333	5,773	3,304	3,203
Short Term	1,488	1,538	1,182	784	532	1,327	162	162	200
Other Liabilities (Net)	494	2,021	37	1,785	3,204	-316	2,248	2,157	413
Net Errors and Omissions	-933	-58	150	-619	-303	-850	-631	-651	189
Overall Balance	6,141	1,504	-5,299	-5,553	6,318	4,218	-2,862	-2,368	-748
Reserves and Related Items	-6,141	-1,504	5,299	5,553	-6,318	-4,218	2,862	2,368	748
Reserve Assets	-6,227	-1,880	4,554	4,473	-7,333	-5,185	5,016	3,627	1,276
Use of Fund Credit and Loans	-86	-376	-745	-1,080	-1,015	-967	2,154	1,259	528
Exceptional Financing	0	0	0	0	0	0	0	0	0
SBP Gross Reserves R: Revised	11,341	9,301	13,724	18,716	11,090	5,669	10,627	9,258	11,903

P: Provisional; R: Revised

Source: State Bank of Pakistan

Totals may differ due to rounding off.

* Employee Stock Options

TABLE 8.2

COMPONENTS OF BALANCE OF PAYMENTS (AS PERCENT OF GDP)

Year	Exports *	Imports *	Trade Deficit *	Worker's Remittances #	Current Account Balance #
2010-11	11.6	18.9	7.3	5.2	0.1
2011-12	10.5	20.0	9.5	5.9	-2.1
2012-13	10.6	19.4	8.9	6.0	-1.1
2013-14	10.3	18.4	8.2	6.5	-1.3
2014-15	8.7	16.9	8.2	6.9	-1.0
2015-16**	6.6	14.2	7.6	6.3	-1.6
2016-17	6.0	15.6	9.6	5.7	-3.6
2017-18	6.5	17.0	10.5	5.6	-5.4
2018-19	7.1	17.0	9.9	6.8	-4.2
2019-20	7.1	14.8	7.7	7.7	-1.5
2020-21	7.3	16.2	8.9	8.4	-0.8
2021-22	8.6	19.0	10.4	8.3	-4.7
2022-23	8.3	15.6	7.4	8.1	-1.0
2023-24	8.3	14.3	6.0	8.1	-0.6
July-March					
2023-24	6.2	10.5	4.3	5.7	-0.4
2024-25 P	6.0	10.6	4.6	6.8	0.5

P : Provisional

Source: PBS, SBP & EA Wing, Finance Division

* : Based on the data compiled by PBS

**: Based on revised GDP base year since 2015-16 onwards

\# : MoF Calculation based on data compiled by SBP

TABLE 8.3

EXPORTS, IMPORTS & TRADE BALANCE

Year	Rs million Current Prices			Growth Rate (%)			US $ million Current Prices			Growth Rate (%)		
	Exports	Imports	Balance	Exports	Imports	Balance	Exports	Imports	Balance	Exports	Imports	Balance
2010-11	2,120,847	3,455,287	-1,334,440	31.12	18.70	3.16	24,810	40,414	-15,604	28.62	16.43	1.19
2011-12	2,112,140	4,009,093	-1,896,953	-0.48	16.03	42.27	23,624	44,912	-21,288	-4.78	11.13	36.43
2012-13	2,366,478	4,349,880	-1,983,402	12.12	8.50	4.47	24,460	44,950	-20,490	3.54	0.08	-3.75
2013-14	2,583,463	4,630,521	-2,047,058	9.17	6.45	3.21	25,110	45,073	-19,963	2.66	0.27	-2.57
2014-15	2,397,513	4,644,152	-2,246,639	-7.20	0.29	9.75	23,667	45,826	-22,159	-5.75	1.67	11.00
2015-16	2,166,846	4,658,749	-2,491,903	-9.62	0.31	10.92	20,787	44,685	-23,898	-12.17	-2.49	7.85
2016-17	2,138,186	5,539,721	-3,401,535	-1.32	18.91	36.50	20,422	52,910	-32,488	-1.76	18.41	35.94
2017-18	2,555,043	6,694,897	-4,139,854	19.50	20.85	21.71	23,212	60,795	-37,583	13.66	14.90	15.68
2018-19	3,128,230	7,443,253	-4,315,023	22.43	11.18	4.23	22,958	54,763	-31,805	-1.09	-9.92	-15.37
2019-20	3,369,782	7,029,819	-3,660,037	7.72	-5.55	-15.18	21,394	44,553	-23,159	-6.81	-18.64	-27.18
2020-21	4,041,927	8,982,441	-4,940,514	19.95	27.78	34.99	25,304	56,380	-31,076	18.28	26.55	34.19
2021-22	5,661,127	14,273,394	-8,612,267	40.06	58.90	74.32	31,782	80,136	-48,354	25.60	42.14	55.60
2022-23	6,859,233	13,472,988	-6,613,755	21.16	-5.61	-23.21	27,724	55,198	-27,474	-12.77	-31.12	-43.18
2023-24	8,674,104	15,482,120	-6,808,015	26.46	14.91	2.94	30,675	54,779	-24,104	10.64	-0.76	-12.27
July- March												
2023-24	6,517,925	11,384,416	-4,866,490	31.71	11.67	-7.23	22,926	40,054	-17,127	8.99	-8.40	-24.51
2024-25 P	6,884,208	11,888,524	-5,004,316	5.62	4.43	2.83	24,718	42,681	-17,963	7.82	6.56	4.88

P : Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.4

UNIT VALUE INDICES & TERMS OF TRADE (T.O.T) (1990-91 = 100)

Groups		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	July-March	
									2023-24	2024-25 P
All Groups										
	Exports	735.40	794.77	841.44	903.14	1,217.87	1,438.17	1,815.77	1,819.25	1,920.56
	Imports	1,261.25	1,342.30	1,369.71	1,450.51	1,982.41	1,943.99	2,213.76	2,171.22	2,271.90
	T.O.T.	58.32	59.21	61.43	62.26	61.43	73.98	82.02	83.79	84.54
Food & Live Animals										
	Exports	1,134.29	1,229.51	1,280.54	1,355.88	1,534.26	1,734.23	2,236.12	2,237.64	2,285.41
	Imports	943.23	908.93	1,172.18	1,179.43	1,411.26	1,439.01	1,696.38	1,677.73	1,740.47
	T.O.T.	120.26	135.27	109.24	114.96	108.72	120.52	131.82	133.37	131.31
Beverages & Tobacco										
	Exports	1,061.25	860.48	830.28	776.77	1,114.17	1,276.94	1,215.53	1,231.04	1,380.47
	Imports	1,656.22	1,325.61	1,287.99	1,488.28	1,414.25	1,488.78	1,734.21	1,708.57	1,746.69
	T.O.T.	64.08	64.91	64.46	52.19	78.78	85.77	70.09	72.05	79.03
Crude Materials(inedible except fuels)										
	Exports	1,043.30	1,119.52	1,327.78	1,210.79	1,406.95	1,563.57	1,762.41	1,761.03	1,853.08
	Imports	1,020.56	1,102.13	1,228.58	1,284.58	1,691.15	1,598.32	1,765.13	1,732.36	1,892.17
	T.O.T.	102.23	101.58	108.07	94.26	83.19	97.83	99.85	101.65	97.93
Minerals, Fuels & Lubricants										
	Exports	1,485.92	2,016.59	1,894.55	1,624.56	2,675.19	2,837.53	2,896.42	2,922.11	2,925.97
	Imports	1,030.32	1,564.46	1,411.00	1,259.52	2,353.30	2,424.41	2,867.82	2,819.01	2,740.68
	T.O.T.	144.22	128.90	134.27	128.98	113.68	117.04	101.00	103.66	106.76
Chemicals										
	Exports	1,054.28	1,129.18	1,252.79	1,256.13	1,212.00	1,276.68	1,423.05	1,453.10	1,345.97
	Imports	1,264.05	1,335.10	1,455.62	1,426.78	1,731.89	1,658.35	1,865.66	1,833.35	1,968.58
	T.O.T.	83.40	84.58	86.07	88.04	69.98	76.99	76.28	79.26	68.37
Animal & Vegetable Oils, Fats & Waxes										
	Exports	-	–	–	–	–	–	–	–	–
	Imports	1,010.73	995.35	1,133.53	1,451.50	2,245.99	2,259.90	2,475.53	2,444.52	2,606.73
	T.O.T.	-	–	–	–	–	–	–	–	–
Manufactured Goods										
	Exports	580.96	616.90	647.03	669.74	1,056.33	1,346.41	1,740.90	1,755.92	1,853.99
	Imports	939.97	1,110.15	1,289.64	1,333.21	1,571.32	1,602.43	1,898.67	1,868.15	2,010.44
	T.O.T.	61.81	55.57	50.17	50.24	67.23	84.02	91.69	93.99	92.22
Machinery, Transport & Equipment										
	Exports	1,838.42	1,466.32	1,129.99	1,393.65	2,215.54	2,292.64	1,901.89	1,938.03	1,828.18
	Imports	1,913.85	1,458.64	1,387.32	1,895.14	2,109.52	1,912.05	2,093.52	2,044.06	2,225.14
	T.O.T.	96.06	100.53	81.45	73.54	105.03	119.90	90.85	94.81	82.16
Miscellaneous Manufactured Articles										
	Exports	820.87	887.27	982.56	1,185.14	1,371.75	1,459.74	1,775.31	1,763.31	1,882.36
	Imports	2,652.61	2,186.14	2,019.53	1,989.64	2,127.27	1,717.37	1,836.60	1,796.04	2,016.92
	T.O.T.	30.95	40.59	48.65	59.57	64.48	85.00	96.66	98.18	93.33

- : Not available

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.4

UNIT VALUE INDICES & TERMS OF TRADE (T.O.T) (2017-18 = 100)

Groups		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	July-March	
								2023-24	2024-25 P
All Groups									
	Exports	117.30	130.91	170.80	221.50	268.89	339.37	340.02	358.97
	Imports	115.05	125.81	163.52	241.09	237.99	272.50	267.07	279.93
	T.O.T.	101.96	104.05	104.45	91.87	112.98	124.54	127.32	128.23
Live Animals, Animals Products									
	Exports	118.42	140.72	136.45	165.75	232.48	269.31	275.96	281.38
	Imports	103.46	120.65	142.77	155.94	197.23	256.50	252.75	271.41
	T.O.T.	114.46	116.63	95.57	106.29	117.87	105.00	109.18	103.67
Vegetable Products									
	Exports	122.76	138.97	148.92	215.63	243.96	313.33	318.16	367.55
	Imports	108.35	115.55	135.00	173.99	219.50	233.34	223.66	259.41
	T.O.T.	113.30	120.27	110.31	123.93	111.14	134.29	142.25	141.68
Animal / Veg. Fats, Oil & Waxes etc.									
	Exports	104.80	119.47	160.89	257.20	352.14	295.70	296.69	301.55
	Imports	101.59	113.34	166.42	272.01	282.51	287.83	284.27	329.93
	T.O.T.	103.16	105.40	96.67	94.56	124.65	102.73	104.37	91.40
Prep. of Food Sutff, Bev. Tobacco etc.									
	Exports	114.94	141.01	160.48	187.92	283.27	377.41	378.62	389.71
	Imports	115.46	127.77	147.77	168.11	219.61	294.41	291.86	276.52
	T.O.T.	99.54	110.36	108.60	111.79	128.99	128.19	129.72	140.94
Mineral Products									
	Exports	123.49	128.21	125.89	188.60	280.53	295.01	288.53	334.86
	Imports	122.02	114.06	114.06	243.30	282.84	307.37	300.74	302.26
	T.O.T.	101.21	112.41	110.38	77.52	99.18	95.98	95.94	110.78
Product of Chem. & Allied Industries									
	Exports	105.81	116.33	106.49	127.38	155.24	206.87	203.63	228.70
	Imports	110.75	126.94	139.15	177.53	184.32	238.91	230.93	243.67
	T.O.T.	95.54	91.64	76.53	71.75	84.22	86.59	88.18	93.86
Plastic and Articles Thereof etc.									
	Exports	123.31	120.05	125.75	199.27	244.69	244.94	241.38	241.62
	Imports	115.76	118.96	130.51	171.45	173.00	210.30	211.08	197.62
	T.O.T.	106.52	100.91	96.35	116.23	141.43	116.47	114.36	122.26
Raw Hides & Skins, Leath, Fur & Art									
	Exports	118.94	135.23	149.84	150.32	210.14	282.67	279.46	296.07
	Imports	118.32	114.60	137.76	198.32	155.14	192.43	190.11	154.35
	T.O.T.	100.52	118.00	108.77	75.80	135.45	146.89	147.00	191.82
Wood & Art of Wood, Charcoal, Cork									
	Exports	124.01	121.21	145.07	237.37	207.01	259.03	249.10	281.94
	Imports	111.17	130.61	213.21	332.63	251.99	286.35	284.40	301.49
	T.O.T.	111.55	92.80	68.04	71.36	82.15	90.46	87.59	93.52
Pulp of Wood of Fiber Cellu. Mat.									
	Exports	122.23	130.90	124.10	131.91	209.91	246.74	248.14	267.34
	Imports	120.32	134.03	140.02	193.41	244.55	276.02	279.13	267.77
	T.O.T.	101.58	97.67	88.62	68.20	85.84	89.39	88.90	99.84

P: Provisional

(Contd.)

TABLE 8.4

UNIT VALUE INDICES & TERMS OF TRADE (T.O.T) (2017-18 = 100)

Groups	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	July-March	
							2023-24	2024-25 P
Textile and Textile Articles								
Exports	113.08	125.91	181.86	237.56	283.32	364.62	364.29	378.56
Imports	115.96	142.49	155.88	209.65	220.56	273.90	266.72	286.68
T.O.T.	97.52	88.36	116.67	113.31	128.46	133.12	136.58	132.05
Footware, Walking Stick & Umbr								
Exports	118.93	150.63	138.02	152.58	204.32	228.32	220.04	246.82
Imports	112.69	134.57	151.75	192.94	205.08	221.46	228.94	177.02
T.O.T.	105.54	111.93	90.96	79.08	99.63	103.10	96.11	139.44
Artic. Of Stone, Glass, Cement, CERA								
Exports	113.60	127.39	230.80	212.41	242.13	316.87	315.02	326.39
Imports	119.50	151.04	159.84	244.69	257.72	267.99	269.33	287.33
T.O.T.	95.06	84.34	144.39	86.81	93.95	118.24	116.96	113.60
Pearls Pre/Semi Precious Stones								
Exports	160.13	174.53	255.22	283.29	308.92	338.07	346.08	335.08
Imports	110.28	127.81	189.00	202.86	200.28	250.87	249.78	269.38
T.O.T.	145.21	136.55	135.03	139.65	154.25	134.76	138.56	124.39
Base Metal & Article of Base Metal								
Exports	129.78	157.65	185.97	274.68	351.92	381.52	384.12	384.29
Imports	115.67	135.59	168.31	225.42	227.89	276.26	269.45	319.03
T.O.T.	112.20	116.27	110.49	121.85	154.43	138.10	142.56	120.46
Mach. & Mech./Elect. Appl. Equip.								
Exports	141.96	180.76	236.87	294.63	300.92	336.85	333.88	350.79
Imports	112.78	139.31	279.17	360.82	270.19	282.53	280.19	293.82
T.O.T.	125.88	129.75	84.85	81.65	111.38	119.22	119.16	119.39
Vehicle, Aircraft, Vessel of Tpt.Equ.								
Exports	128.28	167.08	231.42	318.53	326.88	342.01	349.18	342.26
Imports	108.97	112.96	125.29	180.66	157.45	242.77	235.81	226.19
T.O.T.	117.72	147.91	184.71	176.32	207.61	140.88	148.08	151.31
Opt. Photographic Med.Surg. Instr								
Exports	168.85	135.39	284.44	229.13	206.37	187.46	187.91	200.29
Imports	121.91	122.28	124.74	126.56	138.12	213.85	207.90	240.99
T.O.T.	138.51	110.72	228.02	181.05	149.41	87.66	90.38	83.11
Arms & Ammunition & Parts								
Exports	122.03	146.24	269.92	311.87	352.56	344.61	347.95	335.78
Imports	100.57	121.68	198.16	289.73	258.73	274.27	278.31	291.31
T.O.T.	121.33	120.18	136.22	107.64	136.27	125.65	125.03	115.27
Misc. Manufactured Article								
Exports	125.61	132.29	146.55	166.99	228.05	298.60	300.78	302.06
Imports	127.96	157.09	210.48	245.47	254.24	281.56	280.82	284.08
T.O.T.	98.16	84.21	69.62	68.03	89.70	106.05	107.11	106.33
Art Work,Collector Prices & Antiq								
Exports	80.58	78.08	0.00	35.00	0.00	0.00	0.00	0.00
Imports	108.02	96.93	112.61	116.10	140.27	214.48	218.26	220.33
T.O.T.	74.60	80.56	0.00	30.15	0.00	0.00	0.00	0.00

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.5 A

ECONOMIC CLASSIFICATION OF EXPORTS

Rs million

Year	Primary Commodities		Semi-Manufactured		Manufactured Goods		Total
	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Value*
2010-11	377,536	18	274,500	13	1,468,811	69	2,120,847
2011-12	362,404	17	261,831	12	1,486,370	71	2,110,605
2012-13	364,127	15	391,151	17	1,611,199	68	2,366,478
2013-14	420,496	16	369,066	14	1,793,901	70	2,583,463
2014-15	402,750	17	352,074	15	1,642,689	68	2,397,513
2015-16	356,584	16	254,329	12	1,555,933	72	2,166,846
2016-17	331,040	15	246,319	12	1,560,826	73	2,138,186
2017-18	454,351	18	307,567	12	1,793,125	70	2,555,043
2018-19	567,876	18	307,322	10	2,253,032	72	3,128,230
2019-20	629,112	19	283,213	8	2,457,457	73	3,369,782
2020-21	629,971	16	284,605	7	3,127,350	77	4,041,927
2021-22	907,361	16	375,011	7	4,378,756	77	5,661,127
2022-23	1,095,333	16	453,133	7	5,310,693	77	6,859,233
2023-24	1,899,203	22	545,810	6	6,229,091	72	8,674,104
July-March							
2023-24	1,458,266	22	433,293	7	4,626,366	71	6,517,925
2024-25 P	1,324,126	19	453,252	7	5,106,830	74	6,884,208

P : Provisional

Source: Pakistan Bureau of Statistics

* : Total may differ due to rounding off figure

TABLE 8.5 B

ECONOMIC CLASSIFICATION OF IMPORTS

Rs million

Year	Capital Goods		Industrial Raw Material For				Consumer Goods		Total Value *
			Capital Goods		Consumer Goods				
	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	
2010-11	829,005	24	239,525	7	1,826,243	53	560,512	16	3,455,285
2011-12	911,561	23	262,212	7	2,292,309	57	543,011	14	4,009,093
2012-13	1,049,775	24	293,733	7	2,353,818	54	652,553	15	4,349,880
2013-14	1,081,329	23	306,810	7	2,462,189	53	780,192	17	4,630,521
2014-15	1,233,341	27	388,167	8	2,214,664	48	807,980	17	4,644,152
2015-16	1,482,878	31	417,210	9	1,887,884	41	870,977	19	4,658,748
2016-17	1,887,928	34	470,891	9	2,199,168	40	981,733	18	5,539,721
2017-18	2,084,584	31	660,986	10	2,878,788	43	1,070,539	16	6,694,897
2018-19	2,062,358	28	747,761	10	3,301,354	44	1,331,780	18	7,443,253
2019-20	2,016,700	29	757,355	11	2,978,352	42	1,277,412	18	7,029,818
2020-21	2,497,994	28	980,837	11	3,844,593	43	1,659,015	18	8,982,441
2021-22	1,936,014	14	2,394,057	17	6,258,549	44	3,684,774	26	14,273,394
2022-23	1,374,671	10	2,037,551	15	7,260,854	54	2,799,912	21	13,472,988
2023-24	1,959,633	13	2,297,781	15	7,924,774	51	3,299,931	21	15,482,120
July-March									
2023-24	1,329,428	12	1,706,550	15	5,960,514	52	2,387,924	21	11,384,416
2024-25 P	1,595,407	13	1,837,180	15	6,089,793	51	2,366,144	20	11,888,524

P: Provisional

Source: Pakistan Bureau of Statistics

* : Total may differ due to rounding off figures

TABLE 8.6

MAJOR IMPORTS

Rs million

	Items	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	July-March 2023-24	July-March 2024-25 P
1	Chemicals	540,558	579,959	719,354	865,613	851,989	1,063,394	1,536,017	1,645,959	1,829,062	1,366,264	1,374,588
2	Drugs & medicines	96,135	102,110	118,122	148,428	157,763	221,027	706,716	287,775	268,825	199,735	229,347
3	Dyes and colours	43,345	47,334	55,255	72,491	65,958	87,948	104,987	103,128	112,645	86,138	88,076
4	Chemical Fertilizers	75,667	67,063	90,879	105,162	89,580	114,521	148,331	141,501	192,903	156,319	139,597
5	Electrical goods	187,163	243,082	236,896	239,618	349,334	259,081	334,345	412,816	921,157	595,463	678,194
6	Machinery (non-electrical)	712,920	996,128	1,045,502	984,410	1,042,935	1,365,097	1,602,932	1,021,852	1,495,516	1,081,085	1,190,180
7	Transport equipment	297,225	332,549	462,630	397,772	229,955	455,168	760,449	392,873	487,645	327,883	414,930
8	Paper, board & stationery	56,930	59,960	69,096	78,298	66,947	75,259	89,788	113,097	127,588	97,480	97,512
9	Tea	53,491	54,839	60,368	77,367	84,354	92,834	110,985	139,453	185,782	140,861	130,424
10	Sugar-refined	645	535	554	534	608	20,893	32,371	1,375	940	758	731
11	Art-silk yarn	64,612	66,478	72,996	94,611	79,126	104,697	156,194	142,599	171,182	128,436	144,956
12	Iron, steel & Manu-factures thereof	261,291	228,719	344,595	401,045	319,554	390,487	615,788	552,880	681,153	499,785	553,662
13	Non-ferrous metals	51,722	55,534	67,736	61,698	49,606	77,951	116,661	122,831	146,407	98,790	125,593
14	Petroleum & Products	794,697	982,619	1,289,222	1,475,012	1,171,969	1,316,909	3,201,993	3,083,691	3,443,702	2,447,799	2,355,289
15	Edible oils	195,200	212,327	238,563	265,430	300,008	440,317	662,889	963,908	822,977	626,057	786,732
16	Grains, pulses & flour	77,525	110,483	72,603	84,754	112,183	286,736	271,562	520,069	550,701	487,930	249,457
17	Other imports	1,149,622	1,340,002	1,750,526	2,091,010	2,057,949	2,610,122	3,821,385	3,827,179	4,043,933	3,043,634	3,329,255
	Grand Total	4,658,749	5,539,721	6,694,897	7,443,253	7,029,818	8,982,441	14,273,394	13,472,988	15,482,120	11,384,416	11,888,524

P : Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.7

MAJOR EXPORTS

Rs million

		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	July-March	
											2023-24	2024-25 P
1	Rice	194,246	168,244	224,739	285,031	343,916	325,585	450,159	541,166	1,107,323	828,808	767,919
2	Fish and Fish preparations	33,918	41,214	49,755	60,405	64,118	66,040	77,386	124,921	116,041	84,959	89,957
3	Fruits	44,607	39,878	43,842	56,272	67,769	76,846	84,358	68,708	97,143	75,579	70,363
4	Wheat	17	109	27,109	20,124	1,815	-	-	-	-	-	-
5	Sugar	13,818	16,867	56,379	31,147	11,063	-	-	29104	6146	6,146	113,211
6	Meat and Meat Preparations	28,036	23,103	24,920	33,438	48,021	52,978	60,682	107,256	144,638	110,017	108,955
7	Raw Cotton	7,948	4,559	6,184	2,709	2,669	131	1,160	3,064	15,944	15,944	243
8	Cotton Yarn	131,700	130,216	151,063	152,726	155,158	161,781	214,144	212,451	271,546	225,993	149,934
9	Cotton Fabrics	230,757	223,675	242,374	285,625	287,877	307,157	433,902	499,035	528,142	404,845	396,759
10	Hosiery (Knitwear)	246,267	247,242	298,374	394,748	440,104	609,576	912,042	1,088,860	1,246,870	922,023	1,054,210
11	Bed wear	210,543	223,812	248,538	307,202	338,750	443,286	584,811	664,017	792,919	594,113	661,292
12	Towels	83,681	83,819	87,633	107,043	111,969	149,783	197,792	248,142	298,302	222,803	228,054
13	Readymade Garments	228,861	242,782	283,498	362,320	401,355	485,061	695,737	861,249	1,006,944	737,926	861,047
14	Art Silk and Synthetic Textiles	30,005	19,638	34,069	40,433	49,548	59,106	81,742	102,301	103,799	77,769	84,652
15	Carpets, Carpeting Rugs & Mats	10,186	8,219	8,317	9,147	8,516	11,844	14,843	17,830	16,819	12,708	11,734
16	Sports Goods excl. Toys	33,862	32,285	37,710	41,995	41,286	44,443	65,191	100,178	112,064	81,820	78,660
17	Leather Excluding Reptile Leather (Tanned)	37,803	36,180	36,330	34,269	29,001	25,791	37,043	41,368	38,914	28,663	28,603
18	Leather Manufactures	54,788	51,421	57,422	66,146	74,588	41,563	110,159	141,860	154,610	116,911	123,074
19	Foot wear	11,453	10,024	11,913	16,734	19,839	21,125	27,914	44,043	45,869	34,954	38,805
20	Medical & Surgical Instruments	37,408	35,574	41,618	52,970	55,960	68,506	75,164	110,954	125,800	94,257	95,078
21	Chemicals and Pharmaceuticals	83,752	92,176	114,350	154,532	159,377	183,253	281,018	342,187	423,548	313,586	332,015
22	Engineering goods	19,645	18,238	22,882	23,518	27,229	36,042	42,418	61,903	99,342	72,794	84,700
23	Jewelry	833	610	644	661	506	2,162	2,592	1,863	3,113	1,984	3,045
24	Cement and cement Products	33,468	24,896	24,420	36,550	40,849	42,959	39,296	47,819	75,467	51,244	64,053
25	All other items	359,244	363,405	420,960	552,485	588,499	826,909	1,171,573	1,398,953	1,842,802	1,402,079	1,437,847
	Total Exports	2,166,846	2,138,186	2,555,043	3,128,230	3,369,782	4,041,927	5,661,127	6,859,233	8,674,104	6,517,925	6,884,208

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.8

DESTINATION OF EXPORTS & ORIGIN OF IMPORTS

% Share

REGION	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	July-March	
										2023-24	2024-25 P
1 Developed Countries											
Exports	51.6	53.4	52.2	53.6	54.5	57.8	58.1	57.8	52.3	51.7	53.0
Imports	23.3	22.5	22.0	21.8	21.0	20.5	18.0	16.6	13.9	14.8	14.4
a. OECD											
Exports	50.5	52.2	50.8	52.3	53.0	56.5	56.9	56.8	51.3	50.7	52.0
Imports	20.9	20.6	20.1	19.9	19.3	18.3	15.8	15.2	12.7	13.3	13.3
b. Other European Countries											
Exports	1.1	1.2	1.3	1.3	1.4	1.3	1.2	1.0	1.0	1.0	1.0
Imports	2.4	1.9	1.9	1.8	1.7	2.3	2.2	1.4	1.3	1.5	1.1
2 CMEA*											
Exports	1.9	2.1	2.0	2.2	2.3	2.5	2.1	2.2	2.3	2.3	2.2
Imports	0.9	1.3	1.0	0.9	1.1	1.9	1.1	2.5	2.5	3.1	0.9
3 Developing Countries											
Exports	46.6	44.6	45.8	44.2	43.3	39.7	39.8	40.0	45.4	45.2	44.9
Imports	75.8	76.2	77.0	77.3	77.9	77.6	80.9	80.9	83.6	81.9	84.8
a. OIC											
Exports	18.6	17.2	17.5	16.7	17.6	14.7	13.1	15.8	17.2	17.0	18.0
Imports	24.7	26.2	28.2	30.8	27.3	25.7	31.6	35.4	34.6	33.7	33.6
b. SAARC											
Exports	6.0	6.1	6.1	5.8	4.6	3.7	4.2	3.7	3.6	3.7	3.8
Imports	4.3	3.5	3.4	3.0	1.1	0.8	0.6	0.8	0.7	0.7	0.8
c. ASEAN											
Exports	2.6	2.8	3.7	3.4	3.3	3.1	3.8	3.4	5.8	5.9	5.2
Imports	10.2	9.8	10.2	10.3	10.4	10.9	10.9	13.0	11.6	11.9	12.2
d. Central America											
Exports	0.8	0.8	0.7	0.7	0.7	0.6	0.6	0.9	0.8	0.0	0.9
Imports	0.2	0.2	0.3	0.2	0.4	0.2	0.2	0.2	0.2	0.0	0.2
e. South America											
Exports	1.2	1.2	1.2	1.1	1.0	1.1	1.3	1.1	1.1	1.1	1.2
Imports	2.2	1.4	1.5	1.2	2.0	2.7	2.3	2.1	0.9	0.9	1.7
f. Other Asian Countries											
Exports	12.1	11.5	11.3	11.9	10.6	11.9	12.4	10.3	10.9	11.7	9.5
Imports	30.7	31.6	29.3	27.0	31.6	32.4	29.7	24.4	30.2	29.3	31.8
g. Other African Countries											
Exports	5.0	4.7	4.8	4.2	4.9	4.0	3.6	3.9	4.9	5.0	4.9
Imports	3.4	3.4	4.1	4.8	5.1	4.8	5.5	4.9	5.3	5.2	4.4
h. Central Asian States											
Exports	0.2	0.3	0.4	0.5	0.4	0.6	0.8	0.9	0.9	0.8	1.4
Imports	0.1	0.1	0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0
Total	100	100	100	100	100	100	100	100	100	100	100

P: Provisional

Source: Pakistan Bureau of Statistics

*: Council for Mutual Economic Assistance

TABLE 8.9

WORKERS' REMITTANCES

US $ million

COUNTRY	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	July-March	
										2023-24	2024-25 P
I. Cash Flow	19,916.8	19,351.3	19,913.6	21,739.4	23,132.3	29,449.9	31,278.8	27,332.8	30,250.8	21,037.2	28,029.8
Bahrain	448.4	396.4	355.7	340.2	417.1	470.8	529.5	454.3	442.9	316.5	348.9
Canada	176.0	187.4	211.1	213.0	313.4	594.8	708.1	552.1	504.6	362.0	474.2
Germany	93.7	94.1	127.8	123.5	392.2	431.9	508.9	553.0	587.3	425.2	534.4
Japan	13.2	14.3	22.8	23.0	66.4	85.2	78.9	74.8	52.1	38.4	46.8
Kuwait	774.0	763.8	774.2	725.8	738.6	861.6	935.5	815.2	802.1	577.1	650.1
Norway	34.9	41.3	47.8	43.5	69.7	111.8	145.7	111.4	106.7	79.2	86.3
Qatar	380.9	404.4	371.1	385.9	760.2	910.7	1,028.5	915.5	901.6	650.8	787.5
Saudi Arabia	5,968.3	5,469.8	4,858.8	5,003.0	6,613.5	7,726.3	7,754.2	6,532.8	7,424.2	5,084.5	6,883.6
Sultanat-e-Oman	819.4	760.9	657.3	667.2	994.3	1,088.6	1,131.9	1,013.0	1,033.8	732.4	970.1
U.A.E.	4,365.3	4,328.0	4,359.0	4,617.3	5,611.8	6,164.8	5,846.2	4,656.1	5,534.6	3,669.4	5,704.9
Abu Dhabi	1,418.3	1,426.8	1,132.7	1,488.0	810.4	944.8	1,208.2	1,029.7	1,250.6	878.2	1,107.3
Dubai	2,877.7	2,845.3	3,173.7	3,075.5	4,768.2	5,116.0	4,558.3	3,569.7	4,229.8	2,751.0	4,505.2
Sharjah	66.5	50.5	47.6	37.2	25.1	79.4	59.8	37.9	21.5	19.3	36.7
Others	2.8	5.5	5.0	16.7	8.1	24.6	19.8	18.8	32.7	20.8	55.6
U.K.	2,579.7	2,341.7	2,892.4	3,412.3	2,569.0	4,091.0	4,492.9	4,073.2	4,521.5	3,157.8	4,244.0
U.S.A	2,524.7	2,452.9	2,838.0	3,309.1	1,742.8	2,599.6	3,087.4	3,167.8	3,531.2	2,519.9	2,821.8
Other Countries	1,738.4	2,096.2	2,397.7	2,875.7	2,843.3	4,313.0	5,031.3	4,413.6	4,808.4	3,424.0	4,477.3
II. Encashment*	-	0	0	0	0	0	0	0	0	0	0
Total (I+II)	19,916.8	19,351.3	19,913.6	21,739.5	23,132.3	29,449.9	31,278.8	27,332.8	30,250.8	21,037.2	28,029.8

Source: State Bank of Pakistan

* : Encashment and Profit in Pak Rs. of Foreign Exchange Bearer Certificates (FEBCs) & Foreign Currency Bearer Certificates (FCBCs)

TABLE 8.9

WORKERS' REMITTANCES

% Share

COUNTRY	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	July-March	
										2023-24	2024-25 P
Cash Flow											
Bahrain	2.3	2.1	1.8	1.6	1.8	1.6	1.7	1.7	1.5	1.5	1.2
Canada	0.9	1.0	1.1	1.0	1.4	2.0	2.3	2.0	1.7	1.7	1.7
Germany	0.5	0.5	0.6	0.6	1.7	1.5	1.6	2.0	1.9	2.0	1.9
Japan	0.1	0.1	0.1	0.1	0.3	0.3	0.3	0.3	0.2	0.2	0.2
Kuwait	3.9	4.0	3.9	3.3	3.2	2.9	3.0	3.0	2.7	2.7	2.3
Norway	0.2	0.2	0.2	0.2	0.3	0.4	0.5	0.4	0.4	0.4	0.3
Qatar	1.9	2.1	1.9	1.8	3.3	3.1	3.3	3.3	3.0	3.1	2.8
Saudi Arabia	30.0	28.3	24.4	23.0	28.6	26.2	24.8	23.9	24.5	24.2	24.6
Sultanat-e-Oman	4.1	3.9	3.3	3.1	4.3	3.7	3.6	3.7	3.4	3.5	3.5
U.A.E.	21.9	22.4	21.9	21.2	24.3	20.9	18.7	17.0	18.3	17.4	20.4
Abu Dhabi	7.1	7.4	5.7	6.8	3.5	3.2	3.9	3.8	4.1	4.2	4.0
Dubai	14.5	14.7	15.9	14.2	20.6	17.4	14.6	13.1	14.0	13.1	16.1
Sharjah	0.3	0.3	0.2	0.2	0.1	0.3	0.2	0.1	0.1	0.1	0.1
Others	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.2
U.K.	13.0	12.1	14.5	15.7	11.1	13.9	14.4	14.9	14.9	15.0	15.1
U.S.A	12.7	12.7	14.3	15.2	7.5	8.8	9.9	11.6	11.7	12.0	10.1
Other Countries	8.7	10.8	12.0	13.2	12.3	14.6	16.1	16.1	15.9	16.3	16.0
Total	100	100	100	100	100	100	100	100	100	100	100

P: Provisional

Source: State Bank of Pakistan

TABLE 8.10

GOLD & CASH FOREIGN EXCHANGE RESERVES HELD & CONTROLLED BY STATE BANK OF PAKISTAN IN RUPEES

Rs million

	Total				Cash [2]				Gold [1]			
Period	Jun*	Dec.*	Low	High	Jun*	Dec.*	Low	High	Jun*	Dec.*	Low	High
2011 R	1,696,181	1,584,975	1,556,926	1,775,642	1,428,227	1,299,849	1,294,186	1,445,662	267,954	285,126	235,433	329,980
2012	1,438,697	1,314,155	1,299,786	1,584,430	1,125,621	980,592	954,440	1,257,965	313,077	333,563	303,074	348,805
2013	963,392	774,197	753,136	1,302,120	717,295	512,038	471,447	965,052	246,097	262,159	246,097	337,068
2014	1,307,687	1,449,882	754,644	1,449,882	1,038,379	1,200,107	481,286	1,200,107	269,308	249,775	248,274	288,264
2015	1,757,189	2,034,391	1,452,365	2,034,391	1,510,039	1,803,668	1,188,267	1,803,668	247,151	230,723	230,723	264,097
2016	2,325,799	2,307,147	2,001,893	2,404,776	2,038,628	2,055,633	1,759,993	2,128,176	287,170	251,514	241,900	291,829
2017	2,110,682	2,037,749	1,789,701	2,229,859	1,840,320	1,740,610	1,509,347	1,966,073	270,361	297,139	263,786	297,139
2018	1,693,453	1,631,886	1,590,720	1,906,897	1,377,842	1,262,167	1,258,993	1,598,188	315,611	369,719	302,540	369,719
2019	1,957,315	2,546,110	1,766,630	2,546,110	1,488,690	2,056,041	1,386,208	2,056,041	468,625	490,069	376,650	498,191
2020	2,923,806	3,006,317	2,546,494	3,021,459	2,306,312	2,379,318	1,960,582	2,379,318	617,495	626,999	508,578	681,860
2021	3,525,879	4,031,780	2,813,795	4,210,904	2,948,523	3,364,010	2,276,950	3,583,263	577,356	667,770	536,845	667,770
2022	3,045,363	2,247,688	2,247,688	3,862,595	2,271,726	1,394,657	1,394,657	3,169,933	773,637	853,031	659,413	872,393
2023	2,758,262	3,879,426	2,144,007	3,993,662	1,621,289	2,661,509	1,072,688	2,759,887	1,136,974	1,217,917	991,822	1,233,775
2024	4,307,302	5,128,489	3,754,351	5,224,052	2,957,854	3,614,782	2,565,740	3,689,915	1,349,449	1,513,707	1,188,611	1,581,088
(Jan-Mar)												
2024			3,754,351	3,853,222			2,565,740	2,615,115			1,188,611	1,279,863
2025 P			5,149,837	5,166,250			3,334,822	3,533,303			1,632,947	1,816,807

- : Not available P: Provisional R: Revised *: Last day of the month Source: State Bank of Pakistan

1: Gold excludes unsettled claims of Gold on RBI

2: Cash includes Sinking fund, Foreign currencies cash holdings and excludes unsettled claims on RBI

Note: Gold and Currency wise foreign exchange reserve are converted into US Dollar and then converted into PKR. Further, Low and High value may differ with given US $ due to exchange rate volatility.

TABLE 8.11

EXCHANGE RATE POSITION (Pakistan Rupees in Terms of One Unit of Selected Foreign Currencies)

Country	Currency	(Average During the Year)									July-March	
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2023-24	2024-25
Australia	Dollar	75.855	78.970	85.123	97.175	105.928	119.388	128.550	167.004	185.387	186.085	180.932
Bangladesh	Taka	1.333	1.218	1.341	1.620	1.864	1.886	2.081	2.503	2.581	2.610	2.385
Canada	Dollar	78.654	78.924	86.511	102.763	117.698	124.710	140.085	185.030	208.758	210.560	199.080
China	Yuan	16.198	15.406	16.933	19.962	22.471	24.183	27.488	35.692	39.163	39.405	38.647
Denmark	Krone	15.527	15.358	17.641	20.821	23.412	25.656	26.853	35.035	41.049	41.339	40.060
Hong Kong	Dollar	13.442	13.502	14.066	17.384	20.285	20.644	22.759	31.677	36.199	36.392	35.796
India	Rupee	1.574	1.578	1.690	1.932	2.185	2.173	2.355	3.040	3.407	3.430	3.281
Iran	Rial	0.004	0.003	0.003	0.003	0.004	0.004	0.004	0.006	0.007	0.007	0.007
Japan	Yen	0.896	0.961	0.997	1.226	1.462	1.503	1.511	1.811	1.899	1.937	1.843
Kuwait	Dinar	345.287	345.002	364.961	448.828	516.440	526.259	585.647	807.908	918.117	922.457	906.327
Malaysia	Ringgit	25.246	24.468	27.072	33.012	37.551	38.793	41.929	55.283	60.226	60.705	62.842
Nepal	Rupee	0.984	0.986	1.057	1.207	1.377	1.355	1.484	1.924	2.135	2.148	2.091
Norway	Krone	12.411	12.464	13.770	16.068	16.924	18.290	19.855	24.120	26.602	26.838	25.490
Singapore	Dollar	74.978	75.193	81.916	99.717	114.168	118.788	130.423	182.238	209.757	211.154	208.878
Sri Lanka	Rupee	0.737	0.703	0.711	0.785	0.867	0.841	0.786	0.725	0.901	0.900	0.925
Sweden	Krona	12.401	11.883	13.247	14.878	16.400	18.678	19.356	23.527	26.622	26.811	26.245
Switzerland	Franc	106.390	105.587	113.204	136.757	161.741	175.805	190.129	265.249	318.845	322.597	316.252
Saudi Arabia	Riyal	27.800	27.926	29.300	36.299	42.105	42.654	47.294	66.056	75.408	75.817	74.206
Thailand	Baht	2.939	3.003	3.396	4.234	5.095	5.189	5.314	7.070	7.918	8.028	8.146
UAE	Dirham	28.387	28.517	29.916	37.059	43.018	43.560	48.314	67.529	77.022	77.441	75.836
UK	Pound	154.488	132.712	148.043	175.931	199.065	215.279	235.592	299.303	356.205	357.918	356.523
USA	Dollar	104.235	104.697	109.844	136.090	158.025	160.022	177.451	248.039	282.898	284.439	278.534
EMU	Euro	115.629	114.034	131.086	155.071	174.585	190.739	199.492	260.522	305.971	308.105	298.669
IMF	SDR	145.878	143.813	156.729	189.563	217.295	228.283	246.993	328.800	375.478	378.123	368.926

P: Provisional

Source: State Bank of Pakistan

Notes:

1- The exchange rate is worked out by dividing PKR/USD exchange rate (compiled by SBP) with the country exchange rate per USD quoted by the IMF.

2- The Exchange Rates are Mid points of bank's floating buying and selling rate.

PUBLIC DEBT

Total Public Debt (End-Mar 2025)	**76,007** (Rs. billion)	
▪ **Domestic Debt**	**51,518** (Rs. billion)	
▪ **External Public Debt**	**24,489** (Rs. billion)	
Reduction in Stock of T-Bill	**2.4** (Rs. trillion)	
ATM of Domestic GoP Securities	**3.5** ▲ Years	
T-bill Buyback and Exchange Programme		

PUBLIC DEBT

Public debt plays a central role in a country's fiscal and economic framework, serving as a key instrument for financing budget deficits, supporting development spending, and managing macroeconomic shocks. It is typically sourced from domestic and external creditors, each carrying distinct opportunities and risks. While public borrowing enables governments to smooth expenditure and invest in infrastructure and social services, excessive or poorly managed debt can pose serious vulnerabilities, such as rising interest burdens, crowding out of private investment, and exposure to exchange rate or interest rate shocks. These risks can undermine long-term fiscal sustainability and economic security if left unaddressed. Recognizing these challenges, the government remains committed to optimal public debt management through prudent borrowing, active debt portfolio management, and a clear focus on ensuring medium to long-term debt sustainability.

The primary objective of public debt management is to ensure that the Government's gross financing needs are met at the lowest possible cost over the medium to long run with a prudent degree of risk.

The conduct of public debt management varies across sovereigns due to different institutional setups, macroeconomic fundamentals, legal frameworks, and governance structures. The goal is to ensure that both the level and rate of growth of public debt are sustainable and the debt portfolio is efficiently structured in terms of currency composition, maturity profile, and interest rates, along with having a prudent level of contingent liabilities.

During the first nine months of the outgoing fiscal year (July-March FY 2025), the public debt portfolio and borrowing operations witnessed various developments, some of which are highlighted below:

- The fiscal deficit was financed entirely through domestic borrowing sources, in contrast to the corresponding period of the previous year, where approximately 88 percent of the financing was sourced domestically and the remaining 12 percent from external sources;
- Within the domestic debt portfolio, the Government primarily relied on long-term instruments such as Pakistan Investment Bonds (PIBs) and Sukuk (Islamic Bonds) to finance the fiscal deficit and meet debt repayment obligations. This strategic shift enabled the retirement of Treasury Bills (T-bills) amounting to Rs 2.4 trillion, thereby reducing the volume of short-term securities and improving the debt maturity profile.
- To cater to investor demands, the Government also introduced a 2-year zero-coupon PIB this year and successfully raised Rs 610 billion through this instrument.
- In addition to the existing 3-year and 5-year Ijara Sukuk, the Government also introduced a 10-year Sukuk, both variable and fixed rate, with a target to diversify Shariah-compliant instrument base. During the first nine months of the FY 2025, the Government successfully raised approximately Rs 1.6 trillion via Shariah-compliant Sukuk issuances;
- External budgetary disbursements were recorded at US$ 5.1 billion, of which US$ 2.8 billion was received from multilateral sources, US$ 0.3 billion from bilateral

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development partners, US$ 1.5 billion was from Naya Pakistan Certificates and US$ 0.56 billion from commercial banks;

- The government also received US$ 1.03 billion under the IMF's Extended Fund Facility (EFF).
- The government also successfully executed the first-ever Buyback and Exchange Programme as part of its strategic Liability Management Operations (LMOs). Through this initiative, the government successfully repurchased approximately Rs 1 trillion worth of government debt securities reducing debt servicing cost.

9.1 Public Debt

The Fiscal Responsibility and Debt Limitation Act, 2005 (FRDLA) defines "Total Public Debt" as debt owed by the Government (including Federal Government and Provincial Governments) serviced out of consolidated fund and debts owed to the International Monetary Fund. Table 9.1 presents the trend of total public debt.

Table 9.1: Total Public Debt Rs billion

	Jun-18	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24	Mar-25
Domestic Debt	16,416	20,732	23,283	26,265	31,085	38,810	47,160	51,518
External Debt	8,537	11,976	13,116	13,595	18,157	24,071	24,086	24,489
Total Public Debt	**24,953**	**32,708**	**36,399**	**39,860**	**49,242**	**62,881**	**71,246**	**76,007**
Total Debt of the Government*	**23,024**	**29,521**	**33,235**	**35,663**	**44,361**	**57,779**	**65,105**	**69,195**
(As percent of GDP)								
Domestic Debt	**41.9**	**47.3**	**49.0**	**47.0**	**46.7**	**46.4**	**44.9**	**-**
External Debt	**21.8**	**27.3**	**27.6**	**24.4**	**27.3**	**28.8**	**22.9**	**-**
Total Public Debt	**63.7**	**74.7**	**76.6**	**71.4**	**73.9**	**75.2**	**67.8**	**-**
Total Debt of the Government	**41.9**	**47.3**	**49.0**	**47.0**	**46.7**	**69.1**	**61.9**	**-**

* As per the Fiscal Responsibility and Debt Limitation Act, 2005 (as amended from time to time), "Total Debt of the Government" means the debt of the Government (including the Federal Government and the Provincial Governments) serviced out of the consolidated fund and debts owed to the International Monetary Fund (IMF) less accumulated deposits of the Federal and Provincial Governments with the banking system.

Source: State Bank of Pakistan and Debt Management Office, Ministry of Finance.

The growth in public debt during the first nine months of FY 2025 was 6.7 percent. This was lower as compared to the growth of 7.4 percent in the same period of the preceding year, mainly due to increased primary surplus. The main factors behind the increase in total public debt stock during the first nine months of the ongoing fiscal year vis-à-vis the corresponding period of last year are presented in Table 9.2.

Table 9.2: Increase in Total Public Debt Rs billion

	Jul-Mar FY 2023	Jul-Mar FY 2024	Jul-Mar FY 2025
Increase / (Decrease) in Total Public Debt	**10,004**	**4,644**	**4,761**
of which:			
Federal Primary Deficit / (Surplus)	(48)	(1,180)	(2,415)
Interest on Debt	3,582	5,518	6,439
Other (Exchange Rate / Cash Balances / Accounting impact)	6,470	306	738

Source: Budget Wing and Debt Management Office, Ministry of Finance

The trend of total public debt from 1971 to 2025 is depicted in Table 9.3 and Figure 9.1, while the profile of domestic debt, external debt and total public debt as a percentage of GDP is given in Figures 9.1 and 9.2.

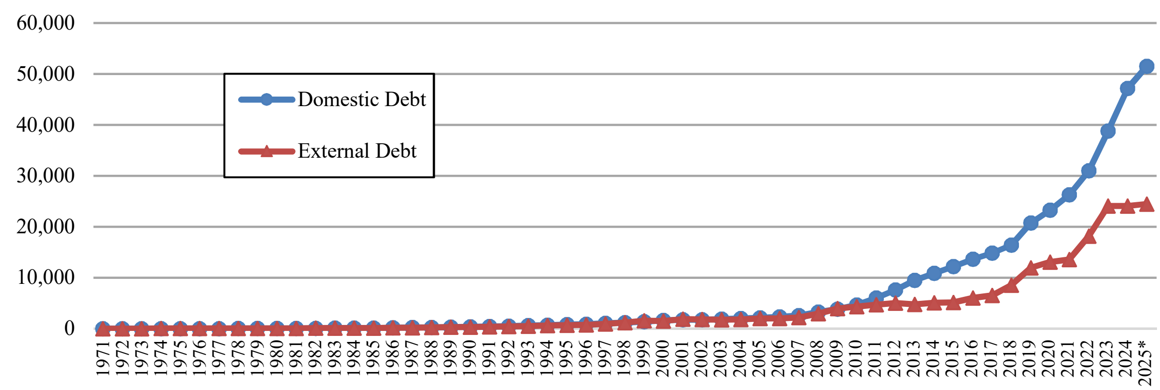
Table 9.3: Trend in Total Public Debt (end-June; Rs billion)

Year	DD	ED	PD	Year	DD	ED	PD	Year	DD	ED	PD
1971	14	16	30	**1989**	333	300	634	**2007**	2,601	2,201	4,802
1972	17	38	55	**1990**	381	330	711	**2008**	3,274	2,853	6,127
1973	20	40	60	**1991**	448	377	825	**2009**	3,860	3,871	7,731
1974	19	44	62	**1992**	532	437	969	**2010**	4,653	4,357	9,010
1975	23	48	70	**1993**	617	519	1,135	**2011**	6,014	4,756	10,771
1976	28	57	85	**1994**	716	624	1,340	**2012**	7,638	5,059	12,697
1977	34	63	97	**1995**	809	688	1,497	**2013**	9,520	4,771	14,292
1978	41	71	112	**1996**	920	784	1,704	**2014**	10,907	5,085	15,991
1979	52	77	130	**1997**	1,056	939	1,995	**2015**	12,193	5,188	17,380
1980	60	86	146	**1998**	1,199	1,193	2,392	**2016**	13,626	6,051	19,677
1981	58	87	145	**1999**	1,389	1,557	2,946	**2017**	14,849	6,559	21,409
1982	81	107	189	**2000**	1,645	1,527	3,172	**2018**	16,416	8,537	24,953
1983	104	123	227	**2001**	1,799	1,885	3,684	**2019**	20,732	11,976	32,708
1984	125	132	257	**2002**	1,775	1,862	3,636	**2020**	23,283	13,116	36,399
1985	153	156	309	**2003**	1,895	1,800	3,694	**2021**	26,265	13,595	39,861
1986	203	187	390	**2004**	2,028	1,839	3,866	**2022**	31,085	18,157	49,242
1987	248	209	458	**2005**	2,178	2,034	4,211	**2023**	38,810	24,071	62,881
1988	290	233	523	**2006**	2,322	2,038	4,359	**2024**	47,160	24,086	71,246
2025*	51,518	24,489	76,007	-	-	-	-	-	-	-	-

* End March FY 2025; DD: Domestic Debt; ED: External Debt; PD: Public Debt

Source: State Bank of Pakistan, Debt Management Office

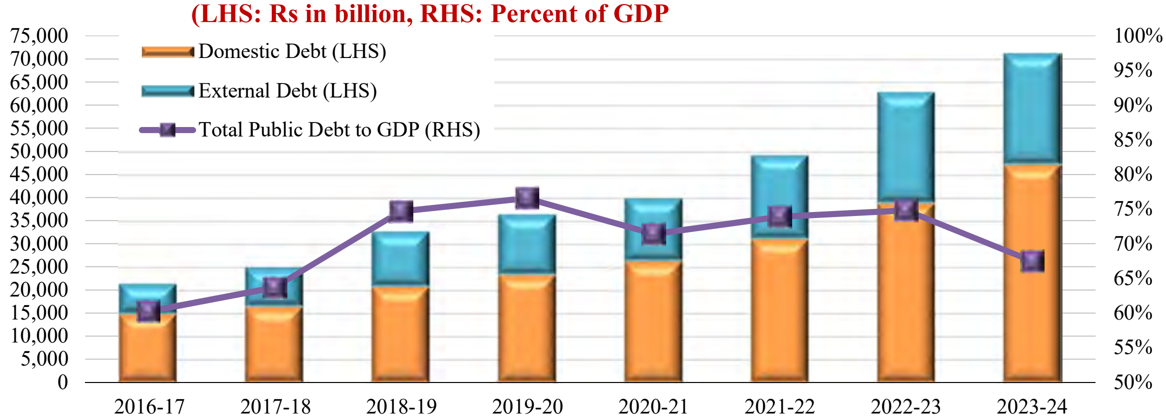
Fig 9.1: Trend in Domestic and External Debt (end-Jun position) (Rs billion)



*End March

Source: Debt Management Office

Fig 9.2: Profile of Total Public Debt (end-June position) (LHS: Rs in billion, RHS: Percent of GDP



Souce: Debt Management Office

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9.2 Medium Term Debt Management Strategy (FY 2023 – FY 2026)

The Ministry of Finance has formulated the Medium-Term Debt Management Strategy (MTDS) for the period FY 2023 to FY 2026, keeping in view the medium-term national macro fiscal framework. Table 9.4 provides an update on the trend of indicators defined in the Medium-Term Debt Management Strategy (MTDS):

Table 9.4: Key Debt Risk Indicators

Risk Exposure	Indicators	Dec-2023	Dec-2024	March-2025
Currency Risk	Share of External Debt in Total Public Debt (%)	36.7	32.6	32.2
Refinancing Risk	ATM of Domestic Debt (Years)	3	3.4	3.5
	ATM of External Debt (Years)	6.3	6.2	6.2
Concentration Risk	Share of Shariah Compliant Instruments in Government Securities (%)	11.5	12.4	12.7
Interest Rate Risk	Share of Fixed Rate Debt in Government Securities (%)	19	17.7	19.0

ATM: Average Time to Maturity

Source: Debt Management Office, Ministry of Finance

There was a marked improvement in the public debt risk indicators by end-March 2025. Currency risk continued to decline, with the share of external debt in total public debt falling from 36.7 percent in December 2023 to 32.2 percent by March 2025, reflecting reduced vulnerability to exchange rate fluctuations. Refinancing risk also declined as the Average Time to Maturity (ATM) of domestic debt rose from 3.0 years in December 2023 to 3.5 years by March 2025, indicating a shift toward longer-term domestic instruments. The ATM of external debt remained stable at 6.2 years. Concentration risk also continued to decline, supported by a gradual increase in the share of Shariah-compliant instruments in government debt securities, which rose from 11.5 percent in December 2023 to 12.7 percent in March 2025, signaling diversification in the investor base. Interest rate risk remained well-managed. After a dip in December 2024, the share of fixed-rate debt in government securities rebounded to 19.0 percent by March 2025, enhancing predictability in debt servicing costs.

9.3 Servicing of Public Debt

During the first nine months of the outgoing fiscal year, total markup expenditure amounted to Rs 6,439 billion, representing 66 percent of the full-year budget estimate of Rs 9,775 billion. The majority of this expenditure was on domestic debt, which accounted for Rs 5,783 billion or 66 percent of the annual allocation of Rs 8,736 billion, whereas interest payments on external debt reached Rs 656 billion, equivalent to 63 percent of the budgeted Rs 1,039 billion.

The steady execution of the interest expense budget over the first three quarters highlights the effective cash flow planning and debt servicing discipline. It also underscores the impact of ongoing efforts to lengthen debt maturities, as a shift toward longer-term instruments gradually moderates short-term repayment pressures.

Table 9.5: Interest Expense (IE) FY 2025 Rs billion

	Budgeted FY 2025	Actual			
		(Jul-Mar)	Percentage of		
			Budgeted	Revenue	Current Exp.
External Debt IE	1,039	656.22	63%	5%	4%
Domestic Debt IE	8,736	5,783	66%	43%	40%
Total Debt IE	**9,775**	**6,439**	66%	**48%**	**44%**

Source: Budget Wing and Debt Management Office, Ministry of Finance

9.4 Domestic Debt

Domestic debt comprises three main categories: (i) permanent debt (medium and long-term); (ii) floating debt (short-term); and (iii) unfunded debt (primarily made up of various instruments available under National Savings Schemes).

In line with the Public Debt Act, 1944, the Government issues three broad types of marketable securities to raise debt, i.e., Treasury Bills (T-bills), PIBs, and Government Ijara Sukuk (GIS).

- T-bills are short-term securities having maturities of 12-Months or less at the time of issuance. This year, the government has also introduced the 1-month T-Bill to meet the short-term liquidity needs of certain investors.
- PIBs are longer-term securities and have maturities of more than 12-Months at the time of issuance. PIBs pay the entire face value on maturity and also pay profits at regular intervals until maturity. PIBs can be further categorized as Fixed-rate PIBs and Floating-rate PIBs.
  - Fixed-rate PIBs pay a fixed amount of profit on each profit payment date.
  - Floating-rate PIBs pay a variable amount of profit on each profit payment date. The profit rate is based on reference rates such as 3- or 6-Month T-bills yield.
- Shariah-compliant Government securities program has been in place since 2008-09. Government has carried out noticeable issuance through these securities in the last few years with the aim of increasing the share of these securities. In addition to the existing Ijara Sukuk instruments, the Government has also introduced 10-year fixed rate and floating rate Ijarah Sukuk this year to diversify shariah-compliant instrument base. Table 9.6 lists all Government securities currently in issue:

Table 9.6: Domestic Market Debt Instruments

Sr. No.	Instrument	Nature	Tenor	Month/Year	Coupon	Coupon Reset
1	T-Bill	Fixed Rate	1	Month	-	-
2	T-Bill	Fixed Rate	3	Month	-	-
3	T-Bill	Fixed Rate	6	Month	-	-
4	T-Bill	Fixed Rate	12	Month	-	-
5	PIB	Fixed Rate	2	Year	-	-
6	PIB	Fixed Rate	3	Year	Semi-Annual	-
7	PIB	Fixed Rate	5	Year	Semi-Annual	-
8	PIB	Fixed Rate	10	Year	Semi-Annual	-
9	PIB	Fixed Rate	15	Year	Semi-Annual	-
10	PIB	Fixed Rate	20	Year	Semi-Annual	-
11	PIB	Fixed Rate	30	Year	Semi-Annual	-
12	PIB	Floating Rate	2	Year	Quarterly	Fortnightly
13	PIB	Floating Rate	3	Year	Quarterly	Quarterly
14	PIB	Floating Rate	5	Year	Quarterly	Quarterly
15	PIB	Floating Rate	10	Year	Quarterly	Quarterly
16	PIB	Floating Rate	3	Year	Semi-Annual	Semi-Annual
17	PIB	Floating Rate	5	Year	Semi-Annual	Semi-Annual
18	PIB	Floating Rate	10	Year	Semi-Annual	Semi-Annual
19	GIS	Fixed Rate	1	Year	Semi-Annual	-
20	GIS	Fixed Rate	3	Year	Semi-Annual	-
21	GIS	Fixed Rate	5	Year	Semi-Annual	-
22	GIS	Fixed Rate	10	Year	Semi-Annual	-
23	GIS	Floating Rate	3	Year	Semi-Annual	Semi-Annual
24	GIS	Floating Rate	5	Year	Semi-Annual	Semi-Annual
25	GIS	Floating Rate	10	Year	Semi-Annual	Semi-Annual

Note: (1) T-Bill: Treasury Bills; (2) PIB: Pakistan Investment Bonds; (3) GIS: Government Ijara Sukuk

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9.4-a Domestic Borrowing Pattern

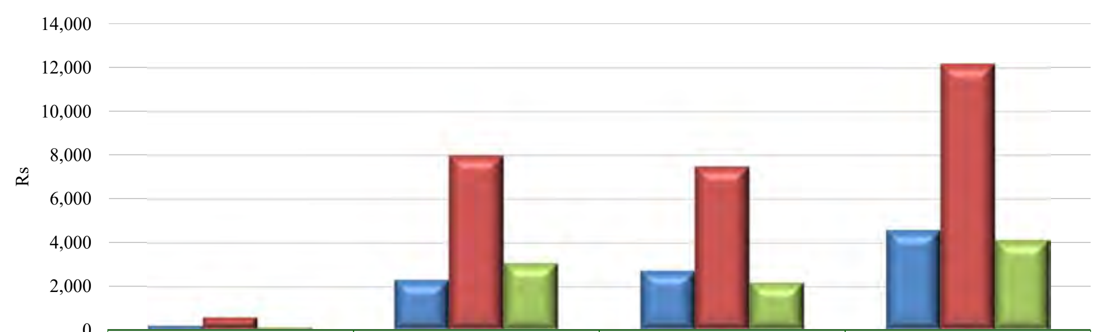
During the first nine months of the current FY, domestic T-bills, PIBs, and Sukuk markets remained robust, reflecting strong market liquidity and investor confidence. Instrument type-wise breakup is as under:

- T-bills: Against a target of Rs 9,785 billion, participation stood at Rs 28,230 billion (bid-to-target: 2.9x), with Rs 9,473 billion accepted (acceptance ratio: 33.6%).
- PIBs: Total bids reached Rs 23,540 billion against a Rs 9,595 billion target (bid-to-target: 2.5x), with Rs 9,682 billion accepted (acceptance ratio: 41.1%). Floaters dominated with 71 percent of participation.
- GIS: Participation of Rs 4,889 billion against a Rs 1,820 billion target (bid-to-target: 2.7x), with Rs 1,562 billion accepted (acceptance ratio: 32%), mostly in Variable Rental Rate Sukuk.

The government followed a calibrated acceptance strategy to manage cost and rollover risks while maintaining strong investor engagement.

The auction patterns of Government securities are depicted in figures 9.3 - 9.5.

Fig-9.3: T-bills Auction Profile July-March 2025 (Rs Billion)



	1-Month	3-Month	6-Month	12-Month
Target	200	2,295	2,720	4,570
Participation	585	7,987	7,484	12,174
Acceptance	122	3,063	2,173	4,115

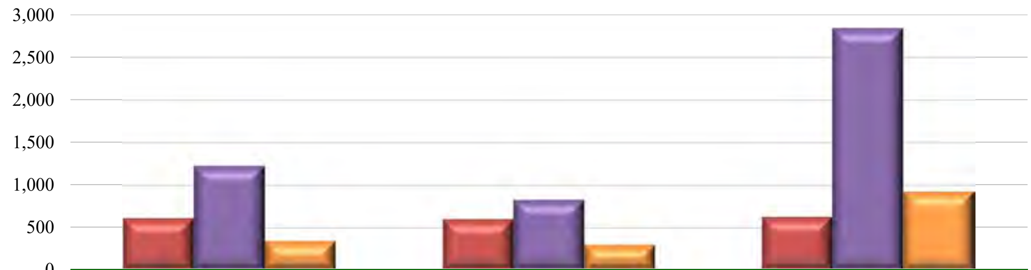
Source: Debt Management Office

Fig-9.4: PIBs Auction Profile July-March 2025 (Rs Billion)

	Floaters	Fixed
Target	7,180	2,415
Participation	16,821	6,719
Acceptance	7,541	2,140

Source: Debt Management Office

Fig-9.5: Sukuk Auction Profile July-March 2025 (Rs billion)



	1-year Discounted	FRR	VRR
Target	605	595	620
Participation	1,223	825	2,840
Acceptance	345	298	919

Souce: Debt Management Office
Note: (1) GIS: Government Ijara Sukuk; FRR: Fixed Rental Rate; VRR: Variable Rental Rate

9.4-b Component-Wise Analysis of Domestic Debt

As of end-March FY 2025, Pakistan's domestic debt stood at Rs 51.5 trillion, reflecting an increase of Rs 4.8 trillion during the first nine months of the fiscal year. The growth was largely driven by higher mobilization through long-term instruments, while short-term and other components saw a decline. The following is a component-wise breakdown:

I. Permanent Debt

Permanent debt, which comprises long-term instruments such as Pakistan Investment Bonds (PIBs), Government Ijara Sukuk (GIS), and Prize Bonds, rose from Rs 33.2 trillion in June 2024 to Rs 40.0 trillion in March 2025. This reflects an increase of Rs 6.8 trillion during the first nine months of FY 2025. PIBs increased by Rs 5.6 trillion, GIS rose by Rs 1.2 trillion, and Prize Bonds saw a marginal rise of Rs 16 billion.

Overall, permanent debt accounts for nearly 78 percent of the total domestic debt, up from around 70 percent in June 2024, indicating increased reliance on longer-term borrowing to ensure debt sustainability.

II. Floating Debt

Floating debt declined to Rs 7.86 trillion by end-March 2025, compared to Rs 10.25 trillion in June 2024, showing a notable reduction of Rs 2.4 trillion. This was due to the retirement of Market Treasury Bills (MTBs). This is in line with the government's strategy to move away from short-term borrowing to reduce rollover risk and interest rate risk. The share of floating debt dropped to 15 percent by March 2025, down from 22 percent at the end of FY 2024.

III. Unfunded Debt

Unfunded debt rose slightly from Rs 2.80 trillion in June 2024 to Rs 2.94 trillion in March 2025, recording a net increase of Rs 137 billion during the first nine months.

Notable increases were seen in Behbood Savings Certificates (+Rs 73 billion), Pensioners' Benefit Account (+Rs 35 billion) and Savings Accounts (+Rs 10.5 billion). Some instruments saw minor declines, such as the GP Fund, which dropped from Rs 43.7 billion to Rs 27 billion. The share of unfunded debt remained relatively constant at around 6 percent of the domestic debt portfolio.

IV. Other

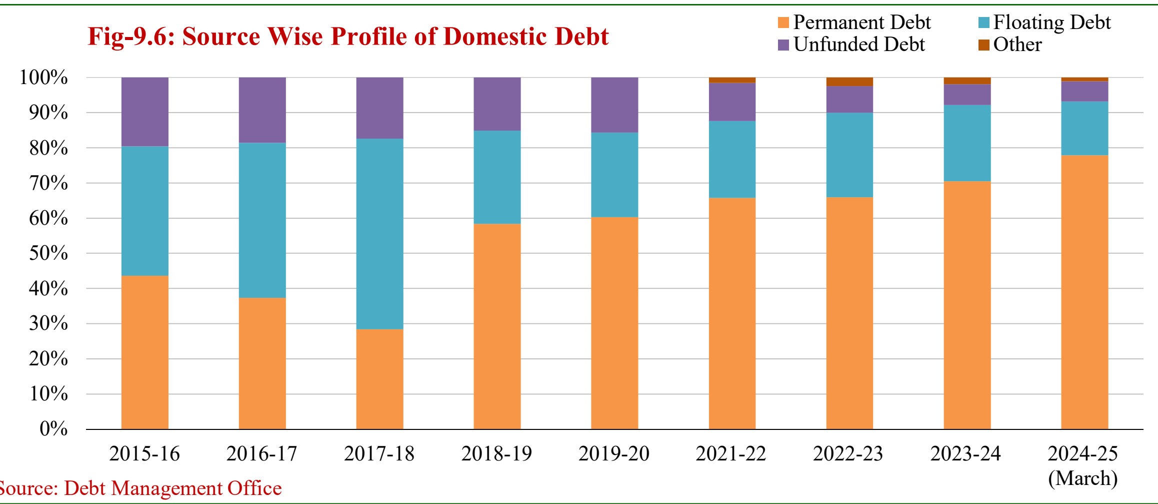
The 'Other' category of domestic debt fell from Rs 921 billion in June 2024 to Rs 622 billion in March 2025, a reduction of Rs 299 billion.

- Naya Pakistan Certificates declined by Rs 21.4 billion to Rs 62.7 billion.

- SDR on-lent loan from SBP remained stable at Rs 474.9 billion.
- Foreign currency-denominated domestic debt saw a sharp drop from Rs 361.8 billion to Rs 84 billion.

Information related to outstanding public debt from FY 2016 to FY 2025 (March) is presented in Table 9.7.

Fig-9.6: Source Wise Profile of Domestic Debt



Source: Debt Management Office

Table 9.7: Outstanding Domestic Debt (Rs billion)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 (Jul-Mar)
Permanent Debt (A)	**4,659**	**12,087**	**14,031**	**15,911**	**20,377**	**25,559**	**33,193.0**	**40,035.6**
Pakistan Investment Bonds*	3,413	10,933	12,886	14,590	17,687	22,009	28,025.8	33,621.9
GOP Ijara Sukuk	385	71	198	665	2,280	3,151	4,766.2	5,996.6
Prize Bonds	851	894	734	444	375	383	385.1	401.2
Bai-Muajjal of Sukuk	-	178	201	201	23	-	-	-
Other	10	11	11	11	13	16	16	16
Floating Debt (B)	**8,889**	**5,501**	**5,578**	**6,680**	**6,804**	**9,335**	**10,248**	**7,860.2**
Market Treasury Bills*	5,295	4,930	5,576	6,677	6,752	9,269	10,167	7,764.7
MTBs for Replenishment	3,594	570	3	3	52	66	80	95.5
Unfunded Debt (C)	**2,868**	**3,144**	**3,674**	**3,646**	**3,336**	**2,927**	**2,799**	**2,936**
Behbood Savings Certificates	795	915	998	1,000	1,017	1,002	1,040.10	1,113.0
Regular Income Certificates	348	490	573	600	589	462	264.1	295.4
Defense Saving Certificates	336	393	486	477	467	428	400.4	399.6
Pensioners' Benefit Account	275	318	352	369	391	404	434	468.9
Special Savings Certificates (R)	382	414	428	421	377	298	286	302.1
Special Savings Accounts	549	417	617	581	307	115	63.2	58.4
Savings Accounts	38	38	43	43	54	68	85.5	96
ST Saving Certificate	4	5	24	4	5	35	57.1	66
SRWA Islamic	-	-	-	-	-	5	75	59.5
Other	3	3	2	2	2	2	2.4	2.4
GP Fund	92	104	102	101	80	61	43.7	27
Postal Life Insurance Schemes	47	48	49	47	47	47	47.2	47.2
Other (D)	**-**	**-**	**-**	**28**	**568**	**989**	**920.8**	**621.6**
Naya Pakistan Certificates	-	-	-	28	93	143	84.1	62.7
SDR on-lent loan	-	-	-	-	475	475	474.9	474.9
Other loans from banks **	-	-	-	-	-	372	361.8	84
Total Domestic Debt (A+B+C+D)	**16,416**	**20,732**	**23,283**	**26,265**	**31,085**	**38,810**	**47,160**	**51,453**

*Govt. Securities held by non residents deducted from PIB's and T Bills

** Represents foreign currency denominated domestic debt (loans from banks other than securities)

Source: State Bank of Pakistan

9.5 External Public Debt

External public debt was recorded at US$ 87.4 billion at end-March 2025, revealing an increase of around US$ 883 million during the first nine months of the current fiscal year compared to an increase of US$ 2.6 billion during the same period of the last fiscal year.

Detailed analysis of Pakistan's external public debt is as under:

i. Pakistan's total external public debt consists of two components: government external debt and debt obtained from the IMF. Government external debt accounts for the majority, amounting to US$ 79,131 million, while debt from the IMF stands at US$ 8,277 million. The IMF debt further consists of the federal government debt (US$ 3,878 million) and the central bank debt (US$ 4,399 million).

ii. The government's external debt is predominantly long-term in nature, with US$ 78,181 million long-term debt (greater than one year) and only US$ 950 million as short-term debt (less than one year). This is in line with the government's external debt strategy that leans heavily on long-term financing, which typically carries lower repayment pressures.

iii. Among long-term external debt sources, multilateral loans form the largest portion, totaling US$ 40,468 million, constituting around 51.8 percent of the long-term external debt. These loans are provided by development partners like the World Bank and Asian Development Bank and are concessional in nature, with lower interest rates and extended repayment periods

iv. The Paris Club debt amounts to US$ 5,943 million, representing approximately 7.6 percent of Pakistan's long-term external public debt. These loans are also concessional, offering longer repayment periods and lower interest rates. Bilateral loans from non-Paris Club countries amount to US$ 17,860 million (22.8 percent of long-term debt).

v. Government of Pakistan's international capital markets debt in the form of Eurobonds and international sukuk amounts to US$ 6,800 million which constitutes 8.7 percent of long-term debt. These debt obligations are long-term in nature with market-based interest rates.

vi. Outstanding loans from foreign commercial banks amount to US$ 5,850 million constituting around 7.5 percent of long-term debt. These loans are short-to-medium term (i.e., 1-3 years) with market-based interest rates.

vii. Other foreign debt in terms of Naya Pakistan Certificates, non-resident investment in government securities, and Pakistan Banao Certificates etc., constitute around 1.5 percent. This category falls under the short-to-medium term nature of debt with market-based interest rate.

viii. Short-term debt, which poses refinancing risk, is significantly lower. Multilateral short-term loans amount to US$ 426 million, while local currency securities (T-bills) add another US$ 524 million.

ix. Pakistan's external public debt portfolio reflects a strategic approach emphasizing long-term, concessional loans primarily sourced from multilateral and bilateral partners. This prudent strategy has mitigated immediate repayment pressures.

The external debt profile for the period FY 2018 to FY 2025 (March) is presented in Table 9.8.

Table-9.8: External Public Debt (US$ million)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 (March)
A. External Public Debt (1+2)	**70,237**	**73,449**	**77,994**	**86,457**	**88,838**	**84,050**	**86,525**	**87,408**
1. Government External Debt (i+ii)	**64,142**	**67,800**	**70,314**	**79,073**	**81,941**	**76,926**	**78,147**	**79,131**
i) Long term (>1 year)	**62,525**	**66,536**	**68,773**	**78,215**	**80,592**	**76,766**	**77,387**	**78,181**
Paris Club	11,643	11,235	10,924	10,726	9,232	7,901	6,474	5,943
Multilateral	28,102	27,788	30,898	33,836	34,023	37,363	39,248	40,468

Pakistan Economic Survey 2024-25

Table-9.8: External Public Debt (US$ million)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 (March)
Other Bilateral	8,674	12,717	13,428	14,821	18,053	17,572	18,552	17,860
Euro/Sukuk Global Bonds	7,300	6,300	5,300	7,800	8,800	7,800	6,800	6,800
Commercial Loans/Credits	6,806	8,470	8,068	9,696	9,481	5,564	5,490	5,850
Local Currency Securities (PIBs)	0	0	96	463	5	3	24	59
NBP/BOC deposits/PBC	0	26	59	65	45	28	15	7
Naya Pakistan Certificate			-	809	953	534	784	1194
ii) Short term (<1 year)	**1,617**	**1,264**	**1,542**	**858**	**1,349**	**160**	**760**	**950**
Multilateral	961	778	814	506	1,327	160	250	426
Local Currency Securities (T-bills)	0	0	586	352	22	0	510	524
Commercial Loans/Credits	655	486	141	-	-	-	-	0
2. From IMF	**6,095**	**5,648**	**7,680**	**7,384**	**6,897**	**7,124**	**8,378**	**8,277**
i) Federal Government	0	0	2,833	3,437	4,195	5,369	4,516	3,878
ii) Central Bank	6,095	5,648	4,847	3,947	2,702	1,755	3,862	4,399

Source: Ministry of Economic Affairs, State Bank of Pakistan and Debt Management Office, Ministry of Finance

9.5-a External Public Debt Inflows, Outflows and Interest Payments

(a) Inflows

In the first nine months of the FY 2025, the total inflows from external debt disbursements amounted to US$ 5,066 million. Of this, multilateral sources contributed the largest (US$ 2,797), followed by commercial/other (US$ 2,011), and bilateral sources (US$ 258 million). There were no bond issuances during this period.

(b) Outflows

Repayments totaled US$ 5,636 million, with multilateral creditors receiving the largest portion (US$ 2,828 million), followed by bilateral creditors (US$ 1,565 million), and commercial/other sources (US$ 1,243 million).

(c) Interest payments

Interest payments amounted to US$ 2,660 million, with the bulk of these payments directed towards multilateral creditors (US$ 1,315 million). The interest payments to bilateral creditors (US$ 745 million), and commercial/other sources (US$ 277 million) were lower in comparison. Interest payments on Bonds amounted to US$ 322.

(d) Net Flows:

Despite the marginal net outflow of US$ 571 million in FY 2025 (Jul–Mar), compared to a net inflow of US$ 1.15 billion in FY 2024 over the same period, the overall external debt profile remained stable. Importantly, the government ensured timely repayment of all external obligations, underscoring its commitment to maintaining international creditworthiness.

The source-wise details of external public debt inflows and outflows over the last few years are depicted in Table 9.9:

Table 9.9: Source-Wise External Public Debt Inflows and Outflows (Fiscal Year-wise)

(US$ in million)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 (Mar)
DISBURSEMENTS										
Multilateral	5,766	3166	2,813	2,021	8,329	4,810	5,794	6,309	4,199	2,797
Bilateral	1,040	1,941	1,971	4,377	1,398	1,275	3,597	1,380	2,805	258
Bonds	500	1,000	2,500	-	-	2,500	2,000	-	-	-
Commercial / Other	1,387	4,426	3,716	4,098	3,347	4,721	4,863	2,200	2,908	2,011
Total Inflows (A)	**8,693**	**10,533**	**11,000**	**10,496**	**13,074**	**13,306**	**16,255**	**9,889**	**9,912**	**5,066**
REPAYMENTS										
Multilateral	1,274	1,255	1,403	1,750	2,199	3,391	3,201	3,995	2,780	2,828
Bilateral	440	1,200	793	970	783	100	1,004	2,689	2,872	1,565

Table 9.9: Source-Wise External Public Debt Inflows and Outflows (Fiscal Year-wise)

(US$ in million)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 (Mar)
Bonds	500	750	-	1,000	1,000	-	1,000	1,000	1,000	0
Commercial / Other	1,000	1,922	1,995	3,634	5,061	3,444	5,797	7,047	2,108	1,243
Total Repayments (B)	**3,213**	**5,127**	**4,190**	**7,355**	**9,043**	**6,936**	**11,002**	**14,732**	**8,760**	**5,636**
Net Inflows (A-B)	**5,480**	**5,406**	**6,809**	**3,140**	**4,031**	**6,370**	**5,253**	**-4,843**	**1,152**	**-571**
INTEREST PAYMENTS										
Multilateral	290	381	485	584	637	639	614	1,215	1,501	1,315
Bilateral	380	441	444	541	484	115	358	772	939	745
Bonds	354	366	423	503	396	362	587	611	582	322
Commercial / Other	102	124	332	475	515	337	430	497	425	277
Total Interest Payments (C)	**1,127**	**1,313**	**1,684**	**2,103**	**2,032**	**1,453**	**1,988**	**3,094**	3,447	2,660
Total Debt Servicing (B+C)	**4,340**	**6,440**	**5,874**	**9,458**	**11,075**	**8,389**	**12,990**	**17,826**	**12,207**	**8,296**

Note: Above data excludes Grants and disbursements from Naya Pakistan Certificate, Pakistan Banao Certificates, and non-resident investment in Government domestic securities

Source: Ministry of Economic Affairs and State Bank of Pakistan

Table 9.10: Pakistan International Bonds

Bond	Issue	Maturity	Size (US$ Mn)	Tenor Years	Coupon (%)
Sukuk	31-Jan-22	31-Jan-29	1,000	7	7.95
Eurobond	30-Mar-06	31-Mar-36	300	30	7.875
Eurobond	30-Sept-15	30-Sept-25	500	10	8.25
Eurobond	05-Dec-17	05-Dec-27	1,500	10	6.875
Eurobond	08-Apr-21	08-Apr-26	1,300	5	6
Eurobond	08-Apr-21	08-Apr-31	1,400	10	7.375
Eurobond	08-Apr-21	08-Apr-51	800	30	8.875
Total			**6,800**		

Source: Bloomberg

Concluding Remarks

The Government's strategy is to reduce its debt burden to sustainable levels by running primary surpluses, maintaining a low and stable inflation, and promoting measures that support sustainable economic growth. Moreover, the Government is committed to ensuring fiscal discipline through revenue mobilization and expenditure rationalization measures. With a narrower fiscal deficit and effective debt management, public debt is further projected to enter a firm downward path.

TABLE 9.1

PUBLIC & PUBLICLY GUARANTEED DEBT DISBURSED & OUTSTANDING AS ON 31-03-2025

Country/Creditor	$ Million
I. BILATERAL	Amount
a. Paris Club Countries	
AUSTRIA	3
BELGIUM	1
CANADA	5
FINLAND	0
FRANCE	1,021
GERMANY	783
ITALY	82
JAPAN	3,029
KOREA	198
THE NETHERLANDS	58
NORWAY	1
RUSSIA	68
SPAIN	38
SWEDEN	8
SWITZERLAND	24
UNITED KINGDOM	0
UNITED STATES	625
Sub Total I.a. Paris Club Countries	5,943
b. Non Paris Club Countries	
CHINA	15,076
KUWAIT	124
LIBYA	1
SAUDI ARABIA	330
UNITED ARAB EMIRATES	15
Sub Total I.b. Non-Paris Club Countries	15,546
c. Commercial Banks	6,250
d. Safe Deposit	4,000
e. Time Deposit	5,000
Total I. (a+b+c+d)	36,740
II. MULTILATERAL & Others	40,468
ASIAN DEVELOPMENT BANK (ADB)	16,111
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (IBRD)	2,715
INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA)	18,125
Other	3,517
ASIAN INFRASTRUCTURE INVESTMENT BANK (AIIB)	1,780
EUROPEAN INVESTMENT BANK (EIB)	11
ISLAMIC DEVELOPMENT BANK (IDB)	1,037
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)	417
NORDIC DEVELOPMENT FUND	4
OPEC FUND	119
ECO TRADE BANK	149
Sub Total II. Multilateral & Others	40,468
III. BONDS	6,800
IV. DEFENCE	-
V. IDB (SHORT TERM CREDIT)	426
VI. LOCAL CURRENCY BONDS (TBs & PIBs) NPC	1,783
Grand Total: (I+II+III+IV+V+VI)	86,217

Source: Economic Affairs Division

TABLE 9.2

COMMITMENTS AND DISBURSEMENTS OF LOANS AND GRANTS (BY TYPE)

$ Million

Fiscal Year	Project Aid		Non-Project Aid								Total*	
			Non-Food		Food		BOP		Relief			
	Comm-itment	Disburse-ment	Comm-itment	Disburse-ment	Comm-itment	Disburse-ment	Comm-itment	Disburse-ment	Comm-itment	Disburse-ment	Comm-itment	Disburse-ment
2000-01	396	1,030	-	-	91	23	1,128	1,128	21	5	1,637	2,186
2001-02	973	741	-	-	40	114	2,589	1,880	0	21	3,603	2,756
2002-03	700	846	-	-	-	9	1,089	1,057	11	8	1,800	1,920
2003-04	1,214	622	-	-	-	-	1,263	755	2	3	2,479	1,380
2004-05	2,089	918	-	-	-	-	1,202	1,803	-	2	3,291	2,723
2005-06	3,250	2,084	-	-	22	10	1,225	1,262	1	1	4,498	3,357
2006-07	1,365	1,308	133	-	-	12	2,649	2,058	3	3	4,151	3,381
2007-08	2,440	1,565	-	80	-	-	1,309	2,013	2	2	3,751	3,660
2008-09	2,296	1,272	125	175	18	-	3,947	3,238	2	2	6,389	4,688
2009-10	3,729	1,213	100	100	-	-	2,846	2,305	68	49	6,744	3,668
2010-11	2,384	1,076	-	-	-	-	397	648	1,799	895	4,580	2,620
2011-12	3,341	1,753	100	73	-	-	1,135	949	103	314	4,679	3,089
2012-13	1,848	2,071	100	51	-	-	708	466	4	268	2,660	2,855
2013-14	9,809	2,015	125	80	-	-	5,019	4,612	4	133	14,957	6,840
2014-15	2,038	2,449	-	10	-	-	2,671	3,163	12	134	4,721	5,756
2015-16	12,325	2,337	-	-	-	-	5,069	5,199	6	15	17,400	7,551
2016-17	4,257	3,609	-	-	-	-	7,803	7,072	11	1	12,071	10,682
2017-18	3,510	4,159	-	-	-	-	8,566	8,173	2	45	12,078	12,678
2018-19	1,280	3,466	0	0	0	0	7,129	7,352	1	1	8,410	10,819
2019-20	1,962	3,117					7,922	8,783	0	0	9,884	11,900
2020-21	4,332	3,376					12,127	10,908		2	16,459	14,285
2021-22	2,547	3,608					13,176	13,366		0	15,723	16,975
2022-23	4,161	2,013					7,823	8,832		0	11,984	10,845
2023-24	1,674	2,979					3,057	6,831		0	4,731	9,811
2024-25 (Jul-Mar)	939	2,420					2,109	3,090			3,049	5,510

*: Exclusive of IMF Loans

Source: Economic Affairs Division

Notes:

Project Aid includes commitments and disbursements for Earthquake Rehabilitation & Construction

BOP includes commitment and disbursement for Bonds, Commercial Banks, BOP Programme Loans, IDB Short-term credit and Tokyo Pledges

Relief includes commitment and disbursement for Afghan Refugees, IDPs, Earthquake and Flood Assistance

TABLE 9.3

ANNUAL COMMITMENTS, DISBURSEMENTS, SERVICE PAYMENTS AND EXTERNAL DEBT OUTSTANDING

$ Million

Fiscal Year	Debt Outstanding @		Transactions during period					Debt Servicing as % of		
					Service Payments***					
	Disbursed*	Undisbursed*	Commit-ment**	Disburse-ment**	Principal	Interest	Total	Export Receipts	Foreign Exchange Earning	GDP
2000-01	25,608	2,860	1,167	1,846	1,348	751	2,099	18.7	11.7	2.3
2001-02	27,215	3,504	3,293	2,423	1,178	605	1,783	14.3	8.5	1.8
2002-03	28,301	3,811	1,747	1,729	1,159	668	1,827	14.4	8.1	1.9
2003-04	28,900	5,392	2,125	1,372	2,721	739	3,460	25.8	15.0	3.3
2004-05	30,813	4,975	3,113	2,452	1,072	674	1,746	12.0	6.5	1.6
2005-06	33,033	5,838	4,507	3,163	1,446	717	2,163	12.9	6.9	1.6
2006-07	35,673	6,277	4,059	3,356	1,203	822	2,025	11.7	6.1	1.3
2007-08	40,770	6,540	3,398	3,160	1,133	983	2,116	10.4	5.7	1.2
2008-09	42,567	7,451	5,792	4,032	2,566	873	3,439	18.0	9.7	2.0
2009-10	43,187	9,634	6,171	3,099	2,338	782	3,120	15.9	8.2	1.8
2010-11	46,642	9,797	4,580	2,620	1,925	812	2,737	10.8	5.7	1.3
2011-12	46,391	10,316	4,679	3,089	1,534	765	2,299	9.3	4.8	1.0
2012-13	44,353	9,954	1,278	2,486	2,266	740	3,006	12.1	6.0	1.3
2013-14	48,984	15,770	11,263	3,760	2,979	748	3,727	14.9	7.3	1.5
2014-15	47,867	18,559	3,621	3,601	2,827	956	3,783	15.7	7.1	1.4
2015-16	52,978	20,669	14,215	4,693	3,255	1,092	4,347	26.5	11.6	1.5
2016-17	57,643	21,524	5,651	4,859	5,196	1,242	6,438			
2017-18	67,272	19,573	4,120	4,320	4,175	1,636	5,811			
2018-19	70,575	17,739	3,119	5,578	7,054	2,067	9,121			
2019-20	74,499	19,032	5,803	7,327	8,568	1,985	10,553			
2020-21	83,551	21,867	6,931	6,168	5,912	1,381	7,293			
2021-22	89,022	16,841	7,837	8,533	10,305	1,992	12,296			
2022-23	83,545	18,294	9,296	6,362	14,212	2,916	17,128			
2023-24	85,070	14,891	3,413	5,263	8,808	3,757	12,565			
2024-25 (Jul-Mar)	86,217	13,543	1,740	2,985	5,245	2,588	7,833			

* : Excluding grants

** : Excluding IMF, NPC, Deposits, Short Term Credit, Commercial Credits and Bonds

*** : Excluding IMF, Short Term Credit, Commercial Credits and Bonds up to the year 2003-04. From the Years 2004-05 onwards, debt servicing in respect of Short-term borrowings and Eurobonds is included

@: Public and Publically Guaranteed Loans

Source: Economic Affairs Division

TABLE 9.4

DEBT SERVICE PAYMENTS OF FOREIGN LOANS (Paid in Foreign Exchange)

US$ Million

Fiscal Year	Kind	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Jul-Mar)
I. PARIS CLUB COUNTRIES								
1. Australia	**Principal**	-		0.00	0.00	0.00	0	0
	Interest	-		0.00	0.00	0.00	0.00	0.00
2. Austria	**Principal**	2.81	1.52	0.00	2.77	4.29	7.74	4.07
	Interest	1.45	0.66	0.00	0.49	3.18	0.45	0.08
3. Belgium	**Principal**	2.02	1.09	0.00	2.01	4.67	5.25	3.48
	Interest	1.09	0.49	0.00	0.37	0.56	0.33	0.14
4. Canada	**Principal**	6.13	3.38	0.00	6.15	14.65	16.63	8.71
	Interest	1.90	0.84	0.00	0.24	1.77	1.68	0.44
5. Denmark	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
6. France	**Principal**	115.57	66.64	0.00	105.64	247.53	293.46	168.87
	Interest	52.72	25.68	0.27	28.37	61.17	43.88	26.47
7. Finland	**Principal**	0.40	0.50	0.00	0.39	0.94	1.07	0.58
	Interest	0.12	0.08	0.00	0.02	0.14	0.11	0.07
8. Germany	**Principal**	67.80	34.48	0.17	50.73	116.52	128.02	64.70
	Interest	19.90	10.06	0.46	6.92	12.34	10.77	4.33
9. Italy	**Principal**	1.40	0.76	0.00	1.38	3.27	3.75	2.02
	Interest	0.30	0.12	0.00	0.04	0.22	0.22	0.05
10. Japan	**Principal**	293.96	179.64	0.55	193.27	410.32	396.48	220.54
	Interest	86.18	48.20	0.06	36.48	62.83	50.98	25.60
11. Korea	**Principal**	33.99	22.28	8.39	37.75	78.78	93.75	48.72
	Interest	11.81	5.89	0.57	2.84	11.48	11.40	3.20
12. Norway	**Principal**	1.20	0.65	0.00	1.32	2.29	3.14	1.95
	Interest	0.34	0.15	0.00	0.05	0.21	0.21	0.05
13. Netherlands	**Principal**	4.56	2.28	0.00	3.09	7.01	7.59	3.80
	Interest	2.48	2.08	0.00	1.23	2.52	2.50	1.83
14. Russia	**Principal**	8.37	4.62	0.00	0.00	0.00	0.00	0.00
	Interest	4.03	1.85	0.00	0.00	0.00	0.00	0.00
15. Sweden	**Principal**	10.55	5.82	0.00	10.58	25.18	28.56	15.44
	Interest	3.21	1.40	0.00	0.36	3.06	2.75	0.75
16. Spain	**Principal**	4.13	2.16	0.00	3.58	8.39	9.16	4.77
	Interest	1.98	0.95	0.00	0.67	1.67	1.58	0.66
17. Switzerland	**Principal**	7.10	3.95	0.00	6.96	17.47	20.33	10.96
	Interest	0.85	0.41	0.00	0.51	0.97	1.23	0.36
18. USA	**Principal**	45.03	22.96	0.00	28.79	69.92	70.39	35.60
	Interest	24.72	11.78	0.00	9.73	19.54	17.27	7.72
19. UK	**Principal**	0.53	0.29	0.00	0.50	1.18	1.38	0.75
	Interest	0.07	0.03	0.00	0.02	0.11	0.12	0.03
TOTAL (I)	**Principal**	**605.53**	**353.02**	**9.11**	**454.91**	**1,012.41**	**1,086.70**	**594.96**
	Interest	**213.13**	**110.67**	**1.36**	**88.34**	**181.77**	**145.48**	**71.78**
II. NON-PARIS CLUB COUNTRIES								
1. China	**Principal**	341.99	421.58	135.47	394.43	1,302.13	249.78	185.69
	Interest	388.16	445.92	169.82	240.28	424.85	422.68	417.59
2. Czecho-Slovakia	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
3. Kuwait	**Principal**	12.12	12.02	11.49	16.09	15.44	14.26	11.60
	Interest	3.99	3.48	3.44	3.57	2.97	2.79	2.40
4. Libya	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
5. Saudi Arabia	**Principal**	32.85	29.99	0.00	121.83	659.25	1,448.43	735.55
	Interest	5.11	10.66	0.00	73.30	44.30	63.08	29.11
6. UAE	**Principal**	6.35	6.32	0.00	1.83	1.97	4.67	3.25
	Interest	1.00	0.81	0.00	0.55	0.50	0.90	0.67
7. EXIM Bank (FE)	**Principal**	14.28	7.89	0.00	14.41	34.47	39.07	21.11
	Interest	3.55	1.82	0.00	0.48	2.58	2.86	0.73
8. PL-480	**Principal**	4.78	3.14	0.00	3.17	7.72	8.08	4.22
	Interest	2.56	1.29	0.00	1.22	2.46	2.26	1.04
9. CCC	**Principal**	19.10	10.52	0.00	29.79	67.10	78.88	41.19
	Interest	11.10	5.12	0.00	5.93	9.00	5.83	1.64
TOTAL (II)	**Principal**	**431.46**	**491.46**	**146.96**	**581.55**	**2,088.08**	**1,843.17**	**1,002.61**
	Interest	**415.46**	**469.10**	**173.26**	**325.33**	**486.66**	**500.40**	**453.18**

(Contd..)

TABLE 9.4

DEBT SERVICE PAYMENTS OF FOREIGN LOANS (Paid in Foreign Exchange)

US$ Million

Fiscal Year	Kind	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Jul-Mar)
III. MULTILATERAL								
1. ADB	**Principal**	744.00	803.00	846.62	845.08	870.34	904.08	630.02
	Interest	184.14	201.83	174.38	150.35	361.37	607.17	408.98
2. IBRD	**Principal**	117.24	85.00	87.90	100.75	101.40	118.01	108.75
	Interest	41.96	40.61	22.43	19.65	79.90	133.60	93.12
3. IDA	**Principal**	370.17	452.27	512.33	582.68	602.79	632.91	555.73
	Interest	178.42	187.21	213.26	230.91	230.26	267.10	229.36
4. IFAD	**Principal**	7.76	7.75	9.20	9.15	9.01	10.89	6.95
	Interest	1.83	1.93	2.31	2.47	2.90	3.41	2.55
5. IDB	**Principal**	80.83	93.08	87.73	90.01	101.26	97.94	71.15
	Interest	29.80	39.76	30.05	27.48	33.14	33.49	22.76
6. IDB (ST)	**Principal**	1082.08	836.67	757.17	533.04	1,327.81	161.00	200.00
	Interest	52.02	48.36	40.77	27.57	44.30	11.32	20.21
7. AIIB	**Principal**					7.07	47.00	42.39
	Interest					47.90	90.70	60.58
TOTAL (III)	**Principal**	**2402.09**	**2277.77**	**2,300.95**	**2,160.71**	**3,019.68**	**1,971.83**	**1,614.99**
	Interest	**488.16**	**519.70**	**483.20**	**458.43**	**799.77**	**1,146.79**	**837.56**
IV. DEVELOPMENT FUNDS								
1. NORDIC	**Principal**	0.58	0.27	0.61	0.57	0.54	0.54	0.38
	Interest	0.06	0.02	0.06	0.05	0.04	0.04	0.03
2. OPEC Fund	**Principal**	9.45	9.44	9.44	8.91	8.86	12.43	12.16
	Interest	2.47	2.42	2.06	1.93	2.74	3.18	2.22
3. Turkey (EXIM Bank)	**Principal**	41.34		1.34	0.00	0.00	3.98	6.00
	Interest	1.83		2.00	1.04	3.00	10.11	5.67
4. E.I.Bank	**Principal**	5.00		0.00	0.00	0.00	0.00	0.00
	Interest	0.34	0.07	0.07	0.00	0.00	0.07	0.00
5. ANZ Bank / Standard Charted Bank/ Commercial Bank	**Principal**	2552.00	4436.04	3,444.06	5,177.32	5,968.17	1,170.74	270.47
	Interest	443.20	487.25	357.16	378.65	475.80	509.87	225.78
TOTAL (IV)	**Principal**	**2608.37**	**4445.75**	**3,455.45**	**5,186.80**	**5,977.57**	**1,187.69**	**289.01**
	Interest	**447.90**	**489.76**	**361.35**	**381.67**	**481.58**	**523.27**	**233.70**
V. GLOBAL BONDS								
1. Euro Bonds	**Principal**	**1,000.00**	1,000.00	0.00	1,000.00	1,000.00	1,000.00	0.00
	Interest	502.66	395.84	361.84	586.73	610.63	582.49	322.40
2. Saindak Bonds	**Principal**	-	-	0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
3. US Dollar Bonds (NHA)	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
TOTAL (V)	**Principal**	**1,000.00**	**1,000.00**	**0.00**	**1,000.00**	**1,000.00**	**1,000.00**	**0.00**
	Interest	**502.66**	**395.84**	**361.84**	**586.73**	**610.63**	**582.49**	**322.40**
TOTAL (I+II+III+IV+V)	**Principal**	**7,047.45**	**8,568.00**	**5,912.47**	**9,383.97**	**13,097.74**	**7,089.39**	**3,501.57**
	Interest	**2,067.31**	**1,985.07**	**1,381.01**	**1,840.50**	**2,560.41**	**2,898.43**	**1,918.62**
	Total (P+I)	**9,114.76**	**10,553.07**	**7,293.48**	**11,224.47**	**15,658.15**	**9,987.82**	**5,420.19**
VI. OTHERS								
1. NBP	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
2. Bank of Indosuez	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
3. NBP Bahrain	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
4. ANZ Bank	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
5. US Dollar Bonds	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
6. Cash (ST)	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
7. OTF	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
8 Exchange Loss	**Principal**	-		0.00	0.00	0.00	0.00	0.00
	Interest	-		0.00	0.00	0.00	0.00	0.00
9 Unspent Balance	**Principal**	6.73	1.12	0.13	11.84	13.88	35.08	3.82
	Interest			0.00	0.00	0.00	0.00	0.00
10 Saudi Time Deposit	**Principal**			0.00		0.00	0.00	0.00
	Interest			0.00		121.33	203.34	151.66
11 China Safe Deposit	**Principal**	6.73	1.12	0.00	0.00	0.00	0.00	0.00
	Interest			0.00	52.51	176.07	272.47	245.74
12 Naya Pakistan Certificates (NPCs)	**Principal**	0	-	0.00	908.78	1,100.68	893.59	1,043.27
	Interest			0.00	98.66	57.81	46.34	66.44
TOTAL (VI)	**Principal**	-	-	**0.00**	**920.62**	**1,114.56**	**928.67**	**1,047.09**
	Interest	-	-	**0.00**	**151.17**	**355.21**	**522.15**	**463.84**
TOTAL (I+II+III+IV+V+VI)	**Principal**	**7,047.45**	**8,568.00**	**5,912.47**	**10,304.59**	**14,212.30**	**8,018.06**	**4,548.66**
	Interest	**2,067.31**	**1,985.07**	**1,381.01**	**1,991.67**	**2,915.62**	**3,420.58**	**2,382.46**
Grand Total (P+I)		**9,114.76**	**10,553.07**	**7,293.48**	**12,296.26**	**17,127.92**	**11,438.64**	**6,931.12**

Note: Exclusive of IMF Loans

Source: Economic Affairs Division

TABLE 9.5

TERMS OF FOREIGN LOANS/CREDITS CONTRACTED BY PAKISTAN

Lending Country/Agency	2024-25 (Jul-Mar)		
	Amount	Interest Rate/	Amortization
	$ Million	Commission(%)	years
A. Paris Club Countries			
1. Germany			
2. Japan			
3.France	54.60		20
4. Italy			
5. Korea			
Sub-Total A	54.60		
B. Non-Paris Club			
1. China *			
2. Kuwait			
3. Saudi Arabia			
Sub-Total B	0.00		
C. Multilateral			
1. IDB Short-term	379.25	SOFR 12 Months	1
2. IDB			
3. IDA	135.00	Fixed 1.25, Fixed 0.75	30
4. ADB	1,550.68	SOFR, Fixed 2,	25, 40
5. OPEC			
6. IBRD			
7. IFAD			
8. EIB			
9. E.C.O BANK			
10.AIIB			
Sub-Total C	2,064.93		
D. Commercial Banks			
1. SCB (London)	400.0		
2. SUISSE AG, UBL, ABL	300.0		
3. DUBAI BANK			
4. NOOR BANK PJSC			
5. BANK OF CHINA SR.BD.	200.0	SOFR	2
6. CHINA DEV BANK			
7. CITI BANK			
8. ICBC-CHINA			
9. AJMAN BANK PJSC			
10. EMIRATES NBD			
11. NBP BAHRAIN			
Sub-Total (D)	900.00		
E. Bonds			
1. EUR-2021-5-2026			
2. EUR-10Y-080421			
3. EUR-30Y-080421			
4. EUR2021-30-2051			
5. EUR2021-10-2031			
6. EUR-5Y-08042021			
7. SUK-2022-1-7y			
Sub-Total (E)	0.00		
F. SFD Time Deposits			
Total (A+B+C+D+E)	3,019.53		

* China SAFE Deposit

Source: Economic Affairs Division

TABLE 9.6

GRANT ASSISTANCE AGREEMENTS SIGNED

($ Million)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Jul-Mar)
I. Paris Club Countries								
1. Australia	-	-	-	-	-	-		
2. Austria	-	-	-	-	-	-		
3. Belguium	-	-	-	-	-	5.4		
3. Canada	-	-	-	-	-	-		
4. France	-	-				0.3		
5. Germany	11.6	5.7	13.5	5.9		67.8	17.1	
6. Japan	26.2	3.0		71.5	27.6	8.5	7.0	29.0
7. The Netherlands	-	-						
8. Norway	-	-						
9. Korea	-	-						
10. Switzerland	-	-						
11. UK	-	-						
12. USA	-	-				62.6		
13. Italy	-	-						
14. Denmark	-	-						
Sub-Total (I)	37.8	8.7	13.5	77.4	27.6	144.7	24.1	29.0
II. Non Paris Club Countries								
1. China	21.2	-			157.3	-		
2. Iran	-	-						
3. UAE	-	-						
4. Oman	-	-						
5. Saudi Arabia		16.1						
Sub-Total (II)	21.2	16.1	0.0	0.0	157.3	0.0	0.0	0.0
III. Multilateral								
1. ADB	19.2	4.0	5.0	2.0		5.0	5.5	
2. EEC / EU		130.9	14.6			94.4		
3. Islamic Development Bank		-				0.3	35.0	
4. IDA		2.0	10.2	117.7				
5. IBRD	15.6	-	15.0	69.9	54.8	82.0	4.0	
6. IFAD	-	-	2.9	3.1				
7. AIIB			1.5	4.1				
8. UN and Specialised Agencies	-	-						
9. UNDP Special Grant	-	-						
10. World Food Programme	-	-						
11. UNFPA	-							
Sub-Total (III)	34.8	136.9	49.1	196.8	54.8	181.7	44.5	0.0
IV. Relief Assistance for								
A. Afghan Refugees	1.9	0.9	0.3					
B. Earthquake	-	-						
1. Afghanistan	-	-						
2. Algeria	-	-						
3. Austria	-	-						
4. Azerbaijan	-	-						
5. Bhutan	-	-						
6. Brunei	-	-						
7. China	-	-						
8. Cyprus	-	-						
9. Indonesia	-	-						
10. Jordan	-	-						
11. Malaysia	-	-						
12. Morocco	-	-						
13. Oman	-	-						
14. Pak-Turk foundation	-	-						
15. Saudi Arabia	-	-						
16. South Korea	-	-						
17. Thailand	-	-						
18. Turkey for FATA TDPs	-	-						
19. UK	-	-						
20. ADB	-	-						
21. WB (IDA)	-	-						
22. Germany	-	-						
23. IDB	-	-						
24. Mauritius	-	-						
Sub-Total (IV)	1.9	0.87	0.27	-	-	-	-	-
(V) Others					41.66	0.00	0.00	0.00
Grand Total (I+II+III+IV)	95.7	162.6	62.9	274.2	281.3	326.4	68.6	29.0

Source : Economic Affairs Division

TABLE 9.7

TOTAL LOANS AND CREDITS CONTRACTED

($ Million)

Lending Country/Agency	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Jul-Mar)
A. Paris Club Countries								
1. Austria	-	-						
2. Australia	-	-						
3. Belgium	-	-						
4. Canada	-	-						
5. France	192.1			77.28		349.47		54.60
6. Germany	-	-		32.10		47.49		
7. Japan	-	-						
8. Korea	-	-	80.00					
9. Netherlands	-	-						
10. Norway	-	-						
11. Spain	-	-						
12. UK	-	-						
13. USA	-	-						
14. Italy	-	-	22.98					
15. Sweden								
Sub-Total (A)	192.1	0.0	103.0	109.4	0.0	397.0	0.0	54.6
B. Non-Paris Club Countries								
1. China*	500.0	* 2000		1,000.0	1,012.0		190.7	
2. Kuwait	14.9	-						
3. Saudi Arabia	-	-			1,200.0	1,000.0		
4. Turkey (EXIM Bank)	-	-						
5. Abu Dhabi Fund	-	-						
Sub-Total (B)	514.9	0.0	0.0	1,000.0	2,212.0	1,000.0	190.7	0.0
C. Multilateral								
1. IBRD	855.0	-	652.0	854.0	195.0			
2. IDA	1,386.3	615.6	1,449.0	3,633.6	92.0	2,805.8	1,402.8	1,550.7
3. ADB	1,589.6	355.0	2,823.3	900.0	1,783.1	2,372.6	1,479.4	135.0
4. IFAD	82.6	-	36.0	62.3		50.0		
5. European Investment Bank	-	-						
6. ECOTDB	-	40.0			52.0	119.4		
7. OPEC Fund	-	-		50.0	72.0			
8. IDB	-	-	200.0		252.5	50.0	90.0	
9. SCB (Singapore)	-	-						
10.IDB (ST)	694.4	926.0	555.8	951.5	881.5	161.0	250.0	379.3
11.AIIB			540.0	321.8	178.6	501.6	250.0	
Sub-Total (C)	4,607.9	1,936.6	6,256.1	6,773.2	3,506.7	6,060.4	3,472.2	2,064.9
D. Bonds								
1. Bonds	2500.0	-		3,500.0	2,000.0			
Sub-Total (D)	2,500.0	-		3,500.0	2,000.0	0.0	0.0	0.0
E. Commercial Banks								
1. SCB London	200.0	-	200.0	600.0	400.0			400.0
2. Dubai Bank	80.0	685.0	445.0	825.0	1,140.0			
3. Noor Bank	220.0	225.0						
4. SUISSE AG, UBL, ABL	1,200.0	495.0	200.0	215.0	343.5			300.0
5. BANK OF CHINA SR.BD	200.0	-	500.0					200.0
6. CHINA DEV BANK	1,000.0	2,183.7	1,700.0	1,000.0	2,239.0	500.0	999.9	
7. ICBC-CHINA	1,000.0	300.0		1,300.0		1,700.0		
8. CITI BANK	267.0	-	150.0					
9. AJMAN BANK PJSC		274.0	267.5	350.0				
10. EMIRATES NBD				370.0	600.0			
11. NBP BAHRAIN				142.0				
Sub-Total (E)	4,167.0	4,162.7	3,462.5	4,802.0	4,722.5	2,200.0	999.9	900.0
F. SFD Time Deposit					3,000.0	2,000.0		
Grand-Total (A+B+C+D+E)	11,981.9	8,247.2	9,821.6	16,184.6	15,441.2	11,657.3	4,662.7	3,019.5

* China SAFE Deposit

Note: Total may differ due to rounding off

Source : Economic Affairs Division

EDUCATION

Expenditure FY2025 (Jul-Mar)	0.8 (as % of GDP)	
Literacy Rate	60.6%	
Male: 68.0%	Female: 52.8%	
Universities	269	
Public: 160	Private: 109	
Higher Education Allocation	61.1 (Rs Billion)	
Ph.D Faculty Members	37.97%	

Chapter 10

EDUCATION

The ability to learn and focus on precise detail is unique to humans among all other species, enabling them to achieve the wonders of the world. This ability can be traced back to the origin of life on Earth. The fact that nations advanced in education are also leading the world clearly highlights the importance of effective learning. In modern times, the economies that excel in innovations like biotechnology, nanotechnology, quantum mechanics, and modern technologies like artificial intelligence (AI) will be the key deciding factor in determining which economies will lead in the emerging knowledge driven world order. Education is a powerful tool for transforming the patterns of thought within individuals and nations. It holds top priority in the social sector of developing countries, including Pakistan. Historically, the education sector has faced numerous challenges, preventing it from delivering the expected outcomes. Education has long been a neglected area, but its role in shaping the future of nations is now widely recognized. As a result, significant efforts and resources are being directed toward improving the sector, particularly through the introduction of blended learning and modern technologies.

The Government of Pakistan is fully aware of these challenges and is committed to prioritizing the education sector. Furthermore, efforts are being made to bring out-of-school children into schools, improve the quality of education, and create a conducive learning environment, among other initiatives. Emphasis is being placed on both primary and higher education to make the younger generation competitive from an early age. For a country like Pakistan, this focus is even more crucial for socio-economic development, as it facilitates the effective transition of its large youth population. Transforming 63 percent of the youth into real assets requires optimal capitalization through the establishment of high-quality, market-driven primary, secondary, and higher education institutions. Education is undeniably crucial for shaping individuals and societies in contemporary times. It is the cornerstone for personal development, social advancement, and economic prosperity. Education goes beyond mere knowledge acquisition, it focuses on critical thinking abilities and practical skills that are essential for navigating life's multifaceted challenges. Moreover, it promotes social cohesion, tolerance, and a sense of unity. Empowered by education, individuals are poised to make substantive contributions to their communities and the broader global milieu. Education is not solely about attaining credentials, but about empowering individuals and catalyzing positive societal transformation.

This chapter explores various aspects of Pakistan's education system, beginning with a detailed examination of the measures outlined in Article 25A of the Constitution of Pakistan, which mandates free and compulsory education for children aged five to sixteen, as well as Goal 4 of the Sustainable Development Goals. In line with the objectives of "URAAN Pakistan" vision, the chapter also highlights the vital role of higher education in fostering a knowledge-based economy, with a focus on investing in the youth. It provides an in-depth analysis of enrollment trends across regions and genders, the expansion of higher education institutions (HEIs), the composition of faculty (Ph.D. vs. non-Ph.D.), and significant initiatives of Higher Education Development in Pakistan (HEDP) project. Furthermore, it underscores strategic achievements, institutional reforms, and new initiatives in the higher education sector,

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particularly focusing on the promotion of research and development within HEIs.

Focusing on the provincial level offers a comprehensive overview of government efforts to spread education and knowledge throughout the population. Additionally, skill development, a crucial component of the educational framework, has become a top government priority, with notable achievements and ongoing projects highlighted for clarity. Central to this effort is the essential role of the National Vocational & Technical Training Commission (NAVTTC) in providing professional training to youth and the skilled workforce, enhancing national productivity, and facilitating the export of labor abroad.

10.1 Progress on Education Indicators Related to Goal 4 of SDGs

Sustainable Development Goal 4 (SDG 4) aims to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. One of its key targets is to ensure that, by 2030, all girls and boys have access to and complete quality primary and secondary education, achieving relevant and effective learning outcomes. Pakistan has shown a strong commitment to transforming its education system into a high-quality, globally competitive, and demand-driven model, in alignment with the SDG 4. The country's progress toward achieving this goal is outlined below.

- Primary, Lower and Higher Secondary Education Completion Rates stood at 67 percent, 47 percent, and 23 percent, respectively, depicting higher Primary attendance than Lower and Upper Secondary levels (SDG4 Target Indicator 4.1.2).
- Parity Indices at Literacy, Youth Literacy, Primary and Secondary are 0.71, 0.82, 0.88 and 0.89, respectively (SDG4 Target Indicator 4.5.1).
- The participation rate in organized learning (one year before the official primary entry age) by sex is 19 percent (female), showing a low level of consideration of Pre-Primary Education (SDG4 Target Indicator 4.2.2).
- The percentage of the population in a given age group achieving at least an affixed level of proficiency in (a) functional literacy and (b) numeracy skills is 60 percent (SDG4 Target Indicator 4.6.1).

Federal and provincial governments have undertaken various initiatives to elevate education standards in alignment with their commitment to achieving Goal 4 of the Sustainable Development Goals (SDGs). These measures encompass a wide range of strategies aimed at improving access to quality education. Key initiatives include establishing new schools, upgrading existing facilities, and enhancing the learning environment through the provision of basic educational resources. Efforts also focus on digitizing educational institutions, strengthening their resilience to cope with unforeseen circumstances, and promoting distance learning. Additionally, there is an emphasis on teacher capacity building and improving recruitment practices, particularly in hiring qualified science teachers to address gaps in science education.

10.1-a Educational Institutions and Enrolment Data[1]

i) Pre-Primary Education

Pre-primary education is the essential component of Early Childhood Education (ECE). Prep classes are for children between 3 and 5 years of age. At the national level, a decrease of 3.3 percent in pre-primary enrolment (11.77 million) in FY 2023 against (12.16 million) in FY 2022 has been recorded. The estimated figure for pre-primary enrolment in FY 2024 is around 11.6 million (Table 10.1).

ii) Primary Education (Classes I-V)

In FY 2023, 168.24 thousand functional primary schools with 506.02 thousand corresponding teachers were recorded in the country. Primary enrolment increase by 3.2 percent, as the total

[1] According to Pakistan Institute of Education, the estimated data for enrolment, number of institutions and teachers for the FY 2025 is not available. However, the July 2025 onwards data will be incorporated in the Statistical Supplement of Pakistan Economic Survey, 2024-25. Therefore, the estimated data for the FY 2024 is considered for analysis.

number of students enrolled increased to 24.61 million in FY 2023 compared to 23.85 million in FY 2022. However, it is estimated to increase by around 24.83 million in FY 2024.

iii) Middle Education (Classes VI-VIII)

In FY 2023, the total number of middle-level institutions stood at 51.03 thousand, with 511.2 thousand employed teachers in the country. Middle school enrolment increased by 7.6 percent. The total number of enrolled students reached 9.43 million in FY 2023, compared to 8.77 million in FY 2022, and it is projected to increase by 4.7 percent (from 9.43 million to 9.88 million) in FY 2024.

iv) Secondary/High School Education (Classes IX-X)

In FY 2023, 39.4 thousand secondary schools were functional, with 733.4 thousand teachers recorded nationwide. Secondary school enrolment increased by 5 percent nationally, to 4.72 million in FY 2023 against 4.49 million in FY 2022. However, it is estimated to increase further by 3.8 percent (i.e., from 4.72 million to 4.89 million) during FY 2024.

v) Higher Secondary/Inter Colleges (Classes XI-XII)

During FY 2023, there were 9.0 thousand higher secondary schools/inter colleges with 196.7 thousand teachers functional at the national level. The overall enrolment of students in higher secondary education witnessed an increase of 8.8 percent in FY 2023. The enrollment registered during FY 2023 was 2.33 million compared to 2.15 million in FY 2022. For FY 2024, it is projected to reach 2.38 million.

vi) Degree Colleges (Classes XIII-XIV)

An enrolment of 0.65 million students in degree colleges is expected during FY 2024, as compared to 0.66 million in FY 2023. A total of 2573 degree colleges were found in FY 2023, with an estimated 2516 degree colleges for FY 2024. The number of teachers in degree colleges was 60.13 thousand in FY 2023 and is projected to be 59.84 thousand in FY 2024.

vii) Universities

There were 269 universities with the overall enrolment of students in higher education institutions was recorded at 1.94 million in FY 2023, decreased from the previous year by 13 percent. The enrolment is expected to increase by 0.8 percent from 1.94 million in FY 2023 to 1.95 million in FY 2024.

viii) Technical and Vocational Education

During FY 2024, 4,563 technical and vocational institutes with 51.08 thousand teachers were functional nationally. The enrolment was recorded at 0.45 million in FY 2023 compared to 0.44 million in FY 2022. However, it is estimated to increase by 1.1 percent (i.e., from 0.45 million to 0.46 million) in FY 2024. Detailed information about the number of institutions, enrolment, and teachers is presented in Table 10.1.

Table 10.1: Number of Mainstream Enrolment, Institutions and Teachers by Level (Thousands)

	Years	Pre-Primary	Primary*	Middle	High	Higher Sec./ Inter	Degree Colleges	Technical & Vocational Institutes	Universities	Total
Enrolment	2014-15	9589.2	19846.8	6582.2	3500.7	1665.5	510.6	319.9	1299.2	43314.1
	2015-16	9791.7	21550.6	6922.3	3652.5	1698.0	518.1	315.2	1355.6	45804.0
	2016-17	11436.6	21686.5	6996.0	3583.1	1594.9	537.4	344.8	1463.3	47642.6
	2017-18	12574.3	22931.3	7362.1	3861.3	1687.8	604.6	433.2	1575.8	51030.4
	2018-19	12707.1	23587.9	7634.1	3969.0	2139.9	725.6	433.2	1858.7	53055.5
	2019-20	12038.8	23758.2	7869.5	4014.5	2226.8	771.6	433.2	2001.7	53114.3
	2020-21	11366.6	24351.5	8414.7	4359.7	2320.2	757.9	433.2	2226.3	54230.1
	2021-22	12165.9	23848.7	8767.3	4489.9	2145.8	623.4	438.1	2226.3	54705.4
	2022-23	11771.5	24613.1	9432.7	4715.1	2335.2	660.7	453.9	1936.3	55918.5
	2023-24(E)	11598.1	24826.9	9877.2	4892.4	2377.8	648.9	458.3	1952.5	56632.1

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Table 10.1: Number of Mainstream Enrolment, Institutions and Teachers by Level (Thousands)

	Years	Pre-Primary	Primary*	Middle	High	Higher Sec./ Inter	Degree Colleges	Technical & Vocational Institutes	Universities	Total
Institutions	2014-15	-	165.914	44.818	31.255	5.393	1.410	3.579	0.163	252.6
	2015-16	-	164.630	45.680	31.740	5.470	1.418	3.746	0.163	252.8
	2016-17	-	168.864	49.090	31.551	5.130	1.431	3.798	0.185	260.1
	2017-18	-	172.519	46.665	31.392	5.754	1.659	3.740	0.186	262.0
	2018-19	-	180.054	47.294	31.668	5.876	2.893	3.740	0.202	271.8
	2019-20	-	179.968	47.045	31.668	5.898	2.983	3.740	0.209	271.3
	2020-21	-	180.217	47.182	34.210	7.102	3.021	3.740	0.220	275.6
	2021-22	-	162.113	47.822	34.564	8.113	2.487	4.182	0.220	259.5
	2022-23	-	168.241	51.033	39.389	9.004	2.573	4.406	0.247	274.9
	2023-24(E)	-	166.033	51.840	41.310	9.963	2.516	4.563	0.269	276.5
Teachers	2014-15	-	430.920	380.785	514.158	118.079	36.587	19.393	88.288	1588.3
	2015-16	-	444.567	394.231	529.520	123.061	37.082	18.207	83.375	1630.1
	2016-17	-	475.235	455.445	560.642	120.336	37.857	18.207	58.733	1726.3
	2017-18	-	522.369	448.074	563.302	123.154	41.233	18.207	56.885	1773.3
	2018-19	-	494.913	448.667	567.309	136.008	61.602	18.207	60.279	1787.0
	2019-20	-	485.215	442.656	566.703	137.660	60.064	18.207	64.817	1775.5
	2020-21	-	476.513	433.979	592.307	158.386	59.455	18.207	69.604	1808.4
	2021-22	-	463.165	434.272	587.055	170.240	57.709	18.347	69.604	1800.4
	2022-23	-	506.019	511.205	733.367	196.694	60.130	40.889	98.030	2146.3
	2023-24(E)	-	508.290	525.456	776.300	214.247	59.843	51.077	-	2135.2

E: Estimated. * Including Pre-Primary, Mosque Schools, and Non-Formal Basic Education (NFBE).
Source: Ministry of Federal Education & Professional Training, Pakistan Institute of Education, Islamabad.

10.1-b Literacy, Gross Enrolment Rate (GER), Net Enrolment Rate (NER) and Out-of-School Children (OOSC)

PBS has not published the Pakistan Social and Living Standards Measurement (PSLM) Survey report since 2019-20, nor the Labour Force Survey since 2020-21, therefore, the literacy rates region-wise/category-wise are given as per Population and Housing Census, 2023 (Table 10.2). According to the Population and Housing Census, 2023, Pakistan's literacy rate stands at 60.65 percent. The male literacy rate is higher at 68.0 percent, compared to 52.84 percent for females. A significant contribution of the census was the inclusion of the literacy rate of transgender, which stands at 40.15 percent.

The literacy rate in urban areas is substantially higher than the national average, recorded at 74.09 percent, compared to 51.56 percent in rural areas. This highlights the continued challenge of the urban-rural divide in access to quality education. The divide is even more pronounced among females, compared to males and transgender. Punjab has the highest literacy rate among the provinces, followed by Sindh, Khyber Pakhtunkhwa, and Balochistan.

Table 10.2: Literacy Rate (10 Years and Above) Percent

Province/Area	2023			
	Male	Female	Transgender	Total
Pakistan	68	52.84	40.15	60.65
Rural	61.02	41.67	32.94	51.56
Urban	78.13	69.71	42.4	74.09
Punjab	71.98	60.19	41.3	66.25
Rural	65.91	50.51	34.47	58.37
Urban	80.37	74.01	43.37	77.3
Sindh	64.23	50.21	37.45	57.54
Rural	48.06	27.52	26.98	38.14
Urban	76.27	67.8	39.28	72.26
Khyber Pakhtunkhwa	64.57	37.15	44.67	51.09
Rural	62.55	33.76	39.26	48.35
Urban	75.06	55.39	48.48	65.55
Balochistan	50.5	32.8	24.97	42.01
Rural	44.16	26.59	22.2	35.74
Urban	64.51	46.49	29.03	55.86

Source: Population and Housing Census-2023, Pakistan Bureau of Statistics

Since the latest PSLM Survey is not available, the data presented on gross enrolment rate (GER), and net enrolment rate (NER), region-wise and category-wise, of basic education is based on PSLM 2019-20 as reported in Tables 10.3 and 10.4.

Table 10.3: Gross Enrollment Rates (GER) at the National/Provincial Level by Gender and Age (Percent)

Location	GER at the Primary Level (Age: 5-9)			GER at Middle Level (Age: 10-12)			GER at Matric Level (Age: 13-14)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Pakistan	89	78	84	65	57	63	63	50	57
Punjab	93	90	92	68	66	67	68	62	65
Sindh	78	62	71	60	43	54	54	39	47
Khyber Pakhtunkhwa	98	79	89	84	53	70	71	39	56
Balochistan	84	56	72	56	34	47	47	21	36

Source: Pakistan Social and Living Standards Measurement Survey (PSLM) 2019-20

GER (primary, middle, and matric) is 84, 63, and 57, respectively, which has increased for males. Punjab has the highest GER at the primary, middle, and secondary levels, and Balochistan has the lowest. In all provinces, GER of males is higher than that of females.

Table 10.4: Net Enrollment Rates (NER) at the National/Provincial Level by Gender and Age (Percent)

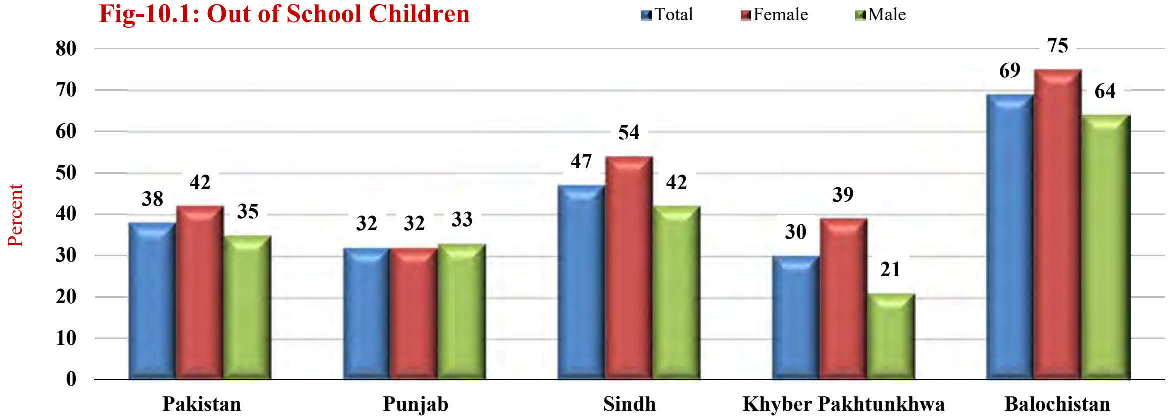
Location	NER at Primary Level (Age: 5-9)			NER at Middle Level (Age: 10-12)			NER at Matric Level (Age: 13-14)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Pakistan	68	60	64	35	35	37	28	25	27
Punjab	71	69	70	40	41	41	30	31	30
Sindh	60	49	55	35	29	32	24	20	22
Khyber Pakhtunkhwa	73	59	66	48	32	40	32	20	27
Balochistan	65	45	56	31	20	26	18	09	14

Source: Pakistan Social and Living Standards Measurement Survey (PSLM) 2019-20

NER (primary, middle, and matric) is recorded as 64, 37, and 27, respectively. NER at the primary level is higher for males in all provinces. However, middle education NER is higher for males in all provinces except Punjab. The same applies to NER at matric except for Punjab, where NER is higher for females.

Fig-10.1 shows that 38 percent of the country's children are Out-of-School (OOS), more females out of school than males. Balochistan has 69 percent OOSC, followed by Sindh (47 percent), Punjab (32 percent) and Khyber Pakhtunkhwa (30 percent). In all provinces, more females are out of school than males.

Fig-10.1: Out of School Children



Source: Pakistan Education Statistics 2022-23, (Ministry of Federal Education & Professional Training, Pakistan Institute of Education, Islamabad.)

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Box-I: Availability of Basic Facilities in Public Schools

The overall quality of education is closely linked to the quality of school facilities. Well-designed classrooms and well-maintained equipment can improve teaching and learning outcomes. Infrastructure and school facilities are essential components of a comprehensive education system. They provide a safe and comfortable learning environment and contribute to the overall quality of education and the well-being of students. Investing in these aspects of education is crucial for students and society's long-term development and success. Adequate infrastructure ensures that students are comfortable while learning. Proper sanitation facilities, clean drinking water, and hygiene practices are essential for the health and well-being of students. Since the data is only available for government schools, the indicators presented in the box are based on public sector schools.

Around 67 percent of schools in the country have access to electricity. There are disparities among provinces, with Punjab and ICT having higher access while Balochistan consistently lags behind. Punjab and ICT have higher percentage of primary schools equipped with water facilities, but Balochistan and AJK faces challenges, with only 23 percent coverage. Toilet access in schools varies widely among provinces. Punjab, Khyber Pakhtunkhwa, and ICT have high coverage, but Balochistan struggles with only 40 percent access at the primary level. Pakistan maintains a moderate level of boundary wall access in schools, with Punjab, Khyber Pakhtunkhwa, and ICT leading in this area. As schools progress to higher levels, the availability of electricity, drinking water, toilets, and boundary walls increases.

The following tables show the availability of basic facilities, such as electricity, drinking water, toilets, and boundary walls, in primary, middle, high, and higher secondary schools along with their overall status.

Table-A: Access to Electricity (Percent)

Region	Primary	Middle	High	Higher Sec.	Total
Punjab	98	100	100	100	99
Sindh	27	47	79	88	31
Khyber Pakhtunkhwa	85	87	96	99	86
Balochistan	15	30	63	78	21
AJK	32	55	75	77	43
GB	59	83	96	100	70
ICT	100	100	100	100	100
Pakistan	62	79	93	95	67

Table-B: Availability of Drinking Water (Percent)

Region	Primary	Middle	High	Higher Sec.	Total
Punjab	99	100	100	100	100
Sindh	56	69	89	91	58
Khyber Pakhtunkhwa	88	90	96	98	89
Balochistan	23	40	68	81	29
AJK	23	46	88	92	37
GB	68	90	98	100	77
ICT	100	100	100	100	100
Pakistan	72	83	95	96	76

Table-C: Availability of Toilet (Percent)

Region	Primary	Middle	High	Higher Sec.	Total
Punjab	99	100	100	100	99
Sindh	53	74	93	94	57
Khyber Pakhtunkhwa	86	88	96	99	87
Balochistan	40	72	89	95	49
AJK	44	70	81	86	54
GB	72	92	96	100	80
ICT	100	100	100	100	100
Pakistan	74	89	97	98	78

Table D: Availability of Boundary Wall (Percent)

Region	Primary	Middle	High	Higher Sec.	Total
Punjab	98	99	99	99	98
Sindh	58	79	93	93	61
Khyber Pakhtunkhwa	92	95	96	99	93
Balochistan	40	74	89	94	48
AJK	34	51	53	57	40
GB	64	85	93	100	73
ICT	100	100	100	100	100
Pakistan	76	89	94	96	79

Source: Pakistan Education Statistics 2022-23. (Ministry of Federal Education & Professional Training, Pakistan Institute of Education, Islamabad.)

10.2 Expenditure on Education

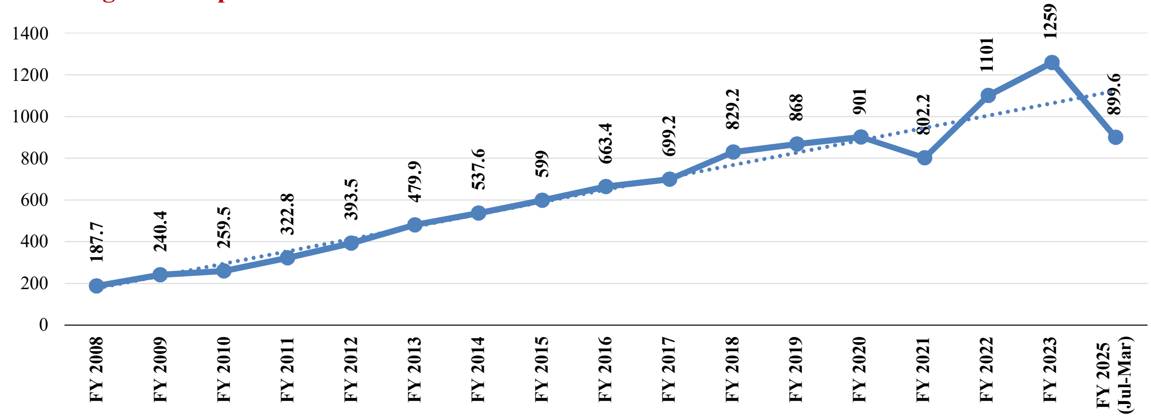
Cumulative education expenditures by federal and provincial governments in FY 2025 (July-March) were estimated at 0.8 percent of GDP. Expenditures on education-related activities during FY 2025 decreased 29.4 percent and reached Rs 899.6 billion from Rs 1,251.06 billion. This position may improve up to the month of June as the expenditure data was available for July-March FY 2025, which is used for analysis. Disaggregated education-related expenditures in a historical context are given in Table 10.5 and Figure 10.2.

Table 10.5: Expenditure on Education Rs million

Years		Current Expenditure	Development Expenditure	Total Expenditure	Percent of GDP (2015-16 Base)
2018-19	Federal	103,787	21,780	125,567	**2.0**
	Punjab	339,402	32,413	371,815	
	Sindh	153,492	9,110	162,602	
	Khyber Pakhtunkhwa	132,516	20,195	152,711	
	Balochistan	49,298	6,029	55,327	
	Pakistan	**778,495**	**89,527**	**868,022**	
2019-20	Federal	83,266	31,300	114,566	**1.9**
	Punjab	337,562	35,378	372,940	
	Sindh	165,028	5,427	170,455	
	Khyber Pakhtunkhwa	162,778	18,523	181,301	
	Balochistan	53,640	8,111	61,751	
	Pakistan	**802,274**	**98,739**	**901,013**	
2020-21	Federal	90,974	5,646	96,620	**1.4**
	Punjab	348,460	32,964	381,424	
	Sindh	183,718	10,538	194,256	
	Khyber Pakhtunkhwa	35,816	28,250	64,066	
	Balochistan	55,924	9,936	65,860	
	Pakistan	**714,892**	**87,334**	**802,226**	
2021-22	Federal	26,910	30,945	57,855	**1.7**
	Punjab	389,264	46,535	435,799	
	Sindh	212,721	8,105	220,826	
	Khyber Pakhtunkhwa	277,030	33,596	310,626	
	Balochistan	67,995	8,553	76,548	
	Pakistan	**9,73,920**	**127,734**	**1,101,654**	
2022-23	Federal	97,857	51,186	149,043	**1.5**
	Punjab	448,529	44,199	492,728	
	Sindh	251,203	12,354	263,557	
	Khyber Pakhtunkhwa	240,898	12,996	253,894	
	Balochistan	80,439	11,394	91,833	
	Pakistan	**1,118,926**	**132,129**	**1,251,055**	
2024-25(P) (Jul-Mar)	Federal			91,783	**0.8**
	Punjab			381,516	
	Sindh			277,258	
	Khyber Pakhtunkhwa			55,767	
	Balochistan			93,295	
	Pakistan			**899,619**	

P: Provisional
Source: PRSP Budgetary Expenditures, External Finance Policy Wing, Finance Division, Islamabad.

Fig-10.2: Expenditure on Education



Source: PRSP Budgetary Expenditures, External Finance Policy Wing, Finance Division, Islamabad

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10.3 Development Programmes FY 2025

10.3-a Federal Public Sector Development Programme (PSDP) FY 2025

Development expenditure across all sectors, particularly education, is closely linked to poverty reduction and socio-economic development. Despite financial constraints, the federal government remains committed to ensuring adequate investment in education and skills development, along with efficient public spending to achieve national learning goals. In the Public Sector Development Programme (PSDP) FY 2025, Rs 92.1 billion has been earmarked for the education sector, including higher education. During the FY 2025, the Ministry of Federal Education and Professional Training implemented 22 projects and programmes related to basic and college education, comprising 17 ongoing and 5 new initiatives, with a total allocation of Rs 20.75 billion. This includes two new Daanish School establishment projects in Islamabad Capital Territory (ICT), Azad Jammu & Kashmir (AJK), Gilgit-Baltistan (GB), and Balochistan, with an allocated budget of Rs 5.5 billion.

10.3-b Provincial Governments

Provincial governments have undertaken significant efforts to improve the education sector by addressing missing facilities, enhancing physical infrastructure, establishing IT and science laboratories, upgrading primary schools (for both girls and boys) to middle, high, and secondary levels, constructing new schools and colleges, and providing scholarships through endowment funds and other financial assistance schemes.

Punjab

In the Annual Development Programme (ADP) FY 2025, the Government of Punjab allocated Rs 65.5 billion for 142 development projects related to the education sector. Of this, Rs 42.5 billion was allocated for school education, Rs 17.0 billion for higher education, Rs 2.0 billion for special education, and Rs 4.0 billion for literacy and non-formal education. The portfolio has a significant portion of Rs 34.25 billion allocated under the Other Development Programme (ODP) to support public-private partnerships, including Punjab Education Initiatives Management Authority (PEIMA), Punjab Education Foundation (PEF), and Daanish Schools**.** Major initiatives include foreign-aided projects like Getting Results: Access and Delivery of Quality Education Services in Punjab (GRADES), expansion of the Afternoon Schools Programme, school infrastructure upgrades, and IT lab establishment**.** This investment reflects the government's continued emphasis on improving access, equity, and quality in school education while optimizing delivery through innovative public-private models.

The priority areas of the Medium Term Development Framework (MTDF) FY 2024-27 include enhancing teaching and learning practices to improve educational outcomes; ensuring adequate access to education from pre-primary to secondary levels, including for marginalized groups and children with special needs; promoting quality education within safe, inclusive, and conducive learning environments; and strengthening governance in the education sector to ensure equitable access and high-quality learning opportunities.

Sindh

In the Annual Development Programme (ADP) FY 2025, Sindh allocated Rs 48.031 billion for the School Education sector across 713 development schemes, including a significant portion dedicated to addressing foundational educational needs. The portfolio includes allocations for various sub-sectors, focusing on elementary and secondary education, reflecting a commitment to improving access and quality at all levels. A notable portion of Sindh's ADP is the emphasis on specific interventions such as the construction of shelter less primary schools and the rehabilitation of existing infrastructure, highlighting a focus on improving the physical learning environment. This investment signals Sindh's multifaceted approach to educational development, combining infrastructural improvements with targeted interventions to enhance educational outcomes and inclusivity.

The key features of the ADP FY 2025 included improving the quality of education, enrolling out-of-school children, enhancing literacy initiatives, creating child-friendly environments in primary schools, strengthening teacher recruitment, training, and professional development, building the capacity of educational leadership and management, and establishing effective monitoring and evaluation mechanisms.

Khyber Pakhtunkhwa

The government of Khyber Pakhtunkhwa (KP) allocated Rs 15.26 billion in FY 2025 for 132 ongoing and 24 new development projects. Of this, Rs 10.58 billion was allocated for elementary and secondary education and Rs 4.67 billion for higher education. Within this distribution, a significant portion is dedicated to enhancing existing infrastructure and maintaining educational continuity through 82 ongoing programs. Recognizing the need for advancement, the ADP also injects support for 17 new programs, signaling intent to evolve and expand educational services. This investment strategy underscores the province's effort to sustain its current educational framework along with fostering development and innovation within the sector.

Khyber Pakhtunkhwa's Education Sector Plan (ESP) emphasizes on marginalized groups, including girls, special children, refugees, and those residing in the Newly Merged Districts (NMDs). Achieving meaningful progress in access, retention, equity, quality, and governance will require a sustained commitment and adequate investment to build a more robust and effective education system.

Balochistan

Balochistan's Public Sector Development Programme (PSDP) for FY 2025 outlined a commitment to advancing socio-economic development through strategic investments, with a total outlay of Rs 48.47 billion for education sector including an amount of Rs 20.42 billion for higher education and Rs 28.04 billion for secondary education to the total 389 ongoing projects and 168 new development projects. Prioritizing the completion of ongoing projects, the plan aims to translate investment into tangible outcomes. Key sectors receiving substantial allocations include enhancing literacy and educational outcomes which are crucial for human capital development.

Azad Jammu and Kashmir

The Annual Development Programme (ADP) FY 2025 for Azad Jammu and Kashmir allocated significant resources to Elementary & Secondary Education, with a total allocation of Rs 3.0 billion across 22 schemes. This funding is distributed across various sub-sectors, including Primary, Middle, Secondary, and Higher Secondary Education, demonstrating a comprehensive approach to educational development. A considerable portion of the allocation was dedicated to new initiatives, with Rs 2.1 billion earmarked for 11 new schemes, indicating a focus on expanding and improving educational infrastructure and access. Overall, the ADP reflected a commitment to enhancing the region's elementary and secondary education through ongoing projects and new developmental efforts.

Gilgit-Baltistan

The Gilgit-Baltistan ADP for FY 2025 allocated resources to the School Education sector, emphasizing the enhancement of educational infrastructure and access, focusing on projects totaling approximately Rs 197.48 million. This included allocations for improving facilities such as laboratories and libraries (Rs 23.063 million), providing transport solutions for educational institutions (Rs 8.694 million), establishing Early Childhood Development (ECD) centers (Rs 8 million), and transforming schools into 'smart schools' (Rs 54.663 million). This investment strategy indicated a regional priority in strengthening the general school education system through targeted financial commitments.

10.4 Technical and Vocational Education

National Vocational & Technical Training Commission (NAVTTC)

The NAVTTC is mandated to provide professional training to the youth to help the skilled workforce enhance national productivity and increase workforce exports abroad. It aims to promote, facilitate, regulate, strategize,

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revamp, train, and approve curricula and provide policy direction for the country's entire Technical & Vocational Education and Training (TVET) and skill development system. Article 38 of the Constitution states that the "State shall provide for all citizens, within the available resources of the country, facilities for work and adequate livelihood." Hence, the Government has taken various initiatives to create job opportunities, which may also trigger the Sustainable Development Goals (SDG) goal 04 (Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all) and SDG target 03 (Equal Access to Technical/Vocational and Higher Education) and 8.6 (Promote youth employment, education, and training).

Pakistan's workforce is one of its most valuable assets, especially given the country's demographic dividend. With a significant portion of the population under the age of 30, the Government of Pakistan has placed high priority on skill development to improve employment opportunities, reduce poverty, and by enhance the skills of youth. The Federal Government focuses on TVET uplift through the "Skill for All" Strategy and youth productive engagement nationwide.

NAVTTC Achievements FY 2024

NAVTTC, the apex body overseeing TVET across the country, has been at the forefront of implementing skill development initiatives. NAVTTC's strategic initiatives are reshaping the TVET landscape, fostering skill development, and addressing systemic TVET challenges in Pakistan. Last year, NAVTTC's TVET-related initiatives and the Prime Minister's Youth Skill Development Program registered substantial progress, creating a robust, inclusive, and globally competitive workforce for sustainable national development. The significant achievements of NAVTTC during FY 2024 include implementing numerous measures at the federal level to oversee and standardize the TVET sector. These initiatives aim to cultivate a proficient and skilled workforce that aligns with international job market standards across diverse sectors of the economy, such as construction, hospitality, services, energy, and other emerging fields.

Following is the PSDP portfolio that pertains to the youth skill development sector:

i. Prime Minister Youth Skill Development Program (PMYSDP) 2023-26: Rs 15,000 million
ii. Skill Development Program (NAVTTC): Rs 4,700.00 million
iii. Skill for All Program: Rs 9,877.00 million

The TVET sector has undergone significant reforms, with a shift towards demand-driven training, industry linkages, and international certification standards.

a. Completed Initiatives

- 51,833 trainees completed PMYSDP Batch 1.
- Special Skill Training for AJK: 576 trainees in Batch 1, 899 in Batch II.
- Special Skill Training for GB: 932 trainees in Batch 1, 600 in Batch II.
- 4,780 students completed training under the Summer of Code initiative.
- 338 students graduated from High Impact IT Training across 16 FDE colleges.
- 2,580 madrassa youth trained under PMYSDP.
- 650 women empowered through the "She Fixes" initiative.
- 825 individuals completed Foreign Language Training via NAVTTC, NUML, and FDE.
- 56 graduates from Ghulam Ishaq Khan Institute (GIKI) completed skill training.
- 25 students completed Chip Design Training at NUST.
- 600 youth trained under the Skill Development Program for NMDs (Batch 1 & II).
- Takamol Skill Verification: 54,479 certified across 75 trades and 32 centres.
- 1,196 trainees passed out from the End-to-

End Skill Program.

b. New /Ongoing Initiatives

- The NAVTTC Annual Plan (2025-26) outlines strategic initiatives aimed at equipping Pakistan's youth with demand-driven, globally recognized skills to support economic transformation and inclusive growth. Building upon the foundations laid in the 2024-25 cycle, this plan integrates the priorities of the 13th Five-Year Plan and the "Uraan Pakistan" development framework. Key focus areas include workforce readiness, international certification, labour market linkages, promoting of skilled labour exports, particularly from underdeveloped regions. Aligned with "URAAN Pakistan" and the 5Es Framework, NAVTTC's 2025-26 objectives and some development initiatives are to:

  a) Expand access to high-quality, demand-driven skills training nationwide.

  b) Enhance employability through industry partnerships and enterprise-led training.

  c) Improve economic participation of marginalized groups, especially women and youth from rural areas.

  d) Increase international mobility of the skilled workforce and remittance generation.

  e) Promote innovation and digitalization across the TVET ecosystem.

  f) Specialized Training for marginalized groups including women, madrassa students, and youth from NMDs, Balochistan, GB, AJK, and South Punjab.

  g) Enhance digital skills through High-End IT Training & Summer of Code initiatives.

  h) Launch NAVTTC Smart Skills Platform for real-time progress tracking and course delivery.

  i) Establish High-Tech Labs and Mechanical Sheds in industrial hubs for trades including robotics, welding, industrial automation, and scaffolding.

  j) Enhance capacity of training institutions for international accreditation.

  k) Operationalize the National Accreditation Council (NAC) to ensure quality assurance in training delivery.

  l) Strengthen collaborations with GCC, EU, and other labor destination countries to align certification and training standards with international requirements.

  m) Scale up foreign language training and soft skills programs to support overseas placement.

- NAVTTC has launched diverse programs targeting youth, marginalized communities, and the informal sector workforce. The goal is to improve access, quality, and relevance of vocational training. Major initiatives include partnerships with international bodies for high-end technical training, capacity building of training providers, using of digital tools to enhance transparency and accessibility.
- NAVTTC has expanded its Skill for All (Hunarmand Pakistan) program, introduced advanced TVET reforms, and strengthened partnerships with industry leaders to promote job creation and exports. These strategic efforts contribute to reducing unemployment, boosting productivity, and preparing Pakistan's workforce for both local and international labor markets.
- NAVTTC has started several initiatives under the Skills Development Plan (2023-28) to improve skill training, ensure quality, and achieve self-sustainability. These initiatives include launching an industry-based training program, strengthening the National Skills Information System (NSIS), accrediting TVET institutes, improving facilitation centers in countries of destination, providing entrepreneurship training to youth, and creating the NAVTTC Endowment Fund.
- During FY 2025, the Public Sector Development Programs supported NAVTTC in implementing several impactful skill training projects. These initiatives focused on broader regional inclusion, prioritizing underdeveloped and conflict-affected areas such as the Newly Merged Districts (NMDs), Balochistan, and

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South Punjab. Training programs were conducted in collaboration with provincial TEVTAs and training centers. Projects aligned with national employment priorities and local labor market demands. The RPL initiative gained traction, certifying thousands of informal sector workers across provinces. Skill centers and digital job placement platforms were also strengthened through PSDP support.

- In line with the direction of Special Investment Facilitation Council (SIFC), Prime Minister's Office and the chairman PMYSDP, Sector based training of 60,000 youth in 10 sectors and 230 demand driven trades/occupation under PMYSDP (2024-25) includes IT (25,000), Driving/HMO (3,000), Textile (4,000), Agriculture (3,000), Construction (12,000), Services-Aesthetics (4,000), Hospitality-Tourism (4,000), Banking (500), Language (2,000), and Mining (1,000).

Box-II: Quantum Mechanics Education: A Corridor to Future Innovation and Modern Technologies

Quantum mechanics education is a gateway to understanding the most revolutionary technologies of the future. Quantum mechanics is crucial in education for future generations because it underpins many modern technologies and advancements. Quantum mechanics is not only essential for physicists but also for professionals in fields such as engineering, computer science, finance, and medicine. Quantum mechanics is the substratum of numerous technologies, including lasers, transistors, MRI scanners, and electron microscopes. Understanding quantum mechanics is vital for developing a workforce capable of innovation in areas like quantum computing, materials science, and medicine. Without a foundation in quantum mechanics, future engineers and scientists will not be well equipped to innovate in these fields. Quantum science is the essence of emerging technologies like quantum computing, quantum encryption, and quantum sensing, which have the potential to revolutionize various industries. Quantum computing education goes beyond just quantum mechanics and algorithms, incorporating interdisciplinary knowledge from computer science, physics, mathematics, and engineering. This approach fosters interdisciplinary learning, making it applicable to various sectors. For example, quantum computing plays a significant role in fields like cryptography and artificial intelligence, and educational programs in quantum physics equip students to work at the intersection of these areas.

Moreover, it fosters critical thinking and advanced problem-solving skills, preparing students to thrive in a future increasingly shaped by quantum technologies. The quantum science education equips students to navigate and leads in a world where quantum technologies will play an increasingly pivotal role and to contribute to a rapidly evolving technological landscape. Therefore, embedding quantum mechanics into educational curricula is not only a scientific necessity but also a strategic investment in the future of innovation. The abstract nature of quantum mechanics encourages students to develop critical thinking and abstract reasoning skills, which are valuable across various disciplines. By introducing quantum concepts at an early age can ignite curiosity and interest in STEM (Science, technology, engineering, and mathematics) fields among diverse student groups. Additionally, quantum mechanics provides a framework for understanding fundamental cognitive patterns and the nature of scientific knowledge.

The United Nations General Assembly (UNGA) has declared 2025 as the "International Year of Quantum Science and Technology," under the leadership of **United Nations Educational, Scientific and Cultural Organization** (UNESCO), highlighting the global importance of quantum education and research and to promote global collaboration and address critical challenges in science and technology.

Despite the complexity of quantum concepts, the future of quantum science education is bright, driven by increasing investments in research, development, and educational programs. Globally, many developed countries, in cooperation with private sector companies, are investing heavily in quantum technologies, making the need for trained quantum experts more pressing than ever. As these technologies continue to evolve, so too will the curriculum and teaching methods used in quantum science education. Institutions worldwide are expanding their offerings, and partnerships with tech companies and research labs are providing students with valuable real world experience. In the coming years, the growing demand for quantum researchers, engineers, and technologists will make quantum science education even more critical. This global need will create exciting opportunities for those equipped with the right skills and knowledge, making it an exciting field to pursue for anyone passionate about the future of science and technology. In view of the significance as mentioned earlier, the GoP/HEC and all other concerned stakeholders must take into account the following:

a) Encourage quantum educational programs at all levels, from graduate to postgraduate, to build a strong quantum-literate workforce by searching for existing quantum education programs at these levels globally. b) Supports the creation of quantum science curricula to prepare students for careers building by assessing the growing demand for skilled professionals in quantum technology and based on industry demand. c) Enhances/foster collaboration between academia, government, and industry to develop tailored training programs. d) Establishes initiatives to attract and retain a diverse talent pool in Quantum Information Science (QIS) related fields. e) Emphasizes training in multidisciplinary skills, blending physics, computer science, mathematics, and engineering by analyzing training programs focusing on multidisciplinary skills in quantum technology.

10.5 Higher Education Commission (HEC)

Higher Education Commission (HEC) provides overall strategic guidance and enabling environment for reforms in higher education sector since 2002. It is a forum for higher level decision making and interface with the national political leadership. The quality of education and research has been the key driver for socio-economic development in the globalized world. The Higher Education Commission has been focusing on three main objectives: enhancing access, improving quality, and ensuring the relevance of higher education and research in the country. While access to higher education has increased, the country still lags behind compared to global standards. To address these challenges, the Commission has implemented various measures aimed at expanding access, developing human resources, and strengthening physical infrastructure.

10.5-a Key Achievements (July-March FY 2025):

i. Public Sector Development Programme (PSDP 2024-25)

Under the PSDP 2024-25, the Federal Government allocated Rs 61.12 billion, including Rs 12 billion for the laptop scheme to the Higher Education Commission for the implementation of 159 development projects (138 ongoing & 21 new) of Public Sector universities and HEC.

The following major development initiatives have been launched;

i. Establishment of 05 National Centers in emerging fields like; Nano Technology, Quantum Computing, Manufacturing, Brand Development and Growth Center.

ii. PM's Youth Laptop Scheme (Phase-IV).

iii. PM's National Volunteer Corps program.

iv. Establishment of National Institute of Intelligence and Security Studies (NIISS).

v. Establishment of National Cyber Security Academy (NCSA).

Out of the total allocation of Rs 61.115 billion, the government authorized the same amount (100 percent), and HEC released Rs 32.6 billion to development projects of universities/HEIs (July-April 2025), while Rs 9,000 million has been retained for PM's Laptop Scheme. During the current financial year, 26 projects have been planned for completion; of these, funding to 18 projects has already been completed. Some of the new initiatives related to the vision of "URAAN Pakistan" are as under:

- The Government of Pakistan in its vision "URAAN Pakistan", has several goals for the growth and development of the country. One of the most important key thematic areas is E-Pakistan, which mainly includes "Accelerating Growth of Human Capital". In this regard, five National Centers have already been established, whereas five more National Centers have been planned in the emerging areas. Similarly, numerous initiatives have been taken to modernize the IT landscape and eco-system of the higher education sector in Pakistan by Providing 100,000 laptops to students and establishing Centralized Data Centers, High Performance Computing (HPC), Enterprise Resource Planning (ERP) for Universities, Learning Management System (LMS), and Smart Campuses and Classrooms.
- Under the "Equity & Empowerment" which mainly focuses on access to higher education and improving the quality of

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higher education, HEC has initiated numerous development projects for strengthening and expansion of the infrastructure of public sector universities/HEIs and their campuses, especially in the marginalized areas of Balochistan, Southern Punjab, Interior Sindh, Merged Areas of Khyber Pakhtunkhwa and AJK / Gilgit Baltistan.

ii. Human Resource Development

Human Resources play a vital role in the development of countries and economic prosperity. Higher Education Commission is committed to enhancing the capacity of human resources by providing scholarships, both locally and abroad, in emerging fields. The scholarships are specifically focused on enhancing the capabilities of students and faculty of the public sector universities.

- Currently, there are 17 scholarship projects (Local & Foreign) with the allocation of Rs 8.340 billion during CFY to provide quality education at the Undergraduate and Postgraduate level (students & faculty) in top-ranked local and foreign universities in emerging disciplines. Under these scholarship schemes, around 18,500 scholarships will be provided, including 14,000 in local universities and 4,500 top-ranked international/foreign universities.
- In FY 2025, around 600 foreign scholarships have been awarded. 147 scholars have returned after completing their research and PhDs. More than 1000 indigenous scholarships have been awarded, mainly to students of FATA, Balochistan, and Gilgit-Baltistan.
- Around 700 scholarships have been awarded to students from Afghanistan and Sri Lanka to strengthen the bilateral ties with these neighboring countries. Under the Interim Placement of fresh PhDs, 150 faculty members have been trained and placed in the public sector universities.

iii. Higher Education Statistics (HES): Achievements

a. Ranking of Universities

- For analysis, analytics and computation of KPIs, a business intelligence and data analytics platform has been configured. The ranking model has been developed with multiple dimensions on data provided by universities and internal HEC divisions.
- Results of normalized relative percentage scores against five major and 61 minor ranking parameters were shared with 152 HEIs.

b. Unified Information System (UIS)

- A detailed activity was carried out to identify data entities and their attributes, which are collected against various tasks/ processes of HEC's 17 divisions.
- RFP draft for UIS, identified Master data, and its attributes, with evolving requirements.

c. HES

- Successfully collected and finalized 85 percent of HES data for the FY 2023.
- A Survey on the employability data for the past 05 years of graduates has been conducted and data from more than 160 HEIs has been collected.
- Provision of the requisite information for the year 2022-23 on the UNESCO prescribed template to the Pakistan Institute of Education (PIE), Islamabad).
- Provision of information for the Economic Survey of Pakistan for FY 2023 to facilitate higher education institutions and serve as an engine of growth for the socio-economic development of Pakistan.
- Provision of the information for the Medium Term Performance-Based Budget FY 2025 to FY 2027.

d. Ph.D. Country Directory (PCD): 2683 online PCD applications were approved during FY 2025 as of 25-3-2025.

iv. Research & Development

Programme	Policy Measures/ Action Taken - July 2024 to March 2025
National Research Programme for Universities (NRPU)	• Around 7000 researchers participated in the competition. • Disbursement of funds amounting Rs 696.80 million to 1081 ongoing projects. • Total 316 projects completed.
Technology Development Fund (TDF)	• A total of 38 projects have been awarded and the 1st instalment was released.
Business Incubation Centers (BICs), ISF	• Establishment of Business Incubation Centers at 2 BICs, i.e, IBA-Karachi and University of Balochistan.
Research Grants (Grand Challenge Fund (GCF), Local Challenge Fund (LCF), Technology Transfer Support Fund (TTSF), Rapid Technology Transfer Grant (RTTG), Center of Excellence (CoE) under Higher Education Development in Pakistan (HEDP)	• About Rs 2.862 billion has been released to ongoing projects of GCF, LCF, TTSF, RTTG, and COEs. • Total 76 projects completed (Closure of projects is in progress), 05 projects closed and 17 projects are ongoing (progress reports under review for completion). • A total of six Innovator Seed Fund (ISF) Awards have been successfully completed and 37 are under process for administrative closure.
Offices of Research Innovation and Commercialization (ORICs)	• Recognition of 4 ORICs at universities i.e, Agriculture University Peshawar, Iqra National University Peshawar, DHA Suffa University Karachi, and Bahauddin Zakariya University Multan. • Identification and Coordination of meetings with industrial associations, chambers, and representatives for consultation on the industrial research grant areas solicitation. • Facilitating research linkages of ORICs with industrial and public sector organizations, i.e, NIC Islamabad, NADRA, and SECP.
Access to Scientific Instrumentation Program (ASIP)	• The program's policy framework has been revised to better align with the evolving research needs of scholars and to streamline the grant application and utilization process. • 172 applications have been approved for funding, allowing MS/ PhD students to access advanced scientific testing and analysis services not available at their home institutions.
National Centers (NCs)	• Eight 08 National Centers (NCCS, NCRA, NCAI, NCBC, NCGSA, NCLBG&G, NCIB, and DDSDP) operating under PSDP in different Universities have achieved major milestones as enshrined in their relevant PC- I. • PC-1 of 04 projects (NCCS, NCRA, NCAI, and NCBC) have been revised by CDWP in its meeting held on September 03, 2024. • National Steering Committee (NSC) meetings (NCLBG&G, NCRA and NCCS) held to review progress. • As per revised PC-I, endowment fund of Rs 500 million has been approved for each of the 04 Centers of emerging technologies (NCCS, NCRA, NCAI, and NCBC).
Pak-France PERIDOT Researchers Mobility Grant Program	• 41 applications were received in FY 2025. • 3 projects have been selected out of 41 applications for funding in the joint selection committee meeting. • Disbursement of funds to 08 previous projects. • Payment of Review Fee to the reviewers.
Travel Grant for Researchers	• A total of 164 Travel Grants have been awarded. • An amount of RS 25 million was released to reimburse 79 Travel Grant cases.
Seminar Conference Grant	• 94 Seminar Conference Grants have been awarded and RS 14 million has been disbursed for reimbursing 28 approved cases.
Research Journals	• 1147 applications were received and 587 were recommended.

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Programme	Policy Measures/ Action Taken - July 2024 to March 2025
	• Policy revision of research Journals. • Capacity building workshops are in progress with on-site/online modes in 6 cities all over Pakistan with expected participation of around 500 onsite and over 500 online participants.
Digital Library (DL)	• Revision in Digital Library's Cost-Sharing Policy to facilitate HEIs and enhance utility. • Saving of US $ 376,562 (106 million) in renewal of 2025 contracts through rigorous negotiation sessions. • Introduction of demand-driven resource acquisition to save the national exchequer. • Cumulative usage of DL resources has soared to 23 million due to extensive awareness and training drives.
HEC Research Awards	• 151 applications received and reviewed by Panels and Experts through the online RGMS portal. • Organize the 10th HEC Research Awards Ceremony by May 2025. • Adjustment of all financial transactions related to the 9th HEC Research Awards Ceremony.
Pak-UK Education Gateway Project	• Three REF Steering Committee Meetings were held. • Advertisement has been launched to hire a consultant for REF development in January 2025. • After a successful review, the final installment of Rs 9 million was released to the ICRG projects.
Prime Minister's National Innovation Award (PMNIA)	• Two rounds of awards were completed with 100 awards (50 each round). Out of them, 70 also opted for incubation and further grant was disbursed during their incubation at 18 incubation centers.

v. Prime Minister's Youth Programme (Talent hunt and sports activities):

The registration drive for the Talent Hunt Youth Sports League was executed through a well-rounded and inclusive media and outreach strategy. The campaign also saw the active involvement of local sports clubs, the Pakistan Sports Board, provincial sports boards, and national sports federations, helping achieve broad-based participation and representation from all corners of the country. Details are as under:

Registration of Players for onward Activities in FY 2025

Sports	Men	Women	Total
Boxing	1,440	250	1,690
Cricket	26,009	2,731	28,740
Grand Total	**27,449**	**2,981**	**30,430**

Registration Drive-Sports

Sports	Description	Total
Table Tennis	Completed	5,267
Handball	Completed	4,300
Judo	Completed	2,638
Cricket	On-going	28740
Boxing	On-going	1690
Grand Total		**42,635**

vi. Higher Education Development in Pakistan (HEDP):

HEDP is a World Bank-supported project (US$ 400 million). It assists HEC in key strategic areas of research and development, improving the quality of higher education and supporting affiliated colleges, leveraging technological resources and capacity building of faculty/ staff through the National Academy of Higher Education (NAHE). There are six components of the project.

a. IT Component of HEC Pakistan HEDP Project

The IT component of the Higher Education Development Program (HEDP) by the HEC aims to modernize the IT landscape of the education sector in Pakistan and foster a more efficient, secure, and innovative academic environment by introducing advanced IT solutions. Under this programme, some initiatives are as follows:

Sub component	Key Initiatives
Centralized Data Center	• Establishment of a centralized data center to consolidate and manage data across universities. • Enhanced data security and streamlined data management processes. • Improved accessibility and reliability of data for academic and administrative purposes.
High Performance Computing (HPC)	• Introduction of high-performance computing resources to support advanced research and development. • Facilitation of complex computational tasks and large-scale data analysis. • Empowerment of researchers and students with cutting-edge technology for innovative projects.
Enterprise Resource Planning (ERP) for Universities	• Implementation of ERP systems to integrate and automate university operations. • Improved efficiency in administrative processes such as finance, human resources, and student management. • Enhanced decision-making capabilities through real-time data insights.
Learning Management System (LMS)	• Deployment of a robust LMS to support online and blended learning environments. • Provision of tools for course management, content delivery, and student engagement. • Increased accessibility to educational resources and flexibility in learning.
Blockchain for Degree Attestation	• Implementation of blockchain technology to secure and streamline the degree attestation process. • Ensuring transparency, efficiency, and authenticity of academic credentials. • Reducing the risk of fraudulent degrees and enhancing trust in the verification process.
Data Warehouse for Data Visualization	• Establishment of a data warehouse to aggregate and organize educational data from various sources. • Enabling comprehensive data analysis and reporting to support decision-making. • Providing stakeholders with valuable insights through advanced data visualization tools.
Hybrid Cloud for Education Sector	• Deployment of a hybrid cloud infrastructure to combine on-premises resources with public and private cloud services. • Enhancing flexibility, scalability, and cost-efficiency in managing educational IT resources. • Supporting remote learning, research, and administrative functions with improved agility and resilience.

b. Impact of these projects on Higher Education

The IT Component of the HEC Pakistan HEDP Project is expected to have a significant positive impact on both students and faculty:

Impact on Students	Impact on Faculty
1. Enhanced Learning Experience: – **Access to Resources:** The Learning Management System (LMS) will provide students with easy access to a wide range of educational resources, including lecture notes, assignments, and multimedia content. – **Flexible Learning:** Students will benefit from flexible learning options, allowing them to study at their own pace and access materials anytime, anywhere. **2. Improved Research Opportunities:** – **High Performance Computing (HPC):** Students engaged in research will have access to advanced computational resources, enabling them to conduct complex simulations and data analysis. – **Collaborative Projects:** The centralized data center will facilitate collaboration among students from different universities, promoting interdisciplinary research. **3. Skill Development:** – **Technical Skills:** Exposure to modern IT infrastructure and tools will help students develop valuable technical skills that are in high demand in the job market. – **Digital Literacy:** Using ERP and LMS systems will enhance students' digital literacy, preparing them for future careers in a technology-driven world.	**1. Streamlined Administrative Tasks:** – **ERP Systems:** Faculty will benefit from automated administrative processes, reducing the time spent on tasks such as grading, scheduling, and record-keeping. – **Data Management:** The centralized data center will simplify data management, making it easier for faculty to access and analyze academic data. **2. Enhanced Teaching Tools:** – **LMS Integration:** Faculty will have access to advanced teaching tools through the LMS, enabling them to create interactive and engaging course content. – **Real-Time Feedback:** The LMS will allow faculty to provide real-time feedback to students, improving the overall learning experience. **3. Research Support:** – **HPC Resources:** Faculty involved in research will have access to high-performance computing resources, supporting advanced research projects and publications. – **Collaboration Opportunities:** The centralized data center will facilitate collaboration with other researchers, both nationally and internationally.

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10.5-b Pakistan HEIs Enrolment, Region, Sectors

To enhance equitable access to quality higher education, total number of universities in the country, both in the Public Sector & Private Sector, has increased to 269 (Public: 160 & Private: 109), with 58,814 teachers in both public and private sectors functional in FY 2024.

Table 10.6 depicts details of enrolment of HEIs for the period FY 2024, while Table 10.7 presents information related to faculty in HEIs. The overall enrollment increased by 2,010,672 (4.2 percent) for the year FY 2024 as compared to 1,929,295 in FY 2022.

Table 10.6: Region-wise and Gender-wise Enrolment (Provisional) of Public and Private Sector Pakistani HEIs; 2023-24.

Region	Public			Private			Overall Male	Overall Female	Overall Total
	Male	Female	Total	Male	Female	Total			
AJK	11,685	13,021	24,706	1,062	1,739	2,801	12,747	14,760	27,507
Balochistan	20,373	13,750	34,123	1,675	698	2,373	22,048	14,448	36,496
Federal	325,406	303,245	628,651	38,767	31,993	70,760	364,173	335,238	699,411
Gilgit-Baltistan	4,250	4,348	8,598	-	-	-	4,250	4,348	8,598
Khyber Pakhtunkhwa	102,407	46,084	148,491	28,850	12,208	41,058	131,257	58,292	189,549
Punjab	240,020	319,975	559,995	90,268	70,699	160,967	330,288	390,674	720,962
Sindh	122,280	93,762	216,042	65,785	46,322	112,107	188,065	140,084	328,149
Total	**826,421**	**794,185**	**1,620,606**	**226,407**	**163,659**	**390,066**	**1,052,828**	**957,844**	**2,010,672**

Source: HEC

Table 10.7: Region-wise PhD and Non-PhD Faculty in Pakistani HEIs; 2023-24 (Provisional)

Province/Region	Non-PhD	PhD
AJ&K	725	414
Balochistan	1,993	662
Federal	6,860	5,043
Gilgit-Baltistan	36	94
Khyber Pakhtunkhwa	4,360	3,394
Punjab	11,866	9,151
Sindh	10,640	3,576
Total	36,480 (62.03%)	22,334 (37.97%)

Source: HEC

Concluding Remarks

Pakistan's literacy rates, enrolment, and various educational benchmarks show gradual but steady improvement. This positive trend is primarily driven by the government's unwavering commitment to enhancing both the quality and reach of education through a series of reforms, policy interventions, and strategic resource allocation. Recognizing education as a fundamental catalyst for fostering social cohesion, resilience, and the transition to a knowledge-based economy, the government is placing paramount importance on delivering inclusive, effective, and equitable education across the country. By ensuring access to quality education for all, Pakistan is not only working to combat illiteracy but also laying the groundwork for sustained socio-economic progress and long-term development. However, a significant challenge remains: addressing the issue of out-of-school children, which continues to be one of the foremost obstacles facing the education sector. The government is fully committed to dedicating substantial resources and concerted efforts to align Pakistan's educational standards with those of its regional counterparts. This will require substantial resource allocation coupled with a renewed focus and sustained engagement from all stakeholders, including governmental bodies, educational institutions, and civil society.

In addition to improving basic education, there is a pressing need for reforms in college and higher education provisions to better equip the younger generation with the skills necessary for the demands of a rapidly evolving global economy. Both the public and private sectors need to collaborate in creating a robust, forward-looking educational infrastructure that can support Pakistan's development aspirations. The ongoing emphasis on expanding access to education, improving quality, and fostering greater equity will ultimately shape the future of Pakistan, ensuring that every child has the opportunity to succeed and contribute to the nation's prosperity.

TABLE 10.1

NUMBER OF EDUCATIONAL INSTITUTIONS BY KIND, LEVEL & SEX

Numbers

Year	Primary* Schools (000)		Middle Schools (000)		High Schools (000)		Technical & Vocational Institutions		Higher Sec/ Inter Colleges		Degree Colleges		Univer-sities
	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total
2010-11	155.5	58.2	41.6	20.4	25.2	9.5	3,224	2,206	3,435	1,690	1,558	814	135
2011-12	154.7	57.0	41.9	21.0	28.7	11.6	3,257	2,229	4,515	2,184	1,384	643	139
2012-13	159.7	60.1	42.2	21.4	29.9	12.3	3,290	2,253	5,030	2,410	1,534	683	147
2013-14	157.9	60.3	42.9	21.1	30.6	12.6	3,323	2,276	5,179	2,462	1,086	518	161
2014-15	165.9	66.0	44.8	22.4	31.3	13.1	3,579	1,819	5,393	2,567	1,410	308	163
2015-16	164.6	65.3	45.7	27.0	31.7	15.6	3,746	1,514	5,470	1,437	1,418	260	163
2016-17	168.9	66.1	49.1	27.9	31.6	14.7	3,798	1,536	5,130	2,689	1,431	344	185
2017-18	172.5	73.5	46.7	23.5	31.4	13.5	3,740	1,330	5,754	2,654	1,659	834	186
2018-19	180.1	80.7	47.3	23.7	31.7	13.7	3,740	1,330	5,876	2,634	2,893	1,425	202
2019-20	180.1	85.4	47.0	26.9	31.7	14.5	3,740	1,330	5,898	2,738	2,983	1,500	209
2020-21	180.2	85.1	47.2	26.5	34.2	15.1	3,740	1,330	7,102	3,271	3,021	1,515	220
2021-22	162.1	70.8	47.8	24.2	34.6	15.1	4,182	1,629	8,113	3,711	2,487	1,235	220
2022-23	168.2	77.9	51.0	25.6	39.4	17.2	4,406	1,724	9,004	4,241	2,573	1,278	247
2023-24 (E)	166.0	77.3	51.8	26.1	41.3	18.1	4,563	1,826	9,963	4,758	2,516	1,252	269

E: Estimated *: Including Pre-Primary, Mosque Schools and Non-Formal Basic Education

Notes:

1: All figures include Public & Private Sector data

2: Female institution includes percentage of mixed institutions

TABLE 10.2

ENROLMENT IN EDUCATIONAL INSTITUTIONS BY KIND, LEVEL & SEX

Numbers

Year	Primary Stage I-V (000)		Middle Stage VI-VIII (000)		High Stage IX-X (000)		Technical & Vocational (000)		Higher Sec/ Inter Colleges (000)		Degree Colleges		Universities	
	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female
2010-11	18,063	7,971	5,644	2,421	2,630	1,103	281	106	1,188	408	431,180	218,374	1,107,682	521,284
2011-12	18,677	7,905	6,020	2,573	2,753	1,155	290	109	1,294	367	497,152	222,098	1,319,799	642,198
2012-13	18,790	8,278	6,188	2,653	2,898	1,215	302	113	1,400	395	641,539	234,006	1,594,648	805,062
2013-14	19,441	8,567	6,461	2,798	3,109	1,303	309	117	1,234	497	465,435	240,585	1,594,648	805,062
2014-15	19,847	8,778	6,582	2,843	3,501	1,493	320	112	1,665	662	510,588	82,479	1,299,160	602,550
2015-16	21,551	9,534	6,922	3,026	3,653	1,580	315	112	1,698	675	518,144	86,134	1,355,649	602,509
2016-17	21,686	9,660	6,996	3,088	3,583	1,541	345	120	1,595	618	537,407	89,512	1,463,279	667,912
2017-18	22,931	10,093	7,362	3,273	3,861	1,692	433	148	1,688	765	604,614	294,388	1,575,793	695,028
2018-19	23,588	10,625	7,634	3,426	3,969	1,755	433	148	2,140	984	725,631	402,603	1,858,704	832,299
2019-20	23,758	10,698	7,870	3,544	4,015	1,784	433	148	2,227	1,019	771,636	416,679	2,001,695	913,559
2020-21	24,352	10,925	8,415	3,784	4,360	1,915	433	148	2,320	1,062	757,886	404,385	2,226,251	1,008,087
2021-22	23,849	10,732	8,767	3,996	4,490	2,001	438	153	2,146	990	623,392	333,327	2,226,251	1,008,087
2022-23	24,613	11,162	9,433	4,350	4,715	2,134	453	151	2,335	1,091	660,705	374,776	1,936,329	886,595
2023-24 (E)	24,827	11,275	9,877	4,585	4,892	2,226	458	152	2,378	1,115	648,882	369,595	1,952,502	898,163

E : Estimated

Notes:

1. All figures include Public & Private Sector data

2. Enrolment of Deeni Madaris and Non-Formal Basic Education are included.

TABLE 10.3

NUMBER OF TEACHERS IN EDUCATIONAL INSTITUTIONS IN PAKISTAN, BY KIND, LEVEL & SEX

Numbers

Year	Primary Schools* (000)		Middle Schools (000)		High Schools (000)		Technical & Vocational Institutions		Higher Sec/ Inter Colleges		Degree Colleges		Universities
	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total
2010-11	440.5	210.1	335.0	220.3	452.8	235.3	15,591	4,993	81,183	39,378	36,349	16,181	63,557
2011-12	427.4	198.6	351.4	233.9	458.7	271.3	15,847	5,079	97,633	52,746	40,191	16,815	70,053
2012-13	428.8	209.1	362.6	241.5	489.6	287.2	16,109	5,168	132,011	71,121	48,809	19,319	77,557
2013-14	420.1	209.5	364.8	243.6	500.5	296.3	16,377	5,259	124,336	58,867	25,964	7,599	77,557
2014-15	430.9	218.9	380.8	256.1	514.2	306.2	19,393	5,353	118,079	63,569	36,587	7,239	88,288
2015-16	444.6	226.3	394.2	270.3	529.5	318.0	18,157	4,384	123,061	66,528	37,082	7,379	83,375
2016-17	475.2	258.9	455.4	325.7	560.6	342.6	18,207	4,304	120,336	63,386	37,857	7,541	58,733
2017-18	522.4	284.0	448.1	319.8	563.3	342.9	18,207	4,304	123,154	64,320	41,233	17,803	56,885
2018-19	494.9	276.5	448.7	322.0	567.3	348.5	18,207	4,304	136,008	70,818	61,602	27,260	60,279
2019-20	485.2	267.3	442.7	316.6	566.7	346.9	18,207	4,304	137,660	70,441	60,064	26,836	64,817
2020-21	476.5	266.2	434.0	311.5	592.3	363.8	18,207	4,304	158,386	81,481	59,455	25,095	69,604
2021-22	463.1	260.0	434.3	313.4	587.1	364.4	18,347	4,738	170,240	88,766	57,709	25,372	69,604
2022-23	506.0	285.7	511.2	372.8	733.4	473.0	40,889	5,085	196,694	105,625	60,130	25,666	98,030
2023-24 (E)	508.3	287.6	525.5	384.5	776.3	506.8	51,077	5,270	214,247	116,008	59,843	25,366	-

E : Estimated * : Including Pre-primary, Mosque Schools and Non-Formal Basic Education

Note: All figures include Public & Private Sector data

Sources:

1: Figures of Primary, Middle, High and Higher Sec. from 2010-11 to 2022-23 is based on Annual Pakistan Education Statistics Reports, NEMIS, PIE, Islamabad.

2: Figures of Universities is provided by Higher Education Commission (HEC), Islamabad.

HEALTH AND NUTRITION

Public Health Expenditure	0.9% (as % of GDP) FY2024	
Health Sector PSDP Allocation	103.5 (Rs. billion)	
Hospitals	1,696 (2024) P	
Basic Health Units	5,434 (2024) P	
Infant Mortality Rate	50.1 (Per 1,000 Births) (2023)	
Life Expectancy	67.6 (2023)	
Registered Doctors	319,572 (2024) P	

Chapter 11

HEALTH AND NUTRITION

Adequate health and nutrition are fundamental pillars for building a national human capital that facilitates achieving more productivity and helps reduce poverty and hunger. The Government of Pakistan, under Article 38 of the constitution, is committed to ensuring the well-being of the people through a multifaceted strategy to improve healthcare access and reduce malnutrition. Given this perspective, the government of Pakistan is cognizant. Its reflections can be witnessed from programs, such as the Prime Minister National Programme for Elimination of Hepatitis C Infection, the National Action Plan for Health Security (NAPHS 2024-28), and the recently launched Scaling Up Nutrition (SUN) Youth Network (SYN-Pakistan).

11.1 Health Profile of Pakistan

Significant progress has been made in Pakistan's health sector, including an increase in life expectancy at birth to 67.6 years in 2023 from 65.6 years in 2015 and an expansion of immunization programs nationwide. This is evident from the rise in Diphtheria Pertussis Tetanus (DPT) immunization from 72 percent of children in 2015 to 86 percent of children aged 12-23 months in 2023. Moreover, there is an improvement in immunization, a decrease in the incidence of tuberculosis, and reduced mortality rates.

Pakistan's healthcare performance is detailed by comparing key indicators of 2023 to those of 2015. All indicators have significantly improved, indicating a better overall profile of Pakistan's health sector. Table 11.1 offers a comprehensive overview of various metrics.

Table 11.1: Health Indicators of Pakistan

	2015	2023
Life expectancy at birth (years)	65.6	67.6
Immunization, Measles (% of children ages (12-23) months)	75	84
Prevalence of HIV, Total (% of population ages 15-49)	0.1	0.2*
Immunization DPT (%age of children under 12-23 months)	72	86
Incidence of Tuberculosis (per 100,000 people)	278	277
Maternal mortality ratio (per 100,000 births) as per PDSH/PMMS	276(2007)	186(2019)
Neonatal Mortality rate (per 1000 live births)	45.3	37.6
Mortality rate, Infant (per 1000 live births)	64.10	50.1

*Available data for this indicator is for 2022

Source: World Development Indicators, UNICEF

Regional comparison

In the South Asian region, the health landscape remains challenging, although there has been slight improvement in recent years. As of 2023, the average life expectancy of South Asian countries stood at 71.6 years. Maternal mortality rates recorded at 120 per 100,000 live births (Table 11.2). The infant mortality rate in 2023 was 30.2 per 1,000 live births, while the mortality rate of children under 5 years stood at 34.8 per 1,000 live births. Nevertheless, Pakistan is making efforts to improve its health sector outcomes and bridge the gap with other South Asian countries. The key health sector indicators for South Asia are summarized in the following table to facilitate a comparison with Pakistan’s performance.

Pakistan Economic Survey 2024-25

Table 11.2: Regional Comparison of Health Indicators of South Asia and Pakistan (2023)

Indicators	South Asia	Pakistan
Life expectancy at birth (years)	71.6	67.6
Maternal mortality ratio (per 100,000 births)*	120	186 (2019)
Birth rate (Crude) per 1000 people	18.4	27.8
Mortality rate, Infant (per 1000 live births)	30.2	51
Prevalence of HIV (total %age of population 15-49 years of age)	0.19	0.20

* South Asia's data as per modeled estimates by WDI

Source: World Development Indicators (WDI)

Pakistan's health indicators have shown modest improvement compared to previous years. Mortality rates and life expectancy at birth indicate progress, and the immunization profile has also improved. However, when compared to the South Asian region, Pakistan has still a long way to go.

Pakistan's Progress on SDGs

Pakistan has made steady progress toward achieving SDG 3 — Good Health and Well-Being — despite facing persistent challenges. As per the Sustainable Development Report 2024, the maternal mortality ratio has improved, reflecting positive developments in maternal health services. Additionally, Pakistan continues its efforts to reduce neonatal and under-five mortality rates, although these indicators still require accelerated action. The country has made advances in expanding immunization coverage and promoting universal health initiatives. These achievements underscore Pakistan's commitment to improving health outcomes and building a resilient healthcare system. Furthermore, investment and steps are in progress to fully meet SDG 3 targets.

11.1-a Human Resource in the Healthcare Sector

To provide healthcare services to the population, it is important to have sufficient healthcare professionals. Therefore, increasing the number of healthcare workers is essential to ensure the efficient delivery of health services. The table below shows the number of healthcare personnel in the nation. In 2024, there were 319,572 registered doctors and 39,088 registered dentists, compared to 299,113 doctors and 36,032 dentists in 2023 (Table 11.3 and Fig-11.1). This represents an increase in the number of registered doctors and dentists by 5.9 percent and 8.7 percent, respectively.

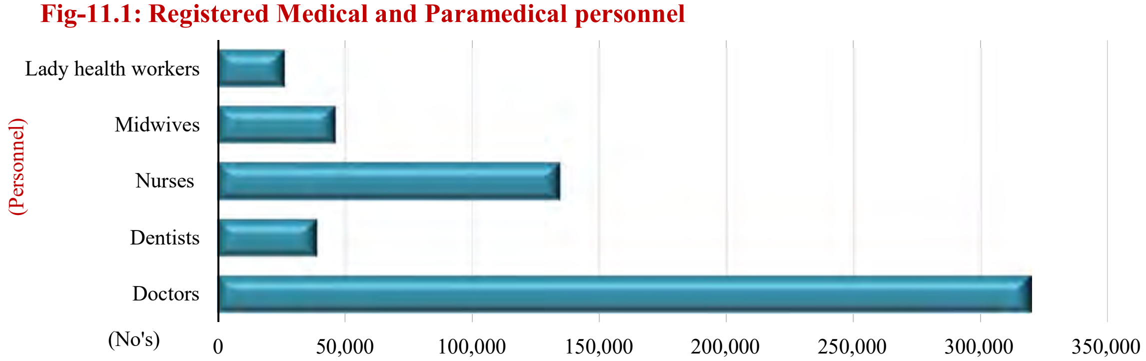
Table 11.3: Registered Medical and Paramedical personnel

Health manpower	2018	2019	2020	2021	2022	2023	2024(P)
Doctors	220,829	233,261	245,987	266,430	282,383	299,113	319,572
Dentists	22,595	24,930	27,360	30,501	33,156	36,032	39,088
Nurses	108,474	112,123	116,659	121,245	127,855	134,708	138,391
Midwives	40,272	41,810	43,129	44,693	46,110	46,404	46,801
Lady health workers	19,910	20,565	21,361	22,408	24,022	26,405	29,163

P: Provisional, Note: Data is reported on a calendar year basis

Source: Pakistan Bureau of Statistics

Fig-11.1: Registered Medical and Paramedical personnel



Box-1: Global Hunger Index

Pakistan has been ranked 109th among 127 countries in the Global Hunger Index (GHI) 2024, with a score of 27.9. The Global Hunger Index is a comprehensive tool that measures and tracks hunger at global, regional, and national levels, primarily assessing key indicators such as the percentage of the population that is undernourished, child stunting, child wasting, and the under-five mortality rate. For Pakistan, these indicators stand at 20.7 percent, 33.2 percent, 10 percent, and 6.1 percent, respectively.

While Pakistan witnessed an improvement in its GHI score from 2000 to 2016, the score has risen at a higher speed since 2016 from 24.6 to 27.9 in 2024, indicating a serious level of hunger. However, this trend aligns with global patterns, where only a few countries have shown improvement.

Several factors have contributed to food insecurity in Pakistan, including high inflation, fiscal constraints, and recurrent natural disasters. The devastating floods of 2022, triggered by extreme rainfall, led to a severe food crisis, underscoring the impact of climate change on agricultural productivity and food availability.

Compared to regional countries, Pakistan performs better than Afghanistan, which has a GHI score 30.8, but trails slightly behind India (27.3) and moderately behind Bangladesh (19.4).

11.1-b Health expenditures

Public health expenditures play a crucial role in achieving universal health coverage. In Pakistan, health expenditure as a percentage of GDP is currently very low, though the allocation is anticipated to gradually increase in the years ahead. In FY 2024, health expenditures increased by 9.7 percent, recorded at Rs 924.9 billion compared to Rs 843.2 billion in FY 2023. Table 11.4 below shows the consolidated funds allocation position of federal and provincial expenditures over the last 7 years, while Figure 11.2 illustrates Pakistan's total health expenditures.

Fig-11.2: Expenditures on Health sector

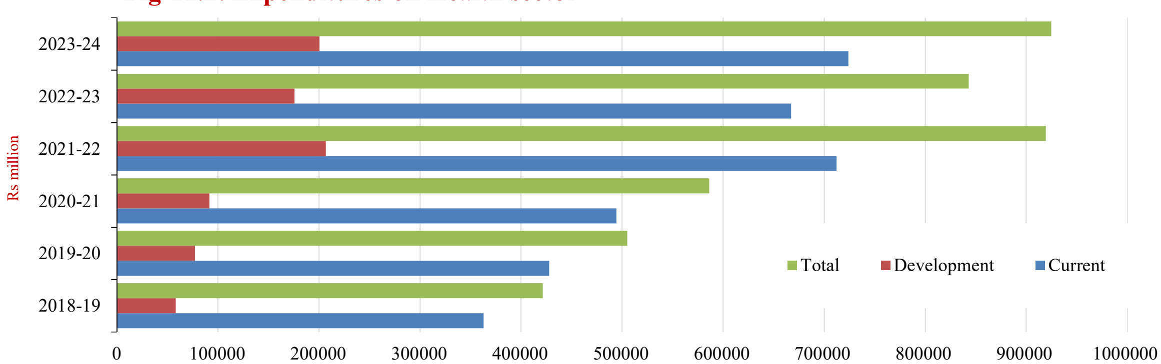


Table 11.4: Federal and Provincial Health Expenditures Rs million

Years		Current Expenditure	Development Expenditures	Total Expenditures	Percent of GDP
2018-19	Federal	16,853	10,278	27,131	1.0
	Punjab	187,943	30,982	218,925	
	Sindh	91,929	6,216	98,145	
	Khyber Pakhtunkhwa	46,995	8,675	55,670	
	Balochistan	19,434	2,473	21,907	
	Pakistan	363,154	58,624	421,778	
2019-20	Federal	11,439	12,856	24,295	1.1
	Punjab	220,854	40,403	261,257	
	Sindh	115,303	3,815	119,118	
	Khyber Pakhtunkhwa	58,289	15,132	73,421	
	Balochistan	22,030	5,290	27,320	
	Pakistan	427,915	77,496	505,411	

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2020-21	Federal	41,309	9,613	50,922	1.0
	Punjab	221,469	52,705	274,174	
	Sindh	150,668	4,057	154,725	
	Khyber Pakhtunkhwa	56,179	20,778	76,957	
	Balochistan	24,981	4,511	29,492	
	Pakistan	494,606	91,664	586,270	
2021-22	Federal	153,030	9,530	162,560	1.4
	Punjab	258,860	152,367	411,227	
	Sindh	177,735	10,047	187,782	
	Khyber Pakhtunkhwa	95,302	28,865	124,167	
	Balochistan	27,362	6,320	33,682	
	Pakistan	712,289	207,129	919,418	
2022-23 (P)	Federal	31,397	4,495	35,892	1.0
	Punjab	303,056	147,554	450,610	
	Sindh	199,474	5,158	204,632	
	Khyber Pakhtunkhwa	111,368	10,980	122,348	
	Balochistan	22,012	7,685	29,697	
	Pakistan	667,307	175,872	843,179	
2023-24	Federal	45,007	8,147	53,154	0.9
	Punjab	377,282	174,595	551,876	
	Sindh	130,562	3,603	134,165	
	Khyber Pakhtunkhwa	129,028	14,468	143,496	
	Balochistan	42,194	-	42,194	
	Pakistan	724,072	200,813	924,885	

P: Provisional

Source: PRSP Budgetary Expenditures, Finance Division

11.1-c Health Sector Projects of Federal PSDP

Every year, the federal government allocates funds under PSDP for improving the health sector and development projects implemented by the Ministry of National Health Services, Regulations & Coordination (M/o NHSR&C), federal projects of provincial nature and special areas, and the Pakistan Atomic Energy Commission (PAEC).

The size of the current fiscal year's Federal PSDP is set at Rs 1,150 billion**.** The PSDP 2024-25 allocations for the health sector stand at Rs 103.530 billion**.** Most of the health sector projects (41) are being sponsored by M/o NHSR&C**,** with an estimated total cost of Rs 154.588 billion and a PSDP allocation of Rs 24.750 billion**.** Overall, there are multiple health sector projects under PSDP 2024-25, with a total cost of Rs 339.378 billion and a total allocation of Rs 103.530 billion. The total foreign funding share for the health sector in the PSDP of FY 2025 is Rs 12 billion

Table 11.5: Health Sector Projects in the Federal PSDP for FY 2025 Rs million

Sr. No.	Name of Ministry /Organisation	No. of Projects	Total Cost	2024-25 PSDP Allocation
1	Ministry of National Health Services, Regulation and Coordination	41	154,588.06	24,750.00
2	Province and Special Areas	Multiple	175,138.49	74,500.00
3	Pakistan Atomic Energy Commission	4	9,651.854	4,280.53
	Total	45	339,378.40	103,530.53

Source: Ministry of Planning, Development & Special Initiatives. (M/o PD&SI)

11.1-d Key Health Sector Initiatives

The federal and provincial governments have undertaken the following initiatives and interventions. The Mid-Term Third Party Review of the National Health Vision (NHV) was conducted by the M/o NHSR&C in 2024, which has provided crucial insights for developing the new National Health and Population Policy (2025-34). A comprehensive analytical framework was developed to review

NHV 2016-25 across four domains: health systems, health security, universal health coverage (UHC), and multi-sectoral actions. This framework focused on both overall health outcomes and health equity improvements. The review has highlighted achievements and challenges, particularly in improving maternal and child health, addressing non-communicable diseases, and ensuring equitable access to healthcare services for marginalized communities. The review recommended having a unified Health and Population Policy for the country, also considering the directive of the Prime Minister of Pakistan. Moving forward, the new policy (in process of development) aims to adopt a holistic approach that integrates health services with population services, aligns with international frameworks such as the Sustainable Development Goals (SDGs), and emphasizes strengthening health infrastructure, preventive health measures, and community engagement.

i) National Action Plan for Health Security (NAPHS 2024-28)

As a signatory to the International Health Regulations (IHR 2005), Pakistan is committed to enhancing its core public health capacities to prevent, detect, and respond to potential health emergencies and threats. Despite Pakistan's commitment expressed during the COVID-19 pandemic, the country has struggled to meet the required IHR core capacities, posing risks not only to public health but also to trade, travel, and economic stability. NAPHS (2024-28) has been developed based on the findings and recommendations of the Joint External Evaluation (JEE 2023). It aims to strengthen Pakistan's health security framework by strategically prioritizing critical areas for improvement and resilience.

The plan prioritizes strengthening disease surveillance, upgrading laboratory capacity, and improving health infrastructure to effectively manage emergencies. It emphasizes multi-sectoral health workforce development through training on surge capacities and establishing robust emergency preparedness and response protocols. Community engagement and risk communication will be integral to fostering public awareness and participation in health security efforts. NAPHS also promotes intersectoral coordination, alignment with global health standards, mobilizes resources, and includes a comprehensive monitoring and evaluation framework to track implementation progress. By focusing on these components, it seeks to build a resilient health system capable of effectively responding to health threats and ensuring better health security for all citizens in Pakistan

ii) Prime Minister's National Programme for Elimination of Hepatitis C Infection

The Prime Minister's National Programme for the Elimination of Hepatitis C Infection (2024-27) is a comprehensive initiative to address this public health challenge. The programme aims to screen, test, and treat 50 percent of the eligible population (aged 12 years and above) and provide free access to antiviral medicines. The programme utilizes WHO pre-qualified rapid diagnostic testing (RDT) kits for screening, PCR tests for confirmation, and effective antiviral treatment. The PC-1, with a duration from July 2024 to June 2027 (3 years), amounting to Rs 67.77 billion, was approved by the ECNEC, with a shared funding ratio of 51:49 between the Federal and Provincial Governments. This initiative is expected to enhance public health, reduce long-term healthcare expenditures, and improve economic productivity, aligning with Pakistan's Sustainable Development Goals (SDGs) and WHO's global elimination targets.

Pakistan now ranks among the countries with the highest HCV burden globally, and estimates indicate an alarming rise in liver cancer cases. This three-year initiative seeks to expand HCV screening, testing, and treatment nationwide, bridging existing gaps in healthcare access. Moreover, a central procurement mechanism will be established to acquire essential commodities, including rapid tests, polymerase chain reaction (PCR) tests, and treatment, which will then be distributed to provinces based on demand and coverage outcomes. Through a cost-effective, need-based distribution model, the program aims to enhance treatment accessibility by providing free or subsidized medication through provincial health programs. Moreover, large-scale awareness campaigns will be

Pakistan Economic Survey 2024-25

launched to promote early detection and preventive measures.

iii) Prime Minister National Programme for prevention and control of Diabetes

Diabetes has also emerged as a critical public health challenge in Pakistan, with prevalence rates rising at an alarming pace. According to the International Diabetes Federation (IDF) Diabetes Atlas 2021, the overall prevalence of diabetes among adults in Pakistan stands at 26.7 percent, affecting approximately 32.9 million individuals. Of these, 22 percent have previously been diagnosed, while 4.7 percent represent newly identified cases. The prevalence is notably higher in urban areas (28.8 percent) than in rural regions (25.3 percent), underscoring disparities in lifestyle and healthcare access. In response, the government has introduced the Programme for the Prevention and Control of Diabetes under the PSDP 2024-25. The project targets 33 million adults, representing 13 percent of Pakistan's total adult population, with an estimated cost of Rs 6.8 billion. The cost will be shared between the Federal and Provincial Governments, spanning 5 years (2024-29). The Programme's objectives include National Awareness Campaign for the prevention and control of diabetes; screening, diagnosis, and treatment services in federating areas and reaching more than 70 percent of the targeted population for preventive diabetes services through primary health care facilities, lady health workers, and population-level interventions. The programme will be implemented in Federating Areas (Islamabad, Gilgit Baltistan, and Azad Jammu & Kashmir) in Year-1 and all 4 provinces (Punjab, Sindh, KP, Balochistan) from Year-2 onward. By addressing the growing diabetes epidemic, this initiative aims to reduce disease burden, improve individual health outcomes, and strengthen families and communities. Furthermore, it is expected to contribute to socioeconomic development by enhancing workforce productivity. Anticipated outcomes include improved health indicators, reduced healthcare costs, and expanded economic opportunities, which are essential in combating poverty and advancing long-term national development.

iv) Pakistan Deworming Initiative (PDI)

Pakistan Deworming Initiative (PDI) was launched in 2018 by the Ministry of Planning, Development and Special Initiatives (M/o PD&SI). PDI established a robust multi-sectoral governance structure to support its efforts, bringing together federal and provincial health, education, planning, and local government stakeholders. This structure informs strategic and technical decision-making and oversees the implementation of mass drug administration (MDA) rounds. The program primarily works through a school-based model in all areas. Still, in some districts, there is a hybrid model in collaboration with health workers, with Sindh being the only province where the program is solely executed through health workers.

Since its inception, PDI has made significant progress in controlling STH infections in at-risk districts across all provinces and regions. In 2024, the initiative successfully administered over 14 million deworming tablets across five MDAs, namely in Sindh, Gilgit-Baltistan (GB), Punjab, Khyber Pakhtunkhwa (KP), and Azad Jammu and Kashmir (AJK). This brings the total number of treatments administered between 2019 and 2024 to approximately 40 million from 25 MDAs (the treatment data for MDA campaigns conducted in February 2025 in Balochistan and Islamabad Capital Territory (ICT) is not included).

The National Steering and Coordination Committee (NS&CC) developed a comprehensive 'National Strategic Framework and Operational Guidelines (NSF&OG) 2022-27, outlining program goals, key performance indicators, and operational structures. The framework plans to extend to 2030. PDI initiated the contextual adaptation of the framework for each province and region, with plans to sustain the deworming program through public financing and integration with existing health infrastructure. For the areas of ICT, GB, and AJK, an umbrella project (PC-1) was proposed and is in the pipeline this year. Khyber Pakhtunkhwa and Balochistan have submitted their own individual PC-1 plans. In the case of Punjab, deworming has been made part of the Multi-Sectoral Nutrition Strategy (MSNS) and is working towards inclusion in the existing IRMNCH&NP PC-1. Meanwhile, Sindh has initiated the process for horizontal integration within the health department and proposes to expand beyond the target district. Based on WHO's recommendation, a follow-up Prevalence Survey is planned for 2025-2026 in two phases, with AJK, KP, and ICT scheduled for 2025, and the remaining provinces/areas for 2026. Efforts are also underway to further scale up the program based on the lifecycle approach in deworming to include other at-risk segments of the population

v) Common Management Unit (CMU) for AIDS, TB & Malaria (ATM)

The current governance arrangement of the Global Fund to manage AIDS, Tuberculosis, and Malaria, i.e., GFATM support to Pakistan, similar to other countries that receive GFATM's support, comprises the Country Coordinating Mechanisms, Common Management Unit, Principal and Sub-Recipients, and Local Fund Agent. In Pakistan, the coordination mechanism has representation from the federal and provincial governments, the private sector, non-government organizations, and persons living with the disease as voting members, with the federal secretary of health as the chair, representing the Government of Pakistan. The following are the primary measures and initiatives taken by the CMU regarding control and prevention of Malaria, TB, and HIV/AIDS:

a) Tuberculosis

- Provided "free of cost" Drug Sensitive TB (DSTB) diagnostic and treatment care services to 252,803 patients through the network of 1,929 public and private healthcare facilities and 12,512 GP clinics
- Provided "free of cost" Drug Resistant TB (DRTB) diagnostic and treatment care services to 2,162 patients through 71 treatment sites across Pakistan. Additionally, all enrolled DRTB patients were provided social support of Rs 12,000 for nutritional and travel support.
- Drug Resistant TB management services decentralized to an additional 6 districts (total 71 DRTB Care sites) to ensure adequate supply of second-line medications TB/HIV Collaboration-Screening of 144,587 TB patients for HIV in 55 TB/HIV Centers.
- Roll out of electronic case-based TB surveillance through District Health Information System (DHIS)2 at the facility level in Sindh, Khyber Pakhtunkhwa, Balochistan, Azad Jammu & Kashmir, Gilgit-Baltistan, and ICT

b) Malaria

- Increasing the number of Global Fund districts from 60 to 80, with the inclusion of 20 additional flood-affected districts. Resultantly, an additional 1000 public health facilities have been included for the said grant support, contributing to a total of more than 5500 service delivery centers across three provinces.
- Treatment of more than 98 percent of confirmed Malaria cases according to the National Treatment guidelines.
- Distribution of 08 million Insecticide Treated Nets (ITN) to protect the population at high risk from Malaria in 20 high-burden sharing districts.
- Provision of 105,000 indoor residual spray (IRS) sachets to the provinces for responding to the Malaria outbreak situation in hot spots.
- Training of 300 healthcare providers on malaria case management, diagnosis through RDT, and surveillance from July to December 2024.

c) HIV/AIDS

- Provision of free-of-cost HIV/AIDS prevention services at 51 sites to address low prevention and testing coverage among the Key Population by scaling up community-based interventions.
- Anti-Retroviral Therapy (ART) sites strengthened with provision of Human

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Resources and necessary equipment, and free of cost testing and treatment services

- Establishment of Opioid Agonist Maintenance Therapy (OAMT) sites, in Mayo Hospital Lahore & JPMC Karachi, to reduce HIV risk among injecting drug users.
- 44 Mobile Vans and six refrigerated trucks were provided to provinces for active case finding and transportation of drugs to treatment centers across the country.
- Implementation of Differentiated Service Delivery (DSD) model in Punjab for the general population with expansion in treatment services from DHQ to THQ levels, supported by Mobile clinics for outreach activities, engagement of Community Health Workers and Peer Navigators, and Drop-In Centers
- Awareness Campaigns; Mass media/ Radio campaigns in various languages (Urdu, Pushto, Sindhi, Saraiki, Balochi) through FM 101 in 20 cities and engagement of religious scholars on HIV preventive services with special focus on people who inject drugs (PWIDs).

vi) Expanded Programme on Immunization (EPI)

The Government of Pakistan has been providing free immunization services against vaccine-preventable diseases since 1978. At present, vaccination against Childhood Tuberculosis, Poliomyelitis, Diphtheria, Pertussis, Hepatitis B, Streptococcal Meningitis, Haemophilus Influenza type b (Hib), Tetanus, Measles, Rubella, and Typhoid is being provided under the Expanded Programme on Immunization. The programme targets almost 6.8 million children nationwide and approximately the same number of pregnant women against Tetanus in one year. Over time, a number of new vaccines, e.g., Hepatitis B, Haemophilus Influenzae type b (Hib), Pneumococcal Conjugated Vaccine (PCV), Inactivated Polio vaccine (IPV), Rotavirus vaccine, Typhoid Conjugated Vaccine (TCV), and Rubella, were introduced. EPI plans to introduce Human Papillomavirus (HPV) in a phased manner from 2025 to 2027.

The key activities also included:

- 124 mobile units to improve access to integrated immunization services in targeted megacities
- Conducted Measles Outbreak Response in May 2024 by reaching 4.1 million children from 6 months to 5 years in 34 districts and TCV campaign in Sindh by reaching 8.2 million children from 6 months to 15 years in Karachi Division and Hyderabad District
- Sehat Tahafuz Helpline 1166 to provide interactive response to callers from across the country in local languages on Polio (6.1 million calls), Routine Immunization (1.7 million), COVID-19 (8.3 million), and other health issues
- Crisis Communication Management to timely and effectively manage any untoward incident having the potential for any negative impact on vaccination activity
- Immunization services have been restored in 33 flood-affected districts across the country following the 2022 floods.

vii) Cancer treatment

Pakistan Atomic Energy Commission (PAEC) supports the peaceful, safe, and secure application of nuclear science and technology for sustainable socioeconomic development. It is the pioneer in using radiation in the health sector and has made significant contributions to the management, prevention, and control of cancer and other non-communicable diseases in Pakistan.

AECHs comprise well-established Pathology (Hematology and Biochemistry), Radio Immunoassay, Hepatitis B&C Screening, Dengue screening, Molecular Diagnostic and Research laboratories, a Blood collection center, and newborn screening.

About 80 percent of Pakistan's cancer burden is catered to by PAEC cancer hospitals, as cancer patients are treated in Atomic Energy Cancer Hospitals (AECHs) irrespective of their stage and financial status. Over 1.0 million procedures and approximately 40,000 new cancer patients are treated annually at AECHs. At present, there are 2600 personnel are employed in hospitals, comprising 250 doctors, 76 medical physicist, 47 biomedical engineers and 43 radio pharmacists and scientists.

The following targets have been achieved by FY 2025:

- As part of the PSDP project, the upgrade of AEMC-II, the installation of new gamma cameras, and radioisotope scanning have been completed. This has resulted in an increase in the number of patients treated at AEMC, Karachi.
- AECH DINAR provides quality anti-cancer medicines at subsidized rates to its cancer patients through the Pharmacy run by the DINAR Patient Welfare Society (DPWS). DPWS Pharmacy has achieved ISO 9001:2015 Certification, demonstrating its commitment to delivering high-quality patient care and adhering to international standards.
- Students/fellows attended AECHs for 6-8 weeks and received specialized training in the fields of Nuclear Medicine, Radiation & Medical Oncology, Radiology, and Medical Physics. Events for cancer awareness and campaigns for cancer prevention/control are a regular feature at all AECH. Over 338 such events were organized throughout Pakistan, including seminars, workshops, and walks for general public education.
- Research work is continued on various IEAC TC/RCA projects and others in collaboration with national and international organizations.
- Upgradation of AECHs, GINUM (Gujranwala), NORI (Islamabad), BINO (Bahawalpur), AEMC (Karachi), KERAN (Karachi), INMOL (Lahore), NIMRA (Jamshoro), through PSDP funding & IRNUM (Peshawar), SINOR (Swat) and NIMRA (Jamshoro) through ADP funding are underway.

viii) Capacity building and Specialized Trainings for Health Sector preparedness and response during disasters

The National Disaster Management Authority (NDMA) took various measures to avoid humanitarian crises during disasters. The following are capacity-building and training programs conducted to respond to the health issues immediately during disasters.

- Gender and Child Cell (GCC) in NDMA facilitated two key Minimum Initial Service Package (MISP) training sessions to bolster emergency reproductive health service delivery. From 29th - 31st July 2024, a national training was conducted in Islamabad, with 28 participants from governmental and non-governmental organizations across Azad Jammu & Kashmir (AJK), Khyber Pakhtunkhwa (KP), and Islamabad. The training equipped program managers and policymakers with tools to prioritize Reproductive Health and Gender-Based Violence (GBV) advocacy, particularly in climate-induced disaster scenarios. The second MISP training, held in Gilgit Baltistan from 25th to 27th September 2024, focused on strengthening frontline responders' capacities to address reproductive health needs during emergencies.
- First Responders Training for Women was conducted on 27-28 January 2025, a specialized two-day training session at Fatima Jinnah Women's University, Rawalpindi, empowering 37 women participants, including students, faculty members, and NDMA staff, with first aid, Cardiopulmonary Resuscitation (CPR), gender-sensitive disaster response, and critical skills for addressing GBV and SRH in emergencies
- During the 29th Conference of Parties (COP29) held in Baku, Azerbaijan, NDMA Pakistan, through GCC, hosted a high-impact panel discussion on Exacerbation of GBV and Reproductive Health Issues due to the Climate Crisis. The session emphasized Pakistan's experiences and shared recommendations on integrating the above

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issues into global climate action frameworks.

11.1-e Provincial Performance in the Health Sector in FY 2025

Punjab

Punjab health care initiatives are implemented under the Punjab Health Initiative Management Company (PHIMC), primarily targeted at health coverage and relief of medical beneficiaries from medical expenses. Currently, the implementation of the Universal Health Insurance Program/Sehat Sahulat Program is in progress under PSDP. The allocation of PSDP FY 2025 for the project is Rs 54 million to reduce out-of-pocket public expenditures for vulnerable segments of society, and with a mix of public and private service delivery. PHIMC coverage has been expanded to over 34 million families with around 360 public and private hospitals, and the treatment of 9.3 million patients has been successfully done.

Sindh

The Government of Sindh's overall health vision is based on "Health for All". In pursuit of this objective, a total allocation of Rs 320.147 billion has been earmarked for the health sector during the outgoing fiscal year. This includes Rs 18 billion for development expenditures, Rs 287.756 billion for recurrent expenditures, and Rs 14.391 billion for medical education initiatives. Under the development portfolio, 148 ongoing schemes are being actively pursued, alongside the launch of 62 new schemes to further strengthen the healthcare infrastructure. Major initiatives include upgrading and expanding Basic Health Units (BHUs), Rural Health Centers (RHCs), and Mother & Child Health Care Centers across the province.

Four state-of-the-art simulation centers have been established to enhance diagnostic capacities. In addition, the Sindh Human Capital Project for Integrated Health and Population has been initiated, focusing on the repair, rehabilitation, and operational improvement of dispensaries, BHUs, RHCs, and teaching hospitals.

The DHIS is being upgraded under the World Bank-funded National Health Support Program to further bolster health sector governance. This will enhance monitoring, surveillance, and data-driven decision-making in the sector. Moreover, to improve accessibility and delivery of healthcare services, Tele-Health Service has been introduced on a pilot basis, leveraging technology to extend healthcare services to remote and underserved populations.

Khyber Pakhtunkhwa

In July-March FY 2025, the KP Sehat Card Plus Programme received 272 hospital applications during the annual empanelment cycle for empanelment, out of which 130 hospitals were selected across the province. During this period, 251,252 patient admissions were recorded under the program, incurring healthcare costs amounting to Rs 6.9 billion. Additionally, four high-cost treatments — kidney transplant, liver transplant, bone marrow transplant, and cochlear implant — were approved for coverage, and a special reserve fund has been established for this purpose.

Balochistan

The health care department of Balochistan has approved and incorporated 22 health care projects. These projects were designed to address the health care gaps. The key projects are the Health on Wheels programme to provide health care services in rural areas, the establishment of a dental college in Quetta, and nursing colleges at Khuzdar, Lasbella, and Loralai. Moreover, the establishment and extension of hospitals and establishment and strengthening of emergency services like 1122 on a cost-sharing basis. The Government of Balochistan's health department, along with technical support from M/o NHSR&C has developed a comprehensive health and population policy for the next decade by focusing on emerging health challenges. Moreover, a multisectoral health workforce has been developed to meet the requirements of the IHR.

Gilgit Baltistan

Various health sector development projects are being implemented in GB, with a total cost of Rs 21.8 billion. For this purpose, an allocation of Rs 2.6 billion has been made under PSDP FY 2025. Major projects include the establishment of a 250 bed hospital at Skardu, where construction has been completed and installation of machinery is in progress. A cardiac hospital has been established in Gilgit, and the construction of accommodation facilities for nursing and paramedic staff is underway. Upgrading the Provincial Headquarter Hospital, in line with the approved master plan, is also in progress, achieving 35 percent physical progress during July-March FY 2025.

Azad Jammu and Kashmir

The Government of AJK is fully conscious that access to quality healthcare facilities for the general public is of utmost importance. There is a strong motivation for attaining Universal Health Coverage (UHC) through health sector reform initiatives, including population control, expanding health insurance, and strengthening family-based health care in the country. The strategies adopted for the health sector are to interpret the government's priority agenda to achieve universal health coverage by 2030.

Health coverage in AJK is still inadequate. There are approximately 2950 Hospital beds available in the area, averaging one bed per 1468 people. The total number of doctors is 1230, out of which there are 68 Health Managers, 352 specialists, 82 Dental Surgeons, and 728 Medical Officers. There is a ratio of 0.81 per 10000 Population in respect of specialists, 1.68 in respect of Medical Officers of and 0.19 in respect of Dentists and Surgeons.

Moreover, the health Department is implementing Dengue control measures throughout the state of AJK and launched an extensive community awareness campaign targeting 100 percent population of the State. It has established a Dengue Control & Operational Cell at the Directorate of CDC under the supervision of the General Health Office that is continuously monitoring the disease situation on a daily basis.

The Family Planning and Primary Healthcare Programme (PHC) has recruited more than 3,068 LHWs in AJK covering 67 percent of the population. The programme provides services encompassing the health conditions of women and children through improved sanitation, birth spacing, iron supplementation, more extensive vaccination coverage, and antenatal and postnatal Coverage (ANC and PNC) of pregnant women.

According to the national strategic Plan, AJK has been selected for the malaria elimination phase along with ICT and Punjab by 2030. Umbrella PC-1 is under process of approval at the federal level, and the AJK share has been made part of this umbrella PC-1

The Maternal and Child Health (MNCH) programme has been implemented with the support of the Federal Government through the development budget from 2007 to 2023, with the aim of providing better access and quality to mother and child health and family planning services, with the provision of comprehensive Emergency Obstetric and Neonatal Care (EmONC) services. Currently, the program is being financed through the development budget of the government of AJK till June 2025.

11.2 Nutrition Profile of Pakistan

Nutrition remains a central pillar of Pakistan’s human development agenda, given its far-reaching implications for health, education, economic productivity, and intergenerational well-being. Malnutrition affects individual health outcomes and has a far-reaching impact on national development and global progress. Stunting occurs predominantly within the first 1000 days post-conception and stems from a nexus of socioeconomic determinants, dietary insufficiencies, infections, maternal health, and environmental factors. It significantly impacts a child’s health, physical growth, brain development, and cognitive abilities.

The consequences of poor nutrition reverberate across every facet of a country's development, hindering progress towards multiple SDGs, as nutrition is strongly linked to almost 12 of the 17 Sustainable Development Goals (SDGs).

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Recognizing this, the government has undertaken various initiatives at the federal and provincial levels to address malnutrition holistically. Nutrition is a key development priority in the URAAN Pakistan Economic Transformation Plan, the 13th Five-Year Plan, Annual Plan, and the 5Es and 4RFs Frameworks. Interventions are increasingly designed to be nutrition-sensitive, ensuring that policies and programs across sectors contribute meaningfully to improving nutrition outcomes.

The government strengthened collaboration with development partners, civil society, and academia to promote innovation, support evidence generation, and expand the reach of effective nutrition interventions. The government of Pakistan has made substantial efforts to improve institutional mechanisms for nutrition governance, resource allocation, and program delivery. Table 11.6 depicts the nutrition profile of Pakistan.

Pakistan faces major challenges in meeting the food security and nutrition targets of Sustainable Development Goal (SDG) 2 by 2030. As approximately 34 percent of children under 5 years of age are stunted. By comparing with average South Asian Countries' indicators, basic drinking water, sanitation facilities, and stunting are performing lower in Pakistan, except for the prevalence of overweight for a percent of children under 5 years of age, which is lower in the case of Pakistan.

Table 11.6: Comparison of Nutrition Indicators of Pakistan and South Asia (2023)

	South Asia	Pakistan
Prevalence of overweight (%age of children under 5)	3.0	2.30
People using at least basic sanitation facilities (%age of population)*	75.5	70.5
People using at least basic drinking facilities (%age of population)*	93.1	90.6
Prevalence of Undernourishment (%age of population)*	14.5	20.7
Stunting prevalence among children (under age 5 %age)	32.3	33.7

* Data for Nutrition indicators is for the year 2022

Source: WDI, Global Health Observatory

11.2-a Availability of food in Pakistan:

Achieving proper nutrition depends on the availability and accessibility of various nutritious foods. The food balance sheet provides essential insights into the supply of major food commodities through a detailed analysis of data on production, imports, and exports. A review of key food items over the past three fiscal years highlights significant shifts in their availability (Table 11.7). The per capita availability of essential food commodities was low in 2022-23 due to the adverse effects of the floods. However, per capita calorie availability has risen during 2023-24 and 2024-25, reflecting the nation's ongoing recovery efforts.

11.2-b Cost of Minimum Food Basket (per capita per month)

The cost of the minimum food basket fluctuates from July 2024 to March 2025 (Figure 11.3). An upward trend followed by a sharp decline was observed in the cost of the food basket per capita per month during this period, rising from Rs 5,963 in July to a peak of Rs 6,227 in December 2024, then sharply declining to Rs 5,639 in March 2025. The cumulative change in costs decreased by 5.4 percent from July 2024 to March 2025. A detailed breakdown of the per capita per annum availability of food will be provided in Table 11.7.

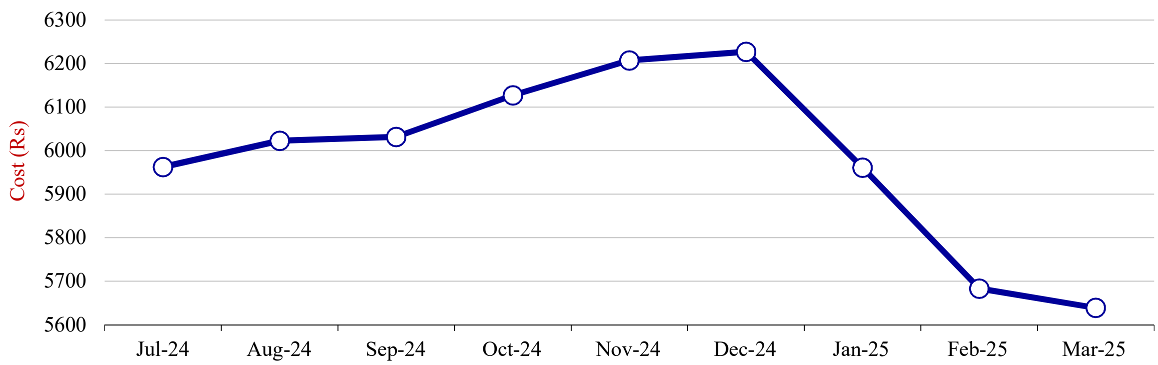
Table 11.7: Food Availability per Capita per Annum

Food Items	2022-23	2023-24	2024-25(E)
Cereals	151.94	163.11	170.47
Pulses	6.87	5.88	6.12
Milk (liter)	163.79	164.73	165.80
Meat	22.79	23.12	24.17
Fish	2.55	2.55	2.36
Eggs (dozen)	8.22	8.48	8.76
Edible Oil/ Ghee	13.97	12.96	13.05
Fruits & Vegetables	60.30	65.32	59.81
Sugar	27.65	27.91	27.77
Calories/day	**2585.83**	**2658.84**	**2719.69**

E: Estimated on the basis of previous trend

Source: M/o National Food Security and Research, Pakistan Bureau of Statistics

Fig-11.3: Cost of Food Basket (Per Capita/Month)



Source: Nutrition Section MoPD&SI

11.2-c Key Initiatives for Nutrition Improvement

In the fiscal year 2024-25, a multitude of initiatives/ programs have been carried out, capitalizing on the positive momentum accrued from the efforts of the previous year. Noteworthy initiatives at the federal level encompass the following:

i. The nutrition convergence program "National Multi-Sectoral Nutrition Program to Reduce Stunting and Other Forms of Malnutrition" Under the Pakistan Nutrition Initiative (PANI) is in process. The overall objective of the project is to contribute to preventing and reducing all forms of malnutrition through the convergence of nutrition direct and indirect interventions and the implementation of the sectoral programs (food, agriculture, WASH, social protection, health, population, education, and climate change, etc.). It will harmonize provincial objectives with national goals and international commitments, facilitate and support harmonized national reporting against global commitments and strengthen multi-sectoral nutrition governance, accountability, and coordination mechanisms for improved convergence and capacity building through supervision and M&E. The National Early Childhood Development (ECD) Policy framework has been developed as a foundational roadmap to promote the comprehensive development of young children. It reflects a national commitment to align multisectoral efforts by providing strategic insights to guide program implementation and foster effective partnerships.

ii. The development of ECD Standards and Index has been initiated to establish clear benchmarks for early childhood development. Additionally, efforts are underway to enhance Key Family Care Practices (KFCP) through the creation of a comprehensive Parenting Package, aimed at equipping caregivers with the knowledge and tools needed to support the holistic development of young children.

iii. The Benazir Nashonuma Program (BNP) continued its efforts to support vulnerable groups by providing targeted assistance (cash transfers and nutritious food) to pregnant and lactating women and children under two years of age. By focusing on the critical first 1,000 days of life, BNP aims to improve maternal and child health outcomes, prevent stunting, and reduce the long-term impacts of malnutrition on physical and cognitive development.

iv. Pakistan's commitments for the Nutrition for Growth (N4G) Summit 2025 were developed through in-depth consultations with provincial governments and key stakeholders, ensuring that they align with both national nutrition priorities and global goals. These consultations aimed to create a unified approach to addressing malnutrition,

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considering regional challenges and needs.

v. The Scaling Up Nutrition (SUN) Youth Network (SYN-Pakistan) was launched on 20th February 2025. This is a transformative step in empowering young people to become key advocates for improved nutrition. The initiative is dedicated to mobilizing youth to raise awareness, inspire healthy lifestyle choices, and actively contribute to policy reforms to eliminate malnutrition.

vi. Consultative sessions have been held to develop strategies for securing sustainable nutrition financing, improving financial management, and integrating innovative funding mechanisms to ensure long-term program sustainability.

vii. A two-day workshop on "Pathways to Sustainable Nutrition Financing" was held, gathering key stakeholders from federal and provincial government bodies, development partners, INGOs, and NGOs. The event discussed strategies to strengthen nutrition financing practices and stressed the need to prioritize nutrition as a government-led initiative.

11.2-d Nutrition programs taken under provincial governments

The provincial governments have also implemented nutrition programs, which are summarized below:

Punjab

The Government of Punjab has implemented the following nutrition-specific and sensitive programs:

- Integrated Reproductive Maternal Newborn & Child Health (IRMNCH) and Nutrition Program (Phase-III) costing Rs 7,592.38 million with allocation of Rs 500 million
- Chief Minister's Stunting Reduction Program 11 Southern Districts of Punjab costing Rs 3,478.30 million with allocation of Rs 396.89 million
- Prime Minister's Health Initiative (PMHI) costing Rs 3,528.64 million with allocation of Rs 213.78 million
- National Health Support Program (NHSP) Technical Assistance (TA) Component costing Rs 6,382.78 million with allocation of Rs 2,711.05 million
- Chief Minister Punjab Schools Meal Program costing Rs 1,000 million with allocation of Rs 500 million
- Southern Punjab Poverty Alleviation Project (SPPAP)-IFAD Assisted costing Rs 2,5243.13 million with allocation of Rs 4,613.71 million
- Punjab Family Planning Program TA Component costing Rs 4,282.35 million with allocation of Rs 1,885.05 million
- Multi-Sectoral Nutrition Strategy for WASH, including Water Supply, Sanitation, Hygiene, and Wastewater costing Rs 1,108.06 million with allocation of Rs 80 million
- Establishment of Day Care Centers through Punjab Day Care Fund Society, costing Rs 1,000 million, with allocation of Rs 500 million
- Multiple Indicator Cluster Survey (MICS) Punjab, 2022-23 costing Rs 283.87 million with allocation of Rs 50.15 million

Khyber Pakhtunkhwa

The Government of Khyber Pakhtunkhwa has implemented the following nutrition-specific programs:

- Integration of Health Services Delivery with a Special Focus on MNCH, LHW, and Nutrition Program costing Rs 7,027.23 million with allocation of Rs 1750 million
- Khyber Pakhtunkhwa Stunting Prevention and Rehabilitation Integrated Nutrition Gain (KP SPRING Project) (SDGs) costing Rs 2217.85 million with allocation of Rs 90 million
- Stunting Prevention through Improved Nutrition and Agriculture Development Initiative costing Rs 1,500 million with allocation of Rs 457 million
- Agriculture Productivity Enhancement for Livelihood and Food Security in Merged Areas (AIP) costing Rs 1,000 million with allocation of Rs 50 million

- Poverty Alleviation through Enhancement of Milk Meat Value Chain in Merged Areas costing Rs 470.23 million with allocation of Rs 60 million
- Development of Cold-Water Fisheries in Khyber Pakhtunkhwa costing Rs 772.148 million with allocation of Rs 129.305 million
- Establishment of Trout Villages in Malakand and Hazara Division costing Rs 395.95 million, with allocation of Rs 38.69 million
- Promotion of Fisheries in Merged Areas costing Rs 204.24 million with allocation of Rs 40 million
- Provision of Facilities in Existing Primary Schools for Early Child Education costing Rs 198.50 million with allocation of Rs 0.001 million
- National Health Support Programme (Khyber Pakhtunkhwa Component) costing Rs 2,520.01 million with allocation of Rs 0.001 million
- Khyber Pakhtunkhwa Human Capital Investment Project Health Component costing Rs 24,224.92 million with allocation of Rs 0.001 million
- Deworming Initiative of School-aged Children in KP costing Rs 218.70 million with allocation of Rs 25 million

Sindh

The Government of Sindh has implemented the following nutrition-specific measures:

- Accelerated Action Plan (AAP) for Reduction of Stunting and Malnutrition-Nutrition specific and sensitive interventions proposed in the following sectors;
- Health Sector (PPHI) allocation is Rs 4,320 million
- Livestock Sector allocation is Rs 1,639.74 million
- Fisheries Sector allocation Rs 957 million
- Agriculture Sector allocation Rs 799.26 million
- Population Welfare sector allocation Rs 67.495 million
- WASH sector allocation Rs 3,279 million

Balochistan

The Government of Balochistan has earmarked the following nutrition-specific and sensitive programs:

- National Maternal Newborn & Childcare (MNCH) Programme costing Rs 1,614 million with allocation of Rs 171 million
- "Gwadar-Lasbela Livelihood Support Project Phase-II (GLLSP-II) IFAD" at a total cost of Rs 12,328.55 million with allocation of Rs 2962.30 million, is being implemented in two districts, i.e., Gwadar and Lasbela

Azad Jammu & Kashmir

The Government of Azad Jammu & Kashmir has implemented the following nutrition-specific and sensitive programs:

- ECD in 300 Middle Schools in AJK (Phase-III) costing Rs 84.98 million with allocation of Rs 43.64 million
- Agro-Ecological Based Fruit, Vegetable & Agriculture Development as Enterprise in AJK costing Rs 64.79 million with allocation of Rs 4.27 million
- Promotion of Olive cultivation in AJK costing Rs 63.88 million with allocation of Rs 30 million
- Sheep / Goat Development Program in AJK costing Rs 60.15 million with allocation of Rs 57.3 million
- Establishment of 03 Mobile Food Testing Laboratories at the Divisional Headquarters of AJK costing Rs 140.97 million with allocation of Rs 59.97 million
- Water quality Profiling and source characterization in AJK costing Rs 103.11 million with allocation of Rs 55 million
- AJK Social Protection Program Phase-II costing Rs 117 million with allocation of Rs 43.47 million
- MNCH Services in AJK costing Rs 306.62 million with allocation of Rs 290.33 million

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Gilgit-Baltistan (GB)

The Government of GB has implemented the following nutrition-specific and sensitive programs:

- Establishment of ECD Centers in Educational Institutions of GB costing Rs 190 million with allocation of Rs 8 million
- Targeting Blue Revolution Towards Food, Nutrition & Livelihood Security through Conservation of Local Species in GB costing Rs 80 million with allocation of Rs 8.282 million
- Improving Rural Livelihood and Food Security Through Modern Agricultural Techniques in District Ghizer, costing Rs 30 million, with allocation of Rs 5 million
- Ensuring Food Security and Economic Growth Through Extension of Trout Farming in District Ghizer, costing Rs 50 million, with allocation of Rs 8 million
- Food Fortification Programme of the Food Department GB costing Rs 99 million with allocation of Rs 13.56 million
- Food Management Information System in GB (FMIS) costing Rs 37.5 million with allocation of Rs 4.89 million
- GB Scaling Up Nutrition Program costing Rs 175 million with allocation of Rs 5.30 million
- Establishment of high-value fruit nurseries in 10 districts (2 each in districts) costing Rs 50 million with allocation of Rs 5 million
- Promotion of Fruits and Honey Value-added Products in GB costing Rs 50 million with allocation of Rs 5 million
- Promotion of Commercialized Agriculture through Effective Production Mechanism in Skardu, costing Rs 52 million, with allocation of Rs 4.66 million

11.3 Narcotics Control and Drug Rehabilitation Efforts

Pakistan’s anti-narcotics efforts revolve around three main pillars: drug supply reduction, drug demand reduction, and international cooperation, as described in the Anti-Narcotics Policy 2019.

Previously, the narcotics control division now merged with the Ministry of Interior at the start of 2025. To control the demand for Narcotics, the Anti-Narcotics Force (ANF) conducted various activities, including seminars, lectures, and conferences, to create awareness among the masses.

The case has been initiated to issue notification for the establishment of the Federal Narcotics Testing Laboratory at ANF Academy, Islamabad, under section 34 of the Control of Narcotics Substance Act 1997. There is one development project under the PSDP 2023-24 and 2024-25, i.e. Model Addiction Treatment and Rehabilitation Centers (MATRC) at Islamabad, with an estimated cost of Rs 456.38 million. Moreover, in July-March FY 2025, 6523 drug demand reduction activities were conducted. from July-March FY 2025, 2,386 patients were treated in MATRC. The month-wise treatment in each hospital is depicted in Table 11.8.

Table 11.8: No of Patients treated at MATRC (July-March 2024-25) In nos.

Month	MATRC Karachi Lyari	MATRC Malir	MATRC Mangopir	MATRC Islamabad	MATRC Sukkur	MATRC Hyderabad	MATRC Quetta	Total
July-2024	72	59	69	20	13	30	5	268
Aug-2024	46	79	67	19	12	37	15	275
Sep-2024	77	64	68	18	18	39	18	302
Oct-2024	58	68	70	14	16	29	22	277
Nov-2024	64	59	75	17	10	34	20	279
Dec-2024	61	56	50	20	18	33	18	250
Jan-2025	62	47	64	15	08	32	21	249
Feb-2025	53	50	43	21	14	28	12	221
Mar-2025	74	49	55	13	11	35	22	259
Total	567	531	561	157	120	297	153	2386

Source: Narcotics Control Division

Concluding Remarks

Pakistan has made significant progress in the health and nutrition sector, as evident from improvement in life expectancy, infant mortality rate, immunization, and per capita calorie availability. This became possible due to government efforts to provide a better standard of living and welfare initiatives. The government is committed to enhancing the health and nutrition of the population and is working towards achieving the SDGs 2030 targets. So, the recently launched URAAN Pakistan and the SUN Youth network nutrition program will also contribute to further improving Pakistan's health and nutrition sector. However, there is a pressing need to increase healthcare spending, provide adequate facilities, and raise awareness.

TABLE 11.1

NATIONAL MEDICAL AND HEALTH ESTABLISHMENTS, Progressive (Calendar Year Basis)

(Numbers)

Year	Hospitals	Dispen-saries	BHUs Sub Health Centres	Maternity & Child Health Centres	Rural Health Centres	TB Centres	Total Beds	Population per Bed
2011	980	5,039	5,449	851	579	345	107,537	1,647
2012	1,092	5,176	5,478	628	640	326	111,802	1,616
2013	1,113	5,413	5,471	687	667	329	118,378	1,557
2014	1,143	5,548	5,438	670	669	334	118,170	1,591
2015	1,172	5,695	5,478	733	684	339	119,548	1,604
2016	1,243	5,971	5,473	755	668	345	124,821	1,565
2017	1,264	5,654	5,505	727	688	431	131,049	1,585
2018	1,279	5,671	5,527	747	686	441	132,227	1,608
2019	1,282	5,743	5,472	752	670	412	133,707	1,579
2020	1,289	5,849	5,561	752	719	410	147,112	1,463
2021	1,276	5,832	5,559	781	736	416	146,053	1,501
2022	1,284	5,584	5,520	798	697	417	151,661	1,472
2023	1,696	5,627	5,434	822	783	482	167,947	1,353
2024 (P)	1,696	5,627	5,434	822	783	482	167,947	1,353

P: Provisional - : Not Available Source: Pakistan Bureau of Statistics

TABLE 11.2

REGISTERED MEDICAL AND PARAMEDICAL PERSONNEL (Progressive) AND EXPENDITURE ON HEALTH, (Calendar Year Basis)

(Numbers)

Year	Regis-tered Doctors *	Regis-tered Dentists *	Regis-tered Nurses *	Register-ed Mid-wives	Register-ed Lady Health Visitors	Population per		Expenditure (Rs. Million)**	
						Doctor	Dentist	Develop-ment	Non-Develop-ment
2011	152,368	11,649	77,683	30,722	12,621	1,162	15,203	27,658	78,359
2012	160,880	12,692	82,119	31,503	13,678	1,123	14,238	29,898	104,284
2013	167,759	13,716	86,183	32,677	14,388	1,099	13,441	31,781	129,421
2014	175,223	15,106	90,276	33,687	15,325	1,073	12,447	55,904	146,082
2015	184,711	16,652	94,766	34,668	16,448	1,038	11,513	65,213	165,959
2016	195,896	18,333	99,228	36,326	17,384	997	10,658	75,249	192,704
2017	208,007	20,463	103,777	38,060	18,400	957	9,730	99,005	229,957
2018	220,829	22,595	108,474	40,272	19,910	963	9,413	87,434	329,033
2019	233,261	24,930	112,123	41,810	20,565	905	8,471	58,624	363,154
2020	245,987	27,360	116,659	43,129	21,361	875	7,868	77,496	427,915
2021	266,430	30,501	121,245	44,693	22,408	823	7,190	91,664	494,606
2022	282,383	33,156	127,855	46,110	24,022	791	6,734	207,129	712,289
2023	299,113	36,032	134,708	46,404	26,405	760	6,306	175,872	667,307
2024 (P)	319,572	39,088	138,391	46,801	29,163	723	5,911	200,813	724,072

- : Not available

*: Registered with Pakistan Medical and Dental Council and Pakistan Nursing Council.

** : Expenditure figures are for respective Financial Year

Source: Pakistan Medical & Dental Council (PMDC)
Pakistan Nurses Council. (PNC)
Pakistan Bureau of Statistics
PRSP Budgetary Expenditure, External Finance (Policy wing), Finance Division

TABLE 11.3

DATA ON EXPANDED PROGRAMME OF IMMUNIZATION VACCINATION PERFORMANCE (Calendar Year Basis)

Nos. in 000

Vaccine/doze.		2016	2017	2018	2019	2020	2021	2022	2023	2024
B.C.G.		6233.7	6356.5	6608.4	7261.5	7019.4	7141.2	7514.4	7782.4	7669.7
POLIO										
	0	5120.1	5420.8	5818.8	6220.4	6339.8	6239.7	6604.8	6868.2	7144.8
	I	5990.7	6001.4	6138.1	6618.3	6607.1	6593.4	7066.8	6983.2	7302.7
	II	5537.9	5618.4	6138.1	6249.3	6239.1	6172.1	6643.0	6508.7	6716.9
	III	5378.7	5455.2	5672.4	6115.9	6124.0	6128.9	6638.5	6480.1	6760.9
PENTAVALENT										
	I	5933.6	6009.0	5526.7	6725.8	6145.7	6650.3	7082.7	6950.9	7226.4
	II	5532.2	5625.0	6139.5	6360.6	5766.4	6224.7	6649.4	6518.1	6682.2
	III	5371.7	5472.0	5676.0	6231.3	5665.8	6167.6	6639.3	6532.5	6673.8
T.T										
	I	4569.7	4690.3	4874.9	5272.2	4993.8	4966.7	5015.3	5074.3	5440.6
	II	3934.9	3993.8	4103.6	4560.7	4366.7	4323.6	4382.1	4311.2	4808.7
	III	398.5	191.4	192.5	260.7	225.1	207.0	769.7	431.3	484.4
	IV	97.8	51.9	57.9	70.8	60.1	58.0	137.9	119.3	140.3
	V	56.8	27.5	30.7	37.0	27.6	26.3	77.8	60.6	102.1
MEASLES										
	I	5516.8	5606.5	5455.4	6216.6	6284.2	5504.6	6578.3	6420.5	6902.6
	II	4684.7	4710.9	4734.0	5492.7	5617.2	5492.6	5856.1	5993.4	6520.4
PNEUMOCOCCAL (PCV10)										
	I	5884.3	5994.4	5528.7	6724.8	6590.8	6576.3	7075.2	6953.7	7170.4
	II	5505.8	5605.1	6135.8	6356.5	6225.8	6145.0	6646.9	6545.2	6680.8
	III	5374.9	5470.6	5673.4	6228.7	6127.0	6083.2	6643.1	6514.2	6672.3

Source: National Institute of Health (NIH)
Pakistan Bureau of Statistics

B.C.G. Bacilus+Calamus+Guerin D.P.T Diphteira+Perussia+Tetanus

T.T Tetanus Toxoid

PENTAVALENT = DPT+HBV+Diphtheria + pertosis + HIB (Heamoinflunza -Type B)

PNEUMOCOCCAL (pcv10) :- Vaccine of pneumonia I,II,III,IV,V stands for 1st, 2nd, 3rd, 4th & 5th doses.

TABLE 11.4

DOCTOR CONSULTING FEE IN VARIOUS CITIES

In Rupees

Period*	Faisal-abad	Gujran-wala	Hyder-abad	Islam-abad	Karachi	Lahore	Pesha-war	Quetta	Rawal-pindi	Sukkur	Pakistan
	Base Year : 2007-08 = 100										
2010-11	80.00	75.00	68.75	100.00	93.85	70.00	166.67	180.00	85.00	100.00	101.93
2011-12	90.00	75.00	80.00	200.00	100.00	70.36	191.61	200.00	110.00	100.00	121.70
2012-13	90.00	75.00	100.00	146.25	100.00	100.00	225.00	200.00	135.00	100.00	127.13
2013-14	90.00	75.00	100.00	175.00	100.00	100.00	220.83	200.00	166.67	100.00	132.75
2014-15	125.00	75.00	100.00	175.00	100.00	100.00	266.67	200.00	166.67	100.00	140.83
2015-16	125.00	75.00	100.00	175.00	100.00	100.00	266.67	200.00	166.67	100.00	140.83
2016-17	135.42	77.08	100.00	220.83	141.28	100.00	266.67	200.00	212.50	100.00	155.38
2017-18	250.00	100.00	100.00	225.00	173.39	118.75	266.67	200.00	216.67	135.42	178.59
2018-19	250.00	100.00	100.00	225.00	197.43	125.00	266.67	200.00	216.67	150.00	228.16
	Base Year : 2015-16 = 100										
2019-20	264.47	100.00	100.00	334.56	210.18	160.14	462.83	212.09	305.87	185.38	254.29
2020-21	300.00	183.33	109.63	389.13	226.41	195.33	589.43	216.94	354.74	200.00	289.61
2021-22	320.33	200.00	144.53	510.91	240.71	209.00	641.72	276.13	472.23	245.85	337.04
2022-23	350.23	275.00	208.04	642.83	324.85	238.08	780.80	297.20	557.36	293.68	405.20
2023-24	474.79	300.00	229.62	694.23	348.79	349.56	992.34	297.20	595.78	300.00	474.17
2024-25 Jul-Mar	566.19	300.00	260.17	807.68	389.59	438.07	1216.74	342.00	690.88	300.00	521.62

*: Fiscal Year

Source: Pakistan Bureau of Statistics

Note: In the new base year 2015-16, prices are disseminated w.e.f July, 2019

POPULATION, LABOUR FORCE AND EMPLOYMENT

Population Size (2023) **241.5** (Million)

- Male: 124.32 million
- Female: 117.15 million

Percentage of Population by Age Group

- Population 15 to 29 years: 26%
- Population between 15 to 59 years: 53.8%

Workers Regd. for Employment Abroad **727,381** (2024)

A new Tier 4 has been added in Prime Minister Youth Business & Agriculture Loan Scheme

- Laptops for All
- Support for prospective overseas workers

Chapter 12

POPULATION, LABOUR FORCE AND EMPLOYMENT

Rapid population growth poses significant challenges to achieving socio-economic development, particularly in developing countries like Pakistan. It places immense pressure on public services such as healthcare, education, housing, and employment, making it increasingly difficult for governments to meet the needs of their populations effectively. This strain can undermine efforts to reduce poverty, eliminate hunger, and improve access to basic services, thereby slowing overall progress toward inclusive and sustainable development.

One of the key drivers of high rate of fertility and population growth is the lack of autonomy and opportunities for women and girls. Limited access to education and reproductive health services often restricts their ability to make informed decisions about family planning. Empowering individuals, especially women, through education, economic opportunities, and comprehensive reproductive healthcare is therefore, critical to manage a high world population and extremely unfavorable demographic outcomes. Such empowerment not only promotes gender equality but also leads to lower fertility rates, helping to stabilize population growth and support sustainable development.

Achieving the Sustainable Development Goals (SDGs), particularly those related to health, education, and gender equality, requires concerted action to empower individuals and address the underlying causes of rapid population growth. Unless these underlying drivers are effectively addressed, the momentum of demographic pressures may continue to erode the gains of broader development efforts.

Globally, the population is expected to continue growing for the next 50 to 60 years, peaking at approximately 10.3 billion by the mid-2080s before gradually declining to around 10.2 billion by the end of the century[1].

According to the Seventh Population and Housing Census (2023), Pakistan's population has reached 241.5 million[2], comprising 124.32 million males and 117.15 million females. A defining demographic characteristic of Pakistan is its substantial youth bulge: 26 percent are aged between 15 and 29 years, and 53.8 percent of the population falls within the working-age group (15 to 59 years). This demographic dividend offers a unique opportunity for economic prosperity and social uplift if effectively converted into an asset equipped with scientific knowledge and technology that will offer a powerful engine for innovation and sustainable growth.

To harness the potential of the youth, government has launched several initiatives aimed at enhancing youth employment prospects. Notable among these are the "Prime Minister's Youth Business & Agriculture Loan Scheme" and the Prime Minister's Programme named "Skills for All", which focus on promoting entrepreneurship and skill development. These programmes aim to transform Pakistan's demographic challenge into a driver of economic growth and social stability.

12.1 Population Growth Trends

The population of Pakistan increased six-fold

[1] https://www.un.org/en/global-issues/population

[2] National Institute of Population Studies (NIPS) is currently finalizing the population projections at National, Provincial and District levels for 2024 and onwards on the basis of population census 2023.

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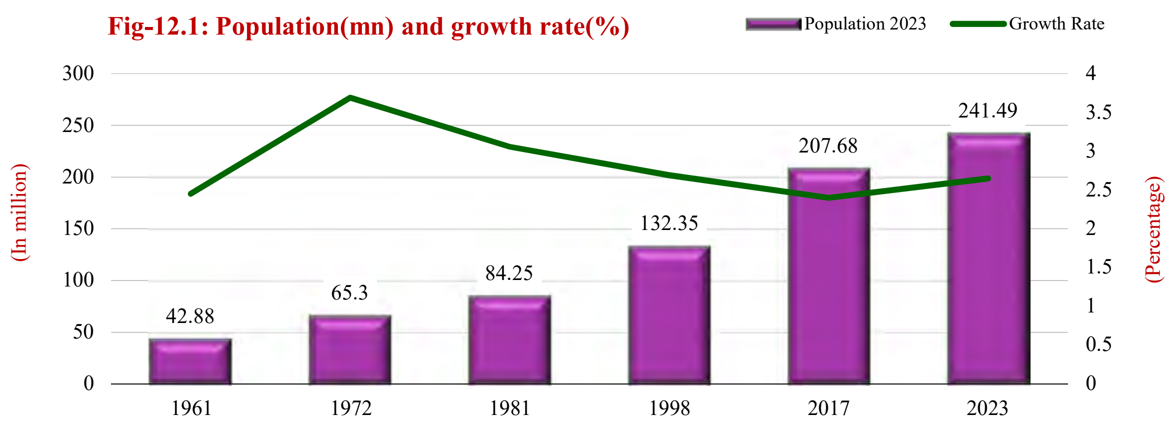
during the period 1961-2023, from 42.88 million in 1961 to 241.5 million in 2023. The average annual population growth rate from 2017 to 2023 was 2.55 percent, slightly higher than the 2.4 percent recorded between 1998 and 2017. These census results, shown in the Fig-12.1, indicate that the high average annual growth rate suggests strong population momentum, indicating that the population will continue to grow significantly in the future.

Fig-12.1: Population(mn) and growth rate(%)



Source: Pakistan Bureau of Statistics

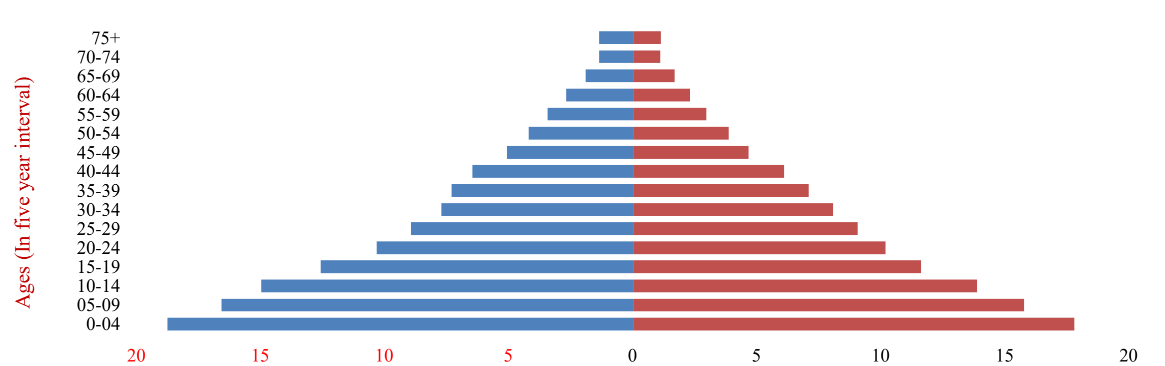
12.1-a Age-wise Population Composition

Population composition, particularly in terms of age and sex, serves as a crucial indicator for understanding a country's health status, social behaviours, and economic needs. A country's age distribution significantly influences key socio-economic sectors such as education, healthcare, and employment. A higher proportion of children and elderly individuals necessitates increased public expenditure on services like schools, childcare, immunization, elderly social security, and healthcare services for chronic diseases.

In Pakistan, 15.17 percent of the population falls within the 0-4 age group, while 40.56 percent is below 15 years. Notably, 67 percent of the population is under 30, and 79 percent is below 40, reinforcing Pakistan's status as a young nation with significant potential for economic growth. The proportion of individuals aged 65 and above stands at just 3.55 percent, indicating a relatively low burden of elderly dependency.

This demographic dividend presents a unique opportunity for economic expansion and development. However, to fully capitalize on this advantage, strategic investments in education, skill development, and vocational training are essential. By equipping the youth with market-relevant skills, Pakistan can transform its young workforce into a powerful driver of economic growth in the years ahead.

Fig-12.2 (Pyramid) : Age, Sex composition of Pakistan, 2023



Source Population Census 2023

12.1-b Population of Major Cities

The population of major cities in Pakistan has increased substantially between 2017 and 2023, reflecting urbanization, migration, and expansion of metropolitan areas.

Karachi remains the largest city, with a population that increased from 14.88 million in 2017 to 18.87 million in 2023, with an average annual growth rate of 4.04 percent. This rapid growth poses challenges in terms of infrastructure and public services provisions. Hyderabad's population grew more moderately, rising to 1.92 million in 2023 with a 1.53 percent average annual growth rate.

Lahore's population increased from 11.12 million in 2017 to 13.0 million in 2023, largely driven by economic opportunities, especially in the service sector, improved infrastructure, and urban expansion. Faisalabad's population reached 3.69 million in 2023, reflecting its continued significance as a major industrial hub, while Multan, the commercial hub in southern Punjab, saw its population rising to 2.2 million. Gujranwala grew to 2.67 million, reflecting steady industrial and agricultural expansion.

Rawalpindi experienced the highest average growth, reaching 3.36 million in 2023 with an annual growth rate of 8.18 percent, fuelled by its proximity to Islamabad and ongoing infrastructure developments. Meanwhile, Islamabad itself saw controlled growth, increasing its population to 1.11 million, mainly due to zonal laws.

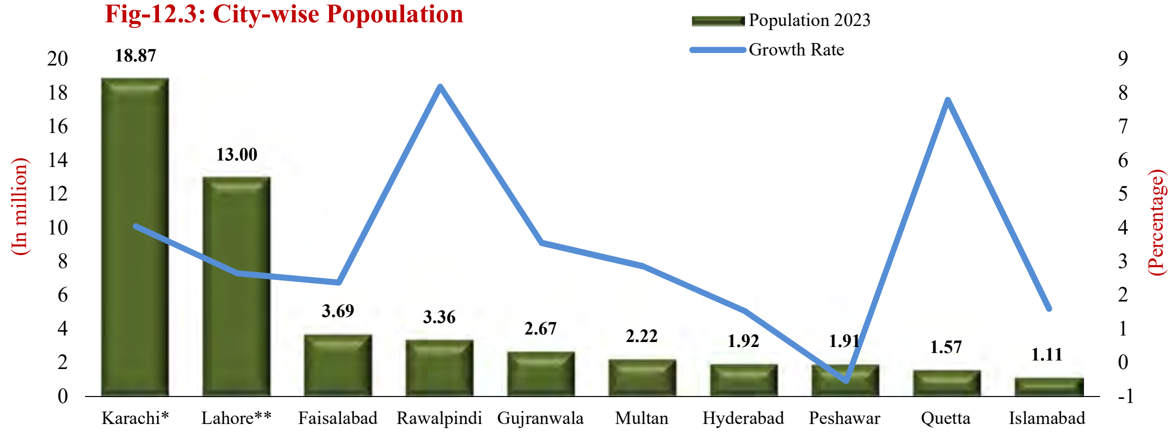
Peshawar's population declined slightly to 1.91 million by 2023 due to socioeconomic challenges and migration to other regions. In contrast, Quetta saw rapid growth, with its population reaching 1.57 million, a 7.79 percent average annual growth rate, primarily driven by rural migration and its strategic location.

These trends underscore the urgent need for sustainable urban planning, improved infrastructure, and balanced regional development to effectively manage the challenges of rapid population growth.

12.1-c Population & Family Planning

Family Planning (FP) is globally recognized as a vital strategy for managing population growth and enhancing maternal and child health care. As part of the international family planning community and a signatory to FP2030 commitments, Pakistan is proactively redefining its population programs by strengthening collaborative partnerships, increasing resource mobilization, and improving governance and oversight.

Fig-12.3: City-wise Popoulation



*: Including urban population of all 7 districts and 6 cantonments of Karachi division, **: Whole district is urbanized, Population Census 2023

Pakistan has made its FP2030 commitments in line with its national goals agreed upon under the composite coverage index (CCI) recommendations and the targets set for the National Action Plan to strengthen family planning. The objectives of FP 2030

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commitments are as follows:

- Adapt and implement evidence-based progressive policy reforms with political will and enabling environment at all levels.
- Universal access to services to lower fertility rates and addresses the unmet need for contraception.
- Addressing information and service needs especially in remote areas.
- Gearing for uniform understanding of national narrative.
- Contraceptive commodity security and efficient supply mechanism.
- Legislative support
- Institutionalization of human development and system strengthening to sustain family planning efforts.
- Monitoring and evaluation for results and effectiveness.
- Mobilizing funds and allocations for family planning and reproductive health activities.

Measurement report of FP 2030 indicators shows that five percent maternal deaths and unsafe abortions and four percent unintended pregnancies from 2023 to 2024 have been prevented due to modern contraceptive use. It is expected that these indicators will show improvement in future and this trend will help in controlling fertility rate. The progress of other FP indicators is given in table 12.1.

Table 12.1: FP 2030 Indicators	2023	2024
Total users of modern methods of contraception(mn)	11.53	12.11
Modern contraceptive prevalence rate (mCp) (%)	19.1	19.6
Percentage of women estimated to have an unmet need for modern methods of contraception (mUN) (%)	16.3	16.0
Number of unintended pregnancies averted due to modern contraceptive use(mn)	4.23	4.4
Number of unsafe abortions averted due to modern contraceptive use(mn)	2.22	2.33
Number of maternal deaths averted due to modern contraceptive use	6,000	6,300

Source: www.FP2030.org/commitment-makers

12.1-d FP Initiatives Undertaken by Provincial Population Welfare Departments

After the 18th Amendment, the Federal Ministry of Population Welfare was dissolved. While the Population Welfare Programme was devolved to the provinces in 2010, the objective of Provincial Population Welfare Departments is to stabilize population growth and reduce fertility rate by improving access to quality reproductive health care through integrated service delivery.

Access to quality family planning and reproductive health (FP/RH) services is essential for improving maternal health, controlling population growth, and promoting gender equity. Recent interventions across Pakistan, particularly in provinces, have demonstrated promising outcomes through expanded service delivery, enhanced awareness, and stronger institutional coordination. The detail of initiatives taken by provinces is given below:

Sindh

- The government of Sindh has launched state of the art Family Planning Skills Lab at Jinnah Post Graduate Medical Centre in collaboration with USAID
- Awareness sessions are conducted regarding FP through universities and colleges, and in shanty areas through social mobilizers
- Paper-based registration of clients is shifted to Electronic Client Record
- Family Health Days are held in slum areas once a week throughout Sindh to increase awareness regarding contraceptives
- Digitalization of the Family Welfare Workers course.

Balochistan

- The Population Welfare Department has developed a webpage and a social media platform for sharing information
- The Reproductive Health Bill has been proposed for approval
- Electronic Client record, an online reporting on family planning and reproductive health, is implemented
- The department has approved guidelines for social and behavior change communication
- The Balochistan population policy is in process
- Arrangement of Satellite Camps

Punjab

- Door-to-door social behavior change communication campaign through field staff, including Family Welfare Assistants (M&F) and Social Mobilizers.
- Involvement of local leaders and influencers, including Ulemas, to advocate for family planning.
- Awareness campaigns through social, digital, electronic, and print media
- Construction of buildings of two District Population Welfare Complexes in Punjab
- Establishment of 12 Mobile Service Units for the provision of Family Planning and Mother Child Healthcare services
- The Punjab Population Innovation Fund is contributing in supporting innovative solutions to family planning and reproductive health challenges in the province by piloting new models that improve service delivery in underserved areas
- The Population Welfare Department and Primary & Secondary Healthcare Department, with support from the World Bank, have launched the Punjab Family Planning Programmes to enhance access to family planning services and commodities over a four-year period (2023-2027). The key activities of this programme are as follows:
    - Development of a Social Behavior Change Communication (SBCC) Strategy to influence public attitudes toward family planning.
    - Broadcasting of TV and radio commercials and drama to raise awareness.
    - Organization of two Family Planning Education Fairs (Melas) per year in each district over two years.
    - Four high-level advocacy workshops, held with stakeholders, including parliamentarians and ministries.
    - Six TV talk shows/debates on family planning, population growth, climate change, and their links to economic development, featuring lawmakers and experts.

Khyber Pakhtunkhwa

- A total of 435,090 clients received Family Planning and Reproductive Health (FP/RH) services, alongside 354,994 general patients treated for various medical conditions. The program achieved a Couple Year Protection (CYP) of 456,179, reflecting significant progress in contraceptive coverage.
- To expand access in underserved areas, 2,129 mobile extension camps were organized through Mobile Service Units (MSUs), while an additional 5,400 camps were conducted at Family Welfare Centers (FWCs). Field staff undertook 128,126 motivational visits to promote behavioral change among eligible couples.
- Awareness-raising efforts included 1,030 Health and Hygiene sessions in girls' high schools and colleges, educating students on reproductive health.
- To enhance coordination and timely decision-making, 170 District Technical Committee and advocacy meetings were held with key stakeholders, including health officials, NGOs, INGOs, religious scholars, and public representatives.
- To ensure service quality and accountability, 1,372 monitoring visits were conducted at both district and field levels. Additionally,

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17,385 advocacy meetings were held with religious leaders, community representatives, and opinion leaders to mobilize support for FP/RH initiatives.

- The Khyber Pakhtunkhwa Reproductive Healthcare Rights Act, 2020 reinforces the province's commitment to reproductive healthcare access and rights.
- The Electronic Client Record (ECR) system, introduced under USAID's Building Healthy Families Activity (BHFA) project, was successfully piloted in six districts of Khyber Pakhtunkhwa, marking a key step toward the digitalization of FP/RH services

Capacity-building initiatives to facilitate implementation of the FP measures, by the Khyber Pakhtunkhwa government, included the following:

- At the district level,332 service providers were trained in motivational techniques.
- An Advanced Family Welfare Counselor Course was delivered to 26 Family Welfare Workers (FWWs) at RTI Peshawar.
- Under the Annual Development Programme, 270 FWWs and 62 Family Welfare Assistants (FWAs) were trained in "Family Planning Convincing Techniques through Interpersonal Communication Skills"

12.2 Gender Parity and Sustainable Development

Gender parity is an essential component of building a prosperous and inclusive society. It guarantees equal participation and representation of all genders in key areas that drive social and economic development, including economic productivity, workforce engagement, and political decision-making.

Women's active involvement in the labour force addresses workforce gaps and enhances diversity in workplaces. The unique skills, insights, and experiences that women bring contribute to greater innovation, improved decision-making, and an overall development of human and economic capital. Gender parity is a cornerstone of sustainable development because it ensures that all individuals, regardless of gender, have equal opportunities to contribute to and benefit from development efforts.

The Government of Pakistan remains firmly committed to eliminating all forms of discrimination against women and promoting gender equality and empowerment at every level of society. This commitment is rooted in Pakistan's long-standing engagement with the global human rights agenda. As one of the first countries to sign the Universal Declaration of Human Rights (UDHR) in 1948 and a signatory to seven core international human rights treaties, including the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), Pakistan has consistently demonstrated its dedication to advancing the rights of women and girls.

Pakistan also upholds gender-related commitments through active participation in major international and regional forums, such as the Beijing Platform for Action, the Organization of Islamic Cooperation (OIC), the Shanghai Cooperation Organization (SCO), the South Asian Association for Regional Cooperation (SAARC), and the Asia-Europe Meeting (ASEM). These platforms guide national efforts toward achieving equitable development, promoting women's leadership, and reducing gender disparities across social, economic, and political spheres.

Recognizing the crucial role of women in the country's socio-economic development, the Government is implementing the Prime Minister's Women Empowerment Package, 2024 across the country.

Prime Minister's Women Empowerment Package, 2024

This comprehensive initiative focuses on economic inclusion, financial independence, skill development, and leadership opportunities for women. The implementation of these directives is being closely monitored to ensure tangible outcomes that benefit women across Pakistan, particularly those from marginalized and vulnerable communities.

The Prime Minister's Initiative for Women Empowerment provides women with interest-free loans, skills training, and daycare centers for working women. The Women Pink Bus Service and the Women on Wheels Project have been launched to improve women's mobility and safety, particularly in urban areas. Similarly, the Punjab Pink Scooty Scheme offers interest-free loans for female students to buy scooters, while the Women Parliamentary Caucus works to enhance women's political participation. Provincially, programs like Khyber Pakhtunkhwa's gender-sensitive labor inspection teams and Balochistan's Gender Desk promote gender equality in employment and labor rights.

Through the implementation of policies like Banking on Equality and the Revolving Financing Facility for Women Entrepreneurs, which target the financial inclusion of women, and the National Financial inclusion Strategy (2023), which surpassed its target of 20 million active bank accounts for women, Pakistan is breaking down barriers to women's financial independence.

Similarly, the Securities and Exchange Commission of Pakistan (SECP) has also contributed to supporting women entrepreneurs by fostering greater gender diversity in the corporate sector. By mandating all listed companies to have at least one woman director on their boards, ensures that women have a presence in decision-making roles.

In addition, the Ministry of Human Rights is taking different initiatives for the protection and promotion of human rights i n the country, including the implementation flaws, policies, and measures. The details are as follows:

- Pakistan actively participated in international forums and bilateral meetings to advocate human rights and compliance with international treaties. This included the review of the 24th - 26th Combined Periodic Reports on the International Convention on the Elimination of All Forms of Racial Discrimination (ICERD) and the 2nd Periodic Report on the International Covenant on Civil and Political Rights (ICCPR) in Geneva.
- On December 9, 2024, MoHR launched the five-year EU-funded project "Promotion of Human Rights in Pakistan Phase II" In collaboration with the European Union Delegation and UNDP Pakistan. The project focuses on strengthening national human rights institutions, improving government structures, promoting human rights education, and raising awareness on business and human rights.
- MoHR submitted the national report on the Beijing Declaration and Platform for Action +30 in June 2024. The report highlights legislative and administrative reforms for women's empowerment, including progressive laws, women's inclusion in company boards, financial support schemes, better work environments, property rights protection, political participation, and improved access to justice and health.
- Efforts were made to amend the Child Marriage Restraint Act 1929 to standardize the legal marriage age at 18 years for both boys and girls.
- MoHR initiated the formulation of a National Policy on Ending Violence Against Women.
- A National Strategy for Male Involvement in addressing Gender-Based Violence (GBV) is under development, with consultations held across provinces.
- The Ministry continued implementing the National Action Plan on Business and Human Rights (NAP-BHR), focusing on human rights due diligence and protecting marginalized communities.
- MoUs were finalized with Türkiye and Rwanda to enhance cooperation in family welfare, gender promotion, and child development.
- The Human Rights Awareness Programme (HRAP) was launched with a budget of Rs 55 million to raise public awareness of legal and constitutional rights through media campaigns, workshops, and training.
- The Transgender Protection Centre was

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established in Islamabad, providing legal aid, medical services, psychological counselling, and referral support. The Centre assisted 391 transgender individuals with legal help, 200 with medical care, and 71 with counselling. It built linkages with NADRA and BISP for identity registration and financial support, and partnered with UNDP, SMEDA, NAVTTC, NCSW, ICT Police, and CDA for expanded services.

- Under child welfare and family support programs, over 1,000 mothers and girls received skills training in dressmaking, beauty services, and digital literacy.

The government's commitment towards achieving gender equality and enhancing women's representation extends across political, judicial, civil, and human rights spheres. Pakistan is advancing toward a more equitable society, where women are not only seen as contributors to the national economy but also as key decision-makers.

12.3 Initiatives for Skill Development & Employment Generation

A country's capacity to generate employment depends upon its available resources, technological base and advancement, and institutional strategies. Similarly, human resources, skills, and technical competence determine the type of employment, which contributes to achieving sustainable economic growth. Skill development is an important area to be focused on in order to train the youth, in line with the needs of the emerging market dynamics. For this purpose, the National Vocational & Technical Training Commission (NAVTTC)'s strategic initiatives are reshaping the Technical and Vocational Education and Training (TVET) landscape, fostering skill development, and addressing systemic TVET challenges in Pakistan. NAVTTC's skill development-related initiatives and most importantly, the Prime Minister's Youth Skill Development Programme (PMYSDP) registered substantial progress in the TVET landscape of Pakistan, creating a robust, inclusive, and globally competitive workforce for sustainable national development. PMYSDP is the vehicle of change to empower youth and harness their potential for human development and transformation of the future of Pakistan.

- Under the PMYSDP, 56,000 youth have been trained in 39 emerging IT skills, 53 industrial skills, and 34 hardcore skills. The program targets both domestic and international job markets, including the Kingdom of Saudi Arabia, UAE, Gulf countries, EU, Japan, and Korea.
- Under PMYSDP, 16,000 IT students have been trained and certified in collaboration with globally recognized IT companies like Google, Microsoft, and Cisco.
- Batch-I of 362 students has completed their training in high-impact IT in 16 FDE colleges with collaboration of NUST, NUML, COMSATS, NSU under PMYSD Programme
- Over the past two years, 44,729 skilled workers have been jointly assessed, certified, and facilitated for migration to Saudi Arabia under the NAVTTC-TAKAMOL joint skill verification program.
- Additionally, under NAVTTC's Recognition of Prior Learning (RPL) program, 5,700 informally skilled workers have been assessed and certified as skilled professionals. Moreover, 500 CBT&A assessors have been trained in Competency-Based Training and Assessment and the RPL system
- Further, 100 TVET institutes were accredited last year by the National Accreditation Council for the TVET stream.
- Under the Ministry of Federal Education's guidance, 16 general education colleges have been converted into high-impact IT training centers to teach emerging fields like Game Development, AI, Block chain, and Cloud Computing.

New Initiatives:

- Following the Prime Minister's directives, NAVTTC aims to train 100,000 youth in Information Technology/High-Tech skills, 100,000 in conventional skills, and 150,000 in Industrial IR4.0 skills over the next three years to boost IT and industrial exports.

- To reduce regional disparities, NAVTTC plans to launch a special skill training program to train 12,000 youth in sectors like hydropower, hospitality, mining, agriculture, livestock, construction, and regional trades.
- In collaboration with PSDF, BISP, POEPA, and Akhuwat, a program titled "Poverty Alleviation through Skilling" will train 1,000 BISP beneficiary orphan children. Skill vouchers will be issued, and at least 60 percent employment (20 percent abroad, 40 percent local) will be ensured through POEPA and Akhuwat partnerships.
- An end-to-end business solution and outcome-based training program will skill 6,000 youth over the next three years. This initiative will focus on demand-driven training, Return on Investment (ROI), and increasing foreign remittances.
- A pilot program for Healthcare and Nursing training is being launched in collaboration with the Pakistan Nursing Council and POEPA to meet healthcare demands in countries like Japan and Korea.
- Language training programs will be started to skill 1,000 youth in German, Japanese, Korean, English, and Arabic, with training support from institutions like NUML.
- NAVTTC is developing a central database for better coordination between federal and provincial entities. API integration for the supply side (TEVTAs) has been completed, while integration with employers and foreign job portals is underway.
- E-learning content for 200 TVET qualifications will be developed in partnership with Virtual University (VU).
- Skill mapping for labor export has been carried out. NAVTTC's training programs are now being aligned with overseas employment demands.
- TAKAMOL skill verification centers are being expanded to meet Saudi Arabia's demand for skilled workers. Recently, 36 TTCs of POEPA have been registered, and 7 institutes have been referred for TAKAMOL's further review.
- Under the guidance of the Ministry of Federal Education and Professional Training 3,500 Madrassa students will be trained in conventional and industrial skills.
- Every year, 5,000 youth will be trained in small, medium, and large industries, and another 5,000 in entrepreneurship to promote self-employment and entrepreneurship culture.
- Each year, 150 TVET institutes will be accredited by the National Accreditation Council of NAVTTC, and institutes will be encouraged to pursue international accreditation.
- A special skill training program for 1,500 youth in Azad Jammu and Kashmir has been launched. Batch-I of 532 trainees has completed training, and Batch-II is in progress.
- A special skill training program for 1,500 youth in Gilgit-Baltistan is underway. Batch-I of 899 trainees has completed training, and Batch-II is in progress.
- An Industry-Led Training Initiative is being developed in collaboration with the Gems & Jewelry sector, Construction sector, and Pakistan Printing & Graphic Association.
- Joint ventures with training service providers are being initiated to help 50,000 youth secure overseas employment and boost foreign remittances.
- Establishment of 08 high-tech labs in Sindh, 04 labs in FY 2025 and remaining in FY 2026.
- Blended International Technology Training programmes will be launched through digital labs in collaboration with international platforms.

12.3-a Prime Minister Youth Programmes

The Prime Minister's Youth Programme (PMYP) focuses on youth development through the 4Es Framework: Education, Employment, Engagement, and Environment. It aims to empower Pakistan's youth by equipping them with the necessary skills, resources, and opportunities to become self-reliant and

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contribute meaningfully to the nation's growth. The details of these initiatives are as follows:

- PM's Youth Business & Agriculture Loan Scheme (PMYB&ALS): This scheme promotes entrepreneurship among youth by providing business loans on simple terms and with less markup through 15 Commercial, Islamic, and SME banks. The government has expanded the Prime Minister's Youth Business and Agriculture Loan Scheme, and tier-4 has been added to provide financing for laptops and support for prospective overseas workers.
  - Laptops for All: The purpose of this scheme is to facilitate the youth in purchasing devices essential for academic and entrepreneurial pursuits. Eligible applicants include students of Higher Education Commission-recognized institutions, freelancers, and entrepreneurs aged 18 to 30 years. The loan tenor will be of four years, with repayment in equal monthly installments and a zero interest rate.
  - Prospective Overseas Workers: Under this scheme, a loan of upto Rs 1 million would be provided to cover skill training, travel and visa costs, and initial settlement expenses. Eligible applicants include workers aged 21 to 45 with a valid job letter or recruitment through the licensed Overseas Employment Promoters. The loan tenor will be up to five years, with repayment in equal monthly installments.
- Pakistan Education Endowment Fund (PEEF): 861 scholarships were awarded across Pakistan by the Pakistan Education Endowment Fund (PEEF), with a total of 250 million rupees disbursed. This marked the disbursement of scholarships to students nationwide, providing them with the opportunity to pursue their educational aspirations.
- Prime Minister's Digital Youth Hub (DYH) marks a significant step toward connecting Pakistan's youth to all opportunities under the four core areas of PMYP. A Digital Youth Hub is being developed via PMYP's with support from UNICEF - Generation Unlimited, which is Pakistan's first national platform designed to connect youth with these opportunities. This programme will further empower youth by providing AI-driven recommendations and personalized access to resources, supporting growth and development.
- Pakistan is actively developing a National Adolescent and Youth Policy. The Prime Minister's Youth Programme is leading the effort in collaboration with UNICEF through Generation Unlimited. This policy aims to directly address the needs and aspirations of adolescents and youth in the country.

Box-1: The Future of Employment in Green and Digital Transitions

In response to the escalating impacts of climate change and expanding opportunities of the digital revolution, economies are ramping up investments in green and digital transitions. These transformative shifts offer significant potential to driving large-scale job creation and fostering sustainable economic growth.

According to an International Labour Organization (ILO) brief, investments in renewable energy and energy efficiency to achieve net-zero carbon emissions by 2050 are expected to generate 37.2 million more jobs than a business-as-usual scenario. Additionally, investments aimed at universal broadband coverage by 2023, are projected to create 23.5 million more jobs.

The Asia-Pacific region is expected to experience the most significant gains, particularly from green investments. An estimated 26.3 million new jobs will account for 70 per cent of the total global gains. The digital transition will primarily drive employment growth in the distribution, retail, hospitality, and catering sectors, while the green transition will notably boost job creation in construction and manufacturing sectors.

Strong employment creation potential exists for youth, especially in middle-income countries. The role of Technical and Vocational Education and Training (TVET) would be crucial in equipping young workers with the necessary skills to thrive in the evolving green and digital economies.

However, gender disparities in the benefits of these transitions will persist. Women are significantly less likely to benefit from the newly created employment opportunities, as the sectors expanding as a result of these transitions are predominantly male-dominated. Estimates suggest that, compared to men, the increase in female employment share from digital investments will be 30 percent points lower and from green investments 46 percent points lower.

While the green and digital transitions offer significant employment potential, strategic, gender-sensitive policies will be necessary to ensure that the benefits are equitably distributed and that women are not left behind in the workforce of the future. Key actions should include enhancing women's access to digital skills and STEM training, introducing incentives for recruitment, retention, and advancement of women in male-dominated sectors, and promoting inclusive workplace cultures that mitigate occupational segregation.

As highlighted in this chapter, the federal and provincial governments are taking various measures to equip Pakistan's youth for future, including young women, ensuring they are prepared for the opportunities arising from the country's green and digital transitions.

Source: International Labour Organization, (November 2024), 'Navigating the Future: Skills and Jobs in the Green and Digital Transitions'.

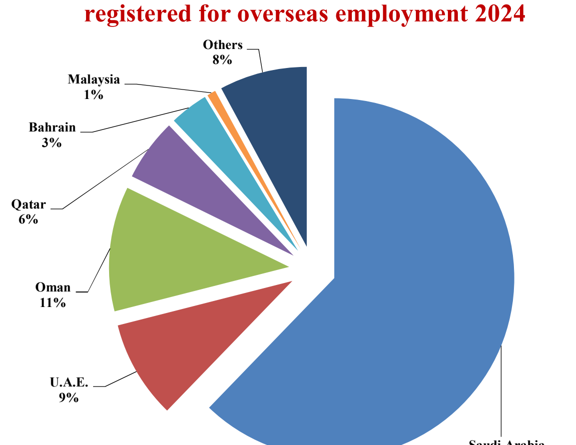
12.4 Overseas Employment

Expatriate Pakistani workers play a crucial role by sending much needed remittances that majorly contribute to capital inflows into the country. These remittances serve as a vital source of income for many households in Pakistan, contributing to poverty alleviation, improving living standards, and stimulating consumption.

Since 1972, more than 14.22 million Pakistanis have proceeded abroad for employment over 50 countries through official procedures till March, 2025. More than 96 percent Pakistani registered workers for overseas employment to Gulf Cooperation Council countries especially to Saudi Arabia and the United Arab Emirates. They are contributing in the development of Pakistan economy by sending remittances, which is the major source of foreign exchange after exports.

During 2024, the Bureau of Emigration and the Overseas Employment (BE&OE) and the Overseas Employment Corporation (OEC) registered 727,381 workers for overseas employment. According to BE&OE, more than 62 percent (452,562) of Pakistani workers moved to Saudi Arabia for employment, followed by Oman (11 percent), to earn a living. UAE employed 64,130 Pakistani workers (9 percent) while Qatar offered jobs to 40,818 individuals (6 percent). Bahrain and Malaysia hosted 25,198 workers (3 percent) and 5,790 workers (1 percent), respectively.

Fig-12.4: Number of Pakistani Workers registered for overseas employment 2024



Source: BE&OE

12.4-a Skill Composition of Emigrants

The skill composition of Pakistani emigrants in 2024 continues to be dominated by unskilled and semi-skilled labor, with relatively low representation from highly qualified and highly skilled professionals. According to the data, 50 percent of emigrants fall under the unskilled category (366,092), while 35 percent (255,706) are skilled workers. Although there has been a slight decline compared to 2023, unskilled labor remains in high demand globally, particularly in

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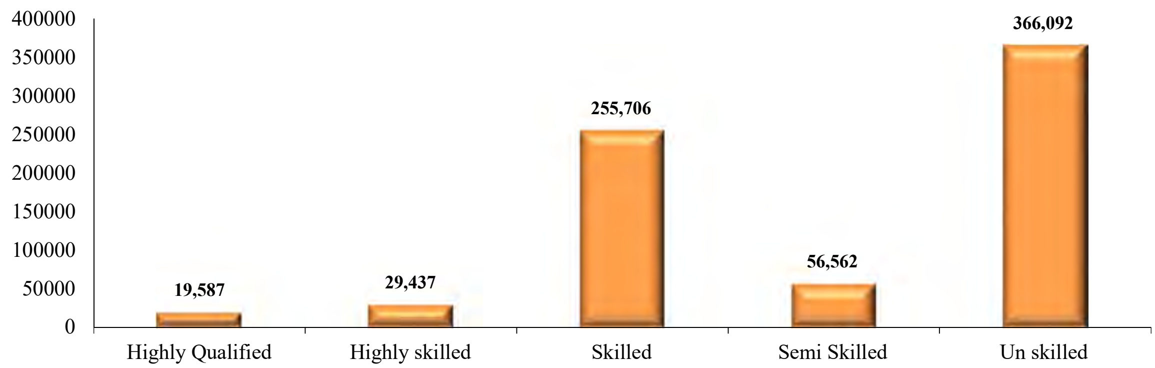
construction, domestic work, and agriculture sectors.

To meet the evolving needs of international job markets, upskilling and certification of the workforce is Pakistan's critical priority. In this regard, institutions like NAVTTC, TEVTAs, and other vocational training bodies have a vital role to play in producing a skilled, competitive, and internationally employable workforce.

Fig-12.5: Skill Composition of Emigrants (2024)

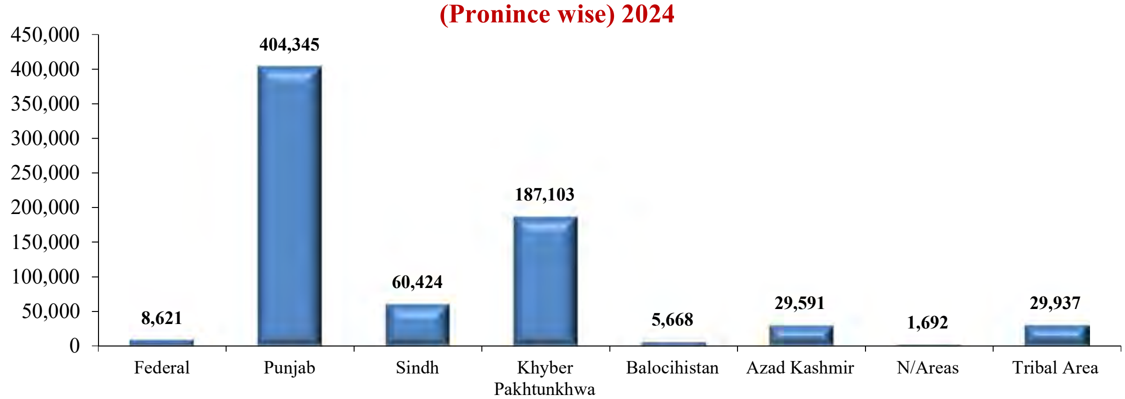


Source: BE&OE

12.4-b Province-wise Emigration

In 2024, the highest number of workers who went abroad for employment was from Punjab (404,345), followed by Khyber Pakhtunkhwa (187,103), Sindh (60,424), and Tribal areas (29,937) as shown in Fig-12.6**.** The graph highlights that the majority of overseas workers originate from Punjab and Khyber Pakhtunkhwa, while Balochistan and Gilgit-Baltistan have significantly lower numbers. High costs of migration, inadequate infrastructure, and cultural barriers are likely the main factors behind the low participation in overseas migration from these provinces.

Fig-12.6: Pakistani workers registered for overseas employment (Pronince wise) 2024



Source: BE&OE

Measures to Boost Manpower

To further bolster manpower export and ensure safe and orderly emigration, BE&OE aims to strengthen emigration framework and digitize the entire emigration process for improved service delivery through various initiatives.

- Pakistan Emigrant Management Framework (PEMF) is a digital initiative designed to connect all relevant stakeholders and streamline the emigration process by enabling online verification of NOCs and certificates issued to prospective emigrants. The goal is to reduce processing time and improve overall efficiency in manpower export.

- The PakTok mobile app, which aims to connect the Pakistani diaspora with their homeland, is in its final stages of development.
- The ministry issued 65 new licenses to Overseas Employment Promoters (OEPs), bringing the total number of operational license holders to 2,264.
- BE&OE conducts comprehensive awareness campaigns using various media channels such as print, electronic, social media, radio, websites, Facebook, Twitter, and mobile cellular services.
- BE&OE, in collaboration with FIA, formed an operational-level committee to strengthen coordination and verify emigrants' credentials, aiming to eliminate illegal migration.
- OEC is actively working to connect demand-side stakeholders (foreign employers, embassies, governments) with supply-side partners (provincial authorities, TEVTs, training institutes) to align workforce skills with international labor market needs. CWAs are key facilitators in this process.
- During the HRALS Expo in Saudi Arabia (Oct 2024), OEC signed 33 Letters of Intent (LoIs) and an MoU with Nesma & Partners, boosting job prospects under Saudi Arabia's Vision 2030.The renewal of the LoI with Germany's Federal Employment Agency (Feb 2024 - Feb 2025) marked a step toward a deeper partnership.
- OEC organized seminars to inform job seekers about opportunities in Canada (health sector), Japan (Technical Intern Training Programme (TITP) and Specified Skilled Worker (SSW) programs), and the USA (especially nurses for New York State).
- OEC developed a Soft Skills Training Programme (SSTP). A web-based module was launched on International Migrants Day 2024, and a mobile app version is nearing completion. The program equips migrant workers with essential interpersonal and cultural skills.
- OEC has provided Korean language training to around 30,000 Pakistanis seeking employment in Korea under the Employment Permit System (EPS) program.
- A Center of Excellence established by OEC at zero point Islamabad, wherein training of foreign language and Soft Skills, work ethics, cultural Norms, and Behavioral training (destination countries specific) before the departure are being imparted to the job seekers. In Center of Excellence, the following activities will be taken:
    - Foreign Language Learning Programme (FFLP), like Arabic, Korean, Japanese, German, English (IELTS & TOEFL).
    - Soft Skills training for intending migrants' workers, work esthetics, cultural norms, and behavioral training (destination countries specific) before the departure.
    - Pre-departure session / training for EPS of South Korea.
    - Certification of trades / skill sets based on Takamul-SVP with collaboration of NAVTTC/ PTEVTAs.
    - CBT for trades / skills (SSW program of Japan) and foreign languages (Japanese, German etc) JLPT / JFT for Japanese language.
    - Online facilities for FLLP.
- MoPHRD has deployed 19 Community Welfare Attachés (CWAs) with revised Key Performance Indicators (KPIs) and Standard Operating Procedures (SOPs) to promote safe, orderly, and regular emigration while combating irregular migration.

National Tripartite Labour Conference (2024): Held after 15 years, the conference focused on improving Occupational Safety and Health (OSH), especially in high-risk and informal sectors. Key outcomes included:

- Commitment to ratify core ILO OSH conventions.

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- Emphasis on gender-sensitive safety policies, particularly for women in domestic and agricultural work.
- Support for SMEs in adopting OSH practices through incentives.
- Strengthening social dialogue and unified provincial labour reforms.

ILO Conventions Ratified (November 2024-March 2025)

Pakistan approved and submitted ratifications for the following, which were formally deposited at the ILO Headquarters in Geneva on 14 March, 2025:

1. Protocol to the Forced Labour Convention (P029).
2. Labour Statistics Convention (No. 160).
3. Maritime Labour Convention (2006).

Planned Ratifications in 2025

Pakistan intends to ratify three key OSH-related ILO Conventions:

1. **C155** - Occupational Safety and Health.
2. **C176** - Safety and Health in Mines.
3. **C187** - Promotional OSH Framework.

National OSH Profile (2024): Launched in November, this framework aims to enhance workplace safety in line with international standards, reinforcing Pakistan's commitment to workers' rights and safer work environments.

Concluding Remarks

Pakistan's rapidly growing population presents both significant challenges and substantial opportunities. While demographic pressures strain public services, infrastructure, natural resources, and the labor market, a well-managed population can become a powerful engine for economic growth. National and provincial efforts-such as Pakistan's FP2030 commitments, reforms in the Technical and Vocational Education and Training (TVET) sector, and targeted youth employment programs-represent important progress toward this goal. The government is also prioritizing the empowerment of women and girls by expanding access to healthcare and education, thereby addressing persistent gender disparities. Furthermore, sustained investment in education, skill development, and labor market reforms is critical to equipping the youth with the capabilities needed to succeed in an increasingly dynamic, innovation-driven, and digital global economy.

TABLE 12.1

POPULATION

Year	Population (mln)	Labour Force Participation Rate(%)	Civilian Labour Force (mln)	Employed Total (mln)	Crude Birth Rate*	Crude Death Rate*	Infant Mortality Rate*	Growth Rate *
					(per 1000 persons)			
2000	139.55	28.97	40.38	37.22	-	-	-	2.60
2001	142.76	28.48	41.23	38.00	-	-	-	2.61
2002	146.02	29.61	43.01	39.45	27.03	8.20	85.00	-
2003	149.32	29.61	43.88	40.25	27.30	8.00	83.00	1.90
2004	152.66	30.41	45.95	42.42	27.80	8.70	79.90	-
2005	156.04	30.41	46.82	43.22	-	-	-	-
2006	159.46	32.22	50.50	47.37	26.10	7.10	76.70	-
2007	162.91	31.82	50.78	48.07	25.50	7.90	72.40	1.76
2008	166.41	32.17	52.23	49.52	25.00	7.70	70.20	1.73
2009	169.94	32.81	55.76	52.71	28.40	7.60	73.50	2.08
2010	173.51	32.98	57.22	54.05	28.00	7.40	72.00	2.05
2011	177.10	32.98	58.41	55.17	27.50	7.30	70.50	2.03
2012	180.71	32.83	59.33	55.80	27.20	7.20	69.00	2.00
2013	184.35	32.88	60.35	56.58	26.80	7.00	67.50	1.97
2014	188.02	32.28	60.09	56.52	26.40	6.90	66.10	1.95
2015	191.71	32.30	61.04	57.42	26.10	6.80	64.60	1.92
2016	198.78	-	-	-	27.80	7.00	62.40	2.08
2017	207.68	-	-	-	27.30	7.80	67.20	2.40
2018	211.82	31.70	65.50	61.71	26.70	6.80	60.50	1.99
2019	216.08	32.20	68.75	64.03	26.10	6.70	59.50	1.94
2020	220.40	-	-	-	25.40	6.60	58.50	1.80
2021	224.78	32.30	71.76	67.25	-	-	-	-
2022	229.22	-	-	-	-	-	-	-
2023	241.50	-	-	-	-	-	-	2.55

- : Not available

Source: Pakistan Bureau of Statistics

* : NIPS has not estimated the population indicators from 2018 to 2022 on the basis of Census 2017. However, the given estimates are based on Census 1998

Note:

1: Total Population is revised from 2018 to 2022 on the basis of Census 2017 by NIPS

2: National Institute of Population Studies (NIPS) is currently finalizing the population projections at National, Provincial and District levels for 2024 and onwards on the basis of population census 2023.

TABLE 12.2

POPULATION IN RURAL / URBAN AREAS

Population in million

Year	All Areas	Male	Female	Rural areas	Urban areas
2000	139.96	72.65	67.11	93.63	46.13
2001	142.86	74.23	68.63	95.36	47.50
2002	146.02	75.69	70.33	97.76	48.26
2003	149.32	77.38	71.93	99.74	49.57
2004	152.66	79.10	73.57	101.34	51.33
2005	156.04	80.83	75.21	102.12	53.92
2006	159.46	82.57	76.88	103.66	55.80
2007	162.91	84.34	78.57	105.20	57.72
2008	166.41	86.13	80.28	106.73	59.68
2009	169.94	87.94	82.01	108.08	61.87
2010	173.51	89.76	83.75	109.41	64.09
2011	177.10	91.59	85.51	110.73	66.37
2012	180.71	93.43	87.28	112.02	68.69
2013	184.35	95.29	89.06	113.28	71.07
2014	188.02	97.16	90.86	115.52	72.50
2015	191.71	99.04	92.67	116.52	75.19
2016	198.79	102.69	96.10	115.85	82.93
2017	207.68	106.34	101.34	131.94	75.74
2018	211.82	108.41	103.41	134.37	77.45
2019	216.08	110.54	105.53	136.87	79.20
2020	220.40	112.71	107.69	139.39	81.01
2021	224.78	114.90	109.88	141.96	82.83
2022	229.22	117.11	112.10	144.53	84.69
2023	241.50	124.32	117.15	147.61	93.88

- : Not available

Source: Ministry of Planning, Development & Special Initiatives

Note :

1: Total Population is revised from 2018 to 2022 on the basis of Census 2017 by NIPS

2: National Institute of Population Studies (NIPS) is currently finalizing the population projections at National, Provincial and District levels for 2024 and onwards on the basis of population census 2023.

TABLE 12.3

POPULATION IN URBAN, RURAL AREAS 1972, 1981, 1998, 2017 AND 2023 CENSUS

In thousands

Region/ Province	Population* Total Both Sexes	Total Male	Total Female	Urban Both Sexes	Urban Male	Urban Female	Rural Both Sexes	Rural Male	Rural Female	Density (Per sq. km)
					1972 CENSUS					
PAKISTAN	65,309	34,833	30,476	16,594	9,027	7,567	48,716	25,806	22,909	82
Islamabad**	238	131	106	77	46	31	161	86	75	259
Punjab**	37,607	20,209	17,398	9,183	4,977	4,206	28,424	15,232	13,192	183
Sindh	14,156	7,574	6,582	5,726	3,131	2,595	8,430	4,443	3,987	100
Khyber Pakhtunkhwa	8,388	4,363	4,026	1,196	647	549	7,193	3,716	3,477	113
Balochistan	2,429	1,290	1,139	399	218	181	2,029	1,071	958	7
FATA	2,491	1,266	1,225	13	8	5	2,478	1,258	1,220	92
					1981 CENSUS					
PAKISTAN	84,253	44,232	40,021	23,841	12,767	11,074	60,412	31,465	28,947	106
Islamabad	340	185	155	204	113	91	136	72	64	376
Punjab	47,292	24,860	22,432	13,052	6,952	6,100	34,241	17,909	16,332	230
Sindh	19,029	9,999	9,030	8,243	4,433	3,810	10,786	5,566	5,220	135
Khyber Pakhtunkhwa	11,061	5,761	5,300	1,665	898	767	9,396	4,863	4,533	148
Balochistan	4,332	2,284	2,048	677	371	306	3,655	1,913	1,742	13
FATA	2,199	1,143	1,056	-	-	-	2,199	1,143	1,056	81
					1998 CENSUS					
PAKISTAN	132,352	68,874	63,478	43,036	22,752	20,284	89,316	46,122	43,194	166
Islamabad	805	434	371	529	291	238	276	144	133	889
Punjab	73,621	38,094	35,527	23,019	12,071	10,948	50,602	26,023	24,579	359
Sindh	30,440	16,098	14,342	14,840	7,904	6,935	15,600	8,193	7,407	216
Khyber Pakhtunkhwa	17,744	9,089	8,655	2,994	1,589	1,405	14,750	7,500	7,250	238
Balochistan	6,566	3,057	3,059	1,569	849	719	4,997	2,657	2,340	19
FATA	3,176	1,652	1,524	85	46	39	3,091	1,606	1,485	117
					2017 CENSUS					
PAKISTAN	207,685	106,340	101,345	75,671	39,163	36,508	132,014	67,177	64,837	261
Islamabad	2,003	1,053	951	1,009	536	473	994	517	478	2,211
Punjab	109,990	55,922	54,067	40,547	20,829	19,719	69,442	35,094	34,349	536
Sindh	47,855	24,882	22,972	24,833	12,952	11,881	23,022	11,930	11,092	340
Khyber Pakhtunkhwa	30,509	15,446	15,062	5,735	2,975	2,760	24,773	12,471	12,302	409
Balochistan	12,335	6,485	5,851	3,407	1,798	1,608	8,928	4,686	4,242	36
FATA	4,993	2,552	2,441	140	73	66	4,853	2,479	2,375	183
					2023 CENSUS					
PAKISTAN	241,499	124,345	117,155	93,885	48,747	45,138	147,615	75,598	72,017	303
Islamabad	2,364	1,248	1,116	1,109	592	517	1,255	656	599	2,609
Punjab	127,689	65,462	62,227	51,976	26,833	25,143	75,713	38,629	37,084	622
Sindh	55,696	29,019	26,678	30,057	15,773	14,284	25,639	13,246	12,393	395
Khyber Pakhtunkhwa	40,856	20,847	20,009	6,131	3,161	2,971	34,725	17,686	17,039	402
Balochistan	14,894	7,769	7,125	4,612	2,389	2,223	10,283	5,380	4,902	43

- : Not available

Source: Pakistan Bureau of Statistics

* : This population does not include the population of AJK and Gilgit Baltistan

Note : Total may differ due to rounding off figures

TABLE 12.4

POPULATION BY AGE, IN URBAN, RURAL AREAS 1998, 2017 AND 2023 CENSUS

In thousands

Age	Total			Rural			Urban		
(in years)	Both	Male	Female	Both	Male	Female	Both	Male	Female
				1998 Census*					
All ages	129,176	67,222	61,954	86,225	44,516	41,709	42,951	22,705	20,245
0- 4	19,118	9,761	9,357	13,534	6,907	6,627	5,584	2,854	2,730
5- 9	20,215	10,571	9,644	14,211	7,466	6,745	6,004	3,105	2,899
10-14	16,732	8,909	7,822	11,106	5,973	5,133	5,625	2,935	2,690
15-19	13,400	6,909	6,490	8,553	4,396	4,158	4,846	2,514	2,333
20-24	11,588	5,815	5,773	7,402	3,610	3,791	4,186	2,205	1,981
25-29	9,521	4,879	4,643	6,092	3,024	3,067	3,429	1,854	1,575
30-34	8,040	4,232	3,807	5,083	2,604	2,479	2,956	1,628	1,328
35-39	6,167	3,254	2,912	3,846	1,984	1,862	2,320	1,270	1,050
40-44	5,745	2,931	2,815	3,660	1,812	1,848	2,086	1,119	967
45-49	4,563	2,360	2,203	2,995	1,512	1,483	1,569	849	720
50-54	4,148	2,201	1,948	2,776	1,459	1,318	1,372	742	630
55-59	2,777	1,505	1,272	1,868	1,001	867	909	504	405
60-64	2,637	1,418	1,219	1,838	987	851	799	431	368
65-69	1,554	850	704	1,076	585	491	478	265	214
70-74	1,408	778	631	1,022	564	458	386	214	172
75 and above	1,563	849	714	1,162	632	531	400	217	183
				2017 Census					
All ages	207,685	106,340	101,345	132,014	67,177	64,837	75,671	39,163	36,508
00-04	29,163	14,944	14,219	19,821	10,156	9,665	9,342	4,788	4,554
05-09	30,026	15,643	14,384	20,473	10,701	9,772	9,553	4,942	4,611
10-14	24,527	12,947	11,580	16,193	8,586	7,607	8,334	4,360	3,974
15-19	21,367	11,097	10,269	13,449	6,968	6,481	7,918	4,130	3,788
20-24	18,496	9,248	9,248	11,132	5,480	5,652	7,364	3,768	3,596
25-29	16,401	7,940	8,462	9,863	4,672	5,191	6,538	3,268	3,270
30-34	14,152	6,948	7,203	8,410	4,029	4,381	5,741	2,919	2,822
35-39	12,049	6,091	5,958	7,267	3,614	3,653	4,782	2,476	2,305
40-44	9,627	4,849	4,778	5,692	2,793	2,899	3,935	2,056	1,879
45-49	7,932	4,062	3,869	4,795	2,411	2,383	3,137	1,651	1,486
50-54	6,946	3,645	3,301	4,146	2,159	1,987	2,799	1,486	1,314
55-59	4,975	2,648	2,327	3,003	1,573	1,430	1,972	1,075	897
60-64	4,312	2,248	2,064	2,670	1,372	1,298	1,642	876	765
65-69	2,952	1,558	1,394	1,918	1,004	913	1,034	554	480
70-74	2,134	1,132	1,002	1,406	746	660	728	386	342
75 and above	2,627	1,339	1,288	1,775	912	863	852	427	425
				2023 Census					
All ages	240,458	123,824	116,613	147,268	75,427	71,837	93,190	484,398	44,776
00-04	36,471	18,745	17,726	23,625	12,131	11,495	12,846	6,614	6,232
05-09	32,272	16,567	15,705	21,189	10,898	10,292	11,083	5,669	5,414
10-14	28,790	14,972	13,817	18,073	9,393	8,680	10,717	5,579	5,137
15-19	24,154	12,582	11,570	14,743	7,634	7,108	9,411	4,947	4,462
20-24	20,469	10,324	10,142	12,177	6,100	6,076	8,292	4,223	4,066
25-29	17,967	8,946	9,017	10,523	5,211	5,311	7,444	3,736	3,705
30-34	15,760	7,731	8,026	9,190	4,456	4,733	6,570	3,275	3,293
35-39	14,364	7,314	7,048	8,264	4,160	4,104	6,100	3,154	2,944
40-44	12,537	6,472	6,063	7,320	3,726	3,594	5,217	2,746	2,470
45-49	9,721	5,095	4,625	5,535	2,849	2,686	4,186	2,247	1,939
50-54	8,047	4,219	3,827	4,696	2,415	2,280	3,351	1,804	1,547
55-59	6,389	3,455	2,933	3,702	1,988	1,714	2,687	1,468	1,219
60-64	4,985	2,706	2,279	2,927	1,568	1,359	2,058	1,138	920
65-69	3,572	1,921	1,652	2,126	1,130	995	1,447	791	656
70-74	2,462	1,386	1,076	1,545	858	687	917	528	390
75 and above	2,496	1,389	1,107	1,635	911	724	861	478	383

* : Figures regarding FATA are not included

Source: Pakistan Bureau of Statistics

TABLE 12.5
POPULATION OF PAKISTAN BY PROVINCE, LAND AREA AND PERCENTAGE DISTRIBUTION 1951 - 2023

	Area	Population (In thousand)						
	Sq km	1951	1961	1972	1981	1998	2017	2023
PAKISTAN	796,096	33,740	42,880	65,309	84,254	132,352	207,685	241,499
	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)
Khyber	74,521	4,557	5,731	8,389	11,061	17,744	35,502	40,856
Pakhtunkhwa	(9.4)	(13.5)	(13.4)	(12.8)	(13.1)	(13.4)	(17.1)	(16.91)
FATA	27,220	1,332	1,847	2,491	2,199	3,176	FATA merged in KPK	
	(3.4)	(3.9)	(4.3)	(3.8)	(2.6)	(2.4)		
Punjab	205,345	20,541	25,464	37,607	47,292	73,621	109,990	127,688
	(25.8)	(60.9)	(59.4)	(57.6)	(56.1)	(55.6)	(53.0)	(52.87)
Sindh	140,914	6,048	8,367	14,156	19,029	30,440	47,855	55,696
	(17.7)	(17.9)	(19.5)	(21.7)	(22.6)	(23.0)	(23.0)	(23.06)
Balochistan	347,190	1,167	1,353	2,429	4,332	6,566	12,335	14,894
	(43.6)	(3.5)	(3.2)	(3.7)	(5.1)	(5.0)	(5.9)	(6.16)
Islamabad	906	96	118	238	340	805	2,003	2,363
	(0.1)	(0.3)	(0.3)	(0.4)	(0.4)	(0.6)	(1.0)	(0.97)

Note : Percentage distribution is given in parenthesis

Source: Pakistan Bureau of Statistics

TABLE 12.6

LITERACY RATIOS OF POPULATION BY SEX, REGION AND URBAN/RURAL AREAS, 1998 TO 2023 CENSUS

Sex	Total						Urban						Rural					
	2023		2017		1998		2023		2017		1998		2023		2017		1998	
	15 Years & Above	10 Years & Above	15 Years & Above	10 Years & Above	15 Years & Above	10 Years & Above	15 Years & Above	10 Years & Above	15 Years & Above	10 Years & Above	15 Years & Above	10 Years & Above	15 Years & Above	10 Years & Above	15 Years & Above	10 Years & Above	15 Years & Above	10 Years & Above
Pakistan																		
Both	57.75	60.65	56.10	58.90	41.00	43.90	71.87	74.09	71.30	73.20	60.50	63.10	47.95	51.56	46.40	50.10	30.40	33.60
Male	65.88	68.00	65.80	67.80	53.00	54.80	76.54	78.13	76.70	78.00	68.70	70.00	58.32	61.02	58.60	61.30	44.00	46.40
Female	49.13	52.84	46.20	49.70	28.00	32.00	66.81	69.71	65.60	68.10	51.00	55.20	37.17	41.67	34.20	38.60	16.20	20.10
Islamabad																		
Both	82.44	83.97	80.40	81.50	69.70	72.40	81.33	82.91	80.30	81.10	75.20	77.20	83.39	84.88	80.50	81.80	58.40	62.50
Male	87.33	88.23	86.10	86.50	79.50	80.60	86.10	87.19	85.70	85.90	82.20	83.20	88.40	89.13	86.50	87.20	73.20	75.10
Female	76.89	79.13	74.00	75.80	57.70	62.40	75.74	77.87	74.10	75.60	65.90	69.70	77.83	80.16	73.90	76.00	42.10	48.80
Punjab																		
Both	62.87	66.25	60.90	64.00	43.40	46.60	74.86	77.30	74.60	76.60	61.90	64.50	54.20	58.37	52.30	56.20	34.50	38.00
Male	69.41	71.98	68.90	71.20	55.20	57.20	78.52	80.37	78.70	80.10	69.80	70.90	62.70	65.91	62.60	65.50	47.90	50.40
Female	55.98	60.19	52.80	56.70	30.80	35.10	70.93	74.01	70.30	73.00	53.00	57.20	45.37	50.51	42.10	46.90	20.50	24.80
Sindh																		
Both	55.85	57.54	53.10	54.60	43.90	45.30	70.53	72.26	69.00	70.40	62.60	63.70	35.71	38.14	32.60	35.20	23.90	25.70
Male	63.12	64.23	61.70	62.50	54.50	54.50	75.12	76.27	74.30	75.10	70.00	69.80	46.29	48.06	45.10	46.90	37.20	37.90
Female	47.89	50.21	43.80	45.90	32.00	34.80	65.43	67.80	63.20	65.30	54.90	56.70	24.44	27.52	19.50	22.60	10.20	12.20
Khyber Pakhtunkhwa																		
Both	46.90	51.09	49.70	54.00	31.50	35.40	61.96	65.55	64.00	67.10	51.00	54.30	43.97	48.35	46.10	50.80	27.20	31.30
Male	61.50	64.57	66.30	69.20	48.20	51.40	72.73	75.06	76.10	78.00	65.50	67.50	59.26	62.55	63.60	67.00	44.10	47.70
Female	31.97	37.15	33.50	38.70	14.60	18.80	50.46	55.39	50.90	55.40	33.90	39.10	28.47	33.76	29.30	34.80	10.60	14.70
Balochistan																		
Both	39.98	42.01	40.50	43.60	23.10	24.80	53.37	64.51	56.30	59.60	43.40	46.90	33.72	35.74	33.70	37.00	15.20	17.50
Male	49.38	50.50	52.10	54.10	33.30	34.00	63.01	46.49	68.40	70.30	55.90	58.10	42.98	44.16	45.10	47.40	24.00	25.80
Female	29.91	32.80	27.90	31.90	11.80	14.10	42.96	29.03	43.00	47.60	20.80	33.10	23.84	26.59	21.60	25.50	5.60	7.90
FATA																		
Both	-	-	31.40	36.10	-	17.40	-	-	50.30	54.10	-	39.30	-	-	30.80	35.50	-	16.80
Male	-	-	51.70	56.00	-	29.50	-	-	71.60	73.40	-	59.70	-	-	51.00	55.50	-	28.60
Female	-	-	11.40	15.70	-	3.00	-	-	26.90	32.70	-	12.00	-	-	10.90	15.30	-	2.80

- : Not available

Source: Pakistan Bureau of Statistics

FATA: Federally Administered Tribal Areas

TABLE 12.7

LAND AREA, POPULATION AND PERCENTAGE DISTRIBUTION

Population in thousand

Region / Years	Area Sq. Kms	2015	2016	2017	2018	2019	2020	2021	2022	2023
Pakistan	796,096	191,708	198,785	207,685	211,821	216,075	220,399	224,781	229,215	241,499
	100	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
i. Punjab	205,345	103,837	107,959	109,989	111,995	114,048	116,130	118,235	120,359	127,688
	25.79	54.16	54.31	52.96	52.87	52.78	52.69	52.60	52.51	52.87
ii. Sindh	140,914	45,988	46,568	47,855	49,237	50,647	52,073	53,511	54,962	55,696
	17.70	23.98	23.43	23.04	23.24	23.43	23.62	23.81	23.98	23.06
iii. Khyber Pakhtunkhwa	74,521	25,836	27,714	35,502	35,944	36,412	36,895	37,392	37,900	40,856
	9.36	13.47	13.94	17.09	16.96	16.85	16.74	16.63	16.53	16.91
iv. Balochistan	347,190	9,942	10,408	12,335	12,568	12,818	13,078	13,346	13,623	14,894
	43.61	5.18	5.24	5.93	5.93	5.93	5.93	5.93	5.94	6.16
v. FATA	27,220	4,623	4,927	FATA merged in Khyber Pakhtunkhwa						
	3.42	2.41	2.48							
vi. Islamabad	906	1,479	1,207	2,003	2,077	2,150	2,224	2,297	2,370	2,363
	0.11	0.77	0.60	0.96	0.98	0.99	1.00	1.02	1.03	0.97

Sources : Ministry of Planning, Development & Special Initiatives
Pakistan Bureau of Statistics
National Institute for Population Studies (NIPS)

Note:

1: Total Population is revised from 2018 to 2022 onward on the basis of Census 2017 by NIPS

2: National Institute of Population Studies (NIPS) is currently finalizing the population projections at National, Provincial and District levels for 2024 and onwards on the basis of population census 2023.

TABLE 12.8

PERCENTAGE DISTRIBUTION OF POPULATION OF 10 YEARS AND ABOVE AND CIVILIAN LABOUR FORCE BY GENDER AND AREA 2020-21

Percent share

	Population			Civilian Labour Force								
				Total Civilian Labour Force			Employed			Unemployed		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
PAKISTAN	100.00	50.63	49.37	44.90	34.36	10.54	42.07	32.48	9.60	2.82	1.88	0.94
Rural	100.00	50.12	49.88	48.56	34.61	13.95	45.75	32.83	12.92	2.81	1.78	1.03
Urban	100.00	51.48	48.52	38.79	33.93	4.86	35.95	31.88	4.06	2.85	2.05	0.80
Punjab	100.00	49.85	50.15	47.38	34.21	13.17	44.18	32.12	12.06	3.20	2.09	1.11
Rural	100.00	49.29	50.71	52.26	34.72	17.54	49.01	32.71	16.30	3.25	2.01	1.24
Urban	100.00	50.75	49.25	39.45	33.39	6.06	36.32	31.17	5.16	3.12	2.22	0.90
Sindh	100.00	52.01	47.99	43.83	36.52	7.31	42.14	35.31	6.83	1.69	1.21	0.48
Rural	100.00	51.76	48.24	49.71	37.79	11.92	48.69	37.05	11.64	1.02	0.74	0.28
Urban	100.00	52.23	47.77	38.68	35.41	3.27	36.40	33.79	2.61	2.28	1.63	0.66
Khyber Pakhtunkhwa	100.00	50.08	49.92	39.51	31.65	7.86	36.02	29.39	6.63	3.49	2.26	1.23
Rural	100.00	49.74	50.26	40.07	31.52	8.55	36.55	29.32	7.23	3.52	2.20	1.32
Urban	100.00	51.82	48.18	36.65	32.27	4.38	33.35	29.73	3.62	3.30	2.54	0.76
Balochistan	100.00	54.33	45.67	40.39	34.94	5.45	38.65	33.47	5.18	1.75	1.48	0.27
Rural	100.00	54.15	45.85	42.75	35.86	6.88	41.39	34.66	6.73	1.36	1.21	0.15
Urban	100.00	54.78	45.22	34.68	32.71	1.97	31.98	30.58	1.40	2.70	2.13	0.57

Source: Pakistan Bureau of Statistics
Labour Force Survey 2020-21

TABLE 12.9

LABOUR FORCE AND EMPLOYMENT

In million

Mid Year	2009-10	2010-11	2011-12*	2012-13	2013-14	2014-15	2017-18	2018-19	2020-21
Population	172.57	176.20	180.71	183.57	186.19	189.19	206.62	214.49	222.44
Rural	105.70	107.00	120.10	121.66	121.56	123.36	131.19	135.39	142.09
Urban	66.87	69.20	60.61	61.91	64.63	65.83	75.43	79.10	80.35
Working Age Population	124.06	126.60	129.84	132.07	132.24	134.99	147.91	153.49	159.83
Rural	80.08	81.77	83.87	84.96	83.62	85.60	91.02	94.14	99.88
Urban	43.98	44.83	45.97	47.11	48.62	49.39	56.89	59.35	59.95
Labour Force	56.92	57.84	59.33	59.74	60.10	61.04	65.50	68.75	71.76
Rural	39.56	40.12	41.15	41.23	41.14	41.95	42.91	45.85	48.50
Urban	17.36	17.72	18.18	18.15	18.96	19.09	22.59	22.90	23.26
Employed Labour Force	53.76	54.40	55.80	56.01	56.52	57.42	61.71	64.03	67.25
Rural	37.66	38.24	39.22	39.14	39.07	39.85	40.75	42.94	45.70
Urban	16.10	16.16	16.58	16.87	17.45	17.57	20.96	21.10	21.55
Unemployed Labour Force	3.16	3.44	3.53	3.73	3.58	3.62	3.79	4.71	4.51
Rural	1.90	1.88	1.93	2.09	2.06	2.10	2.15	2.91	2.81
Urban	1.26	1.56	1.60	1.64	1.52	1.52	1.64	1.80	1.71
Unemployment Rate (%)	5.55	5.95	5.95	6.24	6.00	5.90	5.80	6.90	6.30
Rural	4.82	4.68	4.68	5.08	5.01	5.00	5.00	6.40	5.80
Urban	7.21	8.84	8.84	8.83	8.02	8.00	7.20	7.90	7.30
Labour Force Participation Rates (%)	32.98	32.83	32.83	32.88	32.28	32.30	31.70	32.20	32.30
Rural	34.50	34.26	34.26	34.23	33.84	34.00	32.70	33.90	34.10
Urban	29.99	29.99	29.99	30.21	29.35	29.00	30.00	28.90	29.00

Source : Pakistan Bureau of Statistics (Labour Force Survey)

*Ministry of Planning, Development & Special Initiatives

TABLE 12.10

POPULATION AND LABOUR FORCE

In million

Years	Population	Crude Activity Rate(%)	Labour Force	Unemployed Labour Force	Employed Labour Force	Agriculture	Mining & Manufacturing	Construction	Electricity & Gas Distribution	Transport Storage & Communication	Whole-Sale & Retail Trade	Others
1999-2000	139.76	28.97	40.49	3.17	37.32	18.07	4.31	2.16	0.26	1.88	5.04	5.60
2000-01	142.86	28.97	41.38	3.24	38.14	18.47	4.40	2.21	0.26	1.92	5.15	5.73
2001-02	145.96	28.97	43.21	3.57	39.64	16.68	5.51	2.40	0.32	2.34	5.89	6.50
2002-03	149.03	28.97	44.12	3.65	40.47	17.03	5.63	2.45	0.33	2.39	6.01	6.63
2003-04	150.47	30.41	45.76	3.52	42.24	18.18	5.83	2.46	0.28	2.42	6.25	6.82
2004-05	153.96	30.41	46.82	3.60	43.22	18.60	5.96	2.52	0.29	2.48	6.39	6.98
2005-06	156.77	32.22	50.50	3.13	47.37	20.54	6.60	2.91	0.31	2.72	6.95	7.34
2006-07	161.98	31.82	51.55	2.75	48.80	21.29	6.66	3.21	0.37	2.63	7.03	7.61
2007-08	165.45	32.17	53.22	2.77	50.45	22.52	6.61	3.18	0.36	2.75	7.38	7.65
2008-09	168.99	32.81	55.91	3.05	52.86	23.63	6.89	3.46	0.36	2.74	8.63	7.15
2009-10	172.57	32.98	56.92	3.16	53.76	24.18	7.17	3.62	0.43	2.82	8.75	6.79
2010-11	176.20	32.83	57.84	3.44	54.40	24.51	7.51	3.78	0.26	2.78	8.78	6.78
2011-12*	180.71	32.83	59.33	3.53	55.80	25.14	7.70	3.88	0.27	2.85	8.28	7.68
2012-13	183.57	32.88	60.34	3.76	56.58	24.73	8.03	4.21	0.30	2.82	8.14	8.35
2013-14	186.19	32.28	60.10	3.58	56.52	24.57	8.00	4.15	0.27	3.07	8.24	8.21
2014-15	189.19	32.30	61.04	3.62	57.42	24.27	8.89	4.20	0.45	3.11	8.41	8.09
2017-18	206.62	31.70	65.50	3.79	61.71	23.76	10.05	4.70	0.45	3.50	9.21	10.05
2018-19	214.49	32.10	68.75	4.71	64.03	25.07	9.76	5.13	0.50	3.98	9.28	10.30
2020-21	222.44	32.30	71.76	4.51	67.25	25.18	10.25	6.39	0.43	4.19	9.66	11.13

Source: Pakistan Bureau of Statistics (Labour Force Survey)
* Ministry of Planning, Development & Special Initiatives

TABLE 12.11

DISTRIBUTION OF EMPLOYED PERSONS OF 10 YEARS AGE AND ABOVE BY MAJOR INDUSTRIES

In percentage

Years	Agricul-ture	Mining & Manu-facturing	Const-ruction	Electricity & Gas Distri-bution	Transport Storage & Commu-cation	Whole-Sale & Retail Trade	Others
1999-2000	48.42	11.55	5.78	0.70	5.03	13.50	15.02
2000-01	48.42	11.55	5.78	0.70	5.03	13.50	15.02
2001-02	42.09	13.91	6.05	0.81	5.90	14.85	16.39
2002-03	42.09	13.91	6.05	0.81	5.90	14.85	16.39
2003-04	43.05	13.80	5.83	0.67	5.73	14.80	16.12
2004-05	43.05	13.80	5.83	0.67	5.73	14.80	16.12
2005-06	43.37	13.93	6.13	0.66	5.74	14.67	15.49
2006-07	43.61	13.65	6.56	0.75	5.39	14.42	15.60
2007-08	44.65	13.11	6.29	0.70	5.46	14.62	15.17
2008-09	45.08	13.14	6.62	0.69	5.23	16.47	12.77
2009-10	44.96	13.34	6.74	0.80	5.24	16.28	12.64
2010-11	45.05	13.80	6.95	0.48	5.11	16.15	12.46
2011-12*	45.05	13.80	6.95	0.42	5.11	14.83	13.76
2012-13	43.71	14.20	7.44	0.53	4.98	14.39	14.75
2013-14	43.48	14.16	7.33	0.48	5.44	14.58	14.53
2014-15	42.27	15.49	7.31	0.79	5.00	14.64	14.09
2017-18	38.50	16.28	7.61	0.73	5.67	14.92	16.29
2018-19	39.16	15.25	8.01	0.78	5.76	14.50	16.54
2020-21	37.40	15.20	9.50	0.60	6.30	14.40	16.60

- : Not available

Source: Pakistan Bureau of Statistics

* : Ministry of Planning, Development & Special Initiatives

TABLE 12.12
PERCENTAGE DISTRIBUTION OF EMPLOYED PERSONS OF 10 YEARS AGE AND ABOVE BY MAJOR INDUSTRY 2020-21

In percentage

	Major Industry Division	Pakistan			Punjab			Sindh			Khyper Pakhtunkhwa			Balochistan		
		Total	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban
	Total	100.0	68.0	32.0	58.1	39.9	18.2	22.8	12.3	10.5	14.0	11.9	2.1	5.1	3.9	1.2
1.	Agriculture, Forestry and Fishing	37.4	35.4	2.0	22.6	21.5	1.1	8.3	7.7	0.6	4.4	4.3	0.1	2.1	1.9	0.1
2.	Mining and Quarrying	0.3	0.3	0.1	0.1	0.1	0.0	0.1	0.0	0.0	0.1	0.1	0.0	0.1	0.1	0.0
3.	Manufacturing	14.9	7.4	7.5	9.6	5.0	4.6	3.5	1.0	2.5	1.6	1.2	0.3	0.3	0.2	0.1
4.	Electricity, Gas Steam and Air Conditioning Supply	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5.	Water Supply, Sewerage, Waste, Management & Remediation Activity	0.4	0.2	0.3	0.2	0.1	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
6.	Construction	9.5	6.7	2.8	5.0	3.6	1.4	1.9	1.0	1.0	2.1	1.9	0.3	0.5	0.3	0.1
7.	Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles	14.4	6.3	8.0	8.1	3.6	4.5	3.5	0.8	2.7	2.0	1.5	0.5	0.7	0.4	0.3
8.	Transport, storage	5.8	3.4	2.3	3.0	1.8	1.3	1.3	0.5	0.8	1.1	0.9	0.2	0.4	0.3	0.1
9.	Accomodation and Food Services Activities	1.9	1.0	0.9	1.0	0.5	0.5	0.5	0.2	0.3	0.2	0.2	0.1	0.2	0.1	0.0
10.	Information and Communication	0.5	0.1	0.4	0.3	0.1	0.2	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
11.	Financial and Insurance Activities	0.5	0.1	0.4	0.3	0.1	0.2	0.2	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0
12.	Real Estate Activities	0.5	0.1	0.3	0.3	0.1	0.2	0.1	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0
13.	Professional, Scientific and Technical Activities	0.6	0.2	0.4	0.4	0.1	0.3	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
14.	Administrative and Support Service Activities	0.8	0.3	0.5	0.4	0.2	0.3	0.2	0.1	0.2	0.1	0.1	0.0	0.0	0.0	0.0
15.	Public Administration and Defence Compulsory Scocial Security	2.9	1.3	1.6	1.3	0.5	0.7	0.9	0.3	0.6	0.5	0.4	0.2	0.3	0.2	0.1
16.	Education	3.8	2.0	1.8	2.1	1.0	1.1	0.6	0.2	0.4	0.8	0.6	0.2	0.2	0.1	0.1
17.	Human Health and Social Work Activities	1.3	0.6	0.7	0.7	0.3	0.4	0.3	0.1	0.2	0.2	0.2	0.1	0.1	0.1	0.0
18.	Arts, Entertainment & Recreation	0.2	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19.	Other Services Activities	2.5	1.4	1.1	1.4	0.8	0.6	0.6	0.2	0.4	0.3	0.3	0.0	0.2	0.1	0.1
20.	Activities of Households as Employer; Undifferentiated Goods & Services - Producing Activities of Household for own use	1.6	0.8	0.7	1.0	0.5	0.5	0.3	0.1	0.2	0.2	0.2	0.0	0.0	0.0	0.0
21.	Activities Extraterritorial Organizations and Bodies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Pakistan Bureau of Statistics
(Labour Force Survey 2020-21)

TABLE 12.13

AGE SPECIFIC LABOUR FORCE PARTICIPATION RATE

In percentage

Age Group	2007-08	2008-09	2009-10	2010-11	2012-13	2013-14	2014-15	2017-18	2018-19	2020-21
10 years & over										
Both Sexes	45.17	45.66	45.89	45.69	45.70	45.45	45.22	44.30	44.80	44.90
Male	69.54	69.31	68.83	68.70	68.89	68.07	67.78	68.00	67.70	67.86
Female	19.59	20.66	21.51	21.67	21.50	22.17	22.02	20.10	21.50	21.35
10-14										
Male	17.09	16.20	15.42	14.27	14.46	12.62	11.22	9.80	8.80	5.44
Female	9.69	9.48	9.24	8.83	7.98	8.37	7.71	6.40	5.60	4.30
15-19										
Male	53.94	52.74	52.68	51.59	51.16	49.68	47.55	47.60	44.90	47.89
Female	17.61	18.90	19.17	19.58	18.19	19.32	18.01	15.60	17.20	16.65
20-24										
Male	85.12	85.39	84.54	84.27	82.38	81.71	82.32	84.60	81.20	85.99
Female	20.98	22.76	23.88	24.20	24.41	25.14	25.74	23.30	26.80	27.72
25-34										
Male	96.90	97.19	96.89	97.42	96.73	96.91	97.33	97.00	98.30	97.59
Female	21.87	23.63	25.48	25.44	26.01	26.57	27.15	25.57	27.20	28.55
35-44										
Male	97.87	98.37	97.53	98.34	98.45	98.06	98.33	98.38	99.40	98.52
Female	26.75	27.67	27.88	29.46	28.72	30.00	29.43	27.97	29.20	29.78
45-54										
Male	96.65	96.69	96.96	97.29	97.02	97.13	97.24	96.77	99.20	96.19
Female	24.42	25.86	29.41	28.35	29.11	29.37	30.75	26.07	29.90	28.95
55-59										
Male	92.54	93.71	93.26	92.24	92.61	92.78	93.80	91.70	94.80	84.21
Female	25.53	26.37	27.98	26.27	26.60	27.48	27.29	23.40	24.40	18.05
60+										
Male	59.46	56.38	55.49	54.95	52.42	53.33	55.16	51.30	48.60	43.00
Female	15.50	15.22	13.54	14.62	13.58	12.77	11.95	11.50	8.90	7.58

Source: Pakistan Bureau of Statistics (Labour Force Surveys)

TABLE 12.14

DAILY WAGES OF CONSTRUCTION WORKERS IN DIFFERENT CITIES

In Pak Rupees

Category of workers and cities	(Base Year : 2007-08= 100)					(Base Year : 2015-16 = 100)					
	2015	2016	2017	2018	2019	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Jul-Mar)
Painter*											
Islamabad	1,200.00	1,200.00	1,250.00	1,300.00	1,432.57	1,425.27	1,432.57	1,454.83	1,857.48	1,976.23	2,172.62
Karachi	861.54	861.54	861.54	1,292.31	1,359.76	1,357.23	1,426.70	1,541.28	1,650.70	1,754.89	1,787.20
Lahore	830.36	830.36	925.00	1,100.00	1,232.45	1,232.45	1,232.45	1,245.11	1,582.64	1,841.33	1,959.87
Peshawar	800.00	800.00	1,000.00	1,000.00	1,200.00	1,205.27	1,314.31	1,500.00	1,621.99	1,729.06	1,732.70
Quetta	900.00	900.00	900.00	1,000.00	1,297.43	1,289.08	1,355.87	1,397.61	1,397.61	1,581.22	1,698.04
Mason (Raj)											
Islamabad	1,200.00	1,200.00	1,250.00	1,300.00	1,440.83	1,440.83	1,490.14	1,568.72	1,940.29	2,130.06	2,401.77
Karachi	1,061.54	1,061.54	1,061.54	1,430.77	1,500.00	1,500.00	1,500.00	1,502.72	1,966.04	2,031.49	2,048.21
Lahore	926.79	926.79	1,025.00	1,150.00	1,232.45	1,274.93	1,428.17	1,713.02	1,786.76	2,048.25	2,171.83
Peshawar	900.00	1,000.00	1,200.00	1,200.00	1,200.00	1,227.10	1,437.65	1,500.00	1,603.93	1,733.77	1,800.65
Quetta	1,100.00	1,100.00	1,100.00	1,200.00	1,497.77	1,489.42	1,597.89	1,898.24	1,898.24	1,917.80	2,193.92
Labour (Unskilled)											
Islamabad	700.00	700.00	800.00	825.00	965.49	965.49	994.25	1,086.57	1,400.29	1,493.60	1,500.00
Karachi	630.77	663.46	719.23	932.69	981.03	990.78	1,000.00	1,179.06	1,387.92	1,425.27	1,430.09
Lahore	600.00	600.00	725.00	850.00	832.03	869.14	921.10	1,000.00	1,212.59	1,450.34	1,532.62
Peshawar	500.00	500.00	600.00	600.00	631.64	656.80	800.00	800.00	919.34	1,000.00	1,022.22
Quetta	550.00	550.00	550.00	700.00	996.66	988.30	1,021.74	1,096.96	1,096.96	1,117.39	1,416.08

Data pertains to month of November each year

Source: Pakistan Bureau of Statistics

*: Painter is included while Carpenter is excluded in Base Year 2015-16

Note : From 2019-20 the data pertains to fiscal year

TRANSPORT AND COMMUNICATIONS

NHA's Network Length	14,480 (Km)	
Pak Railways Passenger Traffic	30.98* (Mn Passengers)	
Pak Railways Freight Traffic	5,816* Tonne Km (million)	
PNSC Group's Profit after Tax	15,439* (Rs. million)	
Cargo Handling at Ports **	74,572* (Mn Tonne)	
Pakistan Post's Network	9,984 (Number)	
PBC's Broad-casting Network	80 (Units)	

* : July-March FY2025

** : Karachi Port, Port Qasim, Gwadar Port

Chapter 13

TRANSPORT AND COMMUNICATIONS

The transport and communication sector is a critical pillar of national infrastructure and economic development, serving as a vital enabler for the movement of people, goods, and information. It plays a foundational role in advancing the objectives outlined in URAAN Pakistan by facilitating trade, supporting business activity, creating employment, enhancing social connectivity, and ensuring access to essential services such as education, healthcare, and emergency response. Given its capital-intensive nature, the development of this sector yields long-term socioeconomic benefits, particularly when investments are well-planned, integrated, and aligned with national priorities.

Pakistan's transport and communication infrastructure presents a broad and integrated network supporting national connectivity and service delivery. The National Highway Authority (NHA) manages a total of 48 national highways, motorways, and strategic roads, spanning 14,480 kilometers. Pakistan Railways operates an extensive rail network covering 7,791 kilometers, supported by a fleet of 449 locomotives, providing both passenger and freight services across the country. The Pakistan National Shipping Corporation (PNSC) maintains a maritime fleet of 10 vessels, including five bulk carriers, three Aframax tankers, and two LR-1 clean product tankers with a combined cargo-carrying capacity of 724,634 deadweight tonnes (DWT). Pakistan Post continues to offer nationwide postal and courier services through a widespread network of 9,984 post offices. The country's media landscape remains dynamic and diverse, comprising 139 licensed domestic satellite television channels and 34 foreign channels with landing rights, reflecting significant outreach and content variety.

Pakistan's strategic geographic location at the heart of South Asia, bordering China, India, Afghanistan, and Iran, positions it as a critical player in regional connectivity, especially within the framework of China's Belt and Road Initiative (BRI). Recognizing its significance, the government has allocated substantial development funds, totaling Rs 268 billion for the sector in FY 2025, aiming to build a modern, integrated transportation and communication system.

A robust and efficient transport and communication system is indispensable for fostering inclusive economic growth and long-term national prosperity. This chapter presents a detailed review of Pakistan's transport and communication landscape, encompassing all major modes: road, rail, air, maritime, postal, and broadcasting. It also highlights key government initiatives, policy interventions, and investment priorities aimed at enhancing sectoral performance and regional connectivity.

13.1 Transport sector

13.1-a Road Transportation

The transport sector and road infrastructure have an enduring effect on a country's economic prosperity. NHA, through its dedicated efforts, took a lead in the road infrastructure development of Pakistan. The present NHA network comprises of 48 National Highways, Motorways and Strategic Roads. The current length of this network is 14,480 km. In PSDP 2024-25, NHA has total budget of Rs 161.264 billion for 105 projects in total, out of which 90 are ongoing projects with an allocation of Rs 149.28 billion and 15 new schemes with an allocation of Rs 11.98 billion.

Pakistan Economic Survey 2024-25

Achievements/Performance:

These infrastructure development projects/ schemes are at different stages, given as under:

PC-Is processed by NHA for approval of ECNEC / CDWP / DDWP during July-December 2024

- The revised PC-I for the construction of the Dalbandin-Ziarat-Balanosh road in District Chaghi, with an estimated cost of Rs 16,070.756 million, was recommended for further processing in the 188th TWP-I meeting held on August 7, 2024.
- Revised PC-I for the rehabilitation and upgradation of the Jhaljao-Bela road, with an estimated cost of Rs 11,118.123 million, was recommended for further processing during the 188th TWP-I meeting held on August 7, 2024.
- PC-I for the construction of the Hakla-D.I. Khan Motorway, with a tentative cost of Rs 110,208 million, was discussed in the 188th TWP-I meeting. Currently, the re-appropriation of the PC-I is underway by the field authorities.
- Revised PC-I for the construction of an interchange on the Hazara Motorway to connect Abbottabad and Sherwan Road, located immediately after the Shimla Hill Tunnel, with an estimated cost of Rs 3,710.92 million, was recommended for further processing in the 188th TWP-I meeting held on August 7, 2024.
- The revised PC-I for the extension of Margalla Highway from G.T. Road (N-5) to the Motorway (M-1) within Punjab limits, with an estimated cost of Rs 7,106.737 million, was recommended for further processing in the 189th TWP-I meeting held on November 28, 2024.
- Revised PC-I for the conversion of the existing 4-lane Super Highway into a 6-lane motorway (Karachi-Hyderabad, M-9) with an estimated cost of Rs 56,009 million was recommended for further processing in the 189th TWP-I meeting held on November 28, 2024.
- PC-I for the widening and improvement of priority sections of N-5 Phase-I, with an estimated cost of Rs 143,565.75 million, was forwarded to the Ministry of Communication (MoC) and Ministry of Planning, Development & Special Initiatives (MoPD&SI) through the WAS on January 4, 2025.
- PC-I for the construction of the Lowari Tunnel Project (4th Revision), with a total cost of Rs 37,333 million, including FEC of Rs 5,392 million, was discussed in the 190th TWP-I meeting on December 30, 2024. It was directed to hold a consultation meeting with the Ministry of Planning, Development & Special Initiatives (M/o PD&SI) before submitting the revised PC-I for consideration by CDWP/ECNEC.
- The 2nd revised PC-I for the construction of an 8-lane overhead bridge at Imamia Colony Railway Crossing, Shahdara, with a new estimated cost of Rs 4,673.13 million, was recommended for further processing in the 190th TWP-I meeting held on December 30, 2024.
- The revised PC-I for the construction of the Lahore Bypass from Kala Shah Kaku exit to KLM (M-3) Multan Road near the radio station (18.5 km), with an estimated cost of Rs 45,868 million, was deferred by CDWP in its meeting on December 12, 2024. The committee directed that the project be reconsidered after further consultations with NHA for CDWP compliance.
- The modified PC-I for electrical and mechanical works, allied buildings, and access roads of the Lowari Tunnel Project, with an estimated cost of Rs 33,257.410 million, was reviewed. In its meeting on June 29, 2024, ECNEC directed NHA to carry out the detailed design through consultants with international experience and a proven track record in similar projects. The PC-II for hiring the design consultant has been recommended by the TWP-I Committee for DDWP approval.
- The revised PC-I for the NWFP Road Development Sector and Sub-Regional Connectivity Project (ADB Loan 2103-

PAK) covering 146 km, with an estimated cost of Rs 14,045.873 million, was forwarded to the Ministry of Communication (MoC) on July 12, 2024.

List of PC-IIs approved by DDWP during July-December 2024

During the period of July-December 2024, the DDWP approved two PC-IIs. The details of these projects are outlined below:

- The PC-II for the feasibility study (Techno-Economic Feasibility) and detailed design for the dualization of the Sialkot-Eminabad Road up to Kamoki, covering a total length of 65.10 kilometers, was approved by DDWP on December 24, 2024. The project is divided into two sections: Section-I involves the dualization of the road from Gatto Rora to Adda Dharam Kot (30 km), including a 3.4 km link to the motorway, with 7 km of this section already dualized. Section-II focuses on the evaluation and dualization of the existing road from Dharam Kot to Kamoke (31.7 km). The approved cost for the project is Rs 23.48 million, and it is currently under procurement.
- The PC-II for the feasibility study (Techno-Economic and Commercial) and detailed design for the addition of lanes on the Pindi Bhatian-Faisalabad-Multan Motorway (M-4), with an estimated cost of Rs 48.958 million, was approved by DDWP on December 24, 2024. The project is currently under procurement.

List of PC-IIs processed by NHA for approval of DDWP during July-December 2024

In the period spanning July-December 2024, NHA processed a total of one PC-II for DDWP approval. The details of the project are provided below:

- The revised PC-II for the feasibility study (Techno-Economic and Commercial) and detailed design for the Karachi-Hyderabad Motorway (M-9), with an estimated cost of Rs 58.617 million, was recommended in the 190th TWP-I meeting on December 30, 2024, for approval by DDWP. Following the approval of PC-II by DDWP, the procurement of a consultant for the feasibility study and detailed design will commence.

Transport Infrastructure under China Pakistan Economic Corridor

The Pakistan-China relationship, rooted in mutual trust and shared interests, has evolved into a strategic cooperative alliance, with the China-Pakistan Economic Corridor (CPEC) as a transformative pillar. CPEC enhances regional connectivity by shortening trade routes, lowering transit costs, and linking China's western regions to global markets via Gwadar Port. It strengthens Pakistan's integration into regional and global supply chains, fostering trade, investment, and inclusive development.

In the transport infrastructure sector, eight projects totaling US$ 6.7 billion have been completed, while several others are underway. Notably, 888 km of motorways and highways have been constructed, with an additional 853 km in progress through local funding. The Havelian-Thakot section of the Karakoram Highway (KKH), recognized with the ENR Award for excellence, stands as a flagship initiative.

Technological milestones include the completion of the Cross-Border Optical Fiber Cable and a pilot for Digital Terrestrial Media Broadcasting. Gwadar Port has become operational, alongside the completion of a hospital, a vocational training institute, and a desalination plant key steps toward transforming Gwadar into a smart port city.

Key operational projects include the Multan-Sukkur Motorway (392 km), Hakla-D.I. Khan Motorway (297 km), KKH Phase II Havelian-Thakot (120 km), and Khuzdar-Basima (110 km). The Orange Line Metro Train in Lahore and the operationalization of the New Gwadar International Airport demonstrate further advancement in urban and air connectivity. Ongoing road projects include Zhob-Kuchlak

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(298 km), Nokundi-Mashkhel (103 km), Hoshab-Awaran M-8 (146 km), and Awaran-Khuzdar M-8 (168 km). Discussions are ongoing for the Sagu-Zhob section of National Highway N-50.

Preparations are underway for the realignment of the Thakot-Raikot section of the KKH due to the Dasu and Bhasha Dams, with ECNEC-approved PC-I and technical-level discussions ongoing with China. Similarly, consultations continue on the ML-1 railway project to finalize technical and financial modalities.

The Framework Agreement for the Karachi Circular Railway (KCR) has been shared with the Chinese side for inclusion under CPEC. Furthermore, in the Joint Working Group on Transport and Infrastructure under CPEC, it has been agreed to conduct the feasibility studies of the following new projects.

i. Mirpur-Muzaffarabad-Mansehra (MMM)

ii. M-9 Motorway

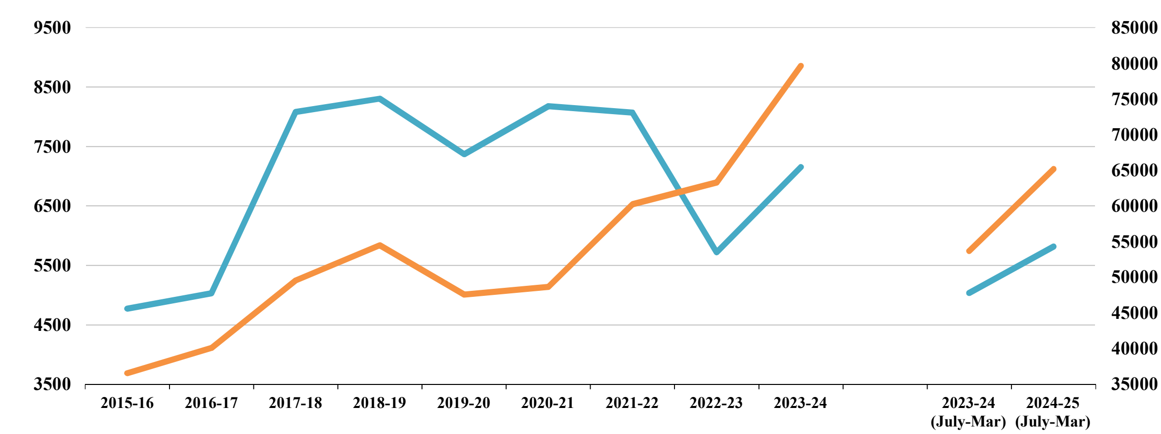
iii. Babusar Tunnel

iv. D.I. Khan-Zhob

13.1-b Rail Transportation

The freight and passenger traffic through the rail network is provided by Pakistan Railways. The rail transport network of Pakistan Railways, with 449 locomotives, has a route length of 7,791 km and plays an important role in national integration and economic growth. During July-March of the ongoing fiscal year, passenger and freight traffic was 30.98 million and 5,816 million km, respectively. The gross earnings recorded at Rs 65171.03 million as compared to Rs 53,703.78 million during the corresponding period of the previous fiscal year increased by Rs 11,467.25 million, reflecting a 21 percent rise compared to the corresponding period of the previous fiscal year. The trend of freight traffic and gross earnings during the past eight years is evident from Figure 13.1.

Fig-13.1: Freight Traffic and Gross Earnings



Source: M/o Railways

Freight Tonnes Kms (Million) — Gross Earnings (Rs Million)

13.1-c Air Transportation

The public sector passenger and freight transport service via air route is delivered by Pakistan International Airlines Corporation Limited (PIACL). In 2024 national flag carrier has marked a significant milestone for Pakistan International Airlines (PIA), with the national carrier registering an operating profit of Rs 9.3 billion, continuing its positive trajectory from 2023, when it posted an operating profit of Rs 3.9 billion. This sustained performance reflects PIA's focused strategy on revitalizing business operations, identifying and addressing cost centers, and enhancing profitability through strategic initiatives such as route diagnostic labs, capacity rationalization, and network optimization. The following table summarizes the performance of the PIA during the last five years:

Table 13.1: PIAC Performance

Indicators	2020	2021	2022	2023	2024
PIAC Fleet (No. of Planes)	30	30	35	32	33
Route (km)	778,609	374,054	341,821	301,832	593,063
Available Seat (million km)	8,902	7,682	13,075	13,768	12,123
Passenger Load Factor (Percent)	74.5	66.9	80.3	83.3	81.8
Revenue Flown (000 km)	38,114	34,544	53,811	57,122	51,984
Revenue Hours Flown (Hours)	58,519	55,710	84,742	90,067	82,043
Revenue Passengers Carried (000 nos.)	2,541	2,657	4,281	4,496	3,904
Revenue Passengers (million km)	6,629	5,138	10,497	11,468	9,918
Revenue Load Factor (Percent)	51.3	53.7	58.0	60.9	64.4
Operating Revenue (Rs millions)	94,683	86,185	172,038	238,505	204,164
Operating Expenses (Rs million-unaudited)	102,912	101,212	183,345	235,317	194,807

* PIAC's financial year is based on a calendar year

Source: Pakistan International Airlines

A key achievement during the year was the successful completion of the European Union Aviation Safety Agency (EASA) Third Country Operator (TCO) audit, resulting in the clearance for PIA to resume flight operations to Europe. This milestone represents a significant step toward re-establishing the airline's connectivity with key European destinations and restoring its international standing.

Key Initiatives and Achievements in 2024

- Scheduled resumption of flights to Europe starting with Paris in January 2025, with connectivity to 21 destinations across Europe and the UK via new interline agreements.
- Launched redesigned customer and corporate websites; integrated 1Link Payment system for secure online transactions; activated Virtual Agent Top-Up service; integrated with travel platform Wego; and expanded visibility on Google Flights to drive global bookings.
- Entered into Special Prorate Agreements (SPAs) with international carriers including Air France-KLM, Air New Zealand, Avelo Air, Allegiant Air, and Alaska Air, enabling extended network access across Europe, North America, New Zealand, and Asia.
- Continued implementation of the revamped Agents Engagement Program to enhance collaboration with business partners across the network.
- Separated core aviation functions from non-core operations and established a holding company to manage non-core assets and liabilities.
- Enhanced digital services, including mobile apps and online booking tools, and improved in-flight and ground services to boost overall customer satisfaction.
- Appointed senior management on a merit basis, reconstituted the Board with experienced professionals, verified pilot credentials, and improved regulatory oversight through coordination with international aviation authorities.
- Reduced total workforce from 7,800 to 6,900 employees through process streamlining and operational rightsizing.
- Returned several non-core assets to the Pakistan Civil Aviation Authority, including the PIA Speedex Building, PIA Car Parking, PIA Airhostess Hostel, and PIA Flight Kitchen Food Shed.

13.2 Maritime Transportation

The public sector agencies responsible for freight traffic via seaways or maritime routes include Pakistan National Shipping Corporation (PNSC), Karachi Port Trust (KPT), Port Qasim

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Authority (PQA), and Gwadar Port Authority (GPA).

13.2-a Pakistan National Shipping Corporation (PNSC)

The PNSC has a fleet comprising of 10 vessels of various type/size (05 Bulk carriers, 03 Aframax tankers and 02 LR-1 Clean Product tankers) with a total deadweight capacity (cargo carrying capacity) of 724,634 DWT. The commercial performance of the PNSC from July to March FY 2025 is summarized in Table 13.2.

Table 13.2: Commercial Performance of PNSC

FY 2025 (July-March)	Tanker	Chartering	SLOT Consolidated	
	Liquid Cargo (MT)	Dry Cargo (MT)	TEU*s	Slot BB/LCL
	6,987,892	1,196,202	754	32,412

* Twenty Equipment Unit i.e. a 20-foot container

Source: Pakistan National Shipping Corporation

The financial performance of the PNSC group from July-March FY 2025, based on un-audited financial statements is given in Table 13.3.

Table 13.3: Financial Performance of PNSC (Amount in Rs '000)

S.No.	Financial Results	July-March FY 2024	July-March FY 2025
1	Revenue	34,841,676	28,404,570
2	Expenses	20,562,934	19,422,582
3	Gross Profit/Loss	14,278,742	8,981,988
4	Administrative, Impairment & Other Expenses	1,420,487	1,497,906
5	Other Income	5,372,019	10,775,013
6	Operating Profit	17,548,422	17,672,171
7	Finance Cost	758,863	320,269
8	Profit before Taxation	15,747,598	16,824,485

Source: Pakistan National Shipping Corporation

Some of the highlights of FY 2025 are as under:

- During the current nine-month period, PNSC (Group) achieved a net profit after tax of Rs 15,439 million (PNSC: Rs 3,711 million) as against Rs 14,686 million (PNSC: Rs 3,073 million) in the corresponding period last year.
- The Group earnings per share (EPS) record at Rs 77.94 (PNSC Standalone: EPS Rs 18.73) against Rs 74.14 (PNSC Standalone: EPS Rs 15.51) in the corresponding period.
- The PNSC (Group) has achieved a turnover of Rs 28,405 million (including Rs 4,050 million from PNSC) as compared to Rs 34,842 million (including Rs 6,969 million from PNSC) in the corresponding period last year. The variations in total revenue were primarily due to a decrease in average freight rate per metric tonne from US$ 13.72 to 10.07 on refinery business which has negative impact of Rs 3,544 million, i.e. 19 percent, a reduction of 16 percent in slot business decrease in LR-1 tanker business by Rs 958 million, i.e. 15 percent and revaluation of USD/PKR parity in comparison with the corresponding period.
- Global maritime trade weakened during the financial year, as reflected in the sharp fall of the Baltic Dry Index to its lowest level since early 2023. The decline, driven by subdued demand especially from China and rising vessel supply, signaled softening global freight markets. The potential normalization of Red Sea routes further added downward pressure on rates, contributing to slower cargo demand growth.
- Foreign chartering revenue declined by Rs 2,506 million, i.e. 70 percent, due to a decrease in the number of voyages from 12 to 5, and tonnage from 841,515 MT to

215,310 MT. Moreover, increase in bulk carrier revenue from Rs 2,369 million to Rs 2,671 million, i.e. 13 percent.

- During the current period, other income rose by Rs 5.4 billion, primarily attributed to the recognition of a gain amount of Rs 4.4 billion from the sale of two tanker vessels from the PNSC managed fleet, i.e. M.T. Lahore and M.T. Quetta, on 7th March 2025 and 18th March 2025, respectively, upon completion of their useful life.

13.2-b Karachi Port Trust

Karachi Port Trust (KPT), the pioneer seaport of Pakistan, is often referred to as the gateway to the country. With the capacity to handle over 125 million tonnes of cargo, including 4.25 million TEUs (containers), KPT is well-equipped to manage both transshipment and in-transit containers. The port, along with its three private container terminals, has the necessary infrastructure to meet growing demands. During the period from July to March of FY 2025, cargo and container handling at Karachi Port reached 40.37 million tonnes, 4 percent increase from 38.8 million tonnes during the same period in FY 2024. However, the percentage change in imports and exports of cargo and container handling during the recent years, as reflected in Table 13.4, exhibits mixed trends.

Table 13.4: Cargo & Container Handling at Karachi Port (000 tonnes)

Fiscal Year	Imports	Exports	Total	%Change		
				Imports	Exports	Total
2020-21	36,469	15,810	52,279	34	2	19
2021-22	35,540	16,169	51,709	-2	0.6	-1
2022-23	29,075	12,776	41,851	-18	-6	-23
2023-24	32,854	18,800	51,654	13	47	23
(July-March)						
2023-24*	24,782	14,018	38,800	9.3	53	22
2024-25	25,149	15,229	40,378	1.5	8.6	4.1

* Revised

Source: Karachi Port Trust

13.2-c Port Qasim Authority (PQA)

During the first nine months of FY 2024-25 (July-March), PQA handled a total of 33.769 million metric tonnes (MMT) of cargo. This reflects a marginal year-on-year decline of 1.6 percent, compared to 34.334 MMT recorded during the same period of FY 2024. Despite this slight contraction, export volumes grew by 3.2 percent, signalling resilience in Pakistan's outbound trade activity. Imports remained dominant, constituting 77.5 percent of total cargo handled, while exports accounted for the remaining 22.5 percent. The cargo composition, segmented by category and respective volume share, the liquid/gas cargo was 14.382 million tonnes (42.5 percent), dry bulk cargo was 9.759 million tonnes (29 percent), and containerized cargo was 9.628 million tonnes (28.5 percent).

Total imports during the reporting period stood at 26.182 million tonnes, accounting for 77.5 percent of the overall cargo throughput. This marked a 3.0 percent decline compared to the 26.992 million tonnes recorded during the same period of FY 2024. The bulk of non-containerized imports comprised key commodities such as coal, liquefied natural gas (LNG), petroleum, oil and lubricants (POL), palm oil, chemicals, and grains. Export volumes during the period increased to 7.587 million tonnes, compared to 7.352 million tonnes in the previous fiscal year, reflecting 3.2 percent growth and indicating a moderate yet consistent upward trend in export cargoes. Of the total export volume, non-containerized cargo accounted for 4.011 million tonnes (53.0 percent), while containerized cargo made up 3.576 million tonnes (47.0 percent). The primary non-containerized export commodities included cement, rice, iron ore, condensate, and furnace oil.

Figure 13.2 gives a summary position of the last eight years' cargo handling and trade activity by the PQA.

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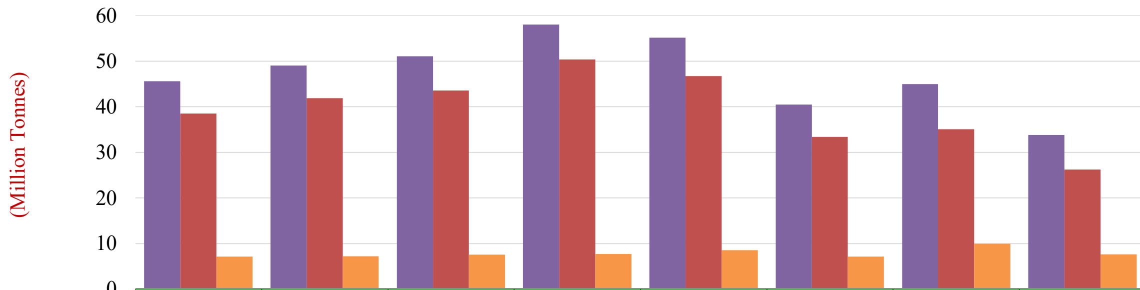
Fig-13.2: Year-wise Trade Activity of Port Qasim Authority



	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Jul-Mar)
Total	45.555	49.031	51.017	57.993	55.150	40.439	44.907	33.769
Import	38.471	41.878	43.509	50.339	46.665	33.382	35.033	26.182
Export	7.084	7.153	7.508	7.654	8.485	7.118	9.874	7.587

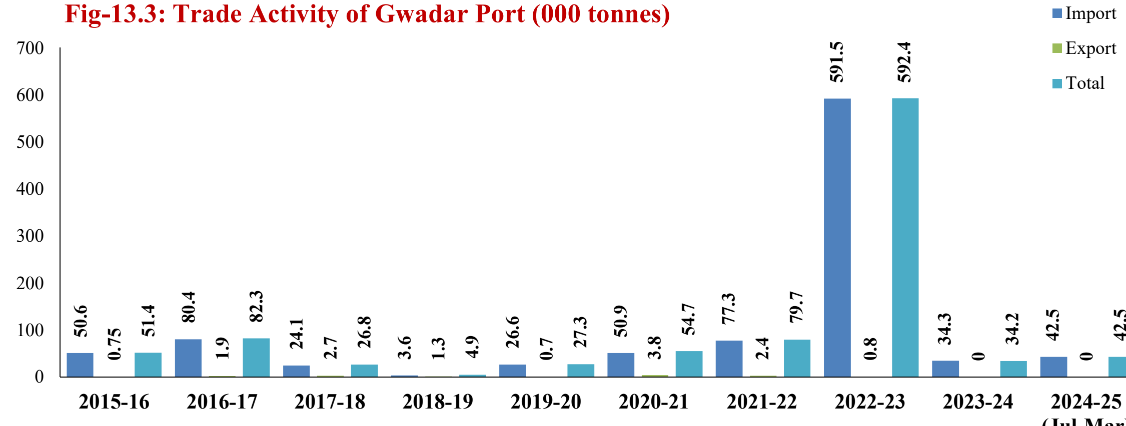
Source: M/o Maritime Affairs (Port Qasim Authority)

13.2-d Gwadar Port Authority (GPA)

Gwadar Port is located on the shores of the Arabian Sea in the Western province of Balochistan. It is about 630 km away from Karachi and 120 km from the Iranian border. Gwadar Port is located at the mouth of the Persian Gulf, just outside the Strait of Hormuz, near the key shipping routes in and out of the Persian Gulf. The development of both Gwadar City and Gwadar Port is critical for the socio-economic development of the country.

Figure 13.3 exhibits port operations and cargo activity at Gwadar Port during last 10 years.

Fig-13.3: Trade Activity of Gwadar Port (000 tonnes)



Source: M/o Maritime Affairs (Gwadar Port Authority)

Progress on the Development of Gwadar Port and Business Promotion

Since May 2013, the port's Concessional Rights were transferred to the new operator, viz. China Overseas Ports Holding Company Limited (COPHCL). Since the concessions were handed over to COPHCL, it has been working on improving port facilities, the surrounding environment and port businesses. The port operator has invested more than US$ 50 million in port facilities upgradation, and the port is now fully operational and receiving commercial vessels on a regular basis.

The China Overseas Ports Holding Company Limited (COPHCL) has completed work on the internal development of the Pilot Zone of Gwadar Free Zone on an area of 60 acres and initiated marketing. The construction of FZ

Phase-I has been completed with all infrastructures, including power, water, road, telecommunication, waste treatment, and drainage systems, are now in operation. Enterprises involving the fields of banks, insurance, financial leasing, hotels, overseas warehouses, fishery products processing, edible oil processing, pipe, furniture manufacturing, trade and logistics, supply and export of petroleum and petrochemicals, have already been registered in FZ. The total investment of the company is US$ 250 million for the Gwadar Port Free Zone.

Gwadar Port Authority, through the Government, has arranged various incentives and facilities to local and foreign investors in Gwadar Free Zone in addition to standard facilities:

- 23 years complete tax holiday from all Federal, Provincial and local taxes.
- Up to 99 years lease for sub-lessee/investors.
- 100 percent exemption from import duties and sales tax on material machinery and equipment.
- One Window Facility Service.
- 100 percent foreign ownership for foreign investors.
- Ready-to-use offices, light industrial units, and warehouses.
- Required infrastructure and security arrangements.
- Fast-track startup and licensing procedure.
- China Port Holding Company (COPHC) has completed the master planning and feasibility work on the main Free Zone on 2,281 acres of land, and some industrial units have started their construction works.

The Governments of the Islamic Republic of Pakistan & People's Republic of China have agreed on a long-term bilateral trade and economic corridor programme, i.e. China Pakistan Economic Corridor (CPEC), since 2013-14. The following projects related to Gwadar Port & Port City of Gwadar have been agreed, which are in different stages of project implementation and approval.

a. 1.2 MGD R.O.D Plant at Gwadar (Chinese Grant - Completed

b. Construction of East Bay Expressway Phase-II PC-I (Initial Stage) Under Process

c. Survey and Feasibility Study for Construction of Eastbay Expressway Phase-II of Gwadar Port Completed

There is an acute shortage of water in Gwadar due to the non-availability of groundwater. The ultimate solution for water supply is the purification of seawater through Reverse Osmosis Desalination (ROD) Plant. 1.2 MGD RO Plant is a part of socioeconomic assistance by the Chinese Government for the people of Gwadar. Due to a shortage of water in Gwadar 1.2 MGD desalination project has been started by GPA, a ground project by the Chinese government from its socioeconomic assistance programme for Pakistan. The project was completed in June 2023. It will fulfill the water requirements of the surrounding population of Gwadar Port as well as the needs of Gwadar Port Free Zone Part-I.

Lastly, different projects under Federal PSDP 2024-25 are expected to be completed during the current or in next financial year. The financial outlay of these PSDP-funded projects is given in Table 13.5.

Table 13.5: List of PSDP Projects Aimed at Gwadar Port Development Rs millions

S. No.	Name of the Project	Total Project Cost
1	Land acquisition as per Gwadar Port Master Plan 750 Acre	3920
2	Ancillary Facilities at GPA Housing Complex Gwadar	225.35
3	Survey & Feasibility Study for Construction of Eastbay Expressway Phase-II of Gwadar Port	93.7 (50.9+42.8)

Source: M/o Maritime Affairs

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13.3 Communication sector

The communication sector, another important component of the services sector, comprises of postal, electronic and broadcasting networks aimed at providing services to ensure the free flow of goods and information.

13.3-a Pakistan Post Office

Pakistan Post Office is one of the oldest government departments, works under the administrative control of the Ministry of Communications. Pakistan Post is the largest postal operator in the country, providing diverse services meant for the transmission of money and parcels to the doorsteps of customers. In 2002, a Postal Services Management Board was established, which aimed to provide the management some autonomy to improve service delivery.

It is playing a vital role in the economic and social development of Pakistan through postal services broadly categorized as domestic & International Postal Services, Financial Services, collection of utility bills and Foreign Remittances Payment. Pakistan Post has a network of 9,984 post offices of various categories. In 2022, Pakistan Post achieved the 55th position out of 162 countries in the Postal Ranking Index issued by the Universal Postal Union (UPU). International Ranking of Postal Sector is based on four pillars, i.e. Reliability, Reach, Relevance and Resilience.

Recent Initiatives:

Pakistan Post has recently taken important initiatives to provide the most efficient postal services to the people of Pakistan. The details are as under:

- Ensures delivery of packets and documents within the same day in 29 urban centers for items booked before noon, with plans to expand the service to additional cities.
- Pakistan Post has launched its own Mobile App, which offers access to postal service tariffs, postal codes, post office locator, complaint registration, track and trace, and pickup facilities
- Complied with international data requirements under the U.S. STOP Act 2018 and EU's ICS2 by upgrading domestic and international IT infrastructure, including the latest version of the International Postal System (IPS), integration with airline software for shipment visibility, and enabling AR flags in CARDIT messages—contributing to Pakistan Post's improvement from Level 5 to Level 6 in the 2024 21PD Postal Ranking.
- Maintains traditional letter post service under the Universal Service Obligation (USO), offering both ordinary and registered international letter mail for items up to 2 kg, currently available for 24 international destinations.
- Generates significant revenue through international parcel services, allowing parcels up to 30 kg and serving 204 global destinations as a key component of postal operations.
- The EMS (Express Mail Service), a premium international postal service for fast delivery of documents and merchandise, with global last-mile coverage; currently available through Pakistan Post for 36 international destinations.
- Through EMS-Plus, Pakistan Post collaborates with international delivery partners to provide fast and reliable service to 238 destinations worldwide, offering competitive rates, track and trace, and delivery within 2 to 5 days.
- As of March 2025, under the NADRA-Pakistan Post CNIC renewal project, 34,291 transactions were completed across 89 active locations, generating a PPO commission of Rs 2.57 million.
- Under the EDCF-funded project for automation of Pakistan Post Offices, supported by Exim Bank of Korea, significant progress was made in FY 2025. Following the consultancy agreement with Moon Engineering JV, signed on 27th August 2024 and effective from 5th September 2024, the Economic Affairs Division allocated US$ 8.2 million (40 percent of the total project cost) for the fiscal year. During three technical missions (October, December 2024, and January 2025), Moon Engineering JV successfully

submitted the Inception Report, conducted site surveys, finalized the basic design, and prepared draft bidding documents, marking major preparatory milestones toward the modernization and digitization of Pakistan Post's infrastructure nationwide.

13.3-b Pakistan Electronic Media Regulatory Authority

Pakistan Electronic Media Regulatory Authority (PEMRA) is responsible for the regulation and facilitation of the establishment and operations of broadcast media (satellite TV & FM radio) and distribution services (Cable TV, DTH, IPTV, Mobile TV, MMDS, etc.) in Pakistan. The authority plays a critical role in regulating private electronic media with the objective of improving the standards of information and entertainment and optimizing the free flow of information. In its 24th year, Pakistan Electronic Media Regulatory Authority (PEMRA) has seen an unparalleled increase in the number of TV channels, FM radio stations, and private sector distribution networks like Cable TV, IPTV, DTH, and MMDS in the South Asian region.

After the liberalization of the media sector in 2002, private broadcasters have made significant strides, in reshaping Pakistan's media landscape with a more diverse and dynamic range of content and platforms.

The role of the Pakistan Electronic Media Regulatory Authority (PEMRA) has been pivotal in this transformation. With over 139 licensed Pakistani satellite TV channels and 34 foreign channels granted landing rights for broadcast within the country, the media environment has diversified significantly. This rapid growth is a result of both the government's commitment to upholding freedom of expression and PEMRA's proactive efforts to promote, regulate, and facilitate private media operations.

The proliferation of TV channels, widespread expansion of cable networks, and the establishment of numerous FM radio stations across urban and rural areas have not only enhanced media accessibility but also contributed to increasing public awareness, civic engagement, and literacy. Furthermore, this vibrant media growth has played a key role in portraying Pakistan as a dynamic and progressive nation on the global stage.

A glimpse of Pakistan's electronic media landscape and distribution network can be taken from Table 13.6.

Table 13.6: Licensing Status Nos.

Category	Till 31st March, 2025	July-March 2024-25
Satellite TV Licenses Issued:	**139**	**01**
i. News & Current Affairs	37	-
ii. Entertainment	52	01
iii. Regional Languages	25	-
iv. Health	04	-
v. Sports	05	-
vi. Education	09	-
vii. Specialized subject Channel (Non-Commercial/ Education)	06	-
viii. Agriculture	01	-
FM Radio Licenses Issued:	**242**	**01**
i. Commercial	171	-
ii. Non Commercial	71	01
Cable TV Licenses Issued	3,650	40
Landing Rights Permissions Issued	34	-
Mobile TV (Video & Audio Content Provision) Service Licensing	03	-
Internet Protocol TV (IPTV) Licences Issued	36	-
Direct-to-Home (DTH)	01	-
Teleport (Broadcast) License	01	-
Provisionally Registered Television Audience Measurement (TAM) / Television Rating Point (TRP) Companies in Pakistan	01	-

Source: PEMRA

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Besides collecting advance tax from licensees at the time of issuance of licenses and their renewal, PEMRA has deposited significant amounts in the Federal Consolidated Fund (FCF). During July-March of FY 2025, the PEMRA deposited Rs 2,130,000 to the national exchequer against a contribution of Rs 2,750,000 in the same period last year.

13.3-c Pakistan Television Corporation Limited

Pakistan Television Corporation Limited (PTV), the country's only public sector TV channel, plays a vital role in disseminating news, information, and entertainment to urban centers and remote, economically disadvantaged regions. It aims to keep the public informed about national and international current affairs while offering diverse programming in education, culture, sports, and social awareness to help uplift communities and bridge socio-economic disparities. Currently, PTV operates seven channels, PTV Home, PTV News, PTV Sports, PTV Global, PTV National, PTV Bolan, and PTV World. Notably, PTV World is the only English-language news channel in Pakistan, broadcasting information about the country. PTV's terrestrial network provides coverage to 100 percent of the population, ensuring wide and inclusive access to public broadcasting. The number of registered TV set holders in the country was 26,054,120, as on 31st March, 2025.

In the fiscal year 2024-25, the Government of Pakistan allocated Rs 1,130.052 million for two Public Sector Development Programme (PSDP) projects under Pakistan Television Corporation (PTVC). For the "Establishment of National Film Production Institute at PTV Academy," Rs 324.209 million was earmarked; the civil work for this project has been completed during the year, while procurement of electronic equipment is currently underway and expected to be finalized in the next financial year. Additionally, Rs 805.843 million has been allocated for the "Revamping of PTVC" project, under which efforts are being made to upgrade the technical infrastructure and improve signal quality to enhance the broadcast experience and align with modern industry standards.

13.3-d Pakistan Broadcasting Corporation

Pakistan Broadcasting Corporation (PBC) is one of the most important and effective electronic media organizations with the mandate to create mass awareness, promote government policies and project the state narrative within the country and abroad. It aims to provide information, education and entertainment to the masses through radio news and programmes of a high standard. It also counters adverse foreign propaganda and negative perceptions. Radio Pakistan is playing a significant role in promoting Islamic ideology and national unity with the principles of democracy, freedom, equality, tolerance and social justice. It promotes national and local languages, culture and values. The national broadcaster is also an effective medium to present counter-narrative against sectarianism, provincialism and terrorism.

During the ongoing fiscal year, PBC aired a range of special religious and interfaith programmes, including Isteqbal-e-Ramzan, Jashan-e-Nazool-e-Quran seminars, and dedicated broadcasts on Ghazwa-e-Badr, Fatha-e-Makkah, and Youm-e-Shahadat of Hazrat Ali (RA) during Ramadan. Sehar and Iftar transmissions were aired nationwide, along with live Salat-ut-Taraweeh from Makkah. Awareness campaigns were launched to counter blasphemous content and highlight the sanctity of the Holy Quran. Under the Revised Interfaith Harmony Policy, special programmes were also broadcast in Urdu and regional languages to mark events like International Minority Day, Christmas, Easter, Holi, and Diwali, promoting religious tolerance and inclusion.

Radio Pakistan widely publicized key government initiatives, including efforts to curb inflation, progress on development projects, and youth-focused schemes. It ran targeted campaigns on the Revised National Action Plan 2021, countered hostile propaganda, and promoted national unity. Special programmes highlighted the Armed Forces' sacrifices in the fight against terrorism. Awareness drives also covered repatriation of illegal foreign nationals, human trafficking, migrant boat tragedies, seasonal tree plantation, and health issues like monkeypox and breast cancer.

Radio Pakistan provided dedicated coverage to highlight the Kashmir cause through a series of special transmissions. A week-long programme titled "Youm-e-Istehsaal-e-Kashmir" was aired from 1st to 7th August 2024, marking five years since the revocation of Indian Illegally Occupied Jammu and Kashmir (IIOJ&K) special status. Special broadcasts were held on 27th October for Black Day and on 26th January 2025 to counter India's Republic Day narrative. On 1st January 2024, Radio Pakistan aired a tribute programme marking the third death anniversary of Kashmiri leader Syed Ali Shah Gillani, and on 5th January, it commemorated Kashmiris' Right to Self-Determination Day. An extended transmission from 27th January to 7th February 2025 included features, promos, discussions, eyewitness accounts, mushairas, and songs, reaffirming solidarity with Kashmiris and exposing Indian atrocities in IIOJ&K.

During FY 2025, an amount of Rs 6413 million was allocated to PBC for the financial year 2024-25, including Rs 500 million additional funds from the Ministry of Information & Broadcasting, Islamabad, to meet the employee-related & operational expenditures. Rs 6,183 million have been released to PBC from July March FY 2025, for expenditure during the current financial year 2024-25. The development work under approved PSDP projects of the PBC is at various stages as highlighted below:

- PSDP project titled "Establishment of Suat-ul-Quran FM Network Phase-III" was approved at a capital cost of Rs 529 million. The execution of the project was in progress during the given period.
- PSDP project titled "Up-gradation and Replacement of 300-KW Transmitter at HPT-1 Khuzdar was approved at a capital cost of Rs 1540 million. The execution of the project was in progress during the given period.
- PSDP project titled" Up-gradation & Replacement of 100-KW Transmitter at HPT-I Quetta was approved at a capital cost of Rs 1,068.982 million. The execution of the project was in progress during the given period.
- PSDP project titled "Rehabilitation of Medium Wave Services from Khairpur" (Replacement of 100 KW Medium Wave Transmitter) was revised at a revised capital cost of Rs 878.173 million. A major part of the renovation work of the building at Broadcasting House (BH) and High-Power Transmitter (HPT) was completed in the given period, and the remaining part of procuring equipment was in progress.
- PSDP project titled "Up-gradation of HPT Rawat Transmitting Station by Installing a 1000 KW DRM-enabled Medium Wave Transmitter" was approved at a capital cost of Rs 3,850 million. The execution of the project was in progress during the given period.

Concluding Remarks

The Government of Pakistan remains firmly committed to modernize and expand an efficient, integrated transport and communication network. Central to this vision is the strategic connectivity of the country's major trade corridors, exemplified by flagship initiatives such as the China-Pakistan Economic Corridor (CPEC). With an objective to reduce transportation costs, improving road safety, and enhancing linkages between rural and urban markets. The development of high-speed interprovincial highways, and cross-border transport corridors with regional trade partners are pivotal to accelerating economic growth. These advancements are not only instrumental in Pakistan's socio-economic uplift but also for strengthening its position as a regional trade and logistics hub in South and Central Asia.

A well-rounded and forward-looking strategy is essential to bolster the sector's contribution to Pakistan's economic development. By creating a business-friendly environment, expanding cutting-edge digital infrastructure, and adopting modern technologies in logistics, shipping, and communication systems. The digitization of supply chains and the promotion of cost-effective, energy-efficient freight solutions will significantly boost operational efficiency. Moreover, fostering skill development, promoting innovation, and seeking international collaborations will further strengthen the sector.

TABLE 13.1 A

TRANSPORT (Roads)

(in kilometers)

Years	Expressway	Highway	Local Road	Metro Road	Motorway	National Highway	Primary Road	Secondary Road	Total
2019-20	460	20,089	373,423	86	3,210	12,122	4,387	87,647	501,424
2020-21	428	32,097	373,525	76	2,471	-	4,388	87,765	500,749
2021-22	428	32,097	373,525	146	2,816	-	4,388	87,765	501,165
2022-23	428	32,097	373,525	146	2,816	-	4,388	87,765	501,165
2023-24	428	32,097	373,525	150	2,816	-	4,388	87,765	501,169
2024-25 (Jul-Mar)	428	32,097	373,525	150	2,816	-	4,388	87,765	501,169

Source: National Transport Research Center

TABLE 13.1 B

RAILWAYS

Fiscal Year	Locomotives (Nos.)	Freight Wagons (Nos.)	Route (Km)	Number of Passengers carried (Million)	Freight carried (Million Tonnes)	Freight Tonne (Million Km)	Gross Earnings (Rs. Million)
2010-11	528	18,468	7,791	64.90	2.61	1,757	18,612
2011-12	522	17,611	7,791	41.10	1.30	403	15,444
2012-13	493	16,635	7,791	41.90	1.00	419	18,070
2013-14	421	16,179	7,791	47.70	1.60	1,090	22,800
2014-15	458	15,452	7,791	52.90	3.60	3,301	31,924
2015-16	460	15,164	7,791	52.20	5.00	4,773	36,582
2016-17	455	16,085	7,791	52.40	5.63	5,031	40,065
2017-18	478	16,159	7,791	54.90	8.40	8,080	49,570
2018-19	472	14,327	7,791	60.40	8.30	8,304	54,508
2019-20	473	14,448	7,791	44.30	7.41	7,369	47,584
2020-21	467	14,448	7,791	28.40	8.20	8,179	48,649
2021-22	466	13,900	7,791	35.70	8.00	8,070	60,257
2022-23	461	13,448	7,791	22.55	4.29	4,270	39,950
2023-24	451	11,973	7,791	29.36	5.10	5,037	53,703
2024-25 (Jul-Mar) P	449	11,446	7,791	30.98	5.84	5,816	65,171

P: Provisional

Source: Ministry of Railways

TABLE 13.1 C

PAKISTAN NATIONAL SHIPPING CORPORATION (PNSC)

Fiscal Year	No. of Vessels	Dead Wt. Tonnes	Gross Earnings (Rs. Million)
2010-11	11	646,666	9,293.0
2011-12	9	610,167	8,875.3
2012-13	9	642,207	12,252.9
2013-14	9	642,207	15,726.5
2014-15	9	681,806	15,536.3
2015-16	9	681,806	12,543.0
2016-17	9	681,806	12,477.0
2017-18	9	681,806	10,070.0
2018-19	11	831,711	10,862.5
2019-20	11	831,711	13,803.0
2020-21	11	831,711	12,788.5
2021-22	13	1,045,957	27,714.1
2022-23	12	938,876	42,378.7
2023-24	12	938,876	42,475.2
2024-25			
(Jul- Mar) P	10	724,643	34,841.7

P: Provisional

Source: Pakistan National Shipping Corporation

TABLE 13.1 D

PORTS-Cargo Handled

Fiscal	Karachi Port (000 tonnes)			Port Qasim (000 tonnes)			Gwadar Port (000 tonnes)		
Year	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports
2010-11	41,431	28,589	12,842	26,168	19,511	6,657	476.0	476.0	-
2011-12	37,875	26,201	11,674	24,025	18,075	5,950	1,426.0	1,426.0	-
2012-13	38,850	26,700	21,150	24,801	17,754	7,047	507.6	507.6	-
2013-14	41,350	30,343	11,007	25,775	18,076	7,699	649.0	649.0	-
2014-15	43,422	29,672	13,750	30,014	21,608	8,405	439.2	438.9	0.3
2015-16	50,045	34,594	15,451	33,321	25,857	7,464	51.4	50.6	0.8
2016-17	52,493	42,638	9,855	37,358	30,995	6,363	82.3	80.4	1.9
2017-18	54,685	41,669	13,016	45,555	38,471	7,084	26.8	24.1	2.7
2018-19	46,893	32,863	14,031	49,031	41,878	7,153	5.0	3.6	1.3
2019-20	41,840	27,206	14,634	51,017	43,509	7,508	27.3	26.6	0.7
2020-21	52,279	36,469	15,810	57,993	50,339	7,654	54.7	50.9	3.8
2021-22	51,709	35,540	16,169	55,150	46,665	8,485	79.7	77.3	2.4
2022-23	41,851	29,075	12,776	40,500	33,382	7,118	592.4	591.5	843.0
2023-24	64,145	40,844	23,301	44,907	35,033	9,871	34.0	34.0	-
2024-25									
(Jul-March)	40,378	25,149	15,229	33,769	26,182	7,587	42.5	42.5	-

P : Provisional

- : Not available

* : July-April

Source: Karachi Port Trust
Port Qasim Authority
Gwadar Port Authority

TABLE 13.2

PAKISTAN INTERNATIONAL AIRLINES CORPORATION-Operational

Year	PIA Fleet No. of Planes	Available Seat (Million Km)	Route Km	Passenger Load Factor%	Available Tonne (Million Km)	Operating Expenses (Million Rs.)
2011	40	21,726	460,719	72.0	2,972	135,023
2012	38	19,850	448,120	70.0	2,859	133,930
2013	38	17,412	411,936	70.0	2,471	129,588
2014	34	16,537	389,455	72.0	2,396	114,944
2015	34	16,666	367,251	70.0	2,436	108,478
2016	37	19,201	382,057	72.0	2,798	121,863
2017	36	19,108	360,937	73.2	2,659	122,193
2018	32	18,081	332,303	77.3	2,521	170,447
2019	31	18,372	389,725	81.3	2,610	166,917
2020	30	8,902	705,820	74.5	1,327	95,670
2021	30	7,682	374,054	66.9	1,020	101,212
2022	35	13,075	341,821	80.3	1,806	183,345
2023	32	13,768	301,832	83.3	1,884	235,317
2024	33	12,123	593,063	81.8	1,600	194,807

(Contd.)

TABLE 13.2

PAKISTAN INTERNATIONAL AIRLINES CORPORATION-Revenue

Year	Revenue Passengers (Million Km)	Revenue Passengers Carried (000)	Revenue Load Factor (%)	Revenue Kilometers Flown (000)	Revenue Tonne (Million Km)	Revenue Hours Flown	Operating Revenue (Million Rs.)
2011	15,664	5,953	56.0	84,898	1,678	141,727	116,551
2012	13,874	5,236	53.0	75,750	1,513	127,268	112,130
2013	12,237	4,449	55.0	63,144	1,351	106,476	95,771
2014	11,903	4,202	52.0	61,389	1,242	101,556	99,519
2015	11,711	4,394	49.0	67,630	1,191	111,455	91,269
2016	13,751	5,486	49.0	79,842	1,375	131,838	88,998
2017	13,988	5,342	55.2	75,207	1,469	122,081	90,288
2018	13,975	5,203	58.4	70,089	1,472	110,050	100,051
2019	14,938	5,290	59.0	70,515	1,539	110,640	147,500
2020	6,629	2,541	52.4	37,403	695	57,370	94,989
2021	5,138	2,657	53.7	34,544	547	55,710	86,185
2022	10,497	4,281	58.0	53,811	1,048	84,742	172,038
2023	11,468	4,496	60.9	57,122	1,149	90,067	238,505
2024	9,918	3,904	64.4	51,984	1,030	82,043	204,164

Source: Pakistan International Airlines Corporation

Note: PIA Financial Year has changed to Calendar Year

TABLE 13.3

NUMBER OF MOTOR VEHICLES REGISTERED

(Nos.)

Calendar Year	Motor Cycle (2 Wheels)	Motor Cycle (3 Wheels)	Motor Cars Jeeps & Station Wagons	Motor Cabs/ Taxis	Buses	Trucks	Others	Total
2011	5,781,953	266,390	1,881,560	124,651	202,476	225,075	1,178,890	9,660,995
2012	7,500,182	323,189	2,094,289	143,859	215,374	240,888	1,270,788	11,788,569
2013	9,169,528	380,579	2,281,083	145,234	220,347	247,197	1,340,963	13,784,931
2014	11,006,421	466,185	2,437,735	145,424	224,403	253,574	1,406,819	15,940,561
2015	13,081,400	559,114	2,715,322	167,678	229,290	261,845	1,487,460	18,502,109
2016	15,223,925	670,507	2,932,619	170,759	235,521	269,302	1,555,279	21,057,912
2017	17,507,747	761,420	3,195,405	170,890	242,076	277,930	1,642,682	23,798,150
2018	19,783,957	841,445	3,494,007	171,117	249,047	284,683	1,724,426	26,548,682
2019	22,001,277	919,020	3,703,649	171,179	253,996	288,652	1,799,789	29,137,562
2020	23,407,865	951,425	3,833,616	171,462	255,409	293,460	1,844,302	30,757,539
2021	25,119,891	980,500	4,065,482	171,679	257,223	295,909	1,902,181	32,792,865
2022	26,884,786	1,001,860	4,327,539	171,884	259,043	298,760	1,963,577	34,907,449
2023	27,845,062	811,273	4,567,275	116,846	168,505	320,392	287,617	34,116,970
2024	28,782,990	829,671	4,997,143	117,304	169,734	321,999	287,730	35,506,571
2025 P	30,470,376	871,285	5,227,517	117,923	172,690	327,719	288,044	37,475,554

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 13.4

MOTOR VEHICLES ON ROAD-LCV

(In 000 Nos.)

Year	Mcy/ Scooter	Motor Car	M. Cab/ Taxi	Motor Rickshaw	D.Van	Pickup	Jeep	Station Wagon
2010-11	5,468.8	2,822.2	154.6	89.8	173.6	135.3	78.5	175.2
2011-12	6,015.7	3,104.4	170.0	98.8	191.0	148.8	86.4	192.7
2012-13	5,550.0	3,600.0	160.7	120.5	180.0	150.2	78.7	180.1
2013-14	6,100.0	4,600.0	168.8	108.0	181.0	150.0	60.0	185.0
2014-15	6,405.0	4,820.0	178.0	112.0	190.0	158.0	64.0	191.0
2015-16	6,669.3	6,131.7	186.5	118.1	191.4	166.3	54.2	192.0
2016-17	11,975.3	6,954.0	197.4	122.0	204.2	176.4	69.6	201.9
2017-18	14,060.9	7,183.5	197.7	128.1	210.1	187.2	80.0	206.6
	Base Year 2018-19							
2018-19	14,623.3	7,470.8	205.6	133.2	218.5	194.7	83.2	214.9
2019-20	22,808.8	3,960.2	116.1	721.3	139.9	513.5	150.9	903.4
2020-21	24,722.3	4,141.9	116.5	759.5	151.7	527.4	175.7	90.5
2021-22	26,505.2	4,400.5	116.6	788.1	168.7	543.1	214.9	90.7
2022-23	27,845.1	4,567.3	116.8	811.3	181.2	550.7	240.6	90.9
2023-24	28,782.9	4,652.2	117.3	829.7	187.2	554.4	253.3	91.7
2024-25 (Jul-Mar)	30,470.4	4,844.7	117.9	871.3	205.8	563.1	290.5	92.3

(Contd.)

TABLE 13.4

MOTOR VEHICLES ON ROAD-HCV

(In 000 Nos.)

Year	Ambu-lance	Buses	Trucks	Tractor	Tankers (Oil & Water)	Others	Total
2010-11	4.5	125.6	209.5	970.9	11.4	24.0	10,443.8
2011-12	5.0	138.2	230.5	1,068.0	12.5	26.4	11,488.2
2012-13	3.7	130.2	220.5	1,128.7	12.3	60.5	11,576.1
2013-14	4.0	140.0	240.0	1,228.0	12.6	65.0	13,242.4
2014-15	4.0	148.0	252.0	1,283.0	12.6	68.0	13,885.6
2015-16	3.8	150.6	263.8	1,351.6	14.0	75.5	15,568.8
2016-17	5.7	156.3	276.2	1,430.1	14.8	74.7	21,858.6
2017-18	6.9	159.2	280.0	1,460.2	15.2	92.4	24,268.0
	Base Year 2018-19						
2018-19	7.2	165.6	291.2	1,518.6	15.8	96.1	25,238.7
2019-20	8.8	193.7	325.6	628.0	24.3	287.1	29,968.8
2020-21	9.1	164.7	313.2	648.1	21.1	287.3	32,129.0
2021-22	9.7	166.7	317.0	670.3	21.3	287.5	34,300.2
2022-23	10.3	168.5	320.4	689.3	21.5	287.6	35,901.5
2023-24	10.7	169.7	321.9	710.2	21.5	287.7	36,990.4
2024-25 (Jul-Mar)	11.9	172.7	327.7	743.5	22.0	288.0	39,021.8

Source: Ministry of Communication (NTRC)

TABLE 13.5

MOTOR VEHICLES-PRODUCTION

(In Nos.)

Fiscal Year	Motor Cycle/ Rickshaw	Cars & Jeeps	L.C.Vs	Buses	Trucks	Tractors
2010-11	1,638,457	134,855	19,142	490	2,810	70,855
2011-12	1,649,532	154,706	20,929	568	2,597	48,152
2012-13	1,675,071	121,807	14,517	522	1,923	50,871
2013-14	1,728,137	117,498	17,477	559	2,674	34,524
2014-15	1,777,251	153,633	28,189	575	4,039	48,883
2015-16	2,071,123	180,717	38,418	1,394	6,937	34,914
2016-17	2,500,650	193,996	27,272	1,437	9,111	53,975
2017-18	2,825,071	231,738	31,337	1,076	12,349	71,894
2018-19	2,459,849	218,845	26,068	1,135	8,549	49,902
2019-20	1,813,448	106,764	15,074	623	4,225	32,608
2020-21	2,475,894	182,389	35,912	631	5,346	50,700
2021-22	2,190,344	271,923	50,831	712	7,222	58,922
2022-23	1,288,886	131,978	22,655	748	4,091	31,752
2024-25	1,234,919	100,221	12,795	518	2,722	46,275
Jul-Mar						
2023-24	908,698	71,174	7,506	377	1,864	36,385
2024-25 P	1,210,518	96,795	22,305	593	3,556	23,814

Source: Pakistan Bureau of Statistics

TABLE 13.6

MOTOR VEHICLES-IMPORTS

in Nos.

Fiscal Year	Bicycle	Motorised Cycles	Motor Cycles	Motor Rickshaw	Rickshaw chassis with Engine	Cars	Passengers M. Cars (NES)	Car Chassis with Engine	Pickup	Jeeps
2010-11	184,023	103,694	216,080	14,746		675,810	344	163	35,462	27
2011-12	199,876	29,645	246,332	51,142		874,386	137	2	63,786	35
2012-13	211,535	36,839	275,931	19,043		671,531	923		35,101	29
2013-14	260,532	42,840	213,466	32,745		778,073	54		29,459	14
2014-15	386,981	58,270	291,882	97,591		1,854,622	10	2	65,751	21
2015-16	541,381	102,593	327,001	44,911	1	1,384,775	5		69,146	13
2016-17	715,496	106,046	323,290	30,811	192	1,568,723	-		110,247	3
2017-18	1,351,813	140,778	393,790	33,489	161	1,855,468	-	2	251,019	76
2018-19	692,174	124,283	290,091	30,823	-	2,119,541	-	-	88,945	38
2019-20	262,867	108,502	302,046	28,089	-	1,212,456	-	-	87,340	1
2020-21	377,087	69,457	398,502	35,155	-	1,493,580	-	4	84,911	4
2021-22	247,196	91,175	453,910	40,089	-	1,550,946	-	-	90,244	31
2022-23	130,662	56,856	256,226	349	-	1,328,668	-	-	207,986	64
2023-24	124,484	68,791	296,059	19,056	-	836,774	-	-	105,176	-
2024-25 P										
(Jul-Mar)	117,305	78,330	304,973	70437	-	913,661	-	2	283,222	-

(Contd.)

Fiscal Year	Station Wagon	Delivery Van	Lorries Trucks	Passenger	Special Lorries	Bus etc.	Buses, Trolly	Motor	Spl. Truck etc.	Road Tractors
2010-11	29	4	24,728	225	3,371	1,553	861	5	233	1,345
2011-12	73	1	11,942	441	563	1,828	1,555	2	16	1,598
2012-13	42	735	31,027	16,947	2,832	1,586	668		9	1,252
2013-14	8	2,732	23,946	1,282	1,406	3,997	425	7	17	1,309
2014-15	18	5,477	33,489	2,810	927	4,818	847		3,063	9,991
2015-16	126	8,707	47,645	3,036	1,398	9,136	1,234	1	3,267	4,442
2016-17	4	10,553	50,380	2,649	1,929	21,046	720	10	81	1,836
2017-18	4	12,810	38,095	3,316	1,098	2,152	685	1,313	152	1,307
2018-19	-	8,596	20,872	1,335	518	1,568	611	1	85	1,278
2019-20	-	2,361	10,701	227	197	494	404	7	406	1,493
2020-21	-	3,812	12,549	1,353	187	1,409	314	5	24	4,262
2021-22	-	5,270	14,113	1,503	171	986	494	1	88	4,360
2022-23	-	1,586	26,148	512	56	668	223	-	186	10,346
2023-24	-	401	3,990	676	117	9	113	-	24	3,153
2024-25 P										
(Jul-Mar)	-	6,812	19,643	1086	101	595	307	-	51	1,719

(Contd.)

Fiscal Year	Tractor	Tractor	Tractor Heavy	Tractor Roads	Tractor (NES)	Electric	Electric Bikes	Sport Utility	3-Wheel
2010-11	905		148	144	12,208				
2011-12	3,684		68	-	12,930				
2012-13	1,988		131	225	18,773				
2013-14	2,088		347	157	16,796	13	15	1	
2014-15	3,086		476	434	28,743	13	104	14	100
2015-16	1,843	4	369	675	30,464	25	64	10	10,202
2016-17	4,831		843	703	66,946	12	59	42	2,956
2017-18	3,796	44	643	713	63,638	-	-	11	16,929
2018-19	2,270	-	95	867	2,468	-	-	9	2,180
2019-20	1,366	-	86	488	6,913	-	-	19	47
2020-21	2,244	-	105	166	2,466	-	-	4	2
2021-22	3,658	-	163	188	4,348	-	-	7	5
2022-23	2,256	-	151	98	9,436	-	-	-	3
2023-24	1,375	2	14	93	8,451	-	-	1	-
2024-25 P									
(Jul-Mar)	1,426	-	62	124	13,963	-	-	1	-

P : Provisional - : Not Available Source: Pakistan Bureau of Statistics

TABLE 13.7

PAKISTAN POST OFFICES

Fiscal Year	No. of Post Offices Urban	Rural	Total
2010-11	1,580	10,455	12,035
2011-12	1,797	10,238	12,035
2012-13	2,178	10,650	12,828
2013-14	1,813	10,264	12,077
2014-15	1,813	10,264	12,077
2015-16	1,782	9,962	11,744
2016-17	2,046	9,450	11,496
2017-18	2,046	9,450	11,496
2018-19	1,717	8,352	10,069
2019-20	1,519	8,626	10,145
2020-21	1,514	8,072	9,586
2021-22	2,179	8,012	10,191
2022-23	1,742	8,282	10,024
2023-24	1,652	8,719	10,371
2024-25 (Jul-Mar)*	3,142 **	6,823 ***	9,965

Source: Pakistan Post Office

* : Categorization has been changed to Departmental Post Offices and Other Post Offices

** : Departmental Post Offices

*** : Other Post Offices

ENERGY

Total Installed Capacity (End Mar FY2025)	**46,605**	(MW)
Total Electricity Generation (Jul-Mar FY2025)	**90,145**	(Gwh)

Consumptions (Jul-Mar 2025)

Total Electricity	**80,111**	(Gwh)
Petroleum Products	**13.17**	(Million Tonnes)
Gas	**3,143**	(Mmcfd)
Coal	**16.2**	(Metric Tonnes)

Chapter 14

ENERGY

The energy sector remains a pivotal driver of Pakistan's economic and industrial development, impacting productivity, trade competitiveness, and overall quality of life. During the first nine months of FY 2025 (July-March), Pakistan continued to face challenges related to energy affordability, sustainability, and security. However, some key reforms, capacity enhancements, and shifts in the energy mix indicate gradual progress towards a more resilient and diversified energy landscape. This chapter presents a detailed overview of developments in the power sector, including electricity generation, consumption patterns, installed capacity, and the role of private investment through the Private Power and Infrastructure Board (PPIB). It also covers recent petroleum, natural gas, and coal production and consumption trends.

As of March 2025, the total installed electricity generation capacity stood at 46,605 MW, with a progressive shift toward cleaner energy sources. Hydel, nuclear, and renewable sources collectively accounted for 44.3 percent of the installed capacity, up from previous years, while the share of thermal power declined to 55.7 percent. In terms of electricity generation, Pakistan produced 90,145 GWh during July-March FY 2025, of which 53.7 percent was contributed by hydel, nuclear, and renewable sources, reflecting a welcome transition toward indigenous and environment-friendly energy sources. Sectoral consumption patterns highlight the continued dominance of the household sector, accounting for nearly half of national electricity usage.

The Private Power and Infrastructure Board (PPIB) played a critical role in facilitating private sector participation in power generation and transmission. During the review period, key milestones were achieved, including the operationalization of the 884 MW Suki Kinari Hydropower Project and continued progress on new solar, wind, and bagasse-based projects. As of March 2025, PPIB had successfully facilitated 88 operational Independent Power Producers (IPPs) with a cumulative capacity of 20,726 MW. The government's push to prioritize renewable and indigenous fuels is evident from the current pipeline of projects, 84 percent of which are based on clean energy.

In the petroleum sector, domestic production remained constrained, and reliance on imports continued. However, international oil price stability helped moderate the energy import bill compared to the previous year. Domestic refining capacity utilization remained suboptimal, while efforts to attract investment in refinery upgrades and new capacity continued. On the natural gas front, the depletion of indigenous reserves remains a major concern. With no significant new discoveries, the country relied heavily on LNG imports to meet domestic demand, especially for the power and industrial sectors. In response, efforts are underway to improve energy efficiency and expand the LNG supply chain infrastructure.

Coal continues to play a significant role in the power sector, particularly through projects based on Thar coal. Indigenization of coal-based energy is being actively pursued, with several Thar coal-fired plants contributing to the national grid. However, environmental concerns and the need for clean technology adoption remain important policy considerations.

The government remains committed to ensuring energy security, affordability, and sustainability

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through improved governance, enhanced private sector participation, and strategic investment in renewable and indigenous resources. The Integrated Generation Capacity Expansion Plan (IGCEP) and ongoing reforms under the National Electricity Policy 2021 and Alternative & Renewable Energy Policy 2019 provide the roadmap for future sectoral transformation.

14.1 POWER SECTOR

Installed Capacity and Generation of Electricity

As of July-March FY 2025, Pakistan's total installed electricity generation capacity stood at 46,605 MW, reflecting a 1.6 percent increase compared to 45,888 MW recorded in the corresponding period of FY 2024. The increase can be attributed with the installed capacity of 2,813 MW from net metering. However, Government of Pakistan terminate Power Purchase Agreements (PPAs) with several Independent Power Producers (IPPs), notably HUB Power, Lalpir Power, Pakgen Power, Roush Power, Saba Power, and Atlas Power, with effect from October 1, 2024.

The percentage shares of hydel, nuclear, renewable, and thermal are 24.4 percent, 7.8 percent, 12.2 percent, and 55.7 percent, respectively (Table 14.1). The share of thermal power as a dominant source of electricity supply has declined over the past few years, showing an increased reliance on indigenous sources. Out of the total electricity generation of 90,145 GWh, the share of hydel, nuclear, and renewable stands at 53.7 percent. This shift marks a positive development of the economy, as the energy mix transitions away from thermal generation towards more sustainable and environmentally friendly alternatives (Table 14.2).

Table 14.1: Installed Capacity of Electricity

Source	FY 2024		July-March FY 2024		July-March FY 2025 (P)	
	MW	Share (%)	MW	Share (%)	MW	Share (%)
Hydel	10,635	23.18	10,635	23.18	11,368	24.39
Thermal	28,766	62.69	28,766	62.69	25,937*	55.65
Nuclear	3,620	7.89	3,620	7.89	3,620	7.77
Renewable	2,867	6.25	2,867	6.25	5,680**	12.18
Total	**45,888**	**100.0**	**45,888**	**100.0**	**46,605**	**100.0**

*: GoP has terminated PPAs with HUB Power, Lalpir Power, Pakgen Power, Roush Power, Saba Power and Atlas Power w.e.f October 01, 2024.
**: includes 2,813 MW from net metering

Source: National Electric Power Regulatory Authority & NTDC

Table 14.2: Generation of Electricity

Source	FY 2024		July-March FY 2024		July-March FY 2025	
	GWh	Share (%)	GWh	Share (%)	GWh	Share (%)
Hydel	39,902	31.29	29,167	31.58	27,413	30.41
Thermal	58,333	45.74	42,493	46.02	41,734	46.30
Nuclear	23,155	18.16	16,754	18.14	17,175	19.05
Renewable	6,133	4.81	3,921	4.26	3,823	4.24
Total	**127,523**	**100.0**	**92,335**	**100.0**	**90,145**	**100.0**

Source: National Electric Power Regulatory Authority

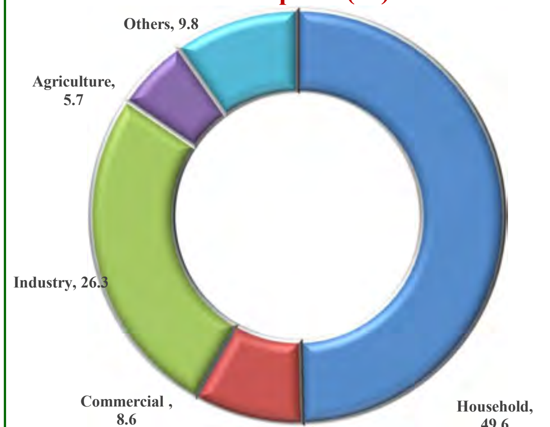
Electricity Consumption

During July-March FY 2025, total electricity consumption in Pakistan stood at 80,111 GWh, compared to 83,109 GWh in the corresponding period of FY 2024, reflecting a 3.6 percent decline in electricity usage. This contraction may be attributed to ongoing energy conservation measures, elevated power tariffs, off-grid solar solutions, and subdued industrial activity.

The household sector continued to dominate electricity consumption, with its share rising to 49.6 percent (39,728 GWh) during July-March FY 2025, up from 47.3 percent (39,286 GWh) in the same period of FY 2024. This increase indicates a relative expansion in residential demand, possibly driven by population growth, an increased use of home appliances, and stable weather-related consumption patterns. In contrast, industrial consumption slightly declined both in absolute terms and share. The sector consumed 21,082 GWh, down from 22,031 GWh, reducing its share from 26.5 percent to 26.3 percent.

Electricity usage in the agriculture sector dropped significantly by 34.3 percent, falling from 6,951 GWh to 4,566 GWh, which reduced its share from 8.4 percent to 5.7 percent. This sharp decline is likely due to changes in irrigation practices, rainfall patterns, and possibly a switch to diesel-powered or solar alternatives in response to rising electricity costs. The commercial sector recorded a modest increase in consumption, from 6,776 GWh to 6,898 GWh, slightly raising its share to 8.6 percent. This rise indicates a marginal pickup in business and retail activity, particularly in urban centers. The “others” category, comprising public lighting, bulk supply, and government buildings, consumed 7,037 GWh, maintaining a stable share at 9.8 percent, broadly consistent with the previous year.

Fig-14.1: Sectoral Share in Electricity Consumption (%)



Source: M/o Energy & HDIP

Table 14.3: Sectoral Share in Electricity Consumption

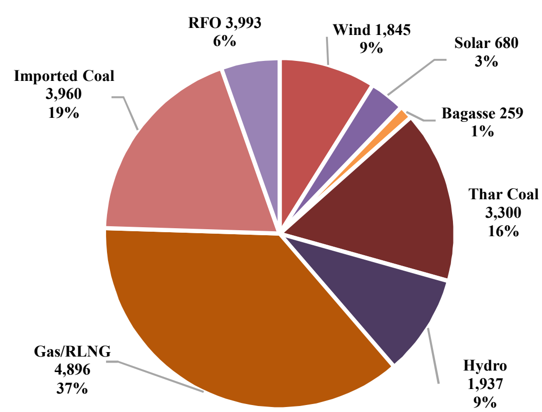
Source	FY 2024		July-March FY 2024		July-March FY 2025	
	GWh	Share (%)	GWh	Share (%)	GWh	Share (%)
Household	54,911	49.4	39,286	47.3	39,728	49.6
Commercial	9,195	8.3	6,776	8.2	6,898	8.6
Industry	27,830	25.0	22,031	26.5	21,082	26.3
Agriculture	8,578	7.7	6,951	8.4	4,566	5.7
Others	10,596	9.5	8,065	9.7	7,837	9.8
Total	**111,110**	**100.0**	**83,109**	**100.0**	**80,111**	**100.0**

Source: Ministry of Energy (Power Division) & Hydrocarbon Development Institute of Pakistan

Private Power and Infrastructure Board

The role of the Private Power and Infrastructure Board (PPIB) emerges as a cornerstone in Pakistan’s efforts to diversify its energy generation sources. As the focal organization charged with the responsibility of promoting private sector investment in power generation and transmission, PPIB is leading Pakistan's energy transition through the facilitation of diversified, secure, and sustainable power production and infrastructure development via innovative public-private partnership and strategic policy implementation.

Fig-14.2: Capacity Addition by PPIB, 20,726 MW



Source: PPIB

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Under the PPIB track record, the power sector has made significant strides by successfully commissioning 101 multi-fuel-based Independent Power Producers (IPPs) with a total capacity of 25,841 MW, attracting over US$ 35 billion as foreign direct investment. Among these, 59 IPPs of 4,721 MW are based on hydel, solar, wind, and bagasse energy sources. Additionally, a 660kV mega HVDC Matiari-Lahore transmission line project has been completed with private sector investment through PPIB. Currently, PPIB is overseeing a fleet of 88 operational IPPs with a cumulative capacity of 20,726 MW totaling US$ 28.6 billion combined investment. This capacity, along with KE's represents 59 percent of national grid's capacity. The fuel mix of 88 operational IPPs is presented in Table 14.4

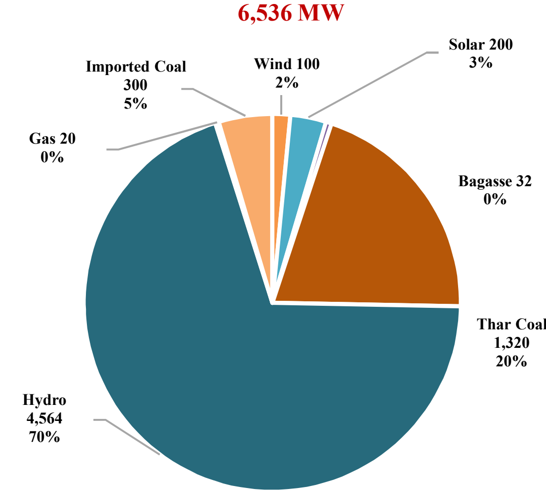
Table 14.4: PPIB's Facilitated Installed Capacity

Commissioned Projects: Fuel/Technologies								
Total 20,726 MW	Wind	Solar	Bagasse	Thar Coal	Hydro	Gas/RLNG	Imported Coal	RFO
	1,845 MW	680 MW	259 MW	3,300 MW	1,937 MW	7,629 MW	3,960 MW	1,116 MW

Source: Private Power and Infrastructure Board

PPIB is working on multiple fronts, such as diversifying the energy mix, prioritizing indigenous and renewable resources by replacing the imported fuel-based IPPs with indigenous and renewable. Alongside, PPIB is steadily progressing towards a successful energy transition and promotion of indigenization. This is very much evident from PPIB's current portfolio, which consists of 19 new multiple fuels/technologies (solar, wind, coal, hydro, R-LNG/Gas, bagasse) based IPPs of 6,536 MW combined capacity. Among these, 16 are renewable energy projects (including hydropower), indicating that 84 percent of the portfolio will be sourced from clean and green energy. This scenario testifies to the GoP steadfast approach for promotion of indigenization and implementation of RE-based power projects in the country. Further, the GoP has also decided to process future projects based on demand-supply projections as per the approved IGCEP. Year-wise induction of upcoming IPPs is given in Table 14.5.

Fig-14.3: Energy Mix of Upcomming IPPs, 6,536 MW



Source: PPIB

Table 14.5: Power Projects under Facilitation by PPIB

Year/Description	No. of IPPs	Fuels	Power Generation (MW)
2025	1	Bagasse (32)	32
2026	2	Hydel, Solar (7.1+100)	107.1
2028	4	Thar Coal, Solar, Wind (1,320+100+100)	1,520
2029	2	Hydel, Imp Coal (82.3+300)	382.3
2033	2	Hydel (1,340)	1,340
2034	1	Hydel (1,124)	1,124
Other Projects in Process	7	Hydel, Gas (2,010+20)	2,030
Total	**19**		**6,536**

Source: Private Power and Infrastructure Board

PPIB is actively processing a diversified portfolio of IPPs (Wind/ Solar/ hydel/Bagasse/ Coal and Gas) under the provisions of Power Generation Policy 2015, Alternative and Renewable Energy (ARE) Policy 2019, and National Electricity Policy 2021. While carrying out its functions, major activities performed by PPIB during July-March FY 2025 are summarized as follows:

Suki Kinari Hydropower Project: The largest hydro IPP of 884 MW achieved Commercial Operations in September 2024 with an investment of US$ 1.71 billion. The project will generate an estimated 3.13 billion units of clean, reliable, and affordable electricity annually for National Grid. The Suki Kinari project has been implemented on a Build-Own-Operate-Transfer basis under the provisions of the Power Policy 2002.

Bagasse-based Power Project: Due to the PPIB's swift processing and facilitation efforts, the 32 MW bagasse-based power plant is undergoing commissioning and is expected to be completed in April 2025. After completion, the project is expected to deliver 126 million units of clean energy annually over its 30-year lifespan.

Solar and Wind Energy Projects: To ensure a safe, secure, and quality-assured supply of solar and wind energy projects, products, systems, installation, and servicing, PPIB certified 149 new solar PV installers during July-February FY 2025 and reached 689. These certified installers have completed approximately 143,222 solar PV system installations, with a cumulative capacity exceeding 2,113 MW during this period.

Private Sector Projects through Competitive Bidding: To develop projects in private sector through competitive bidding, detailed feasibility studies, including resource assessment, energy yield estimation reports, grid evacuation studies, environmental and social impact assessments, hydro-geological studies, soil investigations, and topographical studies, were conducted in accordance with international standards for the development of 1x600MW solar PV project at Kot Addu/Muzaffargarh and 1x600 MW solar PV project at Jhang.

Development of the power sector of Gilgit-Baltistan (GB): PPIB is leading the efforts for extension of the Federal Power Generation Policy 2015, and the Role of PPIB for the development of the power sector of GB. Facilitation and input to GB entities extended for necessary legislation to create an enabling environment for investments. PPIB will provide expert services for the development of private sector power projects in GB as an agent of GB government/council.

Fast Track Solar Initiatives

To reduce the impact of high prices of oil and LNG in the international markets resulting in high electricity tariffs and drain foreign exchange reserves, the government has approved the Framework Guidelines for Fast-Track solar PV Initiatives 2022 for fast-track deployment of solar PV. The framework is based on the following three key pillars:

a. Substitution of Expensive Imported Fossil Fuels with Solar PV Energy

Under this initiative, solar PV-based power generation capacity shall be procured for the substitution of expensive imported fossil fuels used for power generation. Exact quantum will be determined on approval of the IGCEP by NEPRA. In this regard, as a first step, a 600 MW peak solar project is planned to be developed at Kot Addu / Muzaffargarh on G2G mode, and the same has been offered to the Government of Kingdom of Saudi Arabia.

b. Solar PV Generation on 11 kV Feeders

For solarization of 11 kV Feeders, PPIB prepared and shared the standard RFP and Energy Purchase Agreement with all DISCOs for approval from their respective Boards. Once approved, the DISCOs will initiate the process of competitive bidding for the development of small solar projects on identified feeders, following the approval of RFPs and the determination of a benchmark tariff by NEPRA.

c. Solarization of Public Buildings

Under Public Building Solarization, PPIB has prepared model RFP documents and Contract

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Agreements to facilitate Public Sector Entities (PSEs) in the solarization of their buildings. PPIB conducted competitive bidding for 330 buildings on the Lease Purchase Model and 85 buildings on the own-cost model. PPIB is also actively engaged with several PSEs to provide technical support in the solarization of their buildings.

Box-I: Towards a Sustainable and Secure Clean Energy Future for Pakistan

As Pakistan advances towards a future marked by a sustainable power sector and enhanced energy security, several key energy sources assume pivotal roles in achieving these objectives. Each of these resources, hydropower, wind, solar, bagasse, and Thar coal, contributes uniquely to the energy landscape, addressing different aspects of sustainability and security. GoP has embarked upon harnessing all these resources to curb the country's greenhouse gas emissions. Renewable energy not only contributes to affordable electricity nationwide and stabilizes energy prices in the long run but also aligns with the sustainable development goals of the United Nations, particularly SDG 7, by promoting access to clean energy, alleviating poverty, addressing climate change, and ensuring access to affordable, sustainable, and modern energy for all.

Regarding coal-based projects, GoP is fully cognizant of the climate change agenda; hence, all such projects have been developed in strict compliance with the international environmental standards set by the World Bank/IFC. PPIB, being a policy implementing agency of GoP, also has a strong focus on development of clean and indigenous power generation sources. At present, out of 88 operational IPPs, 59 IPPs of 4,721 MW are based on renewable energy, developed by the private sector on IPP mode supported through PPIB, which include:

- Ten (10) solar projects of 680 MW
- Five (05) run-of-river hydropower projects of 1,937 MW
- Thirty-six (36) wind power projects of 1,845 MW
- Eight (08) bagasse co-generation projects of 259.1 MW

Thanks to sustained efforts, ARE including wind, solar, hydel and bagasse, now contributes about 35 percent to the power mix, including 9,619 MW from public hydropower projects and 100 MW from KE’s solar plant. However, to ensure universal and affordable access to electricity in all regions of the country, the GoP has set a target to achieve 60 percent of on-grid capacity from RE technologies, including hydro, by 2030 based on the least-cost principles through the Indicative Generation Expansion Plan (IGCEP).

Source: PPIB

Hydel and Solar Power Projects in GB

PPIB will continue facilitating private sector investment in hydro and renewable energy projects in GB, as the region transitions from reliance on small off-grid hydropower to an integrated energy system. Following the extension of the PPIB Act and GoP Power Policy 2015 to GB in July 2023, and with the regional grid expected to be operational by 2027, PPIB will conduct competitive bidding for small to medium-sized power projects to address electricity shortages. In collaboration with GoGB and the GB Council, PPIB aims to advance key hydropower projects, 100 MW KIU, 80 MW Phander, and 25 MW Sakarkoi, with feasibility studies being upgraded by Tractebel Germany.

Conversion of Imported Coal-based IPPs to Thar Coal

Pakistan is blessed with a vast 175 billion-ton Thar Coal Reserve, which is sufficient to provide a cost-effective and indigenous fuel option for base load power generation for decades to come. So far, five Thar Coal-based IPPs of 3,300 MW have been commissioned through PPIB, which provide inexpensive electricity to the national grid. These projects include:

- 1320 MW Thar Coal Block-1 Company (Shanghai) at Thar Block-1
- 660 MW Engro Power Project at Thar Block-II

- 660 MW Lucky Electric Project at Port Qasim
- 330 MW Thar Energy Limited Project at Thar Block-II
- 330 MW ThalNova Project at Thar Block-II

Nevertheless, there is still a need to harness Thar's coal potential as much as possible for meeting country's electricity and energy needs. In this regard, GoP has already imposed a moratorium on the processing new imported fuel-based power projects since 2016. Due to the increased prices of imported coal in the international market, GoP took the initiative to substitute imported coal-based IPPs with Thar coal. Subsequently, efforts are underway to start blending Thar coal by three imported coal-based IPPs with a cumulative capacity of 3,960 MW which were implemented under the CPEC regime, namely:

- 1,320 MW Sahiwal Coal Power project located at Sahiwal
- 1,320 MW Port Qasim Coal Power Project located at Port Qasim
- 1,320 MW Hub Coal Project located at Hub

Nuclear Energy

In Pakistan, six nuclear power plants (NPPs) are operating at two different sites with a total installed capacity of 3,530 MW. Chashma Nuclear Power Generating Station (CNPGS) near Mianwali comprises four units (Cl, C-2. C-3 & C-4) with total capacity of 1330 MW. Karachi Nuclear Power Station (KNPGS) has a total capacity of 2,200 MW and is located on Karachi coast. This station contains two units (K-2 & K-3) of the latest technology, termed as generation-III technology. KANUPP, the country's first nuclear power plant of 137 MW capacity, was permanently shut down in August 2021 after 50 years of operation and is in the de-commissioning phase.

Nuclear energy is a technology-driven source of power generation with a very low share of fuel cost in the total generation cost. Therefore, the overall generation cost of NPPs remains relatively stable and predictable throughout life. Currently, the overall average tariff of Pakistan's NPPs contains a notable share of the debt repayment associated with the newly constructed units. This debt repayment period constitutes only 20 percent (12 years) of the NPPs economic life. Following the debt period, the tariff of these projects will decrease to single-digit Rs per unit, as happened in the case of C-1 and C-2 NPPs.

Pakistan's NPPs operate well up to the mark despite the downturn in the annual demand of electricity. The low fuel cost, reliable supply, and technical expertise of PAEC position these NPPs at the forefront in the merit order prepared by NTDC for dispatch. Their combined capacity factor is 80 percent over the period of nine months during the current fiscal year, despite challenges on the demand side. The following table provides generation statistics for each unit.

Table 14.6: Performance of Nuclear Power Plants

Plants	Capacity (MW)		Electricity sent to Grid (million kWh)	
	Gross	Net	July-March FY 2025	Lifetime up to 31st March 2025
C-1	325	300	1,959	50,566
C-2	325	300	1,598	31,924
C-3	340	315	1,702	19,738
C-4	340	315	1,910	18,099
K-2	1,100	1,017	6,108	28,101
K-3	1,100	1,017	3,897	20,592

Source: Pakistan Atomic Energy Commission

In Pakistan, the competitive and stable generation cost, along with a reliable supply, make NPPs a vital source of energy for sustainable economic growth. Reduction of import dependency, enhancing supply security, and avoidance of greenhouse gas emissions (GHG) further signify the nuclear role in the energy system of Pakistan. The country's NPPs annually avoid 16-18 million tonnes $CO_{2\text{-eq}}$GHG emissions. This avoidance can contribute to

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making Pakistan's energy-intensive products more competitive for export in the context of the upcoming cross-border adjustment mechanism by the European Union and prospectively by other markets. Furthermore, according to NEPRA evaluation, both NPPs stations of Pakistan clinched top position for their exemplary standards in health, safety and working environment during the year 2023-24 period.

With the above in view, Pakistan strives to maintain a practicable share of nuclear energy in the power system. As a continuation of these efforts, on December 30, 2024, the first concrete pouring ceremony of the upcoming 1200 MW C-5 project was held with expected commissioning by 2030-31.

14.2 OIL SECTOR

During July-March FY 2025, total sectoral consumption of petroleum products stood at 13.17 million metric tonnes (MMT), registering a year-on-year increase of 7.04 percent compared to 12.30 MMT during the same period of FY 2024 (Table 14.7). The data reflects varied consumption trends across different economic sectors, shaped by changes in industrial activity, power generation needs, transportation demand, and operational dynamics in public and overseas segments.

The transport sector, which remains the dominant consumer, recorded a 7.99 percent increase in consumption, rising from 9.76 MMT in July-March FY 2024 to 10.54 MMT (80 percent of total demand) in the same period of FY 2025. This growth is indicative of increased mobility, recovery in trade and logistics, and higher fuel demand from road transport and commercial vehicles. In contrast, the industrial sector saw a decline of 7.35 percent, with consumption dropping from 815.32 thousand metric tonnes (MT) to 755.40 thousand MT (7 percent of total demand). This decline may be attributed to lower industrial output in certain energy-intensive sub-sectors or improved fuel-switching towards cheaper alternatives such as natural gas and renewables.

A substantial decline of 77.68 percent was recorded in the power sector's petroleum usage, which fell to just 116.21 thousand MT during July-March FY 2025. This significant drop reflects the shift toward hydropower, nuclear, coal (particularly Thar coal), and imported LNG in power generation, reducing the reliance on furnace oil-based generation. The domestic sector saw a moderate increase of 7.34 percent, while the agriculture sector's consumption slightly declined by 3.35 percent, likely due to improved mechanization and marginally lower seasonal demand. Meanwhile, the government sector posted a modest increase of 3.27 percent in petroleum usage.

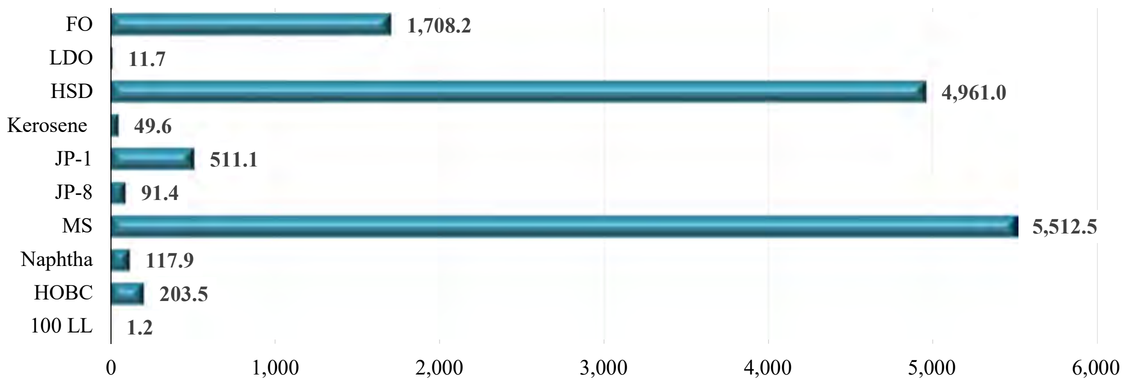
Notably, the overseas sector (which includes bunker sales and other exports) experienced a significant surge of 57.18 percent, increasing from 948.03 thousand MT in July-March FY 2024 to 1,490.11 thousand MT in the corresponding period of FY 2025. This sharp rise is largely driven by enhanced shipping activity and increased refueling demands at Pakistani ports. Product-wise consumption of petroleum products is depicted in Figure 14.4.

Table 14.7: Sectoral Consumption of Petroleum Products 000 MT

Sector	FY 2023	FY 2024	July-March FY 2024	July-March FY 2025	Change (%)
Domestic	17.95	24.66	18.80	20.18	7.34
Industry	1,126.85	1,076.72	815.32	755.40	-7.35
Agriculture	9.21	14.51	10.16	9.82	-3.35
Transport	13,606.63	13,232.03	9,764.55	10,544.30	7.99
Power	1,668.15	607.10	520.70	116.21	-77.68
Government	365.09	312.89	224.70	232.05	3.27
Overseas	696.85	1,420.65	948.03	1,490.11	57.18
Total	**17,490.73**	**16,688.56**	**12,302.25**	**13,168.07**	**7.04**

Source: Oil Companies Advisory Council (OCAC)

Fig-14.4: Product-wise consumption of Petroleum Products, 000 MT (July-March) FY 2025



Source: OCAC

During July-March FY 2025, Pakistan imported a total of 12.53 million metric tonnes (MMT) of petroleum products, up from 11.14 MMT in the same period of FY 2024, representing a 12.5 percent increase in quantity (Table 14.8). However, the total import bill in value terms remained relatively stable, amounting to US$ 8.40 billion, almost unchanged from US$ 8.44 billion in July-March FY 2024. This reflects a combination of higher import volumes but lower international oil prices and improved procurement efficiency. The import of Motor Spirit (MS) increased by 11.3 percent in volume to 3.98 MMT, though the import value declined by 5.1 percent to US$ 3.04 billion, compared to US$ 3.20 billion in the corresponding period of last year. This divergence points to a favorable shift in global prices despite rising demand from the transport sector.

A sharp surge was observed in HOBC imports, rising more than eightfold from 17.83 thousand MT to 144.44 thousand MT, with the import value increasing from US$ 16.25 million to US$ 108.40 million. This indicates rising demand for premium fuels, possibly due to an expanding high-end vehicle segment. Imports of High-Speed Diesel (HSD) rose from 1.23 MMT to 1.45 MMT, marking a 17.4 percent increase in volume, although the value marginally declined to US$ 1.01 billion, again reflecting more favorable pricing in global markets.

Imports of crude oil rose from 6.21 MMT to 6.76 MMT, registering an 8.8 percent increase in volume, while the value remained almost flat at US$ 4.11 billion, owing to softening crude prices in the global market. The increase in crude imports aligns with higher local refining activity to meet domestic demand through indigenously processed fuels. A marginal quantity of 100/LL aviation gasoline (0.24 thousand MT) was also imported during July-March FY 2025, not recorded in the previous year. Jet fuel (JP-1) imports nearly doubled, rising from 98.24 thousand MT to 195.67 thousand MT, with the import value increasing to US$ 143.10 million, indicating a strong rebound in international and domestic air travel.

Table 14.8: Import of Petroleum Products Quantity in thousand MT; Value in million US$

Period/ Product	FY 2024		July-March FY 2024		July-March FY 2025	
	Quantity	Value (C&F)	Quantity	Value (C&F)	Quantity	Value (C&F)
MS	4,787.41	4,234.10	3,577.32	3,199.55	3,981.22	3,035.30
Crude Oil	8,331.08	5,479.95	6,214.22	4,090.06	6,763.12	4,109.12
HOBC	24.59	22.1	17.83	16.25	144.44	108.40
HSD	1,709.28	1,417.0	1,233.53	1,050.27	1,447.54	1,005.40
100/LL	-	-	-	-	0.24	0.50
JP-1	152.83	130.60	98.24	85.51	195.67	143.10
Total	**15,005.19**	**11,283.75**	**11,141.14**	**8,441.64**	**12,532.23**	**8,401.82**

Source: Petroleum Division, Ministry of Energy; C& F = Cost and Freight

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14.3 GAS SECTOR

Natural Gas is a clean, safe, efficient and environmentally friendly fuel. Its indigenous supplies contribute about 29.3 percent (FY 2024) to the total primary energy supply mix of the country. Pakistan has an extensive gas network of over 14,276 km Transmission, 162,031 km Mains and 41,577 km service gas pipelines to cater to the requirements of more than 10.7 million consumers across the country. The government is pursuing its policies for enhancing indigenous gas production as well as imported gas to meet the increasing demand for energy in the country. At present, the capacity of two FRSU to Re-gasified Liquefied Natural Gas (RLNG) is 1,200 MMCFD, and accordingly, RLNG is being imported to mitigate the gas demand-supply shortfall.

The average natural gas consumption was about 3,143 million Cubic Feet per day (MMCFD), including 798 MMCFD volume of RLNG during July-March FY 2025. During this period, 13,591 additional gas connections, including 11,755 domestic, 1,786 commercial and 50 industrial, were provided across the country. The maximum gas consumption is from the power sector, domestic, and fertilizers, with 973 MMCFD, 777 MMCFD, and 764 MMCFD, respectively. During the same period, two Gas utility companies (SNGPL & SSGCL) laid 1,221 Km Mains and 65 Km service lines and connected 84 villages/towns to gas network. Table 14.9 depicts sector-wise natural gas consumption.

Table 14.9: Sector-wise Gas Consumption MMCFD

Sector	July-March FY 2024			July-March FY 2025		
	Gas Consumption	RLNG	Total	Gas Consumption	RLNG	Total
Power	461	433	**894**	477	496	**973**
Domestic	863	1	**864**	776	1	**777**
Commercial	43	6	**49**	33	5	**38**
Transport (CNG)	58	3	**61**	47	8	**55**
Fertilizer	721	43	**764**	690	74	**764**
General Industry	366	209	**575**	322	214	**536**
Total	**2,512**	**695**	**3,207**	**2,345**	**798**	**3,143**

Sources: Ministry of Energy (Petroleum Division)

In pursuance of the Oil & Gas Regulatory Authority (OGRA) Ordinance 2002, the objective of OGRA is to foster competition, increase private investment and ownership in the midstream and downstream petroleum industry, protect the public interest while respecting individual rights and provide effective and efficient regulations.

For the period July-March FY 2025, the progress/status of the project and steps undertaken by OGRA in the petroleum industry are mentioned below:

- The Authority granted the following licenses during the mentioned period:
  - GAP Distribution and Marketing (Private) Limited, for the sale of flare gas
  - EGas Private Limited, for the sale of flare gas
  - Shaheen Energy (Pvt.) Limited, for the sale of flare gas
- LPG plays an important role in the energy mix of Pakistan as it provides a cleaner alternative to biomass-based sources, especially in locations where natural gas is not available. The total supply of LPG during July-March FY 2025 was 2,100,000 M. Tonnes (approximately). Currently there are 11 LPG producers and 351 LPG marketing companies operating in the country having around 6000 authorized distributors.
- OGRA has simplified the procedure for grant of LPG license and the same is granted on fast-track basis once the requirements are met/complied. During July-March FY 2025, 29 licenses for the operation of LPG Storage

& Filling Plants, 100 licenses for construction of LPG Storage & Filling plants and 47 licenses for road bowsers for the transportation of LPG were issued. In addition, OGRA has also issued 03 licenses for storage and refuelling of LPG/ Auto Refueling Stations and 17 licenses for the construction of LPG Auto Refueling Stations.

- Due to augmented investment and future expansion plans of the LPG marketing companies, significant investment in LPG supply and distribution infrastructure has been witnessed. OGRA has made a noteworthy contribution to national economic progress and created an environment for additional investment, which will not only result in the creation of infrastructure in the LPG sector all over the country but will also provide jobs for hundreds of unemployed people. OGRA is playing its vital regulatory role to increase private investment in the midstream and downstream petroleum industry. During July-March 2025, an investment of approximately Rs 10.8 billion has been made in LPG infrastructure.
- To date, 02 LNG terminals are operational with OGRA, licenses granted in 2016 and 2018 to M/s Engro Elengy Terminal Limited (EETL) and M/s Pakistan GasPort Consortium Limited (PGPCL), respectively.
- For the development of new LNG terminals, OGRA has granted construction licenses to three private sector companies, Energas Terminal Private Limited (ETPL), Tabeer Energy (Private) Limited (TEPL) and Global Energy Infrastructure Pakistan Limited (GEIP).
- OGRA has granted four Provisional Licenses for virtual pipeline projects to facilitate completing formalities required for the application of a construction/ installation licence. Moreover, M/s LNG Easy (Private) Limited has been granted a construction license for a duration of 02 years to develop the project.
- Gas utility companies have planned to invest Rs 1,777 million on transmission projects, Rs 58,183 million on distribution projects and Rs 6,285 million on other projects, bringing the total investment of Rs 66,245 million during FY 2026.

COAL

Coal is an important source of energy. In Pakistan power sector uses a significant share of coal for electricity generation. Indigenous coal resources are reasonably substantial and sufficient to meet the country's requirements on a long-term, sustainable basis. Domestic coal production is expected to increase in the coming years, starting with mining activity at Thar Coalfield Block-I and expanding the existing mine at Block-II. Indigenous coal production is mainly consumed by power generation plants situated at Thar Coalfield, whereas production from other coalfields is utilized in brick kilns. Furthermore, power plants and the industrial sector consumed imported coal.

During July-March FY 2025, the power sector's coal consumption remained at about 69.7 percent (11,278.7 thousand tonnes), whereas, in the brick Kilns sector, it stands at 14.2 percent (2,292.3 thousand tonnes). On the other hand, the cement and other industries sector consume 16.1 percent (2,600.0 thousand tonnes). Sector-wise consumption of coal is depicted in Table 14.10.

Table 14.10: Sector-wise Consumption of Coal — 000 metric tonnes

Sector	FY 2024 (July-March)	Share (%)	FY 2025 (July-March)	Share (%)
Power	11,906.7	68.9	11,278.7	69.7
Brick Kilns	1,072.3	6.2	2,292.3	14.2
Cement/Others	4,300	24.9	2,600.0	16.1
Total	**17,279.0**		**16,171.0**	

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

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Concluding Remarks

The strategic reduction in installed capacity, driven by the termination of costly and underutilized thermal PPAs, reflects the government's deliberate shift towards a more sustainable, cost-efficient, and environmentally responsible energy future. The government is prioritizing energy security, fiscal prudence, and climate resilience by gradually phasing out expensive fossil fuel-based generation and increasing the share of hydel, nuclear, and renewable sources in the energy mix. These actions are in line with broader national and international commitments to transition towards low-carbon energy systems, signaling a decisive move toward a cleaner and more sustainable electricity sector.

Achieving self-reliance in energy production is essential for reducing economic vulnerabilities, lowering production costs, and enhancing global competitiveness. In this regard, Pakistan's energy sector is making significant strides toward transitioning from imported fossil fuels to renewable energy sources, supported by substantial investments in wind and solar power. To accelerate this shift, GoP has approved the Framework Guidelines for Fast Track Solar Initiatives 2022, aimed at promoting the development of cost-effective, climate-friendly, and locally sourced renewable energy solutions.

As outlined in the IGCEP-2022, no additional power plants utilizing imported fossil fuels will be developed. By 2030, the share of electricity generated from hydropower, wind, and solar sources is expected to increase from the current levels of 28 percent, 4 percent, and 1 percent to 39 percent, 10 percent, and 10 percent, respectively. This transition will elevate the overall contribution of green energy in the generation mix to around 59 percent. In support of this shift, the government is prioritizing the enhancement of the regulatory framework and offering incentives to attract private sector investment in renewable energy. These efforts aim to bolster energy security and support climate change mitigation. To this end, the PPIB is facilitating 19 power generation projects with a combined installed capacity of 6,536 MW, all slated for completion by 2034.

TABLE 14.1

COMMERCIAL ENERGY CONSUMPTION

Fiscal Year	1. Oil/Petroleum (tons)						
	Households	Industry	Agricul-ture	Transport	Power	Other Govt.	Total
2010-11	85,449	1,355,443	40,597	8,892,268	8,138,956	373,794	18,886,507
2011-12	79,448	1,419,125	23,297	9,265,883	7,594,663	295,847	18,678,263
2012-13	97,847	1,379,096	31,828	9,817,546	7,749,007	317,805	19,393,129
2013-14	100,679	1,297,035	46,655	10,299,718	9,006,085	358,512	21,108,684
2014-15	89,017	1,300,190	37,235	11,372,924	8,995,231	365,471	22,160,068
2015-16	74,357	2,023,377	14,512	13,022,573	7,765,629	386,232	23,286,680
2016-17	77,169	1,990,398	12,671	14,582,925	8,531,825	366,958	25,561,946
2017-18	66,075	1,784,781	14,527	16,047,392	6,377,388	387,801	24,677,964
2018-19	60,557	1,299,437	15,021	14,673,564	2,759,465	409,132	19,217,176
2019-20	45,844	1,221,474	11,993	13,861,073	1,526,796	371,303	17,038,484
2020-21	29,816	1,472,777	12,134	15,779,499	2,364,586	306,961	19,965,773
2021-22	29,522	1,332,899	11,822	17,409,035	3,683,322	373,489	22,840,089
2022-23	17,952	1,126,885	9,209	13,606,565	1,664,850	364,001	16,789,462
2023-24	24,659	1,076,719	14,511	13,232,027	607,103	312,891	15,267,910
(July-March)							
2023-24*	17,008	735,920	9,338	8,734,670	510,011	199,034	10,205,981
2024-25 (P)	18,803	815,318	10,161	9,764,545	520,698	224,695	11,354,220

P : Provisional **(Contd…)**

*** : Oil consumption data available upto February 2024**

Note: HSD consumption in agricultural sector is not available separately and is included under transport sector. Agricultural sector represents LDO only.

TABLE 14.1

COMMERCIAL ENERGY CONSUMPTION

Fiscal Year	2. Gas (mm cft)								
	Households	Commercial	Cement	Fertilizer	Power	SSGC*	Industry	Transport CNG**	Total
2010-11	232,244	36,466	1,378	228,460	337,401		291,667	113,055	1,240,671
2011-12	261,915	39,627	1,266	211,828	358,381		296,181	119,000	1,288,198
2012-13	291,917	40,689	586	188,020	362,262		284,278	100,228	1,267,980
2013-14	269,135	38,117	522	216,518	349,535		259,032	87,634	1,220,493
2014-15	278,069	35,187	831	225,512	371,562		247,214	66,517	1,224,892
2015-16	271,302	33,633	497	262,923	440,593		231,517	64,455	1,304,920
2016-17	290,868	32,858	583	276,805	446,941		262,006	67,245	1,377,307
2017-18	284,428	32,096	886	248,104	544,654		274,074	70,455	1,454,697
2018-19	311,887	31,205	387	233,834	511,140	53,261	246,706	65,099	1,453,517
2019-20	325,348	26,999	266	248,204	424,579	26,222	225,660	46,448	1,323,725
2020-21	312,688	27,316	932	314,536	434,878	56,503	262,370	53,780	1,463,002
2021-22	309,768	24,013	1,101	319,751	385,522	47,219	233,116	21,945	1,342,434
2022-23	312,963	21,114	1,188	285,563	387,556	-	193,686	23,337	1,225,407
2023-24	300,583	16,232	62	271,879	388,131	35,518	172,626	22,792	1,207,822
(July-March)									
2023-24	236,736	13,426	-	209,336	244,956	-	157,550	16,714	878,718
2024-25 (P)	212,121	10,374	-	208,572	265,629	-	146,328	15,015	858,039

P : Provisional - : Not available (Contd…)

* RLNG withheld by SSGCL.

TABLE 14.1

COMMERCIAL ENERGY CONSUMPTION

Fiscal	3. Electricity (Gwh)									4. Coal (000 metric ton)					
Year	Traction	Household	Commercial	Industrial	Agricultural	Street Lights	General Services*	Other Govt.	Total	Household	Power	Brick Kilns	Cement	Other Govt.	Total
2010-11	1	35,885	5,782	21,207	8,971	456	-	4,797	77,099	-	96.5	3,003.6	4,617.1	-	7,717.1
2011-12	1	35,589	5,754	21,801	8,548	478	-	4,590	76,761	-	104.6	3,108.2	4,456.9	-	7,669.7
2012-13	-	36,116	6,007	22,313	7,697	457	-	4,199	76,789	-	63.0	2,696.0	4,129.9	-	6,889.0
2013-14	-	39,549	6,375	24,356	8,290	458	-	4,381	83,409	-	160.7	2,727.6	3,669.2	-	6,557.5
2014-15	-	41,450	6,512	24,979	8,033	441	-	4,403	85,818	-	151.2	3,010.4	5,553.8	-	8,715.4
2015-16	-	44,486	7,181	25,035	8,526	459	-	4,744	90,431	-	204.4	3,541.1	5,485.3	-	9,230.8
2016-17	-	48,698	7,856	24,010	9,221	484	-	5,260	95,529	-	859.6	2,855.3	7,470.8	-	11,185.8
2017-18	-	54,028	8,606	27,468	10,128	475	-	6,222	106,927	-	4,436.1	3,941.7	9,603.3	-	17,981.1
2018-19	-	53,685	8,513	28,760	9,809	451	1	8,240	109,461	-	5,901.5	5,391.2	10,234.3	-	21,527.1
2019-20	-	55,963	7,975	25,708	9,757	385	256	8,328	108,371	1.3	10,897.0	8,183.8	6,074.8	-	25,156.9
2020-21	-	58,722	8,501	29,954	10,238	413	368	8,621	116,816	1.5	9,215.5	8,678.1	10,184.2	-	28,079.3
2021-22	-	56,202	8,652	31,600	10,247	387	427	3,748	111,263	1.6	12,808	5,643	9,245	-	27,697.5
2022-23	-	54,354	9,005	31,138	9,543	521	433	9,305	114,300	1.6	15,493	2,991	5,432	-	23,916.5
2023-24	-	54,911	9,195	27,830	8,578	655	463	9,478	111,110	1.7	19,196	1,129	4,391		24,718.4
(July-March)															
2023-24**	-	39,286	6,776	22,031	6,951	523	4,633	2,909	83,109	-	11,907	1,072	4,300	-	17,279
2024-25 (P)***	-	39,728	6,898	21,082	4,566	41	362	7,434	80,111		11,279	2,292	2,600	-	16,171

- : Not available P: Provisional

Source: Ministry of Energy, Hydrocarbon Development Institute of Pakistan (HDIP), Oil Companies Advisory Council

* Introduction of General Services category post notification of K-Electric's MYT on May 22, 2019.

** Consumption of electricity from AJK Hydro Electric Board is not recevied.

*** Electricity consumption data from AJK is not available

TABLE 14.2

COMMERCIAL ENERGY SUPPLIES (ELECTRICITY)

Fiscal Year	Installed Capacity MW	Generation GW/h	Hydroelectric		Thermal		Nuclear		Renewable		Imported (GW/h)
			Installed Capacity (MW)	Generation (GW/h)	Installed Capacity (MW)	Generation (GW/h)	Installed Capacity (MW)	Generation (GW/h)	Installed Capacity (MW)	Generation (GW/h)	
2016-17	29,944	123,614	7,129	32,183	20,488	81,268	1,090	6,999	1,237	2,668	496
2017-18	33,554	131,275	7,139	27,925	23,347	89,614	1,430	9,880	1,637	3,857	556
2018-19	35,114	128,532	8,639	27,339	23,347	86,602	1,430	9,909	1,698	4,682	487
2019-20	36,701	128,673	8,668	33,585	24,682	80,121	1,430	10,815	2,047	4,152	514
2020-21	36,536	135,671	8,723	33,548	24,461	88,453	1,430	9,346	1,921	4,323	498
2021-22	41,402	150,866	8,723	32,706	26,307	92,791	3,630	19,174	2,742	6,195	463
2022-23	45,605	139,380	10,686	36,643	28,547	70,938	3,630	25,959	2,742	5,840	479
2023-24	45,888	127,523	10,635	39,902	28,766	58,333	3,620	23,155	2,867	6,133	378
(July-March)											
2023-24*	45,888	92,335	10,635	29,167	28,766	42,493	3,620	16,754	2,867	3,921	171
2024-25	46,605	90,145	11,368	27,413	25,937	41,734	3,620	17,175	5,813	3,823	348

- : Not Available

* Information on WAPDA Thermal is available upto February 2024, while data on electricity import is available till December 2023. Also electricity generation data from some of IPPs is not available.

Source: Ministry of Energy
Hydrocarbon Development Institute of Pakistan (HDIP)
NEPRA

TABLE 14.3

COMMERCIAL ENERGY SUPPLIES (OIL, GAS, PETROLEUM, COAL)

Fiscal	Oil		Gas		Petroleum Products		Coal	
Year	Crude Oil Imports 000 barrels	Local Crude Extraction 000 barrels	Production mcf*	Imports mcf	Imports 000 tons	Production 000 tons	Imports 000 tons	Production 000 tons
2010-11	51,306	24,041	1,471,591	-	12,371	8,911	4,267	3,450
2011-12	47,104	24,573	1,558,959	-	11,507	8,395	4,057	3,613
2012-13	57,037	27,841	1,505,841	-	10,489	9,914	3,710	3,179
2013-14	61,933	31,585	1,493,508	-	11,523	10,926	3,119	3,438
2014-15	64,208	34,490	1,465,760	20,191	13,347	11,253	5,004	3,712
2015-16	66,855	31,652	1,481,551	102,735	13,550	11,021	4,885	4,142
2016-17	66,737	32,269	1,471,855	190,406	15,145	11,513	7,021	4,165
2017-18	79,607	32,557	1,458,936	320,180	13,344	12,929	13,684	4,297
2018-19	66,833	32,496	1,436,455	380,879	8,807	11,839	15,686	5,841
2019-20	50,022	28,087	1,316,635	355,559	7,539	9,353	16,422	8,735
2020-21	65,494	27,568	1,279,243	423,951	10,117	10,070	18,850	9,230
2021-22	84,441	26,804	1,237,251	405,925	13,186	10,992	18,103	9,595
2022-23	63,848	25,372	1,189,515	344,061	8,225	9,413	8,903	15,013
2023-24	61,100	25,812	1,140,636	389,450	6,674	10,606	5,460	19,259
(July-March)								
2023-24	38,849	19,645	866,345	285,788	4,320	7,311	3,353 #	13,926 #
2024-25 (P)**	50,412	17,550	805,297	n.a	5,769	n.a	4,460	11,711

P : Provisional - : Not available Source: Ministry of Energy

* : Million cubic feet Hydrocarbon Development Institute of Pakistan (HDIP)

** : Data on Crude Oil /POL Imports and production, thermal electricity generation is available upto February 2024. Also data from some of IPP's is not available.

: Data on Coal Production for Punjab and Sindh is available till February 2024, while data on coal import is available up to January 2024.

TABLE 14.4

Consumer-End Applicable Tariff

Description	Fixed Charges	Notified Tariff w.e.f. 01-01-2019	* Industrial Support Package w.e.f. July 01, 2019	Qtr. Adjust. for 1st & 2nd quarter, Notified w.e.f 1/7/2019	Qtr. Adjust. for 3rd & 4th quarter and interim increase on account Distribution Margin, notified w.e.f. 1-10-2019	Quarterly Uniform Tariff 1st Qtr 2019-20 w.e.f. 1-12-2019	Total Applicable Tariff
		Variable Charges	Variable Charges	Variable Charges	Variable Charges	Variable Charges	Variable Charges
	Rs./ kW/M	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kWh
	A	B	C	D	E	F	G= B+C+D+E+F
A1- Residential							
Up to 50 Units		2		-	-	-	2
For peak load requirement less than 5 kW							
01-100 Units		5.79		-	-	-	5.79
101-200 Units		8.11		-	-	-	8.11
201-300 Units		10.2		-	-	-	10.2
301-700Units		17.6		0.75	0.83	0.07	19.25
Above 700 Units		20.7		0.75	0.83	0.07	22.35
For peak load requirement exceeding 5 kW)							
Time of Use (TOU) - Peak		20.7		0.75	0.83	0.07	22.35
Time of Use (TOU) - Off-Peak		14.38		0.75	0.83	0.07	16.03
Temporary Supply		20.84		1.8	0.83	0.07	23.54
A2- Commercial							
For peak load requirement less than 5 kW		18		0	0.83	0.26	19.09
For peak load requirement exceeding 5 kW							
Regular	400	19.68		1.8	0.83	0.26	22.57
Time of Use (TOU) - Peak		21.6		1.8	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	400	15.63		1.8	0.83	0.26	18.52
Temporary Supply		18.39		1.8	0.83	0.26	21.28
A3- General Services		17.56		1.8	0.83	0.26	20.45
B- Industrial							
B1		15.28		1.8	0.83	0.26	18.17
B1 Peak		18.84	-3	1.8	0.83	0.26	18.73
B1 Off Peak		13.28		1.8	0.83	0.26	16.17
B2	400	14.78		1.8	0.83	0.26	17.67
B2 - TOU (Peak)		18.78	-3	1.8	0.83	0.26	18.67
B2 - TOU (Off-peak)	400	13.07		1.8	0.83	0.26	15.96
B3 - TOU (Peak)		18.78	-3	1.8	0.83	0.26	18.67
B3 - TOU (Off-peak)	380	12.98		1.8	0.83	0.26	15.87
B4 - TOU (Peak)		18.78	-3	1.8	0.83	0.26	18.67
B4 - TOU (Off-peak)	360	12.88		1.8	0.83	0.26	15.77
Temporary Supply		16.36		1.8	0.83	0.26	19.25
C - Single Point Supply							
C1(a) Supply at 400 Volts-less than 5 kW		18.68		1.8	0.83	0.26	21.57
C1(b) Supply at 400 Volts-exceeding 5 kW	400	18.18		1.8	0.83	0.26	21.07
Time of Use (TOU) - Peak		21.6		1.8	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	400	15		1.8	0.83	0.26	17.89
C2 Supply at 11 kV	380	17.98		1.8	0.83	0.26	20.87
Time of Use (TOU) - Peak		21.6		1.8	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	380	14.8		1.8	0.83	0.26	17.69
C3 Supply above 11 kV	360	17.88		1.8	0.83	0.26	20.77
Time of Use (TOU) - Peak		21.6		1.8	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	360	14.7		1.8	0.83	0.26	17.59
D- Agricultural							
Scarp		15.68		1.8	0.83	0.26	18.57
Time of Use (TOU) - Peak		18.6		1.8	0.83	0.26	21.49
Time of Use (TOU) - Off-Peak	200	11.35		1.8	0.83	0.26	14.24
Agricultual Tube-wells	200	5.35		1.49	0.83	0.26	7.934
Time of Use (TOU) - Peak		5.35		1.49	0.83	0.26	7.934
Time of Use (TOU) - Off-Peak	200	5.35		1.49	0.83	0.26	7.934
Public Lighting - Tariff G		18.68		1.8	0.83	0.26	21.57
Residential Colonies - Tariff H		18.68		1.8	0.83	0.26	21.57
Railway Traction Tariff I		18.68		1.8	0.83	0.26	21.57
Tariff K - AJK	360	15.9		1.8	0.83	0.26	18.79
Time of Use (TOU) - Peak		21.6		1.8	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	360	14.7		1.8	0.83	0.26	17.59
Tariff K -Rawat Lab		18.68		1.8	0.83	0.26	21.57
J- Special Contract							
J-1 For Supply at 66 kV & above	360	17.88		1.8	0.83	0.26	20.77
Time of Use (TOU) - Peak		21.6		1.8	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	360	14.7		1.8	0.83	0.26	17.59
J-2 (a) For Supply at 11, 33 kV	380	17.98		1.8	0.83	0.26	20.87
Time of Use (TOU) - Peak		21.6		1.8	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	380	14.8		1.8	0.83	0.26	17.69
J-2 (b) For Supply at 66 kV & above	360	17.88		1.8	0.83	0.26	20.77
Time of Use (TOU) - Peak		21.6		1.8	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	360	14.7		1.8	0.83	0.26	17.59
J-3 (a) For Supply at 11, 33 kV	380	17.98		1.8	0.83	0.26	20.87
Time of Use (TOU) - Peak		21.6		1.8	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	380	14.8		1.8	0.83	0.26	17.69
J-3 (b) For Supply at 66 kV & above	360	17.88		1.8	0.83	0.26	20.77
Time of Use (TOU) - Peak		21.6		1.8	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	360	14.7		1.8	0.83	0.26	17.59

Source: NEPRA

* Industrial Support Package (ISP) reduction shall be inclusive of any downward revision of Fuel Price Adjustment notified from time to time.

Note: FC Surcharge @ Rs. 0.43/kWh and NJ Surcharge @ 0.10/kWh are applicable in addition to above on all consumer categories except life line.

TABLE 14.4

Consumer-End Applicable Tariff

Description	Fixed Charges	Notified Base Tariff w.e.f. 01-11-2021	Uniform Applicable Quarterly adjustment 4th Qtr. FY 2019-20, 1st & 2nd Qtr. FY 2020-21 & Surcharge w.e.f. 01.10.2021	Total Applicable Tariff
		Variable Charges	Variable Charges	Variable Charges
	Rs./ kW/M	Rs./kWh	Rs./kWh	Rs./kWh
	A	B	C	D= B+C
A1- Residential				
For peak load requirement less than 5 kW				
Protected				
Up to 50 Units - Life Line		3.95		3.95
51-100 units - Life Line		7.74	-0.0673	7.67
0-100 Units		7.74	-0.0673	7.67
101-200 Units		10.06	-0.0673	9.99
Un-Protected				
01-100 Units		9.42	-0.0673	9.35
101-200 Units		11.74	-0.0673	11.67
201-300 Units		13.83	-0.0673	13.76
301-400 Units		21.23	1.6527	22.88
401-500 Units		21.23	1.6527	22.88
501-600 Units		21.23	1.6527	22.88
601-700Units		21.23	1.6527	22.88
Above 700 Units		24.33	1.6527	25.98
For peak load requirement exceeding 5 kW)				
Time of Use (TOU) - Peak		24.33	1.6527	25.98
Time of Use (TOU) - Off-Peak		18.01	1.6527	19.66
Temporary Supply		24.47	1.6527	26.12
A2- Commercial				
For peak load requirement less than 5 kW		21.34	1.1327	22.47
For peak load requirement exceeding 5 kW				
Regular	440	23.02	2.9027	25.92
Time of Use (TOU) - Peak		24.94	2.9027	27.84
Time of Use (TOU) - Off-Peak	440	18.97	2.9027	21.87
Temporary Supply		21.73	2.9027	24.63
A3- General Services		20.90	2.9027	23.80
B- Industrial				
B1 (upto 25kW)		18.62	2.9027	21.52
B1 - TOU (Peak)		16.62	2.9027	19.52
B1 Off Peak		16.62	2.9027	19.52
B2 (25-500 kW)	440	18.12	2.9027	21.02
B2 - TOU (Peak)		16.41	2.9027	19.31
B2 - TOU (Off-peak)	440	16.41	2.9027	19.31
B3 - TOU (Peak)		16.32	2.9027	19.22
B3 - TOU (Off-peak)	420	16.32	2.9027	19.22
B4 - TOU (Peak)		16.22	2.9027	19.12
B4 - TOU (Off-peak)	400	16.22	2.9027	19.12
Temporary Supply		19.70	2.9027	22.60
C - Single Point Supply				
C1(a) Supply at 400 Volts-less than 5 kW		22.02	2.9027	24.92
C1(b) Supply at 400 Volts-exceeding 5 kW	440	21.52	2.9027	24.42
Time of Use (TOU) - Peak		24.94	2.9027	27.84
Time of Use (TOU) - Off-Peak	440	18.34	2.9027	21.24
C2 Supply at 11 kV	420	21.32	2.9027	24.22
Time of Use (TOU) - Peak		24.94	2.9027	27.84
Time of Use (TOU) - Off-Peak	420	18.14	2.9027	21.04
C3 Supply above 11 kV	400	21.22	2.9027	24.12
Time of Use (TOU) - Peak		24.94	2.9027	27.84
Time of Use (TOU) - Off-Peak	400	18.04	2.9027	20.94
D- Agricultural				
Scarp		19.02	2.9027	21.92
Time of Use (TOU) - Peak		21.94	2.9027	24.84
Time of Use (TOU) - Off-Peak	200	14.69	2.9027	17.59
Agricultual Tube-wells	200	8.69	2.5927	11.28
Time of Use (TOU) - Peak		8.69	2.5927	11.28
Time of Use (TOU) - Off-Peak	200	8.69	2.5927	11.28
Public Lighting - Tariff G		22.02	2.9027	24.92
Residential Colonies - Tariff H		22.02	2.9027	24.92
Railway Traction Tariff I		22.02	2.9027	24.92
Tariff K - AJK	400	19.24	2.9027	22.14
Time of Use (TOU) - Peak		24.94	2.9027	27.84
Time of Use (TOU) - Off-Peak	400	18.04	2.9027	20.94
Tariff K -Rawat Lab		22.02	2.9027	24.92

Source: NEPRA

Note: In addition to above, Monthly FCA is also applicable
FC Surcharge @ Rs. 0.43/kWh is applicable in addition to above on all consumer categories except life line.

TABLE 14.4

Consumer-End Applicable Tariff

	Description	GOP Applicable Base Tariff		2nd Qtr. Adj. FY 2022-23 w.e.f. Apr. Jun. 23	F.C Surcharge w.e.f. March 2023	Total Applicable Tariff
		Fixed Charge Rs./kW/M	Variable Charges Rs./kWh	Variable Charges Rs./kWh	Variable Charges Rs./kWh	Variable Charges Rs./kWh
	Residential					
	For peak load requirement less than 5 kW					
Protected	Up to 50 Units - Life Line		3.95	-	-	3.95
Protected	51-100 units - Life Line		7.74	-	-	7.74
Protected	01-100 Units		7.74	0.47	0.43	8.64
Protected	101-200 Units		10.06	0.47	0.43	10.96
Un-Protected	01-100 Units		13.48	0.47	0.43	14.38
Un-Protected	101-200 Units		18.95	0.47	0.43	19.85
Un-Protected	201-300 Units		22.14	0.47	0.43	23.04
Un-Protected	301-400 Units		25.53	0.47	3.82	29.82
Un-Protected	401-500 Units		27.74	0.47	3.82	32.03
Un-Protected	501-600 Units		29.16	0.47	3.82	33.45
Un-Protected	601-700Units		30.30	0.47	3.82	34.59
Un-Protected	Above 700 Units		35.22	0.47	3.82	39.51
	For peak load requirement exceeding 5 kW)					
	Time of Use (TOU) - Peak		34.39	0.47	3.82	38.68
	Time of Use (TOU) - Off-Peak		28.07	0.47	3.82	32.36
	Temporary Supply		34.53	0.47	3.82	38.82
	Total Residential					
	Commercial - A2					
	For peak load requirement less than 5 kW		30.25	0.47	3.82	34.54
	For peak load requirement exceeding 5 kW					
	Regular	500	31.93	0.47	3.82	36.22
	Time of Use (TOU) - Peak		33.85	0.47	3.82	38.14
	Time of Use (TOU) - Off-Peak	500	27.88	0.47	3.82	32.17
	Temporary Supply		30.64	0.47	3.82	34.93
	Electric Vehicle Charging Station		31.93	0.47	3.82	36.22
	Total Commercial					
	General Services-A3		29.81	0.47	3.82	34.10
	Industrial					
	B1		26.83	0.47	3.82	31.12
	B1 Peak		30.39	0.47	3.82	34.68
	B1 Off Peak		24.83	0.47	3.82	29.12
	B2	500	26.33	0.47	3.82	30.62
	B2 - TOU (Peak)		30.33	0.47	3.82	34.62
	B2 - TOU (Off-peak)	500	24.62	0.47	3.82	28.91
	B3 - TOU (Peak)		30.33	0.47	3.82	34.62
	B3 - TOU (Off-peak)	460	24.53	0.47	3.82	28.82
	B4 - TOU (Peak)		30.33	0.47	3.82	34.62
	B4 - TOU (Off-peak)	440	24.43	0.47	3.82	28.72
	Temporary Supply		27.91	0.47	3.82	32.20
	Total Industrial					
	Single Point Supply					
	C1(a) Supply at 400 Volts-less than 5 kW		30.93	0.47	3.82	35.22
	C1(b) Supply at 400 Volts-exceeding 5 kW	500	30.43	0.47	3.82	34.72
	Time of Use (TOU) - Peak		33.85	0.47	3.82	38.14
	Time of Use (TOU) - Off-Peak	500	27.25	0.47	3.82	31.54
	C2 Supply at 11 kV	460	30.23	0.47	3.82	34.52
	Time of Use (TOU) - Peak		33.85	0.47	3.82	38.14
	Time of Use (TOU) - Off-Peak	460	27.05	0.47	3.82	31.34
	C3 Supply above 11 kV	440	30.13	0.47	3.82	34.42
	Time of Use (TOU) - Peak		33.85	0.47	3.82	38.14
	Time of Use (TOU) - Off-Peak	440	26.95	0.47	3.82	31.24
	Total Single Point Supply					
	Agricultural Tube-wells - Tariff D					
	Scarp		26.93	0.47	3.82	31.22
	Time of Use (TOU) - Peak		29.85	0.47	3.82	34.14
	Time of Use (TOU) - Off-Peak	200	22.60	0.47	3.82	26.89
	Agricultural Tube-wells	200	16.60	0.47	3.82	20.89
	Time of Use (TOU) - Peak		16.60	0.47	3.82	20.89
	Time of Use (TOU) - Off-Peak	200	16.60	0.47	3.82	20.89
	Total Agricultural					
	Public Lighting - Tariff G		29.93	0.47	3.82	34.22
	Residential Colonies		29.93	0.47	3.82	34.22
	Railway Traction		29.93	0.47	3.82	34.22
	Tariff K - AJK	440	27.15	0.47	3.82	31.44
	Time of Use (TOU) - Peak		32.85	0.47	3.82	37.14
	Time of Use (TOU) - Off-Peak	440	25.95	0.47	3.82	30.24
	Tariff K -Rawat Lab		29.93	0.47	3.82	34.22

Source: NEPRA

TABLE 14.4

Consumer-End Applicable Tariff

Description	GOP Applicable Base Tariff: Fixed Charge Rs./kW/M	GOP Applicable Base Tariff: Variable Charges Rs./kWh	2nd Quarter FY 2023-24 w.e.f Apr.June 2024	F.C Surcharge w.e.f Nov 2023	Total Applicable Tarrif
Residential					
For peak load requirement less than 5 kW					
Protected					
51-100 units - Life Line	-	7.74	2.75	0.43	10.92
01-100 Units	-	7.74	2.75	0.43	10.92
101-200 Units	-	10.06	2.75	0.43	13.24
Un-Protected					
01-100 Units	-	16.48	2.75	0.43	19.66
101-200 Units	-	22.95	2.75	0.43	26.13
201-300 Units	-	27.14	2.75	3.23	33.12
301-400 Units	-	32.03	2.75	3.23	38.01
401-500 Units	-	35.24	2.75	3.23	41.22
501-600 Units	-	36.66	2.75	3.23	42.64
601-700Units	-	37.80	2.75	3.23	43.78
Above 700 Units	-	42.72	2.75	3.23	48.70
For peak load requirement exceeding 5 kW)					
Time of Use (TOU) - Peak	-	41.89	2.75	3.23	47.87
Time of Use (TOU) - Off-Peak	-	35.57	2.75	3.23	41.55
Temporary Supply	-	42.03	2.75	3.23	48.01
Total Residential					
Commercial - A2					
For peak load requirement less than 5 kW	-	37.75	2.75	3.23	43.73
For peak load requirement exceeding 5 kW					-
Regular	500	39.43	2.75	3.23	45.41
Time of Use (TOU) - Peak	-	41.35	2.75	3.23	47.33
Time of Use (TOU) - Off-Peak	500	35.38	2.75	3.23	41.36
Temporary Supply	-	38.14	2.75	3.23	44.12
Electric Vehicle Charging Station	-	39.43	2.75	3.23	45.41
Total Commercial					
General Services-A3	-	37.31	2.75	3.23	43.29
Industrial					
B1	-	34.33	2.75	3.23	40.31
B1 Peak	-	37.89	2.75	3.23	43.87
B1 Off Peak	-	32.33	2.75	3.23	38.31
B2	500	33.83	2.75	3.23	39.81
B2 - TOU (Peak)	-	37.83	2.75	3.23	43.81
B2 - TOU (Off-peak)	500	32.12	2.75	3.23	38.10
B3 - TOU (Peak)	-	37.83	2.75	3.23	43.81
B3 - TOU (Off-peak)	460	32.03	2.75	3.23	38.01
B4 - TOU (Peak)	-	37.83	2.75	3.23	43.81
B4 - TOU (Off-peak)	440	31.93	2.75	3.23	37.91
Temporary Supply	-	35.41	2.75	3.23	41.39
Total Industrial					
Single Point Supply					
C1(a) Supply at 400 Volts-less than 5 kW	-	38.43	2.75	3.23	44.41
C1(b) Supply at 400 Volts-exceeding 5 kW	500	37.93	2.75	3.23	43.91
Time of Use (TOU) - Peak	-	41.35	2.75	3.23	47.33
Time of Use (TOU) - Off-Peak	500	34.75	2.75	3.23	40.73
C2 Supply at 11 kV	460	37.73	2.75	3.23	43.71
Time of Use (TOU) - Peak	-	41.35	2.75	3.23	47.33
Time of Use (TOU) - Off-Peak	460	34.55	2.75	3.23	40.53
C3 Supply above 11 kV	440	37.63	2.75	3.23	43.61
Time of Use (TOU) - Peak	-	41.35	2.75	3.23	47.33
Time of Use (TOU) - Off-Peak	440	34.45	2.75	3.23	40.43
Total Single Point Supply					
Agricultural Tube-wells - Tariff D					
Scarp	-	34.43	2.75	3.23	40.41
Time of Use (TOU) - Peak	-	37.35	2.75	3.23	43.33
Time of Use (TOU) - Off-Peak	200	30.10	2.75	3.23	36.08
Agricultural Tube-wells	200	24.10	2.75	3.23	30.08
Time of Use (TOU) - Peak	-	24.10	2.75	3.23	30.08
Time of Use (TOU) - Off-Peak	200	24.10	2.75	3.23	30.08
Total Agricultural					
Public Lighting - Tariff G	-	37.43	2.75	3.23	43.41
Residential Colonies	-	37.43	2.75	3.23	43.41
Railway Traction	-	37.43	2.75	3.23	43.41
Tariff K - AJK	440	34.65	2.75	3.23	40.63
Time of Use (TOU) - Peak	-	40.35	2.75	3.23	46.33
Time of Use (TOU) - Off-Peak	440	33.45	2.75	3.23	39.43
Tariff K -Rawat Lab		37.43	2.75	3.23	43.41

Source: NEPRA

TABLE 14.4

Consumer-End Applicable Tariff

Description	GOP Applicable Tariff			
	Fixed Charges (Rs/Con/M)	Fixed Charges (Rs/kW/M)	Applicable Uniform Variable Tariff (Rs./kWh)	Applicable Uniform Variable Tariff (Rs./kWh)
	July 2024 onward		Jul. to Sept. 2024	Oct. 2024 onward
A-1 General Supply Tariff - Residential				
Upto 50 Units (Lifeline)	-	-	3.95	3.95
50-100 Units (Lifeline)	-	-	7.74	7.74
1-100 units (Protected)	-	-	7.74	11.69
101-200 units (Protected)	-	-	10.06	14.16
1-100 units	-	-	16.48	23.59
101-200 units	-	-	22.95	30.07
201-300 units	-	-	34.26	34.26
301-400 units	200	-	39.15	39.15
401-500 units	400	-	41.36	41.36
501-600 units	600	-	42.78	42.78
601-700 units	800	-	43.92	43.92
Above 700 units	1,000	-	48.84	48.84
Time of Use				
Peak	1,000	-	48.00	48.00
Off-Peak		-	41.68	41.68
E-1 (i) Temporary Residential	2,000	-	59.09	59.09
A-2 General Supply Tariff - Commercial				
For sanctioned load less than 5kW	1,000	-	38.59	38.59
For sanctioned load 5kW & Above	-	1,250	40.91	40.91
Peak	-		44.97	44.97
Off-Peak	-	1,250	36.30	36.30
E-1 (ii) Temporary Commercial	5,000	-	54.60	54.60
Electric Vehicle Charging Station (EVCS)	-	-	45.55	45.55
A3 General Services	1,000	-	43.64	43.64
B - Industrial Supply Tariff				
B-1 less than 5kW / 25 kW (at 400/230 volts)	1,000	-	31.95	31.95
Peak		-	37.89	37.89
Off-Peak	1,000	-	31.20	31.20
B-2 5-500 kW / 25-500 kW (at 400 volts)	-	1,250	31.88	31.88
Peak	-	1,250	37.83	37.83
Off-Peak	-		28.56	28.56
B-3 for all loads upto 500kW (at 11, 33kV)	-	1,250	32.15	32.15
Peak	-	1,250	37.83	37.83
Off-Peak	-		29.39	29.39
B-4 for all loads (at 66kV, 132kV and above)	-	1,250	31.58	31.58
Peak	-	1,250	37.83	37.83
Off-Peak	-		29.11	29.11
B-5 for all loads (at 220kV & above)				
Peak	-	-	37.83	37.83
Off-Peak	-	1,250	28.28	28.28
E-2 (i) Temporary Industrial	5,000	-	43.40	43.40
C - Bulk Supply Tariff				
C-1 For supply at 400/230 Volts				
a) Sanctioned load less than 5kW	2,000	-	44.55	44.55
b) Sanctioned load 5kW and upto 500kW	-	1,250	41.78	41.78
Peak	-	1,250	47.47	47.47
Off-Peak	-		38.70	38.70
C-2 For supply at 11,33kV upto and including 5000kW	-	1,250	41.72	41.72
Peak	-	1,250	47.47	47.47
Off-Peak	-		37.18	37.18
C-3 For supply at 132 kV and above upto and including 5000kW	-	1,250	41.92	41.92
Peak	-	1,250	47.47	47.47
Off-Peak	-		36.91	36.91
E-2 (ii) Temporary Bulk Supply				
(a) at 400Volts	5,000	-	47.21	47.21
(b) at 11kV	5,000	-	47.21	47.21
D - Agriculture Tariff				
D-1 For all loads	-	400	30.05	30.05
D-2 For all loads - Time of Use				
Peak	-	-	30.69	30.69
Off-Peak	-	400	29.85	29.85
sub-total				
G- Public Lighting				
Street Lighting	2,000	-	44.06	44.06
H - Residential Colonies attached to Industrial Premises	2,000	-	43.25	43.25

Source: NEPRA

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-9-2018	1-10-2018	1-11-2018	1-12-2018	1-1-2019	1-2-2019	1-3-2019	1-4-2019
EX-NRL/PRL KARACHI								
Motor Gasoline	92.83	92.83	97.83	95.83	90.97	90.38	92.89	98.89
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	83.50	863.50	86.50	83.50	82.98	82.31	86.31	89.31
HSD	106.57	106.57	112.94	110.94	106.68	106.68	111.43	117.43
LDO	75.96	75.96	82.44	77.44	75.28	75.03	77.54	80.54
Aviation gasoline (100LL)								
JP-1:	80.94	84.83	92.34	84.42	73.59	73.39	73.48	81.95
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	80.75	84.64	92.15	84.23	73.41	73.20	73.29	81.92

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-5-2019	5-5-2019	1-6-2019	1-7-2019	1-8-2019	1-9-2019	1-10-2019	1-11-2019
EX-NRL/PRL KARACHI								
Motor Gasoline	98.89	108.42	112.68	112.68	117.83	113.24	113.24	114.24
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	89.31	96.77	98.46	98.46	103.84	99.57	99.57	97.18
HSD	117.43	122.32	126.82	126.82	132.47	127.14	127.14	127.41
LDO	80.54	86.94	88.62	88.62	97.52	91.89	91.89	85.33
Aviation gasoline (100LL)								
JP-1:	85.75	85.75	87.45	83.99	92.30	87.90	89.33	86.15
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	85.73	85.73	87.42	83.97	92.28	87.68	89.31	86.12

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-12-2019	1-1-2020	1-2-2020	1-3-2020	25-3-2020	27-6-2020	1-8-2020	1-9-2020
EX-NRL/PRL KARACHI								
Motor Gasoline	113.99	116.60	116.60	111.59	96.58	100.11	103.97	103.97
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	96.35	99.45	99.45	92.45	77.45	59.32	65.29	65.29
HSD	125.01	127.26	127.26	122.25	107.25	101.46	106.46	106.46
LDO	82.43	84.51	84.51	77.51	62.51	56.24	62.86	62.86
Aviation gasoline (100LL)								
JP-1:	85.34	93.02	93.02	80.92	77.37	49.05	24.85	48.64
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	85.32	87.09	87.09	74.06	51.46	19.31	24.84	48.61

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	16-5-2021	1-6-2021	16-6-2021	1-7-2021	16-7-2021	1-8-2021	16-8-2021	1-9-2021
EX-NRL/PRL KARACHI								
Motor Gasoline	108.56	108.56	110.69	112.69	118.09	119.80	119.80	118.33
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	80.00	80.00	81.89	85.75	87.14	87.49	88.30	86.80
HSD	110.76	110.76	112.55	113.99	116.53	116.53	116.53	115.03
LDO	77.65	77.65	79.68	83.40	84.67			
Aviation gasoline (100LL)								
JP-1:	-	-	-	91.04	90.58	90.59	91.48	91.48
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	-	-	-	89.05	90.56	90.57	91.46	91.46

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	16-9-2021	1-10-2021	16-10-2021	1-11-2021	5-11-2021	6-11-2021	1-12-2021	16-12-2021
EX-NRL/PRL KARACHI								
Motor Gasoline	123.30	127.30	137.79	137.79	145.82	145.82	145.82	140.82
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	92.26	99.31	110.26	110.26	116.53	116.53	116.53	109.53
HSD	120.04	122.04	134.48	134.48	142.62	142.62	142.62	137.62
LDO								
Aviation gasoline (100LL)								
JP-1:	93.45	100.63	112.64	112.64	120.71	117.05	113.50	105.83
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	93.42	100.61	112.61	112.61	120.69	117.02	113.48	105.80

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-1-2022	16-1-2022	1-2-2022	16-2-2022	1-3-2022	16-3-2022	1-4-2022	16-4-2022
EX-NRL/PRL KARACHI								
Motor Gasoline	144.82	147.83	147.83	159.86	149.86	149.86	149.86	149.86
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	113.48	116.48	116.48	126.56	125.56	125.56	125.56	125.56
HSD	141.62	144.62	144.62	154.15	144.15	144.15	144.15	144.15
LDO								
Aviation gasoline (100LL)								
JP-1:	111.21	114.54	114.54	123.97	118.31	118.31	118.31	118.31
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	110.07	116.87	116.87	135.72	140.41	140.41	140.41	140.41

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-5-2022	16-5-2022	27-5-2022	1-6-2022	3-6-2022	16-6-2022	1-7-2022	16-7-2022
EX-NRL/PRL KARACHI								
Motor Gasoline	149.86	149.86	179.86	179.86	209.86	233.89	248.74	230.24
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	125.56	125.56	155.56	155.56	181.94	211.43	230.26	196.45
HSD	144.15	144.15	174.15	174.15	204.15	263.31	276.54	236.00
LDO	118.31	118.31	148.31	148.31	178.31	207.47	226.10	191.44
Aviation gasoline (100LL)								
JP-1:	-	-	-	-	-	-	227.84	216.08
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	-	-	-	-	-	-	276.54	216.05

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-8-2022	16-8-2022	1-9-2022	16-9-2022	1-10-2022	16-10-2022	1-11-2022	16-11-2022
EX-NRL/PRL KARACHI								
Motor Gasoline	227.19	233.19	235.98	237.43	224.80	224.80	224.80	224.80
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	201.07	199.40	210.36	202.02	191.83	191.83	191.83	191.83
HSD	244.95	244.44	247.43	247.43	235.30	235.30	235.30	235.30
LDO	191.32	191.75	201.54	197.28	186.50	186.50	186.50	186.50
Aviation gasoline (100LL)								
JP-1:	215.02	211.85	228.28	215.95	199.13	206.25	214.00	209.79
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	215.17	211.83	228.26	215.92	199.11	206.22	207.18	209.77

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-12-2022	16-12-2022	1-1-2023	16-1-2023	30-1-2023	16-2-2023	1-3-2023	16-3-2023
EX-NRL/PRL KARACHI								
Motor Gasoline	224.80	214.80	214.80	214.80	249.80	272.00	267.00	272.00
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	181.93	171.83	171.83	171.83	189.83	202.73	187.73	190.29
HSD	235.30	227.80	227.80	227.80	262.80	280.00	280.00	293.00
LDO	179.00	169.00	169.00	193.78	213.84	196.68	184.68	184.68
Aviation gasoline (100LL)								
JP-1:	197.67	196.50	161.63	193.78	213.84	253.18	202.07	-
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	197.65	178.80	161.61	186.88	213.82	228.70	264.50	-

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-4-23	16-4-23	1-5-23	16-5-23	1-6-23	16-6-23	1-7-23	16-7-23
EX-NRL/PRL KARACHI								
Motor Gasoline	272.00	282.00	282.00	270.00	262.00	262.00	262.00	253.00
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	180.29	186.07	176.07	164.07	164.07	164.07	171.05	172.39
HSD	293.00	293.00	288.00	258.00	253.00	252.99	260.50	253.50
LDO	174.68	174.68	164.68	152.68	147.68	150.20	154.22	156.45
Aviation gasoline (100LL)								
JP-1:	-	-	-	-	-	-	214.00	214.00
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	-	-	-	-	-	-	192.56	194.03

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-8-2023	16-8-2023	1-9-2023	16-9-2023	1-10-2023	16-10-2023	1-11-2023	16-11-2023
EX-NRL/PRL KARACHI								
Motor Gasoline	272.95	290.45	305.36	331.28	323.38	283.38	283.38	281.34
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	192.38	217.15	233.52	244.81	237.28	214.85	211.03	204.98
HSD	273.40	293.40	311.84	329.18	318.18	318.18	303.18	296.71
LDO	176.40	199.79	210.13	220.22	212.45	192.86	189.46	180.45
Aviation gasoline (100LL)								
JP-1:	219.30	249.58	264.30	277.51	264.92	241.91	237.51	230.40
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4	-	-	-	-	-	-	-	-
JP-8	270.46	245.18	264.27	277.49	268.69	241.89	237.49	230.37

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-12-2023	16-12-2023	1-1-2024	16-1-2024	1-2-2024	16-2-2024	1-3-2024	16-3-2024
EX-NRL/PRL KARACHI								
Motor Gasoline	281.34	267.34	267.34	259.34	272.89	275.62	279.75	279.75
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	201.16	191.02	188.83	186.86	186.62	188.57	190.01	188.66
HSD	289.71	276.21	276.21	276.21	278.96	287.33	287.33	285.56
LDO	175.93	164.64	165.75	164.83	166.86	171.44	170.30	168.18
Aviation gasoline (100LL)								
JP-1:	227.83	215.98	212.73	211.36	216.09	211.62	223.70	215.15
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4	-	-	-	-	-	-	-	-
JP-8	227.85	215.95	213.49	211.04	208.62	211.09	212.67	212.25

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

Note: HOBC price has been totally deregulated since 1-11-2016

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-4-2024	16-4-2024	1-5-2024	16-5-2024	1-6-2024	16-6-2024	7/1/2024	7/16/2024
EX-NRL/PRL KARACHI								
Motor Gasoline	289.41	293.94	288.49	273.10	268.36	258.16	265.61	275.60
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	186.39	193.08	183.34	173.48	171.61	171.81	181.86	183.71
HSD	282.24	290.38	281.96	274.08	270.22	267.89	277.45	283.63
LDO	167.80	174.34	168.71	161.17	157.29	156.13	166.01	166.25
Aviation gasoline (100LL)								
JP-1:	215.15	220.87	222.23	215.83	198.98	193.78	213.27	206.24
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4	-	-	-	-	-	-		
JP-8	215.13	217.39	207.17	195.62	193.47	193.76	204.14	206.22

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1.8.2024	14.8.2024	1.9.2024	16.9.2024	1.10.2024	16.10.2024	1.11.2024	16.11.2024
EX-NRL/PRL KARACHI								
Motor Gasoline	269.43	260.96	259.10	249.10	247.03	247.03	248.38	248.38
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	177.39	171.77	169.62	158.47	154.90	163.02	161.54	165.60
HSD	272.77	266.07	262.75	249.69	246.29	251.29	255.14	255.14
LDO	160.53	157.02	154.05	141.93	140.90	150.12	147.51	152.21
Aviation gasoline (100LL)								
JP-1:	202.26	192.20	193.98	176.55	176.72	174.91	185.22	188.21
i) For sale to PIA Domestic Flight								
ii) For sale to PIA foreign flights & foreign airline								
iii) For Cargo & Technical Landing Flights								
JP-4								
JP-8	198.68	192.17	189.64	176.53	172.46	182.1	180.28	186.02

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

Note: HOBC price has been totally deregulated since 1-11-2016

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1.12.2024	16.12.2024	1.1.2025	16.1.2025	1.2.2025	16.2.2025	1.3.2025	16.3.2025	29.3.2025
EX-NRL/PRL KARACHI									
Motor Gasoline	252.10	252.10	252.66	256.13	257.13	256.13	255.63	255.63	254.63
HOBC (Automotive 100 Octane)									
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)									
Kerosene	164.98	161.66	162.95	169.25	174.85	171.65	168.12	168.12	169.38
HSD	258.43	255.38	258.34	260.95	267.95	263.95	258.64	258.64	258.64
LDO	151.73	148.95	149.35	156.53	161.06	155.81	153.34	153.34	153.34
Aviation gasoline (100LL)									
JP-1:	189.92	188.78	187.09	183.24	194.72	200.21	193.96	191.16	176.67
i) For sale to PIA Domestic Flight									
ii) For sale to PIA foreign flights & foreign airline									
iii) For Cargo & Technical Landing Flights									
JP-4									
JP-8	184.29	180.36	180.88	188.28	194.89	191.08	187.97	175.16	176.65

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

Note: HOBC price has been totally deregulated since 1-11-2016

TABLE 14.6

GAS SALE PRICES

Sectors	w.e.f 01.01.2023	w.e.f 01.10.2023	w.e.f 01.10.2023		w.e.f 01.02.2024	w.e.f 01.07.2024	w.e.f 01.02.2025
1. Domestic							
Proteetcted Category							
Upto 0.25 hm3 per month	121		121		200		
Upto 0.5 hm3 per month	150		150		250		
Upto 0.6 hm3 per month	200		200		300		
Upto 0.9 hm3 per month	250		200		350		
Non-Proteetcted Category							
Upto 0.25 hm3 per month	200		300		500		
Upto 0.5 hm3 per month	300		600		850		
Upto 1 hm3 per month	400		1,000		1,250		
Upto 1.5 hm3 per month	600		1,200		1,450		
Upto 2 hm3 per month	800		1,600		1,900		
Upto 3 hm3 per month	1,100		3,000		3,300		
Upto 4 hm3 per month	2,000		3,500		3,800		
Above 4 hm3 per month	3,100		4,000		4,200		
2. Bulk Consumers	2,000		2,000		2,900		
3. Special Commercial (Roti Tanoor)							
Upto 0.5 hm3 per month	110		110		110		
Upto 1 hm3 per month	110		110		110		
Upto 2 hm3 per month	220		220		220		
Upto 3 hm3 per month	220		220		220		
Over 3 hm3 per month	700		700		700		
4. COMMERCIAL	1,650		3,900		3,900		
5. ICE FACTORIES	1,650		3,900		3,900		
6. General Industries	1,200		2,200	General Industry Process	2,150		
7. Export Oriented (General Industries)	1,100		2,100	General Industry Captive	2,750	3,000	3,500
8. Export Oriented (Captive)	1,100		2,400				
9. CAPITIVE POWER(General Industry)	1,200		2,500				
10. CNG Region	1,805		3,600		3,750		
10.a CNG Region -II	1,350						
11. Cement	1,500		4,400		4,400		
12. FERTILIZER COMPANIES							
ON SNGPL 'S SYSTEM							
(a) FOR FEED STOCK							
(i) Agritech (Formerly Pak American Fertilizer Limited.)	510				1,597		
(ii) Fatima Fert. (Formerly Dawood Hercules Chemical Ltd.)	510				1,597		
(iii) Pak Arab Fertilizer Limited.	510						
(iv) Pak China Fertilizer Limited.	510						
(v) Hazara Phosphate Fertilizer Plant Limited.	510						
(vii) ENGRO Fertilizer Limited.	US $ 0.70		US $ 0.70		US $ 0.70		
(b) FOR FUEL	1,500						
On SSGCL's System							
(i) a) Fauji Fertlizer Bin Qasim Limited.	510		580		1,597		
(b) FOR FUEL- ALL FERTILIZER COMPANIES	1,500						
ON MARI'S SYSTEM							
(a) FOR FEED STOCK							
(i) Engro Fertilizer Company Limited	302	580					
(ii) Fauji Fertilizer Company Limited (Goth Machi/Mirpur Matl	302	580					
(iii) Fatima Fertilizer Company Limited	US $ 0.70	580					
(b) For Fuel	1,023	1,580					
(iv) Foundation Power Company (Dharki) Limited	1,050						
13. POWER STATION (WAPDA'S AND KESCS'S							
(i) WAPDA & KESC Power station	1,050		1,050		1,050		
(ii) WAPDA's Gas Turbine Power Station Nishatabad, Faislabad	1,050		1,050				
14. INDEPENDENT POWER PRODUCERS	1,050		1,050		1,050		

*: Effective till to date

Source : Directorate General of Gas.

INFORMATION TECHNOLOGY AND TELECOMMUNICATION

IT Exports	2,825*	(US$ million)
Trade Surplus of IT and ITeS	2,429*	(US$ million)
Freelancers' Remittances	400*	(US$ million)
Telecom Revenues	803*	(Rs billion)
Broadband Subscribers	147.2**	(million)
Total Telecom Subscribers Mobile and Fixed	199.9**	(million)

* : July-March FY2025
** : End March 2025

Chapter 15

INFORMATION TECHNOLOGY AND TELECOMMUNICATION

The Information Technology and Telecommunication sector is a key enabler of inclusive and sustainable economic. It fosters innovation, enhances productivity, expands export market access, generates employment opportunities, particularly for women, and improves public service delivery. The government has prioritized the expansion of the digital economy as a core component of its national development agenda. This is evident in the inclusion of E-Pakistan as one of the five pillars of the URAAN Pakistan. To build a robust and sustainable knowledge-based techno-economy, the government is implementing a comprehensive strategy aimed at strengthening IT infrastructure cybersecurity, developing human capital, fostering a startup and funding ecosystem to drive innovation and entrepreneurship. The strategy also focuses on integrating artificial intelligence into key sectors of the economy, like agriculture, health, and governance, focusing on cutting-edge technologies like quantum computing. Moreover, the government is committed to making IT services more accessible and affordable nationwide, especially in rural and underserved areas, to uplift the lower-income households and improve the overall socio-economic well-being in the country.

To enhance cooperation in the field of IT, a Joint Working Group on the IT industry (JWG-IT) has been established between China and Pakistan. Both sides have agreed to cooperate in the areas of ICT Infrastructure Development, ICT Application Innovation, Cybersecurity, Policy and Regulation, Radio Spectrum Regulation, Human Resource Development and Technology Business Forum. Building upon this strong foundation, China and Pakistan are poised to elevate their IT cooperation to new heights over the next year. JWG-IT serves as a vital engine for the envisioned "Innovation Corridor" between the two countries. It provides an ideal forum to synergize efforts and drive advancements in cutting-edge domains such as cybersecurity, Artificial Intelligence (AI), cloud computing, the semiconductor industry, and most importantly, skill development.

Information Technology Sector

According to Kearney's 2023 Global Services Location Index, Pakistan holds the World’s most attractive position in IT outsourcing. Furthermore, the International Labour Organization (ILO) recognizes Pakistan as the second-largest provider of digital labor, specifically in software development and technology services. The country also ranks among the top three suppliers for a broader range of digital labor, including clerical and data entry, creative and multimedia, professional, sales and marketing support, software development and technology, and writing and translation services.

Major Tech hubs of Pakistan’s IT and IT-enabled Services (ITeS) industry are located in Karachi, Lahore, and Islamabad/Rawalpindi. The IT industry in Pakistan derives the majority of its earnings from international customers and ranks among the most forward-looking and progressive sectors in the country, employing cutting-edge management, service, and product development techniques. Pakistani ICT companies demonstrate expertise ranging from high-end customized software development to diverse Business Process Outsourcing (BPO) services. Pakistan’s ICT industry caters to the world’s largest entities among its regular clients. Many international companies, including global enterprises such as Bentley®, Ciklum®, IBM®, Mentor Graphics®, S&P Global®, Symantec®, Teradata®, and VMware®, have established consulting service centres, research and

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development facilities, and BPO support centres in Pakistan. These investments generate high-paying jobs for talented youth, enhance Pakistan's positive image, and attract foreign direct investment (FDI).

Pakistan Software Export Board (PSEB): The development of Pakistan's ICT sector can be gauged from more than 30,000 IT & ITeS companies registered with the Securities and Exchange Commission of Pakistan (SECP), as of March 2025, comprising domestic and export-oriented enterprises. ICT export of services have increased by US$ 541 million (23.7 percent) to US$ 2.825 billion (2,825 million) during FY 2025 (July - March), compared to US$ 2.284 billion (2,284 million), for the same period last year.

The IT & ITeS industry achieved a trade surplus of US$ 2.429 billion, the highest among all services was realized by the ICT industry during FY 2025 (July - March), which is an increase of 21.6 percent compared to the trade surplus of US$ 1.997 billion (1,997 million) during the same last year. Meanwhile, the overall Services sector recorded a trade deficit of US$ 2.318 billion during the same timeframe. ICT sector exports of US$ 2.825 billion (2,825 million) continue to be the highest among all Services (45.31 percent of total export of services), followed by 'Other Business Services' at US$ 1.229 billion (1,229 million). Pakistan-based freelancers contributed foreign exchange earnings to Pakistan's economy through US$ 400 million remittances during FY2025 (July-March).

Activities undertaken to Enhance ICT Industry Exports during FY2025 (July-March):

i. Marketing and Branding

During the period FY2025 (July - March), PSEB subsidized the participation of 256 IT companies in fifteen international events and two local events, resulting in these efforts generating over US$ 48 million in business. Strategic marketing initiatives remained a core focus during this period, with the reinforcement of the TechdestiNation Pakistan campaign to rebrand the country as a leading IT hub, including the launch of the TechdestiNation Podcast by PSEB to provide industry leaders a platform for sharing inspiring stories and insights to drive IT sector growth. To boost IT exports, the Technology Export Marketing Programme was initiated to develop tailored strategies for key markets, including the UAE, the USA, and the UK, with an overarching goal of annual exports reaching US$ 15 billion.

ii. Infrastructure Development

PSEB manages over 50 STPs and e-Rozgar centres providing state-of-the-art facilities to the ICT Industry established under the project "Establishment of 25 Software Technology Parks" and "Prime Minister's Initiative-Support to IT Startups, Specialized IT Trainings and Venture Capital". These have been established in primary and secondary cities including Islamabad, Lahore, Karachi, Gilgit, Rahim Yar Khan, Faisalabad, Swat, Quetta, Gujranwala, Sialkot, Abbottabad, Mansehra, Gujrat, Jamshoro, Nawabshah, Gakuch, Bahawalpur and Khuzdar. Currently, these STPs working in public private partnerships are providing 24/7 ICT facilitating to more than 350 companies across Pakistan with 4,600 IT professionals, out of which 21 percent are females. To further support ICT Industry PSEB has undertaken an ambitious mission to establish 250 e-Rozgaar centres across Pakistan up to FY 2027 under PSDP project titled "Prime Minister's Initiatives - Support for IT Startups, Specialized IT Trainings and Venture Capital, Component-2" These centres are intended towards promoting freelancers and entrepreneurship with a target of 20,000 job creations. There shall be 50 e-Rozgaar centres operational during FY 2025.

iii. Human Resource and Skill Development

During FY 2025, significant strides were made in building Pakistan's IT human capital and industry capacity. A total of 6,400 professionals were trained in advanced technologies, with certification ongoing for 3,400 more. Over 2,700 interns were placed in IT firms, achieving a 70 percent retention rate, while soft skills and technical bootcamps trained thousands more. Industry-academia collaboration led to the training of more than 1,600 graduates and the skill assessment of 9,300 students. Furthermore, 15 IT/ITeS companies received support for international certifications for ISO27001, ISO27701, and 20 call centres to achieve ISO18295 certifications, enhancing global competitiveness and service quality.

IGNITE-National Technology Fund (NTF)

IGNITE-NTF is focused on funding and promoting technology innovation and entrepreneurship in Pakistan. For this purpose, IGNITE offers the following funding programme:

a. Innovation and Entrepreneurship in ICTs

The government has a vision to accelerate digitization and to transform Pakistan into a knowledge-based economy, promoting economic growth through innovation and entrepreneurship. Over the past few years, the National Incubation Centres (NICs) have incubated more than 1,900 startups, with more than 960 graduating successfully. These startups have generated over 185,000 jobs, received a total investment of Rs 30.8 billion, and have combined revenue of more than Rs 27.3 billion. To date, more than 12,000 women entrepreneurs have been empowered through the programme.

b. Digiskills.pk 2.0 Training Programme for Freelancing

To date, the overall number of trainings that DigiSkills.pk has conducted is more than 4.55 million. The total trainees comprise 72 percent males and 28 percent females. The number of overseas Pakistanis trained in the programme is more than 50,000. Furthermore, Digiskill.pk freelancers have earned US$ 1.65 billion till December 2024.

c. Digital Pakistan Speed Programming Competition 2025

In its ongoing commitment to foster technical excellence and problem-solving acumen among the youth, Ignite, under the auspices of the Ministry of IT & Telecom, launched the Digital Pakistan Speed Programming Competition 2025. This nationwide initiative targets students, professionals, and startups, providing a dynamic platform to test programming skills in high-pressure, time-bound scenarios. The competition, held over six hours and open to JAVA, C/C++/.Net, and Python programmers, aims to sharpen analytical thinking, encourage teamwork, and nurture computational creativity.

Universal Service Fund (USF) Initiatives: The USF, working under the Ministry of Information Technology and Telecommunication, has continued its mission to bring telecommunication services to the farthest and most underserved parts of Pakistan. The USF focused on projects that support key national goals and global commitments under the Sustainable Development Goals (SDGs). The initiatives helped expand affordable voice and high-speed internet services to remote communities, improving lives and opportunities for many. To ensure sustainability, all projects were powered primarily by solar energy. These efforts ensure universal access to ICT services, contributing to socio-economic development across the country.

USF programmes can be categorized into two broad categories:

a. Voice and High-speed Broadband Data Services: The initiative's aim is to bring modern communication facilities to unserved and underserved village areas across the country. Through this programme, USF is helping communities connect by building the necessary infrastructure to provide voice and high-speed internet services. In addition to rural areas, coverage is also being expanded to remote road segments along National Highways and Motorways (NH&MW), as well as to key tourist destinations, making travel safer and more connected.

b. Backhaul Services: This initiative focuses on strengthening the digital backbone of the country by laying Optical Fiber Cable (OFC) to tehsil headquarters, union councils, and major towns, the programme creates new connection points that telecom companies can use to expand their services further, helping bridge the digital divide and support future growth.

The province-wise breakup of initiatives undertaken under different categories is described in the following:

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a. Voice Broadband Data Services Projects (3G/4G)

i. Balochistan: During July-March FY 2025, the USF has successfully provided coverage to a population of 108,367, residing in 125 mauzas across the province, along with 84.17 km of unserved road segments on NH&MW M-8. An approximate subsidy of Rs 2,562.8 million has been disbursed on the achievement of different project milestones.

ii. Khyber Pakhtunkhwa: During July-March FY 2025, the USF has successfully provided coverage to a population of 24,647, residing in 33 mauzas across the province, along with 37.43 km of unserved road segments on NH&MW N-35. An approximate subsidy of Rs 625.24 million has been disbursed on achieving different project milestones.

iii. Sindh: During July-March FY 2025, the USF has successfully provided coverage to a population of 141,632, residing in 139 mauzas across the province. An approximate subsidy of Rs 1,744.12 million has been disbursed on the achievement of different project milestones.

iv. Punjab: During July-March FY 2025, the USF has successfully provided coverage to a population of 250,805, residing in 127 mauzas across the province. An approximate subsidy of Rs 250.5 million has been disbursed on achieving of different project milestones.

b. Backhauls Projects

i. Balochistan: During July-March FY 2025, 132 km of OFC has been deployed, 10 nodes have been established, and backhaul connectivity to 4x BTS sites has been provided. An approximate subsidy of Rs 726.01 million has been disbursed on the achievement of different project milestones.

ii. Khyber Pakhtunkhwa: During July-March FY 2025, 577 km of OFC has been deployed and 76 nodes have been established, whereas an approximate subsidy of Rs 1,050.08 million has been disbursed on the achievement of different project milestones.

iii. Sindh: During July-March FY 2025, 366 km of OFC has been deployed and 26 nodes have been established, whereas an approximate subsidy of Rs 265.87 million has been disbursed on the achievement of different project milestones.

iv. Punjab: During July-March FY 2025, 46 km of OFC has been deployed and 4 nodes have been established, whereas an approximate subsidy of Rs 6.3 million has been disbursed on the achievement of different project milestones.

National Telecommunication Corporation (NTC)

NTC has started planning for the establishment of high performance Cloud-based, AI-enabled Data Centre at Karachi with a cost of Rs 786.4 million, which will not only serve the data centre requirements of the South Region, but will also facilitate digitization of the country, which will increase transparency, Government efficiency, and effective service delivery to the public. NTC's Annual Development Plan (ADP) consists of 14 Development projects, amounting to Rs 980 million, which were planned besides completion of 80 Small Development Works amounting to Rs 62.9 million, from NTC’s funding in FY 2024. The outcome of ADP projects will increase the ICT footprint or capacity by approximately 10,153 telephone, 3,776 DSL, and 51 CIR connections, and provide cloud-based data services through data centres in Islamabad, Lahore, and Karachi. During FY 2025 (July-December), NTC earned a profit of Rs 196.78 million, before tax.

Major Initiatives of NTC

i. Public Private Partnership Initiatives: NTC is seeking local and foreign investment in several projects, including the establishment of Internet/Cloud Exchange Points at Karachi, deployment of DWDM Core Transmission Equipment and Optical Fiber Cable Network, deployment of Submarine Cable between Karachi & Gwadar, and transformation to FTTH.

ii. Establishment of Data NTC Centre at Karachi: NTC’s new Data Centre will improve the overall efficiency and performance of NTC Data Centre infrastructure, through the addition of a dedicated site for latency-conscious service in the south region, besides an addition of GPU, AI, and Micro services from the new platform. This facility will support NTC's future growth and expansion plans, as well as meet the growing demand for data centre services in the government sector.

iii. Revamping of NTC Cloud at Islamabad & Lahore: NTC's cloud and virtualization services, crucial for government digitization across Pakistan and currently offering IaaS, are slated for a significant upgrade. This revamping initiative will introduce modern service flavors, such as micro services and bolster automation capabilities. Furthermore, the enhanced platform will incorporate additional robust object and file storage solutions. The revamped services will adhere to stringent security and compliance standards designed specifically for the public sector.

iv. Establishment of Cyber Security Department at NTC HQ Islamabad: A Cyber Security Department is critical to protect data and infrastructure from cyber threats like ransomware and data breaches. It enables proactive risk management, compliance with regulatory standards, and real-time threat mitigation. This initiative builds public trust by prioritizing security and aligning with national strategies. Investing in this department ensures long-term operational resilience.

v. APN Service: NTC, partnering with Cellular Mobile Operators (CMOs), launched the APN service, providing 4G-based Intranet access for the Government of Pakistan, which promotes efficient and digitally-driven governance. Its significant growth highlights its effectiveness and widespread adoption across government departments.

vi. Network Architecture Enhancement Plan: NTC is enhancing its network with a robust and redundant core infrastructure, implementing 3 x NGN core routers in a 1+1 high availability configuration. This design ensures 24/7 service availability and minimizes service outages. This upgrade will enhance reliability, improve performance, increase capacity, and simplify management. NTC's investment demonstrates its commitment to high-quality, secure network services and customer satisfaction.

vii. Call Centre Services: NTC has established a cloud-based multitenant call centre platform for centralized complaint management and services to other Government departments. This solution, deployed at NTC National Data Centre (NDC) Islamabad and Disaster Recovery Centre (DRC) Lahore, aligns with the Digital Pakistan Vision by providing accessible communication channels. These services enhance citizen engagement, streamline information, and improve public service delivery, fostering transparency and trust. NTC's Call Centre supports its own helpline and various government departments.

The Electronic Certification Accreditation Council (ECAC) has several important aims to create a secure digital environment. A primary initiative is the establishment of a legal framework to recognize and facilitate electronic transactions, enabling the use of digital signatures with the same legal standing as handwritten signatures. ECAC is mandated to grant accreditation to Certificate Service Providers (CSPs), ensuring that electronic services maintain security, integrity, and authenticity. This accreditation process contributes to making electronic transactions more secure and reliable.

Public Key Infrastructure (PKI) for the National Root Certification Authority is crucial for the effective implementation and management of electronic transactions. ECAC also focuses on monitoring compliance of Accredited Certificate Service Providers (ACSPs) and managing the repository for certificates. The council plays an advisory role, guiding regulators and authorities on using digital identity for secure electronic transactions. ECAC's commitment to security and trustworthiness is further demonstrated by its completion of the 2ndWebTrust Audit and the acquisition of renewed WebTrust seals. These initiatives collectively underscore ECAC's efforts to establish trust, security, and legal validity in Pakistan's digital transactions, aligning with national regulations and international best practices.

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Special Communication Organization (SCO) is an entity that executed various telecommunication projects, including the extension of GPON-III FTTH services in Azad Jammu & Kashmir (AJ&K) and Gilgit Baltistan (GB), which added 15,000 subscribers and covered major areas of Muzafarabad, Mirpur, and Gilgit. Furthermore, GPON-IV FTTH services were extended to two locations in AJ&K and nine locations in GB to provide high-speed internet for tourism, education, and freelancers, and have created 300 direct and indirect job opportunities during FY 2025 (July - April).

Telecommunication Sector

Pakistan Telecommunication Authority (PTA) has been at the helm of driving innovation to create a vibrant telecom sector. Despite economic challenges, the past year has been marked by significant advancements in meeting increasing consumer demands for connectivity and reliability. Prioritizing affordable, high-quality telecom services for all, PTA has implemented progressive regulatory frameworks that optimize digital infrastructure, stimulate investment, promote cyber security, and enhance service delivery. Our initiatives aim to foster technological advancements, adopt online safety measures, safeguard consumer rights, and encourage fair competition.

PTA achieved remarkable progress vis-à-vis the nationwide expansion of telecom coverage, improving accessibility and connectivity for millions. Cellular mobile services now reach 91 percent of Pakistan's population, with 3G/4G signals reaching over 81 percent. By December 2024, there were 57,063 operational cell sites, 96.2 percent supporting 4G. These efforts drove a surge in the number of broadband subscribers, which reached 147.2 million by March 2025. Broadband penetration increased to 59.8percent, up from 32.6 percent in 2019. Telecom revenues reached Rs 803 billion in FY 2025 (July-March). Investments in the sector totaled US$ 621 million and contributed a substantial Rs 271 billion to the national exchequer in terms of taxes and duties during FY 2025 (July-March).

Table 15.1: Telecom Industry Financials

	2020-21 (R)	2021-22 (R)	2022-23 (R)	2023-24 (R)	2024-25 (Jul-Mar) P
Telecom Revenues (Rs billion)	641	717	817	955	803
Telecom Contribution (Rs billion)	222	329	341	335	271
Telecom Investment (US$ million)	1,214	1,657	770	765	621

P : Provisional, R : Revised.

Source: Pakistan Telecommunication Authority

Regulatory Activities

a. Enablement of Next-Generation Wi-Fi

PTA took significant strides in enhancing wireless connectivity by unlocking the 6 GHz spectrum band (5,925-6,425 MHz) for unlicensed use, enabling faster speeds, lower latency, and improved network reliability. With this step, Pakistan has become the 10th country in Asia to adopt next-generation Wi-Fi technology. PTA is proactively collaborating with industry stakeholders for the proliferation of Wi-Fi 6E and beyond.

b. Improved Ranking in Global Cybersecurity Index

In September 2024, Pakistan achieved the Tier-1 (Role Modeling) rating and is now among the top 40 countries in the Global Cybersecurity Index 2024, issued by ITU, marking a notable improvement from its previous 79th position. This advancement reflects Pakistan's dedication to strengthening cybersecurity nationwide, particularly in the IT and telecom sectors. PTA, MoITT, and other stakeholders have been key drivers in this success. Major initiatives that have enhanced cybersecurity include the

Cybersecurity Policy, CERT Rules, CTDISR, Cybersecurity Strategy and regular cybersecurity audits across the telecom sector. The establishment of National Telecom CERT has further enhanced the country's security framework through information sharing, incident management, and rapid response coordination. Together with local telecom operators adhering to international cybersecurity standards, these efforts have strengthened Pakistan's defense against cyber threats.

c. National Roaming

PTA launched national roaming services along the Makran Coastal Highway through a collaborative effort involving MoITT, Universal Service Fund (USF), Jazz, and Ufone. National roaming enables subscribers to access services from any available network in areas where their primary service provider lacks coverage, eliminating connectivity black-spots. The facility improves user connectivity and increases the coverage footprint of operators through the efficient use of existing infrastructure, without the need for additional capital expenditure in active and passive networks. The service is not just a technological upgrade but a key step in improving public safety and access to essential services. The expanded network will also enhance coordination for emergency services and assure travelers of reliable communication in case of any unexpected situations. The launching of mobile roaming services along the Coastal Highway is just the beginning. PTA is committed to further expanding connectivity across Balochistan and other remote regions so that all Pakistanis have equal access to reliable mobile communication services.

d. Ease of Doing Business

PTA launched Online Application Submission and Information System (OASIS), a cutting-edge platform that streamlines the licensing process for telecom companies and applicants, significantly enhancing the ease of doing business. OASIS provides a comprehensive solution, enabling applicants to navigate the entire application process easily and efficiently. Its key features include automated CNIC verification through NADRA, real-time company registration verification checks by the SECP, seamless online payments integrated with the National Bank of Pakistan (NBP), and a simplified application process. The platform enables users to complete the entire process online, benefiting from secure steps like biometric verification at NADRA e-Sahulat outlets and automated fee payment confirmations, making the process faster and more efficient.

Through a collaboration between PTA, NADRA, SECP, and NBP, this strategic initiative is expected to revolutionize the licensing process for telecom services nationwide. By integrating these critical systems, PTA is fostering a more robust telecom infrastructure, thereby supporting the growth of Pakistan's digital economy.

e. Readiness for 5G

The telecom sector is rapidly advancing towards 5G launch. PTA initiated the process aiming at a mid-2025 rollout. Substantial infrastructure upgrades are underway to support 5G rollout, with PTA developing regulatory frameworks to attract investment and simplify operations. In parallel, telecom operators are upgrading systems, expanding fiber optic networks for high-capacity backhaul, and conducting trials for smooth transition. PTA has allocated suitable backhaul frequency spectrum (E-band) to Cellular Mobile Operators (CMOs) to assess backhaul readiness for 5G's high data rate and low latency requirements. To improve next-generation mobile broadband services, the government formed an advisory committee to oversee the release of International Mobile Telecommunication spectrum. The Frequency Allocation Board (FAB) approved spectrum for future auctions, and PTA hired an international consultant to provide expert recommendations on the auction process and 5G implementation model. The advisory committee will review these recommendations to steer Pakistan into the 5G era.

f. Global Recognition for Child Online Protection Initiatives

In 2024, ITU recognized PTA's exemplary performance in the domain of Child Online Protection (COP) by appointing it to the prestigious ITU Council Working Group on

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Child Online Protection (CWG-COP). Furthermore, PTA solidified its leadership by winning the LEAD Award for two consecutive years—it was honored in 2023 for 'Ensuring Child and Youth Safety Online' and in 2024 for 'Enabling Digital Safety of Children.' These accolades demonstrate PTA's commitment to protecting children and youth in the digital landscape.

g. Licensing for Satellite Communication Services

The National Space Policy was approved by the Cabinet in December 2023, shaping the future of space activities and regulations in Pakistan. In line with this policy, the development framework for licensing Satellite Communication Services is underway. Moreover, the framework is designed to facilitate the entry of Satellite Broadband players, particularly Next-Generation Satellite Orbits (NGSO) providers, into the market, fostering competition, expanding connectivity options, and driving advancements in satellite technology to meet the growing demands of modern communication networks.

h. Digital Gender Inclusion Strategy

In collaboration with MoITT, PTA successfully launched Pakistan's first-ever Digital Gender Inclusion Strategy and its implementation at the Digital Nation Summit. The strategy addresses the barriers hindering women's access to mobile and ICT services and sets forth an accelerated action plan with an implementation roadmap, timelines, and measurable outcomes. The development of this strategy by Pakistan represents a targeted approach to addressing gender disparities in ICTs. Its unique, methodical framework has earned widespread recognition on international platforms as one of the first of its kind. The strategy has been appreciated as an exemplary model, fit for replication by other developing countries.

i. National Fiberization Plan

A key component of the telecom infrastructure, Optical Fiber Cable (OFC), is essential for closing the digital divide and supporting 5G networks. With the rise in demand for OFC to connect base stations, the government initiated the development of a National Fiberization Plan to boost OFC footprint and Fiber-To-The-Site (FTTS) penetration across the country. The plan is expected to facilitate private networks, including long-haul and networks, as well as FTTS deployment, in a timely and cost- effective manner. The World Bank is collaborating with MoIT and PTA to conduct the feasibility study for the National Fiberization Plan, which will be financed through the Digital Economy Enhancement Project.

j. Online Safeguards

PTA, under the Prevention of Electronic Crimes Act, actively handles complaints from public and government organizations concerning unlawful online content. To date, 1.43 million URLs linked to unlawful activities have been processed for blocking.

k. Quality of Service Surveys

PTA conducts nationwide, independent QoS surveys to assess the performance of CMOs against licensed KPIs for voice, data, and SMS services, and to assess the network performance of fixed broadband service providers. During FY 2024, PTA surveyed 83 cities for CMOs' assessment, conducting an average of 5,000 voice and 5,000 SMS tests per quarter, along with 10,000 auto-mode and 10,000 third-party data sessions, covering around 3,200 km each quarter. Approximately 400,000 tests were resultantly measured over the year, ensuring compliance with defined baselines and benchmarks. For fixed broadband services, PTA completed QoS surveys across 36 major cities during January to June 2024, assessing essential KPIs including network availability and latency to ensure the delivery of high-quality internet services to users.

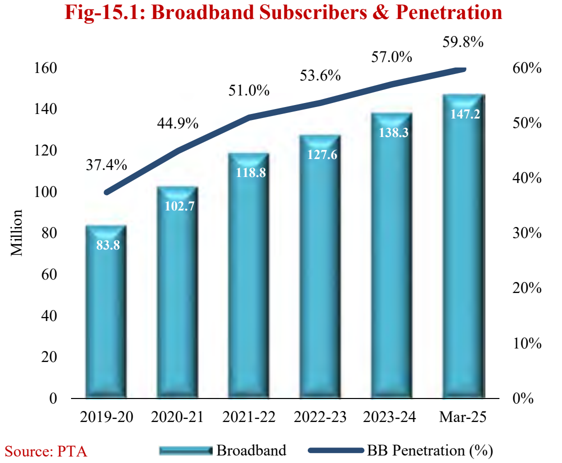
Telecom Development

a. Broadband Proliferation

Both the government and PTA recognize the importance of broadband connectivity in fostering economic development and digital inclusion. Broadband expansion is at the heart of the 'Digital Pakistan' vision, aimed at modernizing various sectors of the economy and providing digital services to the entire population. Given Pakistan's relatively low GDP growth in recent years, the productivity gains stemming from digital connectivity have become indispensable for sustained economic growth.

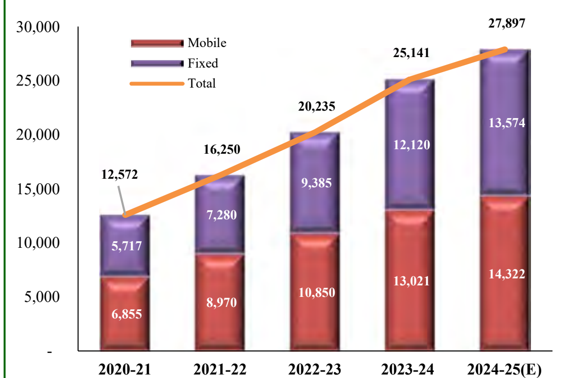
Ever since the launch of 3G and 4G services in 2014, the broadband landscape in Pakistan has undergone a significant transformation. PTA has played a vital role in initiating strategic initiatives such as spectrum auctions, renewals (spanning from 2016 to 2021), spectrum reframing, and additional rollout obligations. These actions have stimulated the expansion and adoption of 4G services. Over the past years, the telecommunications sector has experienced remarkable growth in broadband subscriptions, encompassing both mobile and fixed services. Broadband subscriptions surged an impressive 151 percent, increasing from 58.7 million in FY 2018 to an outstanding 147.2 million as of March 2025. These statistics emphasize the growing significance of broadband services in Pakistan's digitally connected society.

Fig-15.1: Broadband Subscribers & Penetration



Source: PTA

Fig-15.2: Data Usage (Peta Byte)



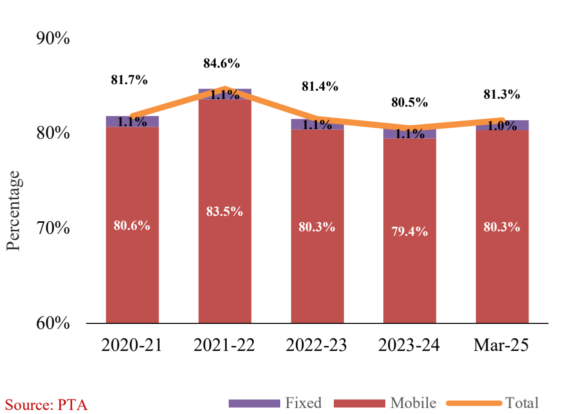
Source: PTA
Note: 2024-25 Figures are estimated

Data usage in the telecom sector has seen a significant surge. The combined data consumption from mobile and fixed broadband services in FY 2025 amounted to a substantial 27,897 petabytes (estimated), emphasizing the pivotal role of broadband in Pakistan's digitally connected society and the need for infrastructure expansion.

b. Telecom Subscribers and Teledensity

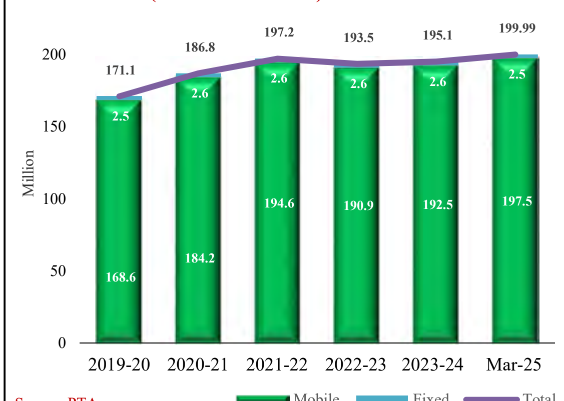
At the end of March 2025, the total telecom subscriptions (Mobile and Fixed) reached 199.99 million, and total teledensity in the country reached 81.3 percent. The cellular mobile segment was the primary contributor towards overall growth in subscribers and teledensity.

Fig-15.3: Teledensity (Percentage)



Source: PTA

Fig-15.4: Telecom Subscribers (Mobile and Fixed)



Source: PTA

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c. Cellular Cell Sites Network International Connectivity

The growing demand for broadband expansion and upgradation of technology, particularly with the launch of 3G and 4G networks, has been pivotal in shaping Pakistan's telecom landscape. At the end of December 2024, a total number of cell sites reached 57,063. CMOs have deployed 8,972 cell sites from June 2021 to December 2024. Apart from cell site additions, they have made multi-billion-dollar investments in upgrading existing 2G sites to 4G. Currently, 96.2 percent of cell sites are 4G-enabled, with more upgrades coming up.

Table 15.2: Cellular Mobile Cell Sites

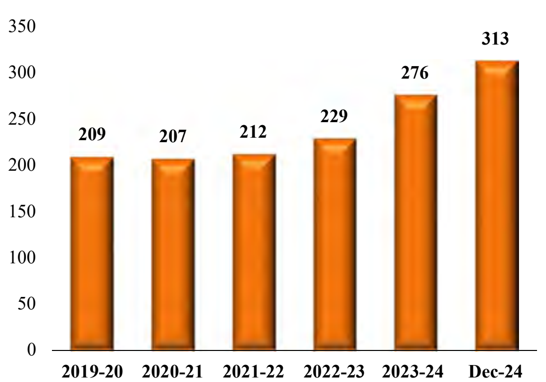
Year	Cell Sites	4G%
2020-21	48,091	84.7%
2021-22	51,768	92.3%
2022-23	53,581	94.0%
2023-24	55,777	95.5%
Dec-24	57,063	96.2%

Source: PTA

d. Mobile Average Revenue Per User (ARPU)

Pakistan's Competitive telecom environment and its reputation for offering some of the most affordable rates in the region. The country traditionally maintained a relatively low ARPU, compared to its neighbors. However, recent developments such as the expansion of broadband services, flexible pricing regulations for telecom operators amidst rising inflation, and a decline in the multi-SIM phenomenon have led to a noteworthy increase in ARPU. In Dec-2024 ARPU reached Rs 313 per month.

Fig-15.5: Mobile ARPU (Rs billion)

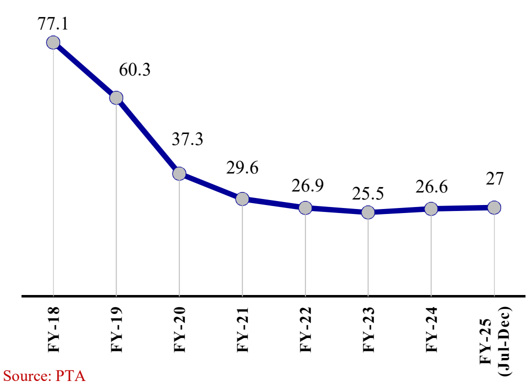


Source: PTA

e. Affordable Broadband Services

One of PTA's strategic objectives is to provide affordable, high-quality services while ensuring that investors and operators receive a reasonable return on their investments. Thanks to proactive regulatory practices and a competitive broadband market, Pakistan offers some of the world's lowest and most budget-friendly telecom prices to its citizens. The cost of 1 GB of data in Pakistan is a mere US$ 0.10, making it the lowest in the region and sixth lowest in the world. An analysis of the effective price of 1GB data over the years reveals a consistently declining trend, with data costs per GB registering a 65 percent decline since FY 2018, decreasing from Rs 77.1 per GB to Rs 27.0 per GB during FY 2025 (July-December).

Fig-15.6: Effective Price (Revenue) Per GB Per Month (Rs)



Source: PTA

f. Telecom Device Manufacturing

PTA has provided a level playing field for foreign investments in the mobile device manufacturing industry in Pakistan. PTA introduced the Mobile Device Manufacturing (MDM) Regulations in 2021, leading to the establishment of local manufacturing plants by 36 local and foreign companies. These companies, both stand-alone and joint ventures, secured a 10-year MDM authorization for the purpose. From January 2019 to March 2025, Pakistan manufactured a whopping 131.26 million mobile handsets (including 51.07 million smartphones), creating numerous job opportunities. Accordingly, an uptake of smartphones to 67 percent of devices on the network can be seen in the table.

Table 15.3: Uptake of 3G/4G Devices (Percentage of IMEIs on Mobile Networks)

2019	56%	44%
2020	52%	48%
2021	48%	52%
2022	54%	55%
2023	43%	57%
2024	35%	65%
2025 (Mar)	33%	67%

Source: PTA

Concluding Remarks

The government's commitment to fostering innovation, expanding digital infrastructure, and ensuring inclusive access to digital tools and services lays the foundation for a resilient, globally competitive, and export-oriented IT ecosystem. With a substantial young demographic and tech-savvy and professional talent base, Pakistan is set to become a regional hub for digital services, tech entrepreneurship, and high-value software exports. Continued focus on skill development, investment facilitation, and international collaboration will be instrumental to unlocking new opportunities for growth, job creation, and inclusive socio-economic progress. As Pakistan transitions to a knowledge-based, techno-economy, the IT and telecommunication sector will remain the leading driver of this transformation.

SOCIAL PROTECTION

PRSP Expenditure 4.26 (Rs. trillion)

BISP Allocations (FY2025) 598.72 (Rs. billion)

Beneficiaries: 9.87 million

Disbursed: Rs 385.64 billion

PPAF Disbursed: 2.19 (Rs. billion)

Micro Finance Active Borrowers 12.37 (million)

GLP: 591.94 billion

Disbursed: Rs 249.59 billion

Zakat Disbursed: 12.21 (Rs. billion)

EOBI Collection 56.84 (Rs. billion)

PBM Disbursed: 6.51 (Rs. billion)

WWF Disbursed: 5.46 (Rs. billion)

All figures reported for the CFY cover the period July-March, except for microfinance data, which covers July-December

Chapter 16

SOCIAL PROTECTION

Social safety net (SSN) programs play a vital role in improving living standards, reducing vulnerability, and breaking the cycle of poverty. The recent global crises have further emphasized the importance of effective social protection systems, which serve as critical buffers against poverty, unemployment, illness, and other livelihood shocks. Government-led interventions, supported by non-governmental organizations and international donors, are essential in building a resilient society. These safety nets not only offer immediate relief but also foster long-term stability and opportunities. In conclusion, a well-functioning and inclusive social safety net system is not just a legal and moral obligation. it is a strategic investment in a nation's future.

Pakistan stands out as one of the few developing nations explicitly recognizing social security as a constitutional right. Article 38 of the Constitution of the Islamic Republic of Pakistan mandates the state to provide social security, housing, food, clothing, healthcare, and education to all citizens, without discrimination based on caste, race, creed, or gender. The Government of Pakistan implements various SSN programmes through a range of institutions such as Benazir Income Support Programme (BISP), Pakistan Poverty Alleviation Fund (PPAF), Zakat, Pakistan Bait-ul-Mal (PBM), Employees' Old-Age Benefits Institution (EOBI), and Workers Welfare Fund (WWF). Additionally, specialized financial institutions offer micro-finance services to those facing economic disadvantages.

Moreover, to support long-term economic growth, the government has launched a series of structural reforms under a new IMF-supported program. These include fiscal consolidation, the privatization of state-owned enterprises (SOEs), reforms in the power sector, and measures to enhance the overall business environment. A flagship initiative in this effort is URAAN Pakistan, a five-year economic blueprint unveiled in December 2024, which is closely aligned with the Prime Minister's Economic Transformation Agenda.

The UNDP's World Economic Situation and Prospects 2025 projected global economic growth at 2.8 percent in 2025 and 2.9 percent in 2026, supported by monetary easing, recoveries in the EU and Japan, and strong growth in two Asian countries. Inflation continues to decline from 5.6 percent in 2023 to 4.0 percent in 2024, with a further drop to 3.4 percent expected in 2025 driven by easing food and energy prices, though it remains sticky in housing and services in advanced economies. Public debt reached 95.1 percent of global GDP by the end of 2024, with debt servicing costs rising to 8.5 percent of fiscal revenues. Most central banks have shifted to monetary easing, with 67 out of 108 lowering policy rates by late 2024. The world's prevalence of moderate or severe food insecurity in the total population edged down marginally from 29.1 percent in 2021 to 28.9 percent in 2023, remaining higher than the 25 percent registered in 2019. Growth in the volume of global trade has rebounded, increasing from 0.9 percent in 2023 to an estimated 3.4 percent in 2024, driven by the recovery of merchandise trade. After a two-year slump, investment has grown by an estimated 3.4 percent globally in 2024. Notably, global extreme poverty has returned to pre-pandemic levels in 2024. Despite positive trends, long-term global growth remains below the pre-pandemic average (3.2 percent) due to persistent risks: high debt, fiscal pressures in emerging markets, geopolitical tensions, climate shocks, demographic shifts, and low productivity growth.

The World Bank's Pakistan Development Update-2025 highlights persistent poverty, with the national poverty rate at 25.6 percent in FY 2025 largely unchanged from FY 2024. Economic stagnation, negative growth in key low-income sectors (agriculture and low-productivity services), and declining real wages contribute to this trend. As the population grows by 2 percent annually, around 1.9 million more people may fall into poverty in FY 2025. Social protection programs like BISP have expanded which cover the living costs partially. Structural challenges, including high youth (37 percent) and female (62 percent) NEET rates, and a low employment-to-population ratio (49.7 percent), hinder poverty reduction.

Box-1: Human Development Report 2025

The 2025 UN Human Development Report titled **"A matter of choice: people and possibilities in the age of AI,"** reveals that global human development progress has slowed to its lowest rate in 35 years, with stalled HDI growth across all regions. This slowdown reverses decades of improvement and raises concerns that the 2030 development goals could be delayed by decades. Inequality between high and low HDI countries is growing for the fourth consecutive year, worsened by economic pressures like trade tensions and debt crises.

Despite the bleak outlook, the report highlights Artificial Intelligence (AI) as a potential catalyst for renewed progress. A global survey shows that 60 percent of people believe AI will create new job opportunities, with a majority in low and middle HDI countries expecting increased productivity and improved access to education and healthcare through AI. Only a small minority (13 percent) fear AI will lead to job losses. The report calls for a human-centered approach to AI, with action in three key areas:

- Fostering collaboration between people and AI,
- Embedding human oversight throughout AI's lifecycle,
- Updating education and health systems for the AI era.

16.1 UNDP's Human Development Report (HDR)

According to HDR Pakistan falls under the 'low' human development category. In 2022, Pakistan's Human Development Index (HDI) value was 0.54, ranking 164 out of 192 countries worldwide. In 2023, Pakistan ranked at 168th position (04 points below) but it declined by 19 points on the basis of formula of GNI per capita rank minus HDI rank. The report highlights that Iceland is ranked first in human development, with Norway and Switzerland following closely in second and third place. However, within the South Asian region, Pakistan's HDI ranking is lower than that of Iran (75th), China (78th), Sri Lanka (89th), Maldives (93rd), Bhutan(125th), Bangladesh & India (130th), Nepal(145th), and Afghanistan trails behind at 181st place. The HDR also provides the annual average HDI growth and trend between1990-2023. Looking at specific indicators, Pakistan has a life expectancy at birth of 67.5 years, with expected years of schooling at 7.9 and a gross per capita national income (2021 PPP US$) of US$ 5,501. This decline is attributed to a combination of factors, including persistent social, economic, and political pressures, corruption, the lingering effects of past crises, and a slowdown in economic progress. These statistics are detailed in Table 16.1 below.

Table-16.1: Human Development Index and its Components

Country/ Region	HDI Rank	Human Development Index (HDI) Value (2023)	Average Annual HDI Growth (%) [1990-2023]	Life Expectancy at Birth (years)	Expected Years of Schooling (years)	Mean Years of Schooling (years)	Gross National Income (GNI) per capita (2021 PPP US$)	Inequality-adjusted Human Development Index (2010-2023)
				SDG-3	SDG-4.3	SDG-4.4	SDG-8.5	Gini-coefficient
World	-	**0.756**	**0.66**	**73.40**	**13.00**	**8.80**	**20,327.00**	**-**
SouthAsia	-	**0.672**	**1.20**	**71.90**	**12.10**	**6.80**	**8,722.00**	**-**
Iran	75	0.799	0.74	77.70	14.00	10.80	16,096.00	34.80
China	78	0.797	1.48	78.00	15.50	8.00	22,029.00	35.70

Table-16.1: Human Development Index and its Components

Country/ Region	HDI Rank	Human Development Index (HDI) Value (2023)	Average Annual HDI Growth (%) [1990-2023]	Life Expectancy at Birth (years)	Expected Years of Schooling (years)	Mean Years of Schooling (years)	Gross National Income (GNI) per capita (2021 PPP US$)	Inequality-adjusted Human Development Index (2010-2023)
				SDG-3	SDG-4.3	SDG-4.4	SDG-8.5	Gini-coefficient
Sri Lanka	89	0.776	0.60	77.50	13.10	10.80	12,616	37.70
Maldives	93	0.766	-	81.00	12.80	7.40	19,317	29.30
Bhutan	125	0.698	-	73.00	13.20	5.80	13,843	28.50
Bangladesh	130	0.685	1.67	74.70	12.30	6.80	8,498	33.40
India	130	0.685	1.31	72.00	13.00	6.90	9,047	32.80
Nepal	145	0.622	1.32	70.40	13.80	4.50	4,726	30.00
Pakistan	**168**	**0.544**	**0.97**	**67.60**	**7.90**	**4.30**	**5,501**	**29.60**
Afghanistan	181	0.496	1.69	66.00	10.80	2.50	1,972	-

Source: UNDP Human Development Report-2024/2025

Fig-16.1: Average Annual HDI Growth 1990-2023 (%)

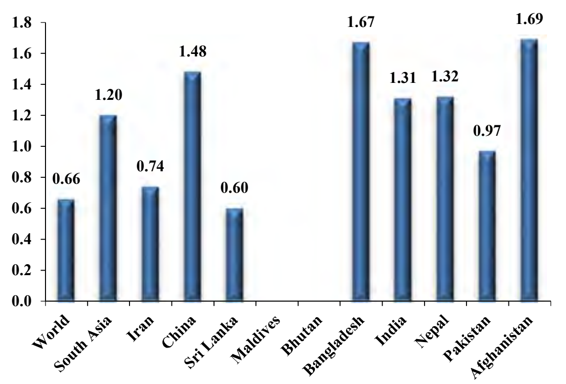
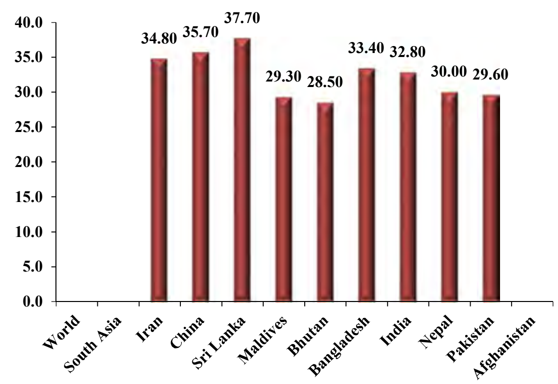


Fig-16.2: Inequality-adjusted Human Development Index (2010-2023)



Box-2: Bridging bytes and governments

Artificial intelligence ecosystems through partnerships Several countries are advancing new AI ecosystems, for example, South Korea emerging as a global leader through strong public-private investment. In 2024 alone, the country filed over 1,500 AI patents. Key initiatives include the National AI Computing Centre, focused on boosting research infrastructure and computing power, and the upcoming National AI Research Hub in 2025, designed to enhance collaboration between government and industry.AI Singapore, AI Sweden, and Current AI are initiatives that foster collaboration across sectors to develop responsible and impactful AI. AI Singapore unites local research institutions, startups, companies, and the public sector to tackle global issues like health and climate change. AI Sweden operates as a nonprofit network of over 150 organizations promoting inclusive and sustainable AI across diverse fields. Current AI emphasizes public-private partnerships, aiming to build an open, transparent AI ecosystem that serves the public interest, supported by global tech companies and the French government. The private sector is promoting multi-stakeholder alliances like the Partnership on AI, a global nonprofit founded by major tech companies to unite over 100 organizations from industry, academia, and civil society. It fosters collaboration to address AI's societal impacts by developing best practices, conducting research, and promoting ethical, transparent AI. These efforts highlight how partnerships can provide scalable, structured solutions to ensure AI supports human development and remains safe and equitable.

Source: UNDP Human Development Report-2024/2025

16.2 Tracking the Pro-Poor Expenditures

During the period of July - March FY 2025, total expenditures under the Poverty Reduction Strategy Paper (PRSP) stood at Rs 4,256.02 billion, representing 3.43 percent of the GDP (GDP: Rs 124,150 billion). Among the provinces and federal government, Punjab

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accounted for the largest share at 31.13 percent, followed by the Federal Government at 21.55 percent, Sindh at 20.27 percent, Khyber Pakhtunkhwa at 9.76 percent, and Balochistan at 8.91 percent. Additionally, the BISP contributed 8.76 percent to the total PRSP expenditures, while the PBM accounted for 0.23 percent. All provinces, including the Federal Government, collectively allocated 20.73 percent of their PRSP expenditures to education, followed by 15.72 percent to health, 14.05 percent to law and order, and 13.26 percent to social security and welfare. These expenditures reflect the government's commitment to achieving sustainable development goals related to education, health, poverty alleviation, and improving the living standards of marginalized and vulnerable populations. The detail is given in the following table.

Table 16.2: PRSP Budgetary Expenditures by Sector Rs billion

Sector	Federal	Sindh	Punjab	Balochistan	KPK	Total	%age of Total Expenditure
Agriculture	59.04	89.64	144.67	80.29	46.81	420.45	9.88
Land Reclamation	-	4.33	0.38	-	-	4.71	0.11
Education	91.78	277.26	381.52	93.30	38.60	882.45	20.73
Health	26.21	177.41	346.00	44.85	74.58	669.06	15.72
Justice Administration	10.18	21.84	49.80	3.69	17.58	103.10	2.42
Law & Order	216.12	106.16	160.65	30.27	84.71	597.91	14.05
Low Cost Housing	0.32	0.34	32.92	-	0.07	33.64	0.79
Natural Calamities & Other Disasters	4.75	6.78	19.69	14.44	18.58	64.23	1.51
Roads, Highways & Bridges	215.15	9.47	38.15	38.90	42.64	344.31	8.09
Rural Development	1.18	2.51	67.27	35.09	3.69	109.74	2.58
Social Security & Welfare*	0.16	111.80	7.33	19.51	1.20	564.18	13.26
Subsidies	288.15	33.13	49.80	3.18	2.64	376.90	8.86
Environment/Water Supply & Sanitation	2.07	14.47	14.68	13.72	15.75	60.69	1.43
Population Planning	-	5.62	8.65	1.04	9.35	24.66	0.58
Grand Total including BISP (RS 414.53 billion and PBM Rs 9.66 billion)	915.11	860.75	1,321.51	378.28	356.19	4,256.03	100.00
%age of Total PRSP Expenditure	21.50	20.22	31.05	8.89	8.37	100.00	
%of GDP						3.71	

Source: External Finance Wing, Ministry of Finance

16.3 Social Safety Programmes

Social safety nets are essential for reducing poverty among the impoverished and vulnerable population. The details of government program for SSN is given below

I. Benazir Income Support Programme

The BISP was launched in July 2008, in response to the impact of the global economic and financial crisis, which caused steep increases in food and fuel prices. Recognizing the need to protect vulnerable populations from these price hikes, the Government of Pakistan created a national social safety net to support poor households. The program primarily offers unconditional and conditional cash transfers, focusing on poor women. Its immediate aim is to help households cope with high inflation and slow economic growth, while also working to empower women, particularly those who are heads of households. BISP targets the most marginalized and economically deprived segments of society. The program also contributes to several Sustainable Development Goals (SDGs), such as reducing poverty and hunger, promoting good health, quality education, gender equality, and reducing inequalities. During CFY an amount of Rs 592.48 billion has been allocated to the BISP programmes to support underprivileged groups. Out of this, Rs 385.64 billion has been disbursed to approximately 9.87 million beneficiaries upto 31st March, 2025.

BISP has a nationwide presence with its headquarters in Islamabad and zonal offices in all regions/provinces. There are 139 District offices and 287 Sub-divisional/Tehsil offices across the country. The program was formalized through the BISP Act of 2010. BISP operates under the Prime Minister's executive leadership, with the President as its Chief Patron. The BISP Board, consisting of 11 members, oversees policy development and strategy. The Chairperson is appointed by the President on the advice of the Prime Minister, and the Secretary of BISP acts as the Principal Accounting Officer (PAO). Following major programs/projects are being implemented by BISP:

a) National Socio-Economic Registry (NSER):

The NSER plays a vital role in shaping evidence-based policies and designing Public Sector Development Programmes by offering comprehensive socio-economic data. It supports key initiatives like BISP and various social safety net programs managed by the Ministry of Poverty Alleviation and Social Safety (PASS), while also assisting the private sector in crafting targeted programs. In 2024-25, NSER data was accessed by 32 public and private organizations, underscoring its importance as a trusted source for enhancing social protection and development programs, particularly for marginalized communities. During this period, significant efforts were made to improve the NSER Dynamic Registry, including updating household data, enhancing the Dynamic NSER Android app to ensure better privacy protection, expanding registration coverage, and deploying mobile registration vans to reach remote areas in Balochistan and Sindh. The following activities were undertaken during this review period:

i. Dynamic Registration Coverage

From July 1, 2024, to March 31, 2025, a total of 6.9 million existing beneficiary households were re-surveyed through Dynamic Registration Centres (DRCs) across the country under the Dynamic NSER. Additionally, 13 million new households registered themselves through the DNSER, further expanding the program’s reach and coverage.

ii. Prime Minister Ramadan Relief Package (PMRRP)

During Ramadan 2025, BISP launched the Prime Minister Ramadan Relief Package (PMRRP), providing Rs 5,000 to 4 million families below the PMT 32 threshold as Ramadan relief. This was a unique initiative where the relief amount was directly disbursed to beneficiaries' digital wallet accounts.

iii. Enhancements to the Dynamic NSER Application

To safeguard respondents' personal information, a multi-pronged approach was implemented. This included introducing a Biometric Regime in the DNSER survey application, ensuring household data is only accessible to family members after biometric verification. Additionally, biometric verification of enumerators was made mandatory to enhance data security and transparency.

iv. Deployment of Mobile Registration Vans

To improve outreach in remote and hard-to-reach areas, BISP introduced 25 Mobile Registration Vehicles (MRVs) in Balochistan (18), Sindh (5), Khyber Pakhtunkhwa (1), and Islamabad (1). These MRVs have successfully registered 186,262 households in Balochistan and Sindh, significantly enhancing accessibility to social protection services. This initiative underscores BISP's commitment to inclusivity and responsiveness, especially in areas with limited access to traditional registration facilities.

b) Unconditional Cash Transfer (UCT):

BISP's flagship program, UCT or "Kafaalat," was launched in 2008 to provide financial assistance to eligible households identified through NSER. Eligibility is determined using the Proxy Means Test (PMT), with a cut-off score currently set at 32 (or 37 for families with disabled members). The cash grant has gradually

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increased from Rs 3,000 per quarter in FY 2009 to Rs 13,500 per quarter in FY 2025. The annual budget for the Kafaalat Programme in FY 2025 stood at Rs 461 billion. An amount of Rs 328.47 billion has been disbursed to 7.87 million Kafaalat beneficiaries during July-March (FY 2025). The fourth tranche of Kafaalat Programme will be commenced from end May 2025 and the target of Rs 416 billion disbursement will be achieved during the CFY. Key initiatives under the Kafaalat program are as follows:

i. Provision of Financial Assistance to Daily Wage workers in Chaman District

Following Federal Government directives, BISP is providing cash assistance to daily wage workers at the Chaman Border affected by the border closure and the One Document Regime. The Government of Balochistan identified 8,000 workers, each receiving Rs 20,000 per month for six months. During July-March of CFY Rs 308 million has been disbursed to around 2,183 beneficiaries.

ii. PM Ramzan Relief Package (PMRRP) 2025

The Prime Minister of Pakistan launched the Ramzan Relief Package (PMRRP) 2025, providing financial aid to eligible families during Ramzan. The Federal Government allocated Rs 2.0 billion from BISP's budget to support 400,000 beneficiaries, with funds distributed through partner banks nationwide. So far, Rs 1.65 billion has been disbursed.

iii. Transgender Policy:

BISP's UCT previously provided to ever-married women, has been expanded to include transgender individuals. To qualify, transgender persons must obtain CNICs from NADRA with the gender listed as transgender and complete a mandatory survey at Benazir Registration Centres. PMT cut-off restrictions have also been relaxed. Currently, 221 transgender individuals are receiving cash assistance under the Benazir Kafaalat Programme.

iv. Payments Related Grievance Redressal System

BISP has developed the Payment Complaint Management System (PCMS) to efficiently address payment-related grievances. Deployed at all BISP Tehsil, District, and Zonal Offices, the system allows beneficiaries to easily register and resolve complaints. PCMS is also integrated with the Complaint Resolution Mechanisms (CRMs) of BISP's partner banks, improving the overall efficiency of the grievance redressal process.

v. Financial Inclusion and Digital & Financial Literacy Programme (D&FLT):

As part of its financial inclusion strategy, BISP launched a pilot project to provide Digital & Financial Literacy Training (D&FLT) to Kafaalat beneficiaries. Initially, BISP collaborated with Karandaaz Pakistan to develop the curriculum and training materials. Additionally, to enhance beneficiaries' financial capabilities, BISP trained around 242,000 female beneficiaries through D&FLT, delivered with technical support from UNICEF and GIZ. During 2024-25, BISP made landmark progress in financial inclusion by expanding its banking partnerships from existing 02 banks to four new financial institutions to facilitate payments that offered beneficiaries a choice of cash withdrawal.

vi. Indexation of Cash Transfer:

To comply with the IMF's Extended Fund Facility Programme (2019-20) and the World Bank's SHIFT-II framework, BISP, in collaboration with the Finance Division and the World Bank, has established a mechanism for periodic updates to cash transfers. The Indexation Committee meets annually to adjust stipends based on factors like inflation. In the latest meeting on September 4th, 2024, it was decided to increase the Benazir Kafaalat stipend by Rs 3,000 per beneficiary per quarter, raising it from Rs 10,500 to Rs 13,500, showing an increase of 28.6 percent, in line with inflation-linked indexation recommendations starting from 1st January, 2025. BISP in collaboration with State Bank of Pakistan is in the process to finalize a payment model "Facilitation Framework for BISP Sahulat Account" for BISP beneficiaries in which the beneficiaries' payments will be made through bank branches and ATMs. The framework initially for onboarding BISP beneficiaries in Karachi, Lahore, Islamabad, Quetta, Peshawar, Muzaffarabad and Gilgit during the pilot phase. After successful implementation of the pilot phase, scope of the framework, with adjustments, if required, shall be extended to other cities/districts.

vii. Hiring of New Partner Banks/Financial Institutions (FIs):

In its early phase, BISP relied on Pakistan Post to deliver quarterly cash transfers due to its extensive outreach across the country. Adopting a beneficiary-centric model, BISP focused on understanding recipients' preferred payment methods. To enhance efficiency and transparency, BISP introduced technology-based Alternate Payment Mechanisms (APM), such as the Benazir Smart Card, Mobile Phone Banking, Benazir Debit Cards (BDC), and the Biometric Verification System (BVS). Recently, BISP has partnered with six new financial institutions (FIs) to expand its disbursement network. Additionally, BISP is collaborating with the SBP to further improve this system and explore more options.

viii. Improved Service Delivery:

BISP, in partnership with NTC, has set up a Call Centre in Islamabad to provide information and handle complaints through an Interactive Voice Response (IVR) system. The toll-free helpline (0800-26477) operates from 8:30 a.m. to 4:30 p.m. and is staffed by 35 call agents.

c) Conditional Cash Transfer (CCT):

i. Benazir Taleemi Wazaif

The Government of Pakistan remains committed to achieving Universal Primary Education as part of its SDGs agenda. In line with this commitment, BISP launched the Benazir Taleemi Wazaif programme in 2012. This co-responsibility cash transfer initiative aims to encourage school enrolment and regular attendance among children from BISP beneficiary families by providing quarterly stipends.

Initially focused on primary education, the programme was expanded in 2021 to include secondary and higher secondary education, and is now operational across the country. Under the programme, parents or guardians receive quarterly stipends for enrolled children based on education level and gender:

- **Primary level:** Rs 2,500 per boy, Rs 3,000 per girl
- **Secondary level:** Rs 3,500 per boy, Rs 4,000 per girl
- **Higher secondary level:** Rs 4,500 per boy, Rs 5,000 per girl
- **Bonus:** A one-time bonus of Rs 3,000 is awarded to girls upon graduation from primary school to encourage continued education

A total of 2,002,919 children have been enrolled in the programme, with the highest numbers in Punjab (754,044), Sindh (628,536), and Khyber Pakhtunkhwa (367,108). During the first nine months of CFY Rs 57.17 billion has been disbursed, with an additional Rs 27 billion planned for distribution by June 2025.

ii. Benazir Nashonuma (Health & Nutrition) Programme

Pakistan faces a serious child nutrition crisis, with high rates of stunting (40.2 percent), underweight (28.9 percent), and wasting (17.7 percent), making it the second-highest burden country in the region. The first 1,000 days of a child's life are critical for development and long-term economic outcomes. Investments in the early years of life are the foundation of human capital, and human capital and it act as a key driver of economic development in the modern economy.

To combat this, the government launched the Nashonuma Programme under the BISP in 2020,

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expanding nationwide by 2022. Currently operating in 158 districts through 559 facilitation centers, the program provides CCT to pregnant and lactating women (PLW) and children under two within BISP Kafalat families. Beneficiaries receive Rs 3,000 per quarter for boys and Rs 3,500 for girls, contingent on attending health checks, using specialized nutritious food (SNF), and ensuring child immunizations. SNF includes Maamta for mothers and Wawamum for young children, along with comprehensive maternal and child health services.

The programme aims to enhance long-term nutrition for adolescent girls (15-19) in vulnerable Kafaalat households across six districts. It supports the first 8,000 days of life through iron-folic acid supplements, health and nutrition awareness, and a quarterly CCT of Rs 1,500.

A total of 860,615 beneficiaries have enrolled, including 480,290 children and 380,325 pregnant women.

Table 16.3: Region-wise beneficiaries enrolled during FY 2025 (July-March)

Province	Child	PW	Total
AJK	5,786	3,758	9,544
Balochistan	70,628	71,551	142,179
GB	8,597	4,570	13,167
ICT	773	689	1,462
KP	123,987	98,914	222,901
Punjab	96,478	69,043	165,521
Sindh	174,041	131,800	305,841
Grand Total	**480,290**	**380,325**	**860,615**

Source: Benazir Income Support Programme, Islamabad

d) Complementary Initiatives:

i. BISP Scholarships for Undergraduate (BSU)

The BSU project, launched in September 20, 2019 with the HEC, provides tuition coverage and an annual stipend of Rs 40,000 for undergraduate students from low-income families (earning Rs 45,000/month or less). With 50 percent of scholarships reserved for girls. About 102,003 students (43 percent female) across 135 HEC-recognized institutions were selected over three batches. The six-year project (FY 2020-2026) has a total budget of Rs 38.02 billion, with Rs 34.519 billion disbursed so far. While new student intake ended after 2021-22, current awardees will continue receiving funds until their graduation. BISP also plans to assess the employability of Batch-I graduates.

ii. Skill Training Vouchers (STVs) Programme

The STVs program, launched in April 2024 through a partnership between BISP and NAVTTC, aims to economically empower BISP beneficiaries particularly orphans by providing access to quality technical and vocational education. Implemented in 18 districts across Pakistan, including Azad Jammu & Kashmir and Gilgit Baltistan, the program targets training 1,000 individuals in the fields of Hospitality & Services, Construction, Manufacturing, and Information Technology. Currently, 417 trainees are under training in 18 districts.

e) Other Initiatives:

i. Hybrid Social Protection/Bachat Scheme (HSPS)

The Hybrid Social Protection Scheme (HSPS) aims to promote financial inclusion and resilience among low-income individuals by encouraging savings through government incentivization. Targeting BISP beneficiaries with a PMT score of 0 - 40, the scheme requires participants to deposit Rs 500 or 1,000 monthly for two years, with the government matching 40 percent of the contributions quarterly. The scheme is being piloted in 15 districts across Pakistan, targeting 150,000 subscribers on a first-come, first-served basis. To support implementation, BISP partnered with Mobilink

Microfinance Bank (MMBL) through an MoU signed on April 14, 2025. MMBL provides free services for digital account setup and payment processing. As of April 17, 2025, 91,259 subscribers had registered, and 39,660 were enrolled. Payments to compliant participants for Q3 (July-September, 2024) have been made. The 754 Compliances against Q4 (October-December, 2024) have been verified and are in process. Moreover, Q5 (January-March, 2025) compliances are under verification process.

BISP Financial Progress:

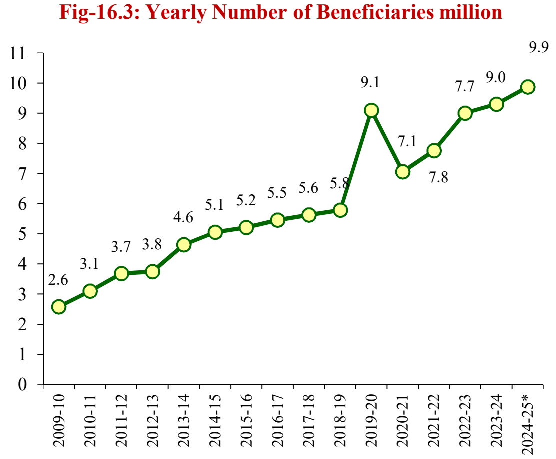
Since its inception, BISP has disbursed a total of Rs 2,607.81 billion in grants, including Rs 276.09 billion under CCT and Rs 2,331.72 billion under UCT, benefiting a total of 9.87 million individuals.

Table 16.4: BISP Financial and Physical Achievements Rs billion

Year	Budget Estimates	Cash Transfer			Number of Beneficiaries (million)
		Conditional Cash Transfer (CCT)	Unconditional Cash Transfer (UCT)	Total (UCT+CCT)	
2008-09	15.32	0.04	15.81	15.85	1.76
2009-10	39.94	2.89	31.94	34.83	2.58
2010-11	34.42	5.30	29.66	34.96	3.10
2011-12	49.53	4.28	41.60	45.88	3.68
2012-13	50.10	3.17	43.30	46.47	3.75
2013-14	69.62	1.20	65.11	66.31	4.64
2014-15	91.78	0.45	88.59	89.04	5.05
2015-16	102.00	1.88	96.65	98.53	5.21
2016-17	111.50	2.27	102.10	104.37	5.46
2017-18	107.00	3.20	99.00	102.20	5.63
2018-19	116.50	4.01	104.60	108.61	5.78
2019-20	243.71	3.70	228.67	232.37	9.10
2020-21	194.29	5.57	169.40	174.97	7.06
2021-22	235.63	25.35	193.74	219.09	7.76
2022-23	412.33	61.24	332.91	394.15	9.00
2023-24	471.68	94.38	360.17	454.55	9.30
2024-25*	598.72	57.17	328.47	385.64	9.87
Total	**2,944.07**	**276.09**	**2,331.72**	**2,607.81**	-

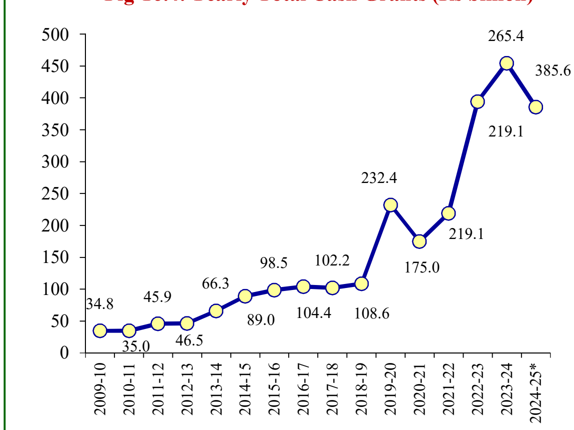
* Till 31st March, 2025
Source: Benazir Income Support Programme, Islamabad

Fig-16.3: Yearly Number of Beneficiaries million



* Till 31st March, 2025

Fig-16.4: Yearly Total Cash Grants (Rs billion)



* Till 31st March, 2025

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II. Pakistan Poverty Alleviation Fund (PPAF):

The Pakistan Poverty Alleviation Fund (PPAF), established in 1997, is a leading non-profit organization dedicated to reducing poverty in Pakistan through community-driven socio-economic development. Its key focus areas include health, education, climate resilience, livelihoods, and financial inclusion. PPAF empowers communities by strengthening its partner organizations through social mobilization while promoting inclusion, accountability, and transparency. The organization emphasizes innovation, evidence-based approaches, and the scaling of successful models to foster sustainable development and contribute to national stability. PPAF strategically channels its efforts and resources toward achieving its long-term development goals:

a. Empower institutions that serves poor to reduce inequalities and promote inclusive, participatory governance and development.

b. Expand sustainable and resilient livelihood opportunities to support poor households in graduating from poverty.

c. Tackle systemic deprivations by investing in local infrastructure and community wellbeing initiatives.

d. Enhance organizational effectiveness by aligning resource mobilization, talent development, and strategic partnerships to become a more agile, responsive, and impactful institution.

PPAF's goals align with Pakistan's pursuit of the SDGs addressing poverty as a multi-dimensional issue. Its theory of change focuses on leveraging social capital to empower communities, expand opportunities, and develop sustainable infrastructure, enabling lasting poverty graduation.

1. Where We Work: Prioritizing Lagging Regions

PPAF uses evidence-based research to understand poverty and inequality in Pakistan, guiding its policy and resource allocation. Based on its study 'Geography of Poverty in Pakistan', it ranks districts into five poverty zones using 27 indicators across health, education, living conditions, and assets. Resources are directed to the poorest areas with strict quality checks to ensure fairness. The organization targets regions and households effectively, with a strong emphasis on reducing rural poverty.

Leading Sector Development for Lasting Impact

PPAF builds on its legacy by leading sectoral transformation, notably through the successful spin-off of its microfinance operations into PMIC. Its current grant-based initiatives focus on key development areas water, energy, and rural connectivity with a strong emphasis on expanding renewable energy. PPAF also champions the 'Poverty Graduation' approach, enabling the poor to break the cycle of poverty and achieve sustainable livelihoods.

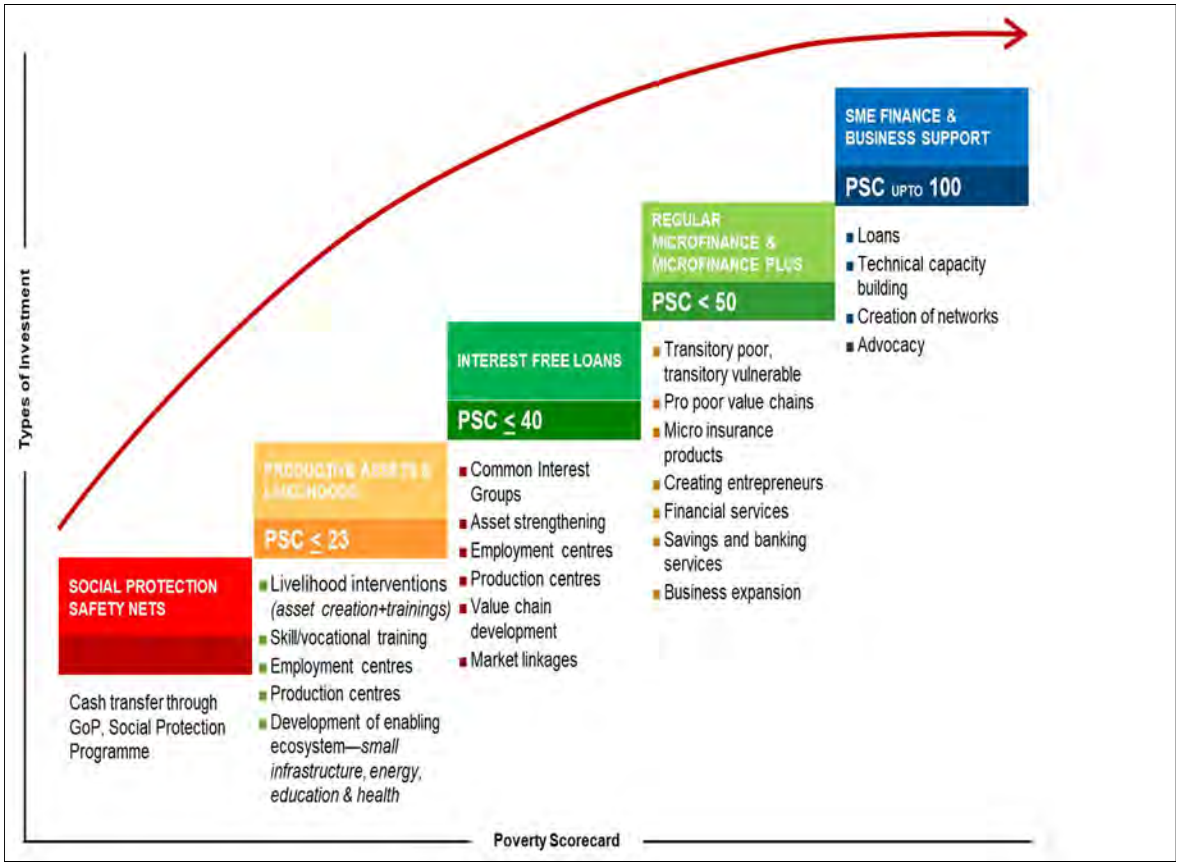
2. How We Work: Poverty Graduation Strategy

The PPAF views poverty as a complex, multidimensional issue exacerbated by factors like unemployment, poor access to education and healthcare, and climate-related challenges. To combat this, PPAF employs the globally validated Graduation Approach, helping households move from extreme poverty to sustainable livelihoods. This model supported by six international graduation research (Ethiopia, Ghana, Honduras, India, Pakistan and Peru) between 2006 and 2014, including a landmark 2015 Science study guides families through a structured pathway involving consumption support, skills training, asset transfers, savings, financial access, and business development. Interventions are tailored to different poverty levels using the Poverty Scorecard (PSC), and PPAF functions as a key exit strategy for the Government of Pakistan's social protection programs.

Poverty Graduation Strategy

A recent preliminary analysis based on triangulation of BISP and PPAF common beneficiaries' data reveals that out of 334,596 BISP beneficiaries 108,043 (32 percent) are eligible to graduate out of BISP.

Each intervention is strategically tailored to the household's specific poverty level, ensuring that the right combination of tools is applied to facilitate meaningful progress along the PSC. Ultimately, PPAF acts as a key exit strategy for the Government of Pakistan's social protection programs, enabling beneficiaries to move from dependency to self-reliance.



3 PPAF's Sectoral Progress[1]

3.1 Empowering Community through Social Mobilization and Improving Local Governance:

PPAF's theory of change is rooted in a non-prescriptive, community-led approach that empowers people to identify their needs and lead their own development through inclusive, democratic institutions. In partnership with civil society organizations, PPAF builds local capacity for social mobilization with a strong focus on inclusion, transparency, and accountability. Since its inception, PPAF has formed 171,000 Community Institutions with 2.67 million members (63 percent of whom are women) and has held over 20,600 capacity-building events, ensuring 50 percent female participation. From July 2024 to March 2025 alone, 1,450 new institutions were created and 23,500 community members, half of them women, received managerial training.

3.2 Financial Inclusion through PMIFL Programme:

Financial inclusion is key to poverty alleviation, enabling individuals to access financial services that support investment, asset-building, and economic resilience. PPAF advances this goal as a key developer of Pakistan's microfinance sector, notably through its majority shareholding in PMIC, which provides funding and advisory support to Microfinance Banks and Institutions. This empowers them to deliver affordable services to marginalized rural and low-income communities. Since June 2021, PPAF has also

[1] Progress for the month of March 2025 is projected

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been implementing the Prime Minister's Interest Free Loan (PMIFL) Programme, supporting microenterprises and entrepreneurship through interest-free loans, business advisory services, and linkages to markets, suppliers, and training institutions.

Since the launch of PMIFL Programme until March 2025, number of loans disbursed to borrowers was 3.5 million loans (56 percent, women) worth Rs 129.19 billion (including reflows) have been disbursed across 81 districts via 736 Loan Centres and 26 Partner Organizations. Between July 2024 and March 2025 alone, 207,243 interest free loans (68 percent to women) amounting to Rs 9.8 billion (including reflows) were disbursed to the borrowers. Most loans during this period were distributed in Punjab (79.36 percent), followed by Sindh (12.35 percent), Khyber Pakhtunkhwa (5.54 percent), Balochistan (1.53 percent), AJK (0.69 percent), and Gilgit-Baltistan (0.52 percent). The programme supports PPAF's broader Poverty Graduation approach.

3.3 Combating Climate Change and Disaster Response:

Despite contributing less than 1 percent to global emissions, Pakistan remains highly climate-vulnerable. PPAF addresses this through climate adaptation, green jobs, renewable energy, and community resilience aligned with national and global frameworks. Key achievements include conserving 2.23 million m³ of water, generating 14 MW of renewable energy, planting 130,000 trees, and engaging youth in environmental awareness.

PPAF has provided large-scale disaster relief, supporting 260,000 households during droughts, building 120,000 earthquake-resistant homes, assisting 859,000 flood-affected families, and aiding 66,000 households during COVID-19. In the 2022-2023 floods, it delivered emergency aid to over 87,600 households, ensuring high beneficiary satisfaction and better access to essential services.

3.4 Livelihoods and Value Chains

3.4.1 Productive Economic Asset Provision, and Vocational Skills Training

Under the graduation policy, PPAF supports ultra-poor households by enhancing income generation and employability through value chains like embroidery, agriculture, and livestock. Between July 2024 and March 2025, 465 assets were transferred (31.3 percent to women) and 1,584 individuals (47 percent women) received training to improve livelihoods.

3.4.2 Small Medium Enterprises (SMEs) Development

SMEs play a crucial role in reducing poverty, boosting the economy, and promoting employment and social uplift. Since 2021, PPAF has supported SMEs in rural Sindh and Balochistan, particularly in horticulture and livestock value chains, through capacity building, financial access, and value addition. It disbursed Rs 1,003 million in matching grants to 371 SMEs (38 percent women-led) and facilitated loans worth Rs 616.37 million to 345 SMEs (51 percent women-led). Additionally, 963 SMEs (44 percent women-led, including one transgender-led) received training in business planning and financial literacy. During the reporting period, 75 SMEs received matching grants (69 percent women-led and one transgender-led), while 225 SMEs (64 percent women-led) accessed loans through linkages with financial institutions.

3.5 Community Physical Infrastructure

Investment in community infrastructure plays a vital role in boosting local economies, generating income, and enhancing market access for underserved communities, while also fostering social cohesion and local empowerment. PPAF has completed over 34,590 infrastructure projects, benefiting 16.92 million people (51 percent women) by improving access to water, sanitation, and agriculture services. Between July 2024 and March 2025, 49 additional projects were completed, benefiting over 70,000 individuals, with women making up 51 percent of the beneficiaries.

3.6 Renewable Energy:

A green, reliable, and inclusive energy transition is essential for improving life in Pakistan's off-grid and underserved areas. PPAF's renewable energy initiatives, including hydropower and mini-grids, have delivered over 14 MW of clean energy through 1,450 projects, benefiting more than 586,100 individuals. These projects reduce fossil fuel dependence, enhance livelihoods, and support environmental sustainability. During period under consideration, four additional renewable energy projects were completed, benefiting over 4,000 people (51 percent women). In recognition of its efforts, PPAF received the Energy Institute Award 2024 in the "International Workforce" category for fostering a skilled, diverse workforce and advancing innovation in the energy sector.

3.7 Health

Health is essential for achieving poverty reduction and sustainable development. PPAF has expanded access to primary healthcare and nutrition services, especially for underserved populations, by supporting 968 community health centres and facilitating 15.4 million consultations (56 percent for women and girls). Notable efforts include a Thalassemia blood transfusion project and a deaf reach centre in Khyber Pakhtunkhwa for inclusive care. During period under review, over 38,000 consultations were conducted (58 percent women and girls), 75 LHWs and Community Midwives were trained, 15 family health outlets and nutrition clubs were established, and 3,999 awareness sessions trained 47,562 individuals.

3.8 Education

Education plays a vital role in poverty reduction and socio-economic development. PPAF has been promoting inclusive, equitable education in impoverished communities to address poverty at its roots. To date, 2,866 educational facilities including over 1,500 public schools and 5 tele-education centres have been supported, enabling the enrolment of over 432,800 students (45 percent girls and 10,000 blind and deaf children). Additionally, more than 4,000 teachers and 6,000 community members have been trained. During the reporting period, over 15,000 students were newly enrolled in PPAF-supported schools, with girls making up 37 percent of the total.

3.9 Inclusion and Gender

PPAF supports marginalized groups particularly women, girls, and persons with disabilities through education, skills training, and economic empowerment to address poverty and gender inequality. Tailored programmes for people with special needs include the distribution of over 39,000 assistive devices and enterprise training for more than 3,000 individuals, promoting inclusion and community participation. Additionally, PPAF fosters social cohesion and sustainable development through youth-focused initiatives in economic empowerment, cultural exchange, and community-based conflict resolution.

4. Financial Progress Update

PPAF received funding from a range of international donors, including the World Bank, EU, IFAD, KfW, USAID, UNHCR, and others, as well as corporate partners. During the reporting period, it disbursed Rs 2,192.42 million to its Partner Organisations (POs) for donor-funded programmes and income from PMIC and RF. The component-wise financial progress is given in the table below:

Table 16.5: Financial Progress Update (July 2024 to March 2025)

Sr #	Programme Components	Financial Progress (Rs million)
1	Institutional Development/Social Mobilization (ID/SM)/Capacity Building	542.14
2	Livelihood Enhancement and Protection	229.94
3	Water and Infrastructure	92.75
4	Education, Health and Nutrition	175.75
5	Interest Free Loans	457.4
6	Climate Change: Flood Emergency Response	694.44
	Total	**2,192.42**

Source: Pakistan Poverty Alleviation Fund, Islamabad

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5. PPAF's Programme Progress Update (July 2024 to March 2025):

During the period July 2024 to March 2025, PPAF remained at the forefront of inclusive and sustainable development through the implementation of a robust portfolio of integrated, multi-sectoral projects across the county. Anchored in its community-driven development model, PPAF focused on delivering high-impact interventions aimed at poverty alleviation, economic empowerment, climate resilience, and social inclusion. With strategic alignment to national priorities and SDGs, these initiatives targeted some of the most underserved regions of the country, fostering resilience, improving access to essential services, and unlocking economic potential at the grassroots level. Spanning 82 districts, these projects reached around one million direct beneficiaries and demonstrated strong financial performance, with a total programme allocation exceeding Rs 21 billion.

PPAF's project-wise progress update is given below:

Table 16.6: Status of Projects

Sr No.	Project Name	Objective	No. of districts	No. of Beneficiaries
1	Growth for Rural Advancement and Sustainable Progress (GRASP)	To support poverty reduction and sustainable, inclusive economic growth in rural areas of Pakistan.	22 districts (12 in Sindh; 10 in Balochistan)	74,248
2	Livelihood Support and Promotion of Small Community Infrastructure Project (LACIP-II 2023-2026)	To contribute to the betterment of living conditions of poor people in Khyber Pakhtunkhwa. The project shall contribute to the stabilization of fragile areas.	3 districts in Khyber Pakhtunkhwa	59,023
3	Development of Hydro Power and Renewable Energy Project (HRE Ext.)	Increased access to energy in Pakistan supports economic development, environmental and climate protection and poverty reduction while improving the living standard of the population.	4 districts in Khyber Pakhtunkhwa	11,685
4	Post-floods Resilient Recovery and Strengthening of the Livestock Sector in Balochistan*	To contribute to post 2022 floods climate-resilient socioeconomic recovery in the most affected and poorest districts of Balochistan province. The specific objective is to improve value chains and market linkages in agriculture and livestock sectors of Balochistan	6 districts in Balochistan	-
5	Prime Minister's Interest Free Loan (PMIFL) Programme phase-II	Improved access to financial services to the target segment of the population to help them graduate out of the programme to link them with formal financial institutions (microfinance institutions/banks, etc.)	27 districts (4 in Sindh; 6 in Balochistan; 9 in Khyber Pakhtunkhwa; 6 in Punjab; 1 in AJK and 1 in GB)	391,000
6	Restoring Social Services and Climate Resilience Programme	Contribute to alleviating poverty through climate resilient sustainable development approaches	19 districts (4 in Balochistan, 2 in Gilgit Baltistan, 4 in Khyber Pakhtunkhwa, 6 in Punjab and 3 in Sindh)	305,000
7	Strengthening and Upgradation of Relief, Rehabilitation & Settlement Department, Government of Khyber Pakhtunkhwa	Contribution to strengthening the operational capacity of the Relief, Rehabilitation & Settlement Department (RR&SD) of Khyber Pakhtunkhwa to bolster its effectiveness and responsiveness for implementation of climate change and disaster risk reduction interventions	1 district in Khyber Pakhtunkhwa	140
8	Azad Jammu & Kashmir Local Area Development Programme	Contribute to alleviating poverty through climate resilient sustainable development approaches	3 districts in Azad Jammu & Kashmir	1,986
9	Gilgit Baltistan Local Area Development Programme	Contribute to alleviating poverty through climate resilient sustainable development approaches	2 districts in Gilgit Baltistan	535
10	Making Social Entrepreneurship Accessible to the Emerging Youth of Balochistan	To empower marginalised communities in Balochistan by promoting and supporting innovative sustainable social enterprises.	1 district in Balochistan	25
11	Promoting Gandara's Civilization and Heritage for Sustainable Ecotourism in Pakistan	To promote Gandhara's culture & heritage through responsible ecotourism practices, enhance sustainable livelihoods of local communities and preserve region's cultural legacy for future generations	1 district in Punjab	1,000

Table 16.6: Status of Projects

Sr No.	Project Name	Objective	No. of districts	No. of Beneficiaries
12	Economic Empowerment of Marginalised Communities through Strengthening Technical and Skills Sector in Punjab and Sindh, Pakistan	To empower marginalised men and women youth population through technical and vocational skills and entrepreneurship, and establishing strong connections with stakeholders, local entrepreneurs, industry stakeholders, and government bodies to promote inclusive economic growth and social cohesion.	13 districts (7 in Punjab and 6 in Sindh)	127
13	Development of a Modern TVET Centre and Renovation of the Public Library in Jaffarabad, Balochistan*	To enhance educational and employment opportunities through the renovation of public infrastructure and the establishment of modern facilities that promote inclusive access to knowledge and skills development.	1 district in Balochistan	-
14	Promoting Community Based Tourism in Neelam Valley, AJK phase-II	Poor households are empowered with increased income through introducing (target households) to eco-tourism	1 district in AJK	180
15	Public Restrooms Facilities (PRFs) in Pakistan's Coastal Highway to Support Tourism, Hygiene/ Sanitation, Environmental Protection, and Economical Growth initiatives*	Construct clean and well-maintained Public Restroom Facilities (PRFs) along Pakistan's Coastal Highway to transform tourism infrastructure, elevate hygiene standards, and promote environmental sustainability	Coastal Areas of Balochistan	-
16	Continued Support to PPAF's Established Schools in Sindh and GB - Phase III	Improved enrolment, access to quality and equitable education for vulnerable communities ultimately contributing to SDG-4.	7 districts (6 in Sindh & 1 in GB)	11,660
17	Chamalang Education Project Phase-III	Scholarship supports students, in order to provide good educational services to out of school children of coal miners from districts of Loralai and Kohlu	2 districts in Balochistan	2,310
18	Bridging Educational Polarization for Social Harmony	To promote access to formal education for madaris students and establish a mechanism for inter-sect and inter-faith dialogue, advocacy, and public information to promote religious moderation, tolerance, mutual respect, religious freedom, fundamental rights, and social harmony.	3 districts in Balochistan	1,168
19	Integrated Project for Community Based Health and Nutrition Interventions in the marginalized districts of Balochistan and KP	Improved maternal, neonatal and child health, reduction in malnutrition, sustainable and strengthened health services.	3 districts (2 in Balochistan & 1 in Khyber Pakhtunkhwa)	87,556
20	Establishing a Deaf Reach Centre of Excellence in Khyber Pakhtunkhwa	Empower deaf students to ultimately reach their full potential and become contributing members of society.	1 district in Khyber Pakhtunkhwa	65
21	Enhancing Capacity, Sustainability and Outreach for United Foundation's Blood Transfusion Services in Kohat	To significantly improve the quality and accessibility of blood transfusion services in the Kohat region by strengthening the institutional capacity of the United Foundation.	1 district 1 in Khyber Pakhtunkhwa	445

* No beneficiaries have been reported for some projects, as these projects are in the inception phase

Source: Pakistan Poverty Alleviation Fund, Islamabad

PPAF is proud to implement major development initiatives funded by esteemed donors such as the European Union, KfW Development Bank, and the Government of Pakistan. These partnerships reflect strong donor confidence in PPAF's capacity to deliver impactful, community-driven programs across Pakistan.

III. Microfinance Network:

The microfinance sector plays a vital role in combating poverty and reducing social inequality. In Pakistan, it serves over 12.3 million clients and is globally recognized for improving the socio-economic status of marginalized communities. The sector has shown steady growth in recent years, with the client base expanding by approximately 0.5 to 1.0 million annually. Microfinance services in Pakistan are broadly categorized into three areas: micro-credit, micro-savings, and micro-insurance.

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During the period under review, the sector recorded notable growth in two of these categories. Micro-credit saw a 23 percent increase in its gross loan portfolio (GLP), while micro-savings grew by 10 percent. Micro-insurance, however, exhibited a decline. The number of policyholders fell by 9.7 percent, closing at 7.4 million. Despite this drop, the total sum insured remained nearly unchanged, with the insurance portfolio closing at Rs 240.82 billion.

Table 16.7: Active Borrowers, Savers and Policyholders In million

Quarters	Micro-Credit		Micro-Savings		Micro-Insurance	
	Active Borrowers	Value	Active Savers	Value	Policy Holders	Sum Insured
Q1 2024	10.00	557,120	110.46	636,651	8.28	239,224
Q2 2024	10.78	565,855	112.62	641,425	8.15	231,833
Q3 2024	11.24	573,070	117.08	648,964	7.22	235,712
Q4 2024	12.37	591,940	121.50	700,152	7.41	240,827

Source: Pakistan Microfinance Network (PMN)

1. Institution-wise breakdown of Micro-Credit activities (as on December, 2024)

The number of active clients is significantly higher at Mobilink Microfinance Bank and Telenor Microfinance Bank. This phenomenon can be attributed to nano lending practices.

Table 16.8: Microcredit beneficiaries, outstanding loans portfolio and loan disbursement (In million)

Type	Organization	Active Borrowers	GLP	Loans disbursed	Disbursements
MFB	Advans	0.013	2,567	0.003	940
MFB	AMFB	0.097	12,376	0.008	2,643
MFB	ASA	0.662	25,072	0.200	12,879
MFB	FINCA	0.069	19,187	0.031	11,279
MFB	HBL MFB	0.358	93,298	0.048	12,473
MFB	KBL	0.388	76,842	0.081	28,971
MFB	MCBIB	0.002	739	0.002	739
MFB	MMFB	4.074	74,818	11.766	68,641
MFB	NRSP-B	0.183	35,336	0.035	7,325
MFB	POMFB	0.044	4,472	0.009	1,735
MFB	SMFB	0.083	2,320	0.024	1,138
MFB	TMFB	2.886	28,516	6.833	27,051
MFB	U Bank	0.362	76,464	0.053	16,994
	TOTAL	**8,85**	**375,543**	**19.04**	**175,812**
MFI	Agahe	0.058	1,984	0.014	878
MFI	Akhuwat	0.580	39,871	0.101	12,485
MFI	Al Mawakhat	0.000	12	0.000	12
MFI	CFS	0.003	47	0.004	65
MFI	CSC	0.034	1,567	0.009	682
MFI	Damen	0.096	4,462	0.024	1,986
MFI	FDO	0.005	89	0.001	32
MFI	FFO	0.023	1,151	0.016	424
MFI	JWS	0.177	6,517	-	
MFI	Kashf	0.850	32,664	0.242	13,444
MFI	MOJAZ	0.024	666	0.000	54
MFI	OPD	0.005	94	0.001	44
MFI	OPRCT	0.025	850	0.006	388
MFI	RCDP	0.223	9,368	0.058	3,753
MFI	SMFC	0.009	298	0.002	90
MFI	SSF	0.137	4,732	0.024	1,637

Table 16.8: Microcredit beneficiaries, outstanding loans portfolio and loan disbursement (In million)

Type	Organization	Active Borrowers	GLP	Loans disbursed	Disbursements
MFI	SVDP	0.003	87	0.000	25
MFI	TMF	0.056	2,272	0.000	0.018
MFI	Union MF	0.000	23	0.000	1
MFI	NRSP	0.690	27,602	0.257	17,514
MFI	PRSP	0.038	1,318	0.009	539
MFI	SRSO	0.101	3,350	0.023	1,284
MFI	SRSP	0.009	272	0.003	134
MFI	TFC	0.001	638	0.002	1,306
TOTAL		**3.14**	**139.934**	**0.796**	**56,778**
GRAND TOTAL		**12.37**	**591,940**	**19.88**	**249,585**

Source: Pakistan Microfinance Network (PMN)

2. Achievements until 2024

The microfinance industry typically offers services across three main categories: micro-credit, micro-savings, and micro-insurance. The following charts illustrate the trends observed in the services provided by Microfinance Providers, based on industry data compiled for the quarterly report.

3. Credit: Steady Expansion in Borrowing & Loan Portfolio

The credit sector has shown a consistent increase in active borrowers and Gross Loan Portfolio (GLP) over the years.

- Active borrowers rose from 7.0 million in 2020 to 12.4 million in 2025, reflecting an increasing demand for micro-loans.
- GLP also expanded significantly, from Rs 324 billion in 2020 to Rs 592 billion in Q1 2025.

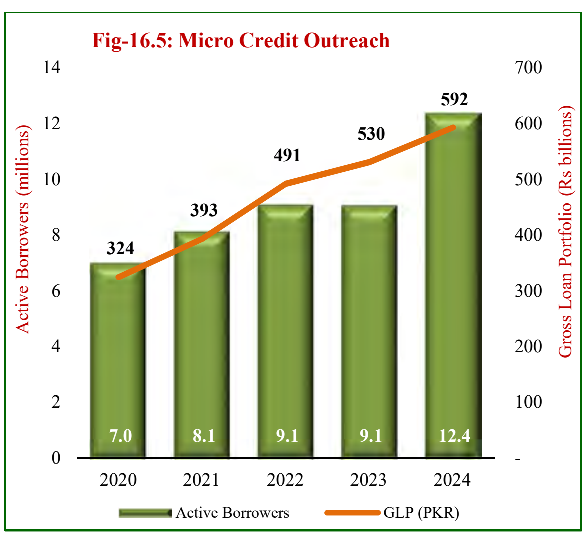
This indicates a healthy appetite for microcredit, likely driven by business expansion needs and increased financial inclusion efforts.

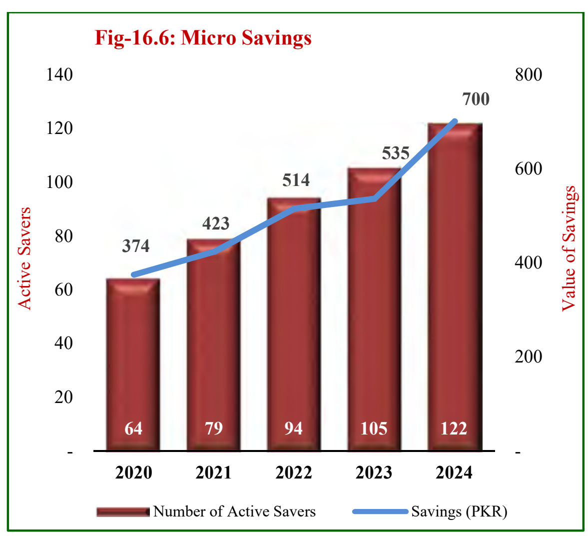
2. Savings: A Surge in Financial Inclusion & Deposits

The savings landscape reflects a strong cultural shift toward financial security, as both active savers and savings value have increased impressively.

Active savers jumped from 64 million in 2020 to 122 million in 2024, showcasing a 90 percent increase.

The value of savings also expanded from Rs 374 billion in 2021 to Rs 700 billion in Q1 2025, a 87 percent growth.





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3. Micro-Insurance: A Declining Trend with Risk Implications

Unlike credit and savings, micro-insurance has faced a downturn, raising concerns about financial security among the low-income population. Policyholders remained almost stagnant from 7.3 million in 2020 to 7.4 million in 2024. The sum insured also remained stagnant from Rs 345 billion in 2020 to Rs 241 billion in 2024. The peak in insured amounts was seen in 2023, after which a sharp decline followed in 2024. This decline suggests a lack of awareness, affordability challenges, or decreased confidence in insurance products.

Fig-16.7: Micro Insurance

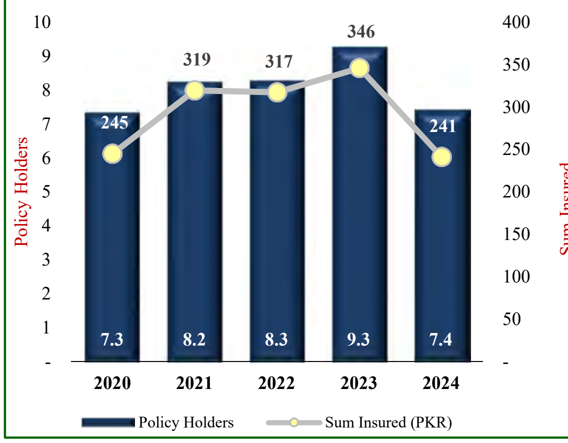

Table 16.9: Active Borrowers, Savers and Policy holders

Details	Micro-Credit		Micro-Savings		Micro-Insurance	
	Active Borrowers	Value (Rs million)	Active Savers	Value (Rs million)	Policy Holders	Sum Insured (Rs million)
2024	12,367,216	591,940	121,505,737	700,512	7,412,732	240,827
2023	9,397,888	546,612	108,687,815	596,618	8,572,031	325,522
Increase/decrease (Net)	2,969,328	45,328	12,817,922	103,894	-1,159,299	-82,695
Increase/Decrease (%)	31.59%	8.29%	11.79%	17.41%	-13.5%	25.56%

*: Calendar Year

Source: Pakistan Microfinance Network (PMN)

IV. Zakat: The Zakat system plays a crucial role in ensuring equitable wealth distribution and serves as a preventive measure against poverty. It is designed to reduce social and economic inequalities within the community. Zakat funds are allocated to support the needy, including orphans, widows, persons with disabilities, and others requiring financial assistance or rehabilitation. Following the 18th Constitutional Amendment, Zakat became a devolved subject. However, under the Rules of Business, 1973, the Federal Government retains responsibility for the collection of Zakat. The collected funds are then distributed to the Provinces and Federal Areas based on a formula approved by the Council of Common Interests (CCI). As per the CCI's decision on April 7, 2021, the share of Zakat designated for the former FATA region is released to the Khyber Pakhtunkhwa Province.

During the current fiscal year, a total of Rs 12.21 billion was distributed among the Provinces and Federal Areas, marking a 65.21 percent increase compared to the Zakat collected in the previous year. Each year, the Ministry of Poverty Alleviation & Social Safety, in coordination with the State Bank of Pakistan (SBP), announces the Nisab of Zakat in the last week of the Islamic month of Sha'aban. For the year 1445-46 AH (FY 2025), the Zakat Nisab has been declared at Rs 179,689. The detailed breakdown is provided in the table:

Table 16.10: Disbursement of Zakat

Sr.#	Province/Federal Area	Rs million
1	Punjab	6,516.06
2	Sindh	2,693.44
3	Khyber Pakhtunkhwa	1,569.94
4	Balochistan	580.49
5	Gilgit Baltistan	158.78
6	ICT	300.46
7	FATA	395.80
	Total	12,214.99

Source: Ministry of Poverty Alleviation and Social Safety

V. Pakistan Bait-ul-Mal (PBM):

PBM established under the 1991 Act, supports the poor, including widows, orphans, the disabled, and others in need, to help them live dignified lives. It provides essential services like food, clothing, education, and medical care, especially for those unable to earn due to illness or unemployment. A grant of Rs 10.00 billion has been allocated for FY 2025 out of which Rs 6.51 billion has been disbursed during July-March which is only 65.13 percent of the allocated amount.

Detail of beneficiaries and disbursement under various projects/schemes of PBM, are as follows:

Table 16.11: Head-wise Details of Financial Assistance

Sr. No.	Indicators	Nos of Beneficiaries	Amount Disbursed Rs million	%age share in total disbursement
a.	Individual Financial Assistance Medical	11,753	2,596.71	44.69
	Individual Financial Assistance Education	5,454	194.69	
	Individual Financial Assistance general	610	16.14	
	Individual Financial Assistance SFP	4,857	103.19	
b.	Cochlear Implant device & allied surgery cost @ Rs 2.15 million	597	1,285.00	19.73
c.	PBM Shelter Homes	1,176,349	270.26	4.15
d.	Khana Sab key Leay (KSKL)	867,725	163.60	2.51
e.	Women Empower Centres (WECs)	26,706	477.85	7.34
f.	Pakistan Sweet Homes (PSH)	4,169	835.92	12.83
g.	Orphan & Widow Support Programme	1,040	41.92	0.64
h.	Pakistan Old Home	28	8.35	0.13
i.	Institutional Rehabilitation for NGOs	11,643	19.51	0.30
j.	Schools for Rehabilitation of Child Labour (SRCLs)	19,042	500.25	7.68
	Total	**2,129,973**	**6,513.38**	**100.00**

Source: Pakistan Bait-ul-Mal

a. Individual Financial Assistance (IFA):

Under the Programme, Rs 2,910.73 million was disbursed to 22,674 beneficiaries across four schemes, representing 44.69 percent of total disbursed funds. Medical assistance was provided for critical illnesses through government hospitals, while educational stipends supported students in public institutions. Financial aid was also extended to widows, orphans, destitute individuals, and families with differently-abled members under the Special Families Scheme.

b. Cochlear Implant:

Financial assistance amounting to Rs 1,285.00 million at a rate of Rs 2.150 million per child was provided to public and private sector panel hospitals for hearing impairment devices and allied surgeries for registered patients.

c. PBM Shelter Homes

Shelter Homes provide free daily meals, temporary overnight accommodation, and additional support such as healthcare, hygienic food, and dignified care in a safe environment. With Rs 270.26 million disbursed, the initiative has benefited 1,176,349 individuals.

d. Khana Sab Ke Leay (KSKL):

During the review period, a total of Rs 163.60 million was allocated to provide free meals to disadvantaged communities through mobile food vehicles.

e. Women Empowerment Centres (WECs):

WECs have successfully trained 26,706 widows, orphans, and underprivileged girls in various trades, including tailoring, sewing, knitting, computer skills, and embroidery. These training institutes also provide free materials necessary for the courses. A total of Rs 477.85 million has been invested in these training programs.

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f. Pakistan Sweet Homes (PSHs):

PSHs provide free daily meals, temporary overnight accommodation, and additional support such as healthcare, hygienic food, and dignified care in a safe environment. With Rs 835.92 million disbursed, the initiative has benefited 4,169 individuals.

g. Orphans & Widows Support Programme (OWSP)

This distinctive Conditional Cash Transfer program targets orphaned girls and matriculated children from closed PBM Sweet Homes, ensuring their continued education while supporting Pakistan's commitment to the Sustainable Development Goals. The program emphasizes the holistic development of both orphans and widows, contributing to a more inclusive society. A total of Rs 41.92 million has been disbursed, benefiting 1,040 individuals.

h. Pakistan Old Home (PoH):

In PoH senior citizens aged 60 and above are enrolled and provided with free boarding, lodging, meals, and medical care of the highest standard. A total of Rs 8.35 million has been utilized to support 28 individuals.

i. Institutional Rehabilitation for NGOs:

Under this joint collaboration, PBM extends support to registered Non-Governmental Organizations (NGOs) with a proven track record in rehabilitating the underprivileged. This assistance covers dialysis, eye care services, and other welfare-related initiatives. An amount of Rs 19.51 million has been disbursed, benefiting 11,643 individuals.

j. Schools for Rehabilitation of Child Labour (SRCLs):

This programme was launched nationwide in 1995, aims to provide primary (non-formal) education to children aged 5-6 years, offering free uniforms, books, and stationery. The primary objective of the program is to prevent children from entering the labor market due to financial constraints. An amount of Rs 500.25 million has been spent, helping keep 19,042 children out of child labor.

VI. Employees Old-Age Benefits Institution (EOBI):

The EOBI established under the EOB Act 1976, is Pakistan's only national pension scheme for workers in industrial and commercial sectors with five or more employees. Governed by a Tripartite Board including representatives from the government, industry, and institutions, EOBI collects monthly contributions from employers (5 percent of the minimum wage) and employees (1 percent). Government contributions ceased in 1995. EOBI provides pensions to retired, survivor, and invalid workers, playing a key role in poverty reduction. During period under review, EOBI have 155,189 totals registered out of which 102,285 are total active employers and 11.46 million employees are registered with EOBI since inception.

1. Main features of the EOBI Scheme:

- **Old-Age pension** on attaining age of 60 years in case of male workers and 55 years in case of female and mine workers.
- **Invalidity pension** on sustaining invalidity affecting insured person's earning more than one third of normal.
- **Survivors' Pension** to the following in case of death of insured person/ pensioner:
    - Surviving spouse 100 percent pension till life, or
    - Surviving male children till 18 years of age, or
    - Surviving female children till 18 years of age or their marriages, whichever is earlier, or
    - Surviving parents for 5 years, if an insured persons/ pensioner not survived by spouse or children.
    - Surviving parents for 5 years, if an insured persons/ pensioner not survived by spouse or children.
- **The Old-Age grant** is paid in lump sum to insured persons having less than fifteen years' insurable employment but attain the age of 60/55 years.

Table 16.12: A comparison of contribution collection July-March Rs million

Sr. No.	Month	Collection of Contribution (FY 2024)	Collection of Contribution (FY 2025)	Increment	Increment (%)
1	July	3,450.87	5,101.09	1,650.22	48
2	August	3,772.00	5,414.75	1,642.76	44
3	September	4,053.96	6,055.30	2,001.35	49
4	October	4,485.40	6,201.92	1,716.52	38
5	November	4,563.78	6,667.06	2,103.28	46
6	December	5,250.75	7,053.52	1,802.77	34
7	January	5,173.09	6,888.90	1,715.81	33
8	February	5,099.87	6,878.13	1,178.26	35
9	March	5,488.98	6,583.22	1,094.23	20
Total		**41,338.70**	**56,843.89**	**15,505.20**	**38**

Source: Employees' Old Age Benefits Institution (EOBI), Karachi

Table 16.13: Performance During FY 2025 Rs million

Sr. No.	Month	Monthly Target	Collection of Contribution	Target achieved %Age	Type-wise Pension Disbursement				
					Old-Age Pension	Invalidity Pension	Survivor Pension	Old-Age Grant	Total Pension Disburse-ment
1	July	6,667	5,101	77%	2,724	53	1,859	71	4,707
2	August	6,667	5,415	81%	2,696	50	1,748	56	4,550
3	September	6,667	6,055	91%	2,851	50	1,752	55	4,707
4	October	6,667	6,202	93%	2,705	53	1,832	57	4,647
5	November	6,667	6,667	100%	2,750	54	1,880	68	4,752
6	December	6,667	7,054	106%	2,715	53	1,868	67	4,703
7	January	6,667	6,889	103%	2,772	55	1,924	85	4,836
8	February	6,667	6,878	103%	2,770	52	1,929	66	4,817
9	March	6,667	6,583	99%	2,784	51	1,920	79	4,834
Total		60,000	56,844	95%	24,767	471	16,712	604	42,553

Source: Employees' Old Age Benefits Institution (EOBI), Karachi

2. Achievements

The institution is working to increase the number of insured persons, thereby expanding its beneficiary base and contributing to poverty reduction. In the first half of FY 2025, contribution collections rose significantly to Rs 10.92 billion, mainly due to record checking, recovery of arrears, and registration of new employers. EOBI has achieved 95 percent of its revised annual target of Rs 80 billion by March 2025 and is on track to meet 100 percent of its goal by year-end.

3. Issues and Challenges

Despite recent achievements, EOBI faces major challenges in expanding employee coverage due to uncertainty following the 18th Amendment in 2010. This has caused confusion among industries, many of which await a Supreme Court judgment (Civil Petition No. 39/2012) and are hesitant to pay contributions. The situation is further complicated by the Sindh province introduced its own EOB Act, creating legal and administrative complexities.

The situation worsened after the Supreme Court's 2017 judgment (PLD 2017 SC 28) invalidated EOBI related amendments made through Finance Acts from 2005 to 2008. This led to reduced contribution rates by employers, exclusion of banks from EOBI coverage, resistance to registering new workers, and demands for refunds, causing EOBI losses of billions. As a result, the gap between annual contributions and pension disbursements reached Rs 16 billion in FY 2023. EOBI has proposed reforms including raising the contribution rate and including self-employed, informal sector workers, and overseas Pakistanis to boost coverage, reduce poverty, and enhance pension benefits.

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4. Recent initiatives

EOBI plans to launch the EOBI Transformation Initiative (ETI) to enhance efficiency, productivity, and public awareness. The initiative includes self-registration for workers, establishment of call centers, real-time data updates, and mobile apps for employers and employees. It will also automate contribution collection and pension disbursement, enable 24/7 transactions, and integrate data with other departments to ensure transparency and reduce corruption. The following proposals are under consideration to enhance the efficiency of EOBI and expand its beneficiary base:

- The inclusion of self-employed individuals and overseas Pakistanis in the EOBI scheme has been submitted to the Ministry of Overseas Pakistanis & Human Resource Development for Cabinet approval.
- It is proposed that the EOBI Act be amended to cover informal sector workers, banking sector employees, and contractual/daily wage workers employed by statutory bodies.
- It is recommended that the Board of Trustees be designated as the competent authority to determine minimum wages for EOBI purposes, and that the contribution rate be revised from 1 percent to 2 percent of the minimum wage for employees, and from 5 percent to 6 percent for employers.

VII. Workers Welfare Fund (WWF)

WWF is a federally managed fund under administrative control of Ministry of Overseas Pakistani's and Human Resource Development established under the WWF Ordinance, 1971. The WWF derives its income from the following three primary sources:

i. Under the WWF Fund Ordinance, 1971, industrial establishments are required to contribute 2 percent of their assessable income to the WWF, provided their income exceeds Rs 500,000 in an accounting year.

ii. **Unutilized Funds under the Companies Profit (Workers' Participation) Act, 1968**: Any amount remaining after the distribution of profits among workers under this Act is transferred to the WWF.

iii. **Income from Investments**: The WWF also earns revenue from investing its funds in various financial instruments and rented out completed buildings.

WWF initiatives are specifically designed to support one of the most neglected segments of society such as industrial workers by offering a comprehensive package of services in the areas of health, education, and low-cost housing. These services include the provision of marriage grant upto Rs 400,000 and death death grant upto Rs 800,000 (it may vary based on the number of cases registered), talent scholarships, and the establishment and operation of Workers Welfare Schools and labour colonies at priority locations across the country.

The WWF disbursed Rs 5.46 billion, covering 34,231 cases of workplace mishaps across the country. The following table provides a breakdown of the disbursements by category and province-wise beneficiary details.

Table 16.14: Disbursement of marriage &death grants during FY 2025 (July-March)

Province	No. of Beneficiaries				*Amount Released (Rs in million)			
	Marriage	Death	Scholarships	Hajj	Marriage	Death	Scholarships	Hajj
Islamabad	283.0	36.0	15,052	68.0	107.7	27.4	624.759	75.1
Punjab	3,268.0	690.0	11490		901.3	487.9	1902.4	
KPK	341.0	44.0	1578		130.1	33.6	729.395	
Balochistan	72.0	41.0	1268		28.2	26.3	389.978	
Total	3,964.0	811.0	29,388.0	68.0	1,167.3	575.2	3,646.5	75.1

* The Workers Welfare Fund (WWF) releases funds to Provincial Workers Welfare Boards (WWBs) for death & marriage grant on demand basis and disbursement of marriage & death grant to the industrial workers of ICT is made on case-to-case basis.

Source: Workers Welfare Fund (WWF)

Achievements and Current Status of Projects

Table 16.15 (a): Achievements (Completed Projects 2024-2025)

Sr No	Name of Projects	Cost (Rs million)	Status
01	Construction of Labour Complex at Zone-V Islamabad. (1008 flats + 500Houses with Allied facilities)	6,830	Completed
02	Construction of 2056 Flats at Labour Complex Regilalma Peshawar.	5,900	Completed

Source: Workers Welfare Fund (WWF)

Table 16.15 (b): Ongoing Projects Rs million

Sr No	Name of Project	Budget Allocation (2024-2025)	Expenditure (2024-2025)
01	Construction of Boundary Wall for 150 Kanals Land at Rawat, Islamabad.	64	20

Source: Workers Welfare Fund (WWF)

Table 16.15 (c): Future Plan FY 2026 Rs million

S. No	Name of Project	Budget Demanded for (2025-2026)	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Remarks
1	Construction Labour Colony at Zone-V, Islamabad (Phase-II).	900	Finalization of Master Plan	Approval from CDA	Approval from CDA	Works for Infrastructure Development at Zone-V labour Colony Phase-II	On the completion of these projects, the WWF will be able to play role in poverty alleviation and sustainable development for WWF as well as for Pakistan.
2	Skills Development and Facilitation Services for Workers at Rawat, Islamabad.	300	Hiring of consultant for Skills Development and Facilitation Services for Migrant Workers	Preparation of PC-I	Tendering and Award	Work up to 15 %	
3	Construction Labour Complex Hattar Road Taxila.	700	Tendering and Award of work	15%	30%	45%	
4	Solarization of WWF office Building at G-10/4 Islamabad	30	Tendering and Award of work	To be completed			

* WWF projects do not fall under the Public Sector Development Programme (PSDP), and therefore do not require an action plan under PSDP guidelines. However, a proposed action plan for the year 2025-26 has been prepared using WWF's own funds.

Source: Source: Workers Welfare Fund (WWF)

Concluding Remarks

Pakistan has made substantial progress in advancing social protection programs aimed at poverty alleviation, improving access to healthcare, education, clean water, and sanitation. Despite these achievements, a series of shocks including the COVID-19 pandemic, devastating floods, and escalating inflation have exacerbated the vulnerabilities of poor and marginalized households. The government is faced with the challenging task of balancing fiscal consolidation efforts with the need to prioritize social protection expenditure. Given the increasing risks posed by climate change, it is imperative to enhance social protection budgets to safeguard the most vulnerable populations, who are disproportionately affected by these shocks. Future initiatives must be designed to address not only immediate relief but

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also support long-term adaptation and mitigation.

In this context, provincial governments must assume greater responsibility in financing and managing social welfare programs to ensure equitable access to essential services. Strengthening coordination and interlinking social protection initiatives between federal and provincial governments remains vital in optimizing resource allocation and minimizing duplication of efforts. There is also a need to deepen public-private partnerships to enhance the delivery of welfare services and maximize the effective utilization of resources, thereby fostering a more inclusive and resilient social protection system.

CLIMATE CHANGE

Recharge Pakistan Project Launched with US$ 77 mn funding

First ever Carbon Market Policy Launched at COP29

Climate Budget Tagging: 5000 + Federal Cost Centers Tagged

First Green Sukuk Issued: 30 (Rs. billion)

Around US$ 1.4 billion under the IMF RSF secured

Climate Budget Adopted as Governance System

2024: 9th Warmest Year in 64 Years
with 23.52°C average temperature & 31% above average rainfall

Chapter 17

CLIMATE CHANGE

Climate change refers to long-term shifts in temperatures and weather patterns. While these changes can occur naturally, human activities, particularly the release of greenhouse gases (GHGs), have become the primary driver of global warming. Greenhouse gas emissions, including carbon dioxide (CO_2), keep heat within the atmospheric layer, thereby producing growing global temperature trends. Industrial activities, together with excessive consumerism and fuel-powered transportation, generate most of these atmospheric emissions, particularly through the combustion of coal, oil, and natural gas. These human-driven emissions are accelerating global warming, resulting in the interruption of the Earth's natural climate system.

As a result, global warming has become one of the most pressing global risks, with forecasts suggesting dire economic and humanitarian impacts. The World Economic Forum[1] listed extreme weather events as the second ranked global risks by severity in immediate and short-term outlook (over a 2-year). While, it predicted that the events will become the top leading risk within the next decade. With global warming continuing to rise, the planet is heading towards the +1.5°C temperature mark earlier than expected[2], making irreversible climate effects more apparent and disproportionately impacting the most vulnerable populations. These effects range from weather extremes to slow-onset permanent risks, thereby fundamentally altering societal changes. For instance, the planet experienced its hottest day in history on 22nd July 2024, and 2024 was the hottest year in history, marking the first year with an average temperature above 1.5°C.

While climate change poses an existential threat to all nations, its impacts are unevenly distributed. Although Pakistan generates less than 1 percent of global GHG emissions, it stands in the first rank among the top ten countries affected by climate change based on the Climate Risk Index[2] (CRI) 2022.The report conducted a 30-year assessment (1993-2022), which positions Pakistan among countries frequently encountering extreme weather events. In the 'continuous threats' category, Pakistan is experiencing increasingly frequent and severe extreme weather events that are becoming the new normal. Climate change is not only increasing the frequency of these events but also intensifying their impacts and prolonging their duration. Pakistan's geographical location further exacerbates its vulnerability to these climate-induced threats. The country is surrounded by three mountain ranges with glaciers, along with ice caps, in addition to continuous exposure to warm Arabian Sea temperatures. This makes the country highly susceptible to extreme weather events, including floods, droughts, and Glacial Lake Outburst Floods (GLOFs).

Pakistan stands as a stark example of escalating climate risks. In 2022, the country suffered the world's costliest flood in history, exacerbated by record-breaking monsoon rainfall and GLOFs from June–September 2022, affecting more than 33 million people and resulting in more than 1,700 fatalities, with almost US$ 15 billion[2] worth of damage. The floods, presumably caused by climate change and amplified by extreme monsoon rainfall by 243 percent[3] (during August 2022: the heaviest rain month since 1961), followed a lethal heatwave (from March-May 2022) with temperatures reaching 49.5°C[4], further stressed the environment before the floods began. Thus, the country faces a deepening climate emergency, driven not only

1 Global Risks Report 2025, World Economic Forum (https://reports.weforum.org/docs/WEF_Global_Risks_Report_2025.pdf)

2 Climate Risk Index 2025, Germanwatch (https://www.germanwatch.org/sites/default/files/2025-02/Climate%20Risk%20Index%202025.pdf)

3 Pakistan's Monthly Climate Summary August 2022, Pakistan Meteorological Department, GoP (https://cdpc.pmd.gov.pk/Pakistan_Monthly_Climate_Summary_August_2022.pdf)

4 Climate Risk Index 2025, Germanwatch (https://www.germanwatch.org/sites/default/files/2025-02/Climate%20Risk%20Index%202025.pdf)

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by natural disasters but also by shifting rainfall patterns and rising temperature levels.

Thus, Pakistan is bearing catastrophic climate impacts although most of the greenhouse gas emissions are from large industrialized countries. Climate change is no longer a myth but an urgent reality. The high vulnerability of Pakistan calls for reducing global emissions and creating improved adaptive response strategies locally. The United Nations Sustainable Development Goal (SDG) 13 appeals for urgent action on climate change, which hinges on funding as well as nationally determined contributions, since both of these play a key role in mitigating the risks of disasters. Pakistan is playing its part to respond to climate change through projects such as the National Adaptation Plan and the Recharge Pakistan Project.

17.1 Historical Events of Natural Disasters in Pakistan

Natural disasters have presented serious threats to Pakistan's human capital leading to high future capital investments by the government in infrastructure. Between 1980-2024, Pakistan experienced 224 extreme natural disaster events. Among these disasters, floods have become the most catastrophic threat in terms of economic damage and have impacted a vast population. With 109 occurrences across various subtypes of (flash, riverine, and general) floods, have affected more than 100 million individuals and inflicted a total damage of US$ 36.4 billion (Table 1), economic losses set aside. This disproportionately high impact underscores climate injustice. Additionally, extreme temperatures, particularly heatwaves, are emerging as an ever-deadlier threat, accounting for 2,741 fatalities in 13 events. Tropical cyclones, although just five in number, inflicted more than US$ 1.7 billion in damages. Droughts, with two reported occurrences, have still affected more than 6.9 million individuals severely and resulted in US$ 247 million of damages, highlighting the severity of the disaster and its consequences on Pakistan's agrarian economy.

Table 17. 1: Natural Disasters and their Consequences in Terms of Human Life and Damages (1980-2024)

Disaster Type	Disaster Sub Type	Event Count	Total Deaths	Total Affected	Total Damages ('000 US$)
Drought	Drought	2	220	6,880,912	247,000
Earthquake	Ground Movement	30	75,124	7,420,276	5,345,500
Epidemic	Bacterial Disease	2	105	10,028	
	Parasitic Disease	1	0	5,000	
	Viral Disease	4	130	59,066	
	Infectious Disease (General)	5	131	371	
Extreme Temperature	Cold Wave	3	18		
	Heat Wave	**13**	**2,741**	**80,574**	**18,000**
Flood	Flash Flood	**28**	**3,630**	**22,114,353**	**10,184,118**
	Riverine Flood	**42**	**6,329**	**34,967,357**	**9,727,030**
	Flood (General)	**39**	**5,059**	**43,694,593**	**16,510,230**
Mass Movement	Avalanche	13	580	4,460	
	Landslide	9	222	29,707	18,000
	Mudslide	2	16	12	
	Rockfall	1	13		
Storm	Convective Storm	18	514	1,019,806	
	Tropical Cyclone	5	1,106	2,189,940	1,710,936
	Storm (General)	7	223	3,123	

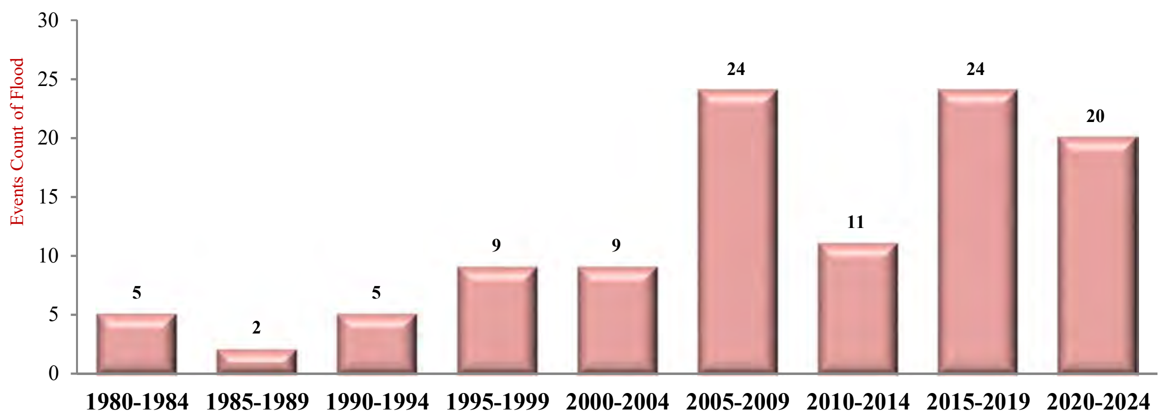
Source: Fiscal Risk Statement March 2025 [5]

Given the scale of floods as the most significant natural hazard in Pakistan, both economically and in terms of people displaced, the temporal dynamics of several flood events based on flood (disaster) sub-type are presented in Figure 1. The figure shows a distinct upward trend in the occurrence of number of flood events, especially since the mid-2000s. Whereas the 1980s and

5 Fiscal Risk Statement March 2025, Finance Division, GoP (https://www.finance.gov.pk/publications/Fiscal_Risk_Statement_March_2025.pdf)

early 1990s marked comparatively low flood events, with intervals such as 1980-84 (5 events). In 1985-89, 2 events and in 1990-94, again 5 flood events occurred. However, in 1995-99 and 2000-04, 9 flood events occurred each, indicating early signs of intensifying climate variability in the country. A drastic rise in number of flood events is noted after 2004.

Fig-1: Number of Flood Events in Pakistan (1980-2024)



Source: EM-DAT, The International Disaster Database

A significant peak is observed in 2005-2009, which recorded 24 flood events, marking the highest number of floods of different sub-types that occurred in the country. Although 2010-2014 saw a decline to 11 events yet the most catastrophic flooding in Pakistan's history occurred in 2010, when the country experienced extraordinary rainfall resulted in unprecedented floods affecting the entire length of the country. The rains/floods of 2010 affected over 20 million people and direct damage and indirect losses, estimated at approximately Rs 855 billion[6]. Subsequently, the frequency of flood events increased once again in 2015-2019, reaching 24 events. The recent phase (2020-2024) also experienced a high number with 20 different flood events, indicating that floods are becoming more frequent and persistent in recent times. In particular, the 2022 floods have shown Pakistan's high susceptibility to climate change as the disaster has demonstrated vulnerability for the people of the country. One-third of the country went underwater, and 33 million people were affected. Nearly 8 million people were reportedly displaced. The scale of the disaster was unprecedented as damages exceeded that of the 2010 floods. In 2022 floods, the damage is estimated at US$ 14.9 billion, the loss to the GDP at US$ 15.2 billion[6].

17.2 FY 2025 Performance Overview: Institutional Arrangements and Key Developments

Substantial progress has been made in strengthening institutional arrangements at the federal level to advance environmental and climate initiatives in Pakistan during FY 2025. These progresses encompass:

17.2-a Pakistan at the 29th session of the Conference of the Parties (COP29)

Ministry of Climate Change and Environment Coordination (MoCC&EC) successfully organized Pakistan's Pavilion at COP29 (11th-22nd November 2024), providing a dynamic platform for global engagement on climate solutions. The Pavilion hosted high-impact panel discussions, side events and networking sessions, showcasing Pakistan's climate commitments, policies, and collaborative efforts. The details of Pakistan's participation in COP29 are presented in Box-1.

6 Statement of Fiscal Risks FY 2024-2025, Finance Division, GoP (https://finance.gov.pk/publications/Statement%20of%20Fiscal%20Risk%20-%20FY2024-25.pdf)

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Box 1: Pakistan at COP29 - Leadership and Commitments in Global Climate Talks

At the 29th UN Climate Change Conference (COP29) in Baku (Nov 2024), Pakistan took on a strategic role representing developing countries. Aligning with the G77 & China and the Like-Minded Developing Countries (LMDC) group, Pakistan consistently emphasized equity and Common but Differentiated Responsibilities (CBDR) in negotiations. Key negotiation tracks included the new climate finance goal, carbon markets, adaptation, just transition, and loss & damage. On the New Collective Quantified Goal (NCQG) - dubbed the Baku Finance Goal - Pakistan and other developing nations pushed for an ambitious target of US$ 1.3 trillion in annual climate finance by 2030 (with roughly half as public grants). They resisted developed countries' lower offers and conditionalities, stressing that climate finance must be new, additional, and responsive to developing country needs. After protracted talks, a compromise was reached at US$ 300 billion per year by 2035 for the Baku Finance Goal. Pakistan accepted this markedly lower figure in the spirit of multilateral consensus, while noting it represents only 23 percent of the estimated needs of developing countries.

In Just Transition discussions, Pakistan argued for a broad approach beyond energy, insisting it may encompass adaptation and Means of Implementation (finance & technology). Aligned with fellow developing countries, Pakistan advocated that just transitions be country-driven and supported by public finance (as mandated by the Paris Agreement's Article 9), rather than overly prescriptive or reliant on private sector loans. As a result, the draft Just Transition Work Programme will be revisited in 2025, with Pakistan continuing to champion an equitable, inclusive approach that respects national circumstances. Under Article 6 (carbon markets), Pakistan's diplomacy was pivotal in bridging a nine-year deadlock. It secured consensus by urging flexible reporting requirements for developing countries and keeping the authorization of carbon credits under national control. The agreed rules ensure transparent carbon trading and could reduce the cost of implementing countries' climate pledges by up to US$ 250 billion annually.

In adaptation negotiations, Pakistan (alongside the African Group and others) pressed for integrating finance into the Global Goal on Adaptation (GGA). This helped yield a COP29 decision to develop clear adaptation progress indicators and launch a "Baku Adaptation Road Map" a framework Pakistan advocated to operationalize adaptation goals with adequate support and without new burdens on developing nations. Finally, on Loss & Damage, Pakistan underscored the urgency of aid for climate catastrophes by citing its US$ 30 billion in losses from the 2022 floods. It joined the G77 in demanding the prompt setup of the new Loss and Damage Fund. COP29 delivered: the fund was fully operationalized with institutional arrangements (World Bank as trustee, host country agreement signed) and will start financing projects in 2025. Initial pledges have exceeded US$ 730 million, marking a milestone toward climate justice for vulnerable countries.

Source: Ministry of Climate Change and Environment Coordination

17.2-b National Climate Change Policy (NCCP) 2021

The National Climate Change Policy (NCCP) was initially formulated in 2012 and revised in 2021. It serves as a key document outlining the country's strategy to combat climate change and enhance climate resilience. The National Climate Change Policy Implementation Committee (NCCPIC) oversees the implementation of NCCP at the national level. The key recent developments made by the committee include: Ninth (9th) meeting of the NCCPIC (held on October 31, 2024), chaired by the Minister for Law and Justice, focused on addressing the issue of emissions mitigation strategies in the transport sector. Consequently, 10th meeting of the NCCPIC (held on 8th January 2025) prioritized improving air quality through reduction in emissions.

17.2-c Pakistan Green Building Code

MoCC&EC, in collaboration with UN-Habitat, Pakistan Engineering Council, and other relevant stakeholders, has formulated the Pakistan Green Building Code, which provides guidelines and a roadmap for sustainable design and construction of environment-friendly and energy-efficient buildings. The ministry is collaborating with the Ministry of Science & Technology on the finalizing the Green Building Code, prior to its approval by the Cabinet.

17.2-d Pakistan's Urban Resilience Policy Framework

Pakistan's Urban Resilience Policy Framework provides overarching policy guidelines for sustainable and resilient urban development for climate preparedness. The policy framework aims to support sustainable urban development across Pakistan by adopting sustainable mitigation strategies, practical adaptation policies, plans, and projects in the context of local economic, environmental, and social circumstances that align with global development frameworks. Its key objectives include: (a) Provision of national level framework that leads to resilient urban centers across Pakistan, (b) Supports effective and comprehensive mitigation measures, (c) Facilitates incorporation of Adaptation measures in future urban development and (d) Guides local institutions along with preparation of action plan. Consultations on the Draft Framework are under way in coordination with provincial governments. Accordingly, the Summary for the Final Framework will be forwarded to the Cabinet after due endorsement of provincial governments.

17.2-e Green Corridors under CPEC-II

The China-Pakistan Economic Corridor (CPEC) is an ambitious infrastructure development project that provides Pakistan with an unparalleled opportunity to drive economic growth and enhance regional connectivity. However, as the country pursues economic advancement, the imperative to integrate climate resilience, environmental sustainability, and green growth into CPEC's development. This highlighted the need to establish a "Green Corridor" along Phase II of the CPEC, aimed at promoting environmentally friendly approaches in road and rail transportation, forestry, agriculture, water, energy and industrial sectors–aligned with Pakistan's national sustainability and climate change goals. The Ministry of Planning, Development & Special Initiatives notified 05 corridors as part of CPEC 2.0, and MoCC&EC was notified as the lead ministry responsible for preparing a concept paper on the initiative.

The Green Corridor concept is based on achieving a balance between economic development and environmental preservation, aligned with the principles of the 5E framework (Energy, Environment, Economy, Equity, and Efficiency), Pakistan's National Adaptation Plan (NAP), the National Climate Change Policy (NCCP), Updated Nationally Determined Contributions (Updated NDC) and China's green development priorities. Key objectives include: a) Enhancing sustainable transport infrastructure along CPEC to reduce carbon emissions, improve air quality and facilitate green economic growth b) Promoting collaborative forestry initiatives to enhance forest cover, biodiversity conservation, and climate resilience c) Implementing climate-smart agriculture and water management to ensure food security and sustainable water use, with climate adaptation as a core principle d) Promoting green energy and cleaner industrial development in line with national commitments for combating climate change and creating green jobs.

17.2-f National Adaptation Plan Progress

The Government of Pakistan (GoP) is advancing national climate resilience via the implementation of the 'Building Capacity to Advance the National Adaptation Plan (NAP) Process' project, supported by a readiness grant from Green Climate Fund (GCF). To facilitate the implementation of interventions under the project, 10 concept notes were developed in 2024 targeting priority sectors. Additionally, five supplementary concept notes will be developed with the potential support from the National Rural Support Programme (NRSP) for subsequent submission to global funding mechanisms such as the GCF and Global Environment Facility (GEF). These efforts aim to bridge Pakistan's climate finance gap and support preparedness for climate-induced risks, including floods, droughts, and heatwaves. Additionally, the project has focused heavily on capacity building, conducting a two-day training workshop (June 2024) in Khyber Pakhtunkhwa, equipping government officials with skills to develop GCF-compliant proposals and integrate adaptation into development planning.

Further, to ensure informed decision-making, a comprehensive costing exercise was initiated in collaboration with the International Institute for Sustainable Development (IISD). A national workshop held in December 2024 concluded with the development of a costing tool and final report outlining two financial scenarios: US$ 3.9-7.3 billion and US$ 13.7-17.8 billion, required to implement the complete set of 117 adaptation measures identified. The project also completed critical knowledge outputs, including studies on climate impact storylines and the status of climate projections in Pakistan. In addition, at the provincial level, gap analyses were conducted for Khyber Pakhtunkhwa and Sindh (July-December 2024), profiling and categorizing existing adaptation initiatives.

17.2-g Climate Mainstreaming in Public Finance Management (PFM) Tools

The federal government is cognizant of the macro-fiscal implications of climate change and is looking forward to bringing economic diversification to strengthen fiscal resilience by focusing on a greener economy through introducing climate resilience infrastructure and new industries. Therefore, the federal government has adopted a climate budget as a governance system to mainstream climate considerations into policy decision making. The green budgeting enables the government to prioritize climate by integrating it into the budgeting process and fixing responsibility for implementation, monitoring, evaluation and reporting across the line ministries and departments. The details of efforts made to mainstream climate in PFM tools are presented in Box-2.

Box 2: Climate Mainstreaming in PFM Tools

Ministry of Finance (MoF) has developed a framework and action plan to integrate climate, gender and SDGs to into Pakistan's PFM tools. Under this framework, the entire budget process has been made inclusive of climate, gender and disaster considerations. As a result, all budget tools–including Budget Strategy Paper, Budget Call Circular (BCC), Demand Review Committee meetings (budget negotiations), Annual Budget Statement, Budget in Brief, Demand for Grants & Appropriations and Performance Budget Book (known as Green Book)–now contain disintegrated data on gender, climate and disaster for the first time.

The Climate Budget Tagging (CBT) tool has been used to tag climate-sensitive budgetary and expenditure data based on the National Climate Change Policy. Through a consultative process involving all stakeholders, more than 5000 cost centers of the Federal Government under three major classifications (adaptation, mitigation, and other supporting areas) and forty minor sub-classifications have been tagged successfully in the SAP system for accounting and reporting purposes. This enables the ministry to monitor and track of climate related spending and reports can be made available quarterly, mid-yearly and annually. In the medium term, the government plans to ensure that climate sensitive budget does not falls below 8 percent of the ROCG and 16 percent of the PSDP over the medium term. The Climate budget tagging exercise has been extended to tag and map the subsidies in federal budget to identify the climate component. MoF has also designed the methodology and framework to capture the green component in revenues.

All of the above interventions are enabling the Federal Government to make targeted allocations to respond to climate change risks in the future. An added advantage of the framework is its ability to link crosscutting themes in supporting the inclusion of gender and poverty in climate expenditure analysis. A budget that integrates climate risks and is responsive in terms of climate adaptation and mitigation will provide the enabling environment to align international and private financial flows.

Source: Ministry of Finance

17.2-h Pakistan's First Biennial Transparency Report (BTR-1) under the Enhanced Transparency Framework (ETF) of the Paris Agreement

Pakistan's First Biennial Transparency Report (BTR-1) was prepared under the Enhanced Transparency Framework (ETF) of the Paris Agreement. It was supported by the United Nations Environment Programme (UNEP) and financially assisted by the Global Environment Facility (GEF). The primary aim of BTR-1 is to fulfil Pakistan's international reporting obligations and strengthen domestic climate governance. It outlines the country's progress in implementing its Nationally Determined Contribution (NDC). The report highlights mitigation actions across key sectors, including renewable energy deployment, electric vehicle adoption, energy efficiency improvements, and large-scale afforestation initiatives.

17.2-i Pakistan's Third National Communication (TNC) to the UNFCCC

Pakistan's Third National Communication (TNC) to the UNFCCC has been prepared with implementation support from the UNEP and financial assistance from the GEF. The TNC presents Pakistan's national GHG inventory for 2020-21. It outlines the country's progress in mitigation, adaptation, and institutional preparedness. In 2021, total GHG emissions were recorded at 521.46 $MtCO_2e$. The agriculture, forestry and land use (AFOLU) and energy sectors were identified as the main contributors. The report proposes sector-specific mitigation scenarios aimed at stabilizing emissions. It highlights increasing climate risks such as heatwaves, droughts, floods, and glacial melt. Adaptation priorities are focused on agriculture, water, energy, and coastal zones. National frameworks, including the National Climate Change Policy, the National Adaptation Plan, and the Pakistan Climate Change Act support these priorities. The TNC also identifies institutional gaps in measurement, reporting and verification (MRV), inter-agency coordination, and technical capacity.

17.2-j Pakistan Glacier Protection and Resilience Strategy Framework

The Pakistan Glacier Protection and Resilience Strategy Framework is being prepared and aims to conserve and protect the glaciers of Pakistan. By engaging multiple relevant stakeholders, this strategy is multidimensional and objectifies a strategic solution and steps for glaciers' preservation and protection.

17.2-k Recharge Pakistan Project

The launch of the US$ 77 million Recharge Pakistan Project in September 2024 aims to implement ecosystem-based flood management, strengthen flood resilience and promote sustainable water resource management. This initiative will create project implementation jobs, enhance investment in water resilience projects for long-term environmental sustainability, and support eco-tourism, sustainable business activities, licensing, and the Nature Conservation Fund.

In addition to the above-stated institutional arrangement and developments, several important strategic partnerships are also made in FY 2025. These include:

17.2-l Signing of Agreement between the Governments of the Shanghai Cooperation Organization Member States on Cooperation in the field of Environmental Protection

The agreement between the Governments of the Shanghai Cooperation Organization (SCO) member states on cooperation in the field of environmental protection was signed during the meeting of the Council of Heads of States (CHS) on July 04, 2024, in Astana. The key aim of the SCO agreement on environmental protection is to promote collective efforts to address shared environmental challenges, enhance ecosystem protection, and advance sustainable development. Its main objectives include: (a) Strengthening environmental governance and frameworks, (b) Facilitating knowledge sharing and capacity building, (c) Initiating joint projects on climate change, pollution, and biodiversity, (d) Aligning with global frameworks like the Paris Agreement and (e) Enhancing regional cooperation on transboundary issues.

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17.2-m Signing of Memorandum with the Ministry of Natural Resources & Environmental Protection of the Republic of Belarus in the field of Environmental Protection

MoCC&EC has signed the Memorandum on Cooperation in the field of environmental protection with the Ministry of Natural Resources & Environmental Protection of the Republic of Belarus. The main objective of this MoU is to create favourable conditions for long-term cooperation in the field of environmental protection for the mutual benefit of the two countries in accordance with this Memorandum. This initiative aims to reduce the negative anthropogenic impact on the environment, ensuring favorable living conditions and improving the natural environment by promoting principles of the green, circular, and low-carbon economy. It focuses on mitigating and adapting to climate change across various economic sectors while protecting air quality, fauna, and flora (particularly endangered species), as well as managing protected areas like nature reserves and national parks. Additionally, it encourages ecological tourism, industrial waste management, urban greening, and education on environmental protection and sustainable resource use, alongside any other areas of cooperation deemed relevant.

17.2-n Country Programme Framework 2024-28 (Global Green Growth Institute (GGGI))

The Global Green Growth Institute (GGGI) is a treaty-based organization promoting green growth by balancing economic development with environmental sustainability. It supports poverty reduction, job creation, social inclusion, and environmental sustainability, focusing on energy, water, land use, and green cities. Pakistan has been a member since 2021 and has become the 41st Member of GGGI. In parallel discussions to CPF, GGGI has been overseeing the implementation of two projects in Pakistan:

- **Supporting Preparedness for Article 6 Cooperation (SPAR6C) Programme (2022-2027):** An EUR 20 million multi-country project funded by the German Federal Ministry for Economic Affairs and Climate Action (BMWK). The Programme is managed by GGGI and implemented in Pakistan by the UNEP
- **NDC Technology Roadmap for the Water and Waste Sectors (2023-2024)**: A US$ 248,975 project funded by UNEP through the Climate Technology Centre and Network (CTCN) the technology mechanisms of the United Nations Framework Convention on Climate Change (UNFCCC). To support improved outcomes through this project, GGGI has leveraged a further US$ 158,006 through the Korea Green New Deal Fund (KGNDF), demonstrating an avenue through which GGGI can support Pakistan in accessing expanded sources of climate finance. The GGGI Pakistan CPF for the period 2024-2028 was prepared with the following objectives:

  i. Ensure strategic alignment between country-level interventions and GGGI, GOPs and PSs.
  ii. Deliver transformational and impactful projects with measurable strategic attributes and contributed outcomes.
  iii. Focus on national and sub-national development priorities and ensure government ownership, commitment, and support to the GGGI interventions in Pakistan.
  iv. Develop strong partnerships and facilitate resource mobilization to accelerate green growth adoption.
  v. Promote internal integration and knowledge sharing by bringing together a cross-selection of GGGI experts to deliver a "One GGGI" country approach.
  vi. Strengthen linkages with key global development agendas and GGGI Strategy 2030.

17.3 Pakistan Climate Finance Landscape and its Performance Insights FY 2025

Achieving the sustainable development agenda and net zero emissions requires a major transformation in energy, transport, housing, and communications infrastructures. Investments required to achieve targets by 2050 are estimated at US$ 100-120 trillion. Developing countries like Pakistan face massive financing gaps owing to inadequate financing mechanisms, underdeveloped domestic markets, limited access to international markets, and concessional finance, which hinder progress on climate and SDGs.

Climate Insurance is an emerging discipline in climate financing and is evolving as an instrument globally. Three are various facets of climate insurance i.e., insurance premiums, risk transfer, repayments, and risk transfer. In this regard, the GoP is working on disaster risk insurance programmes in partnership with Multilateral Development Banks (MDBs). These programmes will create risk layering, transfer the risk to international reinsurers, and reduce the GoP's risk. The key achievements made in FY 2025 under the climate finance comprise:

- GoP has secured around US$ 1.4 billion under the Resilience and Sustainability Facility (IMF RSF). The RSF will support the government's efforts to improve resilience and address climate change challenges. The RSF will focus on: (i) aligning energy sector reforms with our national climate change commitments (ii) promoting green mobility and transport decarbonization (iii) mainstreaming climate issues into budget investment and planning (iv) improving water system resilience and disaster response financing and (v) enhancing the enabling environment for green investments by strengthening Pakistan's climate information architecture.
- GoP is working with ADB on the Insurance Sector Development Programme, which will support sequencing of reforms to strengthen the insurance legal, regulatory, and supervisory framework and capacity, enhance institutional capacity with adoption of robust data repositories, analytics, and digitization of processes. This will support risk assessments, product development and innovation, and foster financial inclusion through product awareness and implementation of compulsory insurance schemes at affordable pricing with capitalization of risk pools for covering high-impact exogenous risks exacerbated by climate change.
- GoP is also discussing the creation of a Solidarity Fund with ADB under CRDEP-2 as an ex-ante funding mechanism and counter-cyclical reserve to reduce reliance on ad-hoc financial support using risk-sharing and risk transfer instruments, such as insurance, reinsurance, and CAT bonds. The Solidarity Fund will be scaled up over time to cover livelihood recovery and reconstruction of critical infrastructure operations following low-frequency, high-impact disaster events.
- Similarly, the World Bank and the GoP are working on the RAM Project, which includes a Climate Risk Fund and a Guarantee Facility. This programme will support the microfinance sector in the country and build its resilience against climate disasters through parametric insurance and guarantees.

Pakistan has various operational climate and disaster-related funds such as NDMF, NDRMF, and a contingent fund. Going forward, all these funds will be consolidated under the Solidarity Fund. In addition, MoF has joined different forums such as the Coalition of Finance Ministers for Climate Action and the Climate Vulnerable Forum, Vulnerable Group of 20 of Finance Ministers (CVF-V20). Pakistan is actively engaged with CVF-V20 as well as the Global Shield and Global Risk Modeling Alliance (GRMA). The progress made in this regard includes:

i. Pakistan has requested GRMA's support to understand the risk of drought, heat, landslides, floods, and earthquakes on agriculture, construction, disaster relief, fiscal budget, education, healthcare, and public infrastructure.
ii. To integrate national climate policies and formulation of bankable projects, Pakistan is engaged with CVF-V20 to prepare the Climate Prosperity Plan (CPP). The CPP aims to maximize socio-economic outcomes and well-being for the country. The

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government has kicked off work on the formulation of the CPP.

In addition to the above efforts, the GoP has undertaken several other key initiatives to strengthen climate resilience, which include:

17.3-a National Climate Finance Strategy (NCFS)

The soft launch of the said strategy happened over the COP29, 2024. The NCFS is a time-bound, robust, and living document that will be periodically reviewed and updated. It will be revised every two years based on progress review and feedback from monitoring and evaluation (M&E) reports from the line ministries and the provinces. The initial review is scheduled for FY 2027. The key objectives include identifying key market and policy barriers to scale up finance for priority climate and development objectives, and developing potential financing and other interventions to scale up climate finance, both domestic and private, and international action. NCFS pursues a three-pronged approach centered on three main strategic objectives:

i. Adopt a whole-of-government strategy to create synergy and cohesion across all tiers of governance at both national and subnational levels, thereby accelerating the mainstreaming of climate change in all sectors and tiers of governance.
ii. Mobilize and diversify domestic revenue and investments to leverage them to attract international climate finance, thereby increasing fiscal space for climate action and supporting climate-resilient, low-carbon development.
iii. Diversify finance sources through innovative mechanisms to facilitate partnerships with the private sector and access both domestic and international climate finance and investments.

17.3-b Pakistan's Carbon Market Policy

Pakistan's first-ever carbon market policy was also launched during COP29. Through this policy, Pakistan aims to accelerate clean technology deployment and attract investment in sectors and projects with significant emissions reduction potential, including energy, agriculture, waste management, and forestry. The guidelines will ensure that carbon markets drive real, verifiable reductions while generating substantial economic and social co-benefits across Pakistan. By launching this policy, Pakistan signals its readiness to engage in global carbon markets, inviting both domestic and international partners to join us in advancing a resilient, low-carbon economy with strong accountability and impact at its core. The Policy will enable Pakistan to advance its NDCs and channel carbon finance into projects that yield substantial social, economic, and environmental co-benefits. Pakistan's Carbon Market Policy is built on three core pillars:

i. **Environmental Integrity and Compliance:** Pakistan Carbon Market Policy Guidelines prioritize robust environmental standards, aligning with Pakistan's climate commitments and international obligations under the Paris Agreement. The country is committed to ensuring that every mitigation project authorized within our borders complies with the highest standards of environmental integrity and transparency.
ii. **Economic Development and Investment Mobilization:** Pakistan's carbon markets are designed to attract substantial investment, both domestic and international, into low-emission development projects. Facilitating carbon credit issuance and trading is helping create market incentives that attract greater investment in emission reduction projects.
iii. **Equitable Benefit Sharing and Social Safeguards:** At the heart of Pakistan's Carbon Market Policy Guidelines is an unwavering commitment to social inclusion, equity, and benefit sharing. Our approach recognizes that the journey toward a sustainable, low-emission future must be both inclusive and just.

17.3-c Green Climate Fund (GCF)

GCF accelerates transformative climate action in developing countries through a country-owned partnership approach and the use of flexible financing solutions. The preceding year, the

MoCC&EC was able to secure funding for the following four projects, amounting to GCF financing of approximately US$ 82 million: The projects include:

i. **Integrated Climate Risk Management for Strengthened Resilience to Climate Change in Buner and Shangla Districts of Khyber Pakhtunkhwa Province, Pakistan (WFP):** The project will enhance flood early warning and anticipatory action by strengthening the value chain and dissemination of climate information services and early-warning systems, benefitting 1.6 million people.

ii. **Resilient Water Infrastructure Facility (RWI) (IFC):** The project will focus more on the Public Private Partnership (PPP) structure facility and the Blended Finance facility in the water resources sector.

iii. **Harnessing the Domestic Private Sector Ecosystem for Climate Action in Pakistan (NRSP):** The initiative aims to create a climate action venture studio environment, offering space for climate discourse, a consortium of stakeholders, pre-seed grant financing, later stage debt financing, mentorship for women, PWDs and transgender entrepreneurs, and gender-responsive technical assistance.

iv. **Acumen Climate Action Pakistan Fund (Acumen Fund):** The goal of this project is to improve the climate resilience of vulnerable farmers and their livelihoods by providing access to climate adaptation solutions for smallholder farmers, benefitting 13.1 million individuals.

17.3-d Launch of First Green Sukuk

The transition towards sustainable finance is an important priority of the GoP. In this regard, the government has launched its first Green Sukuk in FY 2025 for a greener and cleaner Pakistan. The details of the initiative are given in Box-3.

Box 3: Transition towards Sustainable Finance: Launch of First Green Sukuk

The Green Sukuk is an initiative of MoF and is a landmark transaction intended to raise Shariah Compliant funding for the development of Green, Sustainable and Social projects in the country. This pioneering financial instrument is set to revolutionize Pakistan's Sukuk market by channeling investments into environmentally sustainable projects while fostering economic growth.

The initiative marks a pivotal step in aligning Pakistan's financial markets with global best practices in green financing. The inaugural issuance, amounting to Rs 30 billion, was conducted through an auction process, with the Pakistan Stock Exchange (PSX), which is playing a central role in listing and promoting this innovative instrument to investors.

The Sustainable Investment Sukuk Framework, approved by the Cabinet, lays the foundation for the landmark debut of the Green Sukuk. It reflects the government's strong commitment to leveraging financial markets in support of sustainable development.

The launch is a historic step toward integrating sustainable finance into the core of Pakistan's development strategy. The Green Sukuk market is expected to attract a broader investor base, deepen the financial markets, and accelerate the country's transition to a green and resilient economy.

Source: Ministry of Finance

17.4 Global Climate Snapshot and Pakistan's 2024 Profile

Trends in climate change are understood in the context of the naturally occurring variability in the ways climate key indicators flicker from year to year within their respective typical 'range of variability', often referred to as the business-as-usual scenario.

17.4-a Global Emerging Climate Patterns

The latest State of the Global Climate 2024[7] report by the World Meteorological Organization (WMO) presents an assessment of how accelerating climate change is affecting

7 State of the Global Climate 2024 (https://library.wmo.int/viewer/69455/download?file=WMO-1368-2024_en.pdf&type=pdf&navigator=1)

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global sustainability. The report documented that 2024 was the warmest year in the 175-year observational record, as the annually averaged global mean near-surface temperature reached 1.55 °C ± 0.13 °C above the 1850-1900 average. While a single year above 1.5 °C of warming does not imply that the long-term temperature goals of the Paris Agreement are beyond reach, yet it is a clear warning that climate change is intensifying risks to human well-being, economies, and ecosystems as a whole. Throughout 2024, the oceans continued to absorb heat, sea levels continued to rise, and ocean acidification increased. The cryosphere, which is the Earth's frozen regions, has experienced further melting, with glaciers retreating and Antarctic sea ice shrinking to its second-lowest extent ever recorded. Extreme weather events caused widespread damage, further complicating efforts to achieve the SDGs.

The global annual average mole fraction of CO_2 in the atmosphere reached a new observed high in 2023 at 420.0 ± 0.1 parts per million (ppm), marking an increase of 2.3 ppm over 2022 and representing 151 percent of pre-industrial levels (1750). This concentration corresponds to 3,276 Gt of CO_2 in the atmosphere. Between 1st January to 31st December 2023, the CO_2 concentration rose by 2.8 ppm, the fourth-largest within-year increase recorded since the 1950s. El Niño conditions typically accelerate this growth due to increased fire emissions and reduced carbon uptake by terrestrial ecosystems. In 2024, global temperatures were further elevated by a strong El Niño. Every month from June 2023 to December 2024 exceeded previous monthly global temperature records. However, by mid-2024, sea-surface temperature anomalies began to decline, returning to ENSO-neutral conditions around June. All in all, the transition occurred from El Niño to neutral conditions during 2024[8]. These rising temperatures, sea-level rise, and consequently socio-economic disruptions are compounding challenges related to food security (SDG 2), water availability (SDG 6), economic resilience (SDG 8), and biodiversity conservation (SDGs 14 and 15).

17.4-b Pakistan Climate Landscape

The year 2024 witnessed severe climate phenomena in Pakistan, characterized by extreme heat, unpredictable rainfall, and regional disparities, highlighting the increasing effects of climate change in the country. These climatic anomalies included both elevated rainfall and enhanced temperatures. At the national level, Pakistan received 31 percent more rainfall than usual, amounting to 390.0 mm, and the yearly average temperature increased to 23.52°C (0.71°C higher than normal), demonstrating a significantly warmer and wetter year on average. Figure 2 depicts climate events occurred during 2024, reported by the Pakistan Meteorological Department[8].

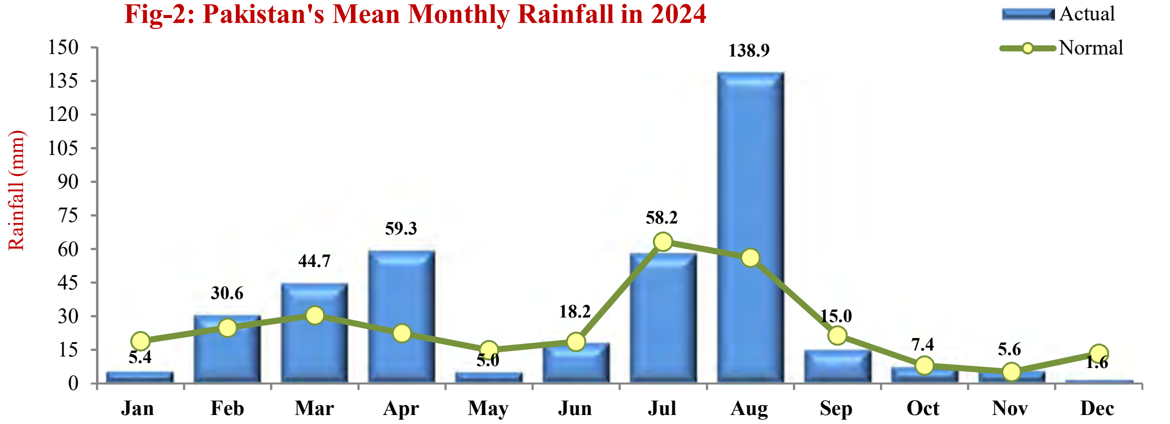
According to Pakistan Meteorological Department[8], Sindh and Balochistan emerged as the most climatically extreme regions. Sindh recorded a staggering 94 percent increase in annual rainfall and witnessed the hottest day of the year at Mohenjo- Daro with 52.5°C on May 26. Jacobabad marked the warmest month, averaging 46.3°C in May. In addition, the province was also affected by Tropical Cyclone ASNA between August 30th to September 2nd. Balochistan experienced 82 percent increase in rainfall, but also held the record for the driest place (Nokkundi, 45 mm annually). Pakistan experienced its warmest night at Sibbi (36°C on May 28-29), along with Turbat being the warmest place with the temperature reaching 36.1°C. Punjab experienced an 18 percent rise in rainfall and recorded the wettest day (337 mm) and wettest month (603 mm) at Lahore in August, underlining heavy monsoon occurrence. Khyber Pakhtunkhwa saw a modest 4 percent increase in rain and recorded the coldest day of the year at Malam Jabba (-2.0°C on February 19). In contrast, northern regions faced reduced precipitation, with Gilgit-Baltistan (GB) receiving 12 percent less rain and Azad Jammu and Kashmir (AJK) 13 percent less. However, Malam Jabba in AJK still emerged as the wettest place in Pakistan with 1789 mm annual rainfall. Gilgit-Baltistan also recorded extreme cold, with Kalam hitting -14°C on the coldest night and -8.6°C as the coldest month's average in February 2024.

8 State of Pakistan Climate in 2024 (https://cdpc.pmd.gov.pk/Pakistan_Climate_2024.pdf)

17.4-b(i) Rainfall: Above-Average Annual Precipitation

According to the State of Pakistan Climate Report[9], in 2024, Pakistan recorded a total national rainfall of 390.0 mm, which was 31 percent above the long-period average of 297.6 mm (1961-2010). This made 2024 the 7th wettest year in the past 64 years, with the all-time record remaining 526.9 mm, set in 2022. The temporal (monthly) distribution of rainfall is illustrated in Figure 2[9]. The year began with a severe rainfall deficit in January, recording only 5.4 mm, which was 72 percent below average (standard: 18.9 mm), with a similar large deficiency observed across multiple regions. However, conditions improved significantly in the following two months. In February 2024, national area-weighted rainfall reached 30.6 mm, marking a 23 percent increase above the average. This upward trend continued in March, with the same area-weighted total of 30.6 mm, but with a 47 percent surplus. April 2024 stood out as the wettest April since 1961, with 59.3 mm of rain, 164 percent above average, surpassing the previous April record of 55.8 mm set in 1983. In contrast, May 2024 saw a sharp decline, receiving only 5.0 mm of rain, 66 percent below average, making it the second driest (following 3.6 mm in 1988) May on record. June 2024 brought 18.2 mm of rain, a near-average amount with a slight positive anomaly of 2 percent. The monsoon began in July, delivering 57.5 mm, which was also near average but slightly below normal by percent The monsoon peaked in August, which saw 138.9 mm of rainfall (a 147 percent increase) making it the second wettest (after the 193.2 mm recorded in 2022) August in the past 64 years. However, September 2024, reversed the trend with a 30 percent decrease in rainfall (receiving only 15.0 mm). October followed with 7.4 mm, which was slightly below average by 8 percent, while November was near normal (with 5.6 mm), showing a positive anomaly of 8 percent. Finally, December 2024 ended the year on a dry note, recording just 1.6 mm of rainfall, which was 88 percent below average, ranking it as the 10th driest December in the last 64 years.

Fig-2: Pakistan's Mean Monthly Rainfall in 2024



Source: Pakistan Meteorological Departtment

17.4-b(ii) Temperature: Another Warm Year

As per the State of Pakistan Climate Report[10], in 2024, Pakistan experienced another notably warm year, with the national annual mean temperature reaching 23.52°C, an increase of 0.71°C above the long-term average of 22.80°C (based on the 1961-1990 baseline). This made 2024 the 9th warmest year on record over the past 64 years, with the highest ever being 23.95°C in 2002. The annual mean maximum temperature at the national level stood at 30.37°C, which was 0.68°C above the average of 29.69°C. All sub-regions, except Punjab (which showed a slight negative anomaly of -0.13°C), experienced warming with anomalies ranging from 0.21°C to 1.40°C. Among the regions, AJK recorded a maximum of 23.84°C (+1.40°C),

9 State of Pakistan Climate in 2024 (https://cdpc.pmd.gov.pk/Pakistan_Climate_2024.pdf)

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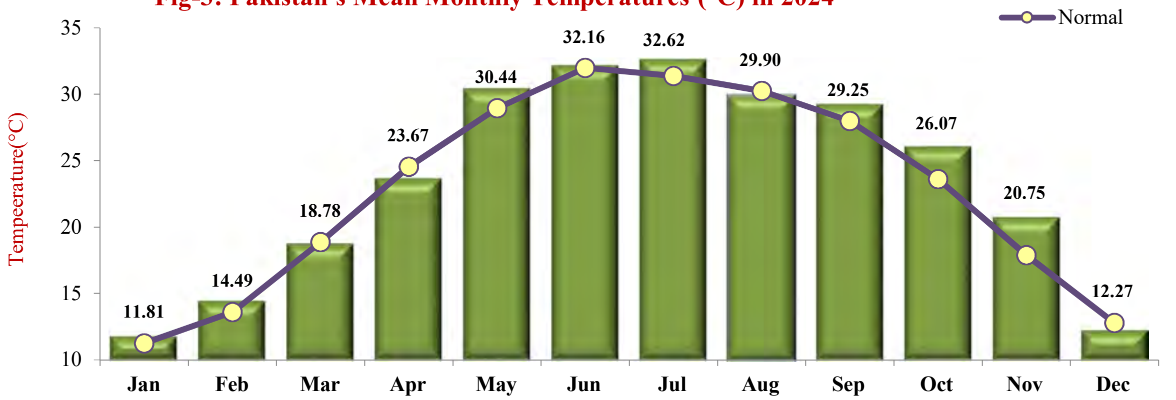
making it the third highest on record (the highest: 24.1°C in 2001), while GB recorded 22.00°C (+1.25°C), ranking as the seventh highest in the past 64 years (record: 22.96°C in 2001).

On a monthly basis, temperature fluctuations reflected a clear warming trend for most of the year, as demonstrated in Figure 3[10]. January 2024 began with a national mean temperature of 11.81°C, which was 0.58°C above average. February also remained warmer across all sub-regions, with positive anomalies ranging between +0.17°C to +1.17°C. March experienced a slight cooling with a national anomaly of -0.08°C, followed by a relatively cooler April, which recorded negative anomalies between -0.43°C and -1.7°C across most regions, except for GB and Sindh, where temperatures were slightly above average by +0.12°C and +0.40°C, respectively. The month of May recorded warmer temperatures again, with temperatures in all three indices exceeding the normal level, showing anomalies from +0.84°C to +3.42°C. In June, this pattern continued with anomalies ranging from +0.18°C to +0.56°C countrywide. July 2024 marked a particularly extreme month, with record-breaking temperatures across Pakistan and its sub-regions. The national mean temperature reached 32.62°C, which was 1.26°C above the country's average of 31.36°C, making it the second warmest July in 64 years (record: 32.63°C in 1969). August, on the other hand, brought slight relief, with temperatures in Punjab, Balochistan, and Sindh dipping slightly below average, recording anomalies between -0.36°C and -0.74°C. September rebounded with well above-average temperatures, ranking among the top ten warmest in all indices. October 2024 saw another significant spike, recording the warmest national mean temperature for the month at 26.07°C (2.48°C above average), breaking the previous record of 25.46°C set in 2013. November 2024 maintained this record-breaking trend, with significantly warmer-than-average conditions across the country. However, the year closed with a slight reversal in December, as national temperatures dipped just below average, recording a modest negative anomaly of -0.49°C.

Fig-3: Pakistan's Mean Monthly Temperatures (°C) in 2024



Source: Pakistan Meterological Department

Overall, both globally and in Pakistan, a mix of climate-driven challenges was experienced in 2024. These challenges represent intensifying climate variability and extreme weather. Further, these developments highlight the escalating need for enhanced adaptation efforts, resilient infrastructure and proactive measures to combat the increasing impacts of a shifting climate.

17.5 Provincial Achievements and Initiatives

Provincial governments also undertook a range of initiatives and achieved significant milestones aimed at boosting climate resilience, enhancing sustainable development, and strengthening disaster management across the country. The

10 State of Pakistan Climate in 2024 (https://cdpc.pmd.gov.pk/Pakistan_Climate_2024.pdf)

details of these initiatives and achievements are as follows:

Punjab

- The Punjab Cabinet approved the "Climate Resilient Punjab Vision and Action Plan 2024" in August 2024. The plan presents a structured roadmap on three core policy areas: Climate Change Adaptation, Mitigation, and Low Carbon Development, and Integration of Adaptation & Mitigation for addressing interconnected challenges.
- As a proactive step to safeguard public health, the Health Advisory System for Critical Air Pollution Events (HAS-CAPEs) was launched to manage episodes of severe air pollution and its strict progress has been monitored.
- Another major landmark initiative taken in the province is the upgradation of the Air Quality Monitoring System of Punjab. Now the government has installed 30 new AQMS throughout Punjab, and further 30 AQMS are under the procurement process under the "Punjab Smog Mitigation and Response Initiatives Airsafe".
- To strengthen enforcement against plastic pollution, the Government of Punjab imposed a province-wide ban on single-use plastics and polythene bags thinner than 75 microns, resulting in the confiscation of 120 tonnes of banned plastic and fines amounting Rs 28 lakhs have been imposed.
- In addition, an electronic database and management information system, called the Plastic Management Information System (PMIS), has been developed to track plastic production, recycling, and monitoring.
- As a landmark step toward environmental law enforcement, the Environmental Protection Agency launched the first-ever Environmental Protection Force (EPF), comprising 250 trained personnel, including 55 Inspectors and 195 Field Assistants. To ensure targeted action, the force is divided into specialized units: Red Squad (hazardous materials from industry and hospitals), Blue Squad (water conservation), Black Squad (vehicular emissions and fuel testing), and Green Squad (urban vigilance on plastics, fugitive dust, dengue, etc).
- Other key initiatives to strengthen environmental protection and pollution mitigation efforts include regulatory, technology, enforcement, infrastructure, and ecological restoration initiatives.

i. **Regulatory:** The Government of Punjab has developed missing Environmental Quality Standards (EQS) and revised existing ones, along with constituting the 4th Punjab Environmental Protection Council (PEPC).

ii. **Technology:** Technological advancements include the use of drones equipped with sensors for real-time monitoring of pollution hotspots and dispersal of smog-reducing agents, the successful demonstration of an indigenous Aerosol Dispersion Kit (ADK) in February 2025, and the operationalization of camera-mounted mobile monitoring units linked to the Smog Control Room. Additionally, e-mapping of industries and inspections via the Eco-Watch App is also made. Camera-Mounted Mobile Monitoring unit has also been launched with live view connected to the Smog Control Room for monitoring units.

iii. **Enforcement:** The enforcement efforts comprise the conversion of conventional brick kilns to the zig-zag methodology. A total fine of Rs 77.4 million was imposed in 2024 for stubble burning incidents under the Smog Control and Prevention Rules, 2023. Drone surveillance is also being used to monitor stubble burning. Public engagement has been enhanced through the launch of the Green Punjab App and the Smog Helpline (1373), enabling citizens to report environmental violations in real time.

iv. **Infrastructure:** Green initiatives in infrastructure include mandating the installation of mist sprinkler systems on all commercial construction sites and launching of a pilot Smog Cleaning Tower at Mehmood Booti (Lahore,

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Punjab, Pakistan). In addition, ecological restoration is made through Eco revival of Archaeological Sites (Miyawaki at Hiran Minar) and enhancing the carbon hotspot with carbon sinks via the plantation of 400,000 trees.

- Lastly, several development projects focused on climate- related initiatives are currently underway in the province. These include:

  i. CM Punjab Green Credit Programme with a budget of Rs 1000 million aiming to register government projects under Article 6 of the Paris Agreement, designing an Emissions Trading System (ETS) for Punjab, evolving a voluntary green credit mechanism into a tradable system, improving environmental governance and promoting green investment in the province.

  ii. In addition, the EPA Upgradation Project (Rs 397 million) focuses on strengthening the EPA capacity, enforcing Smog Rules 2023, and monitoring pollution hotspots in Lahore and nearby areas. Similarly, Air Safe Initiative Air Safe (Rs 5.3 million) equips Punjab with 30 AQMS. To mitigate smog and dust, the project will also acquire fog cannon machines. Additionally, flue gas analyzers and CO_2 analyzers will be procured for industrial emission monitoring. The project will also establish a Centralized Data Gathering and Dissemination System.

  iii. The Construction of Green Building for EMC, EPD, and Allied New Entities Established project, costing 3312.8 million, marks a significant development. This initiative will deliver the first-ever LEED-certified green building in the public sector.

  iv. Environmental Monitoring of Industrial Units (DLI 1-3, PGDP World Bank) (861.00 million). These projects are aimed at strengthening EPA's 08 laboratories, enabling them to check the compliance of the PEQS of industrial emissions, which are one of the sources of prevalent smog in the Lahore region.

  v. An investigation study on sources of Particulate Matter 2.5 (PM2.5) for informed decision making in Punjab (Rs 400 million) is being conducted in Lahore, Gujranwala, and Sheikhupura. Similarly, the ADP Scheme titled "Piloting the Pollutant Release Inventory of Punjab" (Rs 550 million), Enhanced Air Quality Monitoring System in Punjab (DLI-2, PGDP) (Rs 5205.3 million) for continuous monitoring of air quality in 10 priority districts (Lahore, Sheikhupura, Faisalabad, Rawalpindi, Multan, Gujranwala, Sialkot, Bahawalpur, DG Khan, Sargodha), Establishment of Environmental Monitoring Centre (DLI-2, PGDP) (Rs 821.7 million) and Establishment of 9th Divisional Laboratory of EPA in Sahiwal (150 million) are currently under process/in the pipeline for execution.

Sindh

- The Directorate of Climate Change, Environment Climate Change & Coastal Development Department (ECC&CDD) played a pivotal role in contributing to the formulation of the Pakistan Policy Guidelines for Trading in Carbon Markets 2024, supporting the country's transition towards a low-carbon economy.

- Other key achievements of the ECC&CDD include: the inspection of over 500 industrial units across Sindh the collection of over 200 water samples to assess compliance with Sindh Environmental Quality Standards (SEQS), and the inspection of approximately 400 vehicles for vehicular emissions, which led to fines totaling around two lakh rupees for non-compliance. Additionally, hundreds of industries submitted their Environmental Monitoring Reports, around 25 public complaints were addressed, and various workshops, seminars, plantation drives, and awareness campaigns on the hazards of plastic waste were successfully organized in collaboration with relevant stakeholders.

- The expansion and strengthening of environmental laboratories in EPA buildings at Karachi, Hyderabad, and Sukkur are key projects in the pipeline of the department, along with a planned study on ambient air quality across Sindh.

Khyber Pakhtunkhwa

- The Government of Khyber Pakhtunkhwa, through its Wildlife Department, took significant steps to strengthen biodiversity conservation and support climate change resilience. From July-December 2024, the department generated Rs 54.431 million in revenue, supported by the revision of Small Game Shooting Permit Fees and the issuance of 35 Big Game and 906 Small Game Licenses. An additional 24 Big Game and 805 Small Game Licenses were issued from January to March 2025.
- Similarly, in line with its broader efforts to promote climate resilience and biodiversity conservation, the Government of Khyber Pakhtunkhwa notified Chappar Mishti, Star Sam, and Oblan areas of District Orakzai as Community Game Reserves in 2024, increasing the Protected Areas Network of the province from 16.75 percent to 16.89 percent. Building on these conservation measures, 58 potential areas of waterfowl hunting have been closed throughout the province for the first time in its history. In addition, 45 Community Games, 19 Public Games and 6 Private Game Reserves are closed during the shooting season of partridges for the FY 2025, along with 22 tehsils were also declared closed for hunting.
- The federal government, in collaboration with the provincial government, has launched the 10 Billion Tree Tsunami Programme (10-BTTP) with a target of one billion seedlings across Khyber Pakhtunkhwa. Since its inception until April 24, 2025, the programme has achieved the plantation of 121.5 million plants and the rehabilitation of 8 million plants in degraded watersheds. Additionally, approximately 0.3 million local residents have been employed in various project activities.
- Complementing these efforts, the Merged Areas Integrated Development Forestry Sector Project (AIP), an ongoing initiative (with a cost of Rs 15,591.2 million) notably achieved, the development of 5.12 hectares of departmental tube nurseries and the plantation of 1,888 multipurpose trees on communal private and marginal lands to support climate change mitigation efforts.
- Other development projects in the province include: Forestry Sub-Sector project, which focuses on research-based forest development, agro forestry promotion, and the conduct of ecological studies across Khyber Pakhtunkhwa. Its key achievements from July-March FY 2025 include the completion of raising 100 acres of research plantations and 70 acres of quinoa cultivation as a farm forestry crop.
- Concluding the project initiatives in the province, the NTFP Sub-Sector project achieved significant progress July-March FY 2025 by: establishing one community-based NTFP enterprise, propagation of lemongrass across 0.25 acres, establishment of walnut nurseries in Malakand and Hazara covering 0.5 acres, training of 200 chilghoza cone collectors, traders and processors, empowering 155 individuals through skill development programmes in Medicinal and Aromatic Plants (MAPs) conservation and value chain enhancement.

Balochistan

- The implementation update for the use of Plastic Shopping and Flat Bags Act, 2023 shows ongoing advancements throughout Balochistan. The updated progress on the ongoing anti-plastic campaign reported a total of 87,791 kg of plastic shopping bags have been confiscated from 24 districts.
- As part of the province's efforts to strengthen climate finance, the establishment of a dedicated Climate Change/Climate Finance Cell in Balochistan is currently underway. The cell, once operational, will be responsible for addressing climate change challenges, including mitigation &adaptation strategies, and securing funding opportunities.

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- The Balochistan Environmental Protection Agency (BEPA) has procured two (02) Ambient Air Quality Mobile Monitoring Stations, one designated for the District Hub and the other for Quetta to facilitate the collection of critical data required for assessing ambient air quality. Additionally, the BEPA has secured approval for the procurement of Portable Environmental Testing Equipment under the PSDP 2024-25, aimed at strengthening the enforcement of environmental regulations.
- As an update on the installation of Effluent Treatment Plants (ETPs), the BEPA has successfully facilitated the installation of ETPs across 27 industrial units, aiming to mitigate water pollution by ensuring effective treatment of industrial effluents, removing contaminants, and safeguarding local water resources and ecosystems in line with environmental standards.
- In continuation of pollution control efforts in the province, the BEPA has also successfully facilitated the installation of 21 industrial scrubbers across various units. This initiative aims to mitigate emissions and improve air quality compliance by targeting particulate matter and gaseous pollutants at the source, in alignment with environmental standards and regulatory frameworks.
- The update on hospital waste management highlights the significant quantities of hazardous biomedical waste, posing serious risks to public health and the environment. In response, BEPA has implemented rigorous surveillance measures under Section 19 of the Balochistan Environmental Protection Act, 2012.
- To address environmental and public health concerns arising from the location and operation of scrap godowns, the BEPA has undertaken the systematic relocation of 280 scrap godowns from the densely populated Sabzal Road area to a designated site at Qambrani Road, Quetta. This strategic initiative aims to mitigate environmental hazards, reduce health risks, and support sustainable urban planning.
- In addition, as a result of BEPA's rigorous efforts, all 41 limestone crushing plants operating in Quetta city and surrounding areas have been dismantled, now ensuring full compliance with environmental regulations. This follows the previous dismantling/closure of 39 crush plants in and around the Quetta Valley to control dust emissions.
- The update to the ongoing efforts for the conversion of Bull Trench Brick Kilns (BTKs) to Zig-Zag Kiln (ZZK) technology, the BEPA, in compliance with the Environmental Protection Tribunal’s (EPT) directives, has issued clear instructions mandating all brick kilns to transition to ZZK technology during the winter period of seasonal inactivity, stating failure to comply will result in a prohibition on resuming operations.
- Lastly, BPEA generated total revenue of Rs 12.3 million through 19 EIAs and 189 IEEs, carried out from July 2024 to March 2025.

Concluding Remarks

The escalating climate crisis poses an existential threat to Pakistan. Extreme weather patterns, rising temperatures, and erratic rainfall are increasing in frequency and intensity as the world crosses the crucial 1.5°C threshold. Pakistan is one of the most susceptible to climate-related disasters, despite making a negligible contribution to global greenhouse gas emissions. In this context, Pakistan continues to experience an alarming increase in climate-related disasters, from extreme heatwaves and monsoon floods to GLOF and air pollution, with 2024 setting yet another record for heat and rainfall anomalies. The economic and social costs are already profound, as evidenced by the devastating 2010 and 2022 floods, which caused billions of dollars in damages and forced massive displacement and high future capital investment. As these challenges intensify, Pakistan’s climate profile is increasingly mirroring global trends of heightened variability and distress, making the country’s resilience dependent on urgent, coordinated action at multiple levels.

Government initiatives, especially at the federal level, indicate a growing institutional recognition of the climate emergency in response to the increasing climate risks. Initiatives such as the National Adaptation Plan, the Recharge Pakistan Project, and mainstreaming climate in PFM tools reflect meaningful progress and seriousness of the government's commitment to the climate change phenomenon. Complementing these efforts, provinces are also taking proactive measures, demonstrating a multi-tiered effort to combat climate change. However, given the scope and pace of climate change, even more concerted, well-funded global solidarity and climate justice are required along with efforts at the national level. Climate justice demands that developed and emerging countries take greater responsibility for their anthropogenically introduced climate change and uphold the pledges made at the Paris Agreement and COP29, to prevent climate-vulnerable countries such as Pakistan from being left to suffer the consequences of a crisis they did not cause. Moving forward, vulnerability can be transformed into resilience through consistent investment in renewable energy, climate-smart infrastructure, and ecosystem restoration. By aligning global support with efforts made at the national level, Pakistan can not only mitigate the climate crisis, but also ensure safer and more sustainable future.

Annexure - I

CONTINGENT LIABILITIES

In analyzing a country's pubic debt profile, it is essential to consider contingent liabilities alongside direct debt obligations. Contingent liabilities are possible obligations that can arise from specific future events. They can only become an actual liability based on the occurrence of one or more future events, not wholly within the control of the Government.

Contingent liabilities of the Government are primarily composed of guarantees issued on behalf of Public Sector Enterprises (PSEs) to secure financing from local or external lenders. A sovereign guarantee is normally extended to improve financial viability of projects or activities undertaken by Government entities with significant social and economic benefits. It allows public sector companies to borrow money at lower costs or on more favourable terms and in some cases to fulfil the requirement where sovereign guarantee is a precondition for concessional loans from bilateral/multilateral agencies to sub-sovereign borrowers.

Contingent liabilities should be examined in the same manner as a proposal for a loan, considering, inter alia, the credit-worthiness of the borrower, the amount and risks sought to be covered by a sovereign guarantee, the terms of the borrowing, justification and public purpose to be served, probabilities that various commitments will become due and possible costs of such liabilities. Hence, such off-balance sheet transactions are important to monitor in order to gain a holistic view of a country's fiscal position and unveil the hidden risks associated with the obligations made by the Government outside the budget.

The Fiscal Responsibility and Debt Limitation Act, 2005 (as amended from time to time) under section 3, sub-section (3), clause (d) imposes following two ceilings related to Government guarantees:

i) Flow ceiling: 2 percent of GDP on the issuance of Government guarantees, with renewal of existing guarantees being considered as issuing new guarantees.

ii) Stock ceiling: 10 percent of estimated GDP on the total stock of outstanding Government guarantees.

During July-March FY 2025, the Government issued fresh/rollover guarantees aggregating to Rs 405 billion or 0.35 percent of GDP. The outstanding stock of guarantees was Rs 3,448 billion at end March 2025. This amount excludes the self-liquidating guarantees issued for commodity operations which stood at Rs 1,075 billion as at end March 2025. Such guarantees are issued against commodity financing operations undertaken by Trading Corporation of Pakistan (TCP), Pakistan Agriculture Storage & Services Corporation (PASSCO), and Provincial Governments.

Summary of Outstanding Government Guarantees (Rs billion; unless otherwise stated)

Domestic Guarantees (A)	1,463
External Guarantees (B)	1,985
Total Guarantees (A+B)	3,448
Memo:	
External (US$ in million)	7,086
Exchange Rate (Pak Rupee/US Dollar)	280

Source: Debt Management Office, Ministry of Finance

Annexure - II

TAX EXPENDITURE - 2025

Tax expenditure has been estimated at Rs 5,840.2 billion. Detailed estimates are highlighted below:

Income Tax

Tax expenditure in respect of income tax has been reflected in Table 1:

Table 1: Income Tax Expenditure Summary Rs million

Tax Heads	FY 2024
Exemptions Under Part VII of Chapter III	122,590
Deductible Allowances	16,456
Tax Credits	101,043
Exemption from Total Income	443,445
Reduction in Tax Rates	45,011
Reduction in Tax Liability	19,642
Exemption from Specific Provisions	52,634
SROs Related Exemptions	-
Total Income Tax Expenditure	**800,821**

Sales Tax

Sales tax-related tax expenditures are presented in Table 2.

Table 2: Sales Tax Expenditure Summary Rs million

Tax Heads	FY 2024
Fifth Schedule (Zero Rating)	683,429
Sixth Schedule (Local supplies)	613,069
Sixth Schedule (Imports)	372,525
Eighth Schedule (Reduced Rates)	617,347
Ninth Schedule (Cellular Mobile Phones)	87,950
Twelfth Schedule (Additional Tax)	48,943
POL Products (SRO 321/2022) (Local supplies)	1,496,124
POL Products (SRO 321/2022) (Imports)	299,640
SROs (Local supplies)	4,769
SROs (Import)	0
Various Sections (Zero Rating)	29,676
Total Sales Tax Expenditure	**4,253,472**

Customs

Following is the break-up of the tax expenditure of Customs Duties.

Table 3: Customs Duty Expenditure Summary Rs million

Tax Heads	FY 2024
Chapter - 99	33,481
FTA & PTA	60,973
Fifth Schedule	379,746
General Concessions: Automobile sector, E&Ps, CPEC, etc.	133,236
Exports	178,435
Total Customs Expenditure	**785,871**

The following is the consolidated summary of tax expenditure reflected in Table 4

Table 4: Tax Expenditure Estimates Rs billion

Tax Heads	FY 2024
Income Tax	800.8
Sales Tax	4,253.5
Customs Duty	785.9
Overall Tax Expenditures	**5,840.2**

Annexure - III

QUARTERLY NATIONAL ACCOUNTS - EXPENDITURE SIDE

The Pakistan Bureau of Statistics (PBS) is responsible for national statistics coordination and data collection. Earlier, PBS released annual national accounts (ANA) based on the latest System of National Accounts (SNA 2008). In December 2023, PBS compiled the long-awaited Quarterly National Accounts (QNA) using the value-added approach. However, there remains a pressing need to develop and implement the measurement of Quarterly National Accounts from the expenditure side as well.

Measuring QNA from the expenditure side is essential because it captures the demand-side dynamics of the economy, such as household consumption, government spending, investment, and net exports. Understanding this is crucial for understanding short-term economic fluctuations, assessing the impact of fiscal and monetary policies, and making timely, evidence-based decisions. A complete QNA framework requires both production and expenditure perspectives to ensure robust and well-rounded macroeconomic analysis.

With technical assistance from the World Bank and in close consultation with key stakeholders, including the Ministry of Finance, the Ministry of Planning, Development and Special Initiatives (MoPD&SI), the State Bank of Pakistan, and the Pakistan Institute of Development Economics (PIDE), an agreed methodology was established for compiling quarterly estimates of GDP from the expenditure side. Based on this framework, the Pakistan Bureau of Statistics (PBS) initiated the compilation of these estimates on 30th December 2024.

Methodology

A detailed methodology of the Quarterly National Account is available on the PBS website[1].

Household Final Consumption Expenditure (HFCE): In the annual estimates, HFCE, constituting about 80 percent of the economy, is calculated using the residual approach, consistent with practices in regional economies such as India and Bangladesh. To align QNA with the Annual National Accounts (ANA) and capture seasonal consumption patterns, the same residual method is proposed for quarterly HFCE as in the annual accounts, with all other expenditure components directly taken from data sources or derived from indicators or benchmarking.

NPISH Final Consumption Expenditure: In Annual National Accounts, Non-Profit Institutions Serving Households (NPISH) consumption is extrapolated at current prices based on the nominal output of membership organizations and NGOs. Due to the lack of relevant quarterly indicators, its quarterly estimates are derived using the Denton (benchmarking) method.

General Government Final Consumption Expenditure: Quarterly estimates for General Government FCE are based on expenditures by federal, provincial, district, and local governments, including TMAs. These are sourced from consolidated quarterly fiscal operation reports compiled by the Ministry of Finance, excluding interest payments.

Gross Fixed Capital Formation (GFCF): GFCF is compiled by sectors, such as private,

[1]https://www.pbs.gov.pk/publication/methodology-note-quarterization-expenditure-side-gross-domestic-product

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public, and general government, as well as by industry. The QNA methodology identifies indicators and deflators by sector and activity based on their contribution to GDP in 2015-16. The private sector holds the largest share at 75.95 percent, followed by the general government at 18.64 percent, and the public sector at 5.41 percent.

a. Private Sector (75.95%)

Agriculture, forestry, and fishing (19.41%): Based on weighted imports and domestic sales of agricultural machinery and commercial bank financing. Deflator: WPI (metal products, machinery & equipment).

Mining and quarrying (2.02%): Uses commercial bank financing data. Deflator: WPI (metal products, machinery & equipment).

Large Scale Manufacturing (13.57%): Based on company data. Deflator: WPI (food products, beverages & tobacco).

Small Scale & Slaughtering (1.94%): Estimated via commercial bank financing to SMEs. Deflator: WPI (food products, beverages & tobacco).

Electricity, Gas, & Water Supply (1.00%): Uses listed companies' data and bank financing. Deflator: WPI-General.

Construction (1.28%): Based on construction machinery imports. Deflator: WPI (building materials).

Wholesale & retail trade (4.65%): Uses bank financing. Deflator: WPI-General.

Accommodation & Food Services (1.61%): Based on bank financing. Deflator: WPI-General.

Transport & Storage (3.97%): Based on weighted volume indices, transport machinery imports, and bank financing. Deflator: WPI-General.

Information & Communication (2.79%): Based on weighted commercial bank financing and various data sources. Deflator: WPI-General.

Financial & Insurance Activities (1.06%): Based on listed companies' data. Deflator: WPI-General.

Education (11.25%): Uses student enrollment volume index. Deflator: WPI-General.

Health & Social Work (1.18%): Based on health personnel volume index. Deflator: WPI-General.

Other Private Services (3.97%): Based on a weighted volume index of various indicators like employment and financing. Deflator: WPI-General.

b. Public Sector (5.41%): Estimated using a weighted volume index of defense and administration expenditures. Deflator: Combined WPI-General and WPI (machinery & equipment).

c. General Government (18.64%): Estimated from development expenditures of the general government. Deflator: WPI-General.

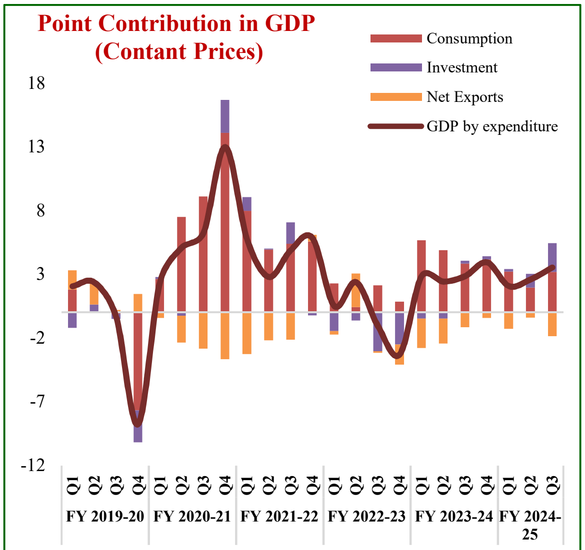
Changes in Inventories and Valuables: In ANA, inventories and valuables are estimated using a fixed annual percentage of GDP Market Price at 1.6 percent and 0.11 percent, respectively. Their quarterly estimates are derived through the Denton (benchmarking) method.

Exports and Imports of Goods and Services: Quarterly estimates for exports and imports follow the ANA approach and are sourced from the Balance of Payments data compiled by the State Bank of Pakistan.

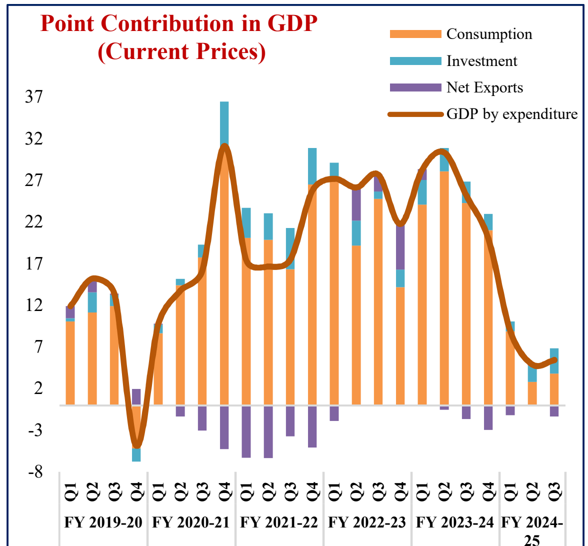
Analysis

From the expenditure side, GDP is calculated as the sum of Consumption, Investment, Government Spending, and Net Exports, where Net Exports are defined as Exports of goods and non-factor services minus Imports of goods and non-factor services. According to the Pakistan Bureau of Statistics (PBS), GDP is the sum of Consumption, Investment (GFCF), and Net Exports. Consumption is divided into Household Final Consumption Expenditure, NPISH (Non-Profit Institutions Serving Households) Final

Consumption Expenditure, and General Government Final Consumption Expenditure. Investment is classified into Gross Fixed Capital Formation (GFCF), and Changes in Inventories and Valuables. Gross Fixed Capital Formation is further broken down into Private GFCF, Public GFCF, and General Government GFCF. Thus, for brief analysis, the usual "Government" component is embedded within both the Consumption and Investment categories.



Source: Pakistan Bureau of Statistics



Source: Pakistan Bureau of Statistics

The graphs depict the quarterly point contribution of expenditure components to GDP at constant and current prices. At constant prices (left), consumption remains the dominant and stable contributor to real GDP, while net exports and investment show periodic spikes, especially during FY 2021. At current prices (right), contributions appear more volatile and inflated due to differential price effects. Consumption consistently drives GDP, while investment and net exports introduce variability, especially at current prices.

Table 1: Average Share of Components in GDP: FY 2016-25 (%)

	Q1	Q2	Q3	Q4
Household final consumption expenditure	96.2	92.6	92.3	84.0
NPISH final consumption expenditure	1.1	1.0	1.1	1.1
General government final consumption expenditure	9.0	11.2	11.1	15.7
Gross fixed capital formation	13.1	14.2	13.9	18.9
Changes in inventories	1.8	1.8	1.8	1.8
Valuables	0.1	0.1	0.1	0.1
Exports of goods and non-factor services	10.1	10.4	10.5	10.2
Less imports of goods and non-factor services	20.3	20.2	19.7	20.7

Source: Pakistan Bureau of Statistics

The average consumption share is the highest in Q1 (96.2%), led by strong household spending, which gradually declines through the quarters, reaching its lowest in Q4 (84.0%). Government consumption increases steadily, peaking in Q4 (15.7%), indicating fiscal activity toward year-end, primarily driven by development expenditure. Investment, particularly gross fixed capital formation, fluctuates but attains its highest share in Q4 (18.9%). Exports remain relatively stable across all quarters (almost 10%), while imports slightly dip in Q3 and rise again in Q4, averaging around 20 percent. Overall, Q1 is driven by private consumption, whereas Q4 reflects heightened public spending and investment.

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Growth Comparison: FY 2024 and FY 2025

The Pakistan Bureau of Statistics (PBS) recently released the Quarterly National Accounts (QNA) data for Q3 of FY 2025 on both the Production and Expenditure sides, alongside the Annual National Accounts. The updated data provides insights into the evolving structure of GDP by expenditure components.

Table 2: Growth Rate Comparison FY 2024 & FY 2025* (%)

Description	FY 2024			FY 2025		
	Q1	Q2	Q3	Q1	Q2	Q3
Household final consumption expenditure	6.3	5.3	5.9	2.4	1.5	(0.2)
NPISH final consumption expenditure	3.4	0.3	1.7	12.1	14.9	16.0
General government final consumption expenditure	(4.9)	1.4	(17.1)	10.3	4.3	40.4
Gross fixed capital formation	(6.2)	(5.1)	2.3	1.4	10.1	23.2
Changes in inventories	3.7	1.3	1.5	4.6	5.3	6.3
Valuables	3.7	1.3	1.5	4.6	5.3	6.3
Exports of goods and non-factor services	(1.1)	(0.7)	(4.8)	(5.8)	0.6	4.1
Less imports of goods and non-factor services	9.2	8.9	2.9	2.9	2.2	9.7
GDP by expenditure	2.8	2.4	2.8	2.0	2.6	3.5

*: QGDP Expenditure at Constant Prices

Source: Pakistan Bureau of Statistics

In FY 2024, growth was primarily driven by household consumption, which remained robust across Q1-Q3 (5.3%-6.3%), while government consumption was volatile, especially in Q3 (-17.1%). Gross fixed capital formation showed weak performance in Q1 and Q2 but recovered to 2.3 percent in Q3. Exports growth remained negative throughout, while imports grew strongly, especially in Q1 and Q2, supporting GDP.

In contrast, FY 2025 shows a shift in growth composition. Household consumption growth weakened significantly, turning negative in Q3 (-0.2%), while NPISH and government consumption surged, particularly in Q3 (16.0% and 40.4%, respectively), indicating greater reliance on public and nonprofit sector spending. Investment showed strong recovery, with gross fixed capital formation accelerating from 1.4 percent in Q1 to 23.2 percent in Q3. Exports also improved gradually, turning positive by Q3 (4.1%), while import growth moderated. As a result, overall GDP growth in FY 2025 improved steadily each quarter, peaking at 3.5 percent in Q3, compared to a flatter trend in the previous year. Several key factors supported this growth. In Q1, easing monetary policy by the SBP, reducing the policy rate by 1100 basis points, stimulated private sector investment. The credit to the Private sector increased from Rs 307.8 billion to Rs 830.9 billion, showing a growth of 169.9 percent during July-March FY 2025. In contrast, the Private sector credit to manufacturing witnessed extraordinary growth of 72.4 percent, with working capital loans expanding from Rs 286.1 billion to Rs 493.1 billion. Subsequent quarters benefited from improved business sentiment, better project implementation under the PSDP, and stability in input costs. Additionally, a pickup in construction and industrial activities, alongside stronger public sector development spending, further boosted capital formation.

Concluding Remarks

With PBS already compiling Quarterly National Accounts (QNA) from the production side, the addition of expenditure-side QNA provides a more comprehensive understanding of economic dynamics. While the production side captures the supply of goods and services, the expenditure side offers insights into the demand drivers: consumption, investment, government spending, and net exports. This dual approach enhances the accuracy of short-term economic assessments, supports better-informed policy decisions, and aligns Pakistan's national accounting practices with international standards.

Analyzing the Quarterly National Accounts (QNA) for FY 2025 reveals the need for decisive structural reforms to sustain and accelerate economic recovery. The data show an enormous rebound in gross fixed capital formation, particularly in Q3, reflecting a strong pickup in investment activity. In contrast, the slower growth in household consumption is not a sign of weak consumer confidence but rather a residual effect, as stronger growth in investment and government spending adjusts its relative share. Crucially, sustainable private investment cannot rely solely on supportive fiscal and monetary policies, which risks macroeconomic imbalances. Instead, a comprehensive reform agenda is required. The sharp increase in government consumption in Q3 reflects an active fiscal stance that must be balanced with long-term efficiency. Volatile trade patterns further highlight the urgency of boosting external competitiveness and pursuing import substitutions where viable. Current policy measures are aligned with the URAAN Pakistan, which emphasizes timely economic monitoring and data-driven reforms to achieve resilient, inclusive, and sustainable growth.

ECONOMIC AND

INDICATORS	1960s	1970s	1980s	1990s	2000s	2008-09	2009-10	2010-11	2011-12	2012-13
	Average (Annual)									
GDP										
Rs billion	-	-	-	-	-	14,706	16,507	19,731	22,435	25,042
US $ billion	-	-	-	-	-	187.3	197.0	230.8	250.4	258.9
FINANCIAL SECTOR:										
GROWTH RATE (at constant fc) %										
GDP	6.8	4.8	6.5	4.6	4.3	1.1	2.3	3.2	3.2	3.9
Agriculture	5.1	2.4	5.4	4.4	2.4	3.4	0.3	2.7	3.2	3.1
Manufacturing	9.9	5.5	8.2	4.8	6.7	-3.9	1.4	2.6	2.0	5.4
Commodity Producing Sector	6.8	3.9	6.5	4.6	4.5	0.1	1.8	3.6	2.9	2.3
Services Sector	6.7	6.3	6.7	4.6	5.0	1.8	2.6	2.9	3.5	5.1
GROWTH RATES (at current mp) %										
Total Investment	-	21.8	4.2	8.1	14.3	13.6	1.9	9.6	17.4	10.7
Fixed Investment	14.8	20.5	3.7	7.8	14.3	13.3	0.8	8.4	18.0	10.5
Public Investment (including general govt.)	14.0	25.3	2.6	7.3	11.4	14.0	-2.0	5.3	26.7	4.9
Private Investment	20.9	17.0	5.1	8.8	16.0	13.0	1.8	9.4	15.3	12.4
(as % of Total Investment)										
National Savings	-	67.5	79.2	75.4	90.4	71.9	87.5	100.6	87.7	93.6
Foreign Savings	-	32.5	20.8	24.6	9.6	28.1	12.6	-0.6	12.2	6.4
(as % of GDP current mp)										
Total Investment	-	17.1	18.7	18.3	17.6	17.6	16.0	14.6	15.2	15.0
Fixed Investment	-	15.9	17.0	16.6	16.0	15.9	14.3	12.9	13.5	13.3
Public Investment	-	10.3	9.2	7.5	4.4	4.0	3.5	3.0	3.4	3.2
Private Investment	-	5.6	7.8	9.1	11.7	11.9	10.8	9.9	10.1	10.1
National Savings	-	11.2	14.8	13.8	15.8	12.6	14.0	14.7	13.3	14.0
Foreign Savings*	-	5.8	3.9	4.5	1.8	4.9	2.0	-0.1	1.9	1.0
Domestic Savings	-	7.4	7.7	14.0	14.5	10.9	11.2	11.2	9.4	10.1
Per Capita Income (mp-US $)*	-	-	-	-	811.4	1130	1171	1348	1433	1446
GDP DEFLATOR (growth %)	-	-	2.3	8.3	7.6	12.4	10.6	16.5	9.9	7.4
CONSUMER PRICE INDEX (CPI) (growth %)	3.2	12.5	7.2	9.7	7.6	17.0	10.1	13.7	11.0	7.4
FISCAL POLICY										
(as % of GDP mp)										
Total Revenue	13.1	16.8	17.3	17.1	13.5	12.6	12.6	11.4	11.5	11.9
Tax Revenue	-	-	13.8	13.4	10.0	8.2	8.9	8.6	9.2	8.8
Non-Tax Revenue	-	-	3.5	3.7	3.5	4.4	3.7	2.8	2.3	3.1
Total Expenditure	11.6	21.5	24.9	24.1	17.8	17.2	18.2	17.5	19.4	19.2
Current Expenditure	-	-	17.6	19.4	14.7	13.9	14.5	14.7	15.5	14.6
Defence	-	-	6.5	5.6	3.0	2.2	2.3	2.3	2.3	2.2
Markup Payments	-	-	3.8	6.8	4.6	4.3	3.9	3.5	4.0	4.0
Others**	-	-	7.3	7.0	7.1	7.3	8.3	8.9	9.3	8.5
Development Expenditure	-	-	7.3	4.7	3.3	3.3	3.7	2.6	3.5	3.1
Overall Deficit	2.1	5.3	7.1	6.9	4.3	4.6	5.6	6.1	7.9	7.3
MONEY & CREDIT (growth %)										
Monetary Assets (M2)	16.3	21.0	13.2	16.8	14.8	9.6	12.5	15.9	14.1	15.9
Domestic Assets	15.0	20.5	15.4	12.2	13.9	15.4	12.7	13.1	20.2	20.9
STOCK EXCHANGE (growth %)										
KSE 100 Index	-	-	0.1	4.1	27.9	-41.7	35.7	28.5	10.4	52.2
Aggregate Market Capitalization	-	-	2.5	13.4	29.1	-43.9	28.8	20.3	6.2	47.6

- : Not available mp : Market prices fc : Factor cost P: Provisional, R: Revised, F: Final

*: At average exchange rate used in National Accounts Committee meeting

**: also include provincial expenditure

Note: From 2016-17, CPI is estimated on 2015-16=100 as base year

SOCIAL INDICATORS

Base Year 2015-16											
2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 (Jul-Mar) P
27,953	30,426	32,725	35,553	39,190	43,798	47,540	55,836	66,658	83,651	105,143	114,692
271.8	300.4	313.9	339.6	356.8	321.8	300.8	348.9	375.6	337.2	371.7	411.0
3.6	3.8	4.1	4.6	6.1	3.1	-0.9	5.8	6.2	-0.2	2.5	2.7
2.4	1.8	0.4	2.2	3.9	0.9	3.9	3.5	4.2	2.2	6.4	0.6
5.8	4.1	4.0	4.9	7.1	4.5	-7.8	10.5	10.9	-5.3	3.0	1.3
3.2	3.3	2.9	3.3	6.3	0.6	-0.6	5.6	5.5	-0.6	3.0	2.3
3.8	4.2	5.0	5.6	6.0	5.0	-1.2	5.9	6.7	0.0	2.2	2.9
11.1	15.4	8.4	11.3	15.2	1.5	3.8	15.2	27.8	12.7	18.2	14.2
11.0	16.3	8.5	11.6	15.8	0.3	3.2	14.9	28.9	11.1	17.2	15.0
2.9	28.3	6.2	29.7	24.4	-24.0	-2.1	23.3	40.4	6.3	1.2	34.2
13.6	12.9	9.3	5.9	12.4	10.8	4.7	12.6	25.5	12.7	22.2	9.9
92.3	94.3	90.1	77.9	68.5	73.1	90.0	94.4	70.1	93.0	95.8	102.8
7.7	5.7	9.9	22.1	31.5	26.9	10.0	5.6	29.9	7.0	4.2	-2.8
14.9	15.8	15.9	16.3	17.1	15.5	14.8	14.5	15.6	14.0	13.1	13.8
13.2	14.1	14.2	14.6	15.4	13.8	13.1	12.8	13.9	12.3	11.4	12.0
2.9	3.5	3.4	4.1	4.6	3.1	2.8	3.0	3.5	3.0	2.4	2.9
10.3	10.6	10.8	10.5	10.7	10.7	10.3	9.9	10.4	9.3	9.0	9.1
13.8	14.9	14.4	12.7	11.7	11.3	13.3	13.7	10.9	13.0	12.6	14.1
1.2	0.9	1.6	3.6	5.4	4.2	1.5	0.8	4.7	1.0	0.6	-0.4
9.5	10.3	9.8	8.6	7.8	6.4	7.6	6.7		6.8	7.0	7.4
1487	1609	1640	1723	1768	1578	1458	1677	1767	1547	1662	1824
7.2	4.4	0.8	4.0	3.7	9.2	9.9	10.4	14.1	26.0	22.1	4.0
8.6	4.5	2.9	4.8	4.7	6.8	10.7	8.9	12.2	29.2	23.4	4.7
13.0	12.9	13.6	13.9	13.3	11.2	13.2	12.4	12.1	11.5	12.6	11.7
9.2	9.9	10.4	10.4	10.8	9.7	9.3	9.4	10.1	9.3	9.6	8.0
3.8	3.0	3.2	3.5	2.5	1.5	3.9	2.9	1.9	2.2	3.0	3.7
18.0	17.7	17.7	19.1	19.1	19.1	20.3	18.5	19.9	19.3	19.5	14.2
14.3	14.5	14.3	14.6	14.9	16.2	17.9	16.3	17.3	17.3	17.7	12.7
2.2	2.3	2.3	2.5	2.6	2.6	2.6	2.4	2.1	9.0	1.8	1.2
4.1	4.3	3.9	3.8	3.8	4.8	5.5	4.9	4.8	6.8	7.8	5.6
8.0	8.0	8.2	8.3	8.5	8.8	9.9	9.0	10.4	8.6	8.1	5.9
4.1	3.7	4.0	4.8	4.0	2.7	2.4	2.2	2.4	2.3	1.9	1.3
5.0	4.8	4.1	5.2	5.8	7.9	7.1	6.1	7.9	7.8	6.9	-2.6
12.5	13.2	13.7	13.7	9.7	11.3	17.5	16.2	13.6	14.2	16.0	13.0
9.1	11.7	12.9	18.3	15.9	19.1	11.0	10.0	20.3	20.7	13.0	19.1
41.2	16.0	9.8	23.2	-10.0	-19.1	1.5	37.6	-12.3	-0.2	89.2	50.2
36.2	5.7	2.3	25.5	-9.0	-20.5	-5.2	27.1	-16.1	-8.5	62.9	38.5

(Contd...)

ECONOMIC AND

INDICATORS		1960s	1970s	1980s	1990s	2000s	2008-09	2009-10	2010-11	2011-12
		Average (Annual)								
TRADE AND PAYMENTS (growth %)										
Exports (fob)		-	13.5	8.5	5.6	9.3	-6.4	2.9	28.9	-2.6
Imports (fob)		-	16.6	4.5	3.2	12.3	-10.3	-1.7	14.9	12.8
Workers' Remittances		-	-	1.9	-5.3	25.6	21.1	14.0	25.8	17.7
As % of GDP (mp)										
Exports (fob)		-	-	9.8	13.0	11.6	10.2	10.0	11.0	9.9
Imports (fob)		-	-	18.7	17.4	15.4	16.9	15.8	15.5	16.1
Trade Deficit		-	-	8.9	4.4	3.8	6.7	5.8	4.5	6.3
Current Account Deficit		-	-	3.9	4.5	3.2	4.9	2.0	+0.1	1.9
COMMODITY SECTOR:										
Agriculture										
Total Cropped Area	mln. hectares	-	-	20.3	22.4	23.0	24.1	23.9	22.7	22.5
Production										
Wheat	mln. tons	-	-	12.5	17.0	21.0	24.0	23.3	25.2	23.5
Rice	mln. tons	-	-	3.3	3.9	5.3	6.9	6.9	4.8	6.2
Sugarcane	mln. tons	-	-	33.1	44.6	50.3	50.0	49.4	55.3	58.4
Cotton	mln. bales	-	-	6.3	9.7	11.8	11.8	12.9	11.5	13.6
Fertilizer Offtake	mln.N/tons	-	-	1.4	2.3	3.4	3.7	4.4	3.9	3.9
Credit Disbursed	bln. Rs.	-	-	11.2	23.8	125.2	233.0	248.1	263.0	293.9
Manufacturing										
Cotton Yarn	mln. Kg.	5.6	3.4	10.0	1884.4	2286.3	2913.0	2787.3	2939.5	2954.6
Cotton Cloth	mln. sq. mtr.	3.1	-5.2	-1.1	487.8	785.7	1016.9	1009.4	1020.3	1023.4
Fertilizer	mln. tons	27.5	13.2	10.7	4.9	5.4	6.3	6.5	5.9	6.0
Sugar	mln. tons	34.3	2.2	14.4	3.6	3.3	3.2	3.1	4.2	4.6
Cement	mln. tons	10.7	2.5	8.6	11.2	17.8	28.4	31.3	28.8	29.5
Soda Ash	000 tons	12.0	2.6	6.7	269.0	303.2	365.3	409.6	378.0	370.7
Caustic Soda	000 tons	24.4	5.0	6.6	147.2	193.9	245.3	182.3	172.0	179.1
Cigarettes	bln. nos.	10.7	4.9	-0.4	55.4	60.4	75.6	65.3	65.4	62.0
Jute Goods	000 tons	-	3.4	9.5	101.1	105.1	137.4	106.2	93.2	94.1
INFRASTRUCTURE:										
Energy										
Crude Oil Extraction	mln. barrels	-	2.8	10.9	26.1	23.3	24.0	23.7	24.0	24.6
Gas (production)	mcf	-	165.4	385.2	908.0	1213.7	1460.7	1482.8	1471.6	1559.0
Electricity (installed capacity)	000 MW	-	1.3	3.1	12.9	18.9	19.8	20.9	22.5	22.8
Transport & Communications										
Roads	000 km	70.5	74.1	123.8	279.3	256.1	260.2	260.8	259.5	261.6
Motor Vehicles on Roads	mln. nos.	-	0.4	1.4	4.6	6.7	9.4	9.8	10.4	11.5
Post Offices	000 nos.	7.1	9.0	11.8	15.8	12.3	12.3	12.0	12.0	12.0
TV Sets	000 nos.	-	-	-	-	-	10556	11136	11704	12491
Information Technology and Telecom										
Telephones	mln. nos.	0.1	0.2	0.6	3.3	4.1	3.5	3.4	5.7	5.8
Mobile Phones	mln. nos.	-	-	-	-	36.6	94.3	99.2	108.9	120.2
Telecom Revenues	Rs. bln.	-	-	-	-	-	-	-	-	-
Teledensity	percent	-	-	-	-	-	-	-	-	-
Broadband Subscribers	mln. nos.	-	-	-	-	-	-	-	-	-

- : Not available P: Provisional, R: Revised, F: Final

SOCIAL INDICATORS

2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
										F	R	(Jul-Mar) P
0.3	1.1	-3.9	-8.8	0.1	12.6	-2.1	-7.1	13.8	26.7	-14.2	11.1	7.7
-0.6	3.8	-0.8	-0.6	16.7	16.0	-6.8	-15.9	24.4	31.8	-26.3	0.9	11.1
5.6	13.7	18.2	6.4	-2.8	2.9	9.2	6.4	27.3	6.2	-12.6	10.7	33.2
9.6	9.2	8.0	7.0	6.5	6.9	7.5	7.5	7.3	8.6	8.3	8.3	6.0
15.5	15.3	13.8	13.1	14.1	15.6	16.1	14.5	15.6	19.0	15.6	14.3	10.6
5.9	6.1	5.7	6.1	7.7	8.7	8.6	-7.0	-8.2	-10.4	-7.4	-6.0	-4.6
1.0	1.2	0.9	1.6	3.6	5.4	4.2	-1.5	-0.8	-4.7	-1.0	-0.6	0.5
22.6	23.2	23.3	24.0	23.0	23.5	23.5	24.1	23.8	24.0	24.2	-	-
24.2	26.0	25.1	25.6	26.7	25.1	24.3	25.2	27.5	26.2	28.2	31.6	29.0
5.5	6.8	7.0	6.8	6.8	7.5	7.2	7.4	8.4	9.3	7.3	9.9	9.7
63.8	67.5	62.8	65.5	75.5	83.3	67.2	66.4	81.0	88.7	88.0	87.6	84.2
13.0	12.8	14.0	9.9	10.7	11.9	9.9	9.1	7.1	8.3	4.9	10.2	7.1
3.6	4.1	4.3	3.7	5.0	4.8	4.6	4.5	5.0	5.0	4.4	4.0	3.4
336.2	391.4	515.9	598.3	704.5	972.6	1174.0	1214.7	1365.9	1418.9	1776.0	1635.2	1880.4
3017.9	3066.0	3360.0	3405.6	3428.1	3430.1	3431.4	3059.9	3441.6	3458.7	2694.8	2477.2	1987.9
1029.1	1036.1	1036.1	1039.2	1043.3	1043.7	1046.0	934.5	1048.4	1050.8	920.6	871.4	657.9
5.7	6.7	7.0	8.0	8.1	7.2	7.7	8.1	8.9	9.1	8.3	9.2	7.0
5.1	5.6	5.1	5.1	7.0	6.6	5.3	4.9	5.7	7.9	6.7	6.8	6.3
31.1	31.4	32.2	35.4	37.0	41.1	39.9	39.1	49.8	48.0	41.4	39.6	28.5
366.2	409.1	437.1	468.5	479.7	509.8	572.1	550.6	594.3	651.3	736.7	785.3	523.2
182.9	167.5	184.0	225.3	223.9	270.1	246.6	342.4	394.1	405.1	475.7	497.2	354.8
67.4	64.5	62.7	53.5	34.3	59.1	60.7	46.1	51.5	59.7	42.8	32.9	26.4
102.8	101.7	94.3	55.4	59.9	74.2	67.1	65.0	69.8	57.7	63.4	41.1	22.8
27.8	31.6	34.5	31.7	32.3	32.6	32.5	28.1	27.6	26.8	25.4	25.8	17.6
1505.8	1493.5	1465.8	1481.6	1471.9	1458.9	1436.5	1316.6	1279.2	1237.3	1189.5	1140.6	805.3
22.8	23.5	23.8	25.9	29.9	33.6	35.1	36.7	36.5	41.4	45.6	45.9	46.6
263.4	263.8	265.4	265.9	267.0	268.9	271.0	501.4	500.7	501.2	501.2	501.2	501.2
11.6	13.2	13.9	15.6	21.9	24.3	25.2	30.0	32.1	34.3	35.9	37.4	38.6
12.8	12.1	12.1	11.7	11.5	11.5	10.1	10.1	9.6	10.2	10.1	10.6	10.0
13729	14245	14758	15425	16619	17767	19251	20512	20513	23389	24204	25330	26054
6.4	5.7	4.2	3.3	2.6	2.6	2.7	2.5	2.6	2.6	2.6	2.6	2.5
128.9	140.0	114.7	133.2	139.8	150.2	162.3	168.6	184.2	194.6	190.9	192.5	197.5
-	-	-	-	-	-	608.0	599.0	641.0	717.0	817.0	955.0	803.0
-	-	-	-	-	-	75.1	76.3	81.7	84.6	81.4	80.5	81.3
-	-	-	-	-	57	71.5	83.8	102.7	118.8	127.6	138.3	147.2

(Contd...)

ECONOMIC AND

INDICATORS		1960s	1970s	1980s	1990s	2000s	2008-09	2009-10	2010-11	2011-12	2012-13
		Average (Annual)									
HUMAN RESOURCES:											
Population*	million	-	-	96.3	124.6	152.9	163.8	173.5	177.1	180.7	184.4
Crude Birth Rate	per 1000 person	-	-	-	-	27.5	24.3	28.0	27.5	27.2	26.8
Crude Death Rate	per 1000 person	-	-	-	-	7.9	7.3	7.4	7.3	7.2	7.0
Infant Mortality Rate	per 1000 person	-	-	-	-	78.9	68.2	72.0	70.5	69.0	67.5
Labour Force & Employment@											
Labour Force	million	-	-	11.6	35.1	46.2	52.2	53.7	58.1	59.3	60.3
Employed Labour Force	million	-	-	11.2	33.1	43.2	49.5	50.8	54.7	55.8	56.6
Un-employed Labour Force	million	-	-	0.4	2.0	3.5	2.7	2.9	3.5	3.5	3.8
Un-employment Rate	% per annum	-	-	1.4	5.7	6.7	5.2	5.5	6.0	6.0	6.2
SOCIAL DEVELOPMENT:											
Education											
Primary Schools	000 nos.	-	-	88.8	143.5	155.4	156.7	157.5	155.5	154.6	159.7
Male	000 nos.	-	-	64.6	96.4	96.6	93.3	96.9	93.6	93.6	99.6
Female	000 nos.	-	-	24.2	47.1	58.8	63.4	60.6	58.2	57.0	60.1
Middle Schools	000 nos.	-	-	6.8	15.3	32.8	40.9	41.3	41.6	42.0	42.1
Male	000 nos.	-	-	4.6	8.8	17.1	20.5	21.8	21.9	21.6	20.7
Female	000 nos.	-	-	2.2	6.5	15.6	20.4	19.5	20.4	21.0	21.4
High Schools	000 nos.	-	-	5.4	10.6	19.1	24.3	24.8	25.2	28.7	29.9
Male	000 nos.	-	-	3.9	7.4	12.4	15.1	14.2	14.4	14.3	17.6
Female	000 nos.	-	-	1.5	3.2	6.7	9.2	10.6	9.5	11.6	12.3
Technical / Vocational Institutions	nos.	-	-	508.6	572.2	1766.4	3159.0	3192.0	3224.0	3257.0	3290.0
Male		-	-	282.2	328.7	887.1	1636.0	1010.0	1018.0	1028.0	1037.0
Female		-	-	235.2	243.5	879.3	1523.0	2182.0	2206.0	2229.0	2253.0
Literacy Rate	percent	-	-	29.5	40.7	53.1	57.0	57.7	58.0	58.0	60.0
Male		-	-	39.0	51.6	66.2	69.0	69.5	69.0	70.0	71.0
Female		-	-	18.7	28.6	41.9	45.0	45.2	46.0	47.0	48.0
Expenditure on Education (as % of GDP)		1.4	1.7	2.3	2.0	1.6	1.6	1.6	1.6	1.8	1.9
Health*											
Registered Doctors	000 nos.	2.0	6.3	28.1	68.9	115.6	139.5	144.9	152.4	160.9	167.7
Registered Nurses	000 nos.	-	2.9	9.9	24.1	52.8	69.3	73.2	77.7	82.1	86.1
Registered Dentists	000 nos.	0.2	0.7	1.4	2.8	6.7	9.8	10.5	11.6	12.7	13.7
Hospitals	nos.	380.0	521.0	651.0	823.0	922.5	968.0	972.0	980.0	1092.0	1113.0
Dispensaries	000 nos.	1.7	2.8	3.5	4.3	4.7	4.8	4.8	5.0	5.2	5.4
Rural Health Centers	nos.	-	1.0	127.0	330.0	505.3	572.0	577.0	579.0	640.0	667.0
TB Centres	nos.	-	90.0	122.0	245.0	285.5	293.0	304.0	345.0	326.0	329.0
Total Beds	000 nos.	25.5	38.4	55.6	83.8	99.7	103.7	104.1	107.5	111.8	118.4
Expenditure on Health (as % of GDP)		-	0.6	0.8	0.7	0.6	0.5	0.5	0.2	0.2	0.6

P: Provisional, R: Revised, F: Final - : Not available * : on Calendar Year basis @: Labour Force Survey 2020-21

Notes:

1. Total may differ due to rounding off
2. Total Population is revised from 2018 to 2022 on the basis of Census 2017 by NIPS
3. National Institute of Population Studies (NIPS) is currently finalizing the population projections at National, Provincial and District levels for 2024 and onwards on the basis of population census 2023.

SOCIAL INDICATORS

2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 F	2023-24 R	2024-25 (Jul-Mar) P
188.0	191.7	198.8	207.7	211.8	216.1	220.4	224.8	229.2	241.5	-	-
26.4	26.1	27.8	27.3	26.7	26.1	25.4	-	-	-	-	-
6.9	6.8	7.0	7.6	7.8	6.7	6.6	-	-	-	-	-
66.1	64.6	62.4	67.2	67.2	59.5	58.5	-	-	-	-	-
60.1	61.0	-	-	65.5	68.8	-	71.8	-	-	-	-
56.5	57.4	-	-	61.7	64.0	-	67.3	-	-	-	-
3.6	3.6	-	-	3.8	4.7	-	4.5	-	-	-	-
6.0	5.9	-	-	5.8	6.9	-	6.3	-	-	-	-
157.9	165.9	164.6	168.9	172.5	180.1	180.1	180.2	162.1	168.2	166.0	-
97.6	99.9	99.3	102.8	99.0	99.4	94.7	95.1	91.3	90.3	88.7	-
60.3	66.0	65.3	66.1	73.5	80.7	85.4	85.1	70.8	77.9	77.3	-
42.9	44.8	45.7	49.1	46.7	47.3	47.0	47.2	47.8	51.0	51.8	-
21.8	22.4	18.7	21.2	23.2	23.6	20.1	20.7	23.6	25.4	25.7	-
21.1	22.4	27.0	27.9	23.5	23.7	26.9	26.5	24.2	25.6	26.1	-
30.6	31.3	31.7	31.6	31.4	31.7	31.7	34.2	34.6	39.4	41.3	-
18.0	18.2	16.1	16.9	17.9	18.0	17.2	19.1	19.5	22.2	23.2	-
12.6	13.1	15.6	14.7	13.5	13.7	14.5	15.1	15.1	17.2	18.1	-
3323.0	3579.0	3746.0	3798.0	3740.0	3740.0	3740.0	3740.0	4182.0	4406.0	4563.0	-
1047.0	1760.0	2232.0	2262.0	2410.0	2410.0	2410.0	2410.0	2553.0	2682.0	2737.0	-
2276.0	1819.0	1514.0	1536.0	1330.0	1330.0	1330.0	1330.0	1629.0	1724.0	1826.0	-
58.0	60.0	58.0	-	62.3	60.0	60.0	62.8 @	-	-	60.7	-
70.0	70.0	70.0	-	72.5	71.0	70.0	73.4 @	-	-	68.0	-
47.0	49.0	48.0	-	51.8	49.0	50.0	51.9 @	-	-	52.8	-
1.9	2.0	2.0	2.0	2.1	2.0	1.9	1.4	1.7	1.5	-	0.8
175.2	184.7	195.9	208.0	220.8	233.3	246.0	266.4	282.4	299.1	319.6	-
90.3	94.8	99.2	103.8	108.5	112.1	116.7	121.2	127.9	134.7	138.4	-
15.1	16.7	18.3	20.5	22.6	24.9	27.4	30.5	33.2	36.0	39.1	-
1143.0	1172.0	1243.0	1264.0	1279.0	1282.0	1289.0	1276.0	1284.0	1696.0	1696.0	-
5.5	5.7	6.0	5.6	5.7	5.7	5.8	5.8	5.6	5.6	5.6	-
669.0	684.0	668.0	688.0	686.0	670.0	719.0	736.0	697.0	783.0	783.0	-
334.0	339.0	345.0	431.0	441.0	412.0	410.0	416.0	417.0	482.0	482.0	-
118.2	119.5	124.8	131.0	132.2	133.7	147.1	146.1	151.7	167.9	167.9	-
0.7	0.7	0.7	0.8	1.1	1.0	1.1	1.0	1.4	1.0	0.9	-