Pakistan
Economic Survey
2020-21

FINANCE DIVISION
GOVERNMENT OF PAKISTAN

PAKISTAN ECONOMIC SURVEY

2020-21

Economic Adviser's Wing | Finance Division
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FOREWORD

Pakistan's economy has experienced unprecedented challenges during the past two years on account of stabilization measures and the COVID-19 outbreak that kept the economy below its potential level. The COVID-19 pandemic that engulfed the whole world is one-in-a- century event which has exposed the inadequacy of healthcare systems around the world. The loss of millions of jobs, closure of businesses, and tipping millions into extreme poverty were obvious outcomes all over the globe.

Pakistan has implemented a comprehensive set of measures like the economic stimulus package of Rs 1,240 billion, a construction package, an expansion of the social safety net to protect the vulnerable segments of the population, as well as monetary policy support and targeted financial initiatives. These measures supported the economy in mitigating the severe impact of the pandemic. Unlike other economies across the world, Pakistan's economy began to revive at a faster pace in the early half of FY2021, owing to significant rise in domestic economic activity. The prudent decisions of the government with accommodative fiscal and monetary policies helped the economy to regain its pre-COVID-19 trajectory.

As a result today, Alhamdulillah, the economy is steadily progressing towards more sustainable and inclusive growth. The economy has witnessed a V-shaped recovery with 3.94 percent growth in FY2021 against the negative growth of 0.47 percent last year. It is worth mentioning that after 15 years, the economic growth has surpassed its target. The outgoing fiscal year has witnessed a broad-based recovery across all sectors supported by various sector-specific measures implemented by the government. The measures to uplift the agriculture sector paid off in terms of improved productivity of important crops. Similarly, the performance in large scale manufacturing, construction, and export sectors is encouraging. The current account is in surplus, the fiscal deficit is manageable, the primary balance is also in surplus, the rupee is stable, and foreign exchange reserves have surpassed $22 billion.

The Pakistan Economic Survey 2020-21 is the most important document providing authentic statistics and information on the performance of the economy during the year. The Survey provides a perspective on the challenges the economy faces and the policy direction that will have to be maintained to successfully meet these challenges. I am sure the Economic Survey will serve as a compendium of useful information for policymakers, researchers, the Government departments, students, and academia.

I owe special gratitude and appreciation to the Finance Secretary, the Economic Adviser, and their team for the diligent efforts rendered in the preparation of the Economic Survey.

Shaukat Fayaz Ahmed Tarin
Minister for Finance and Revenue.

Islamabad, the 10th June 2021

PREFACE

Pakistan Economic Survey, a flagship report of the Ministry of Finance, is a yearly publication of the government which highlights the trend of macro-economic indicators, development policies, strategies, as well as sectoral achievements of the economy. Economic Survey FY2020-21 is being launched at a time when the economy is moving towards the robust economic recovery despite COVID-19 pandemic. The survey has reviewed the drivers of this year's growth and highlighted the proactive measures taken by the government that have saved lives as well as livelihoods in the wake of the pandemic. The survey includes updated information and socio-economic progress of first nine to ten months of FY2020-21. The document consists of analytical text and Statistical Appendix. The first part furnishes a comprehensive analysis of the performance by various sectors of the economy, while the second part provides the time series data pertaining to its different sectors.

The statistical data of all the sectors has been provided by numerous organizations, provincial departments and ministries of the Government of Pakistan. I would like to appreciate them for providing valuable and authentic information. The completion of survey could not have been possible without their timely support.

I am indebted to EA Wing officers and officials, HRM Wing and Debt Office for their worthful support and hard work that made it possible to compile the document within the time frame. I would also offer my gratitude to worthy Minister for Finance and Revenue and Finance Secretary for their guidance during compilation process.

Economic Survey 2020-21 has greatly benefitted from the inputs and insights of Dr. Waqar Masood Khan (SAPM on Finance and Revenue), Dr. Sania Nishtar (SAPM on Poverty Alleviation and Social Protection), Dr. Aamer Irshad (FAO), Dr. Imran Khan (CUI, Abbottabad Campus), Dr Khalid Mehmood (PIDE), Mr. Javid Sikandar (M/o PD&SI), Dr. Atif Jaffari (University of Gujrat) and Dr. Tasneem Alam. I sincerely acknowledge their views that have improved the report. Continuous engagement, discussions and advice from the senior officers of the Finance Division especially Mr. Awais Manzur Sumra, Dr. Ahmad Mujtaba Memon, Mr. Tanvir Butt, Mr. Imadullah Bosal, Dr. Rashid Manzoor, Mr. Muhammad Anwar Shaikh, Ms. Sarah Saeed, Dr. Nawaz Ahmad, Mr. Aamir Mehmood, Dr. Iftikhar Amjad and Dr. Imran Ullah Khan have been very much productive for the overall improvement of this national document.

Hopefully, the Survey will meet the expectations of policymakers, economists, academicians, business practioners, government agencies, students, researchers, the media personnel and those who are interested in development of Pakistan's economy. Constructive comments and suggestions are always welcome.

Dr. Imtiaz Ahmad
Economic Adviser

Islamabad, the 10th June 2021

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Overview of the Economy

Despite myriad of challenges, Pakistan's economy is moving progressively on higher inclusive and sustainable growth path on the back of various measures and achievements during the year. Major achievements highlighting the economic performance during FY2021 are mentioned below:

- Pakistan was implementing stabilization policy post crisis of 2017-18 and the economy was recovering from macroeconomic imbalances but COVID-19 slowed down the pace which was recovered initially but the advent of 2nd and 3rd wave brought significant challenges which were met by the timely prudent policies.
- Pandemics like COVID-19 are once-in-a-century event that devastate global economies. Pakistan did much better in coping up with the pandemic compared to many countries.
- Government took several important policy decisions: monetary and fiscal measures, smart lockdowns, rapid vaccination etc. National Command and Operating Centre (NCOC) as a single organization was made responsible to take key decisions in collaboration with the provinces. Situation was put under control due to government's timely decision making, numbers of daily COVID-19 cases are presently on declining trend.
- Prior to COVID-19, the working population was 55.74 million. This number declined to 35.04 million which indicates people either lost their jobs or were not able to work. Due to prudent decisions by the government, working population reached 52.56 million till October, 2020.
- Economy has witnessed a V – shaped recovery. The current economic recovery has been achieved without compromising internal and external stability.
- Manufacturing has witnessed broad-based growth as major sectors of LSM have shown significant improvement i.e., Textile, Food Beverages & Tobacco, Non-Metallic Mineral Products and Automobile. First nine months of FY2021 recorded highest period wise growth of 8.99 percent since FY2007.
- Current account posted a surplus of $ 0.8 billion, during July-April, FY2021 for the first time in 17 years.
- Inflows of foreign exchange through the Roshan Digital Account (RDA) crossed the $1 billion mark. During July-April FY2021, workers' remittances posted historically high growth of 29 percent and reached to $ 24.2 billion.

- SBP's foreign exchange reserves rose to $16 billion, four-years high.
- Keeping in view the significant performance pertaining to FATF conditions, potential of exports and e-commerce, Pakistan has been added into the Amazon's seller list.
- FBR tax collection has witnessed a significant growth of around 18 percent during July-May FY2021 owing to the revival of domestic economic activity and ongoing comprehensive tax policy and administrative reforms.
- Primary balance remained in surplus at 1.0 percent of GDP, highest level through the first three quarters in 12 years.
- On 27th May 2021, PSX witnessed an all-time high daily trading volume with 2.21 billion shares traded in a single session.
- Due to its impressive growth, Pakistan Stock Exchange earned the title of being the best Asian stock market and fourth best-performing market across the world in 2020. (marketcurrentswealthnet.com).
- Profile of domestic debt has improved significantly during the tenure of the present government as short-term debt as percentage of total domestic debt has decreased to 23 percent at end March, 2021 compared with 54 percent at end June, 2018.
- Over 80 percent of the net borrowing from domestic sources was through medium-to-long term domestic debt instruments (Pakistan Investment Bonds & Government Ijara Sukuk) during first nine months of FY2021.
- Pakistan has entered the international capital market after a gap of over three years by successfully raising $ 2.5 billion through Euro bonds.
- The policy rate remained unchanged at 7.0 percent which improved business sentiments and thus stimulating economic activities enabling employment to recover.
- During July-February FY2021, the two gas utility companies (SNGPL & SSGCL) have laid 143 Km gas transmission network, 2,616 Km distribution and 886 Km services lines and connected 70 villages/towns to the gas network. During the same period 304,573 additional gas connections including 303,243 domestic, 1,020 commercial and 310 industrial connections were provided across the country.
- Installed capacity of electricity increased to 37,261 MW during July-April FY2021 compared to same period last year, showing an addition of 1,289 MW. Likewise, its generation increased to 102,742 GWh showing an additional generation of 6,360 GWh during the period under discussion. The share of Industry in electricity consumption has increased to 26.3 percent in July-March FY2021 as compared to 25.5 percent in the same period last year.
- Cellular mobile subscribers (number of active SIMs) in Pakistan have reached 182 million at the end of March, 2021 compared to 167.3 million by the end of June, 2020 showing an increase of 8.6 percent in nine months of FY2021.
- At end March, 2021 broadband (BB) subscribers reached to 100 million. The total BB penetration in Pakistan stood at 47.6 percent in March, 2021 registering an increase

of about 19.7 percent as compared to end March, 2020.

- Under Ehsaas Emergency Cash Programme, Rs 179.3 billion has been disbursed. Approximately 14.8 million families have been benefited from the programme. World Bank recognizes Ehsaas Emergency Cash among top 4 social protection interventions globally in terms of number of people covered.
- Under Kamyab Jawan Youth Entrepreneurship Scheme, Rs 8,566 million has been disbursed till April, 2021 to the youth for various businesses.
- The 10 billion Tree Tsunami programme has achieved plantation of approximately 350 million plants during July-March FY2021 and about 100,000 daily wagers have been employed till March, 2021. Cumulatively, over 800 million plants have been regenerated /planted in last two years.
- IMF has acknowledged that the government policies have been critical in supporting the economy and saving lives and livelihoods. The IMF and Pakistan have announced the resumption of stalled $ 6 billion loan programme.
- During the year, all three major credit rating agencies, Moody's, Fitch and Standard & Poor's, reaffirmed their sovereign credit Ratings for Pakistan. This reaffirmation is reflective of the sound policies of the Government and of the confidence reposed by these leading international institutions in the country's economic outlook.

The overview of Pakistan Economic Survey 2020-21 contains three sub-sections i.e., Global Economic Review, Pakistan Economic Review and Executive Summary.

The Global Economic Review briefly examines the state of the global economy and its prospects. This sub-section emphasizes notable economic successes and events at global level. It also discusses the challenges that may have an impact on the global growth projection. The second sub-section, Pakistan Economic Review, presents a comprehensive analysis of current fiscal year’s economic performance and major achievements across different sectors. While, the last sub-section, concisely presents a summary of all sixteen chapters included in the Economic Survey. Thus, it provides readers with a bird's eye view of the domestic economic situation, prospects, achievements and challenges across different sectors of the economy during the current fiscal year.

I. Global Economic Review

The COVID-19 outbreak that began in early 2020 has had a profound impact on the world economy. The pandemic engulfed the whole world and ravaged the health care system of many developed nations. Initially, the supply shock caused by the abrupt closing of businesses across the world transformed into an unprecedented demand shock, which had socio-economic consequences. COVID-19 pandemic triggered unprecedented restrictions not only on the movement of people but also on a range of economic and financial activities. Supply chains and industries like tourism, travelling, hotels and hospitality, transportation and education were severely impacted.

The human cost has been substantial, especially in developed countries despite being advanced in medical and health systems. It had exposed the lack of capacity and strained healthcare systems around the world. The health crisis has been accompanied by the deepest economic downturn since the Great Depression, which has resulted in the loss of millions of jobs, closure of businesses and tipping millions into extreme poverty. It has been a crisis like no other. The Great Lockdown decimated livelihoods world-wide and pushed low-income households into abject poverty.

However, to address the dual crisis i.e. health and economic, countries all over the world responded swiftly with a variety of policy measures; mostly in the form of monetary and fiscal interventions for the economy and health measures for the pandemic. The objective was to salvage the economies from potential welfare loss by compensating unemployed masses as well as businesses with the provision of necessary assistance. Since the economic activity was at a standstill, these interventions helped economies in managing the supply lines intact. On the monetary side, the central banks adopted expansionary policy stances, quickly provided liquidity support and supported credit extension to a wide array of borrowers. Simultaneously, on the fiscal side, governments helped households and businesses in the form of transfers, furlough payments, wage subsidies and liquidity support. These measures were supplemented with other aspects of social safety nets like unemployment insurance and nutrition assistance. All these actions contributed significantly to lessen the economic impact of COVID-19.

Policy actions such as automatic stabilizers, discretionary measures and financial sector measures, helped the global economy from further deterioration. In absence of these measures, the global growth recession last year could have been three times worse. The global growth was estimated to contract by 3.3 percent in 2020 with the worst affected economies being the USA (-3.5 percent), UK (-9.9 percent), Japan (-4.8 percent), Germany (-4.9 percent), France (-8.9 percent) and India (-8.0 percent), etc. While China experienced a positive but slowed growth rate of 2.3 percent in 2020, which was below the level seen in 2019. The global economy is expected to rebound in 2021 and 2022, with an expected growth of 6 percent in 2021 and moderate growth of 4.4 percent in 2022. The rebound in 2021 and 2022 is expected, owing primarily to advanced economies, including a notable improvement in the USA, which is expected to grow at 6.4 percent this year. Other advanced economies, such as the Euro Zone, will rebound as well, but at a slower rate. China is expected to grow at 8.4 percent in 2021 which has already started to return to pre-pandemic levels in 2020, which many other countries are not expected to do until 2023.

The global outlook faces significant challenges due to divergences in the speed of recovery within and across countries, reflecting variation in pandemic-induced disruptions and the extent of policy support. The global community continued to face challenges for mitigation both on the social and economic front even after one and a half years of the COVID-19 pandemic setting in. Even after extensive assistance and a recovery that has been underway since mid-2020, unemployment and underemployment remained high. The vaccination has begun in most countries, holding the promise of eventual reductions in the severity and frequency of infections. Coverage varies considerably so far and countries are expected to achieve widespread inoculation at different times. However, new virus mutations and the accumulating human toll posed significant concerns for the global economic outlook. The global outlook is dependent on the severity of the health crisis, the efficacy of the vaccine against new COVID-19 strains, successful implementation of well-coordinated economic policies and the development of financial conditions. The speed of recovery and the extent of medium-term damage will be determined by the variation of these drivers and their relationship with country-specific characteristics.

II. Pakistan Economic Review

Pakistan's economy already had volatile growth pattern over the years, with regular boom and bust cycles facing challenges in achieving long-term and inclusive growth. Unsustainable economic growth was caused by unaddressed long-standing structural issues for example, loss-making State-Owned Enterprises (SOEs), weak external position due to insufficient export capacity and low FDI, under-reformed energy sector, low savings and investment. In the backdrop of these challenges, the present government focused on an economic vision of getting sustainable economic growth through improving efficiency, reducing cost of doing business, improving regulatory environment, enhancing productivity and increasing investment.

Even before the COVID-19 pandemic hit Pakistan’s economy, the government started implementing decisive and far-reaching reforms in every sector of the economy. The reforms started to address the economic imbalances and laid the foundation for improved economic performance in terms of strengthened fiscal and external accounts, exchange rate stability and improved investor’s confidence. Moreover, inflation started to stabilize and market confidence gradually recovered. These reforms paved the way for long-term growth and to end the unsustainable growth pattern that has plagued the economy in the past.

The FY2021 began in the midst of the most severe global health crisis experienced in modern history. Pakistan's economy, like rest of the world, has struggled to combat the economic consequences of COVID-19 shock through prompt measures for supporting the economy and saving the lives and livelihoods. Besides, virus containment measures, the government has implemented a comprehensive set of measures including the largest ever economic stimulus package of Rs 1,240 billion, a construction package, an expansion of the social safety net to protect the vulnerable segments of the society and supportive monetary policy stance along with targeted financial initiatives. These measures helped the economy in lessening the negative impact of the pandemic. In contrast to other world economies, Pakistan started witnessing recovery during the first half of FY2021 on the back of continued domestic economic activity due to the above stated measures along with a smart lockdown policy.

As Pakistan successfully subsided the first wave of COVID-19 during the summer of 2020 through effective containment measures, the country was hit by the second wave in the fall of 2020. However, smart lockdowns and improved containment strategies aided in managing the reported cases and the resumption of economic activities. However, Pakistan is currently experiencing the third and most virulent wave of pandemic. Smart lockdowns and drastic measures on pandemic response front allowed the continuity of economic activities and supported the ongoing recovery. Amid the second and third waves of COVID-19, continuing accommodative fiscal and monetary policies helped the economy to move on faster recovery.

The impact of the government's timely and appropriate measures is visible in the form of a V-shaped economic recovery on the back of broad-based growth across all sectors. The provisional GDP growth rate for FY2021 is estimated at 3.94 percent, higher than the targeted growth of 2.1 percent, for the outgoing fiscal year. The government is monitoring the country's situation actively and is taking necessary measures to facilitate agriculture and industry sectors to avoid the downside risk and to further accelerate the economic recovery.

The GDP growth is based on 2.77, 3.57 and 4.43 percent growth in agriculture, industrial and services sector, respectively. In order to uplift the agriculture sector, the National Agriculture Emergency Programme with a cost of Rs 277 billion is already underway. Under this programme, 13 mega projects are under execution. During FY2021, the government also announced the "Rabi Package" of Rs 5.4 billion to reduce the input cost for the farmers with the special intent to increase the production of wheat in the country. In addition, the Minimum Support Price of wheat has been further enhanced from Rs 1,400 to Rs 1,800 per 40 kg to encourage wheat cultivation. Similarly, the agriculture credit disbursement target for the current fiscal year has been set at Rs 1,500 billion. These measures have borne the fruit in terms of significant growth in major and minor crops.

On the industrial front, there was a significant rebound in economic activity, as Large-Scale Manufacturing (LSM) gained traction. The industrial sector has witnessed a remarkable turnaround largely because of accommodative policies by the government in the form of industrial support packages; relief to export-oriented industries, duty exemption under China-Pak Free Trade Agreement-II, electricity and gas subsidy for the export-oriented industries and tax exemptions for electric vehicles manufacturers. The government's incentives for the construction sector provided the impetus for its allied manufacturing segments. The cement industry has been given special attention by reduction of Federal Excise Duty to Rs 1.5/kg from Rs 2/kg. A National SME Policy Action Plan 2020 has been approved to provide much-needed support to SMEs. These measures enabled the resumption of business activities. The strong growth in the construction and LSM sector is likely to further broaden the recovery through the spillover effect.

On the external front, the current account balance remained in surplus during the first ten months of FY2021 due to strong growth in remittances and an ongoing pickup in exports. Remittances witnessed a remarkable growth as more formal channels were opted due to restrictions imposed on informal means in the wake of COVID-19. Most importantly, measures undertaken as part of anti-money laundering regulations in accordance with FATF recommendations have also facilitated a shift from informal to formal channels of sending remittances. Similarly, efforts under the Pakistan Remittances Initiative (PRI) and the gradual re-opening of businesses in major host countries such as the Middle East, UK and the USA also played their part in giving a boost to the remittances. Added with this, timely resumption of economic activities helped the export sector performed relatively better than other emerging economies; both of which led to an improvement in the external sector. It is worth mentioning here that under the IMF programme there are better prospects for the external sector which ensures that the external financing needs will be comfortably met.

On fiscal side, a substantial increase in tax collection and effective management of expenditures helped in containing the fiscal deficit as a percentage of GDP, while the primary balance continues to remain in surplus. The fiscal performance during (July-March) FY2021 shows that the fiscal consolidation policy helped in achieving fiscal discipline, increasing revenues and controlling expenditures. Especially, FBR tax collection has witnessed a double-digit growth during (July-April) FY2021 reflecting growth in economic activities despite the challenge of the third wave of COVID-19.

During FY2021, SBP maintained the policy rate at 7.0 percent. The existing stance of monetary policy remained appropriate to support the economic recovery with inflation expectations well-anchored and maintaining financial stability. It is pertinent to mention that inflation all over the world remained volatile mainly due to supply-side disruptions in commodities due to the COVID-19 pandemic. Rising international prices are putting pressure on domestic prices. Global food prices are at their highest in a decade (FAO). The government is closely monitoring the supply and demand for essential food commodities to mitigate the impact of international inflationary pressures and ensure a smooth supply of commodities. Similarly, the government is making all possible efforts to combat profiteering and hoarding, as well as providing essential commodities at affordable prices through establishing Sasta Bazaars and providing subsidies on essential food items at the Utility Stores.

Pakistan is blessed with natural as well as human resources. Investing in human capital through skill development programme will ensure long term inclusive growth and decrease the unemployment rate. Cognizant of this fact, the government is focused to facilitate and produce opportunities for employment and financial inclusion of young people so they can play a constructive role in enhancing Pakistan's position in the global markets. In order to bridge the gap between educated and active labour market participation, the government has introduced Prime Minister’s “Kamyab Jawan Youth Entrepreneurship Scheme” and “Prime Minister's Hunarmand Programme-Skills for All" programmes. Similarly, many other short and long-term initiatives, are underway such as National Agriculture Emergency Programme, Naya Pakistan Housing Programme and Ten Billion Tree Tsunami Programme to accommodate the youth bulge. These Programmes will not only boost economic activities in the country but will also be helpful for the socio-economic betterment of youth and deprived segments of society.

Pakistan has launched the largest-ever social protection and poverty eradication programme i.e., Ehsaas. This programme is unique in terms of coverage, policy formulation, multi-sectoral nature, monitoring framework and increased funding to deliver the programme across the country. It consists of over 140 sub programmes, policies and initiatives centered on a holistic approach to poverty alleviation. Over the course of two years, Ehsaas has received widespread global acclaim at numerous international events hosted by the UN, ADB, World Bank, UNDP and others. The Ehsaas programme has recently reached a new milestone when the World Bank included the Ehsaas Emergency Cash Programme in a list of the top four global social protection interventions in terms of number of people covered.

In addition to the above, Pakistan has entered the international capital market after a gap of over three years by successfully raising $ 2.5 billion through a multi-tranche transaction of 5, 10 and 30 year Eurobonds under its first-ever Global Medium Term Note Programme. The IMF and Pakistan have announced the resumption of a stalled $ 6 billion loan programme as the IMF Board's decision allowed for an immediate disbursement of SDR 350 million (about $ 500 million). IMF has acknowledged that while the COVID-19 pandemic continues to pose challenges, the government policies have been critical in supporting the economy and saving lives and livelihoods.

Today, the economy is steadily progressing towards more sustainable and inclusive growth path. The performance in agriculture, LSM, construction and exports sectors are amongst the key success stories. The current account balance is in surplus, fiscal deficit is manageable with the primary balance in surplus, the rupee is stable and foreign exchange reserves (SBP and commercial) have reached $ 23.2 billion (as of 3rd June 2021). Most importantly, the government has effectively managed the pandemic through swift policy measures. With current year performance, it is expected that the economy will grow by 5 percent in FY2022 and will accelerate further over the medium term.

The performance clearly shows that the economy is improving in the post-COVID-19 era. The start of vaccination has raised hopes of a turnaround in the pandemic later this year, however, the third wave with new variants of the virus has posed concerns for the outlook. Nevertheless, the government is vigilant and responding efficiently to restrain the surge of the COVID-19 virus. Social protection systems are also evolving especially to cover all vulnerable segments. The government's prompt response eased the miseries of the most vulnerable segments of society. The business confidence has returned and economic activity is slowly getting back to normal. It is expected that macroeconomic stabilization measures and structural reforms supported by international development partners will help the economy to move on a higher and sustainable growth trajectory.

III. EXECUTIVE SUMMARY

1. Growth and Investment

The economy of Pakistan rebounded strongly in FY2021 and posted growth of 3.94 percent which is not only substantially higher than the previous two years (-0.47 and 2.08 percent in FY2020 and FY2019 respectively) but also surpassed the target (2.1 percent for FY2021). Despite strict fiscal constraints, timely and appropriate policy measures taken by the government resulted in a V-Shaped economic recovery.

The beginning of FY2021 was better in terms of containment of pandemic and economic recovery, however the second wave in late October 2020 and the third wave in March 2021 made government efforts more challenging for containing the pandemic and keeping the economic activities to continue. Regardless of fiscal constraints, relief provision to vulnerable segments and growth support was the government's utmost priority. According to the World Bank report on “Social Protection and Jobs Responses to COVID-19: A Real-Time Review of Country Measures” published on May 14, 2021, Pakistan was ranked Fourth in terms of a number of people covered while Third in terms of the percentage of population covered.

Pakistan’s economy is now on course towards strong and sustained recovery. The pandemic resulted in lockdown and depressed demand. Adequate government policies were implemented to keep economy moving. Utilization of unused industrial capacities during the pandemic also helped in economic recovery. On the basis of a rebound in almost all sectors, for FY2021, the provisional GDP growth rate is estimated at 3.9 percent on account of 2.8 percent growth in Agriculture, 3.6 percent in the Industrial sector and 4.4 percent growth in the Services sector. Moreover, GDP at current market prices stood at Rs 47,709 billion, showing a growth of 14.8 percent during FY2021 over last year (Rs 41,556 billion). While in the dollar term, it remained $ 299 billion which is higher than its value recorded last year ($ 263 billion).

Private Consumption has a significantly large share in GDP. This large share implies that Pakistan’s economy is a consumption-driven economy. Better consumer confidence can influence domestic production by increasing demand for durable. Growth in private consumption remained 17 percent in FY2021 as compared to 4 percent last year. On the other hand, growth in Public Consumption remained 11.4 percent, lower than 19.3 percent recorded last year, mainly due to lower growth in interest payments and squeezing of unnecessary expenditures.

Gross Fixed Capital Formation (GFCF) posted a growth of 13.8 percent in FY2021 and remained 13.6 percent of GDP. Private and public including the General Government being two major components of GFCF posted a growth of 6.6 percent and 38.1 percent, respectively.

In aggregate demand, historically contribution of Net Exports usually remained negative. For FY2021, in National Accounts, Exports of Goods and Services posted a growth of 13.6 percent while Imports of Goods and Services posted growth of 20.1 percent. However, for current year, capital goods and raw materials were the main imports which in turn helped in the growth of exports as well as domestic economic recovery.

FY2019 was an era of stabilization, while FY2020 was not only humanitarian crisis but economy also suffered contraction. Economic growth remained 3.94 percent in FY2021 posting quicker significant economic recovery which can be attributed to three factors. (i) The government made better management in controlling the pandemic which kept businesses going on and confidence high in FY2021. (ii) Fiscal Stimulus of Rs 1.24 trillion along with monetary support given in the pandemic. (iii) Due to quicker vaccination which supported economic recovery earlier than expected.

2. Agriculture

The agriculture sector’s performance during 2020-21 broadly stands encouraging as it grows by 2.77 percent against the target of 2.8 percent. The growth of important crops (wheat, rice, sugarcane, maize and cotton) during the year is 4.65 percent. The production of major Kharif crops 2020, such as sugarcane, maize and rice indicated considerable improvement compared to last year and surpassed the production targets. The production of sugarcane increased by 22.0 percent to 81.009 million tonnes from 66.380 million tonnes, rice by 13.6 percent to 8.419 million tonnes from 7.414 million tonnes and maize by 7.4 percent to 8.465 million tonnes from 7.883 million tonnes. However, the cotton crop suffered mainly due to decline in area sown, heavy monsoon rains and pest attacks. The cotton production reduced by 22.8 percent to 7.064 million bales from 9.148 million bales last year.

Wheat is the most important crop of "Rabi", which showed growth of 8.1 percent and reached record high production level of 27.293 million tonnes compared to 25.248 million tonnes last year. For the Rabi crops 2020-21, the government provided a comprehensive "Rabi Package" comprising of subsidies on fertilizer, fungicides and weedicides, together with an increase in the Minimum Support Price (MSP) of wheat to Rs 1,800 per 40 Kg.

Other crops having a share of 11.69 percent in agriculture value addition and 2.24 percent in GDP, showed growth of 1.41 percent because of increase in production of fodder, vegetables and fruits. Cotton ginning declined by 15.58 percent due to fall in the production of cotton crop. The overall crops sector, having a share of 35.81 percent in agriculture value addition and 6.87 percent in GDP, witnessed a growth of 2.47 percent.

Water availability during Kharif 2020 remained at 65.1 million acre feet (MAF) showing a slight decrease of 0.2 percent compared to 65.2 MAF of Kharif 2019. Rabi season 2020-21 received 31.2 MAF, showing an increase of 6.9 percent over Rabi 2019-20.

Domestic production of fertilizer during FY2021 (July-March) increased by 5.9 percent over the same period of the previous year mainly due to increase in supply of additional gas. There was an upsurge in total off-take of fertilizer nutrients by 15.2 percent largely due to upward revision in support price of wheat and decrease in the price of urea by 12 percent.

During FY2021 (July-March), total tractor production was 36,653 compared to 23,266 produced last year, an increase of 57.5 percent. The production increase was largely due to an improved liquidity position of farmers. The agriculture lending institutions have disbursed Rs 953.7 billion during July-March, FY2021 which is 63.6 percent of the overall annual target of Rs 1,500 billion and 4.6 percent higher than the disbursement of Rs 912.2 billion made during the same period last year.

Livestock having a share of 60.07 percent in agriculture and 11.53 percent in GDP, achieved a growth of 3.06 percent. The fishing sector, with a share of 2.01 percent in agriculture value addition and 0.39 percent in GDP, grew by 0.73 percent, while forestry sector having share of 2.10 percent in agriculture and 0.40 percent in GDP, grew by 1.42 percent.

3. Manufacturing and Mining

The Large-Scale Manufacturing (LSM) performance has been much favorable during July-March FY2021 and witnessed 8.99 percent growth as compared to 5.1 percent decline during the same period last year. The government's thoughtful decision to resume the business activities and adoption of smart lockdown boosted the business sentiments and the economy gained traction after witnessing a hefty decline in FY2020. Targeted fiscal and monetary incentives accompanied by related support packages helped speed up the economic recovery.

Out of 15 subsectors, nine posted growth during July-March FY2021. Textile and Food Beverages & Tobacco, the top two sectors of LSM, grew by 5.9 and 11.7 percent, respectively. Coke & Petroleum Products, Non-metallic Mineral Products, Automobile and Pharmaceuticals also grew by 12.71, 24.31, 23.38 and 12.57 percent, respectively.

The Mining and Quarrying sector declined by 6.49 percent during FY2021, against 8.28 percent contraction last year. This sector is lagging behind despite huge potential due to interconnected and cross-cutting issues like poor regulatory framework, insufficient infrastructure at mines sites, outdated technology installed, semi-skilled labor, low financial support and lack of marketing. During July-March FY2021, production of major minerals plunged such as Coal, Natural Gas and Crude Oil declined by 5.97, 4.70 and 6.72 percent, respectively. However, some minerals witnessed positive growth during the period under review such as Chromite 28.28 percent, Magnesite 6.17 percent, Rock Salt 5.44 percent and Iron Ore 26.23 percent.

4. Fiscal Development

The fiscal sector has witnessed significant challenges due to additional expenditures made to lessen the negative impact of COVID-19. However, the government's fiscal consolidation efforts provided significant support in maintaining fiscal discipline, increasing revenues and controlling expenditures, thus the fiscal sector continued to perform better. The fiscal deficit was contained at 3.5 percent of GDP during July-March FY2021 against 4.1 percent of GDP in the same period of last year. The primary balance posted a surplus of Rs 451.8 billion during July-March, FY2021 against the surplus of Rs 193.5 billion in same period last year.

The FBR tax collection witnessed a significant rise in ten months. During July-April, FY2021 the total collection grew by 14.4 percent to stand at Rs 3,780.3 billion against Rs 3,303.4 billion in the same period of FY2020. Encouragingly, the tax collection surpassed the target by more than Rs 100 billion during the period under review. The revenue performance is not only a reflection of growing economic activities without any disruption even in the wake of the third wave of COVID-19, but it also suggests that the efforts to improve the tax collection through various policy and administrative reforms are bearing the fruits.

The non-tax revenues stood at Rs 1,227.6 billion during July-March FY2021 against Rs 1,324.4 billion in the same period of last year, showing a decline of 7.3 percent. The decline is mainly attributed to the absence of a one-off renewal fee for GSM licenses from telecommunication companies.

The efficient expenditure management effectively curtailed the overall expenditures during the current fiscal year. Total expenditures grew by 4.2 percent during July-March FY2021 as compared with the growth of 15.8 percent observed in the same period of FY2020.

Presently, the fiscal policy measures are mainly focused on relief measures to support businesses and to protect vulnerable segments of society. Simultaneously, the government is focused on containing the fiscal deficit at a manageable level and keeping the primary balance at a sustainable level. The fiscal performance during the first three quarters of FY2021 is satisfactory. However, challenges to fiscal performance still persist which largely depend on the domestic and international evolution of COVID-19 and its perils for the economy. Nevertheless, effective revenue mobilization and prudent expenditure management strategy would be supportive in coping with these challenges.

5. Money and Credit

After the COVID-19 outbreak, the State Bank of Pakistan proactively reduced the policy rate by a cumulative 625 bps from 13.25 percent to 7.0 percent, within almost 3 months between March and June 2020. The target of monetary policy was shifted towards supporting growth and employment during the pandemic. During FY2021, SBP has continued with an accommodative monetary policy stance with 7.0 percent policy rate which has supported the economic recovery while keeping inflation expectations under control and safeguarding financial stability.

Besides sharply lowering the borrowing cost, SBP introduced a host of measures aimed at supporting the businesses and households during the challenging time. These measures, along with a fiscal stimulus package especially for revival of construction, led to a quick turnaround in economic activity in the country during FY2021.

During the period 1st July-30th April, FY2021 Broad money witnessed an expansion of Rs 1,664.8 billion (growth of 8.0 percent) against Rs 1,698.1 billion (growth of 9.5 percent) during the same period last year. Growth in money supply mainly contributed by Net Foreign Assets (NFA) of the banking system, which increased by Rs 950.2 billion against an expansion of Rs 931.1 billion last year, reflecting an improved balance of payment position. Whereas, Net Domestic Assets (NDA) of the banking system observed an expansion of Rs 714.6 billion during the period under review compared to an expansion of Rs 767.0 billion during same period last year.

During the period 1st July-30th April, FY2021, overall private sector credit witnessed an expansion of Rs 454.5 billion against Rs 318.5 billion last year. On a positive note, fixed investment loans increased significantly by Rs 140.4 billion during July-April, FY2021 against the borrowing of Rs 0.4 billion same period last year, which augurs well for the industrial sector and overall economic growth in the coming years.

The government has borrowed Rs 675.9 billion for budgetary support during 1st July-30th April, FY2021 compared to Rs 1,171.3 billion in the same period last year. Within budgetary support, the government has borrowed Rs 1,840.6 billion from scheduled banks as compared to the borrowing of Rs 1,813.4 billion in a comparable period last year. On the other hand, the government has retired Rs 1,164.7 billion to SBP as compared to the retirement of Rs 642.2 billion during the same period last year. This shows a continuation of government adherence to zero borrowing from the central bank.

6. Capital Markets & Corporate Sector

During FY2021, Global equity markets, which plummeted in March 2020, rebounded when governments around the globe injected big stimulus money into their economies. Pakistan Stock Exchange (PSX) also successfully powered through the initial COVID-19 induced economic downturn and earned the title of being the 'best Asian stock market and fourth best-performing market across the world in 2020.'

During July-May FY2021, the benchmark KSE-100 index improved from 34,889 points to 47,896 points, gaining 13,006 points in the said period. As of May 31, 2021, the total market capitalization of the Pakistan Stock Exchange was Rs 8,267 billion. An increase of 26.6 percent was witnessed in market capitalization, compared with the June 30, 2020 market capitalization of Rs 6,529 billion. Though the third wave of COVID-19 dragged the KSE-100 index down in March and April of FY2021, reforms introduced by the SECP and the government's pro-growth policies are helping the capital market to withstand the pressure.

The distinguishing feature of this year is the significant number of IPOs that took place. Despite the COVID-19 outbreak, Pakistan Stock Exchange witnessed five IPOs between July 2020 and March 2021. These five are: The Organic Meat Company, TPL Trakker, Agha Steel Industries, Engro Polymer & Chemicals Limited and Panther Tyres Limited.

During July-March FY2021, corporations raised Rs 96.9 billion by issuing seventeen debt securities. While 93 previous corporate debt securities worth Rs 782.875 billion remain outstanding.

7. Inflation

The Consumer Price Index (CPI) inflation for the period July-May FY2021 was recorded at 8.8 percent against 10.9 percent during the same period last year. The other inflationary indicators like the Sensitive Price Indicator (SPI) was recorded at 13.5 percent against 14.0 percent last year. Wholesale Price Index (WPI) was recorded at 8.4 percent in July-May FY2021 compared to 11.1 percent last year.

During July-May FY2021, National CPI inflation for FY2021 remained lower than same period last year. Administrative measures including a crackdown on speculative elements and resumption of seasonal supplies of perishables helped to minimize the inflationary pressures. Furthermore, tax relief measures in Budget FY2021 in response to COVID-19 also provided relief in terms of stable prices of various goods.

At the beginning of FY2021, a major contribution to increase in inflation in both urban and rural baskets came from food groups mainly due to the extended monsoon season. The government realizing the significance of supply disruption started establishing Sahulat/Bachat Bazar in all parts of the country. The rise in the prices of global agrarian products and other commodities especially oil contributed to domestic inflation as well. As far as oil prices are concerned, the government did not pass on the burden of price increase to the general public proportionately in order to maintain price stability.

8. Trade and Payments

Amidst the uncertain and precarious global economic environment, where the global economy was lurching under the impact of the unprecedented COVID-19 shock, Pakistan's external sector has appeared as a key buffer for resilience. The comfortable external balance position of Pakistan has been supported by surplus current account balance on the back of robust flow of remittances and a sustained recovery in exports. Furthermore, improvements in the services and primary income account also provided a cushion to turn the current account deficit of $ 4.7 billion in FY2020 into a surplus of $ 773 million during July-April FY2021.

The inflow of workers' remittances in Pakistan has been rising consistently since FY2018 and the trend continued in FY2021 with a meritorious growth of 29.0 percent and reached $ 24.2 billion during July-April FY2021.

Export of goods grew by 6.5 percent during July-April FY2021 and stood at $ 21 billion as compared to $ 19.7 billion in the same period last year. Import of goods grew by 13.5 percent to $ 42.3 billion as compared to $ 37.3 billion last year. Consequently, the trade deficit increased by 21.3 percent to $ 21.3 billion as compared to $ 17.6 billion last year.

Pakistan's total liquid foreign exchange reserves increased to $ 22.7 billion by the end of April 2021, up by $ 3.8 billion, indicating a growth of 20.1 percent over the end-June 2020. On account of increased foreign exchange reserves, supported by remittances, exports and financial support from International Financial Institutions, the Pakistani Rupee started to appreciate. The introduction of a market-based exchange rate regime also helped to stabilize the Rupee and the exchange rate reached Rs 153.5 per $ by the end of April 2021, effectively appreciating by 9.5 percent over end-June 2020.

9. Public Debt

Total public debt was recorded at Rs 38,006 billion at end March 2021. Domestic debt was recorded at Rs 25,552 billion while external public debt was recorded at Rs 12,454 billion or $ 81.6 billion at end March 2021.

Pakistan has been able to contain the growth in its public debt portfolio despite a very challenging macroeconomic situation around the globe due to the pandemic. In fact, Pakistan witnessed one of the smallest increases in its public debt. Global public debt to GDP Ratio increased by 13 percentage points, from 84 percent in 2019 to 97 percent in 2020, whereas, Pakistan's Debt-to-GDP ratio witnessed minimal increase of 1.7 percentage points and stood at 87.6 percent at end June 2020 compared with 85.9 percent at end June 2019. The Debt-to-GDP ratio of Pakistan is expected to reduce and will remain below 84 percent at the end of current fiscal year.

Public debt portfolio witnessed various positive developments during ongoing fiscal year, some of them are highlighted as follows:

- Over 80 percent of the net borrowing from domestic sources was through medium-to-long-term domestic debt instruments;
- In-line with the government's commitment, no new borrowing was made from State Bank of Pakistan (SBP). In fact, government repaid Rs 569 billion during the ongoing fiscal year against its debt owed to SBP. The cumulative debt retirement against SBP debt stood over Rs 1.1 trillion during last two fiscal years;
- Refinancing risk of debt portfolio reduced significantly during the tenure of the present government. Short-term debt as percentage of total domestic debt has decreased to around 23 percent at end March 2021 compared with 54 percent at end June 2018;
- The Rs 25,000, Rs 15,000 and Rs 7,500 denominations prize bonds were withdrawn from circulation in order to improve the documentation of the economy. The holders have been given options to (i) convert to premium prize bonds; or (ii) replace them with eligible National Savings Certificates; or (iii) encash at face value into their bank accounts;
- Pakistan entered the international capital market after a gap of over three years by successfully raising $ 2.5 billion through a multi-tranche transaction of 5-, 10- and 30-year Eurobonds under its first-ever Global Medium Term Note Programme;
- Pakistan is availing the G-20 Debt Service Suspension Initiative (DSSI) for a period of 20-months (May 2020 - December 2021) which will help to defer the debt servicing impact to the tune of around $ 3.7 billion during this period.

Total interest servicing was recorded at Rs 2,104 billion during first nine months of current fiscal year against its annual budgeted estimate of Rs 2,946 billion. Out of this total, domestic interest payments were Rs 1,934 billion and constituted around 92 percent of total interest servicing during first nine months of current fiscal year which is mainly attributable to higher volume of domestic debt in total public debt portfolio.

Pakistan's strategy to reduce its debt burden to a sustainable level includes commitment to run primary surpluses, maintain low and stable inflation, promote measures that support higher long-term economic growth and follow an exchange rate regime based on economic fundamentals. With narrower fiscal deficit, public debt is projected to enter a firm downward path while government's efforts to improve maturity structure will enhance public debt sustainability.

10. Education

Present government is committed to achieve Goal 4 of SDGs i.e., "Quality Education"; which stipulates equitable education, removal of discrimination, provision and up-gradation of infrastructure, skill development for sustainable progress, universal literacy, numeracy and enhancement of professional capacity of teachers.

A Single National Curriculum (SNC) has been designed with the vision of one system of education for all, in terms of curriculum, medium of instruction and a common platform of assessment, so that all children have a fair and equal opportunity to receive high quality education.

The total number of enrolment during 2018-19 was recorded at 52.5 million as compared to 51.0 million during 2017-18, which shows an increase of 2.9 percent. The enrolment is estimated to increase to 55.0 million during 2019-20. The number of institutes (both public and private) reached to 273.4 thousand during 2018-19 as compared to 262.0 thousand during 2017-18. However, the number of institutes is estimated to increase to 279.4 thousand in 2019-20. The number of teachers during 2018-19 were 1.76 million as compared to 1.77 million during the last year. The number of teachers is estimated to increase to 1.80 million during 2019-20.

According to the PSLM, District Level Survey 2019-20, the literacy rate of population (10 years and above) is stagnant at 60 percent in 2019-20 as compared to 2014-15. Province wise analysis suggests that Punjab has the highest literacy rate, with 64 percent followed by Sindh with 58 percent, Khyber Pakhtunkhwa (Excluding Merged Areas) with 55 percent, Khyber Pakhtunkhwa (Including Merged Areas) with 53 percent and Balochistan with 46 percent.

Public expenditures (federal & provincial governments) on education were estimated at 1.5 percent of GDP in 2019-20, as compared to 2.3 percent in 2018-19. The education-related expenditures decreased by 29.6 percent i.e., from Rs 868.0 billion to Rs 611.0 billion due to closure of educational institutes, amid country-wide lockdown and decrease in current expenditures (other than salaries) due to COVID-19 pandemic.

The COVID-19 pandemic has not only created a health crisis in the country but also adversely affected other sectors including education sector. In order to mitigate the learning losses of students during the closure of educational institutes, the government has launched initiatives like Tele School and Radio School to provide distance learning and addressed provision of education to the children of far flung and remote areas during the pandemic.

11. Health and Nutrition

The COVID-19 pandemic has tested the country's health infrastructure and identified the need for more investment in the health sector especially for diagnostic facilities, disease surveillance, disease prevention and spread, training of health personnel and their protection from the pandemic, vaccine development, up-grading health care infrastructure, emergency rooms, intensive care units, isolation wards and public awareness.

In order to make substantial progress on Goal 3 of SDGs (Good Health and Wellbeing), the Government of Pakistan has given priority to strengthen the health sector to further resolve and address the outbreak of the COVID-19 pandemic. The health-related expenditure increased by 14.3 percent from Rs 421.8 billion (1.1 percent of GDP) in 2018-19 to Rs 482.3 billion (1.2 percent of GDP) in 2019-20.

In Pakistan, the first case of COVID-19 was confirmed on 26 February 2020, when the first patient in Karachi tested positive. The first wave of COVID-19 claimed 6,795 lives, infected 332,186 and left behind 632 on ventilators. The government announced the second wave of COVID-19 on 28 October 2020, when there was a sudden increase in active cases from 6,000 to 11,000 and 93 hospitalized patients were put on ventilators. The third wave of COVID-19 in Pakistan started on 17 March 2021, when daily cases reached 3,000 with a positivity rate of 10 percent.

Pakistan formally launched the coronavirus vaccination drive on 03 February 2021. China has donated 1.5 million doses of the Sinopharm vaccine, which has an efficacy of 79 percent. Till 2nd June, 2021, a total of 13.0 million doses of vaccine have been received by the Government of Pakistan and 8.3 million doses have been administered as on 5th June, 2021.

The government is fully committed to increase the health coverage and provision of good nutrition to meet the emerging demand and to develop the effective human capital.

12. Population, Labour Force and Employment

According to the National Institute of Population Studies (NIPS) estimated population of Pakistan is 215.25 million with a population growth rate of 1.80 percent in 2020[1] and population density of 270 per Km^2. Pakistan has an extraordinary asset in the shape of youth bulge, which means that the largest segment of our population consists of young people. The population falling in the age group of 15-59 years is 59 percent, whereas 27 percent is between 15-29 years. This youth bulge can translate into economic gains only if the youth have skills consistent with the requirements of a modern economy. The government has started different programmes for improving employment opportunities for youth such as "Prime Minister's Youth Entrepreneurship Scheme" and "Prime Minister's Hunarmand Programme-Skills for All" etc.

According to the "Special Survey for Evaluating Socio-Economic Impact of COVID-19 on Wellbeing of People" conducted by the Pakistan Bureau of Statistics, population working were 55.74 million, prior to COVID-19. This number declined to 35.04 million which indicates people either lost their jobs or were not able to work. The government announced package for construction sector and provided industrial relief, etc. Thus opening of these sectors, in which daily wagers were working along with fiscal stimulus and monetary measures, helped economy to recover. Thus according to the survey in August-October FY2021, 52.56 million resumed jobs.

13. Transport and Communication

Due to COVID-19, the scheduled flight operations to most parts of the country and the globe remained suspended. However, Pakistan International Airline Corporation (PIAC) operated special flights to facilitate stranded Pakistanis abroad.

[1]Population data reported in the chapter is based on Census 1998. Census Results 2017 have been released by PBS. NIPS will provide projected data accordingly, with the consultation of PBS and M/o Planning, Development &Special Initiatives. The revised Population data will be published in Statistical Supplement PES 2020-21.

Pakistan Railways is a major mode of transport in the public sector, contributing to the country's economic growth and providing national integration. Pakistan Railways comprises a total of 466 locomotives (461 Diesel Engine and 05 Steam Engines) for the 7,791 km route length. During July-February FY2021, gross earnings have been recorded at Rs 30,966.11 million against Rs 36,916.85 million.

Pakistan National Shipping Cooperation Group has made significant progress in bulk and liquid cargo segments. Despite the pandemic, the Group has managed to achieve a profit of Rs 1,235 million as against Rs 1,411 million in the corresponding period last year. The turnover stands at Rs 9,633 million compared to Rs 9,621 million for the previous year's corresponding period. Revenue of the tanker segment, including foreign charters, grew by 7.12 percent from Rs 6,195 million to Rs 6,635 million. The increase in revenues reflects the growth in the operational activity of the Group.

There has been a consistent growth in IT & IT-enabled services (ITeS) remittances over the last 5 years, with a compound annual growth rate (CAGR) of 18.85 percent, the highest growth rate in comparison with all other industries and the highest in the region. Micro enterprises, independent consultants and freelancers have contributed an estimated $ 500 million in IT & ITeS exports. The annual domestic revenue exceeds $ 1 billion. IT export remittances, including telecommunication, computer and information services have surged to $ 1.298 billion at a growth rate of 41.39 percent during July-February FY2021, in comparison to $ 918 million during the corresponding period of FY2020. ITeS export remittances comprising of computer services and call center services have surged to $ 1.113 billion at a growth of 41.65 percent during July-February FY2021 as compared to $ 785.686 million during same period last year. The number of Pakistan Software Export Board (PSEB) registered IT & ITeS companies as of 30th March 2021, is 3,013 compared to 2,484 as of March 2020, showing a growth of 21 percent.

FDI in telecom during July-February FY2021 was $ 101.1 million. Telecom operators have invested an amount of $ 363.9 million during July-February FY2021. The main driver behind this investment is the cellular mobile sector which has invested $ 253.5 million during the period. The overall investment in the telecom sector during the two quarters of FY2021 crossed $ 465.0 million. Cellular mobile subscribers (number of active Sims) in Pakistan reached 182 million at the end of March 2021 compared to 167.3 million at the end of June 2020, showing a growth of 8.6 percent in nine months. Broadband connections as of end March 2021, increased to 100 million registering 19.7 percent increase as compared to FY2020.

PEMRA has issued 258 Licenses for FM Radio and 4,173 Cable TV Licenses. PEMRA has deposited over Rs 105.0 billion in national exchequer.

14. Energy

Pakistan's reliance on thermal which includes imported coal, local coal, RLNG and natural gas has been decreasing over the last few years. Pakistan's dependence on natural gas in the overall energy mix is on the decline and the reduction of its share in the energy mix may be attributed to declining natural gas reserves as well as to the introduction of LNG since 2015.

Regarding consumption pattern, there is no considerable change in the consumption pattern of electricity. During July-April FY2021, the share of agriculture in electricity consumption is consistent at 8.9 percent. However, the share of Industry in electricity consumption has increased to 26.3 percent in July-March FY2021 as compared to 25.5 percent in the same period last year.

NEPRA has extended advice to the concerned entities, including Federal/ Provincial Governments, on various power sector issues. A landmark decision was taken by the Detailed Design and Implementation Plan of Competitive Trading Bilateral Contract Market (CTBCM) to make the competitive wholesale electricity market operational by April 2022 and ushering a new era of transparency, predictability and credibility whereby electricity shall be traded like any other commodity. NEPRA also established Occupational Health, Safety & Environment (HSE) Department to enhance the safe and smooth operations and well-being of licensee employees, contractors and community as a whole.

Crude oil's local extraction and imports reached to 68.9 million barrels in July-March FY2021 from 58.6 million barrel in corresponding period last year, while share of import in July-March FY2021 remained 48.2 million barrel as compared to 38.8 million barrel in last year same period. Similarly, in July-March FY2021, consumption of petroleum products increased to 14.7 million tonnes from 12.5 million tonnes.

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, FY2021 was 927,683 metric tonnes. Currently, there are 11 LPG producers and 216 LPG marketing companies operating in the country having more than 7,000 authorized distributors.

During July-February FY2021, the average natural gas consumption was about 3,723 Million Cubic Feet per day (MMCFD) including 950 MMCFD volume of RLNG. During July-February FY2021, the two gas utility companies (SNGPL & SSGCL) have laid a 143 Km gas transmission network, 2,616 Km distribution and 886 Km services lines and connected 70 villages/towns to the gas network. Moreover, 304,573 additional gas connections including 303,243 Domestic, 1,020 Commercial and 310 Industrial were provided across the country.

15. Social Protection

Social protection has a central role to play in addressing the social, economic and health dimensions of the COVID-19 crisis. The Ehsaas Emergency Cash programme has proven to be effective in mitigating the socio-economic consequences of COVID-19 pandemic. The Government has disbursed Rs 179.8 billion as one-time emergency cash assistance to 14.8 million families at risk of extreme poverty. Since the launch of Ehsaas, many transformative initiatives and policy reforms have effectively been implemented nationwide. Some of the Ehsaas' early wins across various sectors include Ehsaas Kafaalat, Ehsaas Emergency Cash, Ehsaas Undergraduate Scholarship, Ehsaas Nashonuma, Ehsaas Langars, Ehsaas Interest-Free Loans, Ehsaas Amdan and several others.

Under Ehsaas Kafaalat Programme, the government is providing cash stipends of Rs 2,000 monthly. Number of Kafaalat beneficiaries has been increased from 4.6 million to 7 million. All payments are being made through the new biometric Ehsaas Digital Payment System ensuring transparency.

Under Ehsaas strategy, interest free loans are a major component of the National Poverty Graduation Initiative. Since July 2019 to March 2021, a total of 1.2 million loans (46 percent loans to women) have been disbursed amounting Rs 44.42 billion. Overall, 1,100 loan centers/branches have been established in about 110 districts by 24 partner organizations across the country. During July-March FY2021, a total of 490,368 interest free loans (47 percent loans to women) amounting to Rs 17.50 billion have been disbursed to the borrowers.

Pakistan Poverty Alleviation Fund (PPAF) also helps in micro-credit, water, health, education and livelihood. Since its inception in April 2000 till March 2021, PPAF has disbursed an amount of approximately Rs 228 billion to its Partner Organizations (POs) in 144 districts across the country. A total of 8.4 million microcredit loans have been disbursed with 60 percent loans to women and 80 percent financing extended to rural areas. The overall disbursements for core operations during July-March FY2021 amounted to Rs 2.64 billion.

Pakistan Baitul Mal (PBM) is providing financial assistance to the destitute, widows, orphans and other needy persons at the district level. During July-March FY2021, PBM has disbursed an amount of Rs 3.0 billion through its core projects.

Workers Welfare Fund during July-March, FY2021 disbursed Rs 2.47 billion on 33,679 scholarship cases, while Rs 573.44 million have been utilized as marriage grants @Rs 100,000 per worker benefitting 5,736 workers' families. The WWF has also disbursed Rs 496.55 million as a death grant @Rs 500,000 per worker, covering 994 cases of mishaps all over the country.

EOBI provides monetary benefits to old age workers through various programmes such as Old Age Pension, Invalidity Pension, Survivors Pension and Old Age Grant. During July-March FY2021, an amount of Rs 34.06 billion has been utilized for 399,574 beneficiaries.

16. Climate Change

The changes in climate had started around fifty years back due to rapid industrialization with substantial geopolitical consequences. As things stand, we are at a crossroads for a much warmer world. According to German Watch, Pakistan is among the top ten countries most affected by climate change in the past 20 years. The reasons behind this include the impact of back-to-back floods since 2010, the worst drought episode (1998-2002) as well as more recent droughts in Tharparkar and Cholistan, the intense heat wave in Karachi (and Southern Pakistan generally) in July 2015, severe windstorms in Islamabad in June 2016, increased cyclonic activity and increased incidences of landslides and Glacial Lake Outburst Floods (GLOFs) in the northern parts of the country.

To revive the forest cover and wildlife resources in Pakistan the government has launched the Ten Billion Tree Tsunami Programme. The programme has achieved a plantation of 350 million plants in the first three quarters of FY2021 and about 100,000 daily wagers have been employed till March 2021. Cumulatively, more than 800 million plants have been regenerated / planted in the last two years with a target to reach one billion by June 2021.

To mitigate the negative impacts of the automobile sector emissions on the environment and giving a boost to the economy, the Government has approved its National Electric Vehicle Policy targeting a 30 percent shift to electric by 2030.

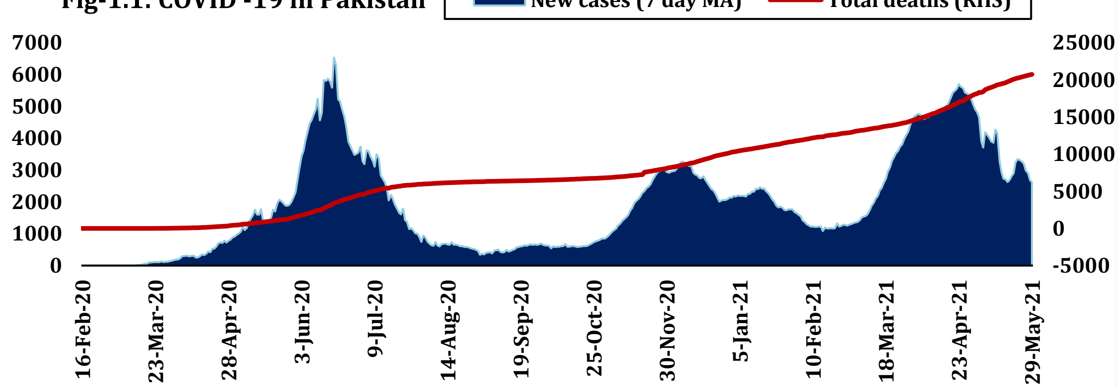
Chapter 1

Growth and Investment

Economy of Pakistan rebounded strongly in FY2021 and posted growth of 3.94 percent which is not only substantially higher than the previous two years (-0.47 and 2.08 percent in FY2020 and FY2019 respectively) but also surpassed the target (2.1 percent for FY2021). Despite strict fiscal constraints, timely and appropriate policy measures taken by the government resulted in a V-Shaped economic recovery.

Start of 2021, amid worldwide vaccination campaigns, the global economy started showing healthy signs of recovery, however, third wave of the pandemic tempered the pace of economic recovery. The pandemic which has already induced shocks like lockdowns, border closures, collapse of trade, travel bans and financial market volatility globally. Third wave in Euro Area, UK, India and many other countries further intensified these restrictions thus affecting the global supply chains. Experts started projecting difference in recovery on the basis of divergent circumstances of each country and the idiosyncrasies of its policy response. It was argued that success in the post-pandemic era will reflect a constellation of policies and capacities peculiar to each country, including national vaccination rates, integration into major economic blocks, the ability to provide fiscal and monetary stimulus and the restoration of solvency in the private sector. For Pakistani economy, this pandemic also became a severe challenge as country was already under the pressure of stabilization required to address Balance of Payments crisis emerged in FY2018. Thus, both consecutive adverse shocks; stabilization pressure owing to Balance of Payments (BoP) crisis and COVID-19 pandemic put the economy far below its potential level which resulted in a negative growth in FY2020. First wave of pandemic started in April 2020 (Fig-1), depressed majority of economic activities.

Fig-1.1: COVID -19 in Pakistan

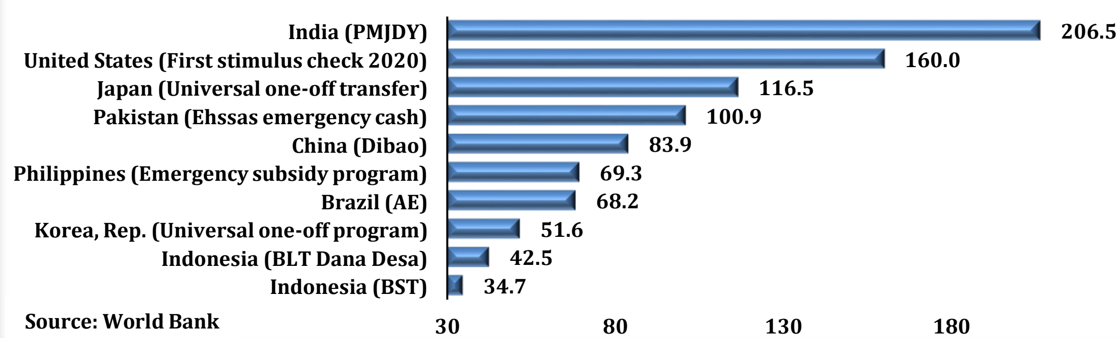


Source: https://covid.ourworldindata.org/data/owid-covid-data

Beginning of new fiscal year was better in term of containment of pandemic and economic recovery, however second wave in late October 2020 and third wave in March 2021 made government efforts more challenging for containing the pandemic and keeping the economic activities to continue.

Real GDP growth of 3.94 percent in FY2021 is V-shaped economic recovery which shows concerted efforts of government for addressing structural issues to avoid further macroeconomic imbalances. The government also took some immediately requisite measures for sustainable and robust growth along with protecting the most vulnerable segments of the society. Given fiscal constraints, the government had also to address public health issues faced because of pandemic, uplift the weaker segment of society that suffered due to lockdowns and keep the economy moving. Further unlike past, the government restricted itself in borrowing from SBP and also followed expenditure-control measures in context of the structural changes for conducting fiscal policy measures. Relief provision to vulnerable segments and growth support was government's utmost priority. However, high interest payments (July-March FY2021 Rs 2.1 trillion ($ 13.1 billion); 4.6 percent of GDP; 32 percent of Total Expenditures) restricted expenditure side from going all out with options, while the fiscal position further became weaker due to sharp decline in non-tax revenues (7.3 percent decline in July-March FY2021 compared to corresponding period last year). Still government has not made any compromise on relief provision to vulnerable segments. In FY2021, allocation for Ehsaas Programme has been increased from Rs 187 billion ($ 1.17 billion) to Rs 208 billion ($1.30 billion) to provide relief to vulnerable segments of society which was affected by pandemic in term of health and livings. Under "Ehsaas Emergency Cash Program", 14.8 million families were benefited. It was the commitment which also made the Programme globally recognized. According to World Bank report on "Social Protection and Jobs Responses to COVID-19: A Real-Time Review of Country Measures" published on May 14, 2021, Pakistan is ranked Fourth in terms of number of people covered while Third in terms of the percentage of population covered, and remained amongst those that covered over 100 million people (Fig -1.2).

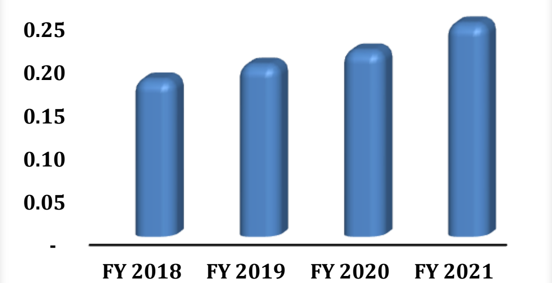
Fig - 1.2: Top 10 cash transfer programmes by actual coverage (million people)



Source: World Bank

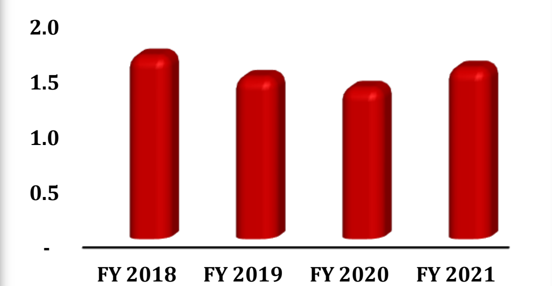
This is an indication that contrary to earlier trickle-down approach, the government followed growth-oriented policies along with protection of vulnerable segments. The government is also considering bottom-up approach for economic growth. Since COVID-19 outbreak, the government started giving special attention to the sector on which majority of daily wagers were dependent which affected livings of these people due to lockdowns and the measures are still continuing. Earlier in April 2020, the government opened the Construction sector and given special package which includes amnesty scheme for investors, tax exemptions, diaspora investment incentives and a Rs 36 billion subsidies (for 10 years) under their niche Naya Pakistan Programme. The government has extended tax amnesty till June 2021, while allowing a fixed tax regime till December 2021. Likewise, the government has also given special attention to Small & Medium Enterprises (SMEs). On 8th October 2020, Prime Minister also approved a National SME Policy Action Plan 2020 to provide much needed support to SMEs. The plan focuses on key areas including SME definition, access to finance, business development services, skills & human resource, technology, market access, infrastructure and entrepreneurship. Since start of current fiscal year, strong rebound in LSM index was also observed. In March FY2021, LSM index remained 155.6 which is 82 percent higher than 85.6 observed in April FY2020. Thus, the government appropriate and in time measures not only built business confidence but also helped in strong economic recovery earlier and more than predicted. In context of growth with protection of vulnerable segments, the mentioned government measured kept Per capita income in Pakistani rupees to continue its increasing trend. However, rebound was seen in per capita income in dollar term which reflects both stability of exchange rate and real economic growth.

Fig - 1.3 A: Per Capita Income in Million Rupees



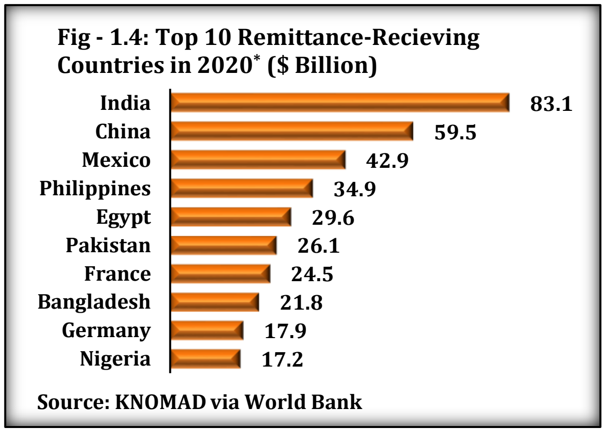
Source: Pakistan Bureau of Statistics

Fig - 1.3 B: Per Capita Income in Thousand Dollars



Source: Pakistan Bureau of Statistics

Although in FY2018, real GDP growth remained 5.5 percent and per Capita Income was $ 1,630. However, Gross External Financing requirements also soared to around $ 30 billion thus caused unsustainable fundamentals on Balance of Payments (BoP) side. More specifically, the total expenditures in the economy substantially exceeded the income generated by the various sectors of the economy. This resulted in a substantial current account deficit of the BoP, which was financed by running down the country's official reserves up to the point that the State Bank had no further resources to maintain the exchange rate. The incumbent government thus took difficult decisions in rationalizing exchange rate and aligned it to the market value-based exchange rate adjustments. In FY2021, external account was stabilized, economic revival started through resumption of economic activities and containment of initial domestic spread of the pandemic, even lead to an appreciation in the Pak Rupee vs. dollar. Most importantly, the growth of imports has been more in those inputs in which tariff



rationalization took place which can be used as raw material which in turn helped in increase of exports. Workers' remittances, on the other hand, with government scheme of "Roshan Digital Account" proved instrumental in providing the necessary foreign reserves for current account improvement. During July-April FY2021, remittances soared to $ 24.2 billion posting a growth of 29 percent. However, from the demand side during current fiscal year, it was observed that pace of exports remained slow mainly due to ongoing restriction in its trading partners. Economic recovery was thus seen in start of current fiscal year, on the back of increase in domestic production to be used in domestic markets. On the basis of expectation, Pakistan was among the top ten remittances recipient in the world as shown in Fig -1.4. However, in calendar year 2020, Pakistan received $ 26.0 billion while from January to April in 2021, worker remittances remained $ 10.0 billion showing a growth of 35 percent compared to corresponding period last year ($ 7.4 billion). The remittances thus caused increase in domestic production for use in domestic markets to start economic recovery.

The improvement in the current account led to increased foreign exchange liquidity in the interbank market and was reflected in a build-up in the country's foreign exchange reserves and thus appreciation in the Pak Rupee was seen. Further, from the macro linkage of increased foreign exchange liquidity led to a buildup in Net Foreign Assets component of Money Supply (M2) as well. Earlier in FY2018, more contribution in M2 growth was observed from increase in Net Domestic Assets (NDA) mainly due to government borrowing from SBP. This made pass-through inflationary pressure in FY2019. Thus, price stability became prime concern of the incumbent government. Most importantly, demand-side inflation was controlled by prudent government expenditure policy and restricting government for borrowing from the State Bank. Further, cracking cartels, ensuring smooth supply, tax relief measures, etc along with Ramazan package for providing essential items to general public at affordable prices, helped in slowing down the pace of inflation.

The fiscal prudence and debt management resulted in making, primary balance in surplus during July-September FY2020 (0.6 percent of GDP). During Jul-Mar FY2021, it is still positive and recorded as 1.0 percent of GDP. The primary balance surplus is the necessary condition for fiscal and debt sustainability which had been met in present regime more specifically. The government also reprofiled its debt from short term to long term during last two years as a result of which refinancing risk of the debt portfolio has been reduced significantly. Most importantly, Pakistan entered the international capital market in April 2021 after a gap of over three years by successfully raising $ 2.5 billion showing confidence of international investors on Pakistan's economy.

Summarizing, FY2019 was an era of stabilization, while FY2020 was not only humanitarian crisis but economy suffered severe contraction. Recent economic growth of 3.94 percent posting quicker significant economic recovery. It can be attributed to three things. (i) The government made better management in controlling the pandemic which kept businesses going and confidence high in FY2021. (ii) Fiscal Stimulus of Rs 1.24 trillion along with monetary support given in the pandemic. Further, committed focus of the government on certain targeted sectors like housing, agriculture, industry, exports, etc. (iii) Due to vaccination, quicker than expected global recovery.

It is expected that in coming years the economy will have sustainable and inclusive growth. Government is making initiatives for utilizing bottom-up approach instead of trickle-down approach. Furthermore, the government measures regarding price stability will also help in improving the living of general public.

Global Perspective

The years 2020 and 2021 are especially marked by the outbreak and evolvement of the COVID-19 pandemic. This was in the first place a humanitarian crisis. According to the Corona Virus Resource Centre of the Johns Hopkins University by the end of May 2021 nearly 167.5 million people have been infected and nearly 3.5 million corona-related deaths were registered worldwide.

Worldwide Governments took measures to protect peoples' lives, involving complete or partial lockdowns of economic activities and restrictions on movements. But these necessary measures also brought economic pains. Measured by GDP growth, the world economic growth went into a severe recession, which manifested itself in almost all countries, among which are Pakistan's main export destinations. Table - 1 shows that the world economy was estimated to have contracted with 3.3 percent in 2020. The contraction was very pronounced in the Euro Area and the UK, two of Pakistan's main export areas. The contraction in the US was slightly above the world average, whereas growth in Middle East and Central Asia also significantly declined while China witnessed a growth recession as well. These recessions resulted in a decline of the volume of world trade with 8.5 percent.

Table – 1.1: World GDP and Trade Volume Growth (%)

	2019	2020	2021	2022
World GDP growth	2.8	-3.3	6.0	4.4
United States	2.2	-3.5	6.4	3.5
Euro Area	1.3	-6.6	4.4	3.8
United Kingdom	1.4	-9.9	5.3	5.1
China	5.8	2.3	8.4	5.6
Middle East and Central Asia	1.2	-2.9	3.7	3.8
World Trade Volume	0.9	-8.5	8.4	6.5

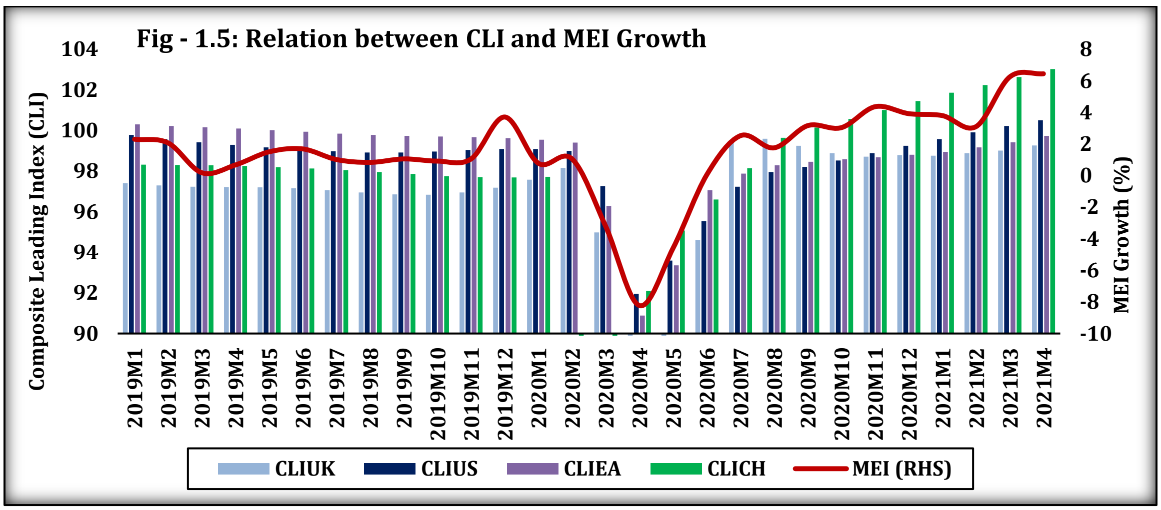
Source: IMF World Economic Outlook, April 2021

At the same time as lockdowns were being proclaimed, governments used fiscal instruments to support peoples' incomes and together with Central Banks' Programmes were being designed to keep the economies afloat as much as possible.

Since the beginning of 2021, massive vaccination Programmes were rolled out. By the end of May 2021 around 1.7 billion doses have been administered world-wide. These developments allowed to gradually lift restrictions on human interactions and together with continuing expansionary fiscal and monetary policies, they are expected to generate V-shaped economic recoveries. World GDP growth is expected to rebound by 6 percent in 2021. All Pakistan's major export markets are expected to participate in this rebound, as well as the volume of world trade would increase.

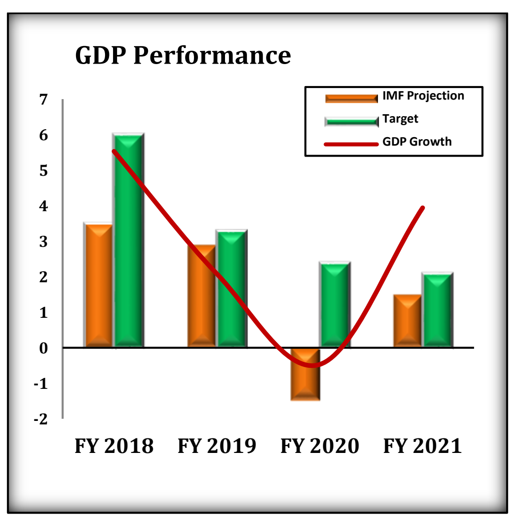
These developments have also impacted Pakistan's economic performance, both directly and indirectly. Pakistan had to restrict human interactions in times when infections were rising both domestically and abroad. Furthermore, economic activity suffered from the economic recession in its major export countries which translated into a negative GDP growth (-0.47 percent) in FY2020. However, in FY2021, Pakistan has strongly come back on its economic front with a V-shaped recovery.

Analyzing the high frequency indicators, such as the OECD Composite Leading Indicators (CLI), it is observed that CLI in Pakistan's main trading partners like US, Euro Area, UK and China are improving which indicates better prospects for Pakistan's exports earnings in coming months. There is significant relationship between CLI in Pakistan main trading partners and Monthly Economic Indicators (MEI) of Pakistan evident from (Fig – 1.5).



Box: From Macro imbalances to Stabilization to Economic Recovery

The growth in FY2018 (5.5 percent) could not keep momentum due to macroeconomic imbalances i.e., trade deficit in goods and services remained historically high ($ 37 billion, 12 percent of GDP) while the fiscal deficit reached Rs 2,260 billion, (7 percent of GDP). The depletion of foreign reserves and highest gross financing need constrained the government to follow stabilization policies immediately afterwards. However, the government made considerable progress in mobilizing additional financing. Further, tough decisions of following market value-based exchange rate, increasing policy rate and energy price adjustments were also made. COVID-19 worsened the stumbling economic situation. In this backdrop government announced a fiscal stimulus package of Rs1.24 trillion while the State Bank of Pakistan provided liquidity support to households and businesses



to help them through the ensuing temporary phase of economic disruption.

During FY2021, the government continued to support agriculture and industrial sectors. Government has formulated short-, medium- and long-term strategies to achieve inclusive sustainable economic growth and social prosperity:

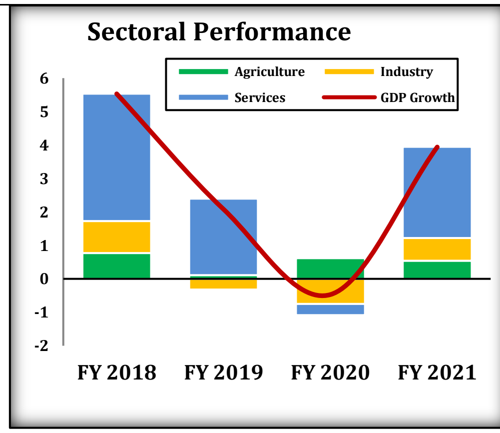
- The government has launched flagship Ehsaas Programme in which total allocation was increased to Rs 208 billion in FY2021 from Rs 187 billion in FY2020.
- Prime Minister approved "Rabi Package" of Rs 5.4 billion and subsidy disbursement in Kharif season 2021 through Provinces on sharing basis (75:25) to reduce the input cost for the farmers. Minimum Support Price of wheat has been increased to Rs 1,800 per 40 kg from Rs 1,400 per 40 kg to encourage wheat cultivation.
- Government allocated Rs 36 billion for payment of mark-up subsidy for financing for the construction and purchase of new houses over a period of 10 years.
- Relief Package for Small & Medium Industries.
- Government slashed Federal Excise Duty (FED) on cement from Rs 2/kg to Rs 1.5/kg w.e.f 1st July, 2020.
- Export Finance Scheme (EFS) Rate is maintained at 3.0 percent and Long-Term Finance Facility (LTFF) has reduced from 6.0 to 5.0 percent in FY2021. Per project LTFF limit has been enhanced to Rs 5 billion from 2.5 billion.
- The total subsidies under credit to exporters outstanding under both schemes (EFS and LTFF) is approximately Rs 660 billion.

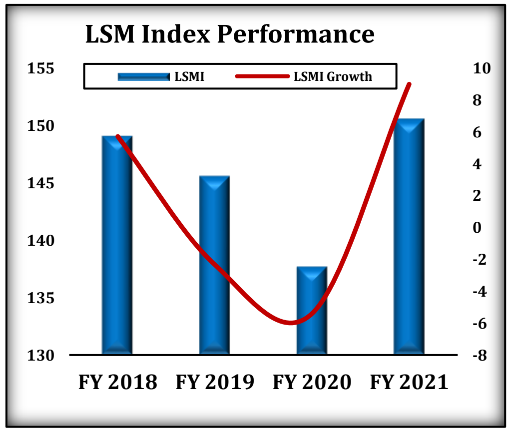
Regardless of strict fiscal constraints, the government followed timely and appropriate policy measures. Thus, better management and fiscal stimulus kept businesses going and confidence high in FY2021. V-Shaped economic recovery despite stabilization pursuit.

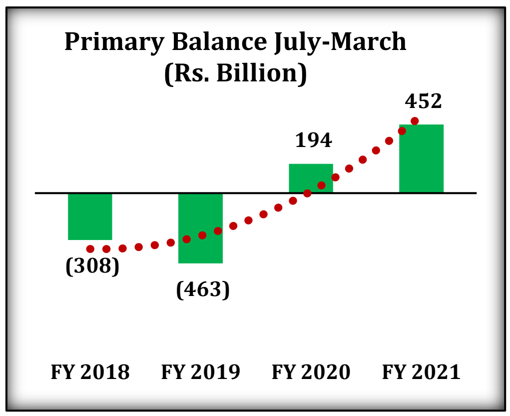
The industrial sector showed a robust growth evident from LSM index while performance of important crops caused an overall improvement in the agriculture sector as well. Buoyancy in the commodity-producing sector, in turn, trickled down to the services sector, with significant improvement in wholesale and retail trade.

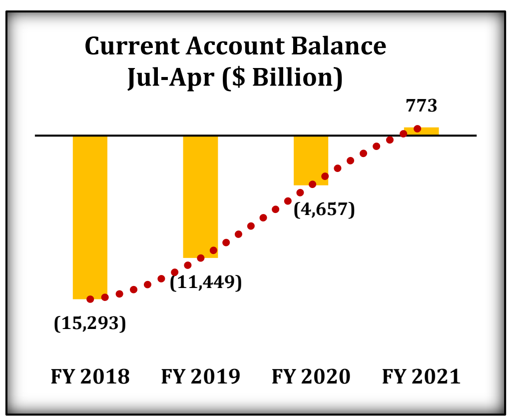
Fiscal performance remained prudent due to austerity measures supported by controlling the non interest expenditures. Thus, expenditure under defense as well as running of civil govt were declined which caused Primary Balance Surplus (Rs 452 billons; 1.0 % of GDP) during July–March FY 2021

Significant improvement in Current Account Balance ($773 million) during July–April FY 2021 helped in maintaining foreign reserve above threshold level, due to which stable exchange rate persists.









Pakistan Economic Performance FY2021

Effective policy measures taken by the government to contain the virus along with fiscal stimulus and monetary measures by the State Bank of Pakistan in FY2020 helped to kickstart the economy in the pandemic when severe economic depression was prevailing around the globe. Further, relief provision to vulnerable segments through Ehsaas Cash Emergency Programme helped in increase in domestic production for domestic use when exports were not performing well due to worldwide lockdown. Significant growth in remittances helped in stabilizing Pakistan's external account. In second half of current fiscal year, with global recovery, exports also started playing the role in improving current account balance. For July-April FY2021, current account remained in surplus $ 773 million ($ 4.7 billion deficit last year) (Fig – 1.6 A) implying a significant improvement in Saving-Investment Gap which in turn helped in building foreign exchange reserves. Thus, the exchange rate not only remained stable but nine percent appreciation in the Pak Rupee was observed in April 30, 2021 (1$ = Rs 153.45) compared to June 30, 2020 (1$ = Rs 168.06). Further improvement in Saving – Investment gap translated into improvement in National and Domestic Saving (Fig–1.6 B).

Fig - 1.6 A: Saving - Investment Gap ($ Billion)

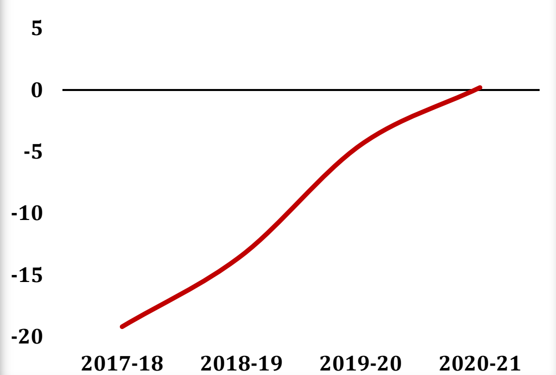
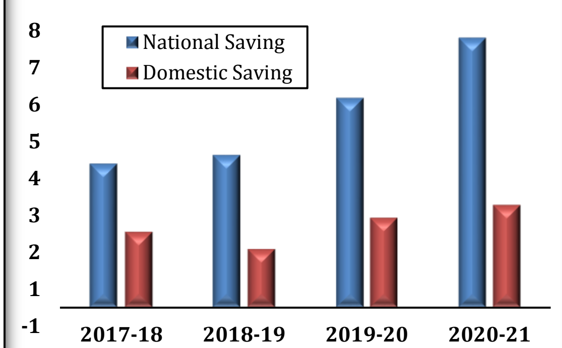


Fig - 1.6 B: National & Domestic Saving (Rs Trillion)

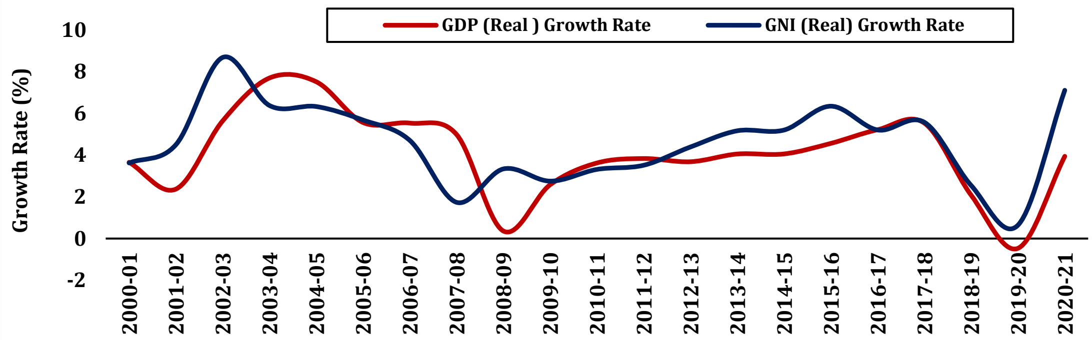


The government is also making efforts for effective mobilization of national savings that will allow higher levels of investment in future.

Aggregate Demand Analysis

For aggregate demand analysis, Nominal GDP (MP) i.e., GDP(MP) at current prices is used. For FY2021, GDP at current market prices stands at Rs 47,709 billion showing a growth of 14.8 percent over last year (Rs 41,556 billion). In dollar term, it remained $ 299 billion higher than GDP observed in FY 2019 ($ 263 billion) due to stabilization. Gross National Income (GNI) is also used for measuring and tracking a nation's wealth which is calculated by adding Net Factor Income from abroad (NFI) to GDP (MP). In FY2021, Real GNI (GNI at basic prices of 2005-06) posted a growth of 7.1 percent, it is the highest since FY2004 (Fig – 1.7).

Fig - 1.7:Peformance of Economy



Source: Pakistan Bureau of Statistics

For FY2021, there was 17 percent growth in GNI at current prices as NFI posted growth of 39 percent on account of 28 percent growth in Workers Remittances as per National Accounts.

In Pakistan, due to non-availability of National Accounts on Expenditures approach, Private Consumption is estimated on residual basis. Thus, Private Consumption has significantly large share in GDP. This large share implies that Pakistan's economy is consumption driven economy like other developing economies. Better consumer confidence can influence increase in domestic production by increasing demand for durables.

Table 1.2: Composition of Aggregate Demand

	FY2019	FY2020	FY2021	FY2019	FY2020	FY2021	FY2019	FY2020	FY2021
	As percent of GDP (MP)			Growth Rates (%)			Point Contribution		
Private Consumption	82.8	79.3	80.7	11.1	4.4	16.8	9.1	3.7	13.4
Public Consumption	11.7	12.8	12.4	9.9	19.3	11.4	1.2	2.3	1.4
Total Consumption [C]	**94.5**	**92.1**	**93.1**	**10.9**	**6.3**	**16.1**	**10.3**	**6.0**	**14.8**
Gross Fixed Investment	14.0	13.7	13.6	(1.9)	6.7	13.8	(0.3)	0.9	1.9
Private Investment	10.5	10.6	9.8	9.2	10.3	6.6	1.0	1.1	0.7
Public Investment	3.5	3.2	3.8	(24.4)	(3.7)	38.1	(1.3)	(0.1)	1.2
Changes in Stock	1.6	1.6	1.6	10.0	9.1	14.8	0.2	0.1	0.2
Total Investment [I]	**15.6**	**15.3**	**15.2**	**(0.8)**	**7.0**	**13.9**	**(0.1)**	**1.1**	**2.1**
Exports (Goods & Services) [X]	10.1	10	9.9	23.7	8.5	13.6	2.1	0.9	1.4
Imports (Goods & Services) [M]	20.3	17.4	18.2	11.0	(6.0)	20.1	2.2	(1.2)	3.5
Net Exports [X-M]	**-10.2**	**-7.4**	**-8.3**	**0.8**	**(20.4)**	**28.9**	**(0.1)**	**2.1**	**(2.1)**
Aggregate Demand [C + I + X]	**120.3**	**117.4**	**118.2**	**10.2**	**6.6**	**15.6**	**12.2**	**7.9**	**18.3**
Domestic Demand [C + I]	**110.2**	**107.4**	**108.3**	**9.1**	**6.4**	**15.8**	**10.1**	**7.0**	**16.9**
GDP (MP)	**100**	**100**	**100**	**10.0**	**9.1**	**14.8**	**10.0**	**9.1**	**14.8**

Source: Pakistan Bureau of Statistics

From Table–1.2, it can be seen that in FY2019, increase in borrowing costs and depreciation of Pakistani Rupee has not alter the Private Consumption patterns except in FY2020, where its growth was recorded 4.4 percent while its share in GDP was 79.3 percent. In FY2021, growth in Private Consumption remained 16.8 percent significantly contributing in GDP growth on account of higher growth in workers remittances and cash transfer to low segment of society through Ehsaas Cash Emergency Programme.

Likewise, growth in the Public Consumption increased in both FY2020 and FY2021 because of COVID-19 related expenditures which started in FY2020 and remained continue in FY2021. However, in FY2021, growth in the Public Consumption remained 11.4 percent lower than 19.3 percent recorded last year mainly due to squeezing unnecessary expenditures as well as decrease in interest payments.

Investment in Pakistan is constrained by many factors like low saving rate, less saving and investment opportunities, lack of financial literacy and access to capital and much of the savings are parked in real estate and abroad. The government is taking measures to increase both savings and investment to augment the employment generating ability of the economy as well as raise resource availability for investment. In this regards Kamyab Jawan Scheme, Rozgar scheme, National SME Policy Action Plan 2020, Export Finance Schemes and Construction Package are some notable measures taken by the government which will accelerate investment in coming years as well.

Gross Fixed Capital Formation (GFCF) posted a growth of 13.8 percent in FY2021 and remained 13.6 percent of GDP. Private and Public including General Government being two components of GFCF posted a growth of 6.6 percent and 38.1 percent respectively. For Private GFCF, 6.6 percent additional investment was observed, however, spare capacity was already available due to lockdown and slow economic activities happened in FY2020. Further, significant growth in Public including General Government GFCF supplemented in acceleration in economic activities for V-Shaped recovery.

During FY2021, a significant increase in Private GFCF was seen in Agriculture (17 percent) on account of increase in imported agriculture machinery and increase in value of stock in the livestock sub-sector. The other sectors in Private GFCF which posted growth were Small Scale including Slaughtering (21 percent), Wholesale and Retail Trade (16 percent), Housing Services (12 percent) and Other Private Service (12 percent). However, Private GFCF in Mining and Quarrying declined by 16 percent due to conservative reporting of expenditure by companies. The other significant decrease in Private GFCF was observed in Electricity Generation & Distribution and Gas Distribution which declined by 67 percent because of lower expenditure reported by K-Electric and Independent Power Producers (IPPs). Due to decrease in imported construction machinery, Private GFCF in construction industry also declined by 24 percent compared to last year. Private GFCF in Transport & Communication industry also posted a decline of 16 percent due to lower expenditure on this account by mobile phone companies.

In context of 38.1 percent growth in Public including General Government sector, it is mentionable that Public Sector GFCF during FY2021 was estimated at Rs 435.2 billion against Rs 314.8 billion during last year. The major industries with positive changes were Electricity Generation & Distribution and Gas Distribution showing 8 percent growth (Rs 246.6 vs. 228.8 billion due to WAPDA and companies being more proactive), Manufacturing (Rs 32.3 vs. 8.6 billion mainly owing to Pak Arab Refinery), Construction with 18 percent growth (Rs 4.9 vs. 4.2 billion due to Capital Development Authority and Lahore Development Authority taking up bigger infrastructure projects) and Transport & Communication with 230 percent growth (Rs 126.4 vs. 38.4 billion due to increase spending on Port Qasim Authority, Pakistan Civil Aviation Authority, National Highway Authority and National Logistics Cell) whereas those with negative changes are Mining & Quarrying posting decline of 34 percent (Rs 16.6 vs. 25.1 billion due to Oil and Gas Development Company Limited not being able to increase its operations) and Finance & Insurance with decline of 15 percent (Rs 8.1 vs. 9.4 billion due to Nationalized Banks). It is also mentionable that estimates of GFCF in the General Government sector were based on budgetary data of federal, provincial and districts governments. The budgeted data is used in the first year which is subject to changes on the basis of actual and reconciled expenditure by various tiers of government in subsequent year. Thus, overall provisional GFCF in general government services increased by 38.1 percent on account of GFCF related expenditure for the Federal Government posted growth of 16 percent, while Provincial Governments posted growth of 47 percent with Punjab (51 percent, increased from Rs 146.1 to 221.0 billion), Sindh (73 percent, increased from Rs 131.8 to 227.6 billion), Khyber Pakhtunkhwa (28 percent, increased from Rs 143.9 to 183.8 billion) and Balochistan (36 percent, increased from Rs 106.2 to 144.5 billion). Moreover, expenditure on GFCF incurred by District Governments also increased by 84.1 percent. Specifically, provisional GFCF by Tehsil Municipal Administration (TMAs) has been estimated at Rs 111.2 billion during FY2021 compared to Rs 49.4 billion, last year posting growth of almost 125 percent.

In aggregate demand, historically contribution of Net Exports usually remained negative. For FY2021, in National Accounts, Exports of Goods and Services posted a growth of 13.6 percent while Imports of Goods and Services posted growth of 20.1 percent. However, in FY2021, higher imports of capital and raw materials helped in growth of exports and domestic economic recovery.

Contemporary global trade relies heavily on the formation of global values chains and successful countries have liberalized their imports to be able to become part of these chains. Pakistan has traditionally followed a high import tariff regime, consequently has not been able to integrate with the global as well as regional value chains and therefore could not achieve its true export potential. In 2019, National Tariff Policy was announced by the Government having an important pillar of reducing input tariffs for local and exporting industries. Under this policy during FY2021, Additional Customs Duties were eliminated on 1622 tariff lines, Customs duty was rationalized on 131 tariff lines, regulatory duty was reduced on hot rolled coil in iron and steel industry and more regulatory duties were removed under the Prime Minister's anti-smuggling drive. These reforms intended to improve availability of raw materials at a cheaper cost so that final produced goods can be produced at competitive rates and hence are better able to compete in international market for exports.

As a result of this policy, during July-April FY2021, under the reformed tariff, import of raw materials registered 23-24 percent growth which has helped up lift Pakistan's exports. Some examples of the imported products that showed increase in quantity and value include cotton, iron & steel, chemicals, rubber, copper, plastics, jute, machinery, tools, tanning & dying extracts, aluminum and others. Over the year a strong correlation has been observed between increase in imports, LSM and economic growth, therefore the National Tariff Policy has been one of the key drivers of the economic growth for the current fiscal year. Further, for product diversification in the export basket, the government has taken steps to facilitate the private sector. One apparent result is that value added exports have risen including clothing, home textiles and apparel, prepared food stuffs, chemicals, surgical instruments, manufactured goods, iron and steel, oil seeds, machinery, tractors, rubber, paper and paperboard, glassware, wood articles, jewelry, ceramics and others. On the other hand, raw or intermediate exports have fallen e.g., cotton yarn, raw leather etc. This is an indication that export oriented sectors are performing decent activity and hence showing good numbers. Further government is also taking measures in exploring more destinations for exports base. Based on available data, it has been found that during July–March FY2021, significant growth in exports has been observed in Australia (26 percent), Russia (27 percent), Denmark (25 percent), Netherlands (12 percent), Belgium (5 percent) and Portugal (4 percent).

Some other significant measures of the government in context of increasing exports are:

- Announcement and implementation of the National Tariff Policy.
- Development on the trade facilitation efforts including implementation of WTO Agreement on Trade Facilitation, launching of National Single Window, operationalization of TIR carnet for seamless transport etc. The objective of the TIR Convention is to facilitate international transit through a simplified Customs transit procedure and an international guarantee system.
- Keeping a close liaison with businessmen and resolving their issues
- The trade and investment officers abroad have been actively engaging with importers to facilitate Pakistan's exports.
- Anti-smuggling crack down, tariff rationalization and rehabilitation efforts of people living in the western border areas of Pakistan.
- Launching of the first ever E-Commerce Policy which has recently helped Pakistan to become part of the Amazon suppliers list

E-commerce growth in Pakistan has been rapid in the last few years especially during the pandemic. Recently, Pakistan has been added by Amazon to its seller's list which essentially means that local Pakistani sellers can now list and use Amazon's platform to sell globally. Thus, Pakistan has now joined the international market which will enhance investment and produce employment opportunities.

Preferential trade agreements with Uzbekistan and Kazakhstan along with the negotiation of agreements on transit trade with Afghanistan are underway to facilitate physical access to those markets. It is also mentionable that enforcement of the China Pakistan FTA, Retention of the EU-GSP plus status and economic recovery in Pakistan's main trading partners will significantly increase value-added exports in coming years as well.

Sectoral Growth Analysis – Production Side

Pakistan's economy is now on course towards strong and sustained recovery mainly due to utilization of unused capacities present due to the pandemic which resulted in lockdown and depressed demand and adequate government policies to support growth.

On the basis of rebound in almost all sectors, provisional GDP growth rate is estimated at 3.9 percent on account of 2.8 percent growth in Agriculture, 3.6 in Industrial sector and 4.4 percent growth in Services sector during FY 2021. Sectoral Point contribution is given below (Table-1.3):

Table 1.3: Sectoral Point Contribution at Constant Prices 2005-06

	FY2019	FY2020	FY2021		FY2019	FY2020	FY2021		FY2019	FY2020	FY2021
	As percent of GDP (MP)				**Growth Rates (%)**				**Point Contribution**		
A. Agriculture	18.7	19.4	19.2		0.6	3.3	2.8		0.1	0.6	0.5
B. Industry	19.9	19.2	19.1		(1.6)	(3.8)	3.6		(0.3)	(0.7)	0.7
Commodity Producing Sector (A+B)	**38.6**	**38.6**	**38.3**		**(0.5)**	**(0.3)**	**3.2**		**(0.2)**	**(0.1)**	**1.2**
C. Services Sector	61.4	61.4	61.7		3.8	(0.6)	4.4		2.3	(0.4)	2.7
GDP (GVA)	**100**	**100**	**100**		**2.1**	**(0.5)**	**3.9**		**2.1**	**(0.5)**	**3.9**

Source: Pakistan Bureau of Statistics

Agricultural Sector: The agriculture sector posted growth of overall 2.8 percent mainly due to 2.5 percent growth in Crops and 3.1 percent growth in Livestock. The growth in crops were recorded on account of 4.7 percent growth in Important Crops and 1.4 percent growth in Other Crops.

Better performance of Agriculture is attributed to better weather and improved production system spurred by the Prime Minister's Agriculture Package and increase in minimum support prices of wheat and sugarcane.

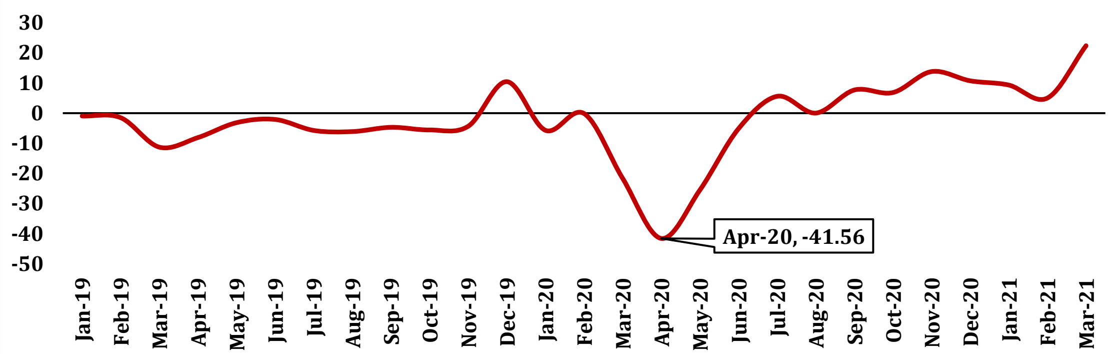
Important Crops has share of 70.2 percent share in Crops Value Addition. In which, historically highest wheat production of 27.3 million tones was reported thus, posting growth of 8.1 percent (25.1 million tonnes last year). Likewise, Rice, Sugarcane and Maize also posted significant growth of 13.6, 22.0 and 7.4 percent respectively. Rice production increased to 8.4 million tonnes from 7.4 million tonnes while production of Sugarcane remained 81.0 million tonnes (66.4 million tonnes, last year) and that of Maize increased from 7.9 million tonnes to 8.5 million tonnes. The production of cotton decreased to 7.1 million bales (9.1 million bales last year) posting a decline of 22.8 percent mainly due to decrease in area sown (2.1 million hectares in FY2021) which is almost 17.4 percent less than last year (2.5 million hectares). One reason was Locust attack while area cultivation under sugarcane has been increased to 1.2 million hectare (1.0 million hectares last year) showing growth of 12.1 percent. This implies that farmers are switching towards sugarcane production. The decline in cotton crop also reduced value added in Cotton Ginning by 15.6 percent. With present performance of important crops, share of wheat in GDP is 1.8 percent and that of rice is 0.7 percent while share of sugarcane, cotton and maize stood at 0.6 percent each in GDP.

Other crops posted growth of 1.4 percent mainly due to 4.2 percent growth in vegetables, 2.0 percent growth in fruits and 5.5 percent growth in production of fodder having share 8.9, 9.3 and 6.7 percent respectively in crops. There was 14 percent decline in pulses which has 1.4 percent share in Crops. Thus, Crops Sector posted a growth of 2.5 percent.

Livestock having 60 percent share in agriculture is very important in determining the overall outcome. Within Livestock Poultry and Poultry Products posted growth of 12.8 percent. Likewise, other components of livestock also have shown positive growth, however, due to 8.9 percent increase in intermediate consumption, growth in livestock remained 3.1 percent in FY2021. The other components of agriculture, forestry and fishing posted growth of 1.4 and 0.7 percent respectively.

Industrial Sector: Industrial sector performance is more dependent on Large-Scale Manufacturing (LSM) as it holds 51 percent share in Industry whereas LSM is reflected by Quantum Index of Manufacturing (QIM) data. Since July 2020, QIM was posting significant year on year (YoY) growth (Fig – 1.8). Thus, its growth is built on momentum by capacity utilization, monetary incentives in the form of low interest rate and other facilitations.

Fig - 1.8: LSM YoY Growth (%)



Source: Pakistan Bureau of Statistics

In March and April last year, the international and domestic spread of the COVID-19 virus had depressed industrial activity, thus QIM index declined MoM by 32.7 percent in March 2020 while in April 2020, it reached to lowest level of 85.6 showing a YoY decline of 41.6 percent.

In National Accounts, growth of QIM has registered a 9.3 percent growth for FY2021 on the standard methodology of Pakistan Bureau of Statistics (PBS). Major contributors to this growth are Textile (5.9 percent), Food Beverage & Tobacco (11.7 percent), Petroleum products (12.7 percent), Pharmaceuticals (12.6 percent), Chemicals (11.7 percent), Non-Metallic Mineral Products (24.3 percent), Automobiles (23.4 percent) and Fertilizer (5.7 percent).

In case of Small Scale, the government has provided Rs 6.9 billion to support the SMEs. Further, Prime Minister approved National SME Policy Action Plan 2020 to provide much needed support to SMEs. The plan focuses on access to finance, business development services, skills & human resource, technology, market access, infrastructure and entrepreneurship. These efforts made Small Scale sector to grow by 8.3 percent during FY2021. Slaughtering also posted growth of 3.9 percent.

Thus, growth in Manufacturing was recorded 8.7 percent on account of growth in LSM, SMEs and Slaughtering. The other sector which has shown significant growth was Construction, which recorded a growth of 8.3 percent due to increase in general government spending (36 percent). Further the contribution of this sector is derived from investment of different construction activities.

Mining and Quarrying posted a decline of 6.5 percent due to decline in production of gas and crude oil by 4.7 and 6.7 percent respectively. Likewise, Electricity and Gas sub sector shown a negative growth of 23 percent, mainly due to decline in subsidy and increase in intermediate consumption of WAPDA and Independent Power Producers (IPPs).

Services Sector: In FY2021, share of Services sector in GDP reached to 62 percent and posted a growth of 4.4 percent. Sub-sectors of Services with respective shares in Services and GDP are given below:

Table 1.4: Components of Services

	Share in Services	Share in GDP
1. Wholesale & Retail Trade	30.5	18.82
2. Transport, Storage & Communication	19.7	12.18
3. Finance & Insurance	6.0	3.72
4. Housing Services (Ownership of Dwellings)	11.3	6.97
5. General Government Services	13.3	8.21
6. Other Private Services	19.1	11.77

Source: Pakistan Bureau of Statistics

Wholesale & Retail Trade is dependent on the output of agriculture, manufacturing and imports. The growth in trade value added relating to agriculture, manufacturing and imports stands at 3.8, 8.2 and 16.1 percent respectively. Based on these, the growth of Wholesale & Retail Trade was recorded at 8.4 percent for FY2021.

In Transport, Storage and Communication, Railways, Water Transport, Air Transport and Pipeline Transport constitute 11 percent share in it. In FY2021, there was almost 24 percent decline as the value recorded at Rs 116.9 billion (Rs 152.8 billion last year) mainly due to lockdown and restriction on travel. Likewise, Communication which includes Postal system including courier services and telecommunication activities having approximately 16 percent share in Transport, Storage and Communication posted a decline of 21.4 percent. However, Road Transport which has 74 percent share posted a growth of 8.4 percent while Storage which has 3 percent share posted 8.7 percent growth during FY2021. Due to these factors, Transport, Storage and Communication posted a decline of 0.6 percent.

During FY2021, Finance and insurance sector showed an overall increase of 7.8 percent due to increase in deposits, loans and insurance. Last Year, in March 2020, Quarter on Quarter (QoQ) growth of Assets was 0.7 percent while in Dec 2020, the YoY growth remained 14.2 percent.

Regarding, Housing Services (Ownership of Dwellings), its data is survey based. Thus, keeping the past trend, constant growth rate of almost 4.0 percent was estimated while the provisional growth in General Government Services based on budgeted data stands at 2.2 percent. Regarding Other Private Services, it includes diverse economic activities scattered over many industries. However, it can be categorized into Computer Related Activities, Professional, Scientific and Technical Activities, Education, Health, Recreation, Cultural & Sports Activities and Miscellaneous whereas Professional, Scientific and Technical Activities has almost 61 percent share in Other Private Services. For FY2021, growth in Professional, Scientific and Technical Activities remained 5.6 percent while due to lockdown measures and closing of recreational places, hotels, etc. a negative growth of 21 percent was observed in Recreation, Cultural and Sports Activities (its share is 0.05 percent in Other Private Services). Thus, provisional growth of Other Private Services for FY2021 remained 4.6 percent.

Way Forward

The Economy has fairly recovered from a dip of last year due to COVID-19 situation. The economic recovery cannot be completely attributed to the holdup of economic activities, the government timely and appropriate policies especially fiscal stimulus also helped in containing the pandemic and recovering economic activities. Further, monetary and financial measures by SBP accelerated the speed of recovery.

The government will continue to take the necessary measures for achieving a higher, sustainable and inclusive growth rate. Thus, increased size of PSDP, better containment of pandemic along with roll-out of vaccination and continuation of Ehsaas Programme will keep momentum of the economic growth. Some other initiatives like new health and nutrition programme (Ehsaas Nashonuma) have been rolled out in timely manner and the expansion of the shock-oriented safety net (Ehsaas Tahafuz) is planned to be extended to other parts of the country in next phase. Additional resources have been allocated for the 'National Poverty Graduation Initiative'. Likewise, another programme "Koye Bhooka Na Soye" also been designed to uplift low segment of society which will in turn bring prosperity to the society. Furthermore, Agriculture and Industrial Packages will not only bring growth in respective sectors but also give boost to the Wholesale and Retail Trade sub-sectors and others sectors in services. Likewise, Special lending schemes for housing, SMEs and agriculture will help financial sector growth. Moreover, reopening of economies and government measures to expand trade will help in strengthening external sector of the economy as well.

Chapter 2

Agriculture

Agricultural sector is indispensable to the country's economic growth, food security, employment generation and poverty alleviation particularly, at the rural level. It contributes 19.2 percent to the GDP and provides employment to around 38.5 percent of the labour force. More than 65-70 percent of the population depends on agriculture for its livelihood. Agricultural growth rate has been constrained by shrinking arable land, climate change, water shortages, and large-scale population and labour shift from rural to urban areas. Increasing agricultural productivity, therefore, requires adoption of new approaches. With strong forward and backward linkages with the secondary (industrial) and tertiary (services) sectors, it can play a pivotal role to spur economic growth. However, this sector has remained prone to several challenges like climate change, variance in temperature, water shortage, and changes in pattern of precipitation along with increase in input prices.

The government is closely monitoring key crops and devising policies/planning interventions to ensure uninterrupted supply of basic food items at affordable prices in the country. The primary goal of the government is to enhance financial inclusion in the agriculture sector to boost productivity and exports, thereby enabling a rural development-driven economic growth.

Realising the importance of agriculture, the government is also focusing on pro-agriculture set of policies to tap maximum benefits by introducing the agri-input regime to increase yields of major rabi and kharif crops. The Prime Minister has approved "Agriculture Transformation Plan" with the objective to enhance national agricultural output and livelihood of farmers.

Box Item-I: Agriculture Transformation Plan

Ministry of National Food Security and Research presented an action plan before Prime Minister for transformation of agriculture sector in the country. Under this plan provinces will work on re-tweaking of machinery given under National Agriculture Emergency Projects (NAEP) on wheat, rice, sugarcane, and oilseeds for maximum distribution of implements among farming community on following aspect:

- Design of intervention and pre-qualification mechanism
- Additional implements
- Subsidy mechanism to be aligned with Kissan Card
- Service providers to be registered
- Unique implement ID
- Farmers share

This approved action plan with specific timeline for interventions, yield gaps and particular issues of the sector to be resolved through first and second generation. These interventions comprise of action to be taken by Federal and Provincial Governments. The details are as under:

First Generation Interventions

Bridging the yield gap	Target sectors
• Seed sector reforms • Inputs: digital subsidy mechanism • Mechanization • Water efficiency • Revamping extension services • Access to credit • Post harvest storage • Restructuring research institutes	• Cotton revival • Olive deepening • Genetic improvement in livestock • Fisheries

Second Generation Interventions

• Horizontal expansion • International Cooperation • Value Chain Development • Clusters (Fruit & Vegetables) • Perishable produce	• Crop Zoning • Land Consolidation • Organic farming • Adaption and self-discovery • Sub-montane agriculture

Source: Ministry of National Food Security & Research

Agriculture Performance during 2020-21

Pakistan has two cropping seasons. "Kharif", the first sowing season, which starts from April to June and is harvested from October to December. This season crop cycle mainly consists of rice, sugarcane, cotton, maize, moong, mash, bajra and jowar.

"Rabi", being the second season, sowing begins from October to December and is harvested from April to May. It comprises mainly of wheat, gram, lentil (masoor), tobacco, rapeseed, barley and mustard.

The agriculture sector's performance during 2020-21 broadly stands encouraging as it grows by 2.77 percent against the target of 2.8 percent. The growth of important crops (wheat, rice, sugarcane, maize and cotton) during the year is 4.65 percent. The production of major Kharif crops 2020, such as sugarcane, maize and rice indicated considerable improvement compared to last year and surpassed the production targets. The production of sugarcane increased by 22.0 percent to 81.009 million tonnes from 66.380 million tonnes, rice by 13.6 percent to 8.419 million tonnes from 7.414 million tonnes and maize by 7.4 percent to 8.465 million tonnes from 7.883 million tonnes. However, the cotton crop suffered mainly due to decline in area sown, heavy monsoon rains and pest attacks. The cotton production reduced by 22.8 percent, to 7.064 million bales from 9.148 million bales last year.

Wheat, the most important crop of "Rabi", showed a growth of 8.1 percent and reached record high production level of 27.293 million tonnes compared to 25.248 million tonnes last year. The wheat cultivation area increased to 9.178 million hectares prompted by record domestic prices and official programmes promoting wheat production. For the Rabi crops 2020-21, the government provided a comprehensive

"Rabi Package" comprising of subsidies on fertilizer, fungicides and weedicides, together with an increase in the Minimum Support Price (MSP) of wheat to Rs 1,800 per 40 Kg.

Other crops, having a share of 11.69 percent in agriculture value addition and 2.24 percent in GDP, showed growth of 1.41 percent because of increase in production of fodder, vegetables and fruits. Cotton ginning declined by 15.58 percent due to fall in production of cotton crop. The overall crops sector, having a share of 35.81 percent in agriculture value addition and 6.87 percent in GDP witnessed a growth of 2.47 percent due to increase in growth of important crops by 4.65 percent. This was largely due to sufficient availability of agricultural inputs (water, subsidized fertilizers, certified seeds, pesticides and agriculture credit).

Livestock having a share of 60.07 percent in agriculture and 11.53 percent in GDP achieved a growth of 3.06 percent. The fishing sector, with a share of 2.01 percent in agriculture value addition and 0.39 percent in GDP, grew by 0.73 percent, while forestry sector having share of 2.10 percent in agriculture and 0.40 percent in GDP grew by 1.42 percent. (Table 2.1)

Table 2.1: Agriculture Growth (Base=2005-06) (%)

Sector	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021 P
Agriculture	**2.13**	**0.15**	**2.18**	**4.00**	**0.56**	**3.31**	**2.77**
1.Crops (i+ii+iii)	0.16	-5.27	1.22	4.69	-4.96	5.54	2.47
i) Important Crops	-1.62	-5.86	2.60	3.56	-7.69	5.24	4.65
ii) Other Crops	2.51	0.40	-2.51	6.26	2.60	8.08	1.41
iii) Cotton Ginning	7.24	-22.12	5.58	8.80	-12.74	-4.82	-15.58
2.Livestock	3.99	3.36	2.99	3.70	3.82	2.10	3.06
3.Forestry	-12.45	14.31	-2.33	2.58	7.28	3.60	1.42
4.Fishing	5.75	3.25	1.23	1.62	0.80	0.60	0.73

P: Provisional
Source: Pakistan Bureau of Statistics

Water availability during Kharif 2020 remained at 65.1 million acre feet (MAF) showing a slight decrease of 0.2 percent compared to 65.2 MAF of Kharif 2019. Rabi season 2020-21 received 31.2 MAF, showing an increase of 6.9 percent over Rabi 2019-20. (Table 2.2).

Table 2.2: Actual Surface Water Availability (Million Acre Feet)

Period	Kharif	Rabi	Total	% age increase/decrease over the average system usage (103.5 MAF)
Average system usage	67.1	36.4	103.5	-
2011-12	60.4	29.4	89.8	-13.2
2012-13	57.7	31.9	89.6	-13.4
2013-14	65.5	32.5	98.0	-5.3
2014-15	69.3	33.1	102.4	-1.1
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

Source: Indus River System Authority

I. Crop Situation

The important crops contribute 22.49 percent to value addition in agriculture sector and 4.32 percent to GDP. Other crops account for 11.69 percent in value addition of agriculture sector and 2.24 percent in GDP. The production of important crops is given in Table 2.3.

Table 2.3: Production of Important Crops (000 Tonnes)

Year	Cotton (000 bales)	Sugarcane	Rice	Maize	Wheat
2014-15	13,960	62,826	7,003	4,937	25,086
	-	-	-	-	-
2015-16	9,917	65,482	6,801	5,271	25,633
	(-29.0)	(4.2)	(-2.9)	(6.8)	(2.2)
2016-17	10,671	75,482	6,849	6,134	26,674
	(7.6)	(15.3)	(0.7)	(16.4)	(4.1)
2017-18	11,946	83,333	7,450	5,902	25,076
	(11.9)	(10.4)	(8.8)	(-3.8)	(-6.0)
2018-19	9,861	67,174	7,202	6,826	24,349
	(-17.5)	(-19.4)	(-3.3)	(15.7)	(-2.9)
2019-20	9,148	66,380	7,414	7,883	25,248
	(-7.2)	(-1.2)	(2.9)	(15.5)	(3.7)
2020-21(P)	7,064	81,009	8,419	8,465	27,293
	(-22.8)	(22.0)	(13.6)	(7.4)	(8.1)

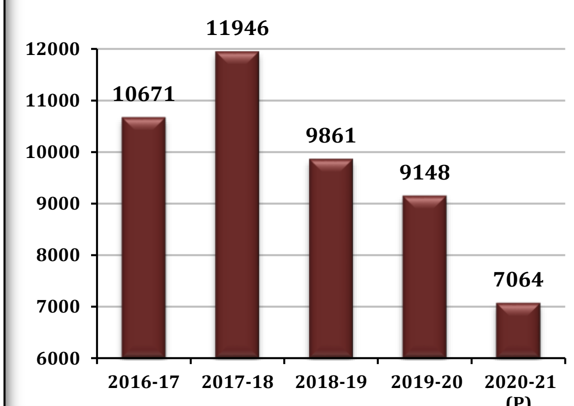
P: Provisional
Note: Figures in parentheses are growth/decline rates
Source: Pakistan Bureau of Statistics

a) Important Crops

i) Cotton

Cotton crop stands vital in agriculture as well as textile sector of the economy. It contributes around 0.6 percent to GDP and 3.1 percent of the value added in agriculture. Cotton crop faces multiple challenges and competes with other crops especially sugarcane. International prices also play a role. Being an export oriented raw material of textile industries, maintaining prices at levels competitive with the international market while ensuring due profitability of growers has been a great challenge for policy makers.

Fig-2.1: Cotton Production (000 bales)



During 2020-21, the crop was cultivated on 2,079 thousand hectares, reflecting a contraction of 17.4 percent as compared to last year's sown area of 2,517 thousand hectares. Production declined by 22.8 percent to 7.064 million bales against production of 9.148 million bales last year (Table 2.4 and Figure 2.1). Declining cultivated area has reduced production as the crop has lost its competitiveness relative to other major crops, in particular sugarcane.

Table 2.4: Area, Production and Yield of Cotton

Year	Area		Production		Yield	
	(000 Hectare)	% Change	(000 Bales)	% Change	(Kgs/Hec)	% Change
2016-17	2,489	-	10,671	-	729	-
2017-18	2,700	8.5	11,946	11.9	753	3.3
2018-19	2,373	-12.1	9,861	-17.5	707	-6.1
2019-20	2,517	6.1	9,148	-7.2	618	-12.6
2020-21(P)	2,079	-17.4	7,064	-22.8	578	-6.5

P: Provisional
Source: Pakistan Bureau of Statistics

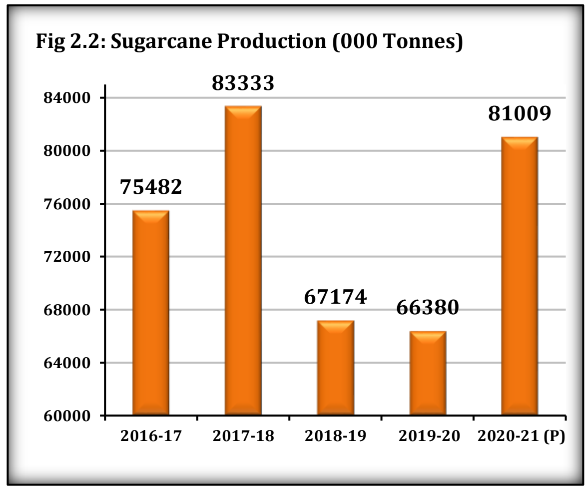
Box Item-II : Cotton Crop: Challenges and Way Forward

Pakistan, a major producer of cotton (ranked 5th, ICAC), is facing a significant decline in major varieties of cotton crop production due to multiple challenges. Acreage of cotton crop is shrinking due to non-profitability of the crop as compared to maize, paddy and sugarcane. Other factors contributing to the decline are i) biotic stresses of white fly and pink bollworm, ii) abiotic stresses like climate change, heat stresses and extreme rainfalls iii) poor agricultural practices and unnecessary use of pesticides. A high cost of inputs including fertilizers, pesticides and seeds is another area of concern. There is lack of early generation seed and research progression is inadequate for development of new varieties which can withstand pests, diseases, and climatic stresses. Research experts suggest that cotton zoning is indispensable to revive the crop. Such zoning coupled with fixation of minimum indicative or intervention price, timely issuance of subsidies and improved extension services for awareness of farmers are essential for revival of cotton production.

A ray of hope in this regard is a fact that government institutions are gearing up to boost production of the strategic crop which involves livelihood of millions of farmers and related industries. To start with, M/o NFS&R has initiated an “Agriculture Transformation Plan” including amending relevant laws to fast track release of new cotton varieties with novel technologies. Track and traceability of quality certified seed to farmers has also been initiated so that the impact of interventions can translate at farm level. Work is also in progress to weeding out inactive companies involved in cotton seed business and action against sale of substandard seeds is being taken. Pakistan Central Cotton Committee, established for developing, improving, growing and marketing of cotton, may also be reinstated. Emphasis is also being laid on use of Pink Bollworm (PB) ropes for biological control of cotton pests. The government is also exploring avenues for growing cotton in Balochistan and Khyber Pakhtunkhwa where pest pressure is low and cotton yields are reportedly higher than traditional areas of Punjab and Sindh. Moreover, organic cotton farming has also been started in Balochistan. All efforts are being made for timely issuance of subsidy for pesticides, seeds and fertilizers through Kissan cards. For Kharif 2021, certified cotton seed availability is 43,525 MT, highest in the past four years.

Source: Ministry of National Food Security & Research

ii) Sugarcane



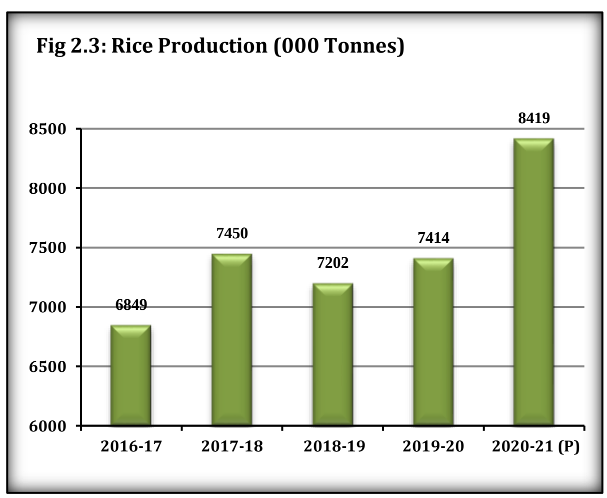
Sugarcane is a high value cash crop of Pakistan and is of great significance for sugar related industries, second largest agro-industry sector after textile. Its production accounts for 3.4 percent in agriculture's value addition and 0.7 percent in GDP. During 2020-21, the crop was cultivated on 1,165 thousand hectares, an increase of 12.0 percent compared to last year's sown area of 1,040 thousand hectares. Production increased by 22.0 percent to 81.009 million tonnes against 66.380 million last year. The crop experienced a significant increase in area under cultivation and yield. It was mainly due to favourable weather conditions, better management, timely availability of quality inputs and higher economic returns. The area, production and yield of sugarcane during the last five years are given in Table 2.5 and Figure 2.2.

Table 2.5: Area, Production and Yield of Sugarcane

Year	Area		Production		Yield	
	(000 Hectare)	% Change	(000 Tonnes)	% Change	(Kgs/Hec.)	% Change
2016-17	1,218	-	75,482	-	61,972	-
2017-18	1,342	10.2	83,333	10.4	62,096	0.2
2018-19	1,102	-17.9	67,174	-19.4	60,956	-1.8
2019-20	1,040	-5.6	66,380	-1.2	63,827	4.7
2020-21 (P)	1,165	12.0	81,009	22.0	69,536	8.9

P: Provisional
Source: Pakistan Bureau of Statistics

iii) Rice



Rice is an important food as well as cash crop. It is the second main staple food crop after wheat and the second major exportable commodity after cotton. It contributes 3.5 percent of value added in agriculture and 0.7 percent in GDP. Rice production comprises of basmati (fine) and coarse types. During the last few years, production of coarse types is increasing. During 2020-21, the crop was cultivated on 3,335 thousand hectares, reflecting an increase 9.9 percent as compared to last year's sown area of 3,034 thousand hectares. The current year witnessed a record production growth of 13.6 percent to 8.419 million tonnes against 7.414 million tonnes last year. This was essentially due to rising unit prices and higher demand for the country's rice in export markets. The area, production and yield of rice during the last five years are shown in Table 2.6 and Figure 2.3.

Table 2.6: Area, Production and Yield of Rice

Year	Area		Production		Yield	
	(000 Hectare)	% Change	(000 Tonnes)	% Change	(Kgs/Hec.)	% Change
2016-17	2,724	-	6,849	-	2,514	-
2017-18	2,901	6.5	7,450	8.8	2,568	2.1
2018-19	2,810	-3.1	7,202	-3.3	2,563	-0.2
2019-20	3,034	8.0	7,414	2.9	2,444	-4.6
2020-21(P)	3,335	9.9	8,419	13.6	2,524	3.3

P: Provisional
Source: Pakistan Bureau of Statistics

iv) Wheat

Wheat is Pakistan's main staple crop and, therefore, essential for the food security of the country. It accounts for 9.2 percent of the value added in agriculture and 1.8 percent of the GDP. Self-sufficiency in wheat has been a core objective of every government. During 2020-21, area under cultivation increased by 4.2 percent to 9,178 thousand hectares over last year's sown area of 8,805 thousand hectares. Wheat crop recorded historic high production of 27.293 million tonnes showing an increase of 8.1 percent over 25.248 million tonnes production of last year. This was primarily due to the increase in cultivated area, along with the shift of policies towards supporting wheat crop through increase in MSP for the crop. The MSP in 2020-21 increased from Rs 1,400 to Rs 1,800 per 40 Kg, a 29 percent hike. The position over the last five years is given in Table 2.7 and Figure 2.4.

Fig 2.4: Wheat Production (000 Tonnes)

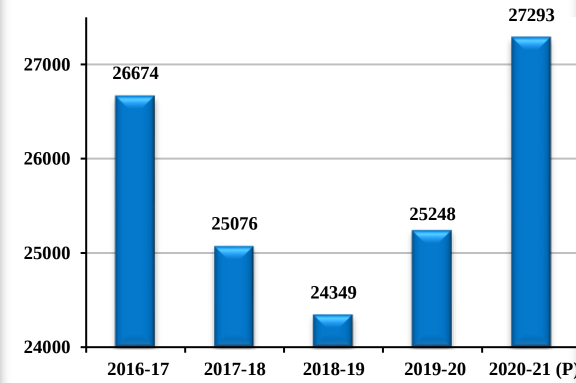


Table 2.7: Area, Production and Yield of Wheat

Year	Area		Production		Yield	
	(000 Hectares)	% Change	(000 Tonnes)	% Change	(Kgs /Hec.)	% Change
2016-17	8,972	-	26,674	-	2,973	-
2017-18	8,797	-1.9	25,076	-6.0	2,851	-4.1
2018-19	8,678	-1.4	24,349	-2.9	2,806	-1.6
2019-20	8,805	1.5	25,248	3.7	2,867	2.2
2020-21(P)	9,178	4.2	27,293	8.1	2,974	3.7

P: Provisional
Source: Pakistan Bureau of Statistics

v) Maize

Maize is the third important cereal crop of Pakistan after wheat and rice. It contributes 3.4 percent to the value added in agriculture and 0.6 percent to GDP. Maize is cultivated as a multipurpose crop for food, feed and fodder. While human consumption is declining, its utilization in feed and wet milling industry is growing at a fast pace. During 2020-21, maize was cultivated on an area of 1,418 thousand hectares reflecting an increase of 1.0 percent over last year's 1,404 thousand hectares. Its production increased by 7.4 percent to 8.465 million tonnes compared to last year's production of 7.883 million tonnes. The production increase was largely due to increase in area, availability of improved variety of seed, and better economic returns. Last five years position is presented in Table 2.8 and Figure 2.5.

Fig 2.5: Maize Production (000 Tonnes)

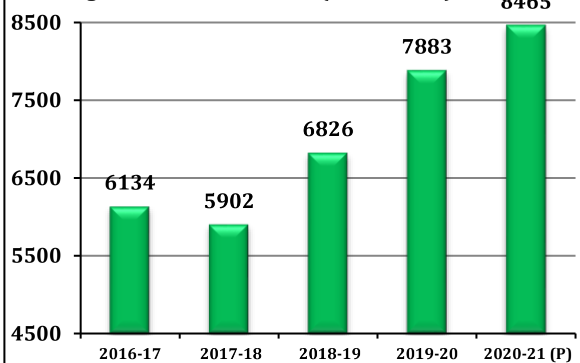


Table 2.8: Area, Production and Yield of Maize

Year	Area		Production		Yield	
	(000 Hectares)	% Change	(000 Tonnes)	% Change	(Kgs /Hec.)	% Change
2016-17	1,348	-	6,134	-	4,550	-
2017-18	1,251	-7.2	5,902	-3.8	4,718	3.7
2018-19	1,374	9.8	6,826	15.7	4,968	5.3
2019-20	1,404	2.2	7,883	15.5	5,615	13.0
2020-21 (P)	1,418	1.0	8,465	7.4	5,970	6.3

P: Provisional
Source: Pakistan Bureau of Statistics

b) Other Crops

During 2020-21, Gram production declined by 47.6 percent to 266 thousand tonnes on account of decline in area, yield and unfavourable weather conditions. The production of Bajra and Jowar also witnessed a decrease of 30.7 percent and 20.0 percent respectively due to a decrease in area under cultivation. The production of Barley, Rapeseed & Mustard and Tobacco remained at the last year production level. The area and production of other crops are given in Table 2.9.

Table 2.9: Area and Production of Other Kharif and Rabi Crops

Crops	2019-20		2020-21(P)		% Change in production over Last year
	Area (000 Hectares)	Production (000 Tonnes)	Area (000 Hectares)	Production (000 Tonnes)	
Bajra	522	384	350	266	-30.7
Jowar	199	120	126	96	-20.0
Gram	944	498	873	261	-47.6
Barley	49	47	41	47	-
Rapeseed & Mustard	353	488	222	488	-
Tobacco	51	133	51	133	-

P: Provisional
Source: Pakistan Bureau of Statistics

During 2020-21, the production of Moong, Mash and Potato increased by 62.4, 7.7 and 2.8 percent respectively, as compared to the corresponding period of last year. However, the production of Chillies and Onion decreased by 26.7, 1.1 percent respectively, while production of Masoor remained same over last year. The area and production of other crops are given in Table 2.10.

Table 2.10: Area and Production of Other Crops

Crops	2019-20		2020-21(P)		% Change in production over Last year
	Area (000 Hectares)	Production (000 Tonnes)	Area (000 Hectares)	Production (000 Tonnes)	
Masoor	9.5	4.9	6.5	4.9	-
Moong	172.9	125.9	231.1	204.5	62.4
Mash	13.9	6.5	11.0	7.0	7.7
Potato	185.4	4,552.7	234.4	4,681.0	2.8
Onion	148.2	2,122.0	153.8	2,099.6	-1.1
Chillies	60.8	141.5	45.7	103.7	-26.7

P: Provisional
Source: Pakistan Bureau of Statistics

i) Oilseeds

During FY2021 (July-March), 2.917 million tonnes of edible oil of value Rs 574.199 billion (US$ 3.419 billion) was imported. Local production of edible oil during this period is provisionally estimated at 0.374 million tonnes. Total availability of edible oil from all sources is estimated at 3.291 million tonnes. The area and production of oilseed crops is given in Table 2.11.

Table 2.11: Area and Production of Major Oilseed Crops (000 Tonnes)

Crops	2019-20			2020-21 (July-March) (P)		
	Area (000 Acres)	Production		Area (000 Acres)	Production	
		Seed	Oil		Seed	Oil
Cottonseed	6,243	2,342	281	5,137	1,782	214
Rapeseed & Mustard	984	561	179	608	338	108
Sunflower	250	146	55	151	87	33
Canola	125	78	30	77	49	19
Total	**7,602**	**3,127**	**545**	**5,973**	**2,256**	**374**

P: Provisional
Source: Pakistan Oilseed Development Board (PODB), Pakistan Bureau of Statistics

For promotion of oilseed crops, PODB, Ministry of National Food Security & Research (MNFS&R) is executing a mega project "National Oilseed Enhancement Programme" with a total cost of Rs 10.964 billion under the National Agriculture Emergency Programme. Under this programme, a subsidy of Rs 5,000 per acre for seed/inputs for canola, sunflower and sesame and 50 percent on purchase of oilseed machineries is being provided to oilseed growers.

II. Farm Inputs

i) Fertilizer

Pakistan meets around 84 percent of its fertilizer requirement through local production while the remaining is met through imports.

Domestic production of fertilizers during FY2021 (July-March) increased by 5.9 percent over the same period of previous year. This increase was mainly due to the supply of gas to Pak Arab Fertilizer from Mari Petroleum Company Limited. The imported supply of fertilizer decreased by 20.1 percent, while the total availability of fertilizer increased slightly by 0.3 percent during the period. There was an upsurge in total offtake of fertilizer nutrients by 15.2 percent. Nitrogen offtake witnessed an upward trend of 13.2 percent, phosphate of 20.0 percent and potash of 39.3 percent during FY2021 (July-March). One of the major reasons for the healthy growth in fertilizer usage was the increase in support price of wheat. Price of urea decreased by 12 percent while DAP increased by 12.2 percent. As a result of a reduction of Gas Infrastructure Development Cess (GIDC) to Rs 5/MMBTU, the cost of urea decreased by Rs 398 per bag with effect from 28th January, 2020. Following are the different types of subsidies provided by the government during FY2021.

- Subsidy in the form of cheap natural gas used as feed for fertilizer production (Rs 865 per bag of urea as per fuel and feed price difference)
- Subsidized LNG for production of urea from Fatimafert and Agritech (Rs 479 per bag)
- Cash subsidy by Government of Punjab for phosphate and potash fertilizer (Rs 500 per bag of DAP and SOP and equivalent for other phosphate and potash fertilizers based on percent nutrient content)

Total availability of urea during Kharif 2020 was 3,695 thousand tonnes, comprising of 591 thousand tonnes of opening inventory and 3,104 thousand tonnes of domestic production (Table 2.12). Urea offtake was about 3,188 thousand tonnes, leaving an inventory of 473 thousand tonnes for Rabi 2020-21. Availability of DAP was 1,456 thousand tonnes comprising of 500 thousand tonnes of opening inventory, 547 thousand tonnes of imported supplies and 409 thousand tonnes of local production. DAP offtake was 1,162 thousand tonnes leaving an inventory of 297 thousand tonnes for the upcoming Rabi 2020-21.

Rabi 2020-21 started with an opening balance of 473 thousand tonnes of urea (Table 2.12). Domestic production during Rabi 2020-21 would be 3,017 thousand tonnes. Urea offtake during current Rabi 2020-21 was 3,220 thousand tonnes, against 3,490 thousand tonnes of total availability, leaving a closing balance of 304 thousand tonnes for next season. DAP availability during Rabi 2020-21 is estimated at about 1,162 thousand tonnes, which includes 297 thousand tonnes of opening inventory, 518 thousand tonnes of imported supplies and domestic production of 347 thousand tonnes. Offtake of DAP during Rabi season will be about 1,059 thousand tonnes, leaving a balance of 101 thousand tonnes for next season.

The total availability of urea during Kharif 2021 will be about 3,536 thousand tonnes comprising of 304 thousand tonnes of opening balance and 3,232 thousand tonnes of domestic production (Table 2.12). Urea offtake is expected to be around 3,033 thousand tonnes, reflecting closing balance of 503 thousand tonnes. The total availability of DAP will be 566 thousand tonnes against expected offtake of 1,012 thousand tonnes. Supply and demand gap will be filled through imported supplies by the private sector.

Table 2.12: Fertilizer Supply Demand Situation						(000 Tonnes)
Description	Kharif (Apr-Sep) 2020		Rabi (Oct-Mar) 2020-21		Kharif (Apr-Sep) 2021*	
	Urea	DAP	Urea	DAP	Urea	DAP
Opening Stock	591	500	473	297	304	101
Imported Supplies	0	547	0	518	0	45
Domestic Production	3,104	409	3,017	347	3,232	420
Total Availability	3,695	1,456	3,490	1,162	3,536	566
Offtake/Demand	3,188	1,162	3,220	1,059	3,033	1,012
Write on/off	-34	3	34	-2	0	0
Closing Stock	473	297	304	101	503	-446

*: It is assumed that Fatimafert and Agritech will remain operational for whole Kharif season.
Source: National Fertilizer Development Centre

ii) Improved Seed

Seed is a basic input for agriculture sector and has a leading role in enhancing agricultural productivity. To improve the availability of quality seed to the farmers of Pakistan, there is a need to revitalize research and development and adopt international best practices in line with the requirements of the domestic and global markets.

Seed Sector Reforms

1. Seed (Business Regulation) Rules, 2016

Upon recommendations of the Agriculture Transformation Plan approved by the Prime Minister, Seed (Business Regulation) Rules, 2016 and Seed (Regulation) Rules, 1987 have been amended. MNFS&R has revised the criteria for induction, performance evaluation and cancellation of seed companies. Strict verifications have been put in place with the consent of the breeder/institute to provide source of seed material for multiplication by the company.

- Procedure for approval has been revised i.e., Working Group replaced with the Seed Business Regulation Committee
- Separate requirements for local seed producers, importers and exporters have been delineated
- Technical parameters for each set of company have been clearly defined
- Mandatory local seed production for importing companies has been made a precondition
- Performance bonds submission by the candidate company has been proposed
- Conditions for cancellation of companies have been clearly mentioned

2. Seed (Registration) Rules, 1987

Upon recommendations in the Agriculture Transformation Plan approved by the Prime Minister, Seed (Registration) Rules, 1987 have been amended. Through these rules, provision has been made for rapid multiplication of seed of unique new varieties after completion of 1st year DUS (distinctness, uniformity, stability) and NUYT (National Uniform Yield Trials) upon joint recommendation of Federal Seed Certification & Registration Department (FSC&RD) and PARC. Such varieties must satisfy the criteria of novelty, high yield, and pest/disease resistance.

3. Establishing a System of Consumer Traceability for Seed Authenticity

MNFS&R with the help of National Telecommunication Corporation (NTC) is in the process of establishing a system of track and traceability of seed produced by seed companies, certified by FSC&RD and sold by seed dealers. In this respect, a system of unique algorithmic labels will be introduced which farmers will be able to verify through SMS. Developing a Seed Information Management System for FSC&RD is also part of the interventions which will be a step forward in transforming manual data recording to digitize FSC&RD services. This will not only provide access to real time data but will also improve the efficiency and transparency in activities pertaining to seed quality regulation.

Track and Traceability of Certified Seed

FSC&RD in collaboration with provincial extension departments has started track and traceability of certified seed so that the impact of these interventions can be calculated at farm level. In this regard, a unified format has been designed for major crops i.e., wheat, cotton and paddy. A total of 434 companies working on wheat were assessed for seed traceability of 513,519 MT seed, of which data was traced for 361,408 MT i.e. 87.4 percent. Services of 110 companies with respect to wheat seed testing were deferred owing to failure in providing traceability data or huge traceability gaps. The information regarding sale of cotton certified seed to dealers by the seed companies is being shared with provincial extension departments for traceability of certified seed at farmer level.

The area, seed requirement and seed availability during FY2021 (July-March), are given in Table 2.13.

Table 2.13: Area, Seed Requirement and Seed Availability (Metric Tonnes)

Crop	Sowing Area* (000 Ha)	Total Seed Requirement	Seed Availability			
			Public	Private	Imported	Total
Wheat**	8,709	1,075,562	0	0	0	647,684
Cotton	2,310	39,940	425	41,584	0	43,525
Paddy	2,957	44,148	6,406	62,201	2,988	71,595
Maize	1,328	32,802	88	3,794	12,758	16,639
Pulses	1,185	42,674	1,054	2,731	0	3,785
Oilseeds	830	10,790	20	1,736	710	2,466
Vegetables	280	8,400	7	4,449	2,295	6,751
Fodders	2,038	61,140	2,942	18,428	21,244	42,614
Potato	166	415,000	0	0	13,841	13,841
Total	**19,803**	**1,736,161**	**10,968**	**134,923**	**53,835**	**847,411**

*: Area has been decided by the Federal Committee on Agriculture (FCA), MNFS&R.
**: These figures are provisional based upon wheat crop inspection expected yield estimates. Final seed availability figures will be available after testing of seed samples.
Source: Federal Seed Certification & Registration Department

iii) Farm Mechanization

Farm mechanization is an important element to accelerate growth in agriculture sector and its lack is a main constraint in increasing agricultural productivity. The federal government continued the relief package that allows import of farm machinery and equipment at reduced tariff (Custom Duty 0-2 percent and GST 07 percent) to encourage mechanized farming in the country.

The domestic tractor industry has played a significant role in fulfilling the requirements of tractors. The number of operational tractors in the country is around 612,000 resulting in availability of around 0.09 horsepower (HP) per acre against the required power of 1.4 HP per acre. During 2020-21 (July-March), total tractor production was 36,653 compared to 23,266 produced last year, a 57.5 percent increase. The production increase was largely due to an improved liquidity position of farmers. The prices and production of locally manufactured tractors are given in Table 2.14.

Table 2.14: Prices and Production of Locally Manufactured Tractors 2020-21 (July-March)

Tractors Model – Horse Power (HP)	Basic Price (Rs)	GST @ 05 percent	Total Price (Rs)	Actual Production (in Nos.)	Actual Sale (in Nos.)
M/s Al-Ghazi Tractors Limited*					
480-S (55 HP)	900,000	45,000	945,000	2,032	1,839
480 Power Steering (55 HP)	923,000	46,150	969,150	315	319
480-S Power Steering (55 HP)	947,000	47,350	994,350	490	450
Ghazi (65 HP)	1,031,000	51,550	1,082,550	2,855	2,296
Ghazi-WDB (65 HP)	1,040,000	52,000	1,092,000	56	54
640 (75 HP)	1,373,000	68,650	1,441,650	1,153	975
640-WDB (75 HP)	1,383,100	69,150	1,452,150	31	21
640-S (85 HP)	1,402,000	70,100	1,472,100	63	63
640-S WDB (85 HP)	1,405,000	70,250	1,475,250	15	15
Dabung (85 HP)	1,409,000	70,450	1,479,450	186	156
NH-70-56 4WD (85 HP)	1,885,000	94,250	1,979,250	1	10
Total				**7,197**	**6,198**
M/s Millat Tractors Limited					
MF-240 (50 HP)	950,000	47,500	997,500	2,225	2,205
MF-350 Plus (50 HP)	1,040,000	52,000	1,092,000	2,208	2,205
MF-260 (60 HP)	1,096,000	54,800	1,150,800	2,799	2,815
MF-360 (60 HP)	1,140,000	57,000	1,197,000	2,891	3,007
MF-360 4wd (60 HP)	1,655,000	82,750	1,737,750	2,430	2,331
MF-375 (75 HP)	1,445,000	68,850	1,517,250	3,440	2,975
MF-385 (85 HP)	1,508,000	92,450	1,583,400	3,374	3,862
MF-375 4WD (75 HP)	1,920,000	72,500	2,016,000	2,934	3,008
MF-385 4WD (85 HP)	2,050,000	99,950	2,152,500	3,612	3,507
Total				**25,913**	**25,915**
Grand Total				**33,110**	**32,113**

*: July-February
Source: Tractor Manufacturers, Federal Water Management Cell

iv) Irrigation

During the monsoon season (July-September) 2020, rainfall received at 198.9 mm showing a significant increase of 41.2 percent against the normal average rainfall of 140.9 mm. During post-monsoon season (October-December) 2020, rainfall was recorded at 22.2 mm against the normal average rainfall of 26.4, a decline of 15.9 percent. During winter season (January-March) 2021, rainfall recorded was 40.3 mm against the normal average rainfall of 74.3 mm, a decrease of 45.8 percent. Rainfall recorded is given in Table 2.15.

Table 2.15: Pakistan's Rainfall* Recorded During 2020-21 (in Millimetres)

	Monsoon Rainfall (Jul-Sep) 2020	Post Monsoon Rainfall (Oct-Dec) 2020	Winter Rainfall (Jan-Mar) 2021
Normal**	140.9	26.4	74.3
Actual	198.9	22.2	40.3
Shortage (-)/excess (+)	+58.0	-4.2	-34.0
% Shortage (-)/excess (+)	+41.2	-15.9	-45.8

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

Source: Pakistan Meteorological Department

Canal head withdrawals decreased by 0.2 percent during Kharif (April-September) 2020 to 65.11 MAF compared to 65.23 MAF during the same season last year. During Rabi (October-March) 2020-21, it showed an increase of 6.9 percent to 31.21 MAF compared to 29.20 MAF during the same season last year. The province-wise details are shown in Table 2.16.

Table 2.16: Canal Head Withdrawals (Below Rim Stations) Million Acre Feet (MAF)

Province	Kharif (Apr-Sep) 2019	Kharif (Apr-Sep) 2020	% Change in Kharif 2020 Over 2019	Rabi (Oct-Mar) 2019-20	Rabi (Oct-Mar) 2020-21	% Change in Rabi 2020-21 Over 2019-20
Punjab	34.42	33.44	-3	14.67	17.42	19
Sindh	28.04	28.80	3	12.92	12.01	-7
Balochistan	1.87	2.02	8	1.24	1.22	-2
Khyber Pakhtunkhwa	0.91	0.85	-6	0.36	0.57	56
Total	**65.23**	**65.11**	**-0.2**	**29.20**	**31.21**	**6.9**

Source: Indus River System Authority

Pakistan is a water stressed country and, therefore, efficient use of water is important for provision of safe drinking water, sustainable agricultural and industrial growth. The agriculture sector, core of national economy and food security, is highly vulnerable to changes in water availability. In the wake of imminent water crisis, inclusive and comprehensive planning is imperative. One of the major objectives of the National Water Policy (2018) is to enhance the water storage capacity of Pakistan by adding 10 MAF. At present, the water storage capacity of Pakistan is around 13.68 MAF for 30 day. To overcome water scarcity and to enhance storage capacity, two major storage dams (Diamer Basha and Mohmand Dam) along with 518 medium and small dams with total storage capacity of 8.33 MAF have been initiated throughout the country.

The ongoing Water Sector Development Programme, costing Rs 1,151 billion, centres around five important elements, which are water augmentation, water conservation, groundwater management, protection of infrastructure from water logging/salinity and floods and proposition of institutional reforms. Future water sector development strategies/policies aim at construction of small/medium and large dams and development of existing irrigation and drainage infrastructure.

Major Achievement during FY2021

Despite the COVID-19 pandemic, all efforts were made to fully protect the on-going water sector development programme during FY2021. Following major objectives are expected to achieve by the end of current FY2021:

- Completion of 22 on-going projects at a cost of Rs 124 billion, resulting in bringing about 40 thousand acres area under cultivation especially in Balochistan
- About 1.567 million acres of agriculture land protected from water logging & salinity by completion of RBOD-I & III in Sindh
- Rainwater harvesting of 0.21 MAF through construction of small dams for irrigation, flood protection and drinking water supplies for more than 10,000 people in Balochistan
- Employment generation for about 10,000 people (direct/indirect)
- Recharging 1,000 wells/tube wells and improvement of about 400 Karezes in Balochistan
- Around Rs 46 billion allocated for construction of large/medium dams followed by Rs 10 billion for construction of small/recharge/check dams
- Safe disposal of drainage effluent into sea through construction of RBOD-I,II & III
- For remodeling of existing irrigation system, a sum of Rs 961 million is planned to be expended. However, the programme will be gradually transferred to the provinces
- About Rs 6.84 billion are expected to be incurred for construction of new canals (Kachhi, Rainee, Warsak and Maki Farash Link Canal)

Major water sector projects under implementation are given in Table 2.17.

Table 2.17: Major Water Sector Projects

Project	Location	App. cost (Rs million)	Live Storage	Irrigated Area	Status
Basha Dam (Dam Part only)	Khyber Pakhtunkhwa & Gilgit Baltistan	479,000	6.40 MAF	Not applicable (4,500 MW Power Gen.)	Rs 43.8 billion has been incurred upto June 2020 in addition to Rs 16 billion during 2020-21, for timely completion.
Kachhi Canal (Phase-I) Remaining Works	Balochistan	22,921	-	72,000 Acres	Phase-I completed. Out of 102,000 acres CCA about 50,000 acres have been developed of Dera Bugti district of Balochistan.
Nai Gaj Dam	Sindh	26,236	160,000 (Acre Ft)	28,800 Acres (4.2 MW Power Gen.)	52 % Physical works completed, 2nd Revised PC-I costing Rs 46 billion in approval process.
KurramTangi Dam (Phase-I,Kaitu Weir)	Khyber Pakhtunkhwa	21,059	0.90 MAF	84,380 Acre New 278,000 Acres Existing (18.9 MW Power Gen.)	56% Physical works completed.
Naulong Dam	Balochistan	18,027	0.20 MAF	47,000 Acres (4.4 MW Power Gen.)	Feasibility & Detailed Engg. Design completed. Updated 2nd revised PC-I costing Rs35,484 million is under approval process.

Table 2.17: Major Water Sector Projects

Project	Location	App. cost (Rs million)	Live Storage	Irrigated Area	Status
Mohmand Dam Hydropower Project (800 MW)	Mohmand District of Khyber Pakhtunkhwa	114,285 (dam part) cost	0.676 MAF	16,737 Acres (800 MW Power Gen.)	Rs 25.51 billion has been incurred upto June 2020 in addition to Rs 7.0 billion during 2020-21 for timely completion of this priority project.
Right Bank Outfall Drain				RBOD-II will help to dispose 3,520 cusecs of drainage effluent into Sea received from RBOD-I & III	
RBOD-I	Sindh	17,505	-		Completed.
RBOD-II	Sindh	61,985	-		72% completed.
RBOD-III	Balochistan	10,804	-		98% completed.

Source: Ministry of Planning, Development & Special Initiatives

Implementation of water management projects launched during FY2020 under the Prime Minister's Agriculture Emergency Programme to "Conserve and increase Productivity of Water" continued during FY2021. The overall progress of these projects is given hereunder:

a) The project **"National Programme for Improvement of Watercourses in Pakistan-Phase-II"** envisages to improve, reconstruct/renovate 47,278 water courses, 50 percent of the total length of watercourses and construct 14,932 water storage tanks. In addition, 11,610 Laser Land Levelers will be provided to beneficiaries at 50 percent cost sharing basis (maximum share of government: Rs 250,000 per beneficiary). The total project cost of Rs 154.542 billion over a period of 05 years which will be shared by the federal and provincial governments and the beneficiaries. The project is being implemented in the provinces of Punjab, Khyber Pakhtunkhwa, Balochistan and in Gilgit-Baltistan, Azad Jammu and Kashmir and the Islamabad Capital Territory (ICT). Key objectives of the project are:

- Social mobilization through capacity building of Water User's Associations/ Farmer Organizations
- Minimization of conveyance and field application losses
- Reduction in water logging and salinity
- Equity in water distribution
- Reduction in water disputes/thefts/litigation
- Motivation/participation of farmers
- Poverty reduction through employment generation
- Increase in crops yield/self-sufficiency in food

So far improvement of 5,237 watercourses and construction of 1,439 has been completed. Similarly, 1,975 Laser Land Levelers have been distributed to beneficiaries.

b) The project titled **"Water Conservation in Barani Areas of Khyber Pakhtunkhwa"** envisages construction of water ponds, check dams, water reservoirs, stream banks stabilization, terracing, sand-dune stabilization, installation and solarisation of tube wells etc in Barani areas of Khyber

Pakhtunkhwa. The total project cost of Rs 14.177 billion over a period of 05 years will be shared between the federal and provincial government and the beneficiaries.

The project envisages to:

- Conserve land and water resources through various interventions for supplemental irrigation, livestock, farm forestry and fish farming
- Increase cropping intensity and per unit of land and water productivity
- Improve livelihood standards of poor farmers
- Improve socio-economic stability

c) Implementation of project **"National Programme for Enhancing Command Area in Barani Areas of Pakistan"** started during the current financial year. The project is to be implemented in all provinces including AJK, GB, and ICT over a period of five year. The project cost of Rs 25.345 billion will be shared by the federal and provincial governments and the beneficiaries. The project envisaged to:

- Save about 42,180 acre feet runoff water for irrigation and barani areas
- Bring more than 170,000 acres of land under irrigated agriculture through various project interventions
- Provide more than 39,000 KW clean energy (solar) at farms
- Bring 45,518 acres under fruit trees, 112,189 acres under oilseed/pulses, and 81,676 acres under better fodder/forage/rangeland for livestock
- Increase income of farmers besides improving socio-economic conditions of barani area farmers

Despite a late start, project activities are gaining pace and current year targets are likely be achieved.

iv) Agricultural Credit

In pursuance of the government's agenda for promoting agriculture sector, the State Bank of Pakistan (SBP) has assigned an indicative agriculture credit disbursement target of Rs 1,500 billion for FY2021, 23.5 percent higher than last year's disbursement of Rs 1,215 billion. Currently, 50 agriculture lending institutions are providing agricultural loans to farmers including five major commercial banks, two specialized banks (ZTBL & PPCBL), 14 domestic private banks, 5 Islamic banks, 11 microfinance banks and 13 microfinance institutions/rural support programmes (MFIs/RSPs).

Despite the pandemic, agriculture credit disbursement is encouraging. During FY2021 (July-March), the agriculture lending institutions have disbursed Rs 953.7 billion which is 63.6 percent of the annual target and 4.6 percent higher than the disbursement of Rs 912.2 billion during the same period last year. However, the outstanding portfolio of agriculture loans has increased by Rs 29.7 billion i.e., from Rs 572.1 billion to Rs 601.8 billion or 5.2 percent at end March 2021 as compared to same period last year. In terms of outreach, the number of outstanding borrowers has reached 3.5 million in March 2021. The comparative disbursements of agriculture lending banks/institutions against their annual indicative targets are presented in Table 2.18:

Table 2.18: Supply of Agriculture Credit by Institutions (Rs billion)

Banks	Target FY2020	FY2020 (July-March) Disbursed	FY2020 (July-March) Achieved (%)	Target FY2021	FY2021 (July-March) Disbursed	FY2021 (July-March) Achieved (%)	% Change over the Period
Major Commercial Banks (5)	705	515.2	73.1	800	554.2	69.3	7.6
ZTBL	100	52.5	52.5	105	56.5	53.8	7.6
PPCBL	13	6.3	48.8	13	5.2	39.8	-18.4
DPBs (14)	253.6	169.3	66.8	296	192.5	65.0	13.7
Islamic Banks (5)	55	31.0	56.3	63	35.9	57.0	15.9
MFBs (11)	184	115.2	62.6	182	92.8	51.0	-19.4
MFIs/RSPs	39.4	22.7	57.5	41	16.6	40.5	-26.6
Total	**1,350**	**912.2**	**67.7**	**1,500**	**953.7**	**63.6**	**4.6**

Source: State Bank of Pakistan

Sector-wise analysis of disbursement reveals that out of the total disbursement of Rs 953.7 billion, the farm sector has received Rs 507.9 billion (53.3 percent) while Rs 445.8 billion (46.7 percent) has been disbursed to non-farm sector during FY2021(July-March). The agricultural data of farm credit by land holdings reveals that Rs 150.0 billion has been disbursed to subsistence farm size (8.4 percent growth) and Rs 56.2 billion to economic farm size and Rs 301.7 billion to the above economic farm size (12.7 percent growth). Under non-farm sector, agriculture lending institutions disbursed Rs 102.1 billion to small farms, a negative growth mainly due to lower credit offtake especially in poultry sector. An amount of Rs 343.7 billion has been disbursed to large farms showing a positive growth of 3 percent. The sector-wise comparative details of credit disbursements are given below in Table 2.19.

Table 2.19 : Credit Disbursement to Farm & Non-Farm Sectors (Rs billion)

	Sector (Land Holding/Farm size)	FY2020 (July-March) Disbursement	FY2020 (July-March) % Share in Total	FY2021 (July-March) Disbursement	FY2021 (July-March) % Share in Total	% Growth over the Period
A	**Farm Sector**	**459.6**	**50.4**	**507.9**	**53.3**	**10.5**
1	Subsistence Holding[1]	138.3	15.2	150.0	15.7	8.4
2	Economic Holding[2]	53.5	5.9	56.2	5.9	5.1
3	Above Economic Holding[3]	267.8	29.4	301.7	31.6	12.7
B	**Non-Farm Sector**	**452.6**	**49.6**	**445.8**	**46.7**	**-1.5**
1	Small Farms	118.8	13.0	102.1	10.7	-14.1
2	Large Farms	333.8	36.6	343.7	36.0	3.0
Total (A+B)		**912.2**	**100.0**	**953.7**	**100.0**	**4.6**

Source: State Bank of Pakistan

In terms of sectoral and purpose wise performance of agriculture credit sectors, the production loans of farm sector grew by 5.0 percent and development loans increased by 93.7 percent during the period FY2021 (July-March). The livestock/dairy and meat sector witnessed 5.6 percent growth with poultry sector recording 11.2 percent decline

[1] Landholding in acres (Punjab and KPK up to 12.5, Sindh up to 16.0 and Balochistan up to 32.0)
[2] Landholding in acres (Punjab and KPK 12.5-50.0, Sindh 16.0-64.0 and Balochistan 32.0-64.0)
[3] Landholding in acres (Punjab and KPK above 50.0, Sindh and Balochistan above 64.0)

during the period under review. The sector wise/purpose wise agricultural credit disbursements are shown in Table-2.20:

Table 2.20: Credit Disbursements by Sector & Purpose (Rs billion)

	Sector& Purpose	FY2020 (July-March)		FY2021 (July-March)		% Growth over the Period
		Amount Disbursed	% Share within Sector	Amount Disbursed	% Share within Sector	
A	**Farm Sector**	**459.6**	**50.4**	**507.9**	**53.3**	**10.5**
1	Production Loans	430.9	93.8	452.4	89.1	5.0
2	Development Loans	28.7	6.2	55.6	10.9	97.7
B	**Non-Farm Sector**	**452.6**	**49.6**	**445.8**	**46.7**	**-1.5**
1	Livestock/Dairy & Meat	236.7	52.3	250.1	56.1	5.6
2	Poultry	177.9	39.3	158.0	35.4	-11.2
3	Fisheries	4.1	0.9	5.3	1.2	30.1
4	Forestry	0.015	0.003	0.011	0.003	-23.7
5	Others	33.9	7.5	32.4	7.3	-4.4
Total (A+B)		**912.2**	**100.0**	**953.7**	**100.0**	**4.6**

Source: State Bank of Pakistan

SBP's Initiatives for the Promotion of Agriculture Financing

For promotion of agricultural financing, some of the major initiatives taken by SBP in collaboration with federal and provincial governments are as under:

1. **Loan repayment relief to dampen the effects of COVID-19:** The banks have been instructed to defer principal amount of agricultural loans for one-year on borrowers' request. Regulatory space is also provided to facilitate banks in rescheduling/ restructuring of loans for borrowers who cannot service markup or need deferment exceeding one year. In this regard, as of April 16, 2021, MFBs provided relief in terms of deferred/restructured/rescheduled loans of Rs 121.3 billion to 1.72 million microfinance borrowers and relief of Rs 11.6 billion to 27,216 agricultural borrowers.
2. **Crop Loan Insurance Scheme (CLIS)**: In 2008, the Government of Pakistan (GoP) introduced the mandatory crop loan insurance scheme for five major crops i.e. wheat, rice, cotton, sugarcane and maize to mitigate the risk of losses of farmer in case of calamities. The insurance premium is borne by the government up to maximum of 2 percent per crop per season for the farmers having land holding up to 25 acres in all provinces except Balochistan where the eligibility of land holding is 32 acres. During the period July 2008 to December 2020, banks have submitted premium claims of Rs 9.4 billion against 6.54 million beneficiaries.
3. **Livestock Insurance Scheme for Borrowers (LISB):** To minimize the risk of disease or death of animals due to accidents and natural calamities in livestock & dairy sector, the farmers' have improved access to LISB since 2013. The scheme covers small farmers having up to 10 animals and the government bears premium subsidy up to 4 percent per annum. During the period July 2014 to December 2020, banks have submitted premium claims of Rs 2.84 billion against 0.82 million beneficiaries.

4. **Adoption of Automation of Land Record for Agriculture Financing:** SBP facilitated in creating partnerships between Punjab Land Revenue Authority (PLRA) and banks for integration of the Land Record Management Information System (LRMIS) with the banks to enable online assessment and charge creation on agricultural land for loans to farmers. As many as 35 agriculture lending banks have signed MOUs with PLRA, of which 25 banks have been brought on board and are verifying revenue documents and also generating 'Fard' (title document) through this integrated online system. Further, to help other provinces gear up their land record automation efforts, SBP has facilitated peer learning of provincial and regional land revenue authorities by organizing online knowledge sharing sessions.
5. **Implementation of Credit Guarantee Scheme for Small and Marginalized Farmers:** The government announced the Credit Guarantee Scheme for Small & Marginalized Farmers in federal budget 2014-15. The scheme aims to encourage financial institutions to lend to those small farmers who do not have adequate collateral (acceptable to banks) to meet their working capital requirements. Since 2016, more than 114,000 borrowers have benefitted from the scheme with loans amounting to Rs19.4 billion.
6. **Regulatory Space for Innovative Financing:** Relevant Prudential Regulations have been amended to allow Electronic Warehouse Receipt (EWR) as acceptable collateral for bank financing. Further, the maximum tenure for agriculture development loans have been increased to 10 years to encourage development and mechanization for efficiency, resource conservation and yield enhancement. Additionally, Report on Indicative Credit Limits and Eligible Items for Agriculture Financing has also been revised to allow banks to provide loans to farmers as per their internal policies. This will also facilitate provincial planning departments in estimating the total financial and credit requirements of provinces/regions for agriculture sector.
7. **Government of Punjab E-Credit Scheme:** SBP has facilitated the Government of Punjab in designing and implementing the E-Credit scheme wherein E-Passbook and other automated land revenue records, accessible through an online portal, are being used by participating financial institutions (ZTBL, NBP, Telenor Microfinance Banks, Akhuwat and NRSP) to provide interest free loans to small farmers. Up to Rabi 2019-20, total loan amount of around Rs 62 billion had been disbursed to 890,000 small farmers.
8. **Workshops/Trainings/Capacity & Awareness Building:** SBP regularly organizes various training programmes and awareness sessions both on-field and virtual to meet demand and supply side capacity building requirements of agriculture finance stakeholders including banks and farmers. These training programmes include Farmers Financial Literacy Programmes and awareness sessions on Agricultural Value Chain Financing, Job Fairs for Agriculture Graduates, Warehouse Receipt Financing, Islamic Agricultural Financing etc.

III. Forestry

Pakistan is a forest deficient country, mainly due to arid and semi-arid climate in large parts of the country. The country is maintaining 4.51 million hectares, to 5.01 percent area under forest cover out of which 3.44 million hectares forests exist on state-owned lands and remaining on communal and private lands. Though forests have a meager share of 2.1 percent in agriculture, they provide foundations of life, regulate climate and water resources, and serve as a habitat for plants and animals.

Rapidly growing population coupled with poverty and lack of awareness has led to illegal and unsustainable logging, and overharvesting of wood for fuel and charcoal. Forest fires, natural hazards, pests and diseases further contribute to the declining forest cover. These challenges threaten the survival of species, people's livelihoods and undermine the vital services that forests provide.

IV. Livestock and Poultry

a) Livestock

Over the years livestock has emerged as the largest subsector in agriculture. The sector contributed 60.1 percent to the agriculture value addition and 11.5 percent to the GDP during FY2021. More than 8 million rural families are engaged in livestock production and deriving more than 35-40 percent of their income from this source. Gross value addition of livestock increased to Rs 1,505 billion (2020-21) from Rs 1,461 billion (2019-20), an increase of 3.0 percent.

The government has renewed its focus on the livestock sector for economic growth, food security, and poverty alleviation in the country. The overall livestock development strategy resolves to foster "private sector-led development with public sector providing enabling environment through policy interventions". The regulatory measures are aimed at improving per unit animal productivity by improving health coverage, management practices, animal breeding practices, artificial insemination services, use of balanced ration for animal feeding, and controlling livestock diseases.

To address investment related issue in the value added livestock export sector, government is considering to develop meat export processing zones, (for Foot & Mouth Disease (FMD), Peste des Petitis Ruminants (PPR), Highly Pathogenic Avian Influenza (HPAI), facilitate setting up of modern slaughterhouses and introduce various schemes to facilitate access to finances. The focus is on breed improvement for enhanced productivity, establishment of nucleus herd and identification of breeds that are well adapted to various agriculture climatic zones of Pakistan.

The national herd population of livestock for the last three years is given in Table 2.21.

Table 2.21: Estimated Livestock Population (Million Nos.)

Species	2018-19[1]	2019-20[1]	2020-21[1]
Cattle	47.8	49.6	51.5
Buffalo	40.0	41.2	42.4
Sheep	30.9	31.2	31.6
Goat	76.1	78.2	80.3
Camels	1.1	1.1	1.1
Horses	0.4	0.4	0.4
Asses	5.4	5.5	5.6
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 position of milk and meat production for the last three years is given in Table 2.22.

Table 2.22: Estimated Milk and Meat Production (000 Tonnes)

Species	2018-19[1]	2019-20[1]	2020-21[1]
Milk (Gross Production)	**59,759**	**61,690**	**63,684**
Cow	21,691	22,508	23,357
Buffalo	36,180	37,256	38,363
Sheep[2]	40	41	41
Goat	940	965	991
Camel[2]	908	920	932
Milk (Human Consumption)[3]	**48,185**	**49,737**	**51,340**
Cow	17,353	18,007	18,686
Buffalo	28,944	29,805	30,691
Sheep	40	41	41
Goat	940	965	991
Camel	908	920	932
Meat[4]	**4,478**	**4,708**	**4,955**
Beef	2,227	2,303	2,380
Mutton	732	748	765
Poultry meat	1,518	1,657	1,809

1: The figures for milk and meat production 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 the production of milk from camel and sheep to the figures reported in the Livestock Census 2006.
3: Milk for human consumption is derived by subtracting 20 percent wastage (15 percent faulty transportation and lack of chilling facilities and 5 percent in suckling calf nourishment) of the gross milk production of cows and buffalo.
4: The figures for meat production are of red meat and do not include the edible offal's.

Source: Ministry of National Food Security & Research

The estimated production of other livestock products for the last three years is given in Table 2.23.

Table 2.23: Estimated Livestock Products Production

Species	Units	2018-19[1]	2019-20[1]	2021-21[1]
Eggs	Million Nos.	19,052	20,133	21,285
Hides	**000 Nos.**	**17,547**	**18,139**	**18,751**
Cattle	000 Nos.	9,063	9,405	9,759
Buffalo	000 Nos.	8,373	8,622	8,878
Camels	000 Nos.	111	112	114
Skins	**000 Nos.**	**58,116**	**59,460**	**60,837**
Sheep Skin	000 Nos.	11,669	11,807	11,947
Goat Skin	000 Nos.	29,334	30,129	30,946
Fancy Skin	000 Nos.	17,113	17,524	17,945
Lamb skin	000 Nos.	3,466	3,507	3,548
Kid skin	000 Nos.	13,647	14,017	14,397
Wool	000 Tonnes	46.8	47.3	47.9
Hair	000 Tonnes	28.6	29.4	30.2
Edible Offal's	000 Tonnes	428	440	452
Blood	000 Tonnes	71.3	73.1	75.0
Casings	000 Nos.	58,712	60,069	61,461
Guts	000 Nos.	18,654	19,280	19,929
Horns & Hooves	000 Tonnes	62.4	64.3	66.2
Bones	000 Tonnes	932.5	961.0	990.3

Table 2.23: Estimated Livestock Products Production				
Species	Units	2018-19[1]	2019-20[1]	2021-21[1]
Fats	000 Tonnes	295.8	304.5	313.6
Dung	000 Tonnes	1,322	1,362	1,405
Urine	000 Tonnes	401	413	425
Head & Trotters	000 Tonnes	267.0	274.6	282.4
Ducks, Drakes & Ducklings	Million Nos.	0.40	0.38	0.37

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

Source: Ministry of National Food Security & Research

b) Poultry

Poultry sector is one of the most important sub-sectors of livestock sector as it provides employment to more than 1.5 million people in country. With an investment of more than Rs 750 billion, this industry is growing at an impressive rate of approximately 7.5 percent per annum over the last decade. Pakistan is now placed at the 11th position among the largest poultry producers of the world and has ample space for further improvement.

The Poultry Development Strategy revolves around disease control, hi-tech poultry production, processing, value addition, improving poultry husbandry practices and diversification of products. Through farmer friendly policies, the government has been encouraging rural as well as commercial poultry production. The estimated production of commercial and rural poultry products for the last three years is given in Table 2.24.

Table 2.24: Estimated Domestic/Rural & Commercial Poultry				
Type	Units	2018-19[1]	2019-20[1]	2020-21[1]
Domestic Poultry	**Million Nos.**	**88.49**	**89.84**	**91.22**
Cocks	Million Nos.	12.18	12.51	12.85
Hens	Million Nos.	43.15	43.93	44.72
Chicken	Million Nos.	33.16	33.40	33.65
Eggs[2]	Million Nos.	4,315	4,393	4,472
Meat	000 Tonnes	122.28	124.72	127.22
Duck, Drake & Duckling	**Million Nos.**	**0.40**	**0.38**	**0.37**
Eggs[2]	Million Nos.	17.93	17.18	16.47
Meat	000 Tonnes	0.54	0.52	0.50
Commercial Poultry	**Million Nos.**	**1,232.33**	**1,353.24**	**1,486.09**
Layers	Million Nos.	55.91	59.82	64.01
Broilers	Million Nos.	1,163.42	1,279.76	1,407.73
Breeding Stock	Million Nos.	13.01	13.66	14.34
Day Old Chicks	Million Nos.	1,215.19	1,336.71	1,470.38
Eggs[2]	Million Nos.	14,719	15,723	16,797
Meat	000 Tonnes	1,395.02	1,531.60	1,681.64
Total Poultry				
Day Old Chicks	Million Nos.	1,248	1,370	1,504
Poultry Birds	Million Nos.	1,321	1,443	1,578
Eggs	Million Nos.	19,052	20,133	21,285
Poultry Meat	000 Tonnes	1,518	1,657	1,809

1: The figures for the indicated years are statistically calculated using the figures of 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

Ongoing Projects

The federal government has launched following programmes under the "Prime Minister's National Agriculture Emergency Programme":

Back Yard Poultry: Under this project five million pre-vaccinated high laying backyard birds will be distributed among public across the country at subsidized rates in four years. This will provide livelihood and adequate animal protein to undernourished population. The total cost of the project is Rs 1.6 billion and 30 percent will be contributed jointly by federal and provincial governments while rest of the cost is expected to be borne by the beneficiary.

Safe the Calf: Under this project, 380,000 male calves have been projected to be saved from early slaughter in 4 years period through financial incentive of Rs 3,000 per calf to farmers besides reducing mortality with improved nutrition and husbandry practices. The intervention will provide stock for feedlot fattening for enhanced productivity and quality beef which ultimately result in high profit margins for the farmers and reduced rural poverty. The total cost of the project is Rs 3.4 billion. The federal government will contribute 20 percent of total cost while the remaining will be shared by provincial governments.

Calf Feedlot Fattening in Pakistan: Under this programme Rs 4,000 for each calf has been allocated as financial incentive to persuade farmers to produce healthy and nutritious beef in the country. The intervention will promote feedlot fattening business in the country. The total cost of the project is Rs 2.4 billion.

The following two projects are also being launched by federal government:

i. **Development of Yak at High Altitude Area of Pakistan (Gilgit-Baltistan):** The main objective of the project is to increase the population of Yak in potential valleys of Gilgit–Baltistan through support and training to Yak farmers for proper feedings, breeding, disease control, fattening and marketing. Under this project assistance will also be provided for development of hygienic butcheries in the private sector with the aim to improve livelihood of farmers and self-sustaining Yak entrepreneurs. The total cost of the project is Rs 54.0 million.

ii. **National Peste Des Petits Ruminants (PPR) Eradication Programme**: Under this project efforts will be made to move Pakistan into Stage 3 of the progressive step-wise approach of Office International des Epizooties (OIE) for PPR eradiation in next five years. This will be achieved by maintaining an efficient surveillance system through better coordination between different laboratories and the use of bio-molecular techniques for epidemiology of PPR in Pakistan. The total cost of the project is Rs 1.8 billion.

Government Policy Measures

M/o NFS&R with its re-defined role under the 18th Constitutional Amendment undertook the following measures: i) Import of high yielding dairy cattle breeds of Holstein-Friesian and Jersey for enhanced milk production ii) Provision of semen and embryos of high yielding animals for the genetic improvement of indigenous low producing animals iii) Import of high quality feed stuff/micro ingredients for improving the nutritional quality of animals & poultry feed, and iv) Import of dairy, meat and poultry processing machinery/equipments at concessional tariff/duty in order to encourage and promote the establishment of value addition in the country.

Future Plans

M/o NFS&R plans to focus on the following in future:

- Inter-provincial coordination for development of livestock sector
- Coordination with private sector to promote value addition in livestock industry and diversification of livestock production
- Control of Trans-boundary Animal Diseases (FMD, PPR, Zoonotic diseases) of trade and economic importance through provincial participation
- Bringing more investments in livestock sector
- Exploring new markets for export of meat and dairy products with focus on global Halal food trade market
- Development of national breeding policy

V. Fisheries

Fisheries as a subsector of agriculture, plays an important role in the national economy and towards food security of the country by reducing pressure on demand for mutton, beef, and poultry. It is also considered to be an important source of livelihood for the coastal population. Besides marine fishery, inland fishery (based in rivers, lakes, dams etc.) is also an important activity throughout the country. Although the share of fisheries in GDP is negligible, it contributes to the national income through export earnings.

During FY2021 (July-March), fish production remained at 690.600 thousand metric tonnes of which 465.200 thousand metric tonnes was from marine and the remaining was produced by inland fishery sector. Fish production in FY2020 (July-March) was 701.726 thousand metric tonnes in which 474.025 thousand metric tonnes was from marine and the remaining from the inland fishery sector. The production of fish & fishery products has witnessed a decreased of 1.5 percent.

During FY2021 (July-March), 136.370 thousand metric tonnes of fish and fishery preparation valued, at US$ 303.606 million (Rs 48,945 million), were exported. Pakistan's major buyers are China, Thailand, Malaysia, Middle East, Sri Lanka, and Japan. Export during FY2020 (July-March) were 130.148 thousand metric tonnes which earned US$ 317.305 million (Rs 49,527 million). The exports have, therefore, increased by 4.78 percent in quantity term whereas in US$ value terms it decreased by 4.32 percent.

Government of Pakistan is undertaking several steps to improve the fisheries sector and its exports. A number of initiatives are being taken by federal and provincial fisheries departments including strengthening of extension services, introduction of new fishing methodologies, development of value added products, enhancement of per capita consumption of fish, up gradation of socio-economic conditions of the fishermen community and a review of Deep Sea Fishing Policy of 2018.

Export of Fish and Fishery Products to the European Union (EU) countries: Since resumption of exports to the EU countries, several consignments of fish, cuttlefish and shrimps have been sent by 02 companies to the EU. These were cleared successfully after 100 percent laboratory analysis at EU borders. For further enhancement of seafood export to EU countries, six more processing plants are in pipeline and their cases for approval are under process with EU authorities. Export of seafood to EU countries is given in Table 2.25:

Table 2.25: Export of Seafood to EU Countries FY2021 (July-March)

Commodity / Country	Fish		Squids		Shrimp		Crabs		Total	
	Quantity (MT)	Value $ (000)	Quantity (MT)	Value $ (000)	Quantity (MT)	Value $ (000)	Quantity (MT)	Value $ (000)	Quantity (MT)	Value $ (000)
Belgium	314	750	-	-	1,304	6,761	-	-	1,618	7,511
Netherland	209	595	3	14	47	169	-	-	259	778
Spain	-	-	191	356	-	-	-	-	191	356
UK	979	3,528	22	76	213	726	3	13	1,217	4,343
Total	**1,502**	**4,873**	**216**	**446**	**1,564**	**7,656**	**3**	**13**	**3,285**	**12,988**

Source: Marine Fisheries Department

Box Item-III: Impact of COVID-19 and Other Shocks on Food Security and Livelihood of Rural Population

Food and Agriculture Organization of the United Nations (FAO) and the World Food Programme (WFP), in collaboration with the Food Security & Agriculture Working Group (FSAWG) conducted a Food Security and Livelihood Assessment (FSLA) in 21 vulnerable districts in Sindh, Balochistan and Punjab provinces in Pakistan during October-November 2020, to better understand the food security and livelihood situation of the households in the areas affected by multiple shocks (Locust, COVID-19, monsoon rains/flooding etc.).In total, 4,700 households were surveyed during the assessment in the 21 rural districts of Pakistan (9 in Sindh, 10 in Balochistan and 2 in Punjab).

As per the assessment results, overall around two-third of the surveyed households were moderately food insecure, whereas about two-fifth were severely food-insecure based on 12 months reference period. The analysis by provinces showed highest prevalence of moderate food insecurity in surveyed districts of Balochistan (70.7 percent) followed by surveyed districts of Sindh (58.2 percent) and two surveyed districts of Punjab (52.6 percent). Further, prevalence of severe food insecurity was also remained highest in Balochistan (49.1 percent) followed by Sindh (42.7 percent) and Punjab (25.4 percent).

In terms of impact of COVID-19 on food insecurity, the analysis of FIES data shows that apparently COVID-19 has contributed to high prevalence of food insecurity as overall around half (48 percent) of the surveyed households were moderately food insecure because of COVID-19, whereas one-third were severely food-insecure. Provincial analysis depicts highest prevalence of moderate food insecurity because of COVID-19 in Balochistan (60 percent) followed by Sindh (45 percent) and Punjab (27 percent). Whereas severe food insecurity due to COVID-19 was also highest in Balochistan (38 percent) followed by Sindh (34 percent) and Punjab (14 percent).

In contrast, prevalence of food insecurity (due to COVID-19) is slightly lower among households with agriculture based livelihood sources than in other two groups of households. Further, the analysis by livelihood sources shows slightly higher prevalence of food insecurity (general) among surveyed households who earn their income/livelihood from agriculture based activities, than those which earn livelihood/income from non-agriculture wage labour and other sources. Though no significant difference was found in prevalence of food insecurity across the households with three livelihood groups

Overall, around two-fifth (43 percent) of the surveyed households reported their household livelihood/income was severely affected by locust infestation followed by (26 percent) moderately affected and remaining (31 percent) slightly/not affected. Provinces-wise surveyed households reported their livelihood/income affected by locust, severely (27 percent in Sindh, 69 percent in Punjab and 53 percent in Balochistan) and moderately (32 percent in Sindh, 11 percent in Punjab and 24 percent in Balochistan).

In case of impact of rains/flooding on household livelihood/income, 37 percent of the surveyed households reported were severely affected followed by moderately affected (26 percent), whereas 37 percent slightly/not affected. Across the provinces, 36 percent in Sindh, 37 percent in Punjab and 39 percent in Balochistan reported severely affected whereas 29 percent in Sindh, 28 percent in Punjab and 20 percent in Balochistan reported moderately affected.

Furthermore, 31 percent of the surveyed households reported their household livelihood/income was severely affected by COVID-19/lockdown followed by 30 percent moderately affected and 39 percent slightly/not affected. Across the provinces, 25 percent surveyed households in Sindh, 13 percent in Punjab and 40 percent in Balochistan reported severely affected, whereas moderate effect of COVID-19/lockdown was reported by 37 percent surveyed households in Sindh, 21 percent in Punjab and 26 percent in Balochistan. More than half of the surveyed households (53 percent) reported reduction in their income due to COVID-19/lockdown; 54 percent of the surveyed households in Sindh, 41 percent in Punjab, and 55 percent in Balochistan.

Source: FAO, Pakistan

Way Forward:

Agriculture sector has a strong linkage with food security and growth of other sectors of economy. The present government has assigned high priority to growth of agriculture sector on sustainable basis and is implementing the most appropriate policies to achieve the desired outcome. The government's Rabi/Kharif packages for growth of agriculture will further improve its output and trickle down to farmers. The emphasis is on the use of better quality seed, and modern technologies to ameliorate agriculture outlook and food security.

Chapter 3

Manufacturing and Mining

A robust manufacturing sector promotes domestic production, exports and generates employment, hence stimulates the overall growth of an economy. In Pakistan, manufacturing sector contributes 12.79 percent to Gross Domestic Product (GDP) and the sector employs 16.1 percent of the country's labor force.

Manufacturing sector consists of three sub-sectors: Large Scale Manufacturing (LSM), Small Scale Manufacturing (SSM) and Slaughtering. Quantum Index of Manufacturing (QIM) is a measure of LSM performance with 70.33 weight in overall LSM and derived from the Census of Manufacturing Industries (CMI) 2005-06. Similarly, Small Scale Manufacturing (SSM) information is also based on the survey conducted in 2006-07. It covers industrial and household units engaged in manufacturing activity having less than ten employees. While slaughtering sector performance is estimated through a methodology which measures the value addition in output of the sector.

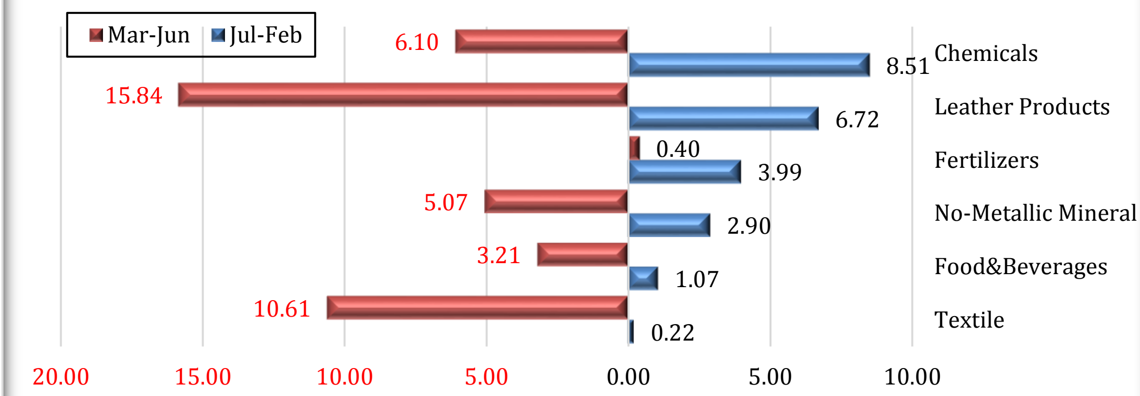
Large Scale Manufacturing (LSM) at 9.73 percent of GDP dominates the overall manufacturing sector, accounting for 76.1 percent of the sectoral share followed by Small Scale Manufacturing, which accounts for 2.12 percent of total GDP and 16.6 percent sectoral share. The third component, slaughtering, accounts for 0.94 percent of GDP with 7.4 percent sectoral share.

3.1 FY2020: A Synoptic Presentation

Globally 2020 has been undeniably the most turbulent year. The outbreak of the pandemic triggered a widespread global shut down halting major economic activities that depressed demand and disrupted supply chains. Manufacturing sector, being not an exception, was one of the hardest-hit segments from COVID-19.

Government had already adopted stabilization measures in FY2019 i.e., contractionary fiscal/monetary policy and market-based exchange rate, to cure the macroeconomic imbalances in the country. Nevertheless, external imbalances were eased but with some short-term repercussions, specifically in industrial sector. However, FY2020 emerged with some positive notes following the stabilization phase. Negative growth rates were narrowing down. Textile, the highly weighted sector, started inching up along with the improvement in chemicals and leather sectors. Until February 2020, this nascent recovery kept going (Fig. 3.1).

Fig 3.1: Pre-and Post-COVID Growth Rates of Major Secotrs during FY2020

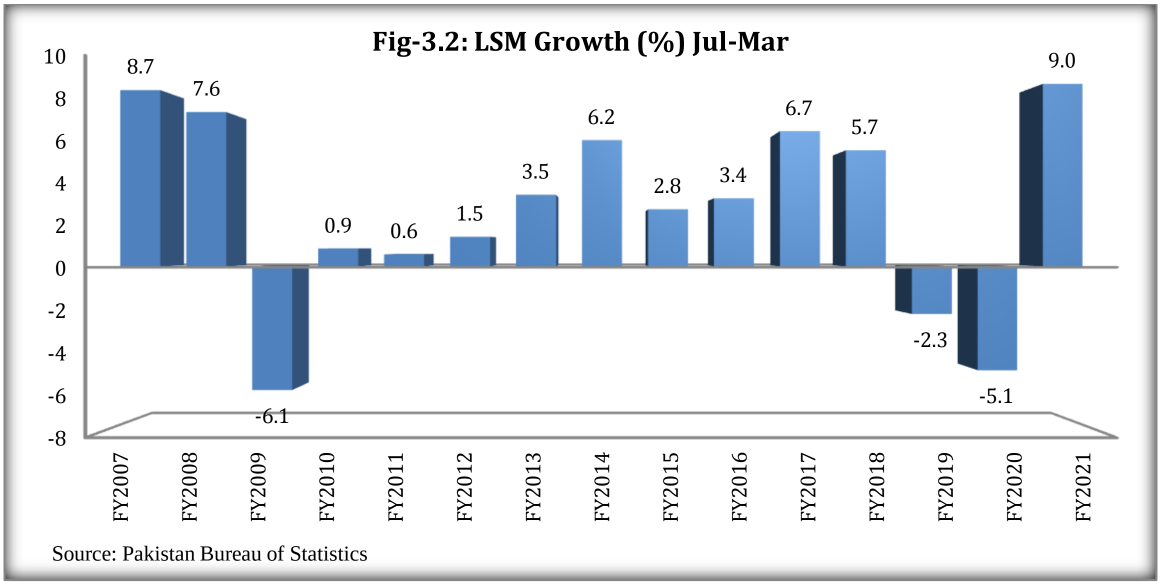


Nonetheless, this process was suspended due to the measures taken to control the spread of COVID-19. The mobility restrictions affected the industry, especially labor-intensive sectors. Moreover, manufacturing sector is highly dependent on imported raw material which was adversely affected due to international supply chain disruptions especially in US and China. Such a situation brought the manufacturing activities to a standstill, derailing the entire economy. Domestic lockdowns further aggravated the situation. Stung by the pandemic, LSM plunged to 41 percent in April 2020 registering its lowest historical level. This further dragged down the LSM and Jul-Jun FY2020 witnessed a steep decline of 9.8 percent, causing macroeconomic instability.

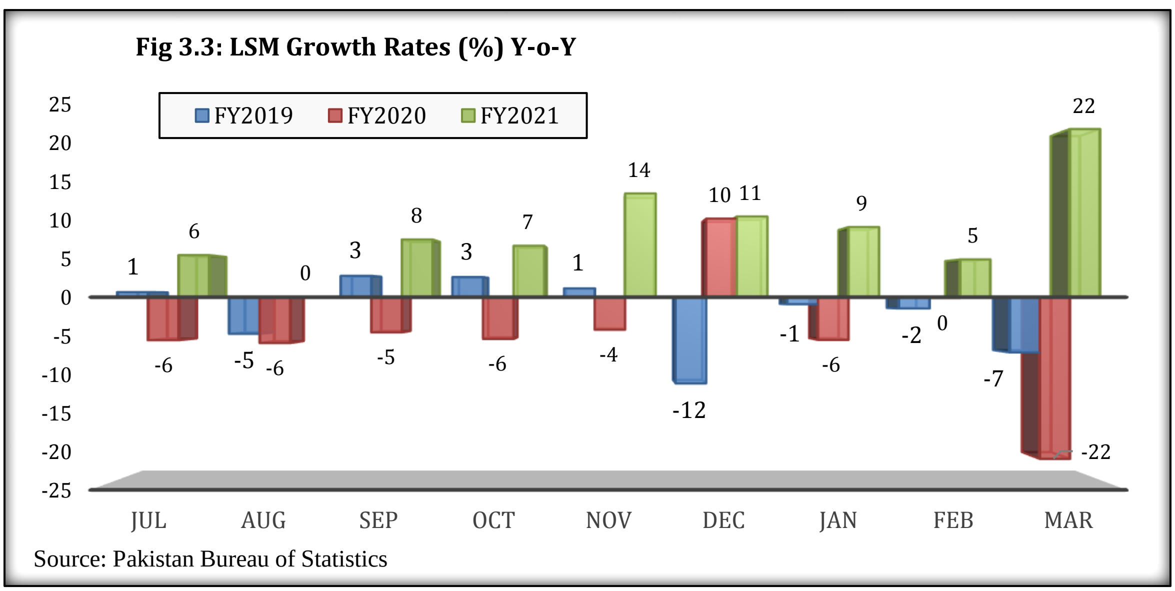
Out of 15 subsectors, only 3 sectors observed positive growth during FY2020. Fertilizer remained somewhat insulated as its demand remained intact due to lesser impact of lockdown on agriculture. Moreover, fertilizer units are mainly in rural areas where lockdown restrictions were at ease to some extent. Conversely, textile dipped by 10.4 percent during FY2020. This sector is highly labor-intensive and most exposed to COVID-19 lockdowns. Food Beverages & Tobacco, Automobile, Non-Metallic Mineral Product and Coke & Petroleum Products also decreased by 2.13, 44.5, 2.16 and 20.1 percent, respectively. Thus, adverse economic effects of the COVID-19 pandemic have been particularly strong in manufacturing sector which also hampered the pre-COVID growth trajectory.

3.2 Large Scale Manufacturing during FY2021

Despite the concerns raised by COVID-19, manufacturing sector remained sound and resilient during FY2021on the back of well in time government initiatives. Government's thoughtful decision to resume the business activities and adoption of smart lockdown boosted the business sentiments and economy gained traction after witnessing a hefty decline in FY2020. Targeted fiscal and monetary incentives accompanied by related support packages helped speed up the economic recovery. Situation has further ameliorated by depreciation of US dollar against Rupee and launch of COVID-19 vaccine.

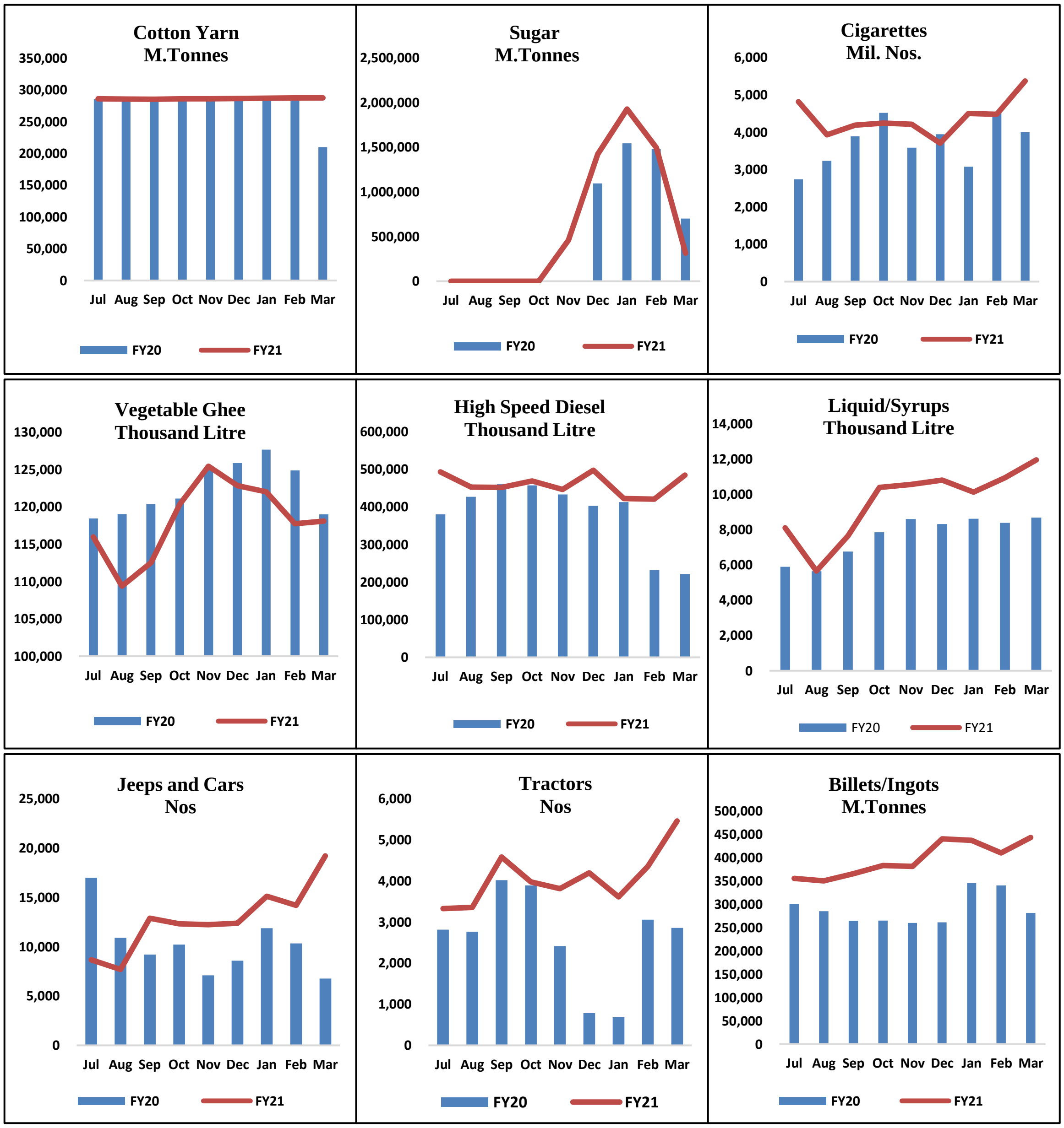


During July-March FY2021, manufacturing sector bounced back and LSM posted 9.0 percent growth while there was 5.1 percent contraction in the same period last year (Fig-3.2). The LSM expansion is broad based, reflecting production increase in major manufacturing sectors. This is the highest period wise growth since FY2007 supported by promising performance of Textile, Food Beverages & Tobacco and Automobile. Prime Minister construction package has also supported well all other allied industries such as increased cement dispatches and iron and steel production.



On year-on-year (Y-o-Y) basis, LSM is exhibiting positive trajectory since July FY2021 which indicates that government's proactive role has not even catered the pandemic adversities rather made LSM to outperform its pre-COVID level. LSM has increased by 22.4 percent in March FY2021 against 21.7 percent decline in the same month last year which was the time when pandemic had started hitting business activities (Fig. 3.3). It is encouraging to note that Y-o-Y performance of LSM is improving as compared to previous years as well. Month-on-month (M-o-M) performance has also been satisfactory as LSM showed 2.9 percent average growth during current fiscal year. Briefly, manufacturing sector has been a major contributor in sustaining growth rate during FY2021.

Box-I: Monthly Production trends of major Large-Scale Manufacturing (LSM) items during July-March 2020-21 as compared to the corresponding period July-March 2019-20



Source: Pakistan Bureau of Statistics

3.3 Group Wise Analysis of LSM

Group wise growth of LSM during the period of July-March FY2021 versus July-March FY2020 is given in Table 3.1.

Table 3.1: Group wise growth of LSM for the Period of July-March 2020-21 Vs July-March 2019-20

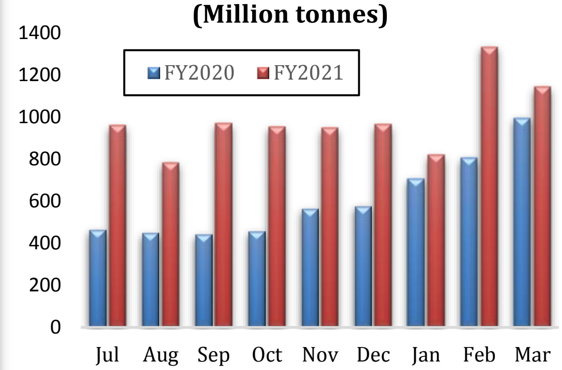
S #	Groups	Weights	% Change (July-March)	
			2019-20	2020-21
1	Textile	20.915	-2.58	5.90
2	Food, Beverages & Tobacco	12.370	-1.69	11.73
3	Coke & Petroleum Products	5.514	-17.54	12.71
4	Pharmaceuticals	3.620	-5.29	12.57
5	Chemicals	1.717	11.35	11.65
6	Automobiles	4.613	-37.66	23.38
7	Iron & Steel Products	5.392	-7.96	1.66
8	Fertilizers	4.441	5.81	5.69
9	Electronics	1.963	-15.58	-20.77
10	Leather Products	0.859	6.50	-38.26
11	Paper & Board	2.314	4.30	-0.60
12	Engineering Products	0.400	-7.28	-25.53
13	Rubber Products	0.262	6.83	-12.92
14	Non-Metallic Mineral Products	5.364	1.87	24.31
15	Wood Products	0.588	-20.67	-45.77

Source: Pakistan Bureau of Statistics

Textile sector has the highest weight of 20.91 in Quantum Index of Manufacturing (QIM) thus having a significant impact on overall performance of LSM. Textile production has increased by 5.90 percent during July-March FY2021 against 2.58 percent decline in the same period last year. Major jump originated from woolen segment production that may be associated with the projections of early onset of winter season by international agencies. Likewise, pandemic has proved as a blessing in disguise for garments manufacturers as there is a flurry of export orders from European and American markets for Pakistan's garment sector due to the severe impact of COVID-19 on our regional countries. Cotton yarn production and cotton cloth have also contributed well as they grew by 3.1 and 3 percent, respectively. Government has facilitated the sector i.e., tax refunds and duty drawbacks, which is bearing fruits and this sector has started picking up the pace.

Food Beverages & Tobacco has the second highest weight of 12.37 in QIM. This sector has bounced back with 11.73 percent increase as compared to 1.69 percent decline last year. Sugar, cigarette and wheat milling came up with significant growth which boosted the overall sector. Sugar production increased due to early crushing of sugarcane owing to the domestic shortage and subsequent need for imports. Domestic cigarette producers were

Fig 3.4: Wheat and Grain Milling (Million tonnes)



Source: Pakistan Bureau of Statistics

provided conducive environment via keeping the last year's FED intact and continued fight against smuggled alternatives which increased the cigarette production. Further, government has increased the wheat support price and subsidized the inputs which pushed up wheat production and wheat milling units. However, cooking oil and vegetable ghee production remained subdued due to the price hike of a key input, palm oil.

Coke and Petroleum industry production expanded by 12.71 percent against double digit contraction of 17.54 percent last year. Production of petrol, furnace oil and diesel grew significantly as demand spurred from resumption in transportation activities accompanied by robust sales of automobiles. Comparatively lower prices of retail fuels during the period pushed up the petroleum sales by 14 percent hence encouraged the petroleum production. In the wake of gas shortages, furnace oil use for electricity generation has increased the fuel's demand. Besides, FBR crackdown against smuggled petroleum products led to increase in demand for domestic products. All these factors provided cushion to the dwindling petroleum industry.

Automobile sector witnessed a broad-based growth of 23.38 percent against 37.66 contraction last year. Reduced interest rates, stable exchange rate and huge investments by the new and existing players are having positive impact on this segment as well as enhancing competition. Car production and sale increased by 20.1 and 31.5 percent, respectively. Trucks and buses production and sale declined by 7.5 and 1.5 percent, respectively. Total tractors production and sale remained promising and recorded 57.5 and 57.1 percent growth, respectively. Automobile sector is still working below its potential thus offering a lucrative opportunity for manufacturing sector.

Iron & Steel production inched up by 1.66 percent during July-March FY2021 as compared to 7.96 percent dip in the same period last year. Billets/Ingots, mainly used in construction industry, grew by 37.2 as compared to 14.6 percent decline last year. Government has announced multiple incentives for construction sector which have already started bearing fruits. However, H/C.R.Sheets/Strips/Coils/plates having the highest weight in iron & steel products declined by 22.5 percent. Lower demand of these flat steel products is mainly driven by drop in electronics production.

Fertilizers production grew by 5.69 percent as compared to 5.81 percent growth during last year. This performance is mainly attributed to the Nitrogen Fertilizers which increased by 4.13 percent. Government's fertilizer subsidies incentivized manufacturers to expand capacity and upgrade plants by offering gas at lower rates. That attracted investments in this sector and enhanced local urea production capacity. Improved farm economics, lower input costs and better support prices offered by the government had supported this industry.

The Electronics exhibited lacklustre performance and plunged to 20.77 percent against 15.58 percent slump in corresponding period. Electric motors, bearing the highest weight in this segment, have so far been responsible for overall electronics dip. During the period under review, electric motors dived by 31.8 percent and dragged down the whole electronics industry. Electric fans, TV sets and deep freezes also witnessed decline as pandemic has affected the spending patterns and majority is focusing on essentials.

Pharmaceuticals witnessed a double digit growth of 12.57 percent during July-March FY2021 against 5.29 percent contraction last year. Panic buying of medicines and escalated prices contributed to this encouraging situation. Chemicals grew by 11.65 percent as compared to 11.35 percent increase last year.

Non-metallic Mineral Products surged by 24.31 percent as compared to 1.87 percent increase last year. This was mainly driven by 17 percent jump in cement production. Total cement dispatches during July-March FY2021 increased to 43.32 million tonnes (mt) from 37.03 mt last year.

Engineering products plunged to 25.53 percent as compared to 7.28 percent decline last year. This drag mainly came from sewing machines and bicycles production which declined by 43 and 59 percent, respectively.

Leather products decreased by 38.26 percent during July-March FY2021 as compared to 6.50 percent increase last year. USA and EU are amongst top importers of Pakistani leather. Due to complete/partial lockdown situation in these countries, leather demand has slowed down.

Paper and Board production decreased by 0.60 percent as compared to 4.30 percent increase last year. Rubber Products declined by 12.92 percent during July-March FY2021 as compared to 6.83 percent growth in the same period last year. Wood Products declined by 45.77 percent as compared to 20.67 percent decline last year. A major plywood unit is closed from many months causing disruption in supply.

Selected items of Large-Scale Manufacturing are given in Table 3.2.

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

S#	Items	Unit	Weights	July-March		% Change	% Point Contribution
				2019-20	2020-21		
1	Cotton Yarn	(tonnes)	12.9646	2,498,515	2,577,675	3.17	0.55
2	Cotton Cloth	(000 sq.m.)	7.1858	763,115	786,042	3.00	0.25
3	Sugar	(tonnes)	3.5445	4,816,448	5,618,976	16.66	1.32
4	Tea Blended	(tonnes)	0.38	100,399	100,018	-0.38	0.00
5	Cooking Oil	(tonnes)	2.23	331,234	330,759	-0.14	-0.01
6	Vegetable Ghee	(tonnes)	1.14	1,101,461	1,064,326	-3.37	-0.05
7	Cigarettes	(Million No)	2.13	33,521	39,473	17.76	0.27
8	Deep Freezers	(Nos.)	0.1622	72,819	68,947	-5.32	0.00
9	Refrigerators	(Nos.)	0.2394	672,659	928,170	37.99	0.10
10	Phosphate Fertilizer	(N tonnes)	0.3996	455,513	545,612	19.78	0.12
11	Nitrogenous Fertilizer	(N tonnes)	4.0411	2,352,979	2,450,066	4.13	0.22
12	Cement	(000 tonnes)	5.299	30,063	37,620	25.14	2.96
13	Jeep & Cars	(Nos.)	2.8183	91,918	114,627	24.71	0.54
14	Upper Leather	(000 sq.m.)	0.3924	19,429	13,330	-31.39	-0.17
15	Liquids/Syrups	(000 Litres)	1.1361	68,781	86,212	25.34	0.29
16	Tablets	(000 Nos.)	1.9143	20,666,548	20,380,940	-1.38	-0.05
17	Petroleum products	(000 Litres)	5.4096	9,412,064	10,608,419	12.71	0.66

Source: Pakistan Bureau of Statistics (PBS)

3.4 Industrialization and Role of Government (FY2021)

Industrialization plays a vital role in the economic development of countries as it increases employment and ensures better utilization of domestic resources. Government of Pakistan has been cognizant of the importance of industry amid recent health-cum-economic crisis and has taken proactive measures to promote and develop it. Some of these are mentioned below:

- Government is providing a series of subsidies for electricity and gas to export-oriented industries (textiles, leather, carpets, surgical and sports goods). Power price has been fixed at US$ 0.07/unit for July-August FY2021 and US$ 0.09/unit for September-June FY2021. Gas tariff fixed at US$ 0.065/mmbtu for the whole FY2021. Power Division has allocated Rs 20 billion subsidy for this purpose.
- Government has taken a tremendous step by approving Industrial Support Package for industrial consumers of DISCOs and K-Electric. According to the package, peak hours have been abolished along with reduced tariffs on additional electricity consumption. Power Division has allocated Rs 22 billion to cover this tariff differential. This package has given impetus to industrial sector that is driving the economic revival and posting robust growth.
- Rs 1.24 trillion stimulus package was introduced to support economy during pandemic. According to the package, Rs 200 billion has been allocated to support business and economy. As of March 2021, Rs 146 billion has been disbursed including Rs 100 billion refunds to exporters, which is an encouraging sentiment for export-oriented industries.
- Government has removed Regulatory Duty (RD) and Additional Custom Duty (ACD) on various items especially raw materials by passing Rs 1.13 billion incentive to private sector as:
  a. Removal of 164 tariff lines of Textile sector
  b. Removal of 5 percent RD on cotton yarn import and tariff reduction to 5 percent from 10 percent
  c. Removal of ACD on 152 tariff lines on raw material used in manufacturing sector
- Government has released Rs 7.5 billion during Jul-Mar FY2021 under Duty Drawback Scheme of Textile and Non-Textile Sector, which is supporting industry.
- Pakistan exports have been liberalized under China-Pak FTA-II. Textile, prepared food, leather, chemicals and engineering goods are among the top priority items. Increased demand of these products will boost LSM.
- Government has announced a special package for construction sector which includes amnesty scheme, tax exemptions and Rs 36 billion subsidy (for 10 years) for construction under Naya Pakistan Housing Scheme. After witnessing enormous effects on construction and its 40 allied industries government has further extended tax amnesty and fixed tax regime till June 2021 and December 2021, respectively.
- Cement industry has been given a special attention by federal government considering its wide-ranging impact. Transaction limit for informal cement buyers

has been increased from 50 thousand to 100 thousand rupees. Reduction of Federal Excise Duty (FED) has been the biggest incentive as it slashed to Rs 1.5/kg from Rs 2/kg w.e.f 1st July 2020. This translates into a cut of Rs 25 per 50kg cement bag.

- Government has granted massive tax exemptions (FED and ACD) to facilitate Electric Vehicles (EVs). There will be only 1 percent tax on import of EV parts while import of plant and machinery for EVs manufacturing would be duty-free. It is a forward-looking step needed to deal with climate concerns from transport sector emissions with rapidly rising vehicle use. Further, it would help reducing overall oil import bill and operational cost of vehicles for consumers.
- Mobile Device Manufacturing policy has been approved to promote local manufacturing and assembly of mobile handsets. Pakistan enjoys low cost labor advantage, a reasonably large home market having more than 178 million subscribers which have increased approximately 1 percent per month during last one year, 83.3 percent tele-density and efficient Device Identification Registration & Blocking System in place, which make Pakistan an attractive market for mobile assembly. Government is all set to make mobile phone manufacturing industry larger than automobile in terms of turnover in few years and employment is expected to grow manifold.

Box-I: Measures taken by State Bank of Pakistan to boost Manufacturing Sector during July-March FY2021

COVID-19 Specific Refinance Schemes

- **Temporary Economic Refinance Facility (TERF)**

TERF was launched to stimulate investment both new and expansion/Balancing, Modernization and Replacement (BMR) of existing units. Financing under the facility is available for all sectors across the board except power sector. Maximum loan limit per project is Rs 5 billion @5% p.a. As of April 01, 2021 Rs 690 billion has been requested under TERF against which Rs 435.7 billion has been approved. The scheme has been ended in March 31, 2021.

- **SBP Rozgar Scheme**

The Scheme aimed at preventing layoff by financing wages and salaries of employees (permanent, contractual, daily wagers as well as outsourced) for six months (April-September 2020) for all kind of businesses except for Government entities, public sector enterprises, autonomous bodies and deposit taking financial institutions. Financing under this scheme was provided @3% p.a. for taxpayers and 5% p.a. for nontax payers. Under this scheme, Government of Pakistan provided 60% risk sharing for SMEs with sales turnover up to Rs 800 million and 40% risk sharing for small corporates with sales turnover up to Rs 2 billion. Under this scheme, more than Rs 212 billion has been disbursed. The scheme helped to prevent layoff of 1,677,806 employees of 2,683 businesses, wherein 382,673 employees of SMEs and small corporates were prevented from layoffs.

- **Refinance Facility for Combating COVID-19 (RFCC)**

RFCC enhanced the capacity of health sector of the country to deal with health emergency. The financing can be availed by hospitals/medical centers and manufacturers of masks/protective dresses/testing kits/hospital beds/ventilators & other items. Maximum loan limit for setting up of new hospitals is Rs 1,000 million while end user rate is 3% p.a. Tenor of the facility is 5 years. As of March 25, 2021, Rs 16.7 billion has been requested under RFCC against which Rs 10.5 billion has been approved.

Refinance Schemes for Export Promotions

To facilitate export-oriented industries during COVID-19, SBP introduced some relaxations under Export Finance Scheme (EFS) and Long-Term Financing Facility (LTFF). Six months additional period was allowed for making shipment/performance under EFS with a 1.5 times export performance (2 times earlier). Eligibility criteria for availing LTFF relaxed from US$ 5 million or 50% exports of total sales to US$ 4 million or 40% exports of total sales from Jan-Sep 2020.

Housing Finance

- **Mandatory Targets for Housing Finance**

SBP has assigned mandatory targets to banks requiring them to increase their housing and construction of building loan portfolios to at least 5 percent of their private sector advances by the end of Dec 2021. Banks that fulfill or exceed their quarterly financing target are incentivized to maintain a lower Cash Reserve Ratio (CRR) while banks that do not meet the target, will have to maintain additional CRR. Because of these targets, the housing and construction finance of banks has witnessed an increase of 30% in less than a year.

- **Mark-up Subsidy Scheme for Housing Finance**

With vision to promote affordable housing and home ownership among low to middle income strata, State Bank has introduced Government's mark-up Subsidy Scheme for housing Finance. Under this facility subsidized financing is provided to individuals, who currently do not own a house, for construction of houses or purchase of a new house. Government has allocated Rs 36 billion for payment of mark-up subsidy for financing over a period of 10 years.

Source: State Bank of Pakistan

3.5 Textile Industry

Textile is the most important manufacturing sector of Pakistan and has the longest production chain, with inherent potential for value addition at each stage of processing, from cotton to ginning, spinning, fabric, dyeing and finishing, made-ups and garments. This sector contributes nearly one-fourth of industrial value-added and provides employment to about 40 percent of industrial labor force. Barring seasonal and cyclical fluctuations, textiles products have maintained an average share of about 60 percent in national exports. The export performance during the period under review is given in Table 3.3.

Table 3.3: Export of Pakistan Textiles (US$ millions)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Jul-Mar)
Cotton & Cotton Textiles	13139	12168	12205	12964.052	12157.555	11031.952
Synthetic Textiles	330.584	287.894	187.587	297.809	314.768	269.204
Sub-Total Textiles	**13469.584**	**12455.89**	**12392.587**	**13261.861**	**12472.323**	**11301.156**
Wool & Woolen Textiles	119.448	97.68	78.506	67.265	54.211	54.322
Total Textiles	**13589.032**	**12553.57**	**12471.09**	**13329.126**	**12526.534**	**11355.478**
Pakistan`s Total Exports	23667.3	20786.5	20422.236	22979.325	21393.860	18687.537
Textile as %age of Export	57.41	60.39	61.06	58.00	58.55	60.76

Source: Textile Commissioner's Organization

3.5.1 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 as well as in the unorganized cottage / small and medium units. The performance of these various ancillary textile industries is illustrated as under: -

i. Cotton Spinning Sector

The spinning sector is the backbone in the ranking of textile production. At present, as per record of Textiles Commissioner's Organization (TCO), it comprises 517 textile units (40 composite units and 477 spinning units) with 13.414 million spindles and 198,801 rotors installed and 11.338 million spindles and 126,583 rotors in operation with capacity utilization of 84.55 percent and 63.67 percent, respectively.

ii. Cloth Sector

Problems of the power loom sector evolve mainly around poor technology and scarcity of quality yarn. Looms installed in cotton textile mills are 9,084 and looms worked were 6,384. The production of cotton cloth has increased by 3.02 percent while the exports in term of quantity decreased by 56.3 percent whereas in value term decreased by 8.28 percent.

Table 3.4: Production and Export of Clothing Sector

Production	July-March 2020-21	July-March 2019-20	% Change
Mill Sector (000. Sq. Mtrs.)	786,042	763,115	3.00
Non Mill Sector (000. Sq. Mtrs.)	6,103,958	5,925,060	3.02
Total	6,890,000	6,688,175	3.02
Cotton Cloth Exports			
Quantity (M.SqMtr.)	875.51	2003.23	-56.30
Value (M.US$)	1419.18	1547.38	-8.28

Source: Textile Commissioner's Organization

iii. Textile Made-Up Sector

Being value added segment of textile industry made-up sector comprises different subgroups namely towels, tents & canvas, cotton bags, bed-wear, hosiery, knitwear & readymade garments including fashion apparels. Export performance of made-up sector during the period July-March FY2021 is presented in Table 3.5.

Table 3.5: Export of Textile Made-Ups

	(July-March) 2020-21	(July-March) 2019-20	% Change
Hosiery Knitwear			
Quantity (M.Doz)	126.67	87.34	45.03
Value (M.US$)	2780.88	2299.80	20.92
Readymade Garments			
Quantity (M.Doz)	27.68	43.21	-35.94
Value (M.US$)	2268.56	2170.34	4.53
Towels			
Quantity (M Kgs)	159.02	144.40	10.12
Value (M.US$)	692.11	592.37	16.84
Tents/Canvas			
Quantity (M Kgs)	32.66	30.21	8.09
Value (M.US$)	89.15	72.21	23.46

Table 3.5: Export of Textile Made-Ups

	(July-March) 2020-21	(July-March) 2019-20	% Change
Bed Wears			
Quantity (000 MT)	343.47	338.65	1.43
Value (M.US$)	2052.26	1761.65	16.50
Other Made up			
Value (M.US$)	565.49	492.36	14.85

Source: Textile Commissioner's Organization

iv. Hosiery Industry

The industry sustains directly livelihood of 210,000 skilled workers and 490,000 unskilled workers. Another 350,000 people benefit in allied cottage industries. Thus, the industry provides directly and indirectly sustenance to well over a million people. Knitwear exports consists of knitted and processed fabrics knitted garments; knitted bed sheets, socks etc. The export performance of knitwear during the period under review is given in Table 3.6.

Table 3.6: Export of Knitwear

	(July-March) 2020-21	(July-March) 2019-20	% Change
Quantity (M.Doz)	126.67	87.34	45.03
Value (M.US$)	2780.88	2299.80	20.92

Source: Textile Commissioner's Organization

v. Readymade Garment Industry

Readymade garment industry has emerged as one of the important small-scale industries in Pakistan. Its products have huge demand both at home and abroad. The local requirements of readymade garments are almost fully met by this industry. Garment industry is also a good source of providing employment opportunities to a large number of people at a very low capital investment. Exports decreased from 43.2 million dozen to 27.7 million dozen in various types of readymade garments worth US$ 2268.56 million during July-March FY2021 as compared to US$ 2170.34 million during July-March FY2020, thus showing 35.94 percent decrease in term of quantity while 4.53 percent increase in terms of value.

Table 3.7: Export of Readymade Garments

	(July-March) 2020-21	(July-March) 2019-20	% Change
Quantity (M.Doz)	27.68	43.21	-35.94
Value (M.US$)	2268.56	2170.34	4.53

Source: Textile Commissioner's Organization

vi. Towel Industry

There are about 10,000 towel looms including shuttle and shuttle-less in the country in both organized and unorganized sector. This industry is dominantly export based and its growth depends on export outlets. The existing towels manufacturing factories are

Table 3.8: Export Performance of Towel sector

	(July-March) 2020-21	(July-March) 2019-20	% Change
Quantity (M Kgs)	159.03	144.41	10.12
Value (M.US$)	692.11	592.37	16.84

Source: Textile Commissioner's Organization upgraded to produce higher value towels. Export performance of towel sector during the period is given in Table 3.8.

vii. Canvas

The production capacity of this sector is more than 100 million Sq. meters. This sector is also known as raw cotton consuming sector. This value-added sector has great potential for export. 60 percent of its production is exported while 40 percent is locally consumed. In term of quantity during July-March FY2021 export performance of tent and canvas related items was recorded at 32.7 million Kgs as compared to 30.2 million Kgs during the same period last year thus showing increase of 8.09 percent. In value term it increased by 23.46 percent.

Table 3.9: Export Performance of Tent and Canvas Sector

	(July-March) 2020-21	(July-March) 2019-20	% Change
Quantity (M.Kgs)	32.66	30.21	8.09
Value (M.US$)	89.15	72.21	23.46

Source: Textile Commissioner's Organization

viii. Synthetic Textile Fabrics

Artificial silk such as Synthetic fibers Nylon, Polyester, Acrylic and Polyolefin dominate the market. There are currently five major producers of synthetic fibers in Pakistan, with a total capacity of 636,000 tons per annum. Production cost of artificial silk is less than silk, yet it resembles to silk. Currently, artificial silk capacity in country is about 9,000 looms. During July-March FY2021, synthetic textile fabrics worth US$ 269.20 million were exported as compared to US$ 261.16 million last year which is showing an increase of 3.08 percent. In Quantitative terms the exports of synthetic textile decreased by 67.6 percent.

Table 3.10: Export Performance of Synthetic Textile Fabrics

	(July-March) 2020-21	(July-March) 2019-20	% Change
Quantity (Th.Sq.Mtrs)	122.71	378.57	-67.59
Value (M.US$)	269.20	261.16	3.08

Source: Textile Commissioner's Organization

ix. Woolen Industry

The main products manufactured by the Woolen Industry are carpets and rugs. The exports of carpets during the period July-March FY2021are given in the Table 3.11.

Table 3.11: Exports of Carpets and Rugs (Woolen)

	(July-March) 2020-21	(July-March) 2019-20	% Change
Quantity (Th.Sq.Mtr)	1.08	1.30	-16.51
Value (M.US$)	54.32	48.68	11.57

Source: Textile Commissioner's Organization

x. Jute Industry

The main products manufactured by the Jute Industries are Jute Sacks and Hessian cloth, which are used for packing and handling of Wheat, Rice and Food Grains. The installed and working capacity of jute industry is given in the Table 3.12.

Table 3.12: Installed and working capacity of Jute

	(July-March) 2020-21	(July-March) 2019-20	% Change
Total No. of Units	10	10	0%
Spindles Installed	25060	24712	1.41
Spindles Worked	21172	22545	-6.1
Looms Installed	1134	1102	2.9
Looms Worked	885	930	-4.5

Source: Textile Commissioner's Organization

3.6 Other Industries

3.6.1 Automobile Industry

Despite negative impact of COVID-19 closure and lockdowns, the industrial production of the automobile sector has shown positive trend in all segments, during July-April FY2021. However, for the second consecutive year, the production figures remained relatively depressed, inter-alia, due to new taxes like FED, ACD, minimum value addition taxes that were imposed during FY2019. These policy measures coupled with pandemic continued to grip the industry with uncertainty.

Auto industry lost its momentum in FY2020 and nosedived to half of its size due to contractionary policies combined with escalating exchange rate. There was no respite during the current year also as COVID-19 related closures dented the industry. However, resumption in business activities and accommodative fiscal/monetary policies improved the scenario.

The period July-April FY2021 has witnessed growth as compared to the previous period (Table 3.13). The path of recovery would continue in the ongoing fiscal year on revival of economic activity and low interest rates led by introduction of new car models and showing up of the latent demand. Market expansion is already taking place due to the confidence build up by the existing players as well as by new entrants. The government has so far granted greenfield status licenses to 21 new investors and approximately US$ 475 million actualized as six new manufacturing units already commenced their operations. Therefore, all projections cast a positive outlook for the industry.

In case of passenger cars, the production and sales are up by 36.4 percent and 48.5 percent with 120,855 units and 126,679 units, respectively, as against, 88,628 units and 85,330 units produced and sold last year. This recovery stems from the latent demand that had gathered on account of dampened numbers in the previous year. For similar reasons, the production and the sales of light commercial vehicles (LCV) registered increase by 45.9 and 57.5 percent, respectively. Further, phenomenal increase of numbers in case of Jeeps is due to pleasant entry of Hyundai with significantly happy production and sales numbers. As more new investors would join, SUV 4x4 and 4x2 segment is likely to expand significantly, in time.

Heavy Commercial Vehicle (HCV: trucks and buses) production and sale increased by 2.8 and 7.4 percent, respectively. In case of buses, production increased by 4.3 percent with 482 units produced while trucks' production jumped by 2.6 percent with 2,802 units produced. During the current year, a major HCV unit had some technical issues which caused relatively low growth than other segments.

Farm tractor may be seen on the path of revival with production and the sales up by 65.2 and 62.2 percent, respectively. The sales during July-April FY2021 were 41,456 units against 25,562 units last year. This pleasant upward surge was due to ample support prices to the farmers and the policy of revival of construction sector. However, these numbers are not even close to the highest numbers this industry had achieved in the past which indicates an ample room to grow.

The two/three wheelers sector also showed satisfactory recovery with production and the sales up by 33.5 and 34.0 percent, respectively. Two/three wheelers offer most economical public transport alternate for the lower income group, however, at the same time, it is extremely price sensitive. Massive exchange rate losses kicked off inflationary conditions resulting inevitable price increase. It may be mentioned that there has been steady growth in the two/three wheelers for the potential demand they have; however, it succumbed to the adverse macroeconomic happening during the previous year. Still, this sector offers most preferred means of transport and best alternative in the absence of public transport in the cities and thus holds a dependable and continued potential for growth in the coming years.

The table 3.13 shows previous year's comparative position of production and sales figures in auto industry (PAMA members) for the period July-April FY2021.

Table 3.13: Production of Automobiles

Category	Installed Capacity	No. of Units		
		2019-20 (July-April)	2020-21 (July-April)	% Change
CAR	341,000	88,628	120,855	36.4
LCV	44,000	11,008	16,064	45.9
JEEP	5,000	3,290	9,309	182.9
BUS	5,000	462	482	4.3
TRUCK	28,500	2,732	2,802	2.6
TRACTOR	100,000	25,009	41,327	65.2
2/3 WHEELERS	2,500,000	1,188,921	1,586,725	33.5

Source: Pakistan Automotive Manufacturer Association (PAMA)

The auto sector constitutes about 7 percent to LSM, which accounts for the significant industrial output of the country. According to PBS, automobile recorded 23.4 percent upsurge during July-March FY2021. However, these numbers, to a great extent, fall short of installed capacities, accordingly, there would be inevitable proportionate cost push of products in wake of idle capacities. Given government support, removal of irritants is soon going to bear fruits in the wake of industrial expansion as many new investors have joined with commercial production while the existing players have already made huge investments and a lot more is in waiting. These investments by the new and the existing players are a testimony to confidence in our market, at home and abroad. Given the macroeconomic stability in the country and the extraneous factors not to go out of hand, latent demand would burst out and expansion of industry volumes is sure to take place.

3.6.2 Fertilizer Industry

Fertilizer is an important and costly input responsible for 30 to 50 percent increase in the crop productivity. The overall objective is sustainability and growth in agricultural sector that should match the growing population for food security and the promotion of economic growth. Since Fertilizer is related to food production, the growth of the fertilizer industry is evident and desired by all concerned. There are nine urea manufacturing plants, one DAP, three NP, four SSP, two CAN, one SOP and two plants of blended NPKs having a total production capacity of 9,172 thousand tonnes per annum. Total fertilizer production during July-March FY2021 was 6,602 thousand tonnes which was 7.94 percent more as compared to the corresponding time of the last year. This increase in fertilizer production is attributed to supply of gas to Pak Arab Fertilizer Plant from Mari field. Urea is main fertilizer having 70 percent share in total production. Installed production capacity of 6,307 thousand tonnes per annum is enough to meet local demand subject to the availability of uninterrupted gas and RLNG supply.

Nutrient offtake during July-March FY2021 remained 3,925 thousand tonnes which was 15.2 percent more than the corresponding period of the previous year. Nitrogen and phosphate offtake were 2,835 and 1,035 thousand tonnes respectively whereas Potash offtake was 55 thousand tonnes. Offtake of Nitrogen during current fiscal year increased by 13.2 percent while offtake of Phosphate and Potash increased by 20 and 39 percent respectively as compared to corresponding time frame of the last year.

Urea and DAP offtake remained 4,738 thousand tonnes and 1,848 thousand tonnes respectively. Urea offtake increased by 8.5 percent while DAP offtake increased by 15.8 percent as compared to the same period of the previous year.

3.6.3 Cement Industry

Irrespective of the apprehensions caused by COVID-19, Pakistan's cement industry has continued to grow on the back of well in time government initiatives. Construction activities by private sector accompanied by work at Bhasha and Dasu dams helped in increasing local cement consumption. The government has introduced an incentive package for the construction industry in April 2020, which stimulated the industry especially the private sector housing projects. Package included amnesty scheme, tax exemptions and Rs 36 billion subsidy for Naya Pakistan Housing Scheme. Further, banks were directed to increase construction sector loans to 5 percent of their total loan book and FED reduction on cement from Rs 2/kg to Rs 1.5/kg have given impetus to this industry. A significant increase in Foreign Direct Investment (FDI)[1] and Long-Term Financing Facility (LTFF)[2] for construction sector also bodes well for the sector.

Cement industry has posted the highest ever Y-o-Y growth of 44.6 percent in March FY2021 due to massive increase in domestic consumption as well as exports. Total

[1] Net FDI in construction sector, increased by 84.5 percent during July-April FY2021 and reached at US$ 22.7 million.

[2] During July-April FY2021, Rs 3,519 million loan has been availed by construction sector against Rs 20 million retirement during the same period last year.

cement dispatches stood at 5.381 mt as against 3.719 mt last year. Domestic consumption grew by 42 percent to 4.563 mt as compared to 3.213 mt in March FY2020. The export trend represented a substantial growth of 61.6 percent to 0.818 mt dispatches in March FY2021 as compared to 0.506 mt during last year.

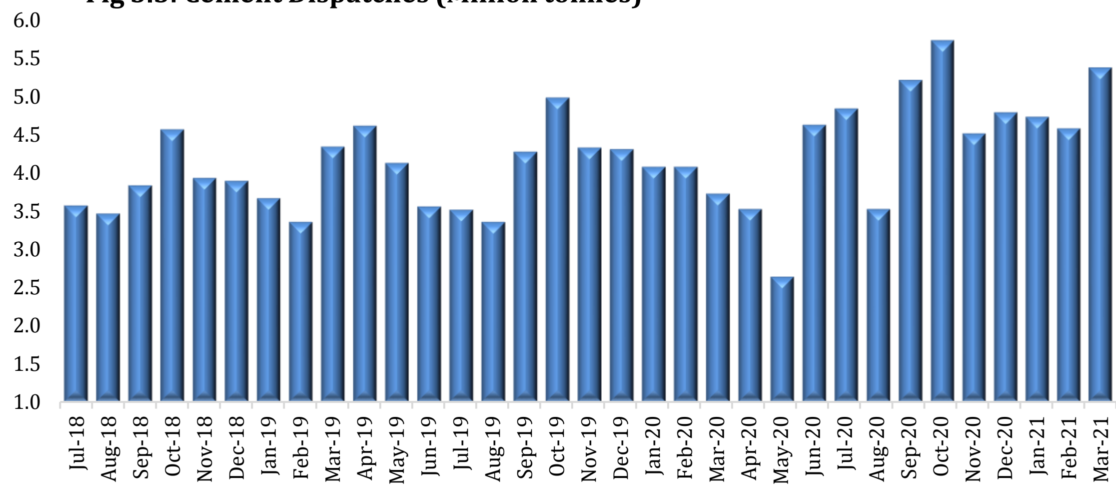
Northern Region

Domestic consumption in the north grew by 38.6 percent in March FY2021, registering 3.809 mt dispatches as compared to 2.749 mt dispatches in the same month last year. Exports from north-based mills registered an enormous increase of 162.6 percent as the volumes increased from 0.106 mt in March FY2020 to 0.280 mt in March FY2021.

Southern Region

Domestic consumption in the south increased by 62.3 percent and reached to 0.753 mt in March FY2021 as compared to 0.464 mt in March FY2020. While exports from the region increased by 32.5 percent, from 0.400 mt in March FY2020 to 0.530 mt in March FY2021.

Fig 3.5: Cement Dispatches (Million tonnes)



Source: All Pakistan Cement Manufacturer Association

Cumulative Dispatches

Total local dispatches during July-March FY2021 increased by 18.3 percent to 36.2 mt from 30.6 mt last year. While total exports rose to 7.1 mt (10.9 percent increase) from 6.4 mt during the same period last year. According to the APCMA, local dispatches from the northern region increased by 17.7 percent while southern region dispatches surged by 21.3 percent during July-March FY2021. Exports from the north edged by 0.2 percent while south came up with 15.5 percent growth during the period.

Cumulative dispatches (local & exports) posted a growth of 17 percent and reached to 43.325 mt during July-March FY2021 as compared to 37.035 mt in the corresponding period.

Table 3.14: Cement Production Capacity & Dispatches (Million Tonnes)

Years	Production Capacity	Capacity Utilization (%)	Local Dispatches	Exports	Total Dispatches
2006-07	30.50	79.23	21.03	3.23	24.26
2007-08	37.68	80.14	22.58	7.72	30.30
2008-09	42.28	74.05	20.33	10.98	31.31
2009-10	45.34	75.46	23.57	10.65	34.22
2010-11	42.37	74.17	22.00	9.43	31.43
2011-12	44.64	72.83	23.95	8.57	32.52
2012-13	44.64	74.89	25.06	8.37	33.43
2013-14	44.64	76.79	26.15	8.14	34.28
2014-15	45.62	77.60	28.20	7.20	35.40
2015-16	45.62	85.21	33.00	5.87	38.87
2016-17	46.39	86.90	35.65	4.66	40.32
2017-18	48.66	94.31	41.15	4.75	45.89
2018-19	59.74	78.48	40.34	6.54	46.88
2019-20	63.63	75.14	39.97	7.85	47.81
July-March					
2019-20	63.63	77.60	30.6	6.4	37.03
2020-21	69.26	83.41	36.2	7.1	43.32

Source: All Pakistan Cement Manufacturers Association (APCMA)

3.7 Small and Medium Enterprises[3]

Globally, SMEs are considered an important pillar for poverty alleviation as they create jobs, increase standard of living and play critical role in ensuring equitable income distribution. In Pakistan, SME sector contributes an estimated 40[4] percent to GDP and it holds tremendous potential to create a positive impact on Pakistan's economy. To enable SMEs in Pakistan to play their due role in economic development, Small and Medium Enterprises Development Authority (SMEDA) has taken various initiatives towards fostering growth of SMEs through a broad service portfolio spread across various SME sectors and clusters. The organization has an all-encompassing mandate of fostering growth of the SME sector through its portfolio of services including business development services, infrastructure development through establishing common facility centers, industry support for productivity enhancement and energy efficiency, human capital development through its training programs and SME related projects with national and international development partners.

SMEDA has been committed to support SMEs during COVID-19 and has launched a comprehensive program of online SME clinic & webinars, training sessions, helpdesks and virtual meetings with key public and private stakeholders to facilitate businesses in such a critical time. Key activities/achievements of SMEDA during July-March FY2021are as follows:

[3] According to SME Policy 2007, any enterprise with up to 250 employees and up to Rs 250 million annual sales comes under Small and Medium Enterprises.
[4] Source: SMEDA Annual Report 2019-20

Table 3.15: SMEDA Over the Counter (OTC) Services		
Sr. No.	**Initiatives**	**July-March FY2021**
1.	SME Facilitation	4,778
2.	Pre-feasibility Studies Development (New & Updated)	70
3.	Investment Facilitation (RS Million)	301.34
4.	Business Plans	9
5.	Training Programs	186
6.	Theme Specific Helpdesks	81
7.	Cluster / District Profiles (New and Updated), Diagnostic / Value Chain Studies	18
8.	SMEDA Web Portal (Download Statistics)	125,046
9.	SME Observer	1 Issue
10.	SMEDA Newsletter	3 Issues

National SME Policy

Government of Pakistan acknowledges the significance of SME sector and is making efforts to provide a level playing field for businesses by devising policies that are favorable for SMEs. Prime Minister has constituted National Coordination Committee (NCC) on SME development on 12th August 2020 with the objective to facilitate development and promotion of SMEs in the country. In the second meeting of NCC, held on 8th October 2020, Prime Minister approved National SME Policy Action Plan 2020 to provide much needed support to SMEs. The Plan 2020 focuses on key areas including SME definition, access to finance, business development services, skills & human resource, technology, market access, infrastructure and entrepreneurship and provides extensive recommendations in each of the aforementioned area. Key recommendations / initiatives proposed under the plan include simplification of rules, regulations and taxation regime, programs for SME access to credit, SME quota in public procurement, simplification of SECP procedures, facilitation to participate in international fairs and exhibitions on subsidized rates and developing SME data bank to bridge information gap.

SMEDA One Window (SOW): A Step towards Creating a Hassle Free Business Environment for SMEs

SMEDA has launched a program, SMEDA One Window (SOW) that aims to link SMEs and startups with national and provincial regulatory authorities for compliance with regulations especially at the start-up stage. The SOW model is based on developing an entrepreneurial ecosystem by identifying regulatory requirements, designing services that fit all types of enterprises, offering subsidies in the service fee and providing guidance on requirements according to the business ownership structure. It consolidates current federal and provincial government procedures into simplified processes through one window service that directly benefits enterprises that fall under key ownership/legal structure including sole proprietorship, partnership registration with registrar of firms, limited liability partnership and private limited company registration with SECP. Smaller enterprises, which suffer disproportionately from the burden of compliance, will also be beneficiaries of this process of administrative simplification of starting and running the business. Since launch of SOW in September

2020, around 72 applications have been received while Letter of Intent (LOI) has been issued to 58 applicants.

Box-II: SMEDA's Support to SMEs during Pandemic

- Impact Assessment of COVID-19 on SMEs: COVID-19 pandemic has proved a catalyst for already dwindling situation of economy in general and SMEs in particular. An online survey titled "Impact of COVID-19 on SMEs" was carried out by SMEDA to assess the effect of COVID-19 on businesses and simultaneously identify the issues that SMEs were facing at the peak of COVID-19 pandemic. The survey served as a basis for the Government of Pakistan to design an electricity relief package titled 'Prime Minister's Relief Package for Small Businesses &Industries' and Mazdoor ka Ehsaas Program. A follow-up survey was launched in collaboration with Mahbub-ul-Haq Research Centre (MHRC), LUMS which was conducted from August till October 2020, after the lockdown had been lifted. The survey is now complete and the report is under review for publication.
- Online Survey: In order to assess the adaptability and evolution of SMEs in the current situation, SMEDA collaborated with the Asian Development Bank Institute (ADBI) and Asian Productivity Organization (APO) to conduct an online survey in Pakistan, in which, 236 SMEs participated. ADBI-APO also conducted a similar survey in other countries including Bangladesh, India, Indonesia, Malaysia, Lao PDR, Mongolia and Vietnam. The regional survey was conducted in Vietnam and Malaysia (May-June 2020) and in other regional countries, including Pakistan from August-September 2020. In total, 2,344 SMEs participated in the regional survey. Results of the survey highlight the key issues being faced by SMEs in the region and the support they require to recuperate during COVID-19, which paved the way for government to facilitate them.
- Online SME Clinics and Webinars: To facilitate SMEs during COVID-19 pandemic, SMEDA conducted Online Thematic helpdesks for SMEs and Webinars for SMEs in the areas of management, marketing, financial and technical assistance which helped the key public and private stakeholders in such a critical time.

Source: SMEDA

3.8 Slaughtering

Slaughtering has 7.4 percent share in manufacturing and 0.94 percent share in GDP. This sector constitutes products i.e., meat, hides, skins, bones and blood etc. Pakistan is one of the largest animal producers in the world with huge potential of its growth. Government has identified this sector as an engine for poverty alleviation in rural areas and thus has increased emphasis for investment in livestock production. During FY2021, Slaughtering has registered 3.88 percent growth against 4.05 percent increase last year.

Middle East and Gulf markets have great potential for halal meat suppliers. Export opportunities of meat from Pakistan are rising in the wake of continuously rising demand in the global market. Last decade has witnessed a tremendous increase in meat exports as it increased to US$ 304.2 million in FY2020 from US$ 152.4 million in FY2011. Pakistan has exported US$ 248 million worth of meat and meat preparations during July-March FY2021 as compared to US$ 233 million during the same period last year, reflecting a 6.5 percent increase. In terms of quantity in total, this category increased by 16.3 percent during July-March FY2021 with 72,863 metric tonnes as compared to 62,653 metric tonnes during the same period last year.

3.9 Mining and Quarrying

According to the Pakistan Standard Industrial Classification (PSIC) 2007, mining and quarrying sector includes the extraction of minerals occurring naturally as solids (coal and ores), liquids (petroleum) or gases (natural gas). Extraction can be achieved by underground or surface mining or well operation. Mineral Sector is a significant section of Pakistan National Accounts. The Mining and Quarrying sector negatively grew by 6.49 percent during July-March FY2021 as against 8.28 percent decline last year.

3.9.1 Minerals

Pakistan is endowed with huge reserves of minerals covering an outcrop area of 600,000 sq. km due to its unique geological condition. Fortunately, Pakistan have been blessed with all type of rock from pre-Cambrian to recent with exceptional geological and geomorphologic features. There are 92 known minerals of which 52 are commercially exploited, it includes coal, copper, gold, chromite, mineral salt and several other minerals. Despite of all huge resources mineral sector is showing slow performance and its contribution to GDP remained at 2.38 percent during July-March FY2021. Government of Pakistan is well aware of this hidden treasure and taking all cognizant measures in this regard which include:

- An investment facilitation project "Establishment of National Mineral Data Center" has been launched at federal level with Rs 295 million cost to maintain data repository.
- Another initiative has been taken "Legal Consultancy Services "for drafting of model mineral agreements and formulation of uniform regulatory regime at cost of Rs 100 million to introduce an internationally competitive framework.
- Action is underway for revamping of Pakistan Mineral Development Corporation (PMDC) and restructuring of Geological Survey of Pakistan (GSP).
- Stakeholders' consultation process has been initiated for policy formulation to promote use of indigenous coal resources for synthesis of gas and liquid fuels.
- Federal government has extended services for special development packages to provincial mineral sectors.
- Continued support to facilitate smooth operation of mineral sector projects; Saindak Copper-Gold, Duddar Lead-Zinc, Barite-Lead-Zinc, Chiniot Iron Ore and mining projects of rock salt and coal etc.

Although efforts are underway to develop the sector but enough remains to be done to enhance the sector to fully exploit the resources. This sector is lagging behind despite huge potential, due to interconnected and overlapping issues like poor regulatory framework, insufficient infrastructure at mines sites, outdated technology installed, semi-skilled labor, low financial support and lack of marketing.

During July-March FY2021, production of major minerals plunged such as Coal, Natural Gas and Crude Oil declined by 5.97, 4.70 and 6.72 percent, respectively. However, some witnessed positive growth during the period under review such as Chromite 28.28

percent, Magnesite 6.17 percent, Rock Salt 5.44 percent and Iron Ore 26.23 percent. (Table 3.16).

Table 3.16: Extraction of Principal Minerals

Minerals	Unit of Quantity	2017-18	2018-19	2019-20	July-March		%Change
					2019-20	2020-21	FY21/FY20
Coal	M.T	4,477,555	5,406,878	8,428,237	6,081,053	5,717,931	-5.97
Natural Gas	MMCFT	1,458,935	1,436,546	1,316,636	1,009,893	962,397	-4.70
Crude Oil	USB(000)	32,557	32,495	28,091	22,263	20,768	-6.72
Chromite	M.T	97,420	138,244	121,435	66,883	85,798	28.28
Magnesite	M.T	23,596	42,996	16,165	14,467	15,360	6.17
Dolomite	M.T	488,825	472,474	302,045	254,986	121,674	-52.28
Gypsum	M.T	2,475,893	2,517,825	2,149,873	1,575,830	1,208,441	-23.31
Lime Stone	M.T	70,818,725	75,596,328	65,809,924	51,061,090	46,485,992	-8.96
Rock Salt	M.T	3,653,746	3,799,106	3,368,978	2,546,454	2,685,023	5.44
Sulphur	M.T	22,040	20,715	19,948	15,086	14,920	-1.10
Barytes	M.T	88,847	116,480	55,341	37,892	17,807	-53.01
Iron Ore	M.T	677,206	627,464	573,695	430,677	543,641	26.23
Soap Stone	M.T	141,504	156,935	150,009	123,469	103,785	-15.94
Marble	M.T	8,813,025	7,736,443	5,796,879	4,777,066	2,146,315	-55.07
Bauxite	M.T	145,189	92,936	101,047	75,408	75,012	-0.53
Quartz	M.T	125,014	112,308	4,592	4,292	2,332	-45.67
Ocher	M.T	75,939	81,502	132,144	113,343	86,628	-23.57

Source: Pakistan Bureau of Statistics (PBS)

There is a huge potential in Pakistan mineral sector and establishment of Balochistan Mineral Exploration Company is a great step in this development ladder and an encouraging sign for global mining players to invest in Mineral Sector of Pakistan.

Punjab

Mines and Minerals Department Punjab is responsible for exploration, exploitation and investment promotion of mineral endowments in province. It grants and regulates the leases of all minerals except oil, gas and radioactive minerals. Directorate General of Mines & Minerals Punjab has contributed a handsome amount of Rs 39 billion as non-tax revenue during last five years.

Major Initiatives during July-March FY2021:

- Issuance of NOC(s) to 17 cement companies for grant of exploration licenses of limestone for installation of cement plants
- 13 exploration licenses of rock salt have been granted for installation of salt based industrial plants
- Amendment in PMC rules 2002 in process
- Drafting of Punjab Mines & Minerals Regulation Act 2021
- Launching of Mining Cadastral Portal for public
- Proposed ADP schemes for digitization of royalty regime
- Initiatives for Women in Mining Projects

Khyber Pakhtunkhwa

The total area of Khyber Pakhtunkhwa is 74,521 Sq. Km out of which 70 percent consist of mountains and rocks. The formation of these rocks contains huge prospects of different metallic/non-metallic minerals and various precious/semi-precious gemstones minerals. It has large number of mineral resources which have not yet been exploited at all to its full potential. Minerals Development Department Khyber Pakhtunkhwa has two divisions namely Licensing Division and Exploration Promotion Division.Based on the exploration done so far, excellent prospects of other valuable deposits still exist. Department revenue has substantially enhanced and has earned Rs 3.28 billion during July-March FY2021 which is 61 percent higher from the revenue collection during the same period last year.

Major Initiatives during July-March FY2021

- Establishment of Mining Cadastral System is an ADP project which is due for completion in June 2021. Mining Cadastral System is state of art web-based GIS enabled system which will enhance transparency in award of mineral titles, promote ease of doing business and facilitate investors in searching free mineral bearing areas. Upon deployment of this system the whole business of the department will be digitized.
- Minerals Department is engaged with IBL-HRD (Belgium) for establishment of state of the art Gemstone lab, training and Certification Center at Mineral Testing Lab, Peshawar. The center will help in branding the local gemstones and will promote export of precious stones on high prices.
- Appellate authority has restored hundreds of cancelled mineral titles which has very positive impact on enhancement of minerals production, revenue generation and jobs creation.

Sindh

The province of Sindh has large quantities of mineral deposits. Collectively there are 24 minerals which are being mined at present including large quantities of coal and granite reserves. The Directorate of Mines & Mineral Development, Sindh is sponsoring a scheme for study through consultant “Feasibility Study of Granite Deposits in Tharparkar, Sindh”. The department has constituted a policy for judicious and transparent award of leases in this area. It will be ensured that 03 large granite factories are set up by 2030 in this remote area. This will not only generate large employment opportunities for poor and downtrodden masses of this far-flung area but will also get world-class granite for local consumption and export with the result that poverty ratio will be decreased and increase in growth rate of government revenue will take major part for economic development of the province.

Major Initiatives during July-March FY2021

- The Mines & Mineral Development Department has established geo-data center with official web portal which will provide all the necessary information regarding minerals and online granted leases to the general public as well as investors/stake holders.

- Development of Geographical Information System (GIS) facility implemented on web integration of Google maps.
- Technical trainings in the field of GIS and remote senescing from SUPARCO has been provided to the technical staff.
- The Complaint Management System has been introduced to increase efficiency.
- The department intends to introduce friendly mineral exploration polices expected in future for investment opportunities regarding mineral resources by using latest equipment and technology. In this connection "Sindh Mineral Policy" has been processed for the year 2020-21.

Balochistan

Balochistan is the largest province (area wise) of the country constituting 43 percent of the total national landmass. The Country, in general and the province in particular, is endowed by the nature with substantial mineral wealth. Mineral industry can play an important role in boosting up the socio-economic setup in Balochistan as agriculture in other parts of the country but due attention could not be given to the exploration and development of mineral sector due to financial constraints, heavy risk investment and lack of infrastructure as the deposits are located in remote and far flung areas.

However, efforts are being made for scientific exploration and exploitation of the mineral resources. Government has given prompt attention towards the development of minerals. Various national and multi-national companies are involved in exploration of minerals and have obtained areas for pre-feasibility studies/exploration/exploitation of gold, copper, precious metals and associated minerals in Chagai and other districts. Besides, the province has large deposits of limestone, gypsum and coal (raw material for cement manufacturing) and investment opportunities for installation of cement factories are available.

Major Initiatives during July-March FY2021

- Geological Survey of Pakistan (GSP) would map 50 top sheets of outcrop area to identify minerals potential in Balochistan for which the government has allocated Rs 20 million through PSDP 2020-21. This would help to maintain a database for future exploration of the occurrences of metallic and non-metallic minerals potential, dimension stones, aggregates and limestone reserves.
- PC-1 for the establishment of full-fledged university in the field of minerals and natural resources has been approved which would be a milestone in the field of minerals.
- Balochistan Mineral Exploration Company Limited (BMEC) and Balochistan Minerals Resource Company Limited (BMRL) have been established as a joint venture of the federal and provincial governments with 10 percent and 90 percent shares, respectively. Main objective is to attract private investment and boost government revenue via large scale mining.

3.10 Conclusion

COVID-19 has emerged as one of the biggest challenges to global and domestic economy, bringing economic activities to a standstill. The situation was more challenging for manufacturing sector of Pakistan due to two reasons: First, many manufacturing jobs are on-site and cannot be carried out remotely. Second, slowdown of manufacturing activities due to high trade & production linkages with the hardest hit countries. However, government envisaged the situation well in time and adopted requisite measures i.e., earlier resumption of businesses, smart lockdowns, relief to export-oriented industries and construction & industrial packages. These measures reversed the scenario and LSM appeared to be one of the most resilient sectors during pandemic. Broad-based growth in LSM originated from strong performance of Textile, Food Beverages & Tobacco, Non-Metallic Mineral Products and Automobile.

Nevertheless, a third and more contagious wave of the pandemic has begun spreading in the country, which may smother this economic recovery. Fortunately, vaccination drive has played a significant role in mitigating the virus-uncertainty this time and has given a sigh of relief to business community. Further, well-coordinated fiscal and monetary policies also bode well for future prospects of manufacturing.

Chapter 4

Fiscal Development

The magnitude and impact of the COVID-19 pandemic are unprecedented and have posed formidable challenges for countries around the world. Since the beginning of the pandemic, countries around the globe are dealing with the virus's socio-economic consequences by massive fiscal measures totalling $16 trillion as of March 17th, 2021[1](Box-I). While the global fiscal response has lessened the miseries of pandemic on the general population and the economy, it has placed public finances under tremendous strain. Government deficits and debts have risen to levels not seen since the global financial crisis (2008). Overall global fiscal deficit remained at 10.8 percent of GDP in 2020, while it is projected to narrow down to 9.2 percent of GDP in 2021[2].

Prior to COVID-19, Pakistan's economy was transitioning from stabilization to growth as a result of series of policy measures introduced in FY2019. These measures addressed the economic imbalances and paved the way for better economic outcomes in the subsequent year. In particular, the fiscal sector witnessed a considerable improvement during the first three quarters of FY2020 on account of various policy interventions to improve the revenues and prudent expenditure management. However, the downturn in economic activity and higher COVID-related expenditures made fiscal management difficult in the last quarter of FY2020. Despite significant challenges, better fiscal performance in early FY2020 enabled the government to withstand the pandemic shock and helped in containing the overall fiscal deficit to 8.1 percent of GDP in FY2020, down from 9.0 percent in FY2019. Similarly, the primary balance posted a deficit of 1.8 percent of GDP during FY2020 against the deficit of 3.6 percent of GDP in FY2019.

The outbreak of COVID-19 in the second half of FY2020 forced the government to reprioritize its policies to keep the economy afloat and provide relief to the people. In addition to pandemic containment measures, the government devised an extensive set of policies (Box-II). The aspiration behind these measures was to minimize the negative impact of the pandemic on the economy and to protect the most vulnerable segments of society.

Although the quick response returned the economy to its pre-COVID trajectory in the fiscal year 2021, the additional relief related expenditure put a strain on the budget. In the backdrop of these challenges, the fiscal performance remained satisfactory due to the government’s efforts at fiscal consolidation, prudent expenditure management and

[1] Fiscal Monitor April 2021. IMF
[2] Fiscal Monitor April, 2021.IMF

effective resource mobilization. These initiatives have had a strong carry-over effect in the current fiscal year where the fiscal deficit contained at 3.5 percent of GDP during July-March, FY2021 against 4.1 percent of GDP in the same period of last year. On the other hand, the primary balance posted a surplus of Rs 451.8 billion during July-March, FY2021 against the surplus of Rs 193.5 billion last year. Likewise, FBR achieved double-digit growth in the first ten months of the current fiscal year and surpassed the target by more than 100 billion. The net provisional collection grew by 14.4 percent to Rs 3,780.3 billion during July-March, FY2021 against Rs 3,303.4 billion last year.

Box-I: Global Fiscal Response to COVID-19

Since the start of COVID-19, a large number of countries have implemented substantial fiscal assistance to mitigate the devastating effects on the economy and people's livelihoods. Fiscal support has taken different forms and covers both above- and below-the-line interventions, as well as contingent liabilities with varying consequences for public finances in the short and long term. The size, composition and duration of assistance vary across countries depending upon the impact of a pandemic. The $16 trillion in global pandemic-related fiscal response till March 17, 2021, includes $10 trillion in additional spending and forgone revenues, as well as $ 6 trillion in government loans, guarantees and capital injections. Job security and household income support received half of the above-the-line assistance in the G-20 advanced economies, while public works and job safety received the most support in emerging economies. The fiscal response in terms of GDP for selected countries have been mentioned in Table I:

In one of the studies conducted by Chudik, Mohaddes and Raissi (2021), it is estimated that the government's revenue and spending measures have prevented the global economy from a more severe contraction in 2020 by 2 percentage points. Fiscal assistance has also helped to lessen the pandemic's negative impact on private demand, consumption and unemployment.

On the social protection side, additional spending was 0.6 percent of GDP on average during the first three quarters of 2020. It has prevented around 10 million people from falling into extreme poverty around the world (October 2020 Fiscal Monitor). The strength of the recovery depends on the suppression of pandemic and the continuity of policy support. To combat the pandemic, it is critical that the global healthcare systems must be adequately resourced and global cooperation on producing and distributing vaccines to all countries at affordable rates must be strengthened, particularly since many low-income countries depend on external grants to fund their vaccination programs.

Table I: Fiscal Response in Selected Economies (% of GDP)

	Additional Spending & Foregone Revenues
Bangladesh	1.4
China	4.8
India	3.3
Italy	8.5
Pakistan	2.0
Spain	7.6
Saudi Arabia	2.2
Turkey	1.9
U.K	16.2
U.S.A	25.5
Vietnam	1.4

Source: Fiscal Monitor Database of Country Fiscal measures in Response to COVID-19 Pandemic (IMF).

Source: Fiscal Monitor, April 2021. IMF

The budget strategy for the current fiscal year strikes a careful balance between supporting the economy and commitment to fiscal consolidation. In this regard, the fiscal policy measures are largely focused on relief measures to support businesses and to protect vulnerable segments of society. Simultaneously, the government is concentrating on containing the fiscal deficit at a manageable level and keeping the primary balance at a sustainable level.

Box: II- Pakistan's Response

Table: II- Economic Stimulus Package (Rs billion)		
Description	**Package**	**Utilized***
Emergency Response	190	124
Relief to Citizens	570	298
Support to Business & Economy	480	432
Total	**1,240**	**854**

* As of end March,2021
Source: Budget Wing, Finance Division

In the backdrop of significant challenges posed by the COVID-19 pandemic, the government focused on reducing economic losses and maintaining the social and economic well-being of the affected and vulnerable segments. At the initial stage, the government developed a comprehensive strategy to prevent the spread of the COVID-19 through early detection, contact tracing and surveillance, risk communication, social distancing, quarantine and isolation. Similarly, Pakistan has adopted a smart lockdown strategy to continue the business activities. On the other hand, the Economic Stimulus Package of Rs 1,240 billion was announced to sustain the socio-economic progress made through the reform agenda for economic recovery. The summary of the package and its utilization till March 2021 is explained in Table II.

i. Emergency Response (Rs 190 billion): It includes an allocation for National Disaster Management Authority, medical equipment, emergency relief fund and tax relief on food & health.

ii. Support to Business (Rs 570 billion): The intervention consists of, relief to the exporters (refunds), SMEs (bill deferment) and support to agriculture. In addition, relief on petrol/diesel was also provided under this head.

iii. Relief to Citizens (Rs 480 billion): It covers relief to daily wage workers, vulnerable families and panagah, funding to utility stores, power and gas subsidy and payment to farmers (wheat).

The balanced package after utilization of Rs 335 billion in FY2020 has been provisioned in FY2021 through supplementary grant approval amounting to Rs 540 billion. During FY2020, an amount of Rs 700 billion was utilized under the package, while during July-March, FY2021, an amount of Rs 154 billion has been provided to combat the pandemic including the purchase of vaccine amounting to Rs 25 billion. Up till March 2021, Rs 854 billion has been utilized which is 69 percent of the total package. The government's efforts in lessening the adverse impact of the pandemic have been well acclaimed at the global level.

In order to meet the financing needs for COVID-related expenditures, substantial emergency financing from the international community has also been mobilized including the IMF's Rapid Financing Instrument (RFI) and G20 Debt Services Suspension Initiative (DSSI).

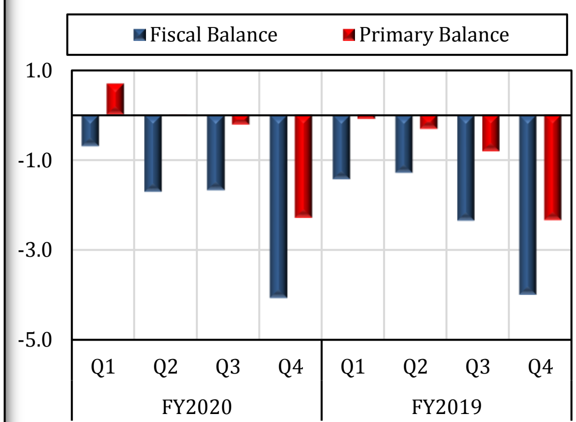
Fiscal Performance FY2020

A cursory look into the major fiscal indicators reveals better-than-expected results in FY2020, owing to careful expenditure management and improved collection under tax and non-tax revenue. The overall fiscal deficit exceeded the target set for FY2020, however, it was contained at 8.1 percent of GDP against 9.0 percent of GDP recorded in FY2019.

The fiscal accounts came under significant pressure during the fourth quarter of FY2020 due to COVID-19 related expenditures. The quarter-wise breakup shows that the fiscal deficit was 4.0 percent of GDP up to Q3, while the last quarter of FY2020 alone registered the deficit at 4.1 percent of GDP. On the other hand, the primary balance which accumulated a surplus of Rs 286.5 billion in the first two quarters, turned into a deficit during the second half of FY2020, however, the first three quarters ended up with a cumulative surplus of Rs 193.5 billion (0.5 percent of GDP). The primary balance was restricted to the deficit of Rs 756.6 billion (-1.8 percent of GDP) for the entire year against the deficit of Rs 1,353.8 billion (-3.6 percent of GDP) in FY2019.

The total revenue increased by 15.1 percent of GDP in FY2020 thus surpassed its revised target of 14.3 percent of GDP for the year. In terms of growth, it grew by 28.0 percent in FY2020 against the negative growth of 6.3 percent recorded in the preceding year. The increase in revenues in FY2020 is largely attributed to a sharp rise in non-tax revenue and modest growth in tax collection. Non-tax revenue posted a historical impressive growth of 256.7 percent during FY2020 against the negative growth of 43.8 percent realized in FY2019. The increase stemmed from a sharp rise in SBP profit, PTA profit and mark-up (PSEs & others).

Fig: 4.1- Quarter-Wise Break up of Fiscal Indicators % of GDP



Source: Pakistan Fiscal Operations

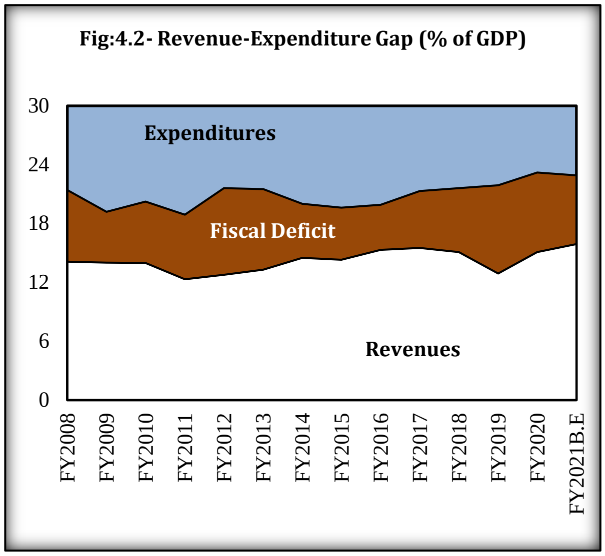
The total tax collection grew by 6.1 percent in FY2020 against the meagre growth of 0.1 percent in the comparable period of FY2019. In absolute terms, tax collection stood at Rs 4,747.8 billion in FY2020 against Rs 4,473.4 billion in FY2019. Within the total, federal tax collection increased by 6.4 percent and provincial tax collection grew by 2.9 percent in FY2020 over the preceding year. Out of total federal tax collection, FBR tax revenue posted a growth of 4.4 percent during FY2020 against the negative growth of 0.3 percent registered in FY2019. FBR Tax revenue rose by 17.5 percent until February 2020, but due to the pandemic, revenue growth slowed sharply.

Table: 4.1 Fiscal Indicators as Percent of GDP

Year	Overall Fiscal Deficit	Expenditure			Revenue		
		Total	Current	Development[/1]	Total Rev.	Tax	Non-Tax
FY2008	7.3	21.4	17.4	4.0	14.1	9.9	4.2
FY2009	5.2	19.2	15.5	3.5	14.0	9.1	4.9
FY2010	6.2	20.2	16.0	4.4	14.0	9.9	4.1
FY2011	6.5	18.9	15.9	2.8	12.3	9.3	3.0
FY2012	8.8	21.6	17.3	3.9	12.8	10.2	2.6
FY2013	8.2	21.5	16.4	5.1	13.3	9.8	3.5
FY2014	5.5	20.0	15.9	4.9	14.5	10.2	4.3
FY2015	5.3	19.6	16.1	4.2	14.3	11.0	3.3
FY2016	4.6	19.9	16.1	4.5	15.3	12.6	2.7
FY2017	5.8	21.3	16.3	5.3	15.5	12.4	3.0
FY2018	6.5	21.6	16.9	4.7	15.1	12.9	2.2
FY2019*	9.0	21.9	18.7	3.2	12.9	11.7	1.1
FY2020*	8.1	23.2	20.5	2.9	15.1	11.4	3.7
FY2021 B.E	7.0	22.9	20.0	2.9	15.9	12.1	3.9

[/1] including net lending
*: On the basis of revised GDP numbers
Source: Budget Wing and Economic Adviser Wing's Calculations, Finance Division

The total expenditures observed a significant rise due to higher current expenditures, while development spending decreased during FY2020. Total expenditures grew by 23.2 percent of GDP in FY2020 as compared with 21.9 percent in FY2019. Within the total, current expenditures stood at 20.5 percent of GDP in FY2020 against 18.7 percent of GDP recorded in FY2019. Development expenditures and net lending on the other hand, reduced to 2.9 percent of GDP in FY2020 from 3.2 percent recorded in FY2019.



The fiscal sector performed admirably in the first three quarters of FY2020, due to higher tax revenue, prudent expenditure management and strict fiscal discipline. Nevertheless, the strong fiscal position was challenged due to the outbreak of the pandemic in the last quarter of FY2020, resulting in simultaneous pressures on both expenditures and revenues.

Review of Public Expenditures

Prior to COVID-19, steps to strengthen fiscal discipline assisted the government in accumulating much-needed funds for social and development spending. However, additional spending requirements for economic revival, health and social relief built significant pressure on the public finances and triggered increase in the total spending. In FY2020, total expenditure grew by 15.6 percent to Rs 9,648.5 billion (23.2 percent of GDP) against Rs 8,345.6 billion (21.9 percent of GDP) in FY2019. Although, development spending declined in FY2020, however, a sharp increase in current spending led to a substantial increase in total spending. The current expenditures accounted for 88.4 percent of overall expenditure, compared to 85.1 percent share in FY2019.

Table 4.2: Trends in Components of Expenditure (As % of GDP)

Year	Total Expenditure	Current Expenditure	Mark-up Payments	Defence	Development Expenditure*	Non-Interest Non-Defence Exp	Fiscal Deficit	Revenue Deficit/ Surplus	Primary Balance
FY2006	17.1	12.6	2.9	2.9	4.4	11.2	4.0	0.5	-1.1
FY2007	18.1	14.9	4.0	2.7	4.7	11.4	4.1	-0.8	-0.1
FY2008	21.4	17.4	4.6	2.6	4.2	14.2	7.3	-3.3	-2.7
FY2009	19.2	15.5	4.8	2.5	3.4	11.8	5.2	-1.4	-0.3
FY2010	20.2	16.0	4.3	2.5	4.1	13.4	6.2	-2.1	-1.9
FY2011	18.9	15.9	3.8	2.5	2.8	12.6	6.5	-3.5	-2.7
FY2012	21.6	17.3	4.4	2.5	3.9	14.6	8.8	-4.5	-4.3

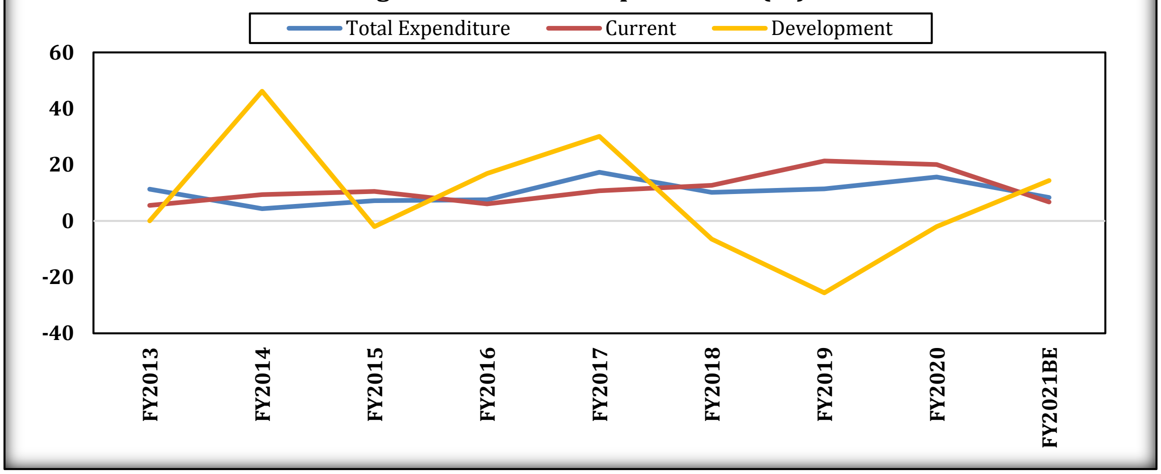
Table 4.2: Trends in Components of Expenditure (As % of GDP)

Year	Total Expenditure	Current Expenditure	Mark-up Payments	Defence	Development Expenditure*	Non-Interest Non-Defence Exp	Fiscal Deficit	Revenue Deficit/ Surplus	Primary Balance
FY2013	21.5	16.4	4.4	2.4	3.5	14.7	8.2	-3.0	-3.8
FY2014	20.0	15.9	4.6	2.5	4.5	12.9	5.5	-1.5	-1.0
FY2015	19.6	16.1	4.8	2.5	4.1	12.3	5.3	-1.8	-0.6
FY2016	19.9	16.1	4.3	2.6	4.5	13.0	4.6	-0.9	-0.3
FY2017	21.3	16.3	4.2	2.8	5.3	14.3	5.8	-0.8	-1.6
FY2018	21.6	16.9	4.3	3.0	4.6	14.3	6.5	-1.8	-2.2
FY2019	21.9	18.7	5.5	3.0	3.1	13.4	9.0	-5.8	-3.6
FY2020	23.2	20.5	6.3	2.9	2.8	14.0	8.1	-5.4	-1.8
FY2021BE	22.9	20.0	6.5	2.8	2.9	13.7	7.0	-4.1	-0.5

* excluding net lending

Source: Budget Wing and Economic Adviser Wing's Calculations, Finance Division

Fig: 4.3- Growth in Expenditures (%)



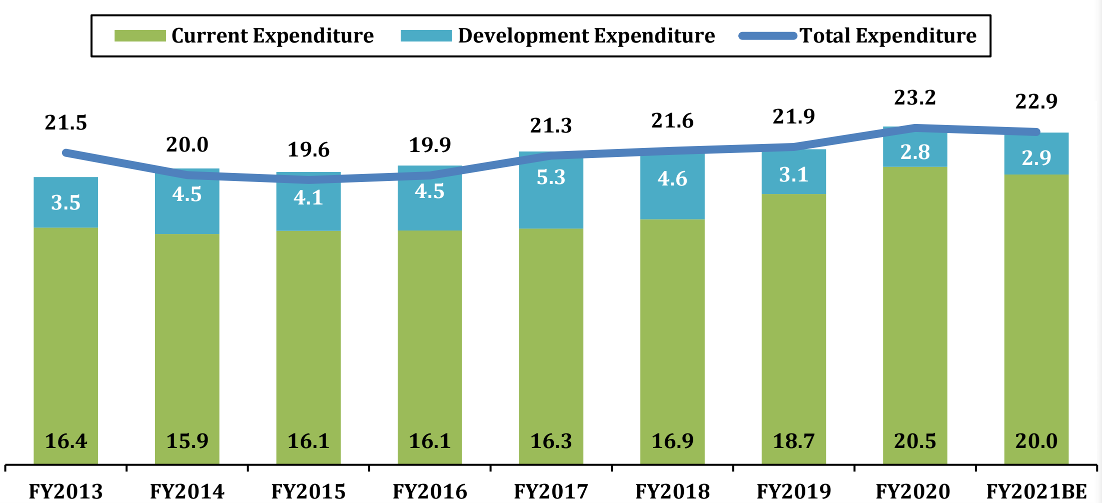
Within the total, current expenditure grew by 20.1 percent in FY2020, however, it remained below the growth of 21.3 percent recorded in FY2019. In absolute terms, current expenditure stood at Rs 8,532.0 billion (20.5 percent of GDP) during FY2020 as compared to Rs 7,104.0 billion (18.7 percent of GDP) in FY2019. The bulk of the increase in current expenditure in FY2020 was due to higher mark-up payments which grew by 25.3 percent to Rs 2,619.7 billion from Rs 2,091.1 billion in FY2019.The rise in mark-up payments was driven by higher servicing on domestic debt due to a higher level of interest rates. During FY2020, the contribution of mark-up payments in total and current expenditure increased to 27.2 and 30.7 percent from 25.1 and 29.4 percent, respectively in FY2019.

On the contrary, defence expenditure grew by 5.8 percent to Rs 1,213.3 billion in FY2020 (2.9 percent of GDP) as compared to Rs 1,146.8 billion (3.0 percent of GDP) in the preceding year. Its contribution in total and current expenditure has reduced from 13.7 and 16.1 percent in FY2019 to 12.6 and 14.2 percent, respectively during FY2020

COVID-related spending accounted for most of the increase in subsidies and grants in FY2020. Within subsidies, power, food and agriculture sectors made a significant contribution. In addition, a subsidy to the LNG industry for providing lower-cost gas to the industry further added to the overall increase. Thus, the rise in subsidies has been realized both in terms of growth and its contribution to current expenditure. In absolute terms, subsidies increased to Rs 359.9 billion during FY2020 against Rs 195.3 billion in FY2019, posting a growth of 84.3 percent. Similarly, its contribution within current expenditure grew by 4.2 percent in FY2020 as compared to the share of 2.7 percent in FY2019.

The government expanded the cash transfer program in response to COVID-19 in the last quarter, particularly, Benazir Income Support Program (BISP) under Ehsaas. Thus, the grants to others witnessed a noticeable increase owing to social protection spending. In addition, other major contributing factors are grants for contingent liabilities, Railways, AJK, Gilgit Baltistan and encashment of sales tax and income tax refunds, etc.

Fig:4.4- Expenditures % of GDP



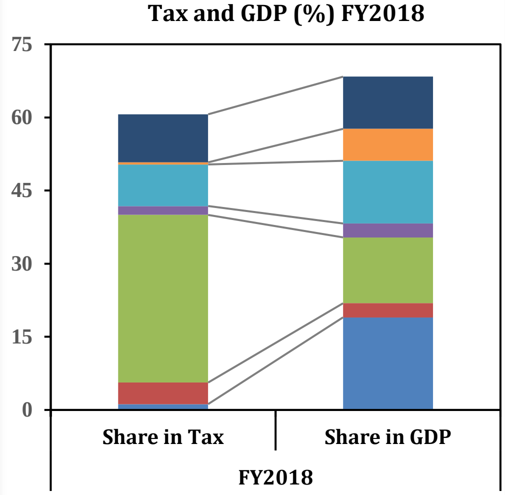
Development expenditure and net lending reduced by 1.3 percent during FY2020 and stood at Rs 1,203.7 billion against Rs 1,219.2 billion in FY2019. Similarly, development expenditure (excluding net lending) reduced to Rs 1,155.2 billion during FY2020 from Rs 1,178.4 billion in FY2019, thus registered a decline of 2.0 percent. The decline in development expenditure is largely stemmed from a reduction in federal PSDP spending and other development expenditure. Total PSDP expenditure grew by 8.1 percent to Rs 1,089.7 billion in FY2020 against Rs 1,008.2 billion in the comparable period of FY2019. The growth in PSDP during the year has been realized on account of 22.9 percent growth in provincial PSDP. Within total PSDP, federal PSDP (excluding development grants to provinces) stood at Rs 467.7 billion, while provincial PSDP recorded at Rs 622.0 billion in FY2020 against Rs 502.1 billion and Rs 506.2 billion, respectively in FY2019.

Structure of Tax Revenue

The most effective way to boost a country's domestic resource mobilization effort is to develop an efficient tax system. An efficient tax system not only enables the government to finance its spending for key areas such as education, health and infrastructure but at the same time it increases the revenues and thereby reduces the fiscal imbalances.

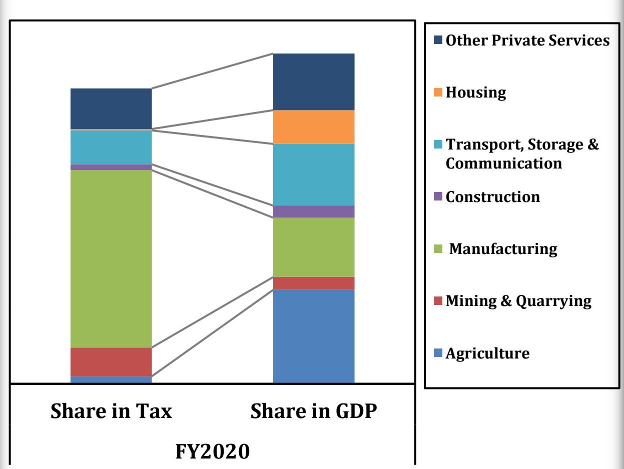
Over the years, distortionary exemptions, concessions, weak enforcement, low compliance by taxpayers, reliance on indirect taxes and issues in improving tax administration have adversely affected the tax to GDP ratio. Historically, Pakistan has a narrow tax base due to the fact that few sectors are under-taxed and some are not taxed at all. There are three major sectors of Pakistan's economy i.e agriculture, industry and services (in terms of their share in GDP), however, their tax contributions are not proportionate to their economic contribution. For instance, the agriculture sector accounts for 19.4 percent in GDP during FY2020 while contributing less than 2 percent in tax. In services, transport, storage & communication, housing and other private services contributes 12.7 percent, 7.0 percent and 11.7 percent, respectively in GDP, while their contributions in taxes is 7.0 percent, 0.3 percent and 8.4 percent, respectively. In contrast, the manufacturing, mining & quarrying sectors are contributing the most in taxes relative to their share in GDP i.e manufacturing accounts for 12.2 percent, mining & quarrying 2.6 percent and construction 2.5 percent in GDP, while their share in taxes is 37.0 and 6.0 and 1.2 percent, respectively during FY2020. This represents that tax in the respective sectors are not equitable with reference to their contribution in GDP. Consequently, the tax to GDP ratio remained low. Thus, there is need to improve tax to GDP ratio by increasing contribution of tax revenues from the sectors having more potential to pay taxes.

Fig: 4.5 (a)- Sectoral Contribution in Tax and GDP (%) FY2018

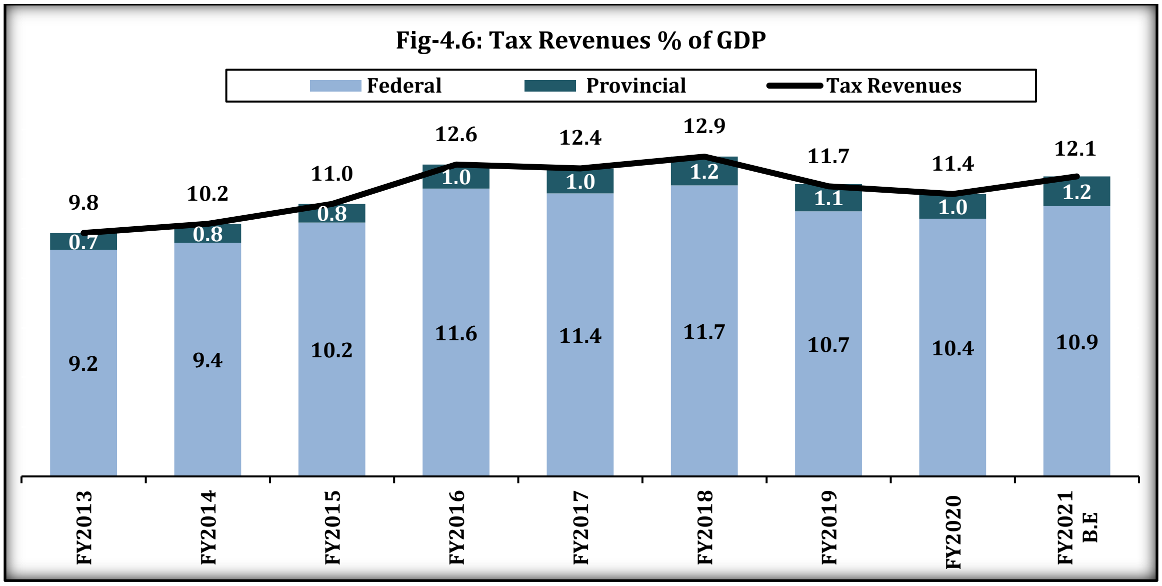


Source: FBR & PBS

Fig: 4.5 (b)- Sectoral Contribution in Tax and GDP (%) FY2020



During the last five years, overall tax-to-GDP ratio (federal & provincial) remained within a range of 11.4 percent and 12.9 percent. This ratio fell to 11.4 percent in FY2020, down from 11.7 percent in FY2019. The economic downturn caused by the COVID-19 pandemic resulted in a further drop in the tax-to-GDP ratio during FY2020.



Within total tax collection, FBR collects a sizeable portion of tax revenue. During FY2020, FBR tax revenue reduced to 9.6 percent of GDP. In net terms collection stood at 3,997.4 billion against Rs 3,828.5 billion in FY2019, thus posted a growth of 4.4 percent. This growth seems much better as compared to negative growth during FY2019.Within FBR tax collection, direct taxes increased by 5.4 percent in FY2020. Sales tax which is the top revenue generating source of federal tax receipts after direct taxes, posted a growth of 9.4 percent. The domestic sales tax collection grew by 11.0 percent and collection of sales tax on imports increased by 8.1 percent during the same period. Similarly, the collection under federal excise duty (FED) grew by 5.2 percent, while customs duty posted a negative growth of 8.6 percent in FY2020 due to a decline in imports.

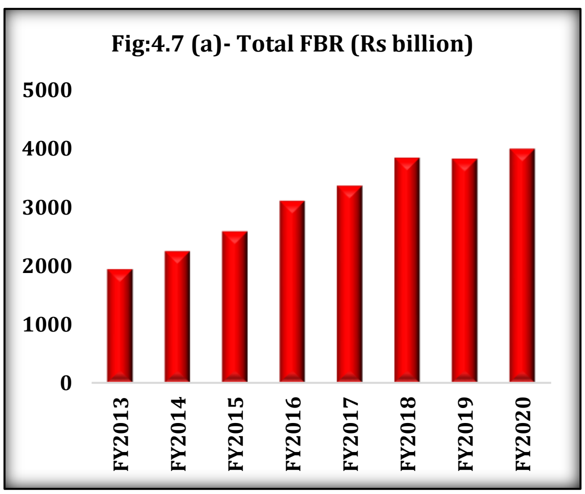
Table 4.3: Structure of Federal Tax Revenue (Rs billion)

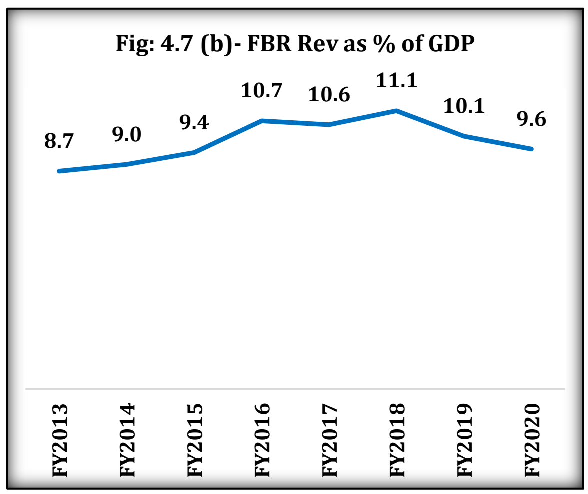
Year	Total (FBR)	Tax Rev. as % of GDP	Direct Taxes	Indirect Taxes			
				Customs	Sales	Excise	Total
FY2006	713.5	8.7	225.0	138.4	294.8	55.3	488.5
			[31.5]	{28.3}	{60.3}	{11.3}	[68.5]
FY2007	847.2	9.2	333.7	132.3	309.4	71.8	513.5
			[39.4]	{25.8}	{60.3}	{14.0}	[60.6]
FY2008	1,008.1	9.5	387.9	150.7	377.4	92.1	620.2
			[38.5]	{24.3}	{60.9}	{14.9}	[61.5]
FY2009	1,161.1	8.8	443.5	148.4	451.7	117.5	717.6
			[38.2]	{20.7}	{62.9}	{16.4}	[61.8]
FY2010	1,327.4	8.9	526.0	160.3	516.3	124.8	801.4
			[39.6]	{20.0}	{64.4}	{15.6}	[60.4]
FY2011	1,558.2	8.5	602.5	184.9	633.4	137.4	955.7
			[38.7]	{19.3}	{66.3}	{14.4}	[61.3]
FY2012	1,882.7	9.4	738.4	216.9	804.9	122.5	1,144.3
			[39.2]	{19.0}	{70.3}	{10.7}	[60.8]
FY2013	1,946.4	8.7	743.4	239.5	842.5	121.0	1,203.0
			[38.2]	{19.9}	{70.0}	{10.1}	[61.8]
FY2014	2,254.5	9.0	877.3	242.8	996.4	138.1	1,377.3

Table 4.3: Structure of Federal Tax Revenue (Rs billion)

Year	Total (FBR)	Tax Rev. as % of GDP	Direct Taxes	Indirect Taxes			
				Customs	Sales	Excise	Total
			[38.9]	{17.6}	{72.3}	{10.0}	[61.1]
FY2015	2,589.9	9.4	1,033.7	306.2	1,087.8	162.2	1,556.2
			[39.9]	{19.7}	{69.9}	{10.4}	[60.2]
FY2016	3,112.7	10.7	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	10.6	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	11.1	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	10.1	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	9.6	1,523.4	626.6	1,596.9	250.5	2,474.0
			[38.1]	{25.3}	{64.5}	{10.1}	[61.9]
FY2021B.E	4,963.0	10.9	2,043.0	640.0	1,919.0	361.0	2,920.0
			[41.2]	{21.9}	{65.7}	{12.4}	[58.8]

B.E: Budget Estimates,
[] as % of total taxes, {} as % of Indirect taxes
Source: Federal Board of Revenue



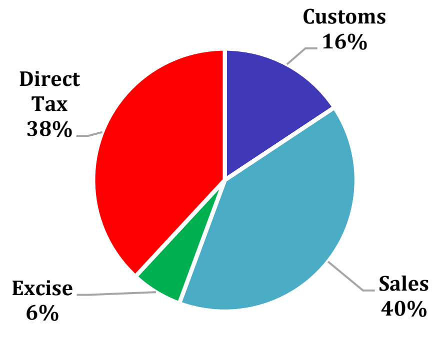


FBR tax revenue increased by 17.5 percent until February 2020, but due to the pandemic, the revenue growth slowed significantly and annual growth remained lower than anticipated. Despite substantial challenges, the FBR was able to meet its revised target of Rs 3,908 billion by 2.3 percent, which is encouraging.

Historically, the tax revenue collection mainly depended on indirect taxes, especially customs. With the passage of time, the share of direct taxes has started to improve. Currently, the sales tax constitutes 39.9 percent of the total collection followed by direct taxes with 38.1 percent share and customs by 15.7 percent and FED 6.3 percent. The share of customs duty declined in FY2020, while the contribution of direct tax, FED and sales tax has witnessed a slight increase during the same period.

To improve the tax to GDP ratio, the government is making all-out efforts to enhance tax collection through comprehensive tax reforms. Although in budget 2021, the government has not introduced any new tax, however, the emphasis is on strict enforcement and monitoring, broadening of tax base, documentation of economy and deployment of technology to identify risk areas to support risk-based audit.

Fig-4.8: Share of Direct and Indirect Taxes in Total FBR Collection (FY2020)



Fiscal Performance (July-March, FY2021)

The fiscal sector continues to perform better on account of effective revenue mobilization and expenditure management strategy. A recovery in domestic economic activity and a slowdown in expenditures other than mark-up payments and COVID-related spending improved the fiscal accounts during the first three quarters of FY2021. The revenue side, in particular, performed better as a result of increased tax collection both at the federal and provincial levels. In addition, the cumulative surplus of all the four provinces was higher than the previous year. The fiscal deficit thus remained on the lower side during July-March, FY2021 over the same period last year.

According to the consolidated fiscal operations, the fiscal deficit during the first nine months of FY2021 contained at 3.5 percent of GDP against 4.1 percent of GDP in the comparable period of FY2020. Similarly, the primary balance posted a surplus of Rs 451.8 billion (0.9 percent of GDP) during July-March, FY2021 against the surplus of Rs 193.5 billion (0.5 percent of GDP) in the same period of FY2020.

Table 4.4: Consolidated Revenue & Expenditure of the Government

	FY2021 B.E.	July-March (Rs billion)		Growth
		FY2021	FY2020	FY2021
A. Total Revenue	**7,261.0**	**4,992.6**	**4,689.9**	**6.5**
% of GDP	**15.9**	**10.5**	**11.3**	**-**
a) Tax Revenue	**5,498.0**	**3,765.0**	3,365.5	**11.9**
% of GDP	**12.1**	**7.9**	**8.1**	**-**
Federal (FBR Taxes)	**4,963.0**	**3,394.9**	3,044.3	**11.5**
% of GDP	**10.9**	**7.1**	**7.3**	**-**
Provincial Tax Revenue	535.0	370.1	321.2	**15.2**
b) Non-Tax Revenue	**1,763.0**	**1,227.6**	**1,324.4**	**-7.3**
% of GDP	**3.9**	**2.6**	**3.2**	**-**
B. Total Expenditure	**10,455.0**	**6,644.6**	**6,376.0**	**4.2**
% of GDP	**22.9**	**13.9**	**15.3**	**-**
a) Current Expenditure	**9,113.0**	**6,085.4**	**5,611.6**	**8.4**
% of GDP	**20.0**	**12.8**	**13.5**	**-**
Federal	**6,261.0**	**4,157.3**	**3,887.7**	**6.9**
Mark-up Payments	2,946.0	2,103.9	1,879.7	**11.9**
% of GDP	**6.5**	**4.4**	**4.5**	**2.5**
Defence	1,289.0	784.0	802.4	**-2.3**
% of GDP	**2.8**	**1.6**	**1.9**	**-**

Table 4.4: Consolidated Revenue & Expenditure of the Government				
	FY2021 B.E.	July-March (Rs billion)		Growth
		FY2021	FY2020	FY2021
Provincial	**2,853.0**	**1,928.1**	1,723.9	**11.9**
b) Development Expenditure & net lending	**1,342.0**	**722.9**	**781.4**	**-7.5**
% of GDP	**2.9**	**1.5**	**1.9**	**-15.3**
PSDP	**1,252.0**	**653.9**	722.5	**-9.5**
Other Development	**70.0**	**14.1**	29.2	**-51.9**
c) Net Lending	**20.0**	**55.0**	29.7	**-**
d) Statistical discrepancy	**-**	**-163.8**	-16.9	**-**
C. Overall Fiscal Balance	**-3,194.0**	**-1,652.0**	**-1,686.1**	**-2.0**
% of GDP	**-7.0**	**-3.5***	**-4.1****	**-**
D. Primary Balance	**-248**	**451.8**	**193.5**	**-**
% of GDP	**-0.5**	**0.9**	**0.5**	**-**
Financing	**3,194.0**	**1,652.0**	**1,686.2**	**-2.0**
i) External Sources	810.0	562.2	682.4	**-17.6**
ii) Domestic	**2,384.0**	**1,089.9**	**1,003.8**	**8.6**
- Bank	889.0	797.8	601.8	**32.6**
- Non-Bank	1,395.0	292.1	402.0	**-27.3**
Privatization Proceeds	100.0	0.0	0.0	**-**
GDP at Market Prices	**45,567**	**47,709**	**41,556**	**14.8**

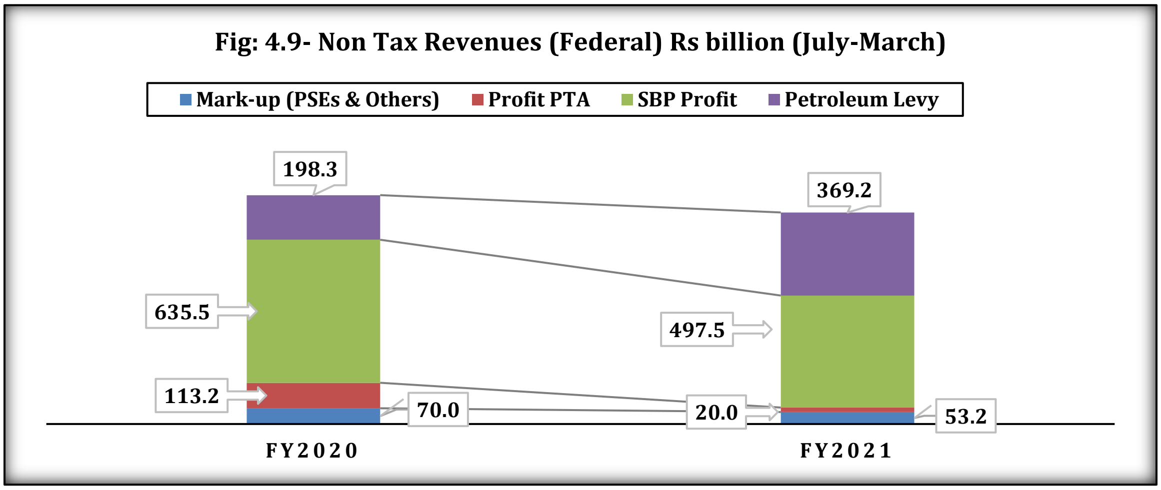
* On the basis of provisional GDP estimate for FY2021
**On the basis of revised GDP number for FY2020
Note: During the current fiscal year, the fiscal accounts have been reclassified in line with the implementation of PFM procedures. According to the re classification, federal taxes other than FBR have now been included in Non-tax revenue.
Source: Budget Wing, Finance Division

During July-March, FY2021, total revenue grew by 6.5 percent against the growth of 30.9 percent in the same period of last year. In absolute terms, total revenue increased to Rs 4,992.6 billion during July-March, FY2021from Rs 4,689.9 billion in the same period of FY2020. A major impetus in revenue increase came entirely from double-digit growth in tax revenue which compensated for the decline in non-tax revenues.

Total tax revenue (federal & provincial) grew by 11.9 percent during July-March, FY2021 and stood at Rs 3,765.0 billion against Rs 3,365.5 billion in the comparable period of FY2019. Within the total, federal tax collection witnessed a significant rise as it grew by 11.5 percent to stand at Rs 3,394.9 billion during July-March, FY2021 against Rs 3,044.3 billion in the same period of FY2020.The revenue performance is not only a reflection of growing economic activities without any disruption even in the wake of the third wave of COVID-19, but it also suggests that the efforts to improve the tax collection through various policy and administrative reforms are fruitful.

In contrast, the non-tax revenue fell sharply during July-March, FY2021 after witnessing strong growth in the same period of last year. Non-tax revenue, stood at Rs 1,227.6 billion during July-March, FY2021 against Rs 1,324.4 billion in the corresponding period last year, showing a decline of 7.3 percent. Out of the total, federal non-tax revenue recorded a decline of 8.0 percent to Rs 1,145.4 billion during July-March, FY2021 against

Rs 1,244.8 billion in the same period last year. The decline is mainly attributed to the absence of a one-off renewal fee for GSM licenses from telecommunication companies. In addition, lower receipts from a surplus profit of SBP and mark-up (PSEs & others) have also attributed to an overall decline in federal non-tax collection. On the other hand, receipts from Gas Infrastructure Development Cess (GIDC), Natural Gas Development Surcharge and petroleum Levy have witnessed an increase during July-March, FY2021 over the same period last year.



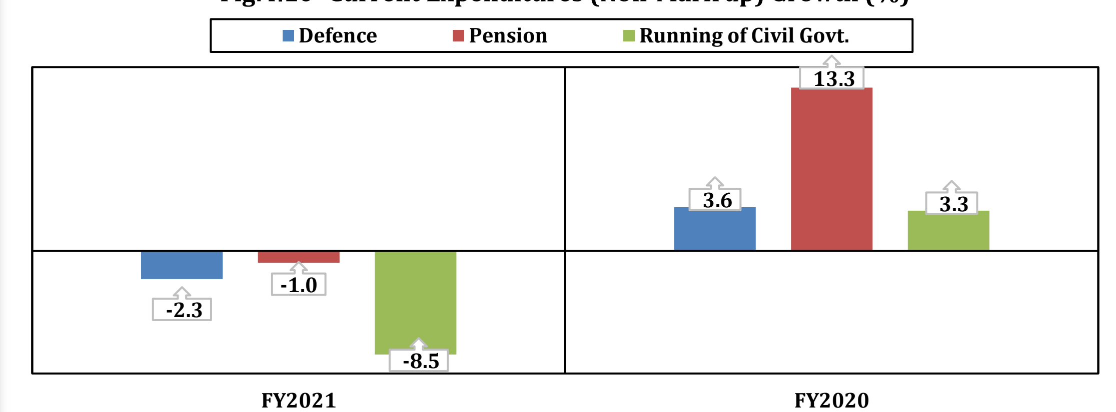
The breakup shows that out of the total, Rs 497.5 billion were collected from SBP profit followed by Rs 369.2 billion from petroleum levy, Rs 53.3 billion from Royalties on Oil/Gas, Rs 53.2 billion from mark-up receipts (PSEs & others), Rs 20.0 billion from PTA profit, Rs 17.2 billion from natural gas development surcharge and Rs 15.4 billion from GIDC etc.

On the expenditure side, total expenditure grew by 4.2 percent during July-March, FY2021 as compared to 15.8 percent growth observed in the same period of FY2020. The efficient expenditure management helped in curtailing the overall expenditure during the current fiscal year. In absolute terms, the expenditures stood at Rs 6,644.6 billion (13.9 percent of GDP) during July-March, FY2021 against Rs 6,376.0 billion (15.3 percent of GDP) in the comparable period of last year. The current expenditure contained at 8.4 percent during July-March, FY2021 against 16.9 percent growth recorded in the same period of last year. In absolute terms, it stood at Rs 6,085.4 billion in July-March, FY2021 against Rs 5,611.6 billion in the same period of FY2020. Although higher mark-up payments, increase in subsidies and grants to others, contributed significantly to the current fiscal year's growth in current expenditure, the decline in other expenditures like defence, pensions and running of civil government slowed the pace of growth.

The mark-up payments grew by 11.9 percent during July- March, FY2021 on account of higher growth in domestic debt servicing. In absolute terms, the mark-up payments increased to Rs 2,103.9 billion during July-March, FY2021 from Rs 1,879.7 billion as compared to same period of last year. Higher domestic debt servicing was observed during the first nine months of the current fiscal year as a result of Rs 1,502 billion in domestic borrowing that was raised to finance the federal fiscal deficit. Most of the previous year's short-term debt was issued through 12-month T-Bills, the interest on which was paid in the current fiscal year. On the other hand, the foreign debt servicing witnessed a significant decline during July-March, FY2021 owing to refixing of floating rate debt at much lower rates due to substantial decrease in international reference rates i.e., Libor, exchange rate appreciation (Rupee strengthening) and interest servicing deferment to the tune of USD 278 million through Debt Service Suspension Initiative (DSSI-I).

In contrast to higher mark-up payments, the consolidated non-mark-up current expenditure grew by 6.7 percent in July-March, FY2021, mainly because the federal non-interest current expenditure increased by only 2.3 percent against the growth of 16.6 percent in the same period of last year. The contained spending during the said period has been observed on the back of a decline in defence, pension and running of civil government expenditure. During the current fiscal year, the implementation of austerity measures aided in the reduction of expenditures under the running of civil government.

Fig:4.10- Current Expenditures (Non-Mark up) Growth (%)



Other components, such as subsidies and grants to others, grew at a slower pace during July-March of FY2021, compared to the same period of the previous year. Subsidies increased by 20.5 percent in the first nine months of the current fiscal year, compared to a 75.1 percent increase in the same period of FY2020. Similarly, grants to others, which grew at a faster rate in July-March of FY2020, i.e., around 60 percent, reduced to around 17 percent in the same period of the current fiscal year. Most of the increase in both subsidies and grants covered COVID-related spending, which continued during the current fiscal year.

In absolute terms, subsidies increased to Rs 204.3 billion during July-March, FY2021 from Rs 169.5 billion in the same period of last year. According to the breakup of subsidies, Rs 197.3 billion were provided for power and petroleum, Rs 3.6 billion to

PASSCO including GB wheat, Rs 2.1 billion for fertilizer plants (Engro, Fatima) and Rs 1.0 billion for PM package for rabi crops, etc. Similarly, grants to others stood at Rs 424.3 billion in July-March, FY2021 against Rs 363.1 billion in the comparable period of FY2020. Under this head, total spending against the BISP under Ehsaas increased by 13.6 percent to Rs 71.2 billion during July-March, FY2021 against Rs 62.7 billion in the same period of last year.

The total development expenditure (excluding net lending) stood at Rs 668.0 billion during July-March, FY2021 as compared to Rs 751.7 billion in the same period of FY2020, showing a decline of 11.1 percent. During the period, PSDP spending (federal and provincial) reduced by 9.5 percent to reach Rs 653.9 billion against Rs 722.5 billion in the same period of last year. The decline in expenditure under PSDP has been observed on account of a decline in federal PSDP (net excluding development grants to provinces) which reduced by 22.5 percent, while provincial PSDP registered a modest growth of 2.1 percent in July-March, FY2021 over the same period of last year.

As the fiscal deficit was kept on the lower side year on year (y-o-y) in July-March of FY2021, total financing was reduced by 2 percent in the same period. Domestic and external resources generated Rs 1,089.9 billion and Rs 562.2 billion, respectively, to finance the fiscal deficit in July-March FY2021. Within domestic sources, financing from bank stood at Rs 797.8 billion and from non-bank, it amounted to Rs 292.1 billion during the period under review.

It is worth mentioning that despite additional spending due to COVID-19, the government was able to adhere to the fiscal discipline in an effort to achieve its fiscal consolidation targets. Healthy growth in tax revenue and efficient expenditure management would pave the way to maintain the fiscal deficit within reasonable limits in the coming months.

FBR Tax Collection (July-April, FY2021)

The economic recovery that started to unfold during the first quarter of FY2021 further accelerated in the subsequent months. The government's unprecedented measures in the wake of COVID-19 along with sector-specific support policies helped in the revival of domestic economic activity during the current fiscal year. Particularly, the industrial sector gained significant momentum on the back of rising construction activities. All these developments along with the ongoing comprehensive tax measures and administrative reforms have paid off in a substantial rise in FBR tax collection.

The FBR tax collection achieved double-digit growth in the first ten months of the current fiscal year and surpassed the target by more than 100 billion. The provisional net collection grew by 14.4 percent to Rs 3,780.3 billion during July-April, FY2021 against Rs 3,303.4 billion in the same period last year. The tax collection has witnessed a broad-based increase in all its revenue heads during the period under review. Details are presented in Table 4.5:

Table 4.6: FBR Tax Revenues Rs billion

Tax Heads	FY2020 Actual	July-April		% Change
		FY2020	FY2021*	
A. DIRECT TAXES	1,523.4	1,225.0	1,362.4	11.2
B. INDIRECT TAXES	2,474.0	2,078.4	2,417.9	16.3
SALES TAX	1,596.9	1,348.8	1,592.5	18.1
FEDERAL EXCISE	250.5	206.1	223.4	8.4
CUSTOM	626.6	523.5	602.0	15.0
TOTAL TAX COLLECTION (A+B)	3,997.4	3,303.4	3,780.3	14.4

*: Provisional-Likely to change after reconciliation

Source: Federal Board of Revenue/PRAL

Direct Taxes

The net collection of direct taxes has registered a growth of 11.2 percent during the first ten months of FY 2021. The net collection has increased from Rs 1,225.0 billion to Rs 1,362.4 billion. The bulk of the tax revenue of direct taxes is realized from income tax. The major contributors of income tax are withholding tax, voluntary payments and collection on demand.

Indirect Taxes

The net collections of indirect taxes have witnessed a growth of 16.3 percent. It is accounted for 64 percent of the total FBR tax revenue.

i. Sales Tax

The net sales tax collection during July-April, FY2021 remained at Rs 1,592.5 billion, showing healthy growth of 18.1 percent. In fact, around 56 percent of total sales tax was contributed by sales tax on import during July-April, FY2021, while the rest was contributed by the domestic sector.

ii. Federal Excise Duty

The collection of federal excise duties (FED) during July-April, FY2021 has recorded a growth of 8.4 percent. The net collection has stood at Rs 223.4 billion during July-April, FY2021 as against Rs 206.1 billion during the same period last year. The major revenue spinners of FED are cigarettes, cement, services and beverages.

iii. Customs Duty

Customs duty has registered a growth of 15.0 percent in net revenues. The net collection has increased from Rs 523.4 billion during July-April, FY2020 to Rs 602.0 billion during July-April, FY2021. The major revenue spinners of customs duty have been vehicles, mineral fuels, iron and steel, electrical machinery, plastic, edible fruits, etc.

Impact of COVID-19 on FBR Collection

COVID-19 pandemic had a significant impact on the national economy and the revenue collection efforts of FBR. Keeping in view the negative impact of COVID-19 on the economy the yearly target of the current fiscal year has been reduced downward from

Rs 4,963 billion to Rs 4,691 billion, which means Rs 272 billion lesser than the original target.

During the first ten months of FY 2021, FBR has collected Rs 3,780.3 billion i.e.14.4 percent higher than the previous year. However, it is expected that the situation would likely get better further during the coming months. Table 4.6 shows tax-wise revenue collection for the period July-April FY2021 along with the expected collection during May-June FY2021:

Table-4.6: Net Collection July-March (Rs billion)

Tax Heads	Collection (July-April)		Growth		Expected Collection May-June FY2021	
	FY2020	FY2021*	Absolute	%age	May-June	July-June
Direct Tax	1,225.0	1,362.4	137	11.2	427	1,789
Sales Tax	1.348.8	1,592.5	244	18.1	335	1,927
FED	206.1	223.4	17	8.4	52	275
Customs Duty	523.5	602.0	79	15.0	98	700
Total	**3,303.4**	**3,780.3**	**477**	**14.4**	**911**	**4,691**

(*) Provisional
Source: Federal Board of Revenue/PRAL

Relief Measures

In order to mitigate the impact of the pandemic and to boost the economy, the FBR has taken various relief measures to facilitate commerce, trade, industry and social sector in the country. Following relief measures have been taken in this regard:

i. The construction industry in Pakistan was severely impacted due to COVID-19. The initiation of extensive construction activity in the country has the potential to contribute significantly towards the revival of the national economy by addressing the issue of increased unemployment anticipated in the aftermath of the pandemic, enhancing tax revenues, supporting businesses and propelling economic growth and development. Envisioning the desired objectives, the Tax Laws (Amendments) Ordinance, 2020 was promulgated on 17th April 2020 encapsulating an incentive package for the construction industry. The same was subsequently incorporated in the Finance Act, 2020.

ii. The COVID-19 Prevention of Smuggling Bill, 2020 was promulgated. The Bill sought to curb the menace of smuggling of food and other essential commodities with exemplary punishments to create an effective deterrence in the emergent situation resulting from the outbreak of the Pandemic.

iii. Federal Board of Revenue believes in the liquidation of genuine tax refunds of all industries, especially the export-oriented sector. Keeping in view the seriousness of the issue in the COVID-19 scenario, FBR issued / adjusted refunds of around Rs 253.0 billion in the first ten months of FY2021, which is 66.5 percent higher than Rs 151.8 billion in FY2020. In absolute terms, Rs 101.0 billion more have been paid as a refund during the period under consideration. Speedy clearance of tax refunds of genuine refunds claimants resolved the liquidity crunch of industries and they were able to pay the salaries to their employees on time, apart from catering to their business needs.

iv. All COVID-19 related health equipment (61 items,) have been exempted from Sales Tax, Income Tax and Customs Duty on recommendation of the health sector.

v. FBR exempted customs duties on import of highly essential items which were needed to be imported for the prevention and treatment of COVID-19 as proposed by the Ministry of National Health Services.

Apart from the above, to fight the challenge of COVID-19 some other measures are under consideration to ensure maximum tax revenue on the one hand and to promote economic activities on the other. In this regard, a two-pronged approach will be adopted to address the issue of a narrow tax base and tax gap in various sectors. Automation and expeditious disposal of refunds will be actively pursued. The FASTER system is in force and sale tax refunds are being transferred through it. Efforts are being made to increase the share of direct taxes in revenue collection. Documentation of the economy to increase the taxation in services, real estate, wholesale and retail is top priority.

Automation of all business processes starting from registration to assessment has also been initiated. Installation of Track and Trace, Point of Sale integration retailer with FBR's system, audit, e-appeal are at various stages of implementation. Corporate tax references, personal Income Tax Reform, reducing the dependency of withholding taxes, rationalization of minimum tax, removal of anomalies and unnecessary exemption, sales tax harmonization and promotion of ease of doing business are certain policy measure to be adopted for revenue mobilization to mitigate the negative impact on revenue collection. Further, FBR envisioned several reforms / special initiatives which are expected to yield positive results in the form of increased revenue collection, in line with efforts to facilitate the taxpayers for the best outcome (Box-III).

Box-III: Measures Undertaken to Boost Tax Collection

A. Inland Revenues

i. **Income tax Return Filing:** Number of income tax return filers for TY 2020 has crossed 3.0 million.

ii. **Utilization of data obtained from DISCOs & Gas Companies:** More than 650,000 notices have been issued on the basis of data obtained from DISCOs and in lieu of these notices 129,541 returns have been enforced so far.

iii. **Tax Asaan:** Mobile Application, **Tax Asaan**, has been launched which provides for basic verification features like ATL, Online NTN/STRN inquiry, exemption certificates and sales tax registration.

iv. **High Net-Worth Individuals (action through third party data utilization)**: In order to develop 360 degree view of tax payers, data sources like banks, vehicles and real estate transactions have been captured and a Data Bank has been developed. Based on this data bank, notices to more than 200,000 high net-worth un-registered persons have been issued.

v. **Point of Sales (POS) Integration of Tier-1 retailers:** FBR has embarked on a plan to integrate all sales outlets of tier-1 retailers with FBR's central computerized system.

vi. **Agreement with Traders:** The market committees shall not only resolve contentious issues but also ensure registration of un-registered traders.

vii. **Track & Trace System:** FBR has decided to implement Track and Trace System for specified goods/ products i.e. Tobacco, Cement, Sugar, Fertilizer and Beverages imported into or manufactured in Pakistan.

viii. **Assessment & Processing (A&P) Units:** Sectoral analysis of huge business concerns has been conducted across the country by Assessment & Processing Units in all field formations of IRS. Sectors like cement, sugar, cotton and tobacco remained under focus.

ix. **Investigation & Prosecution (I&P) Units:** Legal actions (attachment of properties, arrests and seizures) has been made against huge tax-defaulters to create deterrence against tax-evaders.

x. **IREN and Joint Anti-smuggling field intelligence exercise:** Establishment of Inland Revenue Enforcement Network (IREN) to check smuggling and counterfeit products. Inland Revenue Service and Pakistan Customs Service have joined hands for anti-smuggling field intelligence exercise.

xi. **Maloomat:** FBR has launched Maloomat (tax profiling system) on its web portal, containing data of 53 million citizens, giving access to the filers and non-filers to the information about their assets and bank accounts.

B. Measures Taken by Customs Authorities

i. Automation of Customs procedures/processes to facilitate trade by reducing cost of doing business.

ii. Rationalization of customs tariffs to promote trade and investment.

iii. Ensuring consistency and transparency in the valuation regime, keeping in view the continuously evolving international market

iv. Building human resource capacity.

v. Providing facility of e-payments, greater induction of technology to improve trade /logistic performance indicators; a recent example is deployment of e-payments platform.

vi. Building National Single Window (WINPAK) for increased efficiency, timely/informed decision making and integrating all stakeholder i.e. private sector and government.

vii. EDI – electronic Data Interchange with China

viii. Anti – Smuggling Strategy

C. Audit Related Initiatives

i. **Risk based Audit:** FBR has developed a centralized Risk based Audit Management System (RAMS) for selection of audit cases centrally on the basis of pre-determined risk parameters. Subsequently, in September 2020, through Audit Policy, 2019, a total number of 12,533 cases were selected for audit for Tax Year 2018 through Risk based Audit Management System (RAMS).

ii. **Transformation of traditional audit processes through e-Audits:** FBR is also moving for instituting data analytics for E-Audit through transformation in the traditional audit processes. In this system, the correspondence between taxpayers and the tax department would totally be electronic till the conclusion of audit proceedings.

iii. **Automation of audit monitoring system:** A software solution is under process to provide continuous monitoring of the audit cases with sufficient documentation and assistance to the auditors.

Source: Federal Board of Revenue

Provincial Budget

According to the provincial budget, overall expenditure in all four provinces is expected to rise by 19.1 percent to Rs 4,192.7 billion in FY2021, compared to revised projections of Rs 3,521.6 billion in FY2020. A higher development budget in comparison to current spending is likely to make a significant contribution. Total provincial development spending is budgeted to grow by 46.2 percent to reach Rs 1,006.1 billion during FY2021 as compared to revised estimates of Rs 688.1 billion in FY2020. In contrast, current expenditure are expected to stand at Rs 3,186.6 billion in FY2021 against the revised estimates of Rs 2,833.5 billion, reflecting a growth of 12.5 percent. The current and development spending account for 76.0 and 24.0 percent of the total expenditure, respectively.

Table 4.7: Overview of Provincial Budgets (Rs billion)

Items	Punjab		Sindh		Khyber Pakhtunkhwa		Baluchistan		Total	
	2019-20 RE	2020-21 BE	2019-20 RE	2020-21 BE	2019-20 RE	2020-21 BE	2019-20 RE	2020-21 BE	2019-20 RE	2020-21 BE
A. Tax Revenue	**1,380.9**	**1,653.4**	**797.5**	**943.2**	**404.2**	**481.5**	**300.2**	**272.6**	**2,882.8**	**3,350.7**
Provincial Taxes	191.1	220.9	235.0	263.5	27.6	28.1	19.0	20.9	**472.7**	**533.4**
GST on Services (transferred by federal Govt)	4.3	-	-	-	1.4	-	-	-	-	-
Share in Federal Taxes	1,185.5	1,432.5	562.5	679.7	375.2	453.4	281.2	251.7	**2,404.4**	**2,817.3**
B. Non-Tax Revenue	**60.3**	**92.6**	**66.5**	**112.4**	**43.8**	**45.2**	**16.2**	**43.5**	**186.8**	**293.7**
C. All Others	**34.0**	**86.6**	**21.7**	**71.2**	**85.5**	**118.1**	**5.3**	**30.8**	**146.5**	**306.7**
Total Revenue (A+B+C)	**1,475.2**	**1,832.6**	**885.7**	**1,126.8**	**533.5**	**644.8**	**321.7**	**346.9**	**3,216.1**	**3,951.1**
a) Current Expenditure	**1,257.9**	**1,318.3**	**783.3**	**969.1**	**542.7**	**605.1**	**249.6**	**294.1**	**2,833.5**	**3,186.6**
b) Development Expenditure	**255.0**	**337.0**	**128.9**	**232.9**	**220.5**	**317.9**	**83.7**	**118.3**	**688.1**	**1,006.1**
Total Exp (a+b)	**1,512.9**	**1,655.3**	**912.2**	**1,202.0**	**763.2**	**923.0**	**333.3**	**412.4**	**3,521.6**	**4,192.7**

Source: Provincial Finance Wing, Finance Division.

Provincial revenue receipts are expected to increase by 22.9 percent to Rs 3,951.1 billion in FY2021, compared to revised estimates of Rs 3,216.1 billion in FY2020. In FY2021, tax revenue, which account for 85.0 percent of total provincial revenue, are budgeted to stay at Rs 3,350.7 billion, up 16.2 percent from last year's revised estimates of Rs 2,882.8 billion. Non-tax revenue, on the other hand, are budgeted to increase by 57.2 percent to Rs 293.7 billion in FY2021 from revised estimates of Rs 186.8 billion in FY2020.

Allocation of Revenues between Federal Government and Provinces

According to the distribution of resources under the 7^{th}NFC Award, federal transfers to provinces (divisible pool and straight transfers) are expected to increase by 19.6 percent to reach Rs 2,873.7 billion in FY2021 against Rs 2,402.1 billion in FY2020.

Table-4.8: Transfers to Provinces (Rs billion)

	FY2020 R.E	FY2021 B.E
A. Divisible Pool	**2,300.5**	**2,817.2**
Income Tax	941.6	1,156.2
Capital Value Tax	1.5	1.7
Sales Tax (Excl. GST on Services)	851.9	1,098.9
Federal Excise (excl. Excise Duty on Natural Gas)	174.0	198.4
Customs Duties (excl. Export Development Surcharge)	331.5	362.0
B. Straight Transfers	**101.6**	**106.5**
Gas Development Surcharge	9.8	15.9
Royalty on Natural Gas	53.9	52.7
Royalty on Crude Oil	25.1	23.2
Excise Duty on Natural Gas	12.7	14.7
C. Less Tax Refunds	**0.0**	**50.0**
Total Transfers (A+B-C)	**2,402.1**	**2,873.7**

Source: Budget in Brief 2020-21, Budget Wing. Finance Division

The province-wise share in federal transfers is as follows; Punjab (Rs 1,439.1 billion), Sindh (Rs 742.0 billion), Khyber Pakhtunkhwa (Rs 477.5 billion-inclusive 1 percent war on terror) and Balochistan (Rs 265.1 billion).

Provincial Fiscal Operations

Performance FY2020

According to the provincial Fiscal Operations, total revenue stood at Rs 3,241.0 billion in FY2020 against Rs 2,995.9 billion, representing a growth of 8.2 percent. Both tax and non-tax revenue have attributed to this rise, however, the collection under non-tax remained higher relative to tax collection. Similarly, the federal loans and grants have also witnessed a sharp increase during FY2020 owing to higher current and development grants.

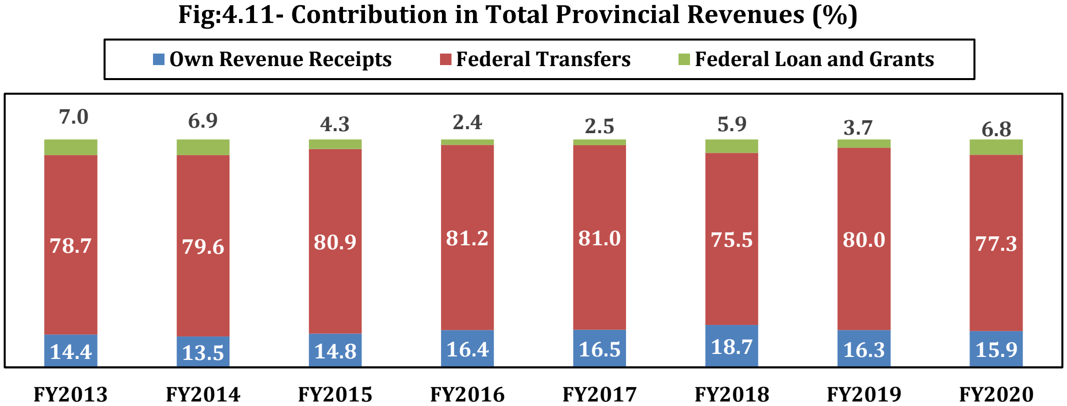
Table 4.9: Overview of Provincial Fiscal Operations — Rs billion

Items	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	July-March FY2020	July-March FY2021
A. Tax Revenue	1,365.7	1,596.2	1,744.5	2,145.4	2,287.6	2,618.8	2,799.6	2,917.6	2,252.8	2,355.9
Provincial Taxes	150.7	190.0	205.8	283.3	321.8	401.4	401.8	413.6	321.2	370.1
Share in Federal Taxes	1,215.0	1,406.3	1,538.7	1,862.2	1,965.8	2,217.4	2,397.8	2,504.0	1,931.6	1,985.8
B. Non-Tax Revenue	71.3	49.4	75.6	93.3	79.5	146.7	86.3	102.4	79.6	82.2
C. All Others	107.4	121.8	82.3	55.1	61.2	173.0	110.0	221.0	134.9	146.3
Total Revenue (A+B+C)	1,544.4	1,767.4	1,902.4	2,293.9	2,428.2	2,938.5	2,995.9	3,241.0	2,467.4	2,584.3
a) Current Expenditure	1,110.0	1,187.4	1,400.1	1,559.8	1,739.3	2,080.7	2,350.8	2,541.9	1,741.8	1,948.4
b) Development Expenditure (PSDP)	371.5	430.5	498.8	592.4	852.2	880.1	506.2	622.0	382.0	390.0
c) Statistical discrepancy	10.1	-47.4	-83.8	-65.7	-147.4	-4.8	-51.1	-147.9	-50.6	-166.8
Total Exp (a+b+c)	1,491.7	1,570.5	1,815.1	2,086.5	2,444.1	2,956.1	2,805.9	3,016.1	2,073.3	2,171.6

Source: Fiscal Operations (various issues), Budget Wing. Finance Division

Within the total revenue collection, provincial own receipts grew by 5.7 percent to Rs 516.0 billion in FY2020 against Rs 488.1 billion in FY2019. Whereas the federal transfers to provinces stood at Rs 2,504.0 billion during FY2020 as compared to Rs 2,397.8 billion in FY2019, showing an increase of 4.4 percent. In terms of contribution, the share of federal transfers stood at 77.3 percent while provincial own revenue receipts (tax and non-tax) contributed 15.9 percent in total revenue during FY2020.

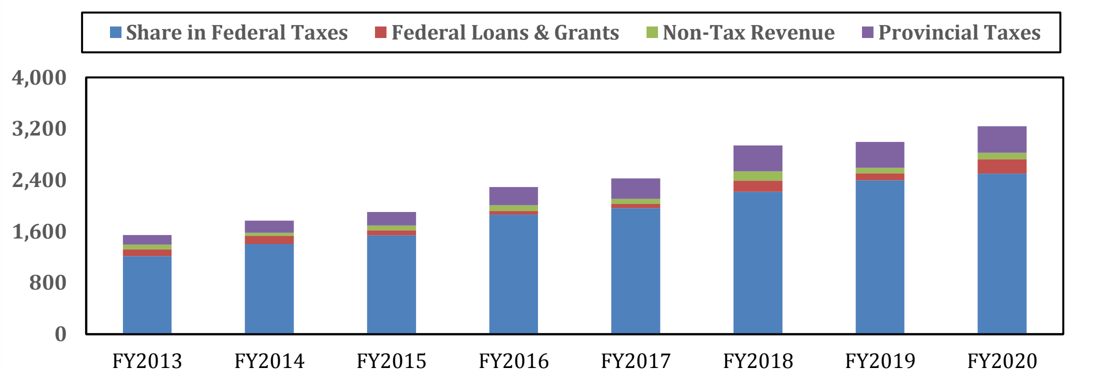
Fig:4.11- Contribution in Total Provincial Revenues (%)



Source: Pakistan Fiscal Operations

Within provincial own revenue receipts, provincial taxes grew by 2.9 percent to Rs 413.6 billion in FY2020 as compared to Rs 401.8 billion in FY2019. The increase in provincial tax collection is largely attributed to 37.4 percent collection from property tax and 14.8 percent from the sales tax on services GST. In contrast, due to a slowdown in economic activity in the aftermath of the COVID-19 pandemic, revenue from excise duty, stamp duty and motor vehicles tax fell sharply over the period under review.

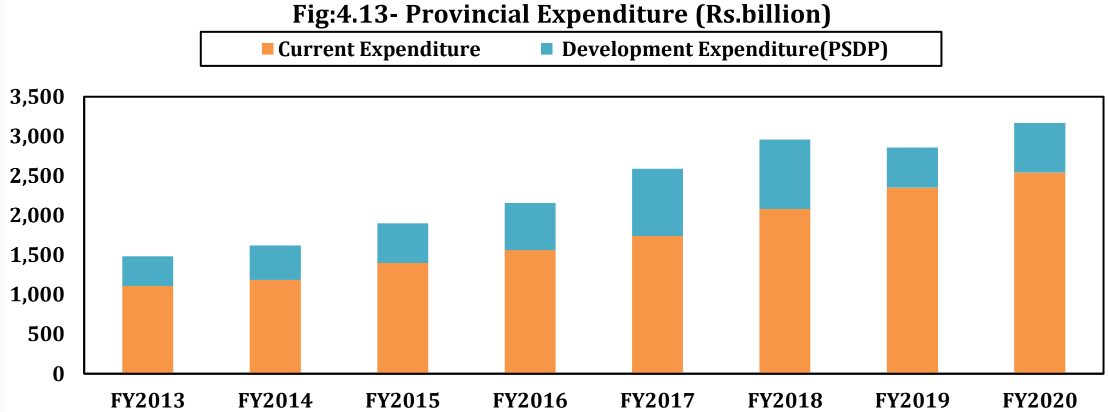
Fig:4.12- Composition of Provincial Revenues (Rs billion)



Source: Pakistan Fiscal Operations

The non-tax revenue registered a growth of 18.6 percent to reach Rs 102.4 billion during FY2020 against the collection of Rs 86.3 billion in the same period of FY2019.A major contribution to this rise is largely emanated from higher collection from irrigation followed by profit from hydroelectricity, which grew by 56.1 percent and 22.1 percent, respectively during the period under review.

Fig:4.13- Provincial Expenditure (Rs.billion)



Source: Pakistan Fiscal Operations

The provincial expenditure (excluding statistical discrepancy) grew by 10.7 percent in FY2020, following a 3.5 percent decline in FY2019. In absolute terms, total provincial expenditure increased to Rs 3,164 billion in FY2020 against Rs 2,857 billion in FY2019. Both current and development spending contributed to the rise in total spending during FY2020, however, current spending increased at a slower rate as compared to FY2019. The current expenditure grew by 8.1 percent in FY2020 to stand at Rs 2,541.9 billion against Rs 2,350.8 billion in FY2019. Development spending, on the other hand, rebounded in FY2020 after a steep decline of 42.5 percent in FY2019. The developing expenditure increased from Rs 506.2 billion in FY2019 to Rs 622.0 billion in FY2020, showing a considerable growth of 22.9 percent. As a result, the provinces posted a cumulative surplus of Rs 224.9 billion in FY2020 against the surplus of Rs 190.0 billion in FY2019, in line with the federal government's fiscal consolidation efforts.

Performance (July-March, FY2021)

During July-March, FY2021, all the four provinces posted a combined surplus of Rs 412.7 billion against Rs 394.1 billion in the same period of last year. Punjab contributed the most to this surplus with Rs 244.8 billion followed by Sindh (Rs 67.4 billion), Balochistan (Rs 65.9 billion) and Khyber Pakhtunkhwa (Rs 34.5 billion).

Total provincial revenue grew by 4.7 percent to Rs 2,584.3 billion during July-March, FY2021as compared to Rs 2,467.4 billion in the same period of FY2020. Within the total revenue, tax revenue (provincial taxes and federal transfers) increased by 4.6 percent to reach Rs 2,355.9 billion in the first nine months of the current fiscal year against Rs 2,252.8 billion in the same period of last year. In tax revenue, a significant part comes from the federal side in terms of provincial share. Its contribution in total provincial revenue has reduced to 76.8 percent in July-March, FY2021 from 78.3 percent recorded in the same period last year, still all the four provinces remained heavily dependent on federal transfers. On the other hand, the share of provincial taxes in total provincial revenue has been increased from 13.0 percent in July-March, FY2020 to 14.3 percent in the same period of the current fiscal year. In absolute terms, the federal transfer to provinces stood at Rs 1,985.8 billion during July-March, FY2021 against Rs 1,931.6 billion in the comparable period of last year.

Similarly, the provincial own revenue receipts (provincial taxes and non-tax revenue) performed well as its contribution in revenues grew from 16.2 percent to 17.5 percent during the period under review. In absolute terms, provincial own revenue receipts increased to Rs 452.3 billion during July-March, FY2021 from Rs 400.8 billion in the same period of last year, showing a growth of 12.8 percent. The provincial tax collection grew by 15.2 percent during July-March, FY2021 against the growth of 11.6 percent registered in the same period of last year. Within provincial taxes, major revenue spinners were general sales tax on services (GSTS) and motor vehicles tax which grew by 23.6 percent and 22.7 percent, respectively. On the other hand, the growth in non-tax collection slowed down during July-March, FY2021 as it only grew by 3.3 percent against the growth of 21.9 percent recorded in the same period of last year.

On the expenditure side, total provincial expenditure (excluding statistical discrepancy) increased by 10.1 percent to Rs 2,338.4 billion during July-March, FY2021 against Rs 2,123.9 billion in the same period of last year. The increase in expenditure is mainly observed on account of higher current expenditure during the year. The current expenditure increased by 11.9 percent to Rs 1,948.4 billion during July-March, FY2021 against Rs 1741.8 billion in the same period of last year. COVID-19 related additional spending has put significant pressure on provincial expenditure during the year.

Conversely, development expenditure grew at a slower pace as it increased by 2.1 percent during July-March, FY2021 against the sharp rise of 38.4 percent witnessed in the same period of last year. In absolute terms, development expenditure stood at Rs 390.0 billion in July-March, FY2021 as compared to Rs 382.0 billion in the same period of last year.

Public Financial Management Reforms in the Federal Government

The Public Finance Management (PFM) Act, 2019 provides an effective cash management system for all public entities and special purpose funds leading to Treasury Single Account (TSA). The fundamental objectives and principles are to anticipate the cash needs of the Government, ensure availability of cash when it is required, manage cash balance in the Government bank accounts effectively and neutralize the impact of the Government's cash flows on the domestic banking sector. Moreover, it provides for establishing institutional and administrative arrangements needed to manage an effective cash management system, placement of all public money into the treasury single account, gradual expansion of budgetary and accounting framework to all autonomous entities, usage of idle cash of the autonomous entities and require all principal accounting officers to provide the information deemed necessary for the effective operation of the cash management and treasury single account system.

The PFM Act, 2019 provides a number of measures to ensure its effective implementation. The Federal Government is required to maintain its Federal Consolidated Fund Account and the Public Account of the Federation in the State Bank of Pakistan. No authority shall transfer public money for investment or deposit from a government account to other bank account without prior approval from the Federal Government. In pursuance of these legal provisions, Cash Management and Treasury Single Account (CM&TSA) Rules, 2020 were promulgated in July 2020 which are applicable on Ministries, Divisions, Attached Departments, Sub-Ordinate Offices (MDAS) and other entities of the Federal Government, stipulating that the Existing Bank Accounts being maintained in commercial banks by MDAS will be closed and balances therein will be transferred to Central Account No.1 (Non-Food). Moreover, no new commercial bank accounts will be opened. Furthermore, under the Rules ibid, Cash Forecasting on a two-month rolling basis will be undertaken. In this regard, 163 MDAS were notified under Treasury Single Account (TSA) System and Finance Division issued detailed instruction and guidelines to all Ministries/Divisions for closure of bank accounts and transfer of balances as per provision of Act. The implementation is underway.

Similarly, the budget Wing has framed regulation titled "Financial Management and Powers of Principal Accounting Officers Regulations, 2021". These regulations superseded the System of Financial Control and Budgeting (2006). There shall be Chief Finance and Accounts Officer (CFAO) positioned in Ministries/Divisions to assist the PAO in financial management. Another important step is that the position of Chief Internal Auditor (CIA) shall be created who shall work under the direct supervision of the PAO.

Conclusion

Despite significant challenges due to additional expenditures to combat the negative impact of COVID-19, the government's fiscal consolidation efforts contributed in maintaining fiscal discipline, increasing revenues and controlling expenditures, resulting in improved fiscal performance in the first nine months of FY2021. However, there are certain risks to fiscal performance which largely depend on the domestic and international evolution of COVID-19.

During the first three quarters of the current fiscal year, the government has successfully contained the fiscal deficit to 3.5 percent of GDP, down from 4.1 percent of GDP in the same period last year, while the primary balance remained in surplus and stood at Rs 451.8 billion during July-March, FY2021, compared to a surplus of Rs 193.5 billion in the previous year. Similarly, FBR tax collection achieved double-digit growth in the first ten months of the current fiscal year and surpassed the target by more than 100 billion (for first ten month of CFY2021). The effective revenue mobilization and prudent expenditure management strategy would be supportive in maintaining the fiscal deficit within reasonable limits during the current fiscal year.

Chapter 5

Money and Credit

Central banks across the world are responsible for maintaining price stability as their prime objective, along with safeguarding the stability of the financial system. The ultimate objective of an effective monetary policy is low and stable inflation, which is prerequisite for sustainable economic growth. It ensures confidence of the individuals and businesses to make rational economic decisions relating to consumption, saving and investment, which have spillover effect on economic growth and employment opportunities in long run, thus improving overall economic welfare of the country.

The COVID-19 pandemic has created unprecedented recessionary impact on global GDP in 2020. Following the COVID-19 outbreak, central banks around the world have pursued highly accommodative monetary policy to ease financial conditions in order to maintain the flow of credit to households and firms and thus support aggregate demand. At the same time, fiscal authorities provided relief through cash transfers, targeted social safety net programmes and wage subsidies. In response to these timely and unprecedented policy supports, global outlook has improved. After an estimated contraction of 3.3 percent in 2020, the global economy is projected to grow at 6 percent in 2021 before moderating to 4.4 percent in 2022. In sum, the COVID-19 recessionary impact is likely to lower than the 2008 Global Financial Crisis (GFC).

However, the recovery is expected to be unsynchronized and uneven across advanced, emerging market and developing economies. There is a risk that financial conditions in emerging market economies may tighten, especially if policymakers in advanced economies take steps toward policy normalization[1].

The outlook of the appropriate policy stance may vary by country, stage of pandemic, strength of recovery and structural characteristics of an economy. If pandemic continues, policies should first focus on escaping the crisis, prioritizing health care spending, providing well-targeted fiscal support and maintain accommodative monetary policy while monitoring financial stability risks[2]. Then, as the recovery takes hold, policymakers may think about policy normalization, with focus on boosting productive capacity and incentivizing efficient allocation of productive resources.

[1] Global Financial Stability Report, April 2021, IMF
[2] World Economic Outlook, April 2021, IMF

Monetary Policy Stance in Pakistan

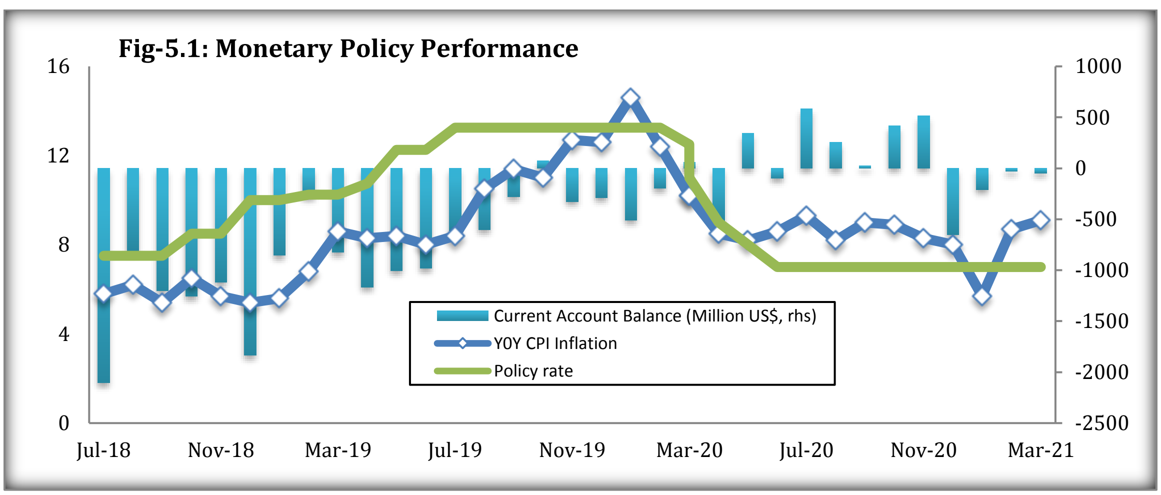
In January 2018, State Bank of Pakistan (SBP) has changed its monetary policy stance from accommodative to contractionary to correct the macroeconomic imbalances accumulated during the past years. Policy rate was cumulative increased by 750 bps from 5.75 to 13.25 percent till July 2019. This combined with fiscal consolidation efforts and exchange rate adjustment, helped to contain demand pressures and improve overall country's external position during first eight months of FY2020.

Table-5.1: Policy Rate

w.e.f	Policy rate
May-16	5.75
Jan-18	6.0
May-18	6.5
Jul-18	7.5
Oct-18	8.5
Dec-18	10.0
Feb-19	10.25
Apr-19	10.75
May-19	12.25
Jul-19	13.25
12/03/2020	12.50
25/03/2020	11.00
16/04/2020	9.00
16/05/2020	8.00
26/06/2020 till date	7.00

Source: State Bank of Pakistan

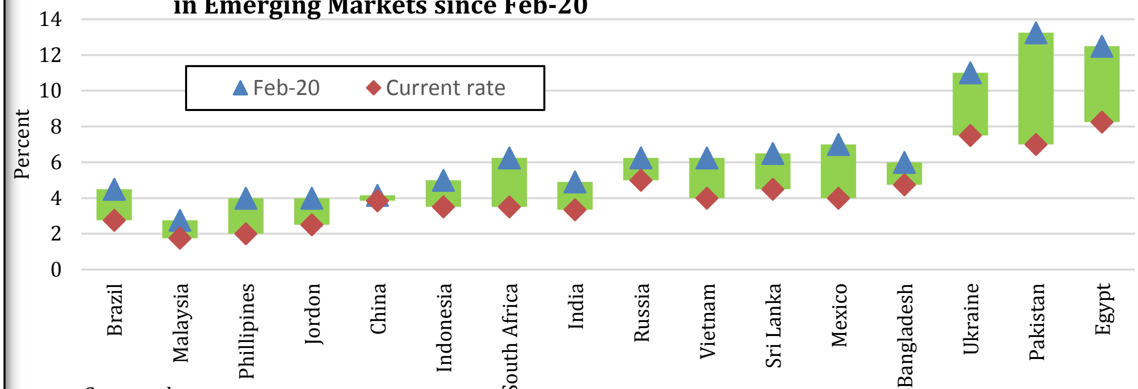
After COVID-19 outbreak in February 2020, SBP proactively changed its policy stance, reducing the policy rate by a cumulative 625 bps from 13.25 to 7.0 percent, within almost 3 months between March and June 2020, largest policy rate cut among emerging market economies **(Fig - 5.2)**.The emergency monetary policy decisions were supported by significant reduction in inflation momentum and marked slowdown in domestic demand, softening food prices, decades low global oil prices and noticeable decline in inflation expectations. The target of monetary policy was shifted towards supporting growth and employment during the pandemic.



During FY2021, SBP has continued with accommodative monetary policy stance with 7.0 percent policy rate which supports the economic recovery while keeping inflation expectations under-control and safeguarding financial stability.

Besides sharply lowering of the borrowing cost, SBP introduced a host of measures aimed at supporting the businesses and household during the challenging times. The objective of these time bound, targeted measures was to keep the business afloat and avoid insolvencies, support export oriented industries, incentivise investment and provide uninterrupted financial services (**Box-I**). These measures, along with fiscal stimulus package especially for revival of construction, led to a quick turnaround in economic activity in the country.

Fig-5.2: Monetary Policy Response to COVID-19 in Emerging Markets since Feb-20



Source: cbrates.com

Box-I: SBP's Policy Response during the Coronavirus Pandemic

- The first COVID-19 case was detected in Pakistan on February 26 and by March 19, domestic lockdowns had come into effect; countries across the world were also adopting similar mobility restrictions. At this point, the SBP recognized the acute disruptions in business activity and supply chains, which was severely impacting sales and cash flows of both local and export-oriented firms. These challenges necessitated an immediate and forceful policy response to address the developing liquidity constraints as well as prevent large-scale insolvencies and layoffs.
- To counter the negative fallout of COVID-19 pandemic on the economy, SBP took a number of measures.

Policy Matrix for COVID-19

Purpose	Measure	Brief Summary
Facilitate Healthcare Sector	Refinance Facility to Combat COVID (RFCC)	1. Financing made available by SBP at 0% to banks, with maximum end-user rate of 3 percent, for hospitals to purchase equipment to detect, contain and treat COVID patients. RFCC subsequently expanded to allow purchases to treat non-COVID patients too and for local manufacturers of PPE. Per-party limit=Rs 500 million, 5 year tenor
	Ease in Import Procedures for Medical Equipment	2. Advance payment and open account imports allowed, without any limit, to purchase medical equipment, medicines & related items for COVID-19
Facilitate Exporters	Relaxation under EFS & LTFF Performance & Eligibility Criteria	1. Exporters availing EFS allowed 12 months to export goods, from 6 months. Performance requirement of 2X of credit availed is reduced to 1.5X for FY2020 and FY2021
		2. Eligibility criteria for LTFF reduced from exports worth 50%, or $5 million, of total sales, to 40% or

		$4 million, from January 1, 2020 to September 30, 2020. Also, the projected exports performance will be measured in 5 years, instead of 4
		3. Eligibility criteria for LTFF was extended to all exporting sectors (in January 2020) and per project limit was doubled to Rs 5 billion. LTFF end-user rate was reduced from 6% to 5% for all sectors
	Extension in realization period of export proceeds	4. Time period for realization of exports proceeds extended from 180 days to 270 days, where the delay is related to COVID-19, for receipts falling due between January - June 2020
	Dispatch of shipping documents by exporters	5. Exporters can directly dispatch shipping documents of consignment to foreign buyers without any limit, subject to some conditions, against earlier limit of consignments of up to $100,000
	Ease in advance payment restrictions for importers	6. Existing limit of $ 10,000 per invoice for advance payment extended to $ 25,000 for manufacturing & industrial concerns and commercial importers for import of raw material, spare parts and machinery
		7. Time period for imports against advance payment extended from 120 days to 210 days
Liquidity Support for Firms & Individuals	Refinance schemes for wage support (Rozgar Scheme) and capital investment (TERF)	1. Rozgar Scheme provided (from April 2020 till September 2020, with disbursements till November 2020) loans at maximum end-user rate of 3% to businesses for wages expenses, provided they commit to not lay off workers
		2. The government introduced a Risk Sharing Facility (RSF) for the Rozgar Scheme, under which it will bear 60% first loss on disbursed portfolio (principal portion only) for SMEs and small corporates (turnover of <Rs 2bn)
		3. TERF provides loans at maximum end user rate of 5% to businesses to purchase locally manufactured or imported machinery for new investment and BMR. Maximum loan size of Rs 5 billion and tenor of 10 years. Scheme valid from March 2020 to March 2021.
	Policy rate cuts	4. The SBP cut the policy rate by a cumulative 625 bps in less than 3 months, during March to May 2020. This led to downward re-pricing of significant amount of loans
	Increase in Loan Limits	5. Limits for housing finance and microenterprise loans from MFBs revised up to Rs 3 million from Rs 1 million and for general loans to Rs 0.35 million from Rs 0.15 million. Annual income eligibility for

		general loans and housing loans increased up to Rs 1.2 million and Rs 1.5 million. Portfolio limit for lending against gold collateral increased to 50% from 35%. Per party limit for SME loans permanently raised to Rs 180 million from Rs 125 million
	Principal Deferments & Loan Rescheduling	6. Banks told to defer principal repayment for up to 1 year of consumer financing for borrowers that request so, w/o charging additional fee or mark-up. Loans for borrowers needing more help were to be restructured
Industry-Specific Support Measures	Construction industry	1. Banks to ensure that housing and construction financing shall be at least 5 percent of their domestic private sector credit by December 2021
	Banking industry	2. Ease in regulations related to housing & consumer finance, capital ratios, margin requirements & booking of capital losses (equities), digital on-boarding of merchants, biometric verification, adoption of IFRS-9

Impact of SBP's major relief measures

	Approved Financing Rs billion	Cumulative position as of
SBP's Rozgar Scheme	238.2	13-Nov-20
Loan Deferrals & Restructuring after COVID Outbreak	910.8	16-Apr-21
Refinance Scheme to Combat COVID (RFCC)	12.6	22-Apr-21
Temporary Economic Relief Facility (TERF)	435.7	31-Mar-21

Source: State Bank of Pakistan

- It is important to note that the SBP's COVID-related support measures are temporary and targeted and their implementation is being closely monitored. The refinance schemes are being implemented through banks and aimed at directly supporting businesses and encouraging capital investments. Microfinance and SME borrowers have also benefitted from these schemes.

Source: State Bank of Pakistan

Recent Monetary and Credit Developments

During the period 01st July-30th April, FY2021 Broad Money (M2) witnessed expansion of Rs 1,664.8 billion (growth of 8.0 percent) against Rs 1,698.1 billion (growth of 9.5 percent) during same period last year. Growth in M2 mainly contributed by Net Foreign Assets (NFA) of banking system. NFA's point contribution stood at 4.5 percent compared to 5.2 percent last year. Whereas, Net Domestic Assets (NDA) point contribution remained 3.4 percent as compared to 4.3 percent in last year.

Table-5.2: Profile of Monetary Indicators Rs billion

	FY2020 (Stocks)	30-April-21	01-May-20
Net Foreign Assets(NFA)	-516.2	950.2	931.1
Net Domestic Assets(NDA)	21,424.2	714.6	767.0
Net Government Borrowing	14,547.2	653.0	1,092.2
Borrowing for budgetary support	13,748.3	675.9	1,171.3
From SBP	6,538.8	-1,164.7	-642.2
from Scheduled banks	7,209.5	1,840.6	1,813.4
Credit to Private Sector	6,862.9	454.5	318.5
Credit to PSEs	1,490.5	-26.6	-5.3
Broad Money	20,908.0	1,664.8	1,698.1
Reserve Money	7,679.8	550.4	582.4
Growth in M2 (%)	17.5	8.0	9.5
Reserve Money Growth (%)	16.8	7.2	8.9

Source: Weekly Profile of Monetary Aggregates, State Bank of Pakistan

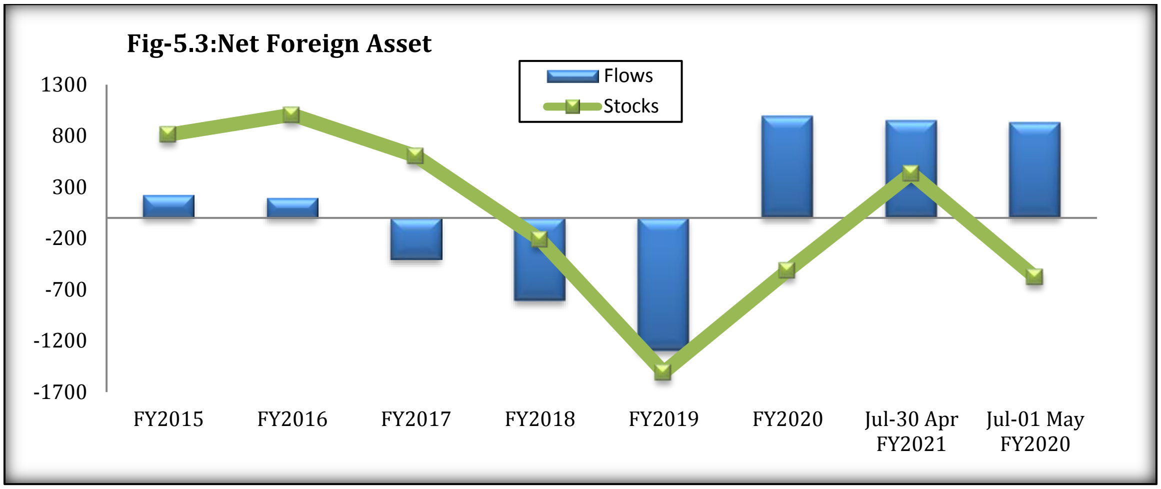
Within Broad Money, the NFA of the banking system increased by Rs 950.2 billion against expansion of Rs 931.1 billion last year, shows improved balance of payment position.

Within NFA, NFA of SBP increased by Rs 782.2 billion against expansion of Rs 966.5 billion last year. The increase in SBP's NFA was mainly on the back of increase in bilateral inflows from China, other multilateral loans and grants, decrease in foreign liabilities and build in Foreign Exchange (FXs) reserves. On the other hand, NFA of scheduled bank witnessed significant expansion of Rs 168.0 billion against contraction of Rs 35.4 billion last year, higher inflows in NFA of banks primarily contributed by surplus in current account balance.

On the other hand, NDA of banking system increased by Rs 714.6 billion compared to expansion of Rs 767.0 billion last year. NDA of SBP decreased by Rs 557.5 billion compared to contraction of Rs 527.5 billion last year, reflect significant retirement by government to SBP under budgetary borrowing. This shows continuation of government adherence to zero borrowing from central bank.

NDA of scheduled banks increased by Rs 1,272.1 billion against expansion of Rs 1,294.5 billion last year, on the back of higher private sector credit offtake from scheduled banks, which more than offset the impact of increase in retirement under commodity operations and other items on the NDA of the banking system.

Reserve Money increased by Rs 550.4 billion (growth of 7.2 percent) during the period under review against Rs 582.4 billion (growth of 8.9 percent) in comparable period last year. Reserve Money growth remained low during CFY on account of decline in SBP's NDA. This was due to budgetary retirement to SBP which more than offset the considerable increase in the SBP' claims on scheduled banks on accounts of refinance schemes.



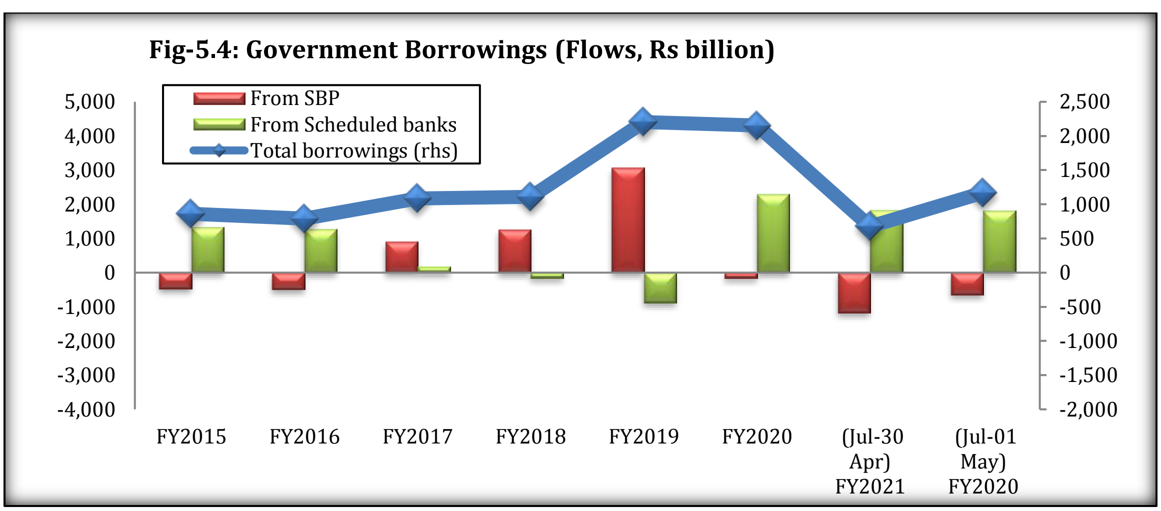
Credit to Public Sector Enterprises (PSEs) observed retirement of Rs 26.6 billion compared to retirement of Rs 5.3 billion during comparable period last year.

Government Bank Borrowing

During the period 01st July-30th April, FY2021 net government sector borrowing stood at Rs 653.0 billion against the borrowing of Rs 1,092.2 billion last year. Government has borrowed Rs 675.9 billion for budgetary support compared to Rs 1,171.3 billion during corresponding period last year.

Within budgetary support, government has retired Rs 1,164.7 billion to SBP as compared retirement of Rs 642.2 billion in the same period last year. On the contrary, government has borrowed Rs 1,840.6 billion from scheduled banks as compared to borrowing of Rs 1,813.4 billion last year. As the government adhered to its commitment of zero fresh borrowing from the central bank and relied on scheduled banks and non-banks for its financing needs.

During July-March, FY2021 Government has financed around 67 percent of fiscal deficit from domestic sources. Within domestic sources, bank and non-bank financing share remained 58 and 42, percent respectively.

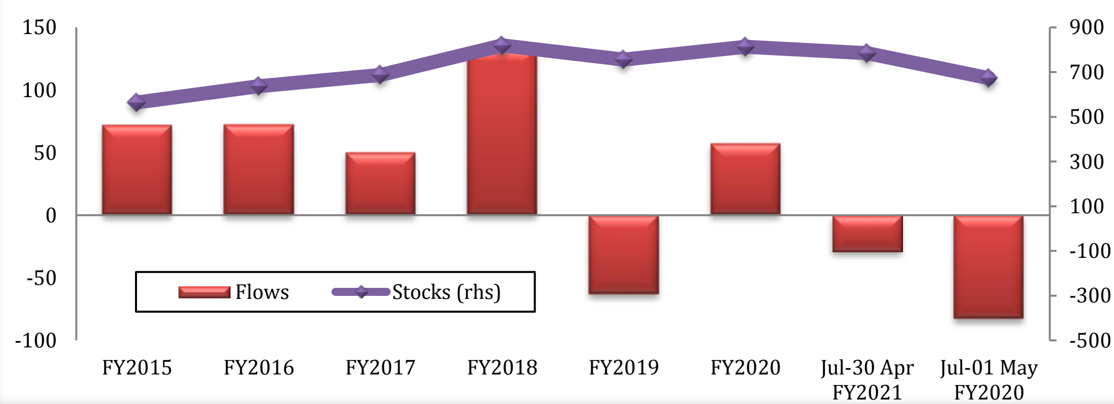


Commodity Finance

Commodity operation means advances provided either to government, public sector corporations or private sector for the procurement of commodities such as cotton, rice, wheat, sugar, fertilizer etc. Both federal and provincial governments borrow from scheduled banks to finance their purchases of commodities[3]. The proceeds from the sale of such commodities are subsequently used to retire commodity borrowing.

The outstanding stock of commodity finance posted growth of 7.5 percent in FY2020 and reached to Rs 813.4 billion against Rs 756 billion (negative growth of 7.7 percent) last year. In terms of flows, commodity finance observed a net borrowing of Rs 57.0 billion in FY2020 against retirement of Rs 63.3 billion in FY2019. Commodity financing borrowed amount during FY2020 primarily reflected the borrowing of Rs 43.1 billion by wheat procurement agencies from banking system as compared to retirement of Rs 73.1 billion in FY2019.

Fig-5.5: Commodity Finance



During the period 01 July-30th April, FY2021 loans for commodity finance observed a net retirement of Rs 28.8 billion as compared to net retirement of Rs 82.9 billion last year. The outstanding stock of commodity finance stood at Rs 785 billion as on 30th April, FY2021 as compared to Rs 674 billion in same period last year.

During 01st July-31st March, FY2021, loans for wheat financing witnessed a net retirement of Rs 110.8 billion against the retirement of Rs 139.4 billion during same period last year. The outstanding stock of wheat increased to Rs 586.5 billion as compared to Rs 514.8 billion in comparable period last year. Significant retirement of wheat loans are the major contributor in commodity financing loans retirement.

Loans for sugar financing stood at Rs 1.1 billion against borrowing of Rs 6.2 billion last year. Fertilizer financing observed net retirement of Rs 2.9 billion during the period under review as compared to net retirement of Rs 3.3 billion last year. On the contrary, the rice financing observed net borrowing of Rs 8 million against the net retirement of

[3] Glossary, Monthly Statistical Bulletin, SBP

Rs 835 million last year. Cotton financing shows net borrowing of Rs 94 million as compared to net borrowing of Rs 130 million last year.

Credit to Private Sector[4]

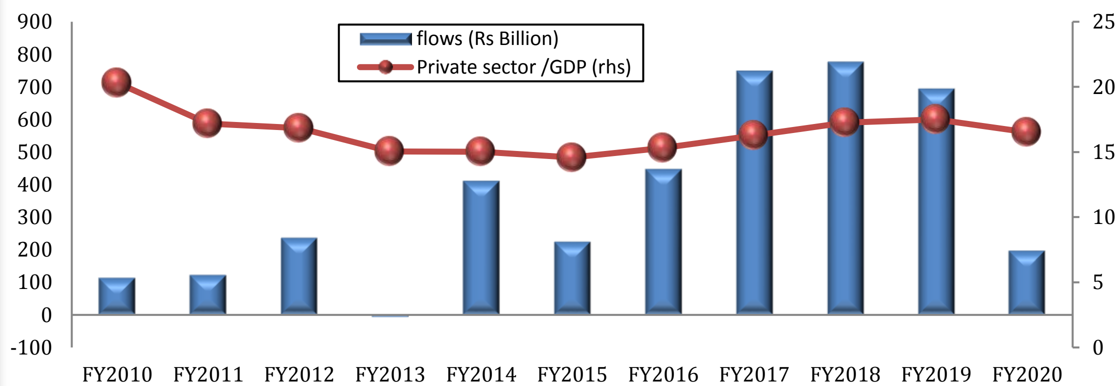
During FY2020, credit to private sector reduced significantly to Rs 196.4 billion as compared to Rs 693.5 billion in FY2019. Private sector credit plummeted in FY2020 on account of high cost of borrowing, surplus inventories, low industrial production, business closures due to COVID related smart lockdown strategy, slow economic activities and uncertainty about COVID trajectory.

During fourth quarter of FY2020, SBP has announced number of concessionary refinancing schemes, despite this, net addition in the outstanding amount of credit is not large and higher net retirement has been observed, thus overall credit remained decelerated during FY2020.

During the period 01st July-30th April, FY2021, overall private sector credit observed expansion of Rs 454.5 billion against Rs 318.5 billion last year, posted growth of 42.7 percent in flow terms. On average, it has posted growth of 6.6 percent compared to growth of 4.8 percent last year. On Year on Year (YoY) basis, it has posted growth of 4.8 percent as on 30th April, 2021.

During FY2021, host of positive factors plays significant role in credit expansion: accommodative policy environment, number of concessionary refinancing schemes introduced by SBP, overall improved business environment, negative real interest rate and significant growth in LSM.

Fig-5.6: Credit to Private Sector



Sectoral Analysis

Overall credit witnessed expansion of Rs 441.5 billion (growth of 7.1 percent) during July-March, FY2021 compared to Rs 204.9 billion (growth of 3.4 percent) last year. Loans to private sector businesses receive 63 percent share of total credit and stood at Rs 280.0

[4]Islamic Financing, Advances (against Murabaha etc), Inventories and other related Items previously reported under Other Assets have been reclassified as credit to private sector.

billion. Sectors which received major share of total loans included manufacturing, which received 58.5 percent share of total loans (Rs 163.8 billion), of which textile 13.5 percent (Rs 37.9 billion) followed by electricity, gas steam & air condition supply 20.4 percent (Rs 57.0 billion), wholesale & retail trade 4.9 percent (Rs 13.6 billion), construction 3.4 percent (Rs 8.9 billion) and water supply, sewerage, waste management and remediation activities 2.5 percent (Rs 7.0 billion).

Quarter wise distribution revealed that private sector credit observed net retirement during first quarter on account of higher retirement under working capital loans on the back of sales tax refunds by the government, debt relief measures (loan deferment and restructuring), availability of surplus carry-over stocks and muted input costs helped businesses in retiring their short-term loans[5].

Table- 5.3: Credit to Private Sector Rs billion

Sectors	End Month Stocks				Jul-Mar (Flows)		Average Growth Rates		YoY Growth	
	Jun-19	Mar-20	Jun-20	Mar-21	2019-20	2020-21	2019-20	2020-21	Jun-20	Mar-21
Overall Credit (1 to 5)	**6,086.6**	**6,291.5**	**6,180.2**	**6,621.7**	**204.9**	**441.5**	**3.4**	**7.1**	**1.5**	**5.2**
1. Loans to Private Sector Business	**5,173.5**	**5,360.8**	**5,271.0**	**5,551.1**	**187.3**	**280.0**	**3.6**	**5.3**	**1.9**	**3.5**
A. Agriculture	301.5	286.3	280.2	281.8	**-15.2**	**1.6**	**-5.0**	**0.6**	**-7.1**	**-1.6**
B. Mining and Quarrying	68.0	75.9	83.0	84.6	**7.9**	**1.6**	**11.7**	**2.0**	**22.1**	**11.5**
C. Manufacturing	3,128.9	3,366.6	3,290.3	3,454.1	**237.7**	**163.8**	**7.6**	**5.0**	**5.2**	**2.6**
Textiles	919.6	1,111.1	1,088.4	1,126.3	**191.5**	**37.9**	**20.8**	**3.5**	**18.4**	**1.4**
D. Electricity, gas, steam and air conditioning supply	484.0	531.4	491.8	548.9	**47.4**	**57.0**	**9.8**	**11.6**	**1.6**	**3.3**
E. Water supply, sewerage, waste management and remediation activities	20.3	13.7	15.1	22.1	**-6.6**	**7.0**	**-32.6**	**46.3**	**-25.6**	**61.5**
F. Construction	153.7	124.3	129.6	138.5	**-29.4**	**8.9**	**-19.1**	**6.9**	**-15.7**	**11.4**
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	477.3	433.8	429.3	442.9	**-43.5**	**13.6**	**-9.1**	**3.2**	**-10.0**	**2.1**
H. Transportation and Storage	106.6	118.8	119.6	119.4	**12.2**	**-0.2**	**11.4**	**-0.1**	**12.2**	**0.5**
I. Accommodation and food service activities	34.5	43.5	37.0	43.3	**9.1**	**6.3**	**26.4**	**17.0**	**7.5**	**-0.5**
J. Information and Communication	140.6	140.1	159.2	162.0	**-0.5**	**2.7**	**-0.3**	**1.7**	**13.2**	**15.6**
K. Real estate activities	28.3	31.0	29.4	26.9	**2.7**	**-2.6**	**9.4**	**-8.8**	**4.0**	**-13.3**
L. Adminstrative and support service activities	75.4	59.7	62.2	59.6	**-15.7**	**-2.6**	**-20.8**	**-4.2**	**-17.5**	**-0.2**
M. Education	20.7	18.8	22.5	29.0	**-1.9**	**6.5**	**-9.3**	**29.0**	**8.8**	**54.7**
N. Human health and social work activities	11.3	12.1	14.6	18.1	**0.8**	**3.5**	**7.3**	**23.7**	**29.3**	**49.0**
O. Arts, entertainment and recreation	0.8	2.6	2.5	3.4	**1.8**	**0.9**	**223.9**	**34.8**	**215.3**	**31.2**
P. Other service activities	69.2	50.4	53.5	62.8	**-18.8**	**9.3**	**-27.2**	**17.5**	**-22.7**	**24.7**
2. Trust Funds and Non Profit Organizations	**18.5**	**18.4**	**17.9**	**15.7**	**-0.1**	**-2.2**	**-0.5**	**-12.2**	**-2.8**	**-14.2**
3. Personal	**674.3**	**708.1**	**675.7**	**836.3**	**33.8**	**160.6**	**5.0**	**23.8**	**0.2**	**18.1**
4. Others	**3.2**	**1.5**	**1.5**	**4.3**	**-1.7**	**2.8**	**-53.2**	**178.3**	**-52.0**	**185.9**
5. Investment in Security & Shares of Private Sector	**217.2**	**202.8**	**214.0**	**214.3**	**-14.4**	**0.3**	**-6.6**	**0.2**	**-1.5**	**5.7**

Source: State Bank of Pakistan

5 First Quarterly Report FY2021, SBP

During second and third quarter of CFY, considerable higher credit offtake has been observed which more than offset the net loan retirements in the first quarter. Higher credit demand mainly driven for fixed investment loans under subsidized Long Term Finance Facility (LTFF) and Temporary Economic Refinance Facility (TERF) reflects increase in economic activities.

Table-5.4: Loans Classified by Borrowers (By Type of Finance)^P based on ISIC 4 Classifications of Private Sector Businesses

Rs billion

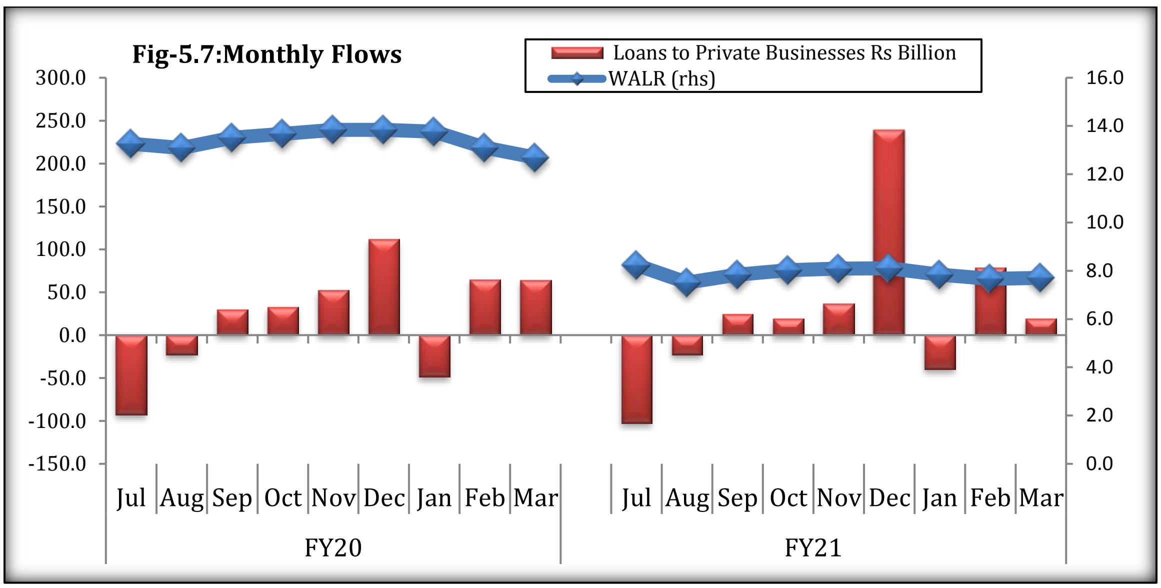
	Total credit		Working capital		Fixed investment		Trade financing	
	Jul-Mar FY2020	Jul-Mar FY2021	Jul-Mar FY2020	Jul-Mar FY2021	Jul-Mar FY2020	Jul-Mar FY2021	Jul-Mar FY2020	Jul-Mar FY2021
Loans to Private Sector Business	187.3	280.2	28.8	65.1	(5.2)	127.4	163.8	55.3
o/w: EFS	109.2	68.7	109.2	68.7	_	_	_	_
LTFF (including TERF)	37.0	110.4	_	_	37.0	110.4	_	_
Agriculture, forestry and fishing	(15.2)	1.6	(6.6)	5.9	(7.7)	(4.9)	(1.0)	0.6
Mining and quarrying	7.9	1.6	(0.1)	(1.3)	4.7	5.2	3.3	(2.3)
Manufacturing	237.7	160.8	42.9	24.7	19.1	90.6	175.7	45.5
Manufacture of food products	21.1	124.8	15.8	89.2	(9.9)	25.7	15.3	9.9
Manufacture of grain mill products	(27.2)	42.7	(36.4)	28.3	(0.6)	1.1	9.8	13.3
Wheat Processing	(30.4)	(1.9)	(29.1)	(2.4)	(0.0)	0.4	(1.2)	(0.0)
Rice Processing	19.1	36.7	8.4	24.2	0.2	1.3	10.5	11.2
Manufacture of sugar	49.4	72.7	48.7	61.0	(3.4)	9.7	4.1	2.1
Manufacture of textiles	191.5	36.1	42.3	(45.0)	26.2	41.3	123.0	39.8
Manufacture of basic pharmaceutical products and pharmaceutical preparations	2.3	19.9	(1.2)	5.9	2.9	12.3	0.6	1.7
Electricity, gas, steam and air conditioning supply	47.4	57.3	45.6	16.4	3.8	41.3	(2.0)	(0.4)
Water supply; sewerage, waste management and remediation activities	(6.6)	7.0	(1.9)	3.8	(0.6)	1.3	(4.1)	1.9
Construction	(29.4)	(7.6)	(18.5)	5.1	(9.6)	(12.3)	(1.3)	(0.4)
Wholesale and retail trade; repair of motor vehicles and motorcycles	(43.5)	13.3	(33.0)	5.7	(5.8)	6.2	(4.7)	1.4
Transportation and storage	12.2	(0.2)	19.0	0.0	(6.9)	(0.6)	0.1	0.4
Accommodation and food service activities	9.1	4.9	7.7	0.6	(0.2)	4.1	1.5	0.2
Information and communication	(0.5)	2.6	(11.0)	4.6	9.8	(1.7)	0.7	(0.3)
Real estate activities	2.7	(6.5)	3.5	(0.9)	(0.8)	(5.6)	-	-
Professional, scientific and technical activities	(0.7)	3.4	1.0	(0.7)	(0.2)	0.3	(1.5)	3.9
Administrative and support service activities	(15.7)	(3.0)	(6.5)	(5.1)	(6.9)	2.7	(2.3)	(0.6)
Education	(1.9)	3.2	(2.0)	4.7	0.1	(1.6)	-	0.1
Human health and social work activities	0.8	2.0	(0.6)	1.5	1.6	0.6	(0.2)	(0.1)
Arts, entertainment and recreation	1.8	0.9	1.9	(1.5)	(0.1)	2.3	-	-
Other service activities	(18.8)	6.4	(12.7)	1.6	(5.7)	(0.5)	(0.5)	5.4

*Total loans during Jul-Mar, FY2021 include Rs 32.2 billion in construction financing after the revision in data on credit/loans from June 2020 onwards due to the inter-sectoral adjustment in private sector business. Construction finance includes both working capital and fixed investment loans provided by banks to private sector for construction purposes. See S&DWD Circular Letter No. DS.MFS. 013814/2020 and IH&SMEFD Circular Letter No. 28 of 2020 for details.

Source: State Bank of Pakistan

By type of finance, working capital loans observed net borrowing of Rs 65.1 billion during July-March, FY2021 against borrowing of Rs 28.8 billion during same period last year. Sector wise distribution revealed that under working capital loans, manufacturing sector has borrowed Rs 24.7 billion against the borrowing of Rs 42.9 billion last year. Within manufacturing, textile sector retired Rs 45.0 billion against the borrowing of Rs 42.3 billion last year. Textile sector has retired higher short term loans on account of 13 percent higher export proceeds in rupee terms and weak credit demand on account of surplus carry-over stock. Under Export Finance Scheme (EFS), textile sector has borrowed Rs 44.5 billion as compared to Rs 71.0 billion last year.

Under working capital loans, usually higher credit offtake is observed during second quarter, primarily explained as seasonal factor - rice and sugar sectors usually retired their short term loans during first quarter and borrowed in second quarter, mainly to procure inputs and raw materials.



Fixed investment loans increased by Rs 127.4 billion during July-March, FY2021 against the retirement of Rs 5.2 billion last year. Within fixed investment loans, manufacturing sector availed long term loans of Rs 90.6 billion compared to Rs 19.1 billion last year. Higher credit demand for manufacturing sector was mainly driven by sub-sectors including food products, textile and pharmaceutical. Quadrupled borrowing under fixed investment loans borne from LTFF and TERF schemes. Under non-manufacturing sector, electricity, gas steam and air condition supply availed higher credit during the period under review.

Under LTFF and TERF schemes, loans disbursement increased to Rs 110.4 billion during July-March, FY2021 as compared to Rs 37.0 billion during corresponding period last year. Loans to manufacturing sector increased by Rs 93.6 billion compared to Rs 34.2 billion last year. Within Manufacturing, textile sector has availed Rs 56.3 billion against Rs 26.5 billion last year, to pursue capacity expansions and Balancing, Modernization and Replacement (BMR) activities. Accordingly, import of textile machinery posted significant growth of 58.2 percent on YoY basis in March, 2021.

Table-5.5: Consumer Financing Rs billion

Description	July-March (Flows)		Growth (%)*	
	FY2020	FY2021	FY2020	FY2021
Consumer Financing	15.3	131.7	2.8	24.6
1) For house building	-5.6	13.8	-6.1	17.2
2) For transport i.e. purchase of car	3.2	73.6	1.5	34.9
3) Credit cards	2.4	10.0	5.5	23.1
4) Consumers durable	1.1	-2.7	17.1	-33.6
5) Personal loans	14.4	37.2	7.9	19.4
6) Other	-0.2	-0.1	-19.7	-16.7

* Growth is calculated on the basis of Stocks.

Source: State Bank of Pakistan

Consumer financing flows increased by Rs 131.7 billion (growth of 24.6 percent) during July-March, FY2021 as compared to Rs 15.3 billion (growth of 2.8 percent) last year. Significant demand for consumer loans primarily driven by house building, auto and personal loans. Higher offtake remained attractive due to low cost of borrowing as Weighted Average Lending Rate (WALR) reduced from 13 percent in March, 2020 to 7.7 percent in March, 2021 and SBP initiatives for housing and construction. Accordingly, house building loans posted growth of 17.2 percent as compared to negative growth of 6.1 percent last year. This higher growth is likely due to the mandatory targets set by the SBP for banks to increase their housing and construction loans to 5 percent of their overall private sector credit portfolio by December 31, 2021.

SBP has taken various initiatives for promotion of housing finance in line with the government agenda to provide affordable access to housing in the country in FY2021.

- **Mandatory Targets for Housing Finance**

SBP has assigned mandatory targets to banks to extend mortgage loans and financing for developers and builders. Banks will be required to increase their housing finance portfolio to at least 5 percent of their private sector advances by the end of December 2021. Banks that fulfill or exceed their quarterly financing target are incentivized to maintain a lower Cash Reserve Requirement (CRR), in the next quarter, by an amount equivalent to incremental outstanding financing as of relevant quarter end. Those that do not meet the target will have to maintain additional CRR in the next quarter equivalent to the shortfall.

- **Mark-up Subsidy Scheme for Housing Finance**

To promote affordable housing and home ownership among low to middle-income group, SBP has introduced Government's Mark-Up Subsidy Scheme (G-MSS) wherein subsidized financing is provided to individuals who currently do not own a house for construction or purchase of a new house. The government has allocated Rs 36 billion for payment of mark-up subsidy for financing over a period of 10 years.

The government of Pakistan has revised and reduced mark-up subsidy scheme rates for housing finance[6] as follows:

Table-5.6: Pricing for Housing Loans[7]

Loan Tiers	Amount	Customer Pricing	Bank Pricing
Tier 0	Rs 2.0 million	5% for first 5 years & 7% for next 5 years	KIBOR + 700 BPS
Tier 1	Rs 2.7 million	3% for first 5 years & 5% for next 5 years	KIBOR + 250 BPS
Tier 2	Rs 6.0 million	5% for first 5 years & 7% for next 5 years	KIBOR + 400 BPS (Spread may vary)
Tier 3	Rs 10.0 million	7% for first 5 years & 9% for next 5 years	

For loan tenors exceeding 10 years, market rate i.e. bank pricing will be applicable for the period exceeding 10 years.

Source: State Bank of Pakistan

Monetary Liabilities

Monetary Liabilities include currency in circulation, demand deposits, time deposits and Resident Foreign Currency Deposits. During the period 01st July-30th April, FY2021, Money supply witnessed expansion of 8.0 percent as compared to 9.5 percent in comparable period last year. On YoY basis, it posted a growth of 15.8 percent as on 30th April, 2021.

Currency in Circulation (CiC)

During 01st July-30th April, FY2021 CiC increased by Rs 672.6 billion (growth of 11.0 percent) as compared to expansion of Rs 996.4 billion (growth of 20.1 percent) during corresponding period last year. Currency-to-M2 ratio stood at 30.2 percent as on 30th April, 2021 as compared to 30.5 percent in comparable period last year, due to enhanced uses of digital modes of payments, have contributed towards the lower demand for holding cash. It is important to mention that the comparable period of FY2020 has observed relatively higher withdrawals of deposits after witnessing higher growth at the end of FY2019 due to Asset Declaration Scheme (ADS)[8]. These higher withdrawals of deposits had translated into higher growth in CiC in last year.

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[6] In October 2020, the GoP started providing markup subsidy facility for the construction and purchase of new homes in a bid to promote housing finance to first time home buyers at subsidized and affordable markup rates. This facility is being provided with the administrative support of Naya Pakistan Housing and Development Authority (NAPHDA) and implemented by State Bank of Pakistan through banks. https://www.sbp.org.pk/smefd/circulars/2020/C11.htm

[7] IH&SMEFD Circular No. 03 of 2021, SBP

[8] The ADS 2019 required the declares to deposits their cash-like assets into their respective bank accounts. That had led to a massive increase in bank deposits.

Table-5.7: Monetary Aggregates				Rs million
Items	**End June**		**30th April**	
	2019	**2020**	**2019-20**	**2020-21**
A. Currency in Circulation	4,950,039	6,142,016	5,946,464	6,814,580
Deposit of which:				
B. Other Deposits with SBP	33,636	41,218	34,923	61,404
C. Total Demand &Time Deposits incl.RFCDs	12,814,820	14,724,770	13,515,228	15,696,812
of which RFCDs	1,109,780	1,074,511	1,023,351	1,006,058
Monetary Assets Stock (M2) A+B+C	17,798,494	20,908,004	19,496,614	22,572,796
Memorandum Items				
Currency/Money Ratio	27.8	29.4	30.5	30.2
Other Deposits/Money ratio	0.2	0.2	0.2	0.3
Total Deposits/Money ratio	72.0	70.4	69.3	69.5
RFCD/Money ratio	6.2	5.1	5.2	4.5
Income Velocity of Money	2.3	2.2	_	_

Source: State Bank of Pakistan

Deposits

Bank deposits (including demand, time and Resident Foreign Currency Deposits (RFCD) observed expansion of Rs 972.0 billion (growth of 6.6 percent) during the period 01st July-30th April, FY2021 against Rs 700.4 billion (growth of 5.5 percent) in the same period last year. Within deposits, demand deposits increased by Rs 1,158.3 billion as compared to Rs 338.8 billion last year. Significant increase in demand deposits despite lower interest rate reflects increasing inclination towards digital payments, higher remittances inflows, personal savings due to restriction on leisure and religious travel and business deposits on account of higher refunds. On the other hand, time deposits decreased by Rs 117.8 billion against expansion of Rs 448.0 billion last year, due to reduction in returns on time deposits. Similarly, RFCDs declined by Rs 68.5 billion as compared to contraction of Rs 86.4 billion last year, on account of PKR appreciation around 10.0 percent during July-March, FY2021, which lowered incentive for savings of foreign currency. Therefore, strong growth in total deposits combined with substantial lower CiC has led to reduction in currency-to-deposits ratio to 43.0 percent as of 30th April, 2021 compared 44.0 percent during same period last year.

Monetary Management

The average outstanding OMOs size fell to Rs 1,048.3 billion during Q1-FY2021 compared Rs 1,337.7 billion during same quarter last year. The liquidity requirement of the commercial banks comfortably met from higher bank deposits, SBP FX's management, retirement from the private sector, PSEs and the government commodity operation agencies. Cumulatively, these higher inflows offset the liquidity requirement to meet government borrowings needs. As a result, OMOs remained lower during Q1-FY2021 compared during same period last year.

Table-5.8: Average Outstanding Open Market Operations1 — Rs billion

Full Year	FY2017	FY2018	FY2019	FY2020	FY2021
	1,045.8	**1,228.7**	**(23.8)**	**1,103.2**	**935.6**
Q1	1,094.0	1,440.9	1,035.2	1,337.7	1048.3
Q2	861.3	1,530.5	(257.6)	912.8	822.8
Q3	961.1	1,123.5	(641.2)	892.4	1,158.0
Q4	1,267.2	813.1	(247.4)	1,270.0	

1: 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

During second and third quarter FY2021, the higher inflows remained persistent and provided liquidity support in interbank market to manage the liquidity demand emanated from both government and private sector credit demand. As a result, liquidity requirements eased up further and net injections reached to Rs 822.8 billion and Rs 1,158.0 billion respectively during Q2 and Q3 compared to Rs 912.8 billion and Rs 892.4 billion, respectively in corresponding quarter last year.

During first nine months of CFY, interbank market remained relatively more volatile, but on multiple instances the SBP either completely refrained from intervening in the market to let the market settle on its own or made interventions of lower volumes than was demanded by the market, which also led to heightened volatility in the overnight rates.

Table-5.9: Market Treasury Bills Auctions — Rs million

	July-June			July-March					
	FY2020			Offered		Accepted		W.A.Rate*	
	Offered	Accepted	W.A Rate*	FY2020	FY2021	FY2020	FY2021	FY2020	FY2021
3-Months	14,913,709	8,811,853	10.7	12,790,718	11,269,020	8,122,054	6,985,123	12.5	6.9
6-Months	4,345,673	1,705,828	10.7	2,420,952	4,341,280	1,133,167	2,608,950	12.6	7.1
12-Months	14,210,931	4,649,744	10.8	11,467,044	1,795,065	3,966,446	528,226	12.4	7.2
Total	**33,470,313**	**15,167,425**		**26,678,714**	**17,405,365**	**13,221,667**	**10,122,299**		

Source: State Bank of Pakistan

*Average of maximum and minimum rates

Under T-bills, government has received higher offered amount in T-Bills during July-March, FY2021. With no change in interest rates during first nine months of FY2021, the market is concentrating its offers in the 3-month T-bills. Market offered Rs 17,405 billion of T-bills compared Rs 26,678.7 billion during same period last year. However, given the government's inclination towards raising debt through long term papers, the government largely adhered to its auction plan. Consequently, T-bills accepted amount remained lower compared to last year during the period under review. The accepted amount stood at Rs 10,122 billion, which remained 58 percent of offered amount during the period under review. Within accepted amount, market has preferred to invest particularly in 03-months T-Bills and contribute around 69 percent followed by 25.8 and 5.2 percent under 6 and 12 Months, respectively.

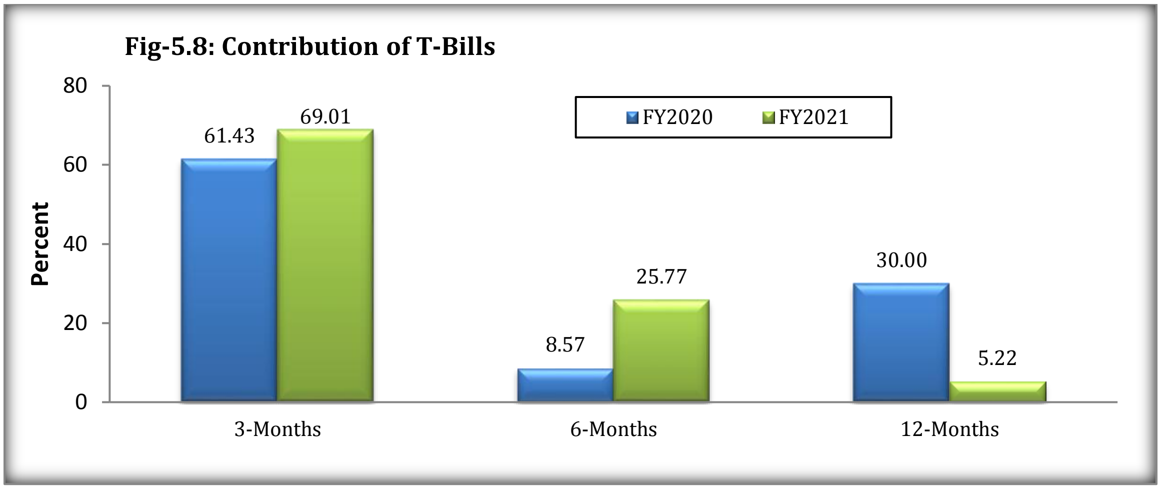


Table-5.10: Pakistan Investment Bonds Auctions Rs million

PIBs	July-June			July-March				W.A Rate	
	Offered	Accepted	W.A Rate	Offered		Accepted			
	FY2020			FY2020	FY2021	FY2020	FY2021	FY2020	FY2021
3 Years	2,389,228	1,102,152	10.8	1,872,240	337,420	900,059	176,740	12.8	8.3
5 Years	1,643,278	612,849	10.8	1,467,540	450,548	494,899	136,716	12.4	9.0
10 Years	1,216,358	332,797	11.0	1,145,149	243,752	275,183	83,405	12.1	9.5
15 Years Maturity	22,925	16,800	10.1	-	54,549	-	37,000	-	9.9
20 Years Maturity	22,659	6,113	11.2	15,259	50,061	1,000	40,061	-	10.5
02 Years (Floater) Maturity (PFL) Quarterly					120,025		86,282		99.6 Cut off price
03 Years (Floater) Maturity (PFL) Quarterly					287,756		193,776		99.1 cut off price
05 Years (Floater) Maturity (PFL) Quarterly					107,600		90,500		98.0 cut off price
10 Years (Floater) Maturity (PFL) Quarterly					130,050		98,542		95.3 cut off price
03 Years (Floater) Maturity (PFL) Semi-Annual**	84,100	60,552	45bps		1,193,302		624,763		99.6 cut off price
05 Years (Floater) Maturity (PFL) Semi-Annual**	48,500	34,500	49bps		577,020		236,261		100.3 cut off price
10 Years (Floater) Maturity (PFL) Semi-Annual**	1,445,471	723,417	72.5 bps	1,233,051	384,124	577,292	107,802	14.3	100.1 cut of price
Total	**6,872,519**	**2,889,180**		**5,733,328**	**3,936,207**	**2,248,433**	**1,911,848**		

Note: Accepted amount include non-competitive bids as well as short sell accommodation.
* 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)

Source: State Bank of Pakistan

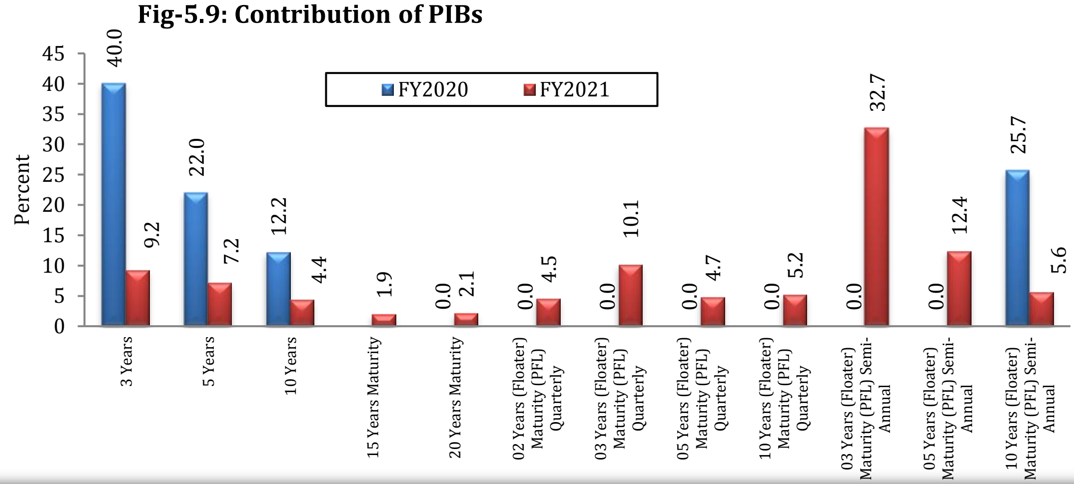
In May 2018, Pakistan's first floating rate PIBS (PFL) government bonds were introduced under Pakistan Investment Bonds Rules.

- The 10-years PFL instrument was launched primarily to provide an avenue to the market to invest in long-term bonds without taking exposure of the duration risk.
- 3 and 5 year PFL have been introduced in June, 2020 to provide the investors with suitable substitutes to T-bills and to lengthen the average maturity of domestic debt.
- Government started issuance of 3, 5 and 10 Year PFL with quarterly coupon payment frequency from October, 2020; and
- Government also introduced 2-Year PFL in November, 2020 with quarterly coupon payment frequency and fortnightly interest rate re-setting.

During FY2021, the government leveraged on the floating rate PIBs (PFL) that not only offer a longer maturity period but also provide a flexible return in line with the interest rate cycle. Keeping in view the relatively low level of interest rates, the government preferred to issue floating rate PIBs, more than double that of fixed rate PIBs and also introduced new PFLs, with quarterly coupons. Currently, there are seven floaters available in the market, with maturities ranging from 2 years to 10 years.

Government has set target for floating rate PIBs, more than double of fixed rate PIBs for FY2021. For fixed rate PIBs, market offers remained significantly lower to Rs 1,136 billion during July-March, FY2021 compared to Rs 4,500 billion in same period last year. The government also remained reluctant to accept higher cut-offs, therefore, government accepted amount against fixed rate PIBs stood at Rs 473.9 billion (42 percent of offered amount) compared to Rs 1,671 billion in last year. Within accepted amount, market has preferred to invest in 3 years as it contributed 37 percent of the fixed rate PIBs accepted amount followed by 29 percent in 5 years, 17.6 percent in 10 years, 8.5 percent in 20 years and 7.8 percent in 15 years.

Fig-5.9: Contribution of PIBs



With a tough situation in mobilizing financing for longer tenor at fixed rates, the PFLs plays instrumental role for the government to maintain its maturity profile. Government has accepted Rs 1,438 billion under PFLs which remained 51 percent of offered amount of Rs 2,799 billion for PFLs. Around 75 percent of the consolidated PIBs accepted amount was concentrated in the floating rate PIBs of various tenors during July-March, FY2021.

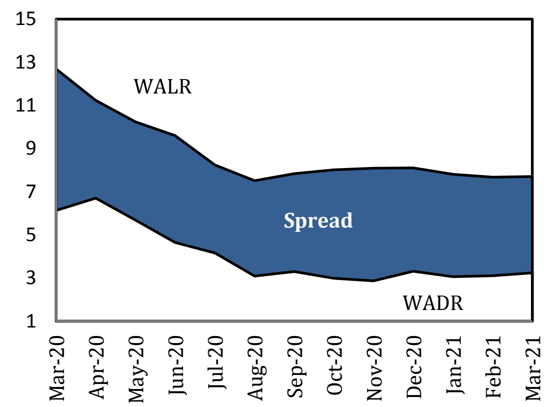
Impact of policy rate reduction after COVID-19 outbreak has translated on Weighted Average Lending Rate (WALR), which was 12.7 percent on gross disbursement in March, 2020 has decreased to 7.7 percent in March, 2021. Similarly, Weighted Average Deposit Rate (WADR) offered on fresh deposits also decreased from 6.1 percent in March, 2020 to 3.2 percent in March, 2021. Resultantly, banking spread which is the difference between the lending and deposit rates and the cost of channeling funds through intermediaries decreased from 6.6 percent in March, 2020 to 4.5 percent in March, 2021.

Table-5.11: Lending & Deposit Rates(W.A)

	LR	DR	Spread
March-20	12.7	6.1	6.6
April-20	11.2	6.7	4.5
May-20	10.2	5.7	4.6
June-20	9.6	4.7	5.0
July-20	8.2	4.2	4.1
August-20	7.5	3.1	4.4
September-20	7.8	3.3	4.6
October-20	8.0	3.0	5.0
November-20	8.1	2.9	5.2
December-20	8.1	3.3	4.8
January-21	7.8	3.1	4.8
February-21	7.7	3.1	4.6
March-21	7.7	3.2	4.5

Source: State Bank of Pakistan

Fig-5.10:Lending & Deposit Rates



Financial Sector

Despite pandemic-induced vulnerabilities, the banking sector performed reasonably well during CY2020. The asset base of the banking sector expanded by 14.2 percent in CY20 on YoY basis, higher than 11.7 percent expansion in CY19. Robust rise in assets was primarily driven by surge in investments (mainly in Government securities) which increased by 33.5 percent. Advances growth, however, remained weak owing to economic slowdown triggered by COVID-19.

Deposits of the banking sector increased by 16.1 percent to Rs 18.5 trillion during CY20 as compared to 11.9 percent growth in CY19. Acceleration in deposits was primarily on account of halt in business activities and restrained consumer spending due to mobility restrictions caused by the pandemic.

The after-tax profit of the banking sector increased by 42.9 percent to reach Rs 244 billion in CY20 against Rs 171 billion in CY19. As a result of higher earnings, Return on Assets (ROA-after tax) and Return on Equity (ROE-after tax) improved to 1.0 percent (0.8 percent for CY19) and 13.8 percent (11.3 percent for CY19), respectively.

The solvency of the banking sector continued to strengthen, indicating elevated capacity of the banks to sustain stress from unexpected shocks. Capital Adequacy Ratio (CAR) of the banking sector was at 18.6 percent by end Dec-20—was well above the local and international minimum benchmarks of 11.5 percent and 10.5 percent, respectively.

Table-5.12: Highlights of the Banking Sector Industry

	CY15	CY16	CY17	CY18	CY19	CY20
Key Variables (Rs. billion)						
Total Assets	14,143	15,831	18,342	19,682	21,991	25,124
Investments (net)	6,881	7,509	8,729	7,914	8,939	11,935
Advances (net)	4,816	5,499	6,512	7,955	8,249	8,292
Deposits	10,389	11,798	13,012	14,254	15,953	18,519
Equity	1,323	1,353	1,381	1,406	1,658	1,862
Profit Before Tax (ytd)	329	314	267	243	304	411
Profit After Tax (ytd)	199	190	158	149	171	244
Non-Performing Loans	605	605	593	680	761	829
Non-Performing Loans (net)	91	90	76	110	141	97
Key FSIs (Percent)						
NPLs to Loans (Gross)	11.4	10.1	8.4	8	8.6	9.2
Net NPLs to Net Loans	1.9	1.6	1.2	1.4	1.7	1.2
Net NPLs to Capital	7.7	7.3	5.8	7.8	8.9	5.3
Provision to NPL	84.9	85.0	87.2	83.8	81.4	88.3
ROA (Before Tax)	2.5	2.1	1.6	1.3	1.5	1.8
Capital Adequacy Ratio (all banks)	17.3	16.2	15.8	16.2	17	18.6
Advances to Deposit Ratio	46.4	46.6	50.1	55.8	51.7	44.8

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

Source: State Bank of Pakistan

Financial Development

A well-developed financial sector plays an important role in the overall economic development. The financial sector liberalization in Pakistan is being pursued since late 1980s. The financial sector reforms were primarily aimed to promote economic development of the country in general and the financial intermediation in particular.

Table -5.13: Financial Depth

Years	M2/GDP
2010-11	36.6
2011-12	38.1
2012-13	39.6
2013-14	39.6
2014-15	41.0
2015-16	44.1
2016-17	45.7
2017-18	46.2
2018-19	46.7
2019-20	50.3
30th April	
2019-20	46.9
2020-21	47.3

Source: EA Wing Calculation, Finance Division

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 table 5.13, financial depth is measured by M2/GDP ratio, which is widely used as an indicator for financial sector deepening, where higher values represent a more developed financial sector. This ratio has witnessed substantial rise and increased from 36.6 percent in FY2011 to 50.3 percent in FY2020, indicating more developed and efficient financial sector due to SBP various initiatives for financial sector development. The increasing trend is continued in current fiscal year and the ratio has increased to 47.3 percent as on 30th April FY2021 as compared 46.9 percent during same period last year.

Box-II: Financial Sector Reforms during July-March FY2021

To create conducive and thriving environment for the banking industry, SBP continued to play its role within its regulatory and supervisory ambit during FY2021.

The key policy reforms are highlighted below.

1. **Strengthening of Regulatory and Supervisory Environment**

SBP, in line with the international best practices, introduced a comprehensive set of reforms to enhance supervision and resilience of the banking system while balancing the need to dampen the effects of COVID-19 (Box-I:).

Some of the other measures that were taken by SBP to facilitate banks, depositors and borrowers of all segments to withstand the economic shocks of COVID-19 include:

- The requirements of the Basel III capital framework were relaxed, whereby the Capital Conservation Buffer was reduced by 1 percent from 2.50% to 1.50%; Similarly, the limit of retail portfolio was also enhanced from Rs 125 million to Rs 180 million to support the growth of credit to the retail sector and small & medium enterprises
- The margin requirement for exposure against shares was reduced from 30 percent to 20 percent and margin calls from 30 percent to 10 percent.
- The borrowers who were 'performing' as of December 31, 2020 were allowed deferral of principle payment for 1 year.
- The banks/DFIs were allowed to recognize impairment loss, if any, resulting from the valuation of listed equity securities in phased manner equally on quarterly basis during CY2020.
- The Debt Burden Ratio limit for borrowers was increased temporarily from 50 percent to 60 percent.
- Clean and secured limits under Prudential Regulations for Consumer Finance were revised to facilitate consumer spending.
- The Banks/DFIs were allowed, subject to certain conditions, to release and use the general provision maintained against consumer finance portfolio as per SBP regulation against the secured and unsecured consumer finance portfolio until December 31, 2020, enabling banks to withstand negative shocks of COVID-19 on their balance sheets.
- To minimize the risk of COVID-19 transmission, biometric verification and other relevant requirements of Branchless Banking and Merchant on boarding Framework were relaxed in March 2020. These relaxations were extended until June 2021.

➢ **Regulatory Reforms**

Strengthening of the Regulatory Framework

1. **Compliance with SBP related points of the Financial Action Task Force (FATF) Action Plan**

- Pakistan achieved compliance with regard to all 9 action items related to the banking and financial sector in the 27 points FATF Action Plan in October 2020, by addressing all gaps identified by FATF and demonstrating its effectiveness.

2. **Revamping of AML/CFT Regulatory Regime to Align with FATF Recommendations**

- To further align Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) Regulations with the recommendations of FATF and to bridge the gaps identified in Pakistan's Mutual Evaluation Report, SBP has made some important amendments in its regulatory framework, which will provide further clarity on implementation of AML/ CFT requirements.

3. Enhanced Disclosure Requirements for Banks in Financial Statement

- SBP revised the format of interim financial statements (quarterly and half-yearly) of banks, with the best international practices of disclosures, which will present banks' business performance and value in a clear and concise manner.

4. Expansion of Cloud Servicing Guidelines

- To allow utilization of the innovative and cost effective services being provided by Cloud Service Providers (CSPs), the scope of outsourcing to cloud service providers for Banks/DFIs/Microfinance Banks has been enhanced in September 2020.

5. Allowing Banks, DFIs and MFBs to Raise Foreign Currency (FCY) Subordinated Additional Tier 1 Capital from Sponsors

- SBP allowed banks, DFIs and MFBs to have majority foreign shareholding (Greater than 50%) to raise Additional Tier 1 capital in the form of FCY subordinated debt/loan from their existing foreign sponsors.

6. Establishment of Pakistan Corporate Restructuring Company Limited (PCRCL)

- Securities and Exchange Commission of Pakistan (SECP) licensed Pakistan's first Corporate Restructuring Company (CRC) under the Corporate Restructuring Companies Act, 2016. Accordingly, SBP issued guidelines to the banks/DFIs for transfer and assignment of their Non-Performing Assets (NPA) to the CRCs.

7. Revised Security requirements under R-4 to facilitate the Government of Pakistan (GoP)

- To facilitate the Government in acquiring financing facilities from commercial banks, SBP revised instructions contained in Regulation R-4 of Prudential Regulations for Corporate/ Commercial Banking, allowing financing against a letter of Comfort issued by the Government, with the condition that the Government issues the required guarantee within a period of 90 days.

8. Enhancement of Banks Investments Limits in Real Estate Investment Trusts (REITs)

- In order to promote the Real Estate Investment Trust (REIT) sector, SBP has enhanced the investment limit of banks and DFIs to 5% of equity of the institution or 15% of paid up capital of Investee Company, whichever is lower.

9. Development of Digital Bank Regulatory Framework Draft for Public Consultation

- SBP has developed a draft Digital Bank Regulatory Framework, which has been placed on the SBP's website for public consultation. Through this framework, SBP's goal is to provide an appropriate framework for the operation of Digital Banks in Pakistan.

➢ **Foreign Exchange Regime**

1. Connecting Overseas Pakistanis with the Banking System of Pakistan:

SBP allowed Non-Resident Pakistanis (NRPs) and Pakistan Origin Card (POC) holders to open Roshan Digital Accounts (Foreign Currency Value Account (FCVA) and NRP Rupee Value Account (NRVA)). In addition, resident Pakistanis having assets abroad, duly declared with FBR, have also been allowed to open Roshan Digital Account (FCVA only).

The NRPs can now open and operate these accounts digitally, spend money in Pakistan for meeting their family needs, invest in Government of Pakistan (GOP) securities (including Naya Pakistan Certificates -NPCs), shares/units quoted on stock exchange, unit of mutual funds (Open Ended Schemes), residential/commercial real estate and deposit products of the banks. The disinvestment proceeds, profits thereon and balances in these accounts are fully repatriable.

2. FX liberalization/ Regulatory Permissions to bring operational efficiency:

SBP, over time, has eased the restrictions on foreign exchange related transactions, making these transactions effective and efficient while also improving the Ease of Doing Business. A brief of these measures is given hereafter:

a) Policy of Equity Investment Abroad has been revised to simplify the process for residents to boost country's exports and to attract FDI. Under the revised Equity Investment Abroad Policy, transactions pertaining to: (i) establishing subsidiary / branch office by exporters, (ii) establishing holding company abroad by resident start-ups to channelize investment to Pakistan; and (iii) investment by individuals to a certain limit, would be approved by the banks without seeking any approval from SBP.

b) Framework for acquisition of services from a whitelist of digital service providers on the concept of "Payment vs Receipt" has been developed, with an annual limit of USD 200,000/- per entity that is acquiring the services.

c) Issuance of business-to-consumer (B2C) e-Commerce regulatory framework to facilitate exporters to export goods up to the value of USD 5,000 without the requirement of E-Form through WeBOC.

d) Development of mechanism of valuation and remittance of disinvestment proceeds exceeding market/breakup value of shares while delegating this function to Authorized Dealers.

e) The exporters were allowed to retain a certain portion of their export proceeds in their special foreign currency accounts. The funds retained were to be used for specific purposes, include advertisement, promotion and marketing abroad, subscription fee for participation in foreign exhibitions and fairs, foreign consultants fee, travel expenses abroad, among others.

3. Digitalization of FX Regulatory Approval System (RAS)

SBP launched an online platform i.e. Regulatory Approval System (RAS) to facilitate online submission of foreign exchange (FX) related cases to SBP. The SBP-RAS became operational on March 24, 2020 whereby manual case submission by banks was discontinued in respect of Foreign Exchange Operations Department of SBP-BSC. Later on, after successful parallel run, paper based case submission to Exchange Policy Department by banks was also discontinued with effect from August 28, 2020. It is envisaged that all FX related cases would be submitted digitally to the banks by their customer from July 2021 onwards.

4. Review and Updation of Foreign Exchange Manual:

In order to align the foreign exchange regulations with the changing business dynamics and best international practices, SBP initiated the project of review of entire Foreign Exchange Manual.

- **Supervisory Reforms**

1. Improvements in AML/CFT Sanctions Regime:

- During 2020-21, AML/CFT penalty scale was aligned to make it proportionate and dissuasive. Moreover, penalty scale was further refined in the light of amendments made in the Anti-Money Laundering Act (AMLA) 2010 in September 2020.

2. Strengthen SBP's supervisory role and enhance effectiveness of enforcement actions

- During FY2021, SBP has developed and implemented a new penalty scale for exchange companies, rationalized by enhancing the focus on administrative actions under Section 3AA(5) of the Foreign Exchange Regulation Act 1947 so as to make enforcement actions dissuasive especially for serious violations.

3. Risk Based Supervision (RBS) Framework

- SBP is at final stages of implementation of forward- looking **"Risk Based Supervisory (RBS) Framework**" to improve the supervisory regime and align it with good international practices, understand the risk profiles(external & internal) of regulated entities, facilitate supervisors in early identification of problems, efficient deployment of supervisory resources and initiating prompt corrective actions. Currently, pilot testing of the framework is being conducted.

4. AML/CFT Inspection Framework and Manual

- Since June 2018, Pakistan has been under Financial Action Task Force (FATF) Action Plan. Therefore, SBP developed an internal plan, inter alia, to update existing ML/TF and

Proliferation Financing (PF) risk assessment methodology on the premise of Risk Based Supervision.

5. **Risk Based Cyber security Inspection Framework**

- Realizing the significance of cyber security risk, SBP has developed Risk Based Cyber security Inspection Framework to improve cyber resilience of the regulated entities.

6. **Framework for Supervision of Credit Bureaus**

- The SBP, under the Credit Bureaus Act, 2015, is empowered to grant license and supervise the credit bureaus. Therefore, SBP has developed a risk-based framework for assessment of key risks, corresponding control functions and governance framework in Credit Bureaus.

7. **Digitization of supervisory process**

- SBP has launched parallel run of system based inspection workflow system that digitizes end-to-end process of conducting on-site inspections of regulated entities as well as initiation of subsequent enforcement actions.

2. **Broadening of Financial Net:**

Following are the key developments in the financial inclusion during FY2021 :

- **National Financial Inclusion Strategy (NFIS)**

SBP is pursuing financial inclusion as one of its strategic objectives to promote inclusive economic growth in the country. In this connection, SBP is implementing National Financial Inclusion Strategy (NFIS) and pursuing headline targets to be achieved by 2023.

Under NFIS, a total of 96 actions/sub-actions are being implemented by more than 30 partners envisaged in this multi focal strategy to be completed by 2023. During H1 of FY2021, 15 actions/sub-actions have been completed, thus increasing the number of completed actions/sub-action to 35. In terms of progress under headline target of active account, as of June 2020, overall number of unique active accounts stood at 45.9 million of which 11.7 million were held by women.

Key Initiatives taken under NFIS are listed below:

a. **Gender Mainstreaming Policy**: SBP has developed a Policy i.e. "Banking on Equality: Policy to Reduce the Gender Gap in Financial Inclusion". It aims to introduce a gender lens within the financial sector, the policy is currently under consultation process with domestic/ international stakeholders.

b. **Automation of Central Directorate of National Savings (CDNS)**: The project was initiated to enable CDNS to (i) reduce the cost of funds by at least 25%; and (ii) develop HR capability and digitalization capacity. As of February 2021, 165 branches have been computerized.

c. **Asaan Mobile Account (AMA) Scheme**: SBP in collaboration with PTA and NADRA is implementing the Asaan Mobile Account (AMA) Scheme to develop an interoperable USSD (Unstructured Supplementary Service Data) platform by third party service provider (TPSP) for accessing and usage of digital financial services from anywhere, at any time. After meeting the licensing formalities by TPSP, the scheme is expected to be launched shortly.

Source: State Bank of Pakistan

Islamic Banking

Assets of Islamic banking Industry (IBI) has posted growth of 30.0 percent, which is the highest growth in asset base since December 2012 and stood at Rs 4,269 billion in CY20 as compared to growth of 23.6 percent, Rs 3,284 billion in CY19. On the other hand, deposits of IBI has grown by 27.8 percent, the highest growth since December 2015 and reached Rs 3,389 billion against growth of 20.4 percent to Rs 2,652 billion in CY19.

Market share of Islamic Banking assets and deposits in the overall banking industry stood at 17.0 and 18.3 percent, respectively during CY20 as compared to 14.9 and 16.6 percent, respectively in CY19.

Table- 5.14: Islamic Banking Industry

	CY16	CY17	CY18	CY19	CY20
Total Assets (Rs billion)	1,853.0	2,272.0	2,658.0	3,284	4,269
Total Deposits (Rs billion)	1,573.0	1,885.0	2,203.0	2,652	3,389
Share in Banks' Assets (Percent)	11.7	12.4	13.5	14.9	17
Share in Banks' Deposits (Percent)	13.3	14.5	15.5	16.6	18.3

Source: State Bank of Pakistan

Currently, 22 Islamic Banking Institutions (IBIs) (5 full-fledged Islamic banks, 17 conventional banks having Islamic Banking Branches) are providing Shariah compliant products and services through their network of 3,456 branches spread across 124 districts of the country. Further, the number of Islamic Banking windows (dedicated counters at conventional branches) operated by conventional banks having standalone Islamic Banking Branches stood at 1,638 as of December 31, 2020. In addition, NRSP Microfinance Bank and MCB-Islamic Bank are also offering Shariah compliant microfinance services.

Breakup of the data between IBs and IBBs revealed that assets of IBs saw an annual rise of 29.7 percent (Rs. 572 billion), while IBBs experienced a sharp rise of 30.4 percent (Rs. 413 billion).

Table -5.14 (a): Financing Products by Islamic banks **Percent Share**

Mode of Financing	CY16	CY17	CY18	CY19	CY20
Murabaha	15.8	13.2	13.6	12.9	13.7
Ijara	6.8	6.4	6.2	5.7	4.8
Musharaka	15.6	22.0	19.9	19.8	22.7
Mudaraba	0.0	0.0	0.0	0.0	0.0
Diminishing Muskaraka	34.7	30.7	33.3	34.1	33.6
Salam	4.4	2.8	2.4	2.6	1.9
Istisna	8.4	8.2	9.1	9.5	8.3
Qarz/Qarz-e-Hasna	0.0	0.1	0.0	0.0	0.0
Others	14.3	16.7	15.5	15.4	15.0
Total	100.0	100.0	100.0	100.0	100.0

Source: State Bank of Pakistan

Investments (net) made by IBI registered considerable increase of 17.9 percent (Rs. 191 billion) in CY20 and were recorded at Rs. 1,261.2 billion compared to rise of 0.3 percent in corresponding period of 2019. This increase is mainly attributed to investments made by IBI in GoP Sukuk during the period under review.

Profit before tax of IBI was recorded at Rs. 88.4 billion by end December 2020. While, earnings ratios like 'Return on Assets (ROA)' and 'Return on Equity (ROE)' (before tax) stood at 2.4 percent and 36.4 percent, respectively by end December, 2020 as compared to 2.2 and 34.4 percent, respectively in CY19.

In terms of mode wise financing breakup in CY20, Diminishing Musharaka has highest share in overall financing of IBI followed by Musharaka and Murabaha.

Box-III: SBP unveils ambitious Third Five-year Strategic Plan for Islamic Banking Industry

State Bank of Pakistan (SBP) has unveiled in April-2021 its third five-year Strategic Plan for the Islamic Banking Industry. The strategic plan has set headline targets for Islamic banking industry to be achieved by 2025. These include:

(i) 30 percent share in both assets and deposits of overall banking industry,
(ii) 35 percent share in branch network of overall banking industry and
(iii) 10 percent and 8 percent share of SMEs and Agriculture financing respectively, in private sector financing of Islamic Banking Industry.

In order to steer the growth of Islamic banking on sound footings, this third Strategic Plan for Islamic banking industry (2021-25) aims to set a strategic direction for the industry to strengthen the existing progressive momentum and lead the industry to the next level of growth. The plan has been developed in close coordination and consultation with all key relevant stakeholders.

The strategic plan envisages achieving the aforementioned specified targets by focusing on six strategic pillars namely:

(i) strengthening legal landscape,
(ii) enhancing conduciveness of regulatory framework,
(iii) reinforcing comprehensive Shariah governance framework,
(iv) improving liquidity management framework,
(v) expanding outreach & market development and
(vi) bolstering human capital & raising awareness.

The Islamic banking industry is expected to fully capitalize on the potential of Islamic finance to attain the shared vision of a vibrant and sustainable Islamic banking sector in Pakistan.

Source: State Bank of Pakistan

Microfinance

The FY2021 remained challenging for the microfinance industry as economic issues, amidst COVID-19 pandemic, adversely impacted the repayment capacity of MF borrowers who belong to low income segments. To counter the adverse impacts of COVID-19 pandemic and to address issues efficiently, SBP remained proactive since the emergence of the disease in the country.

Table-5.15: Microfinance Industry Indicators

Indicators	December-19	December-20	YoY Growth
Number of Branches	4,036	3,828	-5.15%
Total No. of Borrowers	7,249,943	7,005,885	-3.37%
Gross Loan Portfolio (Rs. in millions)	305,753	324,155	6.02%
Avg. Loan Balance (Rs.)	42,173	46,269	9.71%

Source: State Bank of Pakistan

As of December 2020, the microfinance industry players operated through 3,828 branches spread in 138 districts across the country. Industry's retail network decreased marginally owing to a number of business and cost considerations. Performance of the microfinance industry depicts increasing trend in gross loan portfolio over last year apart from the impact of prevailing pandemic.

Table -5.16: Microfinance Banking Indicators (Rs. in millions)

Indicators	March-20	March-21	Growth
No. of Branches	1,212	1,195	-1.4%
No. of Borrowers	3,713,374	4,234,502	14.0%
Gross Loan Portfolio	219,345	256,173	16.8%
Average Loan (in Rs.)	59,069	60,497	2.4%
Deposits	239,641	371,656	55.1%
No. of Depositors	45,800,637	63,781,970	39.3%
Equity	47,398	56,535.61	19.3%
Assets	373,649	493,425	32.1%
Borrowings	26,343	24,084	-8.6%
NPLs	6.33%	3.72%	-41.2%

Source: State Bank of Pakistan

As of March 2021, eleven MFBs and MCB – Islamic Bank[9] were involved in extending complete range of micro-banking services to the low-income populace of the country.

During the period under review, the combined asset base of MFBs, witnessed a YoY growth of 32.1 percent and deposit base of MFBs registered an impressive growth of 55.1 percent. Concurrent growth was also witnessed in number of depositors which grew by 39.3 percent to over 63.7 million. As of March 2021, MFBs were operating through a network of over 1,195 retail outlets.

Similarly, aggregate loan portfolio of MFBs registered a growth of 16.8 percent and the number of borrowers registered increase of 14 percent from 3.71 million to 4.2 million. Concurrently, the average loan balance increased by 2.4 percent to Rs 60,497. MFBs reported reduction in Non-Performing Loans (NPLs) from 6.33 percent to around 3.7 percent. This decline in NPLs is consequent to the regulatory relief extended to the borrowers as MFBs were been advised not to classify their financing facilities until March 31, 2021.[10]

Branchless Banking (BB) Performance

During the period under review, all key indicators of Branchless Banking (BB) exhibited an encouraging growth following the COVID-19 pandemic and ensuing lockdowns. SBP's measures regarding limiting the spread of COVID-19 virus by promoting the use of Digital Payment Services have further pushed the growth trajectory. The number of agents, mobile wallets and deposits witnessed a boost in numbers. Notable growth was witnessed in the number and value of transactions during the period.

[9] Since October/November 2017, MCB Islamic Bank is extending microfinance banking services by establishing counters at its existing branches in line with IBD Circular Mo. 5 of 2007.

[10] Para 2-iii of AC&MFD Circular Letter No. 1 of 2020

Table-5.17: Performance of BB Indicators

BB Indicators	March-20	March-21	Growth
Number of Agents	434,192	509,720	17%
Number of Accounts	48,345,517	66,542,098	38%
Deposits (Rs In millions)	31,935	56,442	77%
No. of transactions ('000')	1,420,501	2,006,299	41%
Value of transactions (Rs in millions)	4,784,845	7,355,595	54%

Source: State Bank of Pakistan

Conclusion

At the start of FY2020, SBP has continued with tight monetary policy stance as stabilization tool. Coordinated monetary and fiscal policies have reflected in the form of sustained improvement in the country's fiscal and external accounts, a revival in the real economy and positive business and consumer sentiment. The unprecedented shock of COVID-19 required an unprecedented monetary and fiscal response. Aiming to this, SBP has cut the policy rate by cumulative 625 bps during short tenor of three months, supported by a number of targeted and temporary interventions in the credit market through refinance schemes that provided much needed cash flow relief to households and businesses.

During FY2021, SBP has continued with accommodative monetary policy stance with 7.0 percent policy rate and the target of monetary policy was shifted towards supporting growth and employment during the pandemic. As a result, accommodative monetary policy environment, targeted fiscal intervention to counter the COVID-19 impact, led to a pick-up in the economic activity during first nine months of FY2021.

Correspondingly, credit to the private sector posted an encouraging recovery amid the revival in economic activity and the availability of SBP's concessionary refinancing schemes. Fixed investment loans increased significantly by Rs 127.4 billion during July-March, FY2021 against the retirement of Rs 5.2 billion last year, which augurs well for sustainable growth in coming years.

Chapter 6

Capital Markets and Corporate Sector

Capital market is a place where trading of numerous financial instruments like bonds, stocks, etc. takes place. Corporations participate in capital markets to raise funds to finance their investment in real assets. Capital markets play an active role in the development of an economy by connecting the monetary sector with the real one.

Globalization of financial markets has facilitated corporations by increasing their accessibility to foreign capital. The relatively free mobility of capital has raised opportunities for capital deficient economies. This integration of international financial markets has increased the risk for vulnerable countries since downturn in one country will reverberate throughout the integrating economies and in the case of large open economies like USA and China, major part of the world can be affected like a contagion. Financial crises in Latin America in 1994–95, East Asia in 1997–98 and Global Financial Meltdown in 2008 are the examples of that risk that financial integration has brought.

The COVID-19 pandemic plummeted global stock markets in March 2020. Analysts feared that like previous crises, stock markets will take years to recover. Fortunately, this time around, both the decline and the rebound took place very quickly. The rebound can mainly be attributed to the fiscal stimulus packages rolled out by the governments around the globe. What was unique is that governments sponsored spending even at the cost of a rising fiscal deficits, which limited the impact of a prolonged COVID-19 crisis.

Pakistan Stock exchange also successfully powered through initial COVID-19 induced economic downturn and earned the title of being the 'best Asian stock market and fourth best-performing market across the world in 2020.' The KSE-100 index continued to climb throughout the year. The increase in the KSE-100 Index was driven by government's large stimulus package, central bank's stable policy rate, an uptick in large scale manufacturing, improvement in external accounts and reforms introduced by the Security and Exchange Commission of Pakistan (SECP) and PSX in the wake of COVID-19. The salient feature of FY2021 was five Initial Public Offerings (IPOs) that took place in its first nine months. Such a large number of new issues and mobilization had not taken place for some years. The number of debt listings was also relatively higher this year.

The chapter will be covering performance of the equity market, debt market, commodity futures market, non-banking financial companies, corporate sector, Islamic finance and insurance sector in the FY2021. The chapter will also cover the reforms and regulations introduced by the SECP, the apex regulator of the capital markets, to facilitate the capital markets.

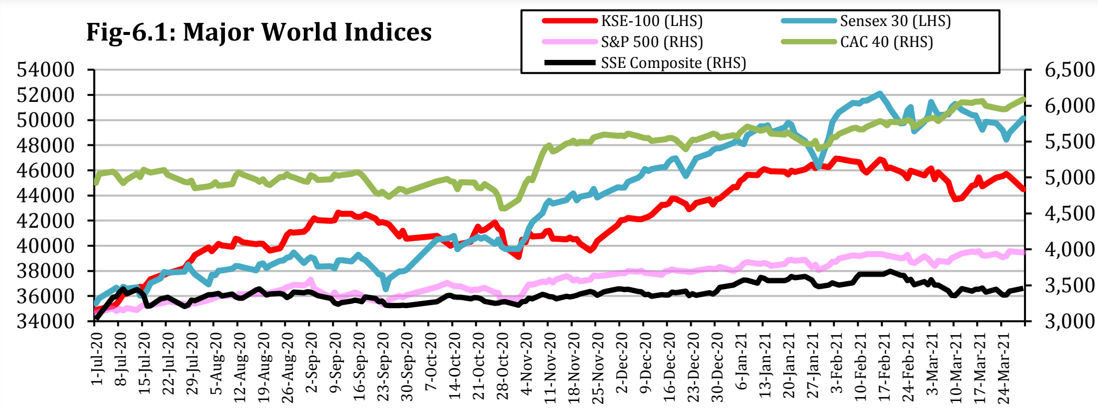
I – Equity Market

An equity market, also known as a stock market, is a market in which shares of listed companies are issued and traded. It mobilizes resources by linking investors and savers.

Global Equity Markets:

FY2021 began in the midst of the first 'Great Lockdown' period. Global equity markets, which witnessed a plunge in March 2020, rebounded when governments around the globe injected big stimulus money into their economies. As shown in the figure-6.1, major world indices faced short run fluctuations but registered a positive growth in the current fiscal year. The uptick is especially pronounced in November and December when the announcement of a vaccine assuaged the fears of investors.

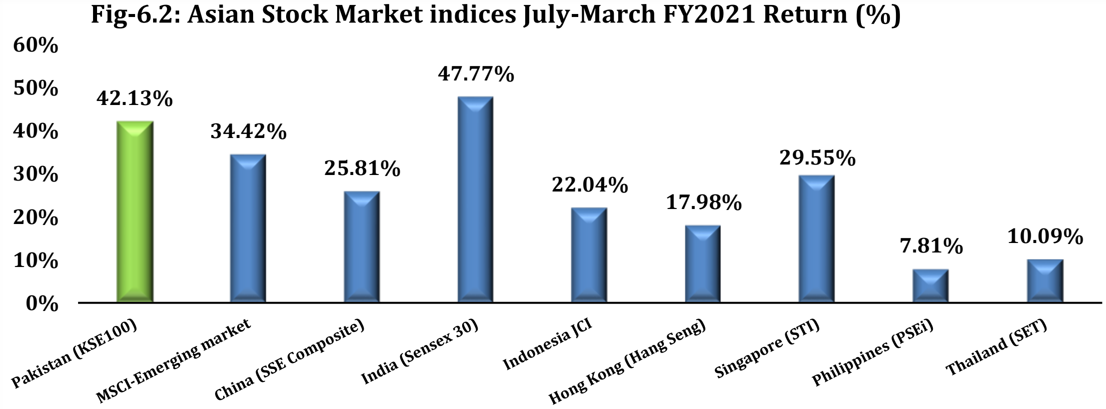
Fig-6.1: Major World Indices



Source: Yahoo Finance

Major Asian stock market indices have also recorded a positive growth in the first nine months of the current fiscal year (Fig 6.2). Pakistan's KSE-100 index and India's Sensex 30 have seen the highest growth among the selected indices.

Fig-6.2: Asian Stock Market indices July-March FY2021 Return (%)



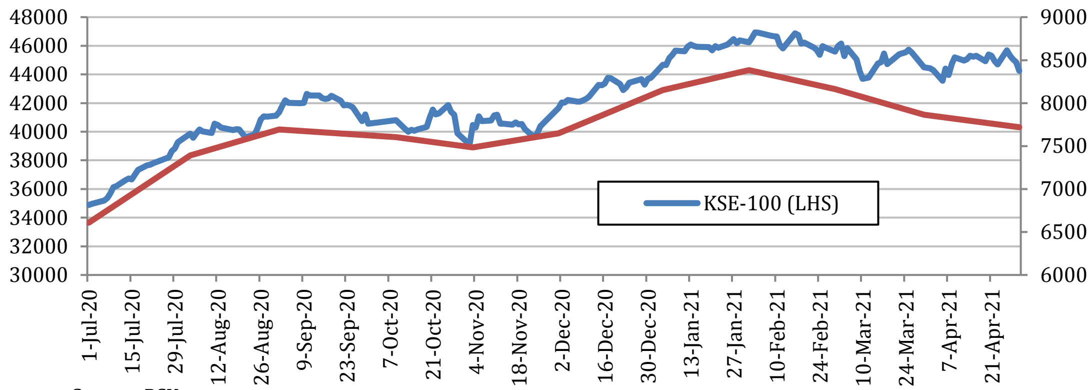
Source: Pakistan Stock Exchange (PSX)

Pakistan's Equity Market (Developments during FY2021):

KSE-100 index has shot up by 63% since March 25, 2020

Pakistan's stock market's performance has been remarkable this year. During July 2020 to April 2021 period, the benchmark KSE-100 index improved from 34,889.41 points to 44262.35 points. During this time, the Index closed at its highest point of 46,933.63 on February 3, 2021, before the third wave of COVID-19 dragged it down. As of April 30, 2021, number of listed companies stood at 532, with total market capitalization of Rs 7,718 billion.

Fig-6.3: KSE-100 and Market Capitalization (July - April 2021)



Soruce: PSX

The turnover in shares reached its peak in January 2021, indicating that investors were actively investing in the market. The market activity slowed down after February 2021 as the third wave of COVID-19 intensified.

Table 6.1: Month-wise performance of KSE-100 Index

Months	2019 - 2020			Months	2020 – 2021		
	KSE 100 index	Market Capitalization (Rs billion)	Turnover in shares (billions)		KSE 100 index	Market Capitalization (Rs billion)	Turnover in shares (billions)
Jul-19	31,938.48	6,384.30	1.76	**Jul-20**	39,258.44	7,294.27	3.68
Aug-19	29,672.12	6,082.04	2.03	**Aug-20**	39,868.55	7,418.38	3.94
Sep-19	32,078.85	6,406.55	2.18	**Sep-20**	40,571.48	7,643.09	4.73
Oct-19	34,203.68	6,690.04	4.37	**Oct-20**	39,888.00	7,399.62	5.41
Nov-19	39,287.65	7,511.97	6.40	**Nov-20**	40,807.09	7,519.25	3.97
Dec-19	40,735.08	7,811.81	6.45	**Dec-20**	43,755.38	8,035.36	5.78
Jan-20	41,630.93	7,851.16	5.68	**Jan-21**	46,385.54	8,398.45	8.40
Feb-20	37,983.62	7,094.67	2.91	**Feb-21**	45,865.02	8,207.14	4.79
Mar-20	29,231.63	5,620.94	4.71	**Mar-21**	44,587.85	7,892.19	4.43
Apr-20	34,111.64	6,376.72	4.60	**Apr-21**	45,048.57	7,885.74	4.73
May-20	33,931.23	6,484.96	2.33				
Jun-20	34,421.92	6,529.70	2.23				

Source: Pakistan Stock Exchange

The distinguishing feature of this year is the significant number of IPOs that took place. It implies that companies are confident about business prospects. Their detail is given in box item-I.

Box item-I: Initial Public Offerings in FY2021

Despite the COVID-19 outbreak, Pakistan Stock Exchange witnessed five IPOs during July-March FY2021 period. In year 2020 alone, four IPOs took place, which is the highest number in the last five years. Investor's appetite was so strong that most of these issues were oversubscribed.

In 2020, first IPO was The Organic Meat Company (TOMCL), the leading exporter of halal meat from Pakistan. The Company was listed on PSX on August 3rd 2020. The Company offered 40 million shares at a strike price of Rs 20/share to raise Rs 800 million.

The second IPO of the year was TPL Trakker (TPLT), which provides technology solutions and IoT services. It raised Rs 802 million by offering 66.82 million shares at a price of Rs 12/share.

The largest IPO of the year 2020 was of the Rebar manufacturer Agha Steel Industries (AGHA). The company offered 120 million shares at a strike price of Rs 32/share, raising Rs 3.8 billion.

The fourth IPO of the year was Engro Polymer & Chemicals Limited, which conducted the Initial Public Offering of its preference shares on December 17th & 18th, 2020. Engro planned to raise Rs 375 million by offering Rs 37.5 million preference shares at the face value of Rs 10/- per share.

The successful IPO of Panther Tyres Limited (PTL) resulted in the fifth listing on the Stock Exchange for FY2021. The Issue of Panther Tyres Ltd. consisted of 40 million ordinary shares with a strike price of Rs 65.8 per share to raise Rs 2.6 billion.

It is a significant and positive development for the capital market of Pakistan whereby listings have taken place successfully in the challenging times of the Coronavirus pandemic.

The average daily shares volume has been higher this year compared to previous year, suggesting that more buyers and sellers are there in the market which makes it is easier and faster to execute a trade. On 27th May 2021, PSX witnessed an all-time high daily trading volume with 2.21 billion shares traded in a single session.

Table 6.2 Profile of Pakistan Stock Exchange

	2017	2018	2019	2020	2021 (Till 8th April 2021)
Total No. of Listed Companies	559	546	534	531	532
Total Listed Capital - Rs in billion	1,276.80	1,322.74	1,386.59	1,421.09	1,434.74
Total Market Capitalization – Rs in billion	8,570.92	7,692.78	7,811.81	8,035.36	7,865.93
New Companies Listed during the year	7	3	1	3	1
Average Daily Shares Volume - (Shares in Mn) (YTD)	249.19	194.03	163.98	323.51	553.76
Total Volume Traded - (Rs in Mn) (YTD)	73783.90	62323.05	57645.40	108425.65	-

Source: Pakistan Stock Exchange

Market Capitalization of each sector at Pakistan Stock Exchange as of 31st March, 2021:

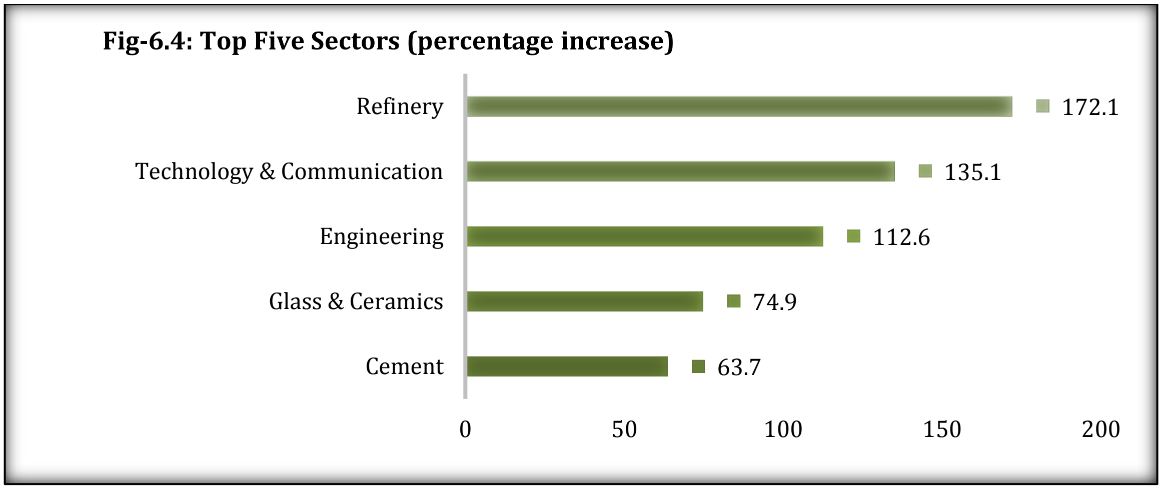
During July-March FY2021, the market capitalization of the PSX increased by 20.9 percent. Below is the detail of growth in each sector:

Table 6.3: Market capitalization of each sector:

Sectors	Market Cap On 30/06/2020 (Rs million)	Market Cap On 31/03/2021 (Rs million)	%Change
Automobile Assembler	241,244.95	329,647.11	36.6
Automobile Parts & Accessories	48,008.15	69,245.79	44.2
Cable & Electrical Goods	25,279.94	30,810.24	21.8
Cement	408,176.15	668,273.56	63.7
Chemical	307,193.43	408,065.32	32.8
Close - End Mutual Fund	2,919.58	3,414.79	16.9
Commercial Banks	1,070,354.21	1,247,233.14	16.5
Engineering	72,695.88	154,576.63	112.6
Fertilizer	472,487.69	487,722.25	3.2
Food & Personal Care Products	595,057.92	658,100.96	10.6
Glass & Ceramics	37,380.82	65,367.36	74.9
Insurance	151,405.78	168,327.06	11.2
Inv. Banks / Inv. Cos. / Securities Cos.	104,765.65	117,844.29	12.5
Jute	123.30	123.30	0
Leasing Companies	4,531.81	4,891.75	7.9
Leather & Tanneries	25,914.73	41,888.72	61.6
Miscellaneous	67,834.21	71,939.64	6.1
Modarabas	11,701.45	14,185.41	21.2
Oil & Gas Exploration Companies	969,427.07	986,752.39	1.8
Oil & Gas Marketing Companies	188,213.91	228,926.97	21.6
Paper & Board	59,783.06	84,203.40	40.8
Pharmaceuticals	272,870.67	294,303.64	7.8
Power Generation & Distribution	245,707.11	310,115.49	26.2
Refinery	53,835.38	146,527.25	172.1
Sugar & Allied Industries	65,812.41	75,790.82	15.1
Synthetic & Rayon	46,310.88	66,108.70	42.7
Technology & Communication	99,462.12	233,874.54	135.1
Textile Composite	222,361.07	298,073.56	34.1
Textile Spinning	44,051.96	70,847.42	60.8
Textile Weaving	2,527.59	3,725.39	47.4
Tobacco	512,591.23	458,140.17	-10.6
Transport	66,826.02	68,621.90	2.7
Vanaspati & Allied Industries	7,193.02	1,738.81	-75.8
Woollen	1,441.40	456.20	-68.4
Real Estate Investment Trust	24,216.09	22,325,94	-7.8
Total	**6,529,706.80**	**7,892,190.10**	**20.9**

Source: Pakistan Stock Exchange

Demand for stocks of Technology & Communication (T&C) sector spurred in the current pandemic. Work from home model accelerated the digital revolution (Fig 4). In addition, the listing of TPL Trakker also increased the market capitalization T&C. Prime minister's construction package has clearly boosted demand for Engineering and Cement sectors. As shown in figure 5, the share price of Lucky Cement has jumped by 70 percent since 1st July 2020. The Engineering sector witnessed an IPO this year of Agha Steel Industries that may have contributed to its growth.



Total Market Capitalization of Top 15 Companies Listed at Pakistan Stock Exchange as on March 31, 2021:

Below is the list of selected blue chip companies based on market capitalization.

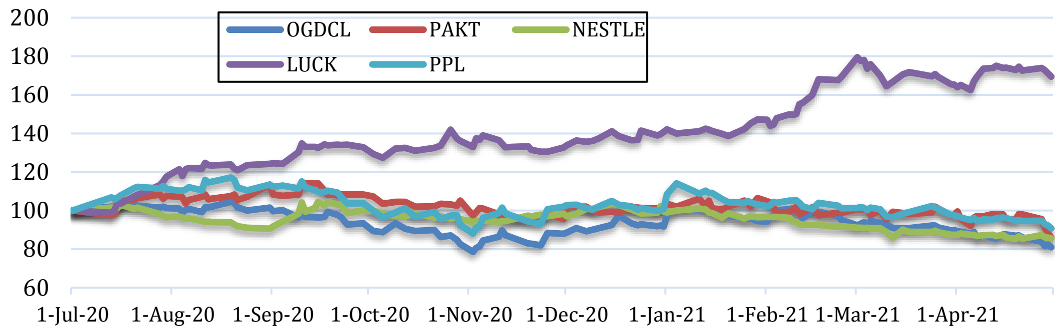
Table 6.4: Market Capitalization of Selected Blue Chips

Scrip	Company	Shares (million)	Price (Rs)	Amount (Rs in billion)
OGDC	Oil & Gas Dev.	4300.93	101.61	437.02
PAKT	Pak Tobacco	255.49	1535.00	392.18
NESTLE	Nestle Pakistan	45.35	5849.90	265.29
LUCK	Lucky Cement	323.38	817.59	264.39
PPL	Pak Petroleum	2720.97	87.33	237.62
MARI	Mari Petroleum	133.40	1531.30	204.28
MCB	MCB Bank Ltd	1185.06	172.15	204.01
COLG	Colgate Palm	63.30	2700.00	170.91
HBL	Habib Bank	1466.85	116.18	170.42
MEBL	Meezan Bank	1414.72	113.18	160.12
ENGRO	Engro Corp	576.16	277.32	159.78
UBL	United Bank	1224.18	118.94	145.60
FFC	Fauji Fert.	1272.24	104.49	132.94
SCBPL	St.Chart.Bank	3871.59	29.55	114.41
KEL	K-Electric Ltd.	27615.19	3.98	109.91

Source: Pakistan Stock Exchange

Out of five major companies in the PSX, only Lucky Cement price has registered a positive growth. Fall in share price of Pak Tobacco partly explains the negative growth in the Tobacco industry. Share prices of OGDCL and PPL have dropped as Oil & Gas Exploration companies posted a modest 1.8 percent growth.

Fig-6.5: Stock price trend of top five companies in PSX indexed to 100



Source: ksestocks.com

II- Debt markets:

Debt market is the market where debt instruments are traded. A well-developed corporate bond market is essential for the growth of the economy, as it provides an additional avenue to government and the corporate sector to raise funds for meeting their financial needs. During July-March FY2021 period, 17 debt securities were reported, break-up of which is given below:

Table 6.5: Debt securities

Sr. No.	Type of Security	No. of Issues	Amount (Rs in billion)
i.	Listed Sukuk*	1	25.0
ii.	Privately Placed Term Finance Certificates**	2	16.5
iii.	Privately Placed Sukuk ***	4	18.5
iv.	Privately Placed Commercial Papers****	10	36.9
	Total	**17**	**96.9**

* *by (i) K-Electric Limited (Rs 25 billion);*

** *by (i) Bank Alfalah Ltd. (Rs 15 billion); and (ii) Sadaqt Ltd. (Rs 1.5 billion);*

*** *by (i) The Hub Power Company Limited (Rs 6 billion); (ii) Kot Addu Power Co. Ltd. (KAPCO)(Rs 5 billion); (iii) The Hub Power Company Limited (Rs 4.5 billion)and (iv) Mughal Iron & Steel Industries Limited (Rs 3 billion)*

**** *by (i) K-Electric Limited (Rs 3.2 billion), (ii) K-Electric Limited (Rs 3.2 billion), (iii) K-Electric Limited (Rs 3.2 billion), (iv) K-Electric Limited (Rs 4 billion), (v) K-Electric Limited (Rs 4.5 billion); (vi) TPL-Trakker Ltd (Rs 1.32 billion);(vii) K-Electric Limited (Rs 4.5 billion), (viii) K-Electric Limited (Rs 4.5 billion), (ix) K-Electric Limited (Rs 4 billion) and (x) K-Electric Limited (Rs 4.5 billion)*

Corporate Debt Securities Outstanding: As of March 31, 2021, 93 corporate debt securities remain outstanding, amounting to Rs 782.875 billion, comprising following categories:

Table 6.6: Corporate debt securities (outstanding)

Sr. No.	Name of security	No. of issues	Amount outstanding (Rs in billion)
i.	Term Finance Certificates (TFCs)	49	151.898
ii.	Sukuk	41	623.356
iii.	Commercial Papers (CPs)	3	7.621
	Total	**93**	**782.875**

Source: Securities and Exchange Commission of Pakistan

National Saving Schemes:

Central Directorate for National Savings CDNS is one of the mainstays to raise the domestic debt for the government through sale of different retail debt securities commonly referred to as National savings Schemes (NSS). The share of NSS is roughly around 20 percent in the domestic debt and around 10 percent of the public debt of the country.

The product basket of the National Savings Schemes (NSS) ranges from three months Short-Term Savings Certificates (STSC) to ten years long term Defense Savings Certificates.

Table 6.7: Product basket of the National Savings Scheme

S.No	Rate of profit on National Savings Schemes w.e.f. 25-03-2021			
	Name of Scheme	Rate of Return (per annum)	Maturity Period	Tax Status
1	Defence Savings Certificates	9.68%	10 Years	Taxable
2	Special Savings Certificates/Accounts	8.87% (Average)	3 Years	Taxable
3	Regular Income Certificates	9.36%	5 Years	Taxable
4	Savings Account	5.50%	Running Account	Taxable
5	Pensioners' Benefit Account	11.52%	10 Years	Tax exempt
6	Bahbood Savings Certificates	11.52%	10 Years	Tax exempt
7	Shuhada Family Welfare Account	11.52%	10 Years	Tax exempt
8	National Prize Bonds (Bearer)	10.00%	Perpetual	Taxable
9	Premium Prize Bonds (Registered) *	8.84%	Perpetual	Taxable
10	Short Term Savings Certificates (STSC)			
	STSC 3 Months	6.92%	3 Months	Taxable
	STSC 6 Months	7.30%	6 Months	Taxable
	STSC 12 Months	7.40%	12 Months	Taxable

*Effective from 10.03.2021
Source: Central Directorate of National Savings

Due to discontinuation of institutional investment and discontinuation of highest domination prize bonds, the net proceeds have been counted at Rs -86 billion as of March 31 2021. Scheme wise net investment is as under:

Table 6.8: National Savings Schemes (net investment) (Rs in million)

S #	Name of Scheme	2016-17	2017-18	2018-19	2019-20	(Jul-20 to Mar-21)
1	Defence Savings Certificates	16,620.00	10,743.61	57,171.04	92,783.09	(7,264.97)
2	National Deposit Scheme	(0.69)	0.05	(0.03)	-	(0.00)
3	Khaas Deposit Scheme	(51.43)	(0.19)	(0.04)	(0.05)	(0.24)
4	Special Savings Certificates (Regd)	(39,344.59)	(51,180.06)	31,842.49	13,945.72	4,963.60
5	Special Savings Certificates (Bearer)	(0.75)	(0.55)	-	(0.01)	(0.50)
6	Regular Income Certificates	(20,950.65)	8,726.28	142,088.06	83,232.25	16,246.34
7	Bahbood Savings Certificates	57,432.10	45,395.28	119,573.11	83,379.96	409.41
8	Pensioners' Benefit Account	18,716.71	21,504.37	43,367.37	33,875.95	11,204.20
9	Savings Accounts	4,684.42	3,412.99	(166.22)	4,536.97	(768.33)

Table 6.8: National Savings Schemes (net investment)						(Rs in million)
S #	Name of Scheme	2016-17	2017-18	2018-19	2019-20	(Jul-20 to Mar-21)
10	Special Savings Accounts	65,246.58	59,939.19	(132,393.53)	200,770.58	(17,155.69)
11	Mahana Amdani Accounts	(55.20)	(46.70)	(73.84)	(60.42)	(55.03)
12	Prize Bonds	97,791.58	101,575.66	40,432.08	(171,109.88)	(85,942.92)
13	National Savings Bonds	-	-	-	(137.00)	-
14	Short Term Savings Certificates	2,077.37	560.55	761.00	19,254.58	(19,021.61)
15	Premium Prize Bonds (Registered)	2,921.72	2,323.20	2,819.96	11,322.72	11,736.54
16	Postal Life Insurance	2,529.79	875.45	1,248.42	627.96	(648.98)
17	Shuhda Welfare Accounts			42.14	27.02	13.69
Grand Total		207,616.95	203,829.13	306,712.00	372,449.41	(86,284.50)

Source: Central Directorate of National Savings

III- Commodity futures market:

Pakistan Mercantile Exchange Limited (PMEX), is the first technology driven, web-based, demutualized multi-commodity futures exchange in Pakistan. The exchange offers diverse range of international commodities and financial futures, including gold, silver, crude oil, currency pairs, as well as local agricultural products including cotton, wheat, rice and spices.

During the period July 01, 2020 to March 31, 2021, 2.31 million lots of various commodities futures contracts including gold, crude oil, US equity indices and FX pairs, worth Rs 2.014 trillion were traded on PMEX.

IV. Non-Banking Finance Companies

Mutual Funds: As of December 31, 2020, assets under management of mutual funds stood at Rs 985.18 billion. Money Market Funds dominated the industry with the largest share i.e. 41.84 percent of the mutual fund industry, followed by Equity Funds comprising 24.5 percent and Income funds having industry share of 24.08 percent.

Investment Advisory: At present, twenty-one Non-Bank Finance Companies (NBFCs) have licenses to conduct investment advisory business, in addition to asset management services, while out of twenty-one, four NBFCs have an exclusive license for conducting investment advisory services. As of December 31, 2020, the total assets of discretionary/non-discretionary portfolios held by all of the Investment Advisors amounted to Rs 313.88 billion. Major highlights of the Mutual Fund Industry are stated below:

Table 6.9: Mutual fund industry		
Description	Total number of Entities	Total Assets (Rs in billion)
Asset management / Investment advisory Companies	23	43.685
Mutual Funds / Plans	308	985.176
Discretionary / non-discretionary portfolio	-	313.881
Total size of the industry	-	1,342.742

Source: Securities and Exchange Commission of Pakistan

Box item-II: The NBFC Reforms and Developmental Activities

- To facilitate the growth of the mutual fund industry and to safeguard the investor's interest, the SECP has taken the following initiatives:
- Digital platform for investment in mutual funds launched with the name "Emlaak Financials";
- Detailed mechanism prescribed for digital account opening by Asset Management Companies (AMCs), enabling them to conduct online Customer Verification process for opening of online accounts.
  - Amendments introduced to NBFC Regulations, 2008, to provide following relief to Non-Bank Microfinance Company (NBMFCs) enabling them to have access to credit lines from their wholesale lender and strengthen their equity base:
  - Pakistan Microfinance Investment Company, the wholesale lender of NBMFCs, can now extend unsecured finance to NBMFCs up to 10 percent of its own equity. This will support NBMFCs, who can now avail unsecured subordinated loan to strengthen their equity base;
  - Allowing wholesale lender an extra allowance of 10 percent in exposure to a single NBMFC, significantly increasing its capacity to accommodate NBMFCs
- Approval granted for incorporation of an NBFC that will exclusively focus on financing to SMEs
- Licensed an NBFC that will exclusively engage in issuance of guarantees to enhance the quality of debts instruments issued for financing of infrastructure projects in Pakistan
- Following significant amendments have been made in Voluntary Pension System (VPS) regulatory framework, in order to revamp the regulatory structure and introduce relaxations for 'ease of doing business' and growth of the sector:
  - Pension Funds Manager allowed to offer index funds to ensure availability of passive investment strategy products to VPS investors
  - Restriction on pledging of individual pension account has been removed for pledging, lien or encumbrance against a loan or advance, given by the employer to the employee.
  - Requirement for prior approval of the SECP for advertisements to invest in a pension fund has been removed and the SECP shall specify minimum requirements for advertisements.
  - Pension fund managers are allowed investment in securities on behalf of pension fund through a single Universal Identification Number.
  - Per broker commission limit has been enhanced from 10 percent to 25 percent, in line with Mutual Funds.
  - Participant may change his retirement age between sixty and seventy years, by giving notice in writing to the Pension Fund Manager.

Source: Securities & Exchange Commission of Pakistan

Private Equity and Venture Capital Funds Management Services:

As on December 31, 2021, the number of NBFCs licensed by the SECP to undertake the business of Private Equity and Venture Capital Fund Management Services stands at six. These NBFCs, have so far successfully launched five Private Equity and Venture Capital Funds and the combined size of these funds stands at Rs 7,889 million.

Voluntary Pension Schemes: The assets under management of the voluntary pension industry currently stand at Rs 35.6 billion as of December 31, 2020. Highlights of the pension fund industry are as under:

Table 6.10: Voluntary pension schemes	
Description	**Status as of December 31, 2020**
Total assets of pension industry (Rs)	35.6 billion
Total number of pension funds	19
Total number of pension fund managers	10
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. Highlight of each category is stated below:

Table 6.11: List of lending NBFCs

S.No	Lending NBFC	No. of companies	Growth in sector size (%)	Asset size as of 31st Dec, 2020 (Rs billion)
1	Leasing Companies	6	-	5.98
2	Investment Banks	12	0.65	66.35
3	Non-Bank Microfinance Companies	26	2.57	129.07
4	Modarabas	38	-	51.43

Source: Securities and Exchange Commission of Pakistan

Real Estate Investment Trusts (REITs): Currently, there is one REIT scheme i.e. Dolmen City REIT (DCR), which has successfully completed over five years of operations. As of December 31, 2020, the fund size of DCR was Rs 54.4 billion. The number of companies licensed to undertake REIT Management Services currently stand at eight.

The SECP is also engaged in further revamping the REIT Regulations, 2015 after exhaustive consultations with relevant stakeholders for adding growth and vibrancy in the REITs sector. Key reforms have been identified for conventional REITs and for introducing a complete model enabling launch of REITs for public private partnership-based infrastructure projects in Pakistan.

V- Corporate Sector

Company incorporation trend: Facilitation extended during the pandemic coupled with availability of uninterrupted online services has helped in achieving an impressive growth of 39 percent in number of registered companies during July- March FY2021 vis-à-vis the corresponding period of last financial year. Out of 19,246 new companies incorporated during this period, around 99 percent companies were incorporated using online process.

Online CTC Issuance: In order to optimize business processes and to improve experience with the end users, a facility for issuance of digital certified company profile and mortgage register is launched. Any person may now obtain digital certified company profile and mortgage register of any company, registered with SECP by simply signing up to its eService portal for submission of online application.

Online Digital portal for Banks: In pursuit of its agenda to promote ease of doing business and digitalization, the SECP, in coordination with SBP, had launched an exclusive digital portal, enabling banks to open corporate accounts without seeking physically certified copies of statutory documents.

Digital Incorporation Certificate: SECP has started issuance of digital incorporation certificate. New electronic certificate is equivalent to the physical certificate for all legal purposes. It includes various security features, including SECP monogram, electronic seal of the registrar, QR code and a hyperlink for instant verification from the SECP's record. After this development, the company incorporation process has become fully electronic. This physical contact-free service has been especially fast-tracked in the light of the current pandemic and with a view to further reduce the time to incorporate a company.

Launch of the Secured Transactions Registry for Unincorporated Entities: This initiative is in line with international best practices and methodology of World Bank Ease of Doing Business Index which aims to improve access to finance for SMEs and agriculture sector through use of their movable assets as collateral besides providing a mechanism for protection of secured creditors.

Establishment of Business Centre in Islamabad: Business Centre in Islamabad is established for swift incorporation of companies and respond any requests for information and queries promptly. The Business Centre is equipped with a professional team and latest technology and will help improve overall customer experience.

Launch of Combined Certificate of Registration: SECP has launched digital combined certificate of registration with SECP and other provincial departments. The single certificate shall signify company incorporation with the SECP and as well simultaneous registration with provincial departments including Punjab Employees Social Security Institution (PESSI), Sindh Employees Social Security Institution (SESSI), Labour & Human Resource Departments and Excise & Taxation Departments of Punjab and Sindh.

It will be digital certificate delivered electronically to applicant, hence, making registration process fully electronic and hassle free. The single certificate is featured with QR code and a hyperlink for instant verification of registration status of company with SECP and other provincial departments.

Box item-III: Regulatory Relief to Corporate Sector to dilute impact of COVID-19 Pandemic:

Considering the gravity of COVID-19 pandemic on the public health and the lockdown situation in the country, following regulatory relief is provided to the corporate sector:

i. Usual planning for convening Annual General Meeting for financial year ended December 31, 2020 was modified as follows;

   a) Members participation through virtual mode to avoid large gathering;
   b) Detail of video link facilities was to be shared by the companies with the shareholders;
   c) Companies were to ensure protective measures i.e. provision of hand sanitizer, masks and distant seating;

d) Postal balloting for special businesses;

ii. To avoid large gathering at one place for the General Meetings during the COVID–19 outbreak, the companies were directed to modify their usual planning for General Meetings and consider provision of video link facilities, webinar or other electronic means so that the shareholders can provide comments/suggestions for the proposed agenda items of the General Meeting through the same.

Source: Securities and Exchange Commission of Pakistan

VI- Islamic Finance Sector

Shariah Governance Regulations, 2018: During July-March FY2021, the SECP issued certificate of Shariah compliance to seven companies in terms of the Shariah Governance Regulations, 2018, for the development of the Islamic financial and capital market. SECP has issued certificates of Shariah compliance for sukuk issuances worth Rs 280 billion, including the "Power Energy Sukuk-II" by Government of Pakistan worth Rs 200 billion and "Pakistan International Airlines Corporations Limited-Sukuk" worth Rs 20 billion.

VII- Insurance Sector

The insurance sector in Pakistan comprises of 10 life insurers, 40 non-life and one state-owned national reinsurer. Developments in insurance sector from July 2020 to March, 2021 are as follows:

Corporate Insurance Agents Regulations, 2020: This regulation is notified to provide comprehensive regulatory framework, with wider scope for business undertaken through corporate insurance agents (including banks) and technology-based distribution channels.

SEC (Reinsurance Brokers) Regulations, 2020: The SEC (Reinsurance Brokers) Regulations, 2021 have been issued with the aim to notify the regulatory framework for regulation of reinsurance broking business. Reinsurance broking refers to the arrangement of reinsurance between the direct insurance company and the reinsurer. One of the key features of regulations is to prohibit dual role of the registered insurance brokers to act as direct insurance broker and reinsurance broker on the same risk.

Capital Market Reforms and Developmental Activities

1. **Professional Clearing Member (PCM):** The Professional Clearing Member Regulations, 2020 were approved and notified on September 23, 2020. These regulations stipulate licensing, conduct operational requirements for a company functioning as a PCM. Such a company shall provide clearing/settlement and custodial services to securities brokers and their customers, thereby increasing business efficiency. Subsequently, a company Eclear Services Limited has been granted license to act as PCM on May 03, 2021 which is expected to be operational in due course.
2. **Digitization and simplification of account opening process:** Investors have been facilitated to seamlessly open their accounts with a broker from anywhere in the country, eliminating the need to submit any documents physically or visit a broker.

In order to ensure maximum investor protection, an online customer verification process has been introduced for opening of online accounts.

3. **Facilitation in Opening of Investor Account by Non-Resident Pakistanis or Foreigners:** During COVID-19 pandemic, NRPs and foreigners faced practical difficulties in getting their documents attested for opening of trading accounts. The SECP, accordingly introduced amendments in Centralized Know Your Customer (KYC) Organization (CKO) Regulations, with an option of 'Notarization' to allow them to get attestation by either notary public or Consul General of Pakistan. This step has facilitated NRPs or foreign investors to comply with regulatory framework and enabled them to invest in Pakistani capital market.
4. **Opening of Non-Resident Pakistani Rupee Value Account (NRV Account):** Pursuant to the launch of NRV Account under Roshan Digital Account initiative, NRPs can invest in listed shares and open accounts with capital market intermediaries on the basis of KYC information submitted to the banks. Requisite regulatory amendments have been made and operational system has been implemented for sharing of KYC information and opening of trading accounts.
5. **Ease of doing business:** The CKO performs independent verification of information of all new customers. Considering difficulties faced by market participants and investors, necessary amendments in respective regulatory framework have been made to address the practical difficulties and make the process more seamless, which include allowing company provided mobile number for opening of account and facilitating Asset Management Companies, group of companies and International Broker Dealers, in using single UIN in respect of multiple accounts.
6. **Operationalization of Collateral Management Company and Electronic Warehouse Receipts**

Concerted efforts were made for operationalization of the electronic warehouse (EWR) receipt. The registered Collateral Management Company (CMC) became operational and first EWRs were issued in March 2021. Further, approval was also granted for EWR based contracts to be traded at PMEX. In addition, EWRs issued by the CMC can also be used as eligible collateral for obtaining financing from financial institutions.

7. **Development of primary capital market:** Following measures have been taken for development of primary capital market**:**

   i. Introduction of book building mechanism for discovery of profit rate in case of fixed rate instrument: In order to facilitate the issuer to issue debt securities to investors at a competitive rate based on market demand, book building mechanism for the discovery of profit rates in case of fixed rate instrument has been introduced through amendments in the Public offering Regulations, 2017.

      - Recently, Government of Pakistan has raised Rs 200 billion through issuance of Pakistan Energy Sukuk-II by utilizing said book building system. The issue was oversubscribed by 70 percent and GOP was able to borrow funds at a rate less than KIBOR with increased participation from different classes of investors.

ii. To increase outreach, bringing efficiency and creating ease, PSX has digitalized the e-IPO process for both equity and debt issues.

iii. Enhancing the options for structuring of debt securities: - For ease of doing business and to streamline the issuance of secured and unsecured conventional debt securities, the scope of activities performed by investment agent has been enhanced to cover issuance of secured and unsecured conventional debt securities. Relevant amendments have been made to the Debts Securities Trustees Regulations, 2017, Public Offering Regulations, 2017 and Public Offering (Regulated Securities Activities Licensing) Regulations, 2017. Through these amendments, the issuers are now able to raise funds through issuance of debt securities either through trust structure or by way of issuance agreement.

iv. Broadening the universe of the Advisor to the Issue: In order to facilitate and encourage listing of securities on Growth Enterprise Market (GEM) Board of PSX, the SECP has now allowed banks, accounting and auditing firms to act as Advisor for GEM Board.

v. Review Of Market Making Framework - In order to promote liquidity in the secondary debt market and encouraging financial institutions to register with PSX as market maker, the market making regulations of PSX have been revamped. In order to improve liquidity in the secondary debt market, Chapter 12A has been added in PSX Rule Book, which specifically deals with market making of debt securities, including Government Debt Securities and explicitly provides the roles and responsibilities of the market maker with respect to such debt securities.

vi. Encourage companies to list other classes of shares: - In order to facilitate the issuer, the SECP has allowed listed companies, whose ordinary shares are already listed on the stock exchange, to list their other class of shares without mandatorily making a public offer of respective class of shares. Consequential amendments have also been made in the PSX Regulations.

vii. Facilitating issuance of Government debt securities: - In order to facilitate the issuance of Government guaranteed debt securities and public offering of debt security by state owned enterprises having entity rating of BBB+ and above, the eligibility criteria for public offer has been relaxed and the requirement of profitable track record has been waived off.

viii. Reduced Regulatory burden: Regulatory requirements such as credit rating, market making, information memorandum have been relaxed for certain type of debt securities. Objective eligibility criteria for public offering of debt securities has also been considered to enable companies having a track record of less than three years and profitable track record of less than two years, to raise funds

ix. Promote innovative solutions through Sandbox: To test new business models and promote innovation, SECP has introduced a regulatory sand box. Under the first cohort, SECP granted approval to six business models including crowd funding platform[1]. In order to continue promoting fintech innovation in a closed and

[1] Crowd funding is a new financial product that enables startups/small companies to raise funds at a lower cost

secure environment, the process of 2nd cohort under the Regulatory Sandbox Guidelines has been be initiated.

Way forward

After a volatile ride in FY2020, the stock and debt markets bounced back in FY2021 and the KSE-100 appears set on rising into FY2022. There have been significant listings in the capital market and overall IPOs received an encouraging response from investors. More IPOs are waiting in the queue. Though the third wave of COVID-19 dragged the KSE-100 index down in March and April of FY2021, reforms introduced by the SECP and government's robust policies will not only help the capital market to withstand the pressure but also remain bullish.

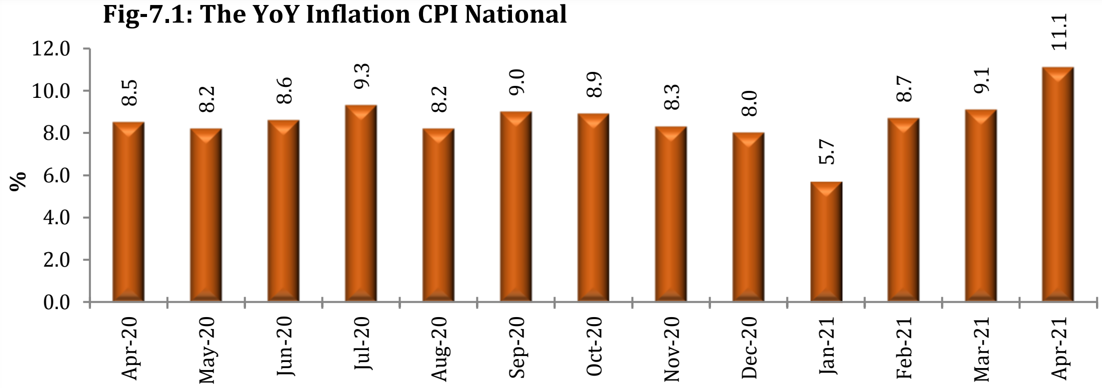
Chapter 7

Inflation

7.1 Introduction

Price stability is prime concern of every government as high and variable inflation not only erodes purchasing power of consumers but also discourages investment. A controlled inflationary environment contributes to financial stability and economic growth. Inflation is caused by both demand and supply side of market forces. However, demand-side inflation can be controlled by prudent government expenditure policy and restricting government to borrow from the central bank. On supply-side not only cost of input matters but restriction on the free mobility of transportation can interrupt smooth supply chain of goods and services. A real time example has been seen during lock down to avoid adverse impact of COVID-19 pandemic. The pandemic resulted in large shocks to both demand and supply hence inflation was observed across the world. Historically, it was observed that inflation had risen sharply during and aftermath of major wars and same was predicted in this pandemic.

Fig-7.1: The YoY Inflation CPI National



Source: Pakistan Bureau of Statistics

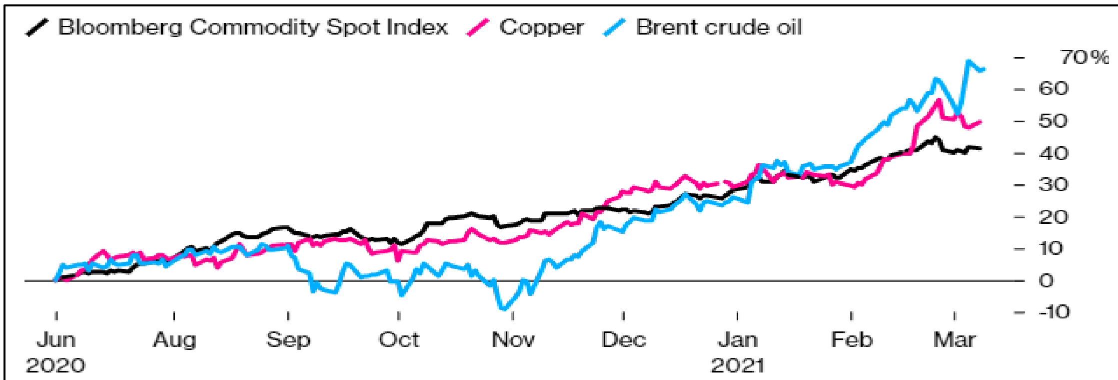
In Pakistan, by the end of FY2020, the inflation rate stabilized and turned out to be single digit mainly due to government prudent demand management policies. In this regard, government borrowing from SBP was avoided as a policy decision. In the start of FY2021, major contribution to inflation in both urban and rural baskets derived from food group mainly due to extended monsoon season. The government realizing the significance of supply disruption started establishing Sahulat/Bachat Bazars in the country. The rise in the prices of global agrarian products and other commodities especially oil contributed to domestic inflation as well. As far as, oil prices are concerned, the government does not pass on proportional increase of crude oil prices in international market to the general public in order to maintain price stability.

During first ten months of FY2021, National CPI inflation for FY2021 remained lower than last year. Administrative measures including crackdown on speculative elements and resumption of seasonal supplies of perishables helped to retain the inflationary pressures. Moreover, tax relief measures in Budget 2020-21 in response to COVID-19 also provided relief in terms of stable prices of various goods. In April 2021, CPI rose to 11.1 percent mainly due to substantial increase in international commodity prices. The past trends also imply seasonal inflation in Ramzan. The government ensured smooth supply of essential domestic goods by allowing imports of essential commodities like wheat and sugar. A Ramazan package of Rs 7.8 billion was provided through Utility Store Corporation for providing essential items to general public at affordable prices.

Box-I: Global Inflation and Pakistan

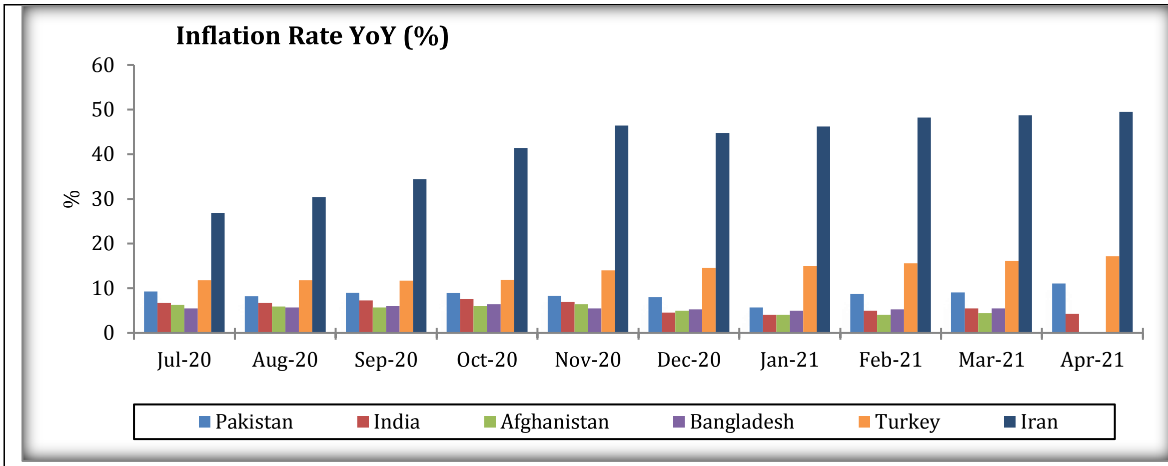
For most commodity markets, 2020 was undeniably a turbulent year. The outbreak of the pandemic triggered a widespread global shutdown of economic activity that depressed demand and disrupted supply chains for commodities in virtually all sectors including energy, base metals and agricultural products. Bloomberg Commodity Index hit an all-time low in April and the price of crude oil nosedived into negative territory for the first time ever.

However, 2021 has started projecting an upward trajectory of prices on the back of COVID vaccination and relative deterioration of US dollar. A global economic recovery is expected around the globe with expansionary monetary policy and fiscal stimulus being provided by several governments as being particularly supportive. Such factors with other demand and supply factors have also boosted inflationary expectations.



Source: Bloomberg. Chart shows percentage changes

Continuously increasing commodity prices have an upward inflationary pressure around the globe which is further expected to build up due to the fiscal stimulus packages and reduced interest rates in the wake of COVID-19. Inflation has remained subdued globally till January 2021 due to depressed demand. But partial lockdowns and resumption in business activities have again started pushing up the prices. Similarly, Pakistan and its regional countries witnessed moderate increase in inflation initially, but it started picking up the pace from January 2021.



COVID-19 has affected the demand and supply of certain products and hence, their prices as well. Reliance on imported goods has exposed country to inflation which has accentuated due to depreciation and capital outflows. Pakistan faced highest inflation of 14.5 percent in January 2020, comparing developing and emerging economies both, yet this has reduced to 5.7 percent in January 2021 due to government efforts to contain inflation. Being a net importer of oil and having significant scope for inflation pass-through from the exchange rate channel, the rise of international prices of oil and food from January 2021 has started building inflationary spirals going forward.

7.2 Consumer Price Index:

The headline inflation measured by the Consumer Price Index (CPI) was recorded at 8.6 percent during July-April FY2021 as against 11.2 percent during the same period last year. Due to the government measures for maintaining price stability, inflation in perishable food items was increased 0.1 percent against exorbitant increase of 34.7 percent during same period last year.

Non-Perishable food items are the main contributory factor in jacking up the food inflation in the Food and Non-alcoholic Beverages group, as it is recorded at 16.0 percent against the increase of 12.4 percent during the same period last year. Among the non-perishable food items, the upward pressure came from the poultry group (chicken and eggs), followed by the staple group (wheat, wheat flour and edible oil). The increase in the poultry group may be attributed to viral disease which caused supply side risks. Wheat prices rose by more than 24 percent in April 2021 over April 2020 due to supply disruption. However, there was decrease of 9 percent over March 2021 mainly due to the government efforts for smooth supply of wheat. One of measures was timely release of wheat in the provinces by the procurement agencies and provision of the commodity via utility stores and fair price outlets which managed to ease price pressures. Regarding increase in the prices of edible oil, Palm oil and soybean prices have been on a steep rising trajectory in international market since June 2020, amid sharp contractions in global inventory levels due to weather-related concerns in the major producing areas.

The Housing, Water, Electricity, Gas & other Fuel have recorded an increase of 5.7 percent during July-April FY2021 as against 7.1 percent during the same period last year. It has a weight of 23.6 percent thus any untoward movement directly affects the vulnerable segments of the society. CPI movements by major groups are given below in Table 7.1.

Table 7.1: Composition of CPI-National Inflation (July-April)

Commodity	Weights	% Change On Average Basis	
		2019-20	2020-21
CPI National	100.0	11.2	8.6
Food & Non-alcoholic Beverages	34.6	15.9	13.4
i) Non- perishable Food Items	29.6	12.4	16.0
ii) Perishable Food Items	5.0	34.7	0.1
Alcoholic Beverages& Tobacco	1.0	21.9	5.7
Restaurant & Hotels	6.9	7.0	8.5
Clothing &Foot wear	8.6	9.5	10.0
Housing, Water, Electricity. Gas & other Fuel	23.6	7.1	5.7
Furnishing & Household Equipment Maintenance	4.1	10.6	8.1
Health	2.8	11.7	8.3
Transport	5.9	15.0	-1.3
Communication	2.2	3.8	0.5
Recreation & Culture	1.6	6.8	4.2
Education	3.8	6.0	1.2
Miscellaneous	4.9	11.9	11.7

Source: Pakistan Bureau of Statistics

From start of the current fiscal year, Government responded intensively and convened National Price Monitoring Committee (NPMC) meetings periodically to monitor the price situation as well as supply of essential items.

In Q1 FY2021, although CPI was brought to single digit 8.85 percent from 10.08 percent in corresponding quarter last year, however, it was noted that inflation remained high on account of increase in prices of food items mainly non-perishable items.

It was decided in NPMC meeting that Ministry of National Food Security & Research and M/o Industries & Production will consult the provincial governments and remain vigilant to control the wheat/flour and sugar prices while Provincial governments were asked to provide support to market committees in collaboration with district administration to play proactive role in removing the price disparity among the provinces and also ensure the smooth supply of essential items.

In Q2 FY2021, again it was noticed that main driver in CPI remained food items mainly due to price differential in food items among provinces. The major reason could be high province-wise margin between wholesalers and retailers. Thus, in NPMC, it was decided that the provincial representatives will convey their Chief Secretaries to come up with workable proposals and measures to make the prices of essential items stable. Further, Provincial Authorities and ICT administration was asked to take strict action against the profiteers and minimize undue profit margin in the perishable items. Furthermore, M/o National Food Security & Research and M/o Industries & Production were directed to remain vigilant on wheat and sugar stock in the country and take proactive measures for timely import of wheat & sugar as decided by ECC. In addition to that the frequency of NPMC meetings was increased to weekly basis for further stabilizing prices of essential items in particular.

In Q3 FY2021, the government effort for maintaining smooth supply of food items both perishable and non-perishable, helped in containing the inflation to 7.80 percent compared to 12.38 percent in corresponding quarter last fiscal year. However, prices of Restaurant & Hotels, Clothing & Footwear and Housing, Water, Electricity, Gas & other Fuel remained relatively higher due to economic recovery. Quarter -wise CPI movements are given below in Table 7.2.

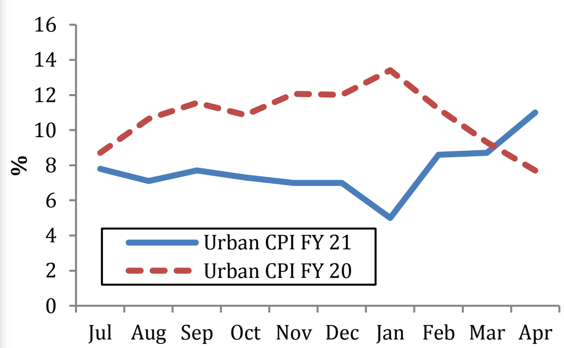
Table 7.2: Quarter wise CPI National **(%)**

Commodity	2019-20			2020-21		
	Q1	Q2	Q3	Q1	Q2	Q3
CPI National	10.08	12.11	12.38	8.85	8.41	7.80
Food Products, Beverages and Tobacco, Textiles Apparel and Leather Products	12.22	18.04	18.82	15.10	15.00	9.31
i) Non- perishable	11.23	11.09	15.17	15.25	17.21	14.77
ii) Perishable	16.57	60.09	38.74	13.72	5.28	-18.78
Alcoholic Beverages& Tobacco	29.69	19.08	18.31	5.57	5.96	5.79
Restaurant & Hotels	6.02	6.17	8.23	7.92	9.35	8.34
Clothing & Foot wear	8.46	9.46	10.22	9.54	9.35	10.53
Housing, Water, Electricity Gas & other Fuel	6.58	8.17	7.10	5.40	2.93	7.57
Furnishing & Household Equipment Maintenance	11.43	10.85	10.07	7.72	7.77	8.32
Health	11.73	11.61	12.08	7.92	7.84	8.83
Transport	17.69	15.01	16.37	-3.14	-3.02	-0.25
Communication	4.34	3.98	3.92	0.28	0.47	0.56
Recreation & Culture	7.54	7.00	6.33	3.75	4.18	4.68
Education	6.62	6.06	6.39	1.01	1.30	1.17
Miscellaneous	12.45	11.65	11.55	12.50	11.82	11.46

Source: Pakistan Bureau of Statistics

CPI inflation-Urban increased by 11.0 percent on Year-on-Year basis in April 2021 as compared to an increase of 8.7 percent in the previous month and 7.7 percent in April 2020. The Urban Food and Non-Food inflation recorded at 15.7 percent and 8.2 percent as compared to 10.4 percent and 6.2 percent respectively in the last year same month. During the period July-April FY2021, CPI-Urban recorded at 7.7 percent as against 10.7 percent during the same period last year.

Fig-7.2: Year On Year Urban CPI



Source: Pakistan Bureau of Statistics

In urban areas, increase in the prices of items in April 2021 compared to April 2020 were: Chicken (93.14 percent), Tomatoes (81.49 percent), Eggs (42.41 percent), Condiments and Spices (31.62 percent), Wheat (26.99 percent), Mustard oil (24.44 percent), Vegetable ghee (21.05 percent), Milk

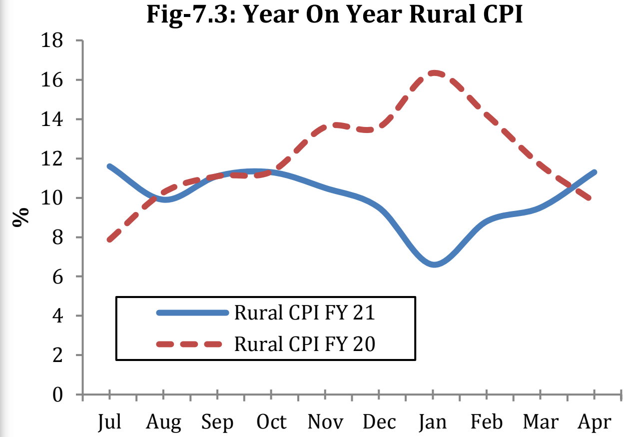
(20.37 percent), Cooking oil (19.23 percent), Sugar (18.2 percent), Wheat flour (16.92 percent) , Fresh vegetables (11.45 percent), Electricity charges (29.06 percent), Cotton cloth (16.56 percent), Footwear (16.24 percent), Major tools & equipment (15.06 percent), Cleaning and laundering (13.37 percent), Clinic fee (12.81 percent), Hosiery (12.55 percent) and Woollen readymade garments (12.08 percent).

On the other hand, in urban areas, the prices of the items which shown decline were: Onions (39.57 percent), Pulse moong (16.57 percent), Pulse masoor (10.20 percent), Pulse gram (7.13 percent), Besan (5.61 percent) and Gram whole (3.00 percent).

CPI inflation-Rural increased by 11.3 percent on a year-on-year basis in April 2021 as compared to an increase of 9.5 percent in the previous month and 9.8 percent in April 2020.

Food and Non-Food inflation recorded at 14.1 percent and 8.9 percent as compared to 12.9 percent and 7.4 percent respectively in the same month last year. During the period July-April FY2021, CPI-Rural recorded at 10.0 percent as against 12.0 percent during the same period last year.

Fig-7.3: Year On Year Rural CPI



Source: Pakistan Bureau of Statistics

The inflation differential in Rural and Urban may be attributed to relatively loose price checks in rural areas. However, Food inflation in rural areas was lower compared to that in urban because agriculture products related to food are produce in rural areas. The high non-food inflation in rural areas can be attributed to the transportation cost.

In rural areas, commodities that recorded increase in prices during April 2021 over April 2020 were: Chicken (85.15 percent), Tomatoes (60.03 percent), Eggs (46.14 percent), Wheat (24.48 percent), Mustard oil (23.71 percent), Cooking oil (23.29 percent), Vegetable ghee (21.38 percent), Wheat flour (19.33 percent), Sugar (16.51 percent), Condiments and Spices (13.72 percent), Milk (13.48 percent), Rice (13.02 percent), Electricity charges (29.06 percent), Hosiery (16.47 percent), Clinic fee (16.41 percent), Plastic products (14.24 percent), Cotton cloth (13.41 percent), Woolen cloth (13.27 percent), Household equipment (12.64 percent), Tailoring (12.06 percent) and Stationery (11.12 percent).

The items recording declines in their prices were Onions (43.53 percent), Pulse moong (14.66 percent), Besan (4.7 percent), Pulse gram (3.15 percent), Pulse masoor (2.34 percent), Fruits (1.30 percent) and Gram whole (1.14 percent).

7.3 Core Inflation

Core inflation is defined as Non Food and Non Energy (NFNE) inflation which is calculated by excluding the food group and energy items (Kerosene oil, petrol, diesel, CNG, electricity and natural gas) from the CPI basket. Core inflation continued to follow moderated trajectory due to containment of domestic demand and muted pass-through of higher food prices into core goods and services prices.

Core inflation for Urban and Rural recorded at 5.8 percent and 7.6 percent respectively during July-April FY2021 as compared to 7.8 percent and 8.7 percent during the same period last year. The YoY core inflation remained low as compared to the same months last year. The deceleration in core inflation was enabled by relative exchange rate stability and the presence of spare capacity which kept firms input costs from rising significantly. Table 7.3 shows the core inflation trend year-on-year basis.

Table 7.3: Core Inflation

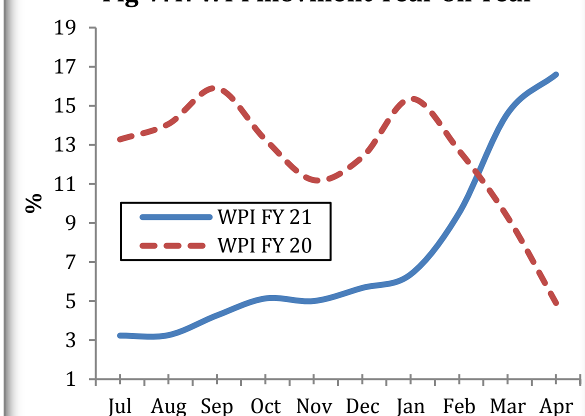
Months		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Jul-Apr
2019-20	Urban	8.2	8.5	8.4	7.7	7.5	7.5	7.9	8.0	7.4	6.4	**7.8**
	Rural	7.8	8.8	8.8	8.6	8.4	8.1	9.0	9.4	9.4	8.5	**8.7**
2020-21	Urban	5.3	5.6	5.5	5.6	5.6	5.6	5.4	6.4	6.3	7.0	**5.8**
	Rural	7.8	7.6	7.8	7.6	7.4	7.7	7.8	7.7	7.3	7.7	**7.6**

Source: Pakistan Bureau of Statistics

7.4: Wholesale Price Index (WPI)

Wholesale prices of 419 items included in WPI are being collected from 19 cities. The items have been divided into five groups.

Fig-7.4: WPI movment Year on Year



Source: Pakistan Bureau of Statitics

During the current Fiscal year, WPI is moving towards an upward trajectory since January 2021 while during the same months last year it followed a steep fall. The Year on Year (YoY) WPI for April 2021 is recorded at 16.6 percent against 14.6 percent in the previous month and 4.9 percent in the same month last year. The index on period average basis during July-April FY2021 has been recorded at 7.4 percent as against 12.2 percent during the same period last year.

Further categorization of the index into 5 constituent groups reveal the highest inflationary pressure in the metal products machinery & equipment recorded at 14.9 percent as against 14.0 percent during the same period July-April FY2020. The other transportable goods recorded a decline of 3.1 percent as against an increase of 5.5

percent the same period last year. The group-wise comparison is given in table 7.4 below.

Table 7.4: Wholesale Price Index (WPI) (%)

Commodity	Weights	July-April	
		2019-20	2020-21
General (WPI)	**100.0**	**12.2**	**7.4**
Agriculture Forestry & and Fishery	25.8	11.4	11.9
Ores & Minerals, Electricity Gas & Water	12.0	30.1	2.4
Food Products, Beverages and Tobacco, Textiles Apparel and Leather Products	31.1	10.6	12.8
i) Food Products and Beverages & Tobacco	20.1	12.9	15.7
ii) Textiles & Apparel	10.3	7.3	7.7
iii) Leather Products	0.7	5.0	5.9
Other Transportable Goods Except Metal Products, Machinery and Equipment	22.4	5.5	-3.1
Metal Products Machinery & Equipment	8.7	14.0	14.9

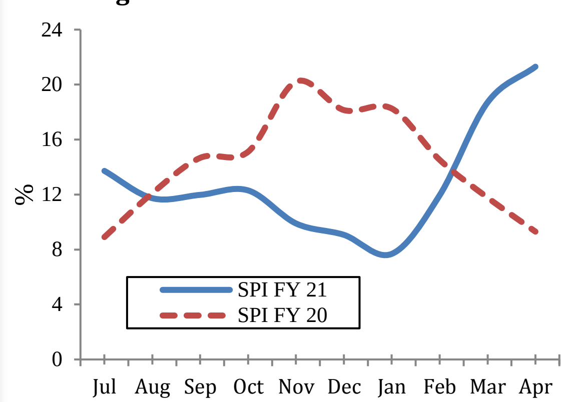
Source: Pakistan Bureau of Statistics

7.5: Sensitive Price Indicator (SPI)

Sensitive Price Indicator (SPI) is computed on weekly basis to assess the price movements of essential commodities at a shorter interval of time to review the price situation in the country. SPI comprises of 51 essential items and the prices are collected from 50 markets in 17 cities of the country.

The trend of this index is monitored regularly and immediate measures are taken to control fluctuation in prices. The SPI year-on-year basis in FY2021 remained volatile as presented in the graph.

Fig-7.5: SPI Year on Year



Source: Pakistan Bureau of Statistics

The annualized increase in SPI during July-April FY2021 was recorded at 12.9 percent against 14.3 percent in the same period last year. Twenty nine (29) major food items including wheat, wheat flour, rice, tomatoes, onions, masoor pulse, moong pulse, mash pulse, chicken, sugar, red chilies etc. having a weight of 59 percent influenced SPI by (+) 11.5 percent.

Table 7.5: Change in prices of major food items of SPI (%)

Description	Units	Weights (Combined)	% Change Apr-21/ Apr-20	Contributions
Wheat Flour Bag	20 Kg	4.0	14.2	0.6
Rice Basmati Broken	1 Kg	1.3	11.5	0.1
Rice IRRI-6/9	1 Kg	0.2	11.7	0.0
Bread plain (Small Size)	Each	0.6	13.5	0.1
Beef with Bone	1 Kg	3.4	11.1	0.4
Mutton	1 Kg	2.4	12.6	0.3

Table 7.5: Change in prices of major food items of SPI				(%)
Description	**Units**	**Weights (Combined)**	**% Change Apr-21/ Apr-20**	**Contributions**
Chicken	1 Kg	3.9	83.8	3.2
Milk fresh (Un-boiled)	1 Ltr	18.4	16.7	3.1
Curd (Dahi) Loose	1 Kg	1.8	15.5	0.3
Powdered Milk NIDO	390gm	0.4	4.4	0.0
Eggs	1 Doz	1.4	46.9	0.7
Mustard Oil	1 Kg	0.0	30.6	0.0
Cooking Oil Tin	5 litres	3.1	20.0	0.6
Vegetable Ghee Tin	2.5kg	1.5	19.4	0.3
Vegetable Ghee Pouch	1 kg	1.5	22.0	0.3
Bananas	1 Doz	0.9	23.4	0.2
Pulse Masoor	1 Kg	0.5	-8.7	0.0
Pulse Moong	1 Kg	0.5	-17.0	-0.1
Pulse Mash	1 Kg	0.3	6.6	0.0
Pulse Gram	1 Kg	0.5	-6.6	0.0
Potatoes	1 Kg	2.1	-5.6	-0.1
Onions	1 Kg	1.7	-41.0	-0.7
Tomatoes	1 Kg	1.4	43.1	0.6
Sugar	1 Kg	3.2	19.0	0.6
Gur	1 Kg	0.1	4.7	0.0
Salt Powdered	800gm	0.2	0.0	0.0
Chilies Powder	200 gm	0.8	139.6	1.2
Garlic	1 Kg	0.6	-39.1	-0.2
Tea Packet	190 gm	2.4	0.3	0.0
Total		**59.0**		**11.5**

Source: Pakistan Bureau of Statistics

7.6: Global Prices Trend

The emerging industrial markets greatly influence the price of oil, since they require more oil to support their economic growth and resulting rise in energy consumption which drive the prices upward in the market. Oil price rose to nearly $64/bbl in April 2021 and has shown an increase by 51 percent since the start of FY2021 while the year on year showing an exorbitant increase of 178 percent.

Table 7.6: International Prices of Major Commodities

Months	Sugar ($/Mton)	Palm Oil ($/Mton)	Soyabean oil ($/Mton)	Crude oil ($/Brl)	Wheat ($/Mton)	Rice ($/Mton)	Tea ($/Mton)	DAP ($/Mton)	Urea ($/Mton)
Apr-20	230.0	609.0	680.0	23.3	221.7	543.7	2350.0	282.0	235.0
May-20	240.0	574.0	684.0	31.0	209.9	492.9	2510.0	263.0	201.9
Jun-20	270.0	652.0	752.0	39.9	200.5	494.1	2840.0	273.0	202.0
Jul-20	270.0	694.0	821.0	42.8	212.7	459.7	3030.0	305.0	214.4
Aug-20	290.0	760.0	867.0	44.3	208.9	480.9	3150.0	341.9	249.5
Sep-20	280.0	796.0	906.0	41.1	219.7	483.0	3080.0	358.4	250.5
Oct-20	300.0	819.0	915.0	40.5	245.2	454.5	3000.0	357.1	245.0
Nov-20	310.0	918.0	974.0	43.2	247.9	468.5	2800.0	359.6	245.0
Dec-20	310.0	1016.0	1026.0	49.9	251.2	496.6	2650.0	388.5	245.0
Jan-21	340.0	990.0	1101.0	54.6	276.4	517.8	2680.0	421.3	265.0
Feb-21	360.0	1017.0	1121.0	62.0	276.6	531.0	2580.0	528.9	335.0
Mar-21	340.0	1031.0	1170.0	65.2	272.6	504.1	2430.0	534.1	352.9
Apr-21	360.0	1075.0	1202.0	64.8	281.4	477.4	2640.0	543.4	328.1
% Change									
Apr-21/Apr-20	56.5	76.5	76.8	178.1	26.9	-12.2	12.3	92.7	39.6
Apr-21/Mar-21	5.9	4.3	2.7	-0.6	3.2	-5.3	8.6	1.7	-7.0
Apr-21/Jul-20	33.3	54.9	46.4	51.4	32.3	3.9	-12.9	78.2	53.0

Source: Commodities Price Pink Sheet, WB

The Palm oil and Soybean oil prices are recorded at $1075/MT and $1202/MT respectively in April 2021 showing an increase of 76.5 percent and 76.8 percent over April 2020. The Palm oil market lost ground from multi-month high in the light of new coronavirus-related restrictions in European countries. Malaysian palm oil futures traded around RM 4,000 per tonne, close to its highest level since March 15th amid tight edible oil supplies and despite concerns over falling demand in India due to a deepening coronavirus crisis.

FAO Food Price Index (FFPI) marking the eleventh consecutive monthly rise and reached to its highest level since May 2014. The rise was led by strong increases in the prices of sugar followed by oils, meat, dairy and cereals.

Fig-7.6: FAO Food Commodity Prices

International palm oil and soyabean oil prices continued to rise in April, 2021 due to slower than expected production growth in major exporting countries. The April, 2021 rebound in international sugar price due to the slow harvest progress in Brazil, the world's largest sugar exporter.

Among major cereals, wheat prices were generally steady in April, 2021 however over 17 percent above than last year April 2020. In case of maize prices the expectations for better global production prospects kept prices generally stable while the international rice prices decreased in April, 2021 with persistent logistical constraints continuing to hinder fresh deals.

7.7 Way Forward

Globally, the inflation rate remained low during the pandemic but there is still upside risk going forward. With substantial money-supply expansion throughout major part of the world, low interest rates and fiscal stimulus are building up inflationary pressure. Moreover, La Nina may intensify agriculture risk to farmers around the globe, which may cause shortage of supply of various agriculture commodities.

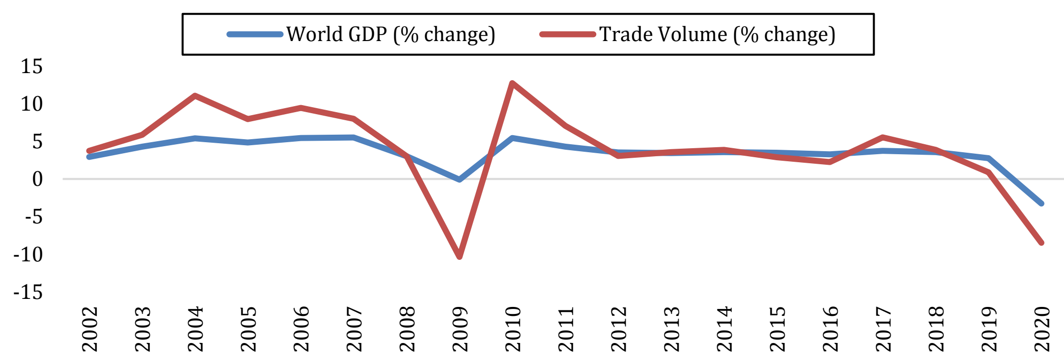
In Pakistan, inflation rate remained low during the period July-April FY2021 as against the last year. Government is making efforts to bring down inflation by ensuring smooth supply of commodities, checking profiteering & hoarding and vigilant monitoring of prices both at Federal and Provincial levels. In order to maintain the sufficient supply of wheat and sugar in the market government intends to timely import the wheat and sugar to bridge the demand supply gap. The government is also taking measures to provide incentives to the farmers for increasing agriculture production. In this regard, government has already approved subsidy disbursement of Rs 19.2 billion for Kharif 2021 through provinces on sharing basis (75:25) for agriculture inputs. The government has also focused on medium and long term strategy for raising production of essential imported food items mainly edible oil and pulses. Thus, with these measures associated risks of price hike will be mitigated.

Chapter 8

Trade and Payments

Even prior to COVID-19 outbreak, globalization in trade, finance, investment and migration was facing a number of headwinds, stimulated by geopolitical tensions over trade between the United States (US) and China, "Brexit" vote for United Kingdom (UK) as well as rising polarization and social inequality. The pandemic has further exacerbated the prevailing trade relationships among nations. All the measures taken by the states to restrain the spread of virus like closure of borders, strict lockdowns and quarantines have distorted supply chains and weakened the demand of an interconnected economy. This has resulted in an overall decline in global output and trade during 2020.

Fig-8.1: Trends in World GDP & Trade Volume

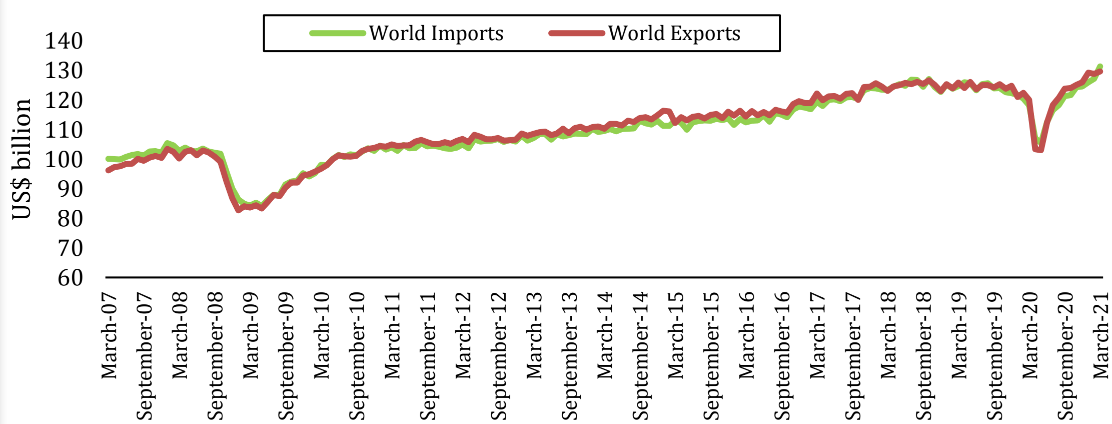


Source: International Monetary Fund, World Economic Outlook Database, April 2021

Amidst the economic crisis, fluctuations in the trade volume tend to be more volatile than in real output (Fig-8.1). As the above graph shows, during global financial crisis, global output witnessed a contraction of 0.1 percent while the world trade plummeted by 10.4 percent. Continuous trade and technological tensions among leading countries had already muted the growth in the world trade volume from 3.9 percent in 2018 to 0.9 percent in 2019. COVID-19 related restrictions have exacerbated the situation and resulted in a sharp contraction in the trade volume (-8.5 percent) during 2020 due to falling global demand. The pandemic had caused serious distortions in the supply chain and subdued foreign direct investment. Overseas migration and worker remittances were severely disrupted and tourism was particularly hard hit. In short it brought the economic activities to a standstill. The impact was significantly different across regions. Advanced economies suffered the steepest decline in exports (by 9.5 percent) and imports (by 9.1 percent), while Emerging Markets and Developing Economies (EMDEs) witnessed somewhat lower contraction in exports (by 5.7 percent) as well as in imports (by 8.6 percent).

However, monetary, financial and fiscal support measures were promptly executed globally. Massive relief packages by fiscal authorities as well as liquidity support and credit extensions by monetary authorities helped in mitigating the adverse impact of lockdowns especially on the poor masses. Special assistance and grants from international organizations and debt relief by G-20 also provided some cushion to subside the financial vulnerabilities. As countries began to emerge from lockdown in the second half of 2020, shifting from strict lockdown to partial or no lockdown strategy, economic activities started to resume. Concurrently, deployment of vaccines has raised hopes of a turnaround in the pandemic and economic activities.

Fig-8.2: Trends in World Merchandise Trade Volume



Source: CPB, World Trade Monitor (Netherlands)

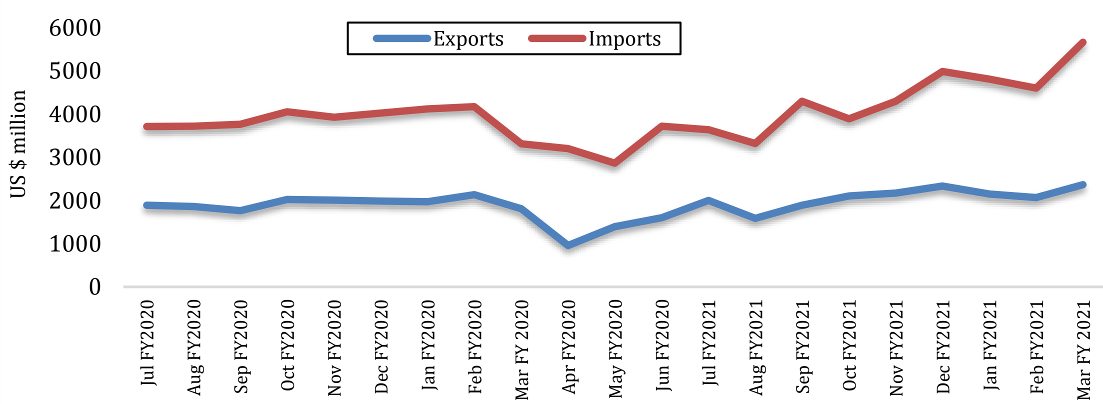
A steep fall was observed during January-May 2020 in the world merchandise trade which dropped to 8.6 percent compared to corresponding period last year. However, unlike the global financial crisis, the contraction was short lived. With the easing of lockdowns and acceleration in economic activity, a surge in trade was observed in June and July 2020, thus leading to full V-shaped recovery. The rebound in trade in the second half of 2020 is a reflection of increased demand for consumer durables from advanced economies and resumption of supply chains in emerging markets.

Economic activities have been revived especially in main trading partners of Pakistan subsequent to development of vaccines. According to World Economic Outlook April 2021, the global economy is projected to grow by 6.0 percent in 2021 and 4.4 percent in 2022. In line with growth in output, world trade volumes are also projected to grow by 8.4 percent in 2021 and 6.5 percent in 2022. The Brexit deal, ended in December 2020, has opened a number of opportunities for Pakistan to explore post-Brexit UK and Euroarea markets in the field of pharmaceuticals, surgical instruments, IT enabled services as well as processed food and agriculture products. Moreover, UK-Pakistan trade and investment relations may continue to benefit by the duty-free access available to Pakistan on more than 90 percent of its exports. The global economic recovery can help Pakistan in exploring more exports destinations and diversifying its products.

Performance of Pakistan's External Sector

Amid the resurgent COVID-19 outbreak, tight containment restrictions were imposed in Pakistan, bringing the economic activities to a halt. Pakistan's exports saw a sharp contraction in the month of April FY2020, (-47 percent M-o-M growth). However, Pakistan's relatively better performance to control the spread of the virus, due in part to government's swift policy response, helped to ease the strict lockdown strategy by following smart lockdown policy since the start of the fiscal year 2021. After the contraction induced by the COVID-19, policy stance has shifted from stabilization to growth. Thus, economic activities resumed to give boost to industrial production. Both exports and imports picked up the momentum, closely following the V-shaped recovery in line with global trade. The surge in imports may be attributed to the rising demand for intermediate goods with the resumption of economic activities. Current account turned to surplus owing to strong growth in remittances and moderate growth in exports. Market based exchange rate regime and reserve buffers helped to stabilize the Pakistani rupee against the US dollar.

Fig-8.3: Trends of Pakistan's Exports & Imports



Source: Pakistan Bureau of Statistics

Exports

Pakistan's exports bounced back owing to proactive measures taken by the state authorities and it was among those countries whose exports recovered more rapidly. Initiatives taken to uplift the export-oriented industries amidst the COVID-19 outbreak include:

- Gas and power subsidies through the industrial support package
- Extensions in the validity of subsidized power and gas utilities under erstwhile zero-rating certificates
- A cumulative Rs 190 billion enhancement in the limits of refinancing for banks under the Export Finance Scheme (EFS) and the Long Term Financing Facility (LTFF)

- Loans deferment and restructuring
- Payroll support under the Rozgar Scheme
- Temporary Economic Refinance Facility (TERF) and
- Tax refunds to improve liquidity conditions of exporters.

In order to meet the objectives of the National Tariff Policy, 2019-2024 and to remove distortions in the tariff structure, tariffs were rationalized as per details given below during the budget exercise 2020-21:

- Additional Customs Duty (ACD) of 2 percent on 1623 tariff lines, consisting of basic raw materials, was removed.
- Customs Duty on 90 tariff lines, consisting of intermediate goods/inputs not manufactured locally, was reduced from 11 to 3 percent and 0 percent.
- In order to implement Government's "Make in Pakistan Initiative", tariffs were rationalized on 112 tariff lines.
- Regulatory Duty (RD) on 36 tariff lines of iron & steel sector was reduced to ensure cheap raw materials for manufacturing sector.

After the budget, the following further measures were taken:

- ACD and RD on 164 tariff lines of textile sector such as fibers, yarn and fabrics of nylon, viscose, acrylic, silk, wool and vegetable-based fibers like hemp, not manufactured in the country, were removed in order to increase the share of Man Made Fiber (MMF) in textile exports.
- In order to meet the demand of value-added textile sector, 5 percent RD on import of cotton yarn was removed and the tariff was reduced from 10 percent to 5 percent.
- ACD on 152 tariff lines pertaining to raw materials, mostly chemicals, used by the local manufacturing sector was removed.

It is worth mentioning that Pakistan has finally received the Geographical Indication (GI) tag for Basmati rice. It would strengthen Pakistan's case against India in the European Union, where India has been trying to block Pakistan's trade by claiming its Basmati was the geographically original one. This will provide protection to our products against misuse or imitation and hence will guarantee that their share in international market is protected.

Merchandise Exports

In line with world trade, Pakistan's exports bounced back, after a sharp hit during strict lockdown in the last fiscal year, mainly due to export-oriented government policies and strong economic recoveries in the main export markets. Exports were targeted at US$ 22.7 billion for the fiscal year 2021. Exports during July-March FY2021 amounted to US$ 18.7 billion as compared to US$ 17.4 billion in the same period last year, which shows an impressive growth of 7.1 percent as compared to the 2.2 percent in the same period last year.

Table 8.1: Structure of Exports

	Particulars	Units	July-March Values in US$ million			July-March Quantity		% Change in Quantity
			2019-20	2020-21 (P)	% Change	2019-20	2020-21 (P)	
	Total		17,443.3	18,687.4	7.1			
A.	**Food Group**		3,396.0	3,332.2	-1.9			
	Rice	M.T	1,594.0	1,560.4	-2.1	3141961	2885388	-8.2
	Sugar	M.T	70.7	-	-	181447	-	-
	Fish & Fish Preparation	M.T	317.3	303.6	-4.3	130148	136370	4.8
	Fruits	M.T	379.5	378.3	-0.3	722634	829224	14.8
	Vegetables	M.T	257.9	246.1	-4.6	710472	699159	-1.6
	Wheat	M.T	11.4	-	-	48083	-	-
	Spices	M.T	66.8	70.3	5.2	15755	17446	10.7
	Oil Seeds, Nuts & Kernels	M.T	28.0	76.4	172.9	20138	68808	241.7
	Meat & Meat Preparation	M.T	233.0	248.2	6.5	62653	72863	16.3
	Other Food Items		437.5	448.9	2.6	-	-	-
B.	**Textile Manufactures**		10,412.9	11,355.5	9.1			
	Raw Cotton	M.T	17.0	0.6	-96.5	12776	499	-96.1
	Cotton Yarn	M.T	819.8	721.2	-12.0	336845	292997	-13.0
	Cotton Cloth	TH.SQM	1,547.3	1,419.2	-8.3	2003233	875511	-56.3
	Knitwear	TH.DOZ	2,299.9	2,780.9	20.9	87345	126677	45.0
	Bedwear	M.T	1,761.6	2,052.3	16.5	338650	343476	1.4
	Towels	M.T	592.4	692.1	16.8	144407	159028	10.1
	Readymade Garments	TH.DOZ	2,170.6	2,268.6	4.5	43211	27683	-35.9
	Made-up articles		492.3	565.5	14.9	-	-	-
	Other Textile Manufactures		712.1	855.1	20.1	-	-	-
C.	**Petroleum Group**		132.7	85.8	-35.3	-	-	-
	Petroleum Products	M.T	86.2	53.3	-38.2	79956	46687	-41.6
	Petroleum Top Neptha	M.T	46.5	32.5	-30.0	100111	96033	-4.1
D.	**Other Manufactures**		2,426.2	2,565.9	5.8	-	-	-
	Carpets, Rugs & Mats	TH.SQM	48.7	54.3	11.6	1302	1087	-16.5
	Sports Goods	TH.DOZ	222.7	192.2	-13.7	-	-	-
	Leather Tanned	TH.DOZ	151.3	113.3	-25.1	13895	8125	-41.5
	Leather Manufactures		401.0	427.7	6.7	-	-	-
	Surgical Goods. & Med. Inst.		303.0	324.3	7.0	-	-	-
	Chemical & Pharma. Pro.		734.5	844.2	14.9	-	-	-
	Engineering Goods		140.4	164.0	16.8	-	-	-
	Jewellery		3.2	6.5	103.5	-	-	-
	Cement	M.T	210.1	210.0	0.0	5592788	6247086	11.7
	Guar & Guar Products	M.T	27.3	25.8	-5.5	19926	21535	8.1
	All Other Manufactures		211.4	229.4	8.5	-	-	-
E.	**All Other items**		1,075.4	1,348.0	25.3	-	-	-

P : Provisional
Source: Pakistan Bureau of Statistics

Broad categories of exports exhibited the mixed performance (table 8.1). Food group, despite being a significant sector of the economy, declined by 1.9 percent during July-March FY2021 compared to the same period last year. Within the food group, rice exports decreased both in quantity and value by 2.1 and 8.2 percent, respectively.

The Basmati rice exports declined by 27.3 percent in value and 33.2 percent in quantity during July-March FY2021 as compared to the corresponding period last year. The contraction in export of rice was mainly driven by higher prices due to unavailability of shipment containers which raised the average cost of shipping. Taking advantage of the situation, India took over the market by offering lower prices to increase its share further. However, it is important to highlight that Pakistan has started reaping benefits from long awaited GI tag for basmati rice against India received in January 2021. Resultantly exports of basmati rice showed a remarkable turnaround and witnessed 73 percent growth in March FY2021(on M-o-M basis) over February FY2021.

Other varieties under rice group witnessed a growth of 11.9 percent in value despite the decline of 1.6 percent in quantity due to higher domestic prices accompanied by tight supplies before the arrival of the new crop. However, the price impact was much stronger than the overall quantum impact.

Export earnings from fruits contracted by 0.3 percent in value and increased by 14.8 percent in quantity. Vegetables also witnessed a decline of 4.6 percent in value and 1.6 percent in quantity. Fish & fish preparation subgroup decreased by 4.3 percent in value due to low price in international markets but its quantity increased by 4.8 percent as compared to last year.

Exports of oil seeds, nuts & kernels witnessed a growth of 241.7 percent in quantity and 172.9 percent in value during July-March FY2021 as compared to the same period last year. The export of spices also increased by 5.2 percent in value and 10.7 percent in quantity during the period under review. Meat and meat preparation increased both in value and quantity by 6.5 and 16.3 percent, respectively signaling a recovery in production of livestock.

Textile group, which has around 60 percent share in total exports, witnessed a growth of 9.1 percent during July-March FY2021 compared to the corresponding period last year. Rebound in exports of textile is the outcome of a series of incentives to support exporters to meet the challenges in the wake of COVID-19 and disruption in supplies. Moreover, the government's decision to keep businesses open during lockdown provided an opportunity to secure orders diverted from economies under strict lockdown.

Higher textile exports came on the back of quantum growth in high value-added products, particularly knitwear, home-textiles (bedwear and towels) and made-up articles. At the same time raw cotton, cotton yarn and cotton cloth showed a declining trend. This indicates countries preferences shifting from raw and intermediate goods to value added exports. To prop up the exports of high-value added textile, additional customs duty on import of raw cotton has been exempted by the government. Beside this, the sector also benefitted from Export Financing Scheme (EFS) and out of Rs 68.7 billion EFS loan, Rs 44.8 billion has been given to textile sector during July-March FY2021. This significantly helped to improve the liquidity conditions and enhanced the capacity utilization of the sector. Meanwhile declining share of China in the US apparel market and shifting focus from apparel to global textile market provided some room to Pakistan and other competitors to enhance their shares in apparel exports.

In case of home textiles (bedwear and towels), exports increased by 16.6 percent Y-o-Y to US$ 2.7 billion on the back of higher unit values. Knitwear exports grew by 20.9

percent in value and 45.0 percent in quantity as compared to the corresponding period last year. Export earnings of readymade garments showed growth of 4.5 percent in value but a decline in quantity by 35.9 percent during the period under review.

The exports of intermediate commodities like cotton yarn witnessed a fall both in value and quantity by 12.0 and 13.0 percent, respectively. It could be attributed to the lower production due to unfavorable weather conditions, pest and locust attacks last year. The same trend continued in the current fiscal year. Cotton cloth export declined both in quantity and value by 56.3 and 8.3 percent, respectively.

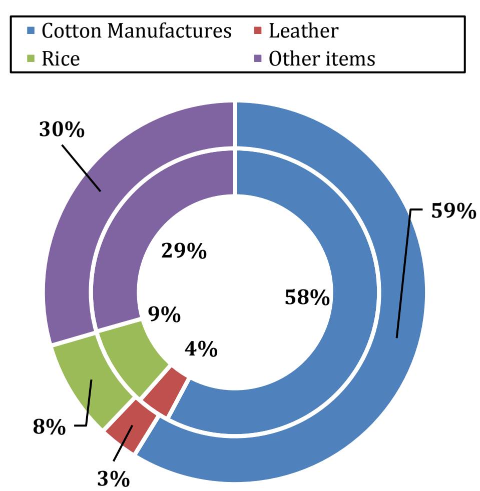
The exports of petroleum products, largely affected by COVID-19, slumped by 35.3 percent. Moreover, petroleum crude exports also dropped by 58.9 percent and reached US$ 62.7 million. Export of items like leather tanned and gloves etc. could not grow in quantitative terms. In the case of sports goods, football – the major export item – witnessed a decline both in quantity and value by 29.7 and 23.2 percent, respectively.

Export of carpets, rugs and mats registered a growth in value by 11.6 percent whereas the export quantity decreased by 16.5 percent as compared to the same period last year. The export of cement witnessed a strong growth in quantity by 11.7 percent but in value terms it remained the same as last year partly due to reduction in Federal Excise Duty (EFD) in wake of COVID-19 and a fall in coal prices. China and Sri Lanka were the main destinations as both countries used infrastructure as a tool for revival of the economy during the pandemic. Guar and guar products registered a decline in value by 5.5 percent but grew in quantity by 8.1 percent.

Concentration of Exports

Export growth is hindered owed to lack of diversification in export goods. The trend of Pakistan's exports of major items has remained more or less the same with concentration on three items viz cotton manufactures, leather and rice (See Table 8.2). These three categories accounted for 70.5 percent of total exports during July-March FY2021.

Fig-8.4: Pakistan's Major Exports (July-March)



Source: Pakistan Bureau of Statistics

Within these three items, cotton manufactures remain the major contributor with 58.8 percent in total exports. Thus, Pakistan's exports are still concentrated in a few items. The annual percentage shares of the major export commodities are shown in figure 8.4 with the outer line representing data for FY2021 and the inner line showing FY2020.

Table 8.2: Pakistan's Major Exports (Percentage Share)

Commodity	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	July-March	
							2019-20	2020-21 P
Cotton Manufactures	54.5	55.0	56.5	61.7	56.4	56.6	57.8	58.8
Leather**	4.8	4.9	4.1	4.2	3.7	3.6	3.7	3.3
Rice	8.5	8.8	8.8	7.7	9.0	10.2	9.1	8.4
Sub-Total of three Items	**67.8**	**68.7**	**69.4**	**73.6**	**69.1**	**70.4**	**70.6**	**70.5**
Other items	32.2	31.3	30.6	26.4	30.9	29.6	29.4	29.5
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

P: Provisional
** Leather & Leather Manufactured.
Source: Pakistan Bureau of Statistics

Direction of Exports

Among the top export destinations, the USA continued to be the largest export market for Pakistan during July-March FY2021. Exports to the USA moderately increased from 17.3 percent in FY2020 to 19.7 percent in FY2021. Similarly share of exports to China increased from 8.0 percent to 9.7 percent during the period under review. Detailed bifurcation of major export markets is shown in the Table 8.3.

Table 8.3: Major Exports Markets **(Rs billion & Percentage Share)**

Country	2017-18		2018-19		2019-20		July-March			
							2019-20		2020-201P	
	Rs	% Share	Rs	% Share	Rs	% Share	Rs	% Share	Rs	% Share
USA	400.4	15.7	532.8	17.0	585.4	17.4	471	17.3	593.6	19.7
CHINA	185.7	7.3	259.6	8.3	349.7	10.4	219	8.0	292.9	9.7
AFGHANISTAN	165.2	6.5	176.4	5.6	134.3	4.0	115.6	4.2	126.9	4.2
UNITED KINGDOM	186.7	7.3	226.8	7.3	239.6	7.1	194.7	7.1	245.3	8.1
GERMANY	146.7	5.7	173.4	5.5	199.0	5.9	162.1	5.9	187.7	6.2
U.A.E	104	4.1	125.8	4.0	178.9	5.3	141.6	5.2	118.8	3.9
BANGLADESH	81	3.2	101.8	3.3	102.6	3.0	91.8	3.4	126.9	4.2
ITALY	84.5	3.3	107.4	3.4	115.0	3.4	92.4	3.4	92.6	3.1
SPAIN	104.5	4.1	126.5	4.0	130.3	3.9	109.2	4.0	108.1	3.6
FRANCE	45.5	1.8	53.9	1.7	57.7	1.7	44.8	1.6	49.8	1.6
All Other	1,050.8	41.1	1,243.8	39.8	1,277.3	37.9	1,083.0	39.7	1,077.7	35.7
Total	2,555.0	100.0	3,128.2	100.0	3,369.8	100.0	2,725.2	100.0	3,020.3	100.0

P: Provisional
Source: Pakistan Bureau of Statistics

Box-I: Bilateral Relation

Pakistan attaches great importance to its trade relations with other trading partners. Pakistan's trade engagements in the ongoing financial year are mentioned below:

China-Pakistan

Pakistan is engaged with China through a bilateral agreement in addition to other commercial agreements. The implementation of Phase-II of the China-Pakistan Free Trade Agreement (CPFTA) is a significant achievement for Pakistan. The Government of Pakistan has gained most favorable market access at par with ASEAN, in the Chinese market. The significant features of Phase-II of the CPFTA, inter alia, include immediate market access on 313 items of Pakistan's prime export interest, more robust safeguard measures, inclusion of balance of payment clause and Electronic Data Exchange (EDE) to curb under-invoicing and mis-declaration of goods.

Third China International Import Expo (CIIE) was held in Shanghai, China, on 5-10 November, 2020. Pakistan's leading enterprises virtually showcased their products during the event. Moreover, awareness campaign was arranged by Ministry of Commerce during July-December FY2021, to sensitize the local business community about the benefits and opportunities available under Phase-II of the CPFTA.

Pakistan-Japan

The 7th Session of Japan-Pakistan High Level Economic Policy Dialogue (JPHLEPD) was held in March 2021 during which new proposals were shared regarding trade and economic relations between the two countries so as to explore opportunities to reap maximum benefits out of the longstanding and growing relations.

In addition, a monitoring Committee was established to resolve issues faced by the business community of both countries. The first meeting of the Committee was held on 26th November 2020 wherein both sides shared their willingness to promote discussions to facilitate and further strengthen bilateral trade and to address issues pending on both sides.

Pakistan-South Korea

Pakistan and South Korea held the 3rd Meeting of Joint Trade Committee on 6th January 2021 to discuss avenues for expansion of bilateral trade and investment linkages and prospects for preferential trading arrangements.

Pakistan - Bangladesh

Bangladesh remained the second largest export destination for Pakistan in South Asia after Afghanistan. The dynamics of the political relations between the two countries seem to be gradually moving in a positive direction. The Dhaka Chamber of Commerce and Industry (DCCI) is in the process of signing MoU with the High Commission of Pakistan to enhance business to business linkages. Pakistani businessmen were invited to participate in the DCCI Business Conclave virtually on 5 -7 January 2021.

Pakistan-Sri Lanka

The 7th Session of Pakistan, Sri Lanka Commerce Secretary Level Talks, was held on 18th February 2021 wherein both countries renewed the resolve to further deepen bilateral ties and to work on resolving technical issues by reviving the platform of Joint Working Groups. Pakistan also held its first ever Trade and Investment Conference in Colombo on 24th February 2021 on the side-lines of visit of the Prime Minister of Pakistan to Sri Lanka. The event proved to be a huge success and leading businessmen from both countries attended the conference. During the visit of the Prime Minister, the Investment Promotion Agencies of both countries also signed MoU on Investment Promotion.

Central Asian Republics, Afghanistan, Iran Region

- Pakistan's exports to Central Asia, Afghanistan and Iran increased from US $ 813.59 million to US$ 870.26 million during July-March FY2021.
- A Joint Inter-Governmental commission meeting was held, in which Kazakhstan agreed to establish Joint Working Group on Trade and Investment with Pakistan to remove trade barriers between the two countries.
- Pakistan's exports to the Afghanistan increased to US$ 779.39 million during July-March FY2021, despite a continuing ban on export of wheat and sugar. The 7th and 8th Afghanistan-Pakistan Transit Trade Coordination Authority (APTTCA) meetings were held in which bilateral and transit trade issues were discussed. Besides, Afghanistan Pakistan Transit Trade Agreement was extended for three months beyond 11th February 2021.
- The first meeting of Joint Working Group on Trade and Economic Affairs was held at Tashkent to discuss Preferential Trade Agreement and connectivity through Afghanistan through road and railway corridors.

- The 3rd Session of Pakistan, Azerbaijan Joint Working Group on Trade, was held in December 2020, to explore possibility of a Preferential Trade Agreement and cooperation in pharmaceutical and agricultural sectors, as well as in petroleum and LNG.
- To strengthen the trade relations, the memorandum of understanding (MoU) on establishment of Border Sustenance Market Places with Iran was signed on 21st April, 2021 at Tehran. Pilot Projects of border marketplaces will be established at Gabd, Mand and Chedgi.

Middle East Region

- The overall bilateral trade of Pakistan with the Middle East region has decreased from US$ 10445.25 million in July-March FY2020 to US$ 9420.56 million in July-March FY2021, due to COVID-19 pandemic and supply chain disruptions.
- Gulf Cooperation Council (GCC) has expressed its willingness to resume Pak-GCC FTA negotiations. The Ministry of Commerce is taking preliminary steps before holding the 3rd round of negotiations.
- To ensure continued exports of meat products to Saudi Arabia, two Halal Certifying Bodies have been registered with Saudi Food and Drug Authority and thirteen (13) companies have been registered with them.
- The Trade Mission in Riyadh had prevented the unlawful registration in Saudi Arabia of 'Kernal' as trademark of India.
- Six webinars to create awareness amongst Pakistani exporters were held in which Construction, Halal Accreditation, Information Technology and Pharmaceutical sectors were covered.

Africa

Total bilateral trade between Pakistan and Africa was recorded at US$ 3.15 billion during July-March FY2021.

- Webinars were organized to familiarize Pakistani business community regarding sector-specific dynamics, requirements and opportunities in African countries.
- Sector-specific strategies for Africa to enhance exports of priority sectors, identified for Africa under Look Africa Policy, were drawn up. Initial meetings of all stakeholders of pharmaceuticals and surgical sectors were held and finalization of export development strategy for pharmaceutical sector is in progress.
- The first official business delegation from Tanzania to Pakistan in approximately thirty years.
- Participation in 38th International Khartoum Fair.

United States

The United States (US) is the largest single country destination for Pakistan's exports. The volume of exports to the US stood at US$ 3,248.43 million during July-February FY2021, registering a growth of 21 percent. The volume of imports reached US$ 1,682.22 million against US$ 1,673.36 million last year.

Europe Union (EU)

Pakistani products have duty free access in all 28-member states of the EU on 91 percent tariff lines under EU's "Special Incentive Arrangement for Good Governance and Sustainable Development", which is also popularly known as GSP+, since 1st January 2014.

Pakistan's exports to EU increased by 4 percent to US$ 4,549.82 million during July-February FY2021. At the same time, Pakistan's imports decreased by 3 percent to US$ 2,539.07 million. The trade balance is in favor of Pakistan with trade surplus amounting to US$ 2,010.75 million.

Eastern Europe

Pakistan's exports to the Russian Federation during July-February FY2021 saw a surge of 20 percent as the exports increased to US$ 121.70 million. However, the imports also saw a significant increase of 240 percent and reached US$ 563.18 million.

The government has undertaken many initiatives for enhancing trade with the Eastern Europe region, prominent among them being:

i. Promotional /marketing activity in the Eastern Europe region is being carried out as part of strategy to target non-traditional markets.

ii. Ministry of Commerce is arranging business delegations of textile garments, sports goods, leather goods and surgical goods from Pakistan in coordination with Trade Development Authority of Pakistan.

iii. To cater the demands of Eastern European region, Ministry of Commerce is carrying out market analysis of potential non-traditional sectors and products.

Source: Ministry of Commerce

Imports

The total imports during July-March FY2021 clocked at US$ 39.5 billion as compared to US$ 34.8 billion in the same period last year, showing a growth of 13.6 percent. Non-energy imports remained the main contributor in the rising import bill. The surge in imports may be attributed to the rising demand for intermediate goods due to the resumption of economic activities; supply shock in agricultural products especially wheat, sugar and cotton; government's accommodative measures to underpin the production of industrial sector in the form of removal of customs duty on import of raw-materials; and concessionary loans.

Table 8.4: Structure of Imports

	Particulars	Units	July-March Value in US$ million		% Change in Value	July-March Quantity		% Change in Quantity
			2019-20	2020-21 (P)		2019-20	2020-21 (P)	
	Total		34,790.6	39,518.7	13.6			
A.	**Food Groups**		3,963.3	6,121.4	54.5			
	Milk & Milk food	M.T	125.2	146.2	16.8	49748	43929	-11.7
	Wheat Unmilled	M.T	-	983.3	-	-	3612638	-
	Dry Fruits	M.T	24.1	69.7	189.6	16950	60995	259.9
	Tea	M.T	376.2	435.1	15.6	155372	194962	25.5
	Spices	M.T	119.4	157.6	32.0	99955	135410	35.5
	Edible Oil (Soyabean & Palm)	M.T	1,425.5	1,909.3	33.9	2342965	2516069	7.4
	Sugar	M.T	2.3	127.5	5335.6	4751	279529	5783.6
	Pulses	M.T	428.8	448.4	4.6	859484	842777	-1.9
	Other Food Items		1,461.8	1,844.3	26.2	-	-	-
B.	**Machinery Group**		3,787.4	4,503.9	18.9	-	-	-
	Power generating Machines		921.1	1,381.5	50.0	-	-	-
	Office Machines		288.9	332.7	15.2	-	-	-
	Textile Machinery		352.7	381.9	8.3	-	-	-
	Const. & Mining Machines		168.9	104.6	-38.1	-	-	-
	Aircrafts, Ships and Boats		239.7	380.1	58.6	-	-	-
	Agriculture Machinery		73.2	66.0	-9.9	-	-	-
	Other Machinery Items		1,742.9	1,857.1	6.6	-	-	-

Table 8.4: Structure of Imports

	Particulars	Units	July-March Value in US$ million		% Change in Value	July-March Quantity		% Change in Quantity
			2019-20	2020-21 (P)		2019-20	2020-21 (P)	
C.	**Petroleum Group**		6,417.3	5,471.0	-14.7			
	Petroleum Products	M.T	3,964.7	3,447.6	-13.0	8012377	10440246	30.3
	Petroleum Crude	M.T	2,452.6	2,023.4	-17.5	5508826	6422166	16.6
D.	**Consumer Durables**		2,594.1	2,635.6	1.6	-	-	-
	Road Motor Vehicles		852.3	1,534.3	80.0	-	-	-
	Electric Mach. & Appliances		1,741.8	1,101.3	-36.8	-	-	-
E.	**Raw Materials**		5,753.8	7,160.7	24.5	-	-	-
	Raw Cotton	M.T	556.1	1,032.1	85.6	338244	624945	84.8
	Synthetic Fibre	M.T	339.1	441.0	30.0	227365	346254	52.3
	Silk Yarn (Synth & Arti)	M.T	429.9	499.8	16.3	210810	316656	50.2
	Fertilizer Manufactured	M.T	482.3	440.2	-8.7	1423114	1259943	-11.5
	Insecticides	M.T	108.6	129.9	19.6	19327	29450	52.4
	Plastic Material	M.T	1,490.2	1,771.1	18.8	1196265	1448760	21.1
	Iron & steel Scrap	M.T	1,188.2	1,418.8	19.4	3050194	3829438	25.5
	Iron & steel	M.T	1,159.3	1,427.8	23.2	1806631	2306105	27.6
F.	**Telecom**		1,328.5	1,913.7	44.0	-	-	-
G.	**All Other Items**		10,946.3	11,712.4	7.0	-	-	-

P: Provisional
Source: Pakistan Bureau of Statistics

The highest contribution to the growth of total imports is that of food group. During July-March FY2021, food group witnessed a growth of 54.5 percent and its import clocked at US$ 6,121.4 million as against US$ 3,963.3 million during the comparable period last year. Within food group, surge was observed in the import of wheat, sugar, palm oil and dry fruits. Due to supply disruptions in wheat and shortage of production in sugar, government reverted to import of wheat and sugar to meet demand and to control price hike.

The edible oil, soybeans & palm, import bill, the heaviest item in the food group, increased in both quantity and value by 33.9 and 7.4 percent, respectively. The increase in the import bill of edible oil was mainly attributed to the rise in global palm oil prices, mainly due to lower production in Malaysia and rise in palm oil export levy by US$ 5 per tonne. The import bill of pulses surged by 4.6 percent during the period under review.

The import of petroleum group declined by 14.7 percent during the period under review and reached US$ 5,471.0 million as compared to US$ 6,417.3 million during the corresponding period last year. This was mainly due to historically low global oil prices and limited transportation in the wake of COVID-19. Within the petroleum group, the petroleum products declined in value by 13.0 percent, despite an increase in quantity by 30.3 percent. Petroleum crude reduced in value by 17.5 percent and quantity increased by 16.6 percent. The fall in unit prices more than offset the impact of the quantum increase. Liquefied Natural Gas imports decreased by 22.6 percent in value and Liquefied Petroleum Gas imports surged by 42.8 percent.

Machinery Group is the vital engine of growth for successful industrial and manufacturing sector development. Its import increased substantially by 18.9 percent and reached US$ 4,503.9 million against US$ 3,787.4 million last year. Within this group, import bill of power generating machinery increased by 49.9 percent and reached US$ 1,381.5 million as compared to US$ 921.1 million last year, mainly due to the ongoing work on CPEC-related power projects. The import bill of textile machinery registered an increase of 8.3 percent and stood at US$ 381.9 million against US$ 352.7 million last year.

Electrical machinery & apparatus imports plummeted by 36.4 percent to US$ 1,112.6 million during July-March FY2021 compared with US$1,748.8 million in the same period last year.

Within the machinery group, telecom sector imports accelerated by 44.0 percent to US$ 1,913.7 million as compared to US$ 1,328.5 million last year. Mobile phone imports increased by 56.7 percent and reached US$ 1,535.9 million as compared to US$ 979.9 million last year. Rising demand for mobile phones may be attributed to multiple factors, including reduction in taxes, changing work and educational environment like work from home and online schools in the wake of pandemic.

The import of transport group surged by 68.7 percent and reached US$ 2,018.3 million during July-March FY2021 as compared to US$ 1,196.5 million last year. The import of road motor vehicle increased by 73.0 percent of which CBU increased by 82.5 percent and CKD/SKD increased by 91.2 percent during the period under review.

Metal group import increased by 17.8 percent and reached US$ 3,621.4 million. Increased activity in the construction and automobile sectors led to a surge in import of iron and steel scrap by 19.4 percent in value and 25.5 percent in quantity. Imports of iron and steel also increased by 23.2 percent in value and 27.6 percent in quantity during the period under review.

In the textile group, import of raw cotton witnessed an increase both in quantity and value by 84.8 and 85.6 percent, respectively during July-March FY2021 as compared to the same period last year. Plunge in cotton production and rising demand for high value-added textile products of Pakistan in international markets (European and American), diverted from its competitors, compelled the producers to import significant amount of cotton thereby increasing the import bill.

Direction of Imports

Like exports, Pakistan's imports are also highly concentrated in a few countries. Imports from countries like China, Saudi Arabia, UAE and Indonesia constitute around 50 percent of the total imports. During the current fiscal year, share of imports from China has increased from 23.6 percent to 27.1 percent during July-March FY2021. Share of imports from USA has increased marginally from 4.8 percent to 5.5 percent during the period under review. Change in Pakistan's import pattern in recent years is shown in (Table 8.5).

Table 8.5: Major Import Markets (Rs billion & Percentage Share)

Country	2017-18		2018-19		2019-20		July-March 2019-20		July-March 2020-21 P	
	Rs	% Share	Rs	% Share	Rs	% Share	Rs	% Share	Rs	% Share
CHINA	1,731.8	25.9	1,734.3	23.3	2328	33.1	1,267.2	23.6	1,725.8	27.1
UAE	893.3	13.3	1020.1	13.7	812.7	11.6	759.7	14.1	602.2	9.4
SAUDI ARABIA	356.4	5.3	401.3	5.4	273.6	3.9	286.2	5.3	301.9	4.7
KUWAIT	159.7	2.4	185.8	2.5	178.7	2.5	133.8	2.5	167	2.6
INDONESIA	278.5	4.2	327.3	4.4	339.6	4.8	245.5	4.6	360.6	5.7
INDIA	207.5	3.1	204.8	2.8	59.9	0.9	154.8	2.9	38.3	0.6
U.S. A	316.4	4.7	368.9	5.0	396.7	5.6	259.5	4.8	351.1	5.5
JAPAN	266.5	4.0	246.1	3.3	174.7	2.5	188.0	3.5	173.8	2.7
GERMANY	146.4	2.2	142.6	1.9	124.2	1.8	105.4	2.0	122.2	1.9
MALAYSIA	132	2.0	145.5	2.0	148.3	2.1	103.0	1.9	134.3	2.1
All Other	**2,206.5**	33.0	**2,666.5**	35.8	**2,193.4**	31.2	**1,867.9**	34.8	**2,400**	37.6
Total	**6,695**	100.0	**7443.3**	100.0	**7,029.8**	100.0	**5,371.1**	100.0	**6,377.2**	100.0

P: Provisional
Source: Pakistan Bureau of Statistics

Box-II: E-Commerce in Pakistan

Pakistan's first ever e-commerce policy was approved by the Federal Cabinet in October 2019. The policy aims to facilitate holistic growth of e-commerce in Pakistan by creating an enabling environment, reducing cost of doing business and lowering the threshold for enterprises to become part of the e-commerce. The policy outlines targeted interventions in key areas of regulation, payment infrastructure, taxation, consumer protection, logistics, data protection and SME growth among others.

According to SBP report, Pakistan's e-commerce market size rose to Rs 96 billion upto Q1-2021 from Rs 71 billion in Q1-2020 with cash on delivery assumed at 60 percent of value, whereas in terms of prepayment it rose from Rs 29 billion to Rs 39 billion during the same period. E-Commerce merchants with prepayment have increased to 2,164 from 1,410 in the past 12 months. E-commerce merchants registered with Banks are increasing i.e. more than 8,600 in number during Q3-2020 while the average order value is decreasing as there is decrease in 1,000 points from 4,000 to 3,000 approximately in the same quarter. Prepayment orders per day have increased to 43,333 orders/day in Q3-2020.

Measures Taken to Facilitate E-Commerce

Outward Remittances to Digital Service Provider Companies: The State Bank, in August 2020, introduced a new mechanism for payments to globally recognized digital service provider companies against acquisition of digital services by local companies. The mechanism allows payment of up to US$ 200,000 to 62 digital service providers without prior approval from the State Bank. Moreover, authorized dealers can also release foreign exchange up to a maximum of US$ 25,000 per annum to digital services providers not included in the list.

Exception of requirement of Form E for E-Commerce exports: The State Bank, in December 2020, allowed the e-commerce exporter exemption from filing Form-E for exports under US$ 5,000. The exemption will greatly facilitate ease of doing business and will help small entrepreneurs and exporters who typically export varied goods in small quantities.

Separate Module in Web Based One Customs (WeBOC): In collaboration with Pakistan Customs and other stakeholders, a separate module has been developed in WeBOC to promote Business-to-Consumer (B2C) e-commerce exports. The new system will facilitate documentation and allow commercial banks to register e-commerce traders in WeBOC.

Increase in Payment limit for Freelancers: The State Bank, in collaboration with the Ministry of Commerce, increased the payment limit for freelancers to US$ 25,000 from US$ 5,000 in February 2020. The increase in limit would enable freelancers to expand their business operations and engage new individuals to join the workforce.

Pay Fast*:* The State Bank has approved e-commerce payment gateway "PayFast" to start its operations. PayFast is similar to international gateways like Stripe, Square and Razorpay and has more than 150 merchants on board as well as 12 partner banks. PayFast provides payment acceptance through multiple instruments, such as UnionPay, Visa and Mastercard cards, mobile wallets and bank account numbers.

Enlisting of more than 30 exporters on Amazon.com: Ministry of Commerce facilitated enlisting of more than 30 exporters with the well-known international e-commerce platform Amazon. This will allow Pakistani sellers to be directly registered from Pakistan and interact with buyers. After a trial run, registration will be expanded to other companies.

EMS Plus: The Pakistan Post has launched its first mobile application and export parcel service "EMS Plus" which facilitates small businesses to send their consignments/parcels abroad to any destination within 72 hours. The service was initially started in January 2019 for seven destinations but has been now expanded to the entire world.

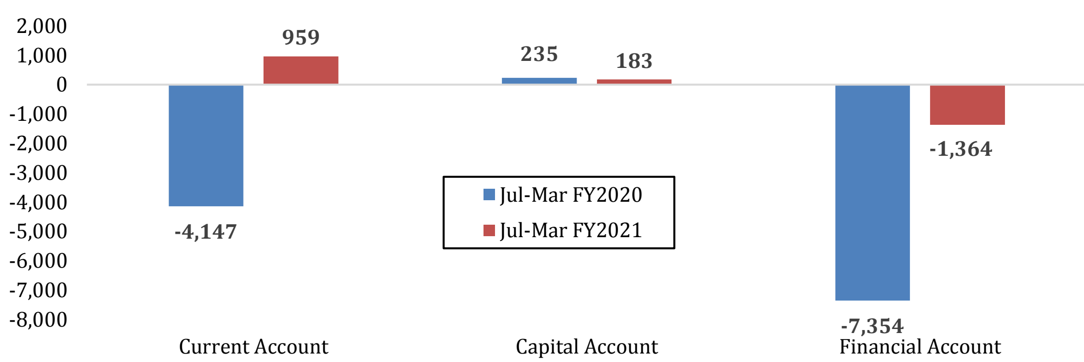
Specialized banking products for Freelancers: The State Bank is encouraging banks to develop separate products to facilitate the freelancers. In this regard, Faysal Bank and JS Bank Ltd are offering customized products for freelancers. Faysal Bank has signed up with Payoneer and the freelancers can pull their funds to their account with a few clicks. JS Bank has also developed JS Freelancers account that accepts freelance income from five main freelance platforms as valid source of income and has various incentives for freelancers.

Source: Ministry of Commerce

Balance of Payment

Amidst the uncertain and precarious global economic environment, where the global economy was lurching under the impact of the unprecedented COVID-19 shock, Pakistan's external sector has appeared as a key buffer for resilience. The comfortable external balance position of Pakistan has been supported by surplus current account balance on the back of robust remittances flow and a sustained recovery in exports. Furthermore, improvements in services and primary income account also provided cushion to turn current account deficit of US$ 4.1 billion into surplus of US$ 959 million during July-March FY2021.

Fig-8.5: Balance of Payment (US$ million)



Source: State Bank of Pakistan

Current Account

During July-March FY2021, current account posted a surplus of US$ 959 million (0.5 percent of GDP) against a deficit of US$ 4,147 million last year (2.1 percent of GDP). The main driver of improvement in current account balance was the robust growth in remittances. Even during the global economic crisis due to the COVID-19 pandemic, the inflows accelerated posting a year-on-year growth of 26.2 percent during the period under review over the same period last year and thus defying the general expectation of a decrease[1].

Table 8.6: Summary Balance of Payments US $ million

Items	July-June		July-March	
	2018-19	**2019-20**	**2019-20**	**2020-21 P**
Current Account Balance	-13,434	-4,449	-4,147	959
Trade Balance	-27,612	-21,109	-15,855	-18,657
Exports of Goods FOB	24,257	22,536	18,281	18,700
Imports of Goods FOB	51,869	43,645	34,136	37,357
Service Balance	-4,970	-3,316	-2,861	-1,362
Exports of Services	5,966	5,437	4,345	4,372
Imports of Services	10,936	8,753	7,206	5,734
Income Account Balance	-5,610	-5,459	-4,135	-3,594
Income: Credit	578	479	383	412
Income: Debit	6,188	5,938	4,518	4,006
Balance on Secondary Income	24,758	25,435	18,704	24,572
Of which:				
Workers' Remittances	21,740	23,131	17,008	21,468

P: Provisional

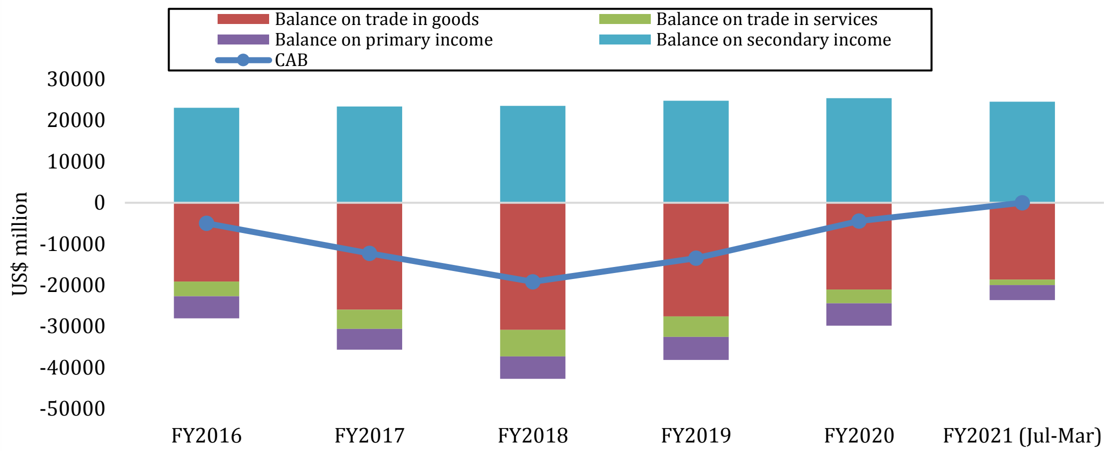
Source: State Bank of Pakistan

Concurrently, primary income account also provided cushion to improve current account balance. The lower interest payments and deferment of debt repayment (both interest and principal) under G-20 Debt Service Suspension Initiative (DSSI) have contributed to improve the balance of primary income as the deficit declined from US$ 4.1 billion to US$ 3.6 billion during July-March FY2021.

The services trade deficit shrank by 52.4 percent mainly because of strong demand of telecommunication services amidst lockdown and air travel restrictions. On the contrary, trade deficit in goods is widening owing to escalating imports of capital goods and industrial raw materials, as the economy is reviving from deadly implication of coronavirus lockdown and a rise in international commodity prices. Meanwhile, import of agricultural commodities like sugar, wheat and cotton, due to shortage in production, is another major contributor in widening of the trade deficit from US$ 15.9 billion to US$ 18.7 billion thus surging the deficit by 17.4 percent.

[1] Asian Development Bank (ADB) in its report published during April 2020 titled "COVID-19 Impact on International Migration, Remittances and Recipient Households in Developing Asia" projected that Pakistan would be among the 5 worst hit countries in terms of economy wide remittance loss due to the COVID-19 pandemic.

Fig-8.6: Trends in Pakistan's Current Account Balance



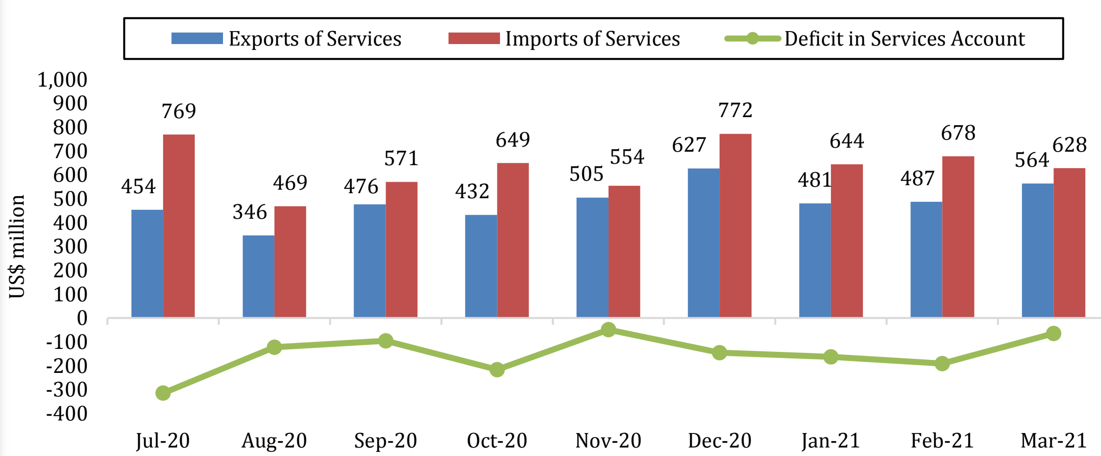
Source: State Bank of Pakistan

Balance in Trade of Goods and Services

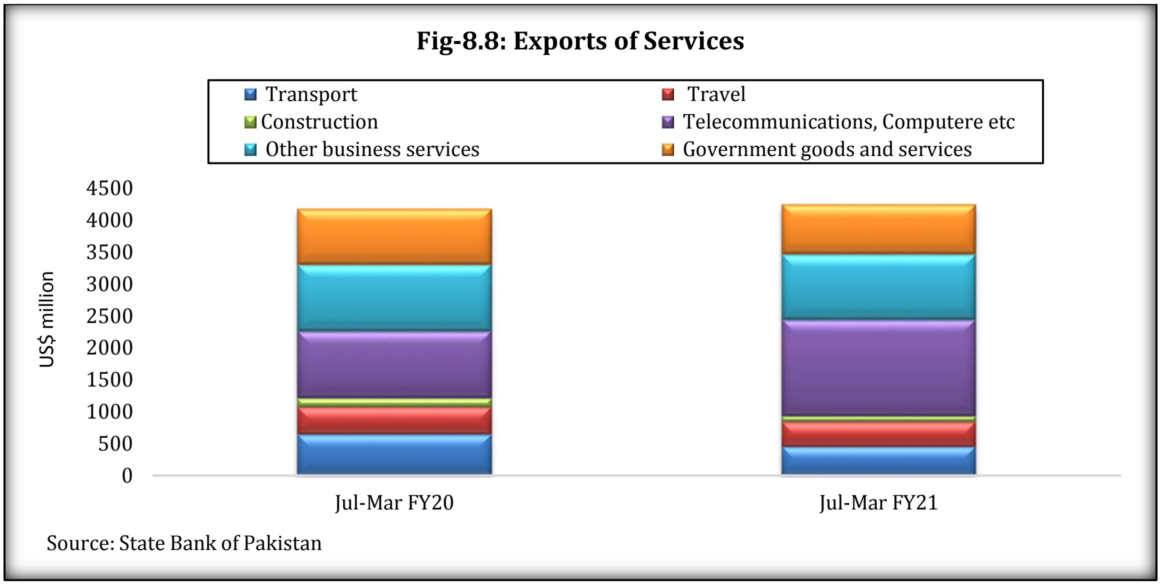
During July-March FY2021, export of goods grew by 2.3 percent to US$ 18.7 billion as compared to US$ 18.3 billion the same period last year. Import of goods grew by 9.4 percent to US$ 37.4 billion as compared to US$ 34.2 billion last year. Consequently, the trade deficit increased by 17.7 percent to US$ 18.7 billion as compared to US$ 15.9 billion last year.

The exports of services moderately increased from US$ 4.34 billion to US$ 4.37 billion, thus showing a growth of 0.6 percent, owing to restrictions imposed on air travel during lockdowns. Meanwhile, remote working and online education also contributed in rising demand for telecommunication services by 43.6 percent whose export reached US$ 1.5 billion against US$ 1.1 billion last year.

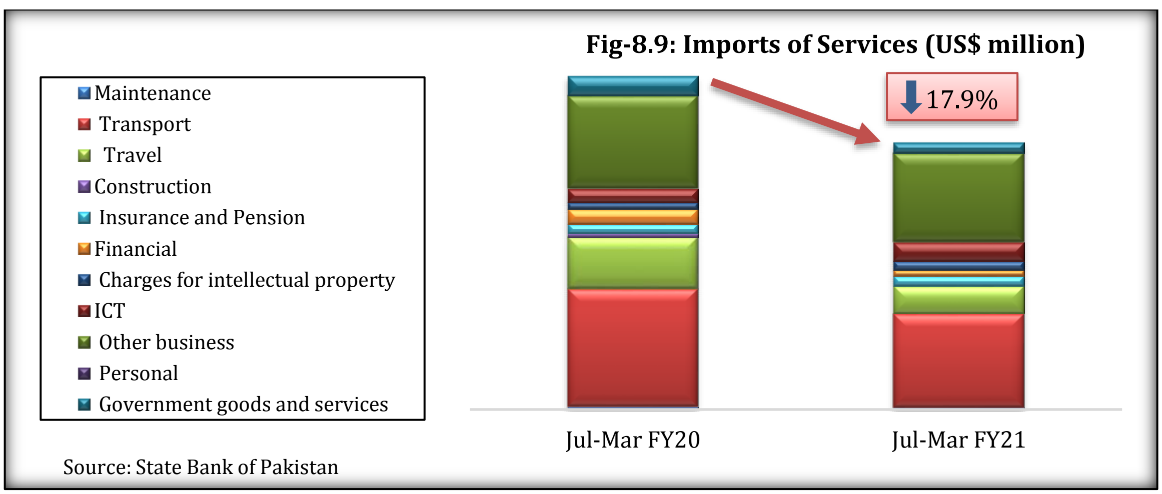
Fig: 8.5 Monthly Exports and Imports of Services



Source: State Bank of Pakistan



On the other side, import of services declined by 20.4 percent and stood at US$ 5.7 billion as compared to US$ 7.2 billion last year. The major component in imports of services is transport which declined by 20 percent and reached US$ 2.0 billion as compared to US$ 2.5 billion in the same period last year. All other sectors also declined except telecommunications, computer and information services which grew by 37.8 percent due to rising demand for computers or digital services in the wake of pandemic. Consequently, deficit in services came down by 52.4 percent during the period under review.

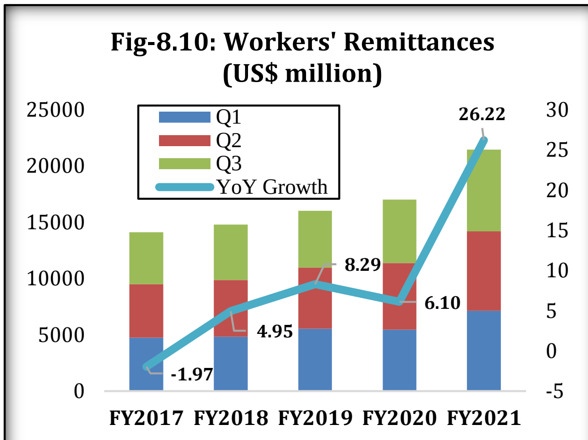


Remittances

Worker remittances have remained an important source of foreign exchange earnings over the years and are considered to be a dominant force in keeping the current account deficit at a manageable level. According to the World Migration Report 2020 released by United Nations, out of all international migrants more than 40 percent in 2019 were born in Asia, primarily originating from India, China and South Asian countries such as

Bangladesh, Pakistan and Afghanistan. In some countries, remittances exceed 5 percent of GDP such as in Pakistan, Sri Lanka and Bangladesh.

The pandemic broke the growth momentum of international remittance inflows. However, some governments took initiatives to incentivize transfers by lessening compliance checks, restrictions and transaction fees; as well as undertaking aggressive promotion campaigns to migrants to prop up remittances. Pakistan has been placed among the top ten recipient countries that received most remittances in 2020 and its share as a percent of GDP increased to 9.9 percent[2].



Source: State Bank of Pakistan

Workers' remittances in Pakistan have been rising consistently since FY2018 and the trend continued in FY2021 with a remarkable growth of 26.2 percent. Remittances thus reached US$ 21.5 billion during the first nine months of FY2021. However, on a Y-o-Y basis, remittances posted a record high growth of 43.1 percent in March 2021 and clocked at US$ 2.7 billion as compared to US$ 1.9 billion last year. On month on month basis in March 2021, remittances accelerated by 20.3 percent as compared to February 2021. Robust growth has been observed in the inflows of workers' remittances even during pandemic due in part to governments' proactive policies and the efforts by State Bank of Pakistan (SBP) to spur inflows through formal channels. Banks are being encouraged to promote digital products under Pakistan Remittance Initiatives. Simultaneously, limited air travel also forced people to use more formal channels.

In addition, a larger number of Pakistani workers living in the Gulf, USA and Europe sent extra money back home to ease the catastrophic impact of the pandemic. Major chunk of remittances is sent by the expatriates living in Saudi Arabia, United Arab Emirates, UK and the USA. Details has been discussed in Table 8.7.

Table 8.7: Country/Region Wise Cash Worker's Remittances

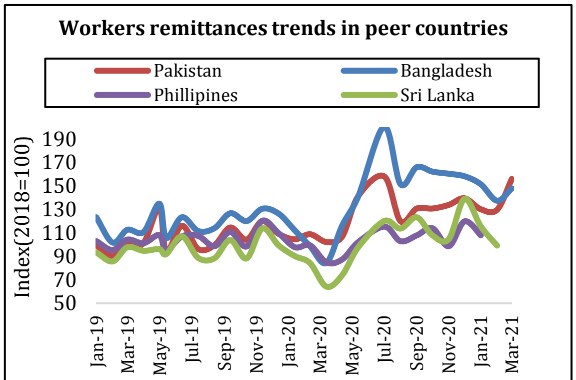
Country/Region	July-March		(US$ billion)	
	2019-20	2020-21	% Change	Share
Saudi Arabia	4.8	5.7	20.0	26.7
U.A.E.	4.2	4.5	7.3	21.1
USA	1.2	1.9	52.6	8.9
U.K.	2.3	2.9	28.1	13.5
Other GCC Country	2.3	2.5	8.6	11.5
Malaysia	0.2	0.2	-17.4	0.7
EU Countries	1.3	1.9	49.0	9.0
Others Countries	0.7	1.9	147.8	8.6
Total	17.0	21.5	26.2	100.0

Source: State Bank of Pakistan

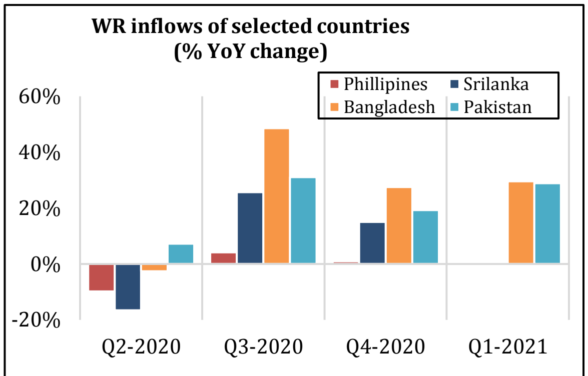
[2] Source: https://www.statista.com/chart/20166/top-10-remittance-receiving-countries/

Box-III: Cross-Country Comparison of Remittances during COVID-19 and Way Forward

Initially, the start of pandemic led to general expectations of fall in remittance flows globally, mainly due to possible jobs losses. However, the actual impact on remittances seems varied and uneven through the pandemic period.



Source: Haver and Central Banks of respective



Source: Haver and Central Banks of respective countries

Pakistan's remittance inflows fared better than some of its peers. In March 2020, many comparable countries saw a fall in their remittance inflows while Pakistan sustained its level.

Philippines and Sri Lanka did not see major shift in their remittance inflows. However, the increase has been quite pronounced for Pakistan and Bangladesh and the trend has broadly sustained till March 2021. In the coming months, workers' remittances are expected to remain higher on seasonal grounds due to the onset of Ramadan and Eid festivals.

Outlook for Remittances

The policy measures and government's strong determination to support the workers' immigration are going to be helpful in supporting the momentum in workers' remittances. Further positive impact is expected from the global recovery from COVID-19 during 2021 and 2022. Moreover, various steps undertaken for AML/CTF will help facilitate the inflows through formal channels. This supports the assumption that the current level of remittances is sustainable in the medium term and can be supplemented with further focus on skill-upgrade of the workers going abroad and streamlining the immigration process.

However, understanding and addressing any issues arising from recent changes made to the Kafala system in Saudi Arabia and Qatar, major host countries for Pakistani migrant workers and speed and success of domestic vaccination drive against the COVID-19 pandemic are some of the risks to remittance inflows in the near term.

Source: State Bank of Pakistan

Financial Account

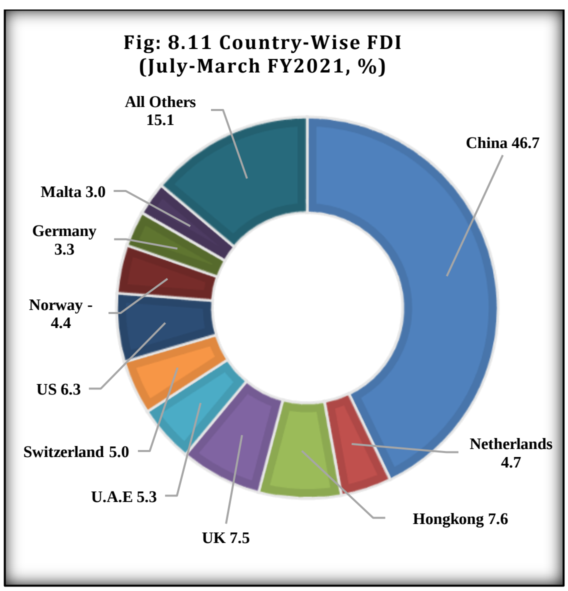
The financial account recorded a marginal inflow of US$ 1.3 billion on net basis during July-March FY2021, as against much higher inflows of US$ 7.3 billion realized in same period last year. The outflow reflects a build-up in FX assets of commercial banks abroad. However, the asset build-up partially stemmed from the accumulation of net current account receipts abroad, following the heavy inflow of foreign exchange via remittances, an increase in trade credits and subdued import payments.

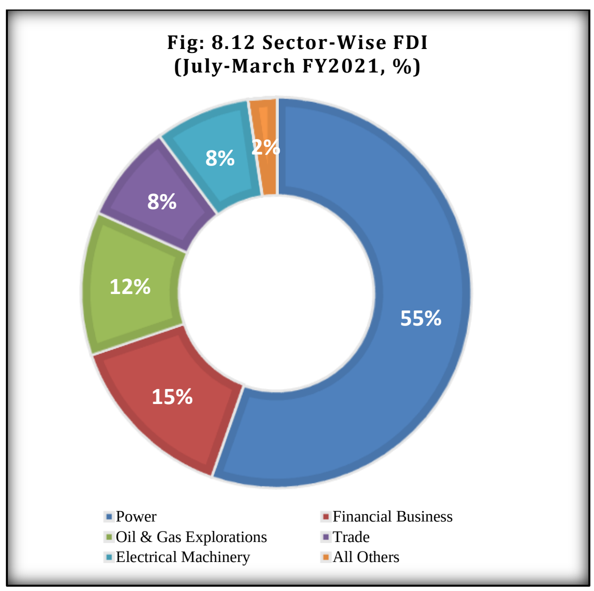
Foreign Direct Investment (FDI)

Amid the uncertain prospects of economic recovery, global cross-border investments recorded a sharp contraction in 2020 of around 42 percent (global decline of US$ 630 billion), as ongoing projects were postponed by multinational enterprises. The major brunt was borne by developed economies (almost 80 percent of total loss), in greenfield investment, wholesale trade, financial services and manufacturing. Developing countries appeared to be relatively resilient. China, the largest recipient of FDI, witnessed a small growth of 4 percent in 2020. On the contrary, FDI in South Asia surged by 10 percent. FDI in India grew by 13 percent in digital economies owing to rising demand of digital services amid lockdowns.[3]

During July-March FY2021, FDI in Pakistan reached US$ 1.4 billion compared to US$ 2.2 billion last year mainly due to sharp increase in gross outflows, which reflects the repayment of intercompany loans by firms in the communication, electrical machinery and power sectors during the period. On Y-o-Y basis, FDI reached US$ 167.6 million in March FY2021 compared to US$ 278.7 million in the same month last year. The inflows of FDI reached US$ 2.3 billion during July-March FY2021 compared to US$ 2.7 billion last year. The outflows of FDI during July-March FY2021 reached US$ 872.8 million against US$ 548.5 million last year.

Country wise analysis suggest that China has highest share in FDI (46.7 percent of total FDI) as China is continuing its investment into CPEC-related projects, particularly in the power sector. The inflows from China increased by 1.9 percent and reached US$ 962.4 million as compared to US$ 944.5 million in the same period last year. However, net FDI from China declined by 24.3 percent, as FDI outflows to China also significantly increased as compared to last year. Similarly, major investment was concentrated in power sector with highest FDI of US$ 737.8 million (52.9 percent of total FDI). The detailed bifurcation has shown in the Figure 8.11 and Figure 8.12.





Source: State Bank of Pakistan

The major share of China's FDI is driven from the Phase-I projects under the CPEC. In second phase, the investment focus is supposed to shift from energy sector to industrial

[3] Investment Trend Monitor, Issue 38, January 2021, UNCTAD.

development, agriculture mechanization, tourism and social development. However, these sectors are yet to see any significant foreign investment flows. Further, while global FDI had dropped in 2020, there were still some major developing economies that managed to attract higher foreign investment. In particular, developing Asia observed a decline of only 4 percent in 2020, with East Asian countries attracting around one-third of the global FDI in 2020. This indicates that there is a need for further progress on structural reforms in Pakistan. It also shows that Pakistani firms need to engage more actively in the global value chain so as to land partnerships with major global companies.

Table 8.8: Foreign Investment (US$ million)

	FY2019	FY2020	July-March	
			FY2020	FY2021 P
A. Foreign Private Investment	947.2	2,315.8	2,046.7	1,129.9
Foreign Direct Investment	1,362.4	2,597.5	2,150.3	1,395
Inflow	2,785.2	3,322.1	2,698.8	2,267.9
Outflow	1,422.8	724.6	548.5	872.8
Portfolio Investment	-415.2	-281.7	-103.6	-265.2
Equity Securities	-415.2	-281.7	-103.6	-265.2
Debt Securities				
B. Foreign Public Investment	-1,002	-241.3	331.1	-3.5
Portfolio Investment	-1,002	-241.3	331.1	-3.5
Total Foreign Investment (A+B)	-54.8	2,074.5	2,377.8	1,126.4

P: Provisional
Source: State Bank of Pakistan

Foreign Portfolio Investment (FPI)

The global financial markets recovered on the back of substantial support from the governments and the central banks. The emerging markets further benefited from the lower interest rates in the advanced economies, encouraging investors to search for higher yields in EMs. However, not all EMs have benefitted equally from this phenomenon. The foreign portfolio investment during July-March FY2021 witnessed a net outflow of US$ 268.7 million as against an inflow of US$ 227.5 million in the same period last year. Outflows were recorded from both debt (US$ 3.5 million) and equity securities (US$ 265.2 million).

It is worth mentioning that Pakistan has entered the international capital market after a gap of over three years by successfully raising US$ 2.5 billion through a multi-tranche transaction of 5, 10 and 30-year Eurobonds at coupon rates of 6.0, 7.4 and 8.9 percent, respectively. The transaction generated great interest as leading global investors from Asia, Middle East, Europe and the US participated in the global investor calls and the order book.

This is for the first time that Pakistan has adopted a programme-based approach with registration of Global Medium-Term Note programme. The programme will allow Pakistan to tap the market at short notice. The government intends to make full use of this programme and become a regular issuer in the International Capital Markets.

The trend of net FPI outflows from Pakistan's equity market is interesting, as the Pakistan Stock Exchange (PSX) has given investors sizable returns. The price-to-earnings (P/E) ratio of the PSX has been driven upwards by domestic investors' sentiments, mainly on account of a pickup in the domestic economic activity. Further, the P/E discount at which the PSX was trading against the MSCI EM Index also started to widen from September 2020 onwards. However, the equity outflow increased probably due to elevated level of the country's risk premium. Although, the credit default swap on the country's sovereign debt improved by more than 150 basis points from March 2020 level, it is still higher compared with the same period last year.

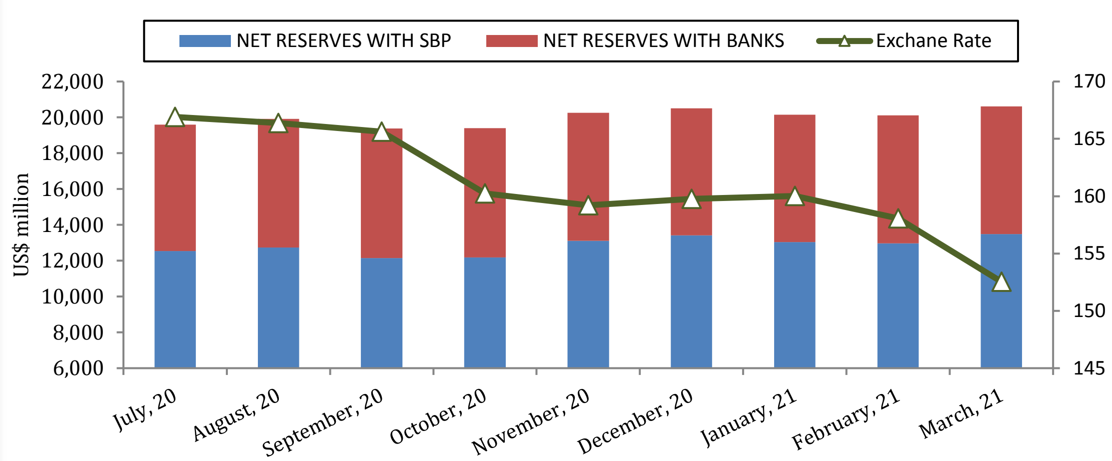
Reserves and Exchange rate

Pakistan's total liquid foreign exchange reserves increased to US$ 20.6 billion by the end of March 2021, up by US$ 1.7 billion, indicating a growth of 9.1 percent over end-June 2020. The breakup of reserves accumulation in March 2021 shows that the SBP's reserves increased by US$ 1.4 billion to the US$ 13.5 billion and commercial banks' reserves by US$ 355.8 million to US$ 7.1 billion over end-June 2020.

As the current account situation started improving on the back of restrained recovery in exports and vigorous growth in worker remittances, country's foreign exchange buffers started pushing up and the Pakistani Rupee started to appreciate. Moreover, strong inflows through Roshan Digital Accounts (RDA) also provided further support to the Rupee. The introduction of market-based exchange rate regime earlier also helped to stabilize and strengthen the Pakistani Rupee against the US dollar. As a result, the exchange rate reached Rs 152.5 per US$ by the end of March 2021, effectively appreciating the rupee by 10.01 percent over end-June 2020.

Furthermore, availability of external financing debt relief under DSSI and continued support from International Financial Institutions (IFIs) like Asian Development Bank (ADB), Asian Infrastructure Investment Bank (AIIB) and World Bank also helped to sustain the level of foreign reserves throughout the year.

Fig 8.13 Foreign Exchange Reserves & Exchange Rate



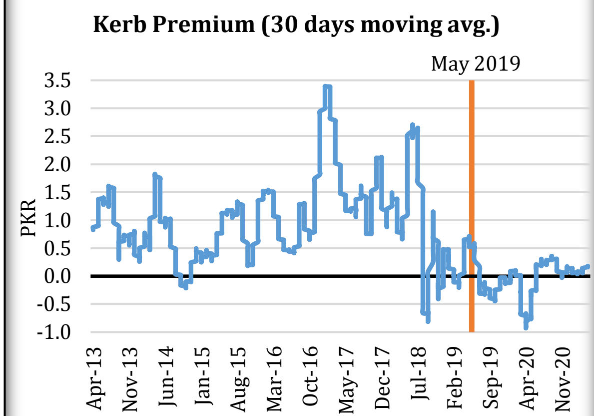
Source: State Bank of Pakistan

Box-IV: Transition to Market-based Exchange Rate and its Impact on Current Account Balance

Cognizant of emerging risks to macroeconomic stability, the State Bank of Pakistan adopted market-based exchange rate regime in May 2019. Resultantly, the current account deficit (CAD) of US$ 19.2 billion in FY2018 gradually came down to US$ 13.4 billion in FY2019 and improved further to US$ 4.4 billion in FY2020. Subsequently, the CAD during July-March FY2021 turned into surplus of US$ 959 million on cumulative basis as compared to a deficit of US$ 4.1 billion in the same period of FY2020. Much of the improvement came from robust growth in the workers' remittances since FY2020.

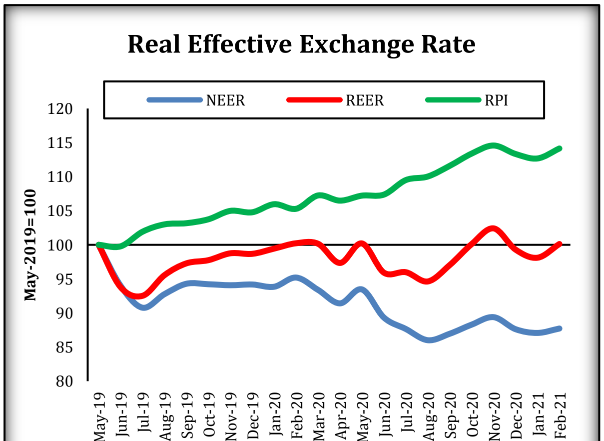
Following are some developments that have led to the sustained Current Account improvement so far in the current year:

Market based exchange rate led to a sharp reduction in kerb premium; supporting growth in workers remittances: Workers' remittances continued to extend their unprecedented streak of above US$ 2.0 billion for the tenth consecutive month in March-2021. Notably, the monthly inflow subsequent to introduction of market-based exchange regime remains higher as compared to the average monthly inflow before the regime was put in place. This is well complemented by the entrenchment of drastic reduction in the kerb premium after introduction of the market-based exchange rate regime, which will be instrumental in encouraging any growth of remittances to flow through formal channels. The existence of orderly foreign exchange market conditions, along with the emerging evidence that investment opportunities provided through Roshan Digital Accounts are gaining momentum, are going to support the Current Account in the coming months.



Source: State Bank of Pakistan

The transition towards the market based flexible exchange rate regime helped retain competitiveness in external trade. While nominal exchange rate is important, to retain external competitiveness, the inflation differential with trading partners and share of trade weight also matter. Accordingly, it is also important to note that the Real Effective Exchange Rate (REER), that accounts for these aspects, fared well after the adoption of the market-based regime in May 2019. As figure shows that REER index, relative to its level in May 2019 when the extent of overvaluation was deemed corrected, has remained relatively stable around the same level indicating that underlying competitiveness of the economy has been preserved.

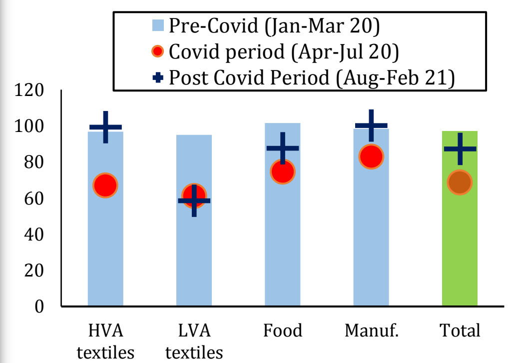


Source: State Bank of Pakistan

Following adoption of market-based exchange rate, non-essential imports remained in check. Despite general appreciation of the Pak rupee during FY2021 so far, imports during July-February FY2021 increased by 7.8 percent (y/y). However, if adjusted for import of one-off items, which include wheat (US$ 916 million), sugar (US$ 127 million) and raw cotton in excess from same period during FY2020 due to domestic shortfall (US$ 480 million), import growth during July-February FY2021 amounts to a much lower level of 2.9 percent.

Export growth after adoption of the market-based exchange rate regime has been encouraging. After a decline in FY2020, led by the COVID-19 related disruptions during Q4 FY2020, exports during July-February FY2021 increased by 4.4 percent (y/y). The two-way movement of the Pak rupee against the US$ played a key role in stabilizing REER and maintaining export competitiveness during heightened global uncertainty. This is evident from the recovery in volumes of major exports after extreme pandemic period between April-July 2020 (**Figure 3**).

Fig 3: Export Volumes, Monthly Average FY19=10



*PBS. Volumes data covers 83% of total exports

So far, this new mechanism has served well for rebuilding Pakistan's FX reserve. As compared to FY2019 (US$ 7.3 billion) and FY2020 (US$ 12.1 billion), SBP official FX reserves stood at US$ 16.1 billion on 9th April 2021. Along with this, SBP's forward swap liabilities have been curtailed to US$ 4.5 billion at present from US$ 8.0 billion during FY2019. In aggregate, country's foreign exchange buffers increased by US$ 12.3 billion.

Source: State Bank of Pakistan

Conclusion

As global trade teetered under the COVID-19 strain, concerns over the future of global supply chains emerged. The COVID-19 outbreak had severely disrupted world's cross-border trade and economic activities and exposed vulnerabilities of global supply chains. However, swift actions have been promptly executed globally. Meanwhile the approvals for usage of vaccines also raised hopes to turnaround in pandemic. Business activities resumed as the economies emerged from lockdowns. This paved the way for international trade to recover at the end of 2020 to pre-corona virus levels, making up for the sharp hit from the COVID-19 pandemic in the first half of the year.

Although the pandemic is not over yet, Pakistan has demonstrated a great deal of resilience, due in part to authorities' swift policy responses and regional cooperation efforts. The performance of Pakistan remained relatively better in controlling the spread of the virus which helped to ease the strict lockdown strategy in the very start of the fiscal year 2021. As a result, economic activities have resumed giving a boost to industrial production. Both exports and imports picked up the momentum, showing the V-shaped recovery in line with global trade. The surge in imports may be attributed to the rising demand for intermediate goods with the resumption of economic activities. Current account turned to surplus owing to strong growth in remittances and moderate growth in exports. The Pakistani rupee stabilized against the US dollar due to available external financing and market-based exchange rate regime.

The better performance of external sector in FY2021 is expected to continue in coming years on account of domestic economic rebound as well as global economic recovery especially in Pakistan's trading partners. Further government efforts regarding export diversification and exploration of new destinations will help in improving external sector in general and trade balance in particular.

Chapter 9

Public Debt

9.1 Introduction

Public debt management is a process of formulating and executing a multi-pronged debt strategy to ensure that both the level and rate of growth in public debt is fundamentally sustainable while ensuring that the government financing needs and its payment obligations are met at the lowest possible cost over the medium to long term, consistent with a prudent degree of risk.

Public debt portfolio witnessed various developments during ongoing fiscal year, some of them are highlighted as follows:

- Over 80 percent of the net borrowing from domestic sources was through medium-to-long-term domestic debt instruments (Pakistan Investment Bonds and Government Ijara Sukuks) during first nine months of current fiscal year;
- Profile of domestic debt has improved significantly during the tenure of present government. Short-term debt as percentage of total domestic debt has decreased to around 23 percent at end March 2021 compared with 54 percent at end June 2018;
- In-line with the government's commitment, no new borrowing was made from State Bank of Pakistan (SBP). In fact, government repaid Rs 569 billion during the ongoing fiscal year against its debt owed to SBP. The cumulative debt retirement against SBP debt stood over Rs 1.1 trillion during last two fiscal years;
- The Rs 25,000, Rs 15,000 and Rs 7,500 denominations prize bonds were withdrawn from circulation in order to improve the documentation of the economy. The holders have been given options to (i) convert to premium prize bonds; or (ii) replace them with eligible National Savings Certificates; or (iii) encash at face value into their bank accounts;
- Pakistan entered the international capital market after a gap of over three years by successfully raising US$ 2.5 billion through a multi-tranche transaction of 5-, 10- and 30-year Eurobonds under its first-ever Global Medium Term Note Programme;
- Debt from multilateral and bilateral sources cumulatively constituted over 80 percent of external public debt portfolio at end March 2021. A set of reforms initiated by the government to improve the economy has brought strong support from multilateral development partners during last two years. This is expected to strengthen confidence and catalyze additional support from development partners

in the coming years which will also help in reducing the pressure on domestic sources;

- Pakistan is availing the G-20 Debt Service Suspension Initiative (DSSI) for a period of 20-months (May 2020 - December 2021) which will help to defer the debt servicing impact to the tune of around US$ 3.7 billion during this period.

Over the medium-term, government objective is to reduce its "Gross Financing Needs (GFN)" through various measures mainly including (i) better cash flow management through a treasury single account; (ii) lengthening of maturities in the domestic market keeping in view cost and risks trade-off; (iii) developing regular Islamic based lending program; and (iv) avail maximum available concessional external financing from bilateral and multilateral development partners to benefit from concessional terms and conditions.

9.2 Public Debt

Fiscal Responsibility and Debt Limitation (FRDL) Act 2005 defines "Total Public Debt" as debt owed by Government (including Federal Government and Provincial Governments) serviced out of consolidated fund and debts owed to the International Monetary Fund.

Table-9.1: Total Public Debt

(Rs in billion)	**Jun-13**	**Jun-18**	**Jun-19**	**Jun-20**	**Mar-21**
Domestic Debt	9,520	16,416	20,732	23,283	25,552
External Debt	4,771	8,537	11,976	13,116	12,454
Total Public Debt	**14,292**	**24,953**	**32,708**	**36,399**	**38,006**
Total Debt of the Government[1]	**13,457**	**23,024**	**29,521**	**33,235**	**33,724**
(In percent of GDP)					
Domestic Debt	42.5	47.4	54.4	56.0	53.6
External Debt	21.3	24.7	31.4	31.6	26.1
Total Public Debt	**63.8**	**72.1**	**85.9**	**87.6**	**79.7**
Total Debt of the Government[1]	**60.1**	**66.5**	**77.5**	**80.0**	**70.7**
(Memorandum Items)					
GDP (current market price)	22,386	34,616	38,086	41,556	47,709
Government Deposits with the banking system[2]	834	1,929	3,187	3,163	4,281
US Dollar, last day average exchange rates	99.1	121.5	163.1	168.2	152.6

[1] As per Fiscal Responsibility and Debt Limitation Act, 2005 amended in June 2017, "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.

[2] Accumulated deposits of the Federal and Provincial Governments with the banking system.

Source: State Bank of Pakistan and Debt Policy Coordination Office, Ministry of Finance

Total public debt was recorded at Rs 38,006 billion at end March 2021, registering an increase of Rs 1,607 billion during first nine months of current fiscal year which was much less when compared with the increase of Rs 2,499 billion witnessed during the same period last year. The increase in total public debt during first nine months of current fiscal year was even lower than Federal Government borrowing of Rs 2,065 billion for financing of its fiscal deficit. The differential is primarily attributable to appreciation of Pak Rupee against US Dollar by around 9 percent which led to decrease in the value of external public debt when converted into Pak Rupees. The trend in total public debt since 1971 is depicted in Box-I.

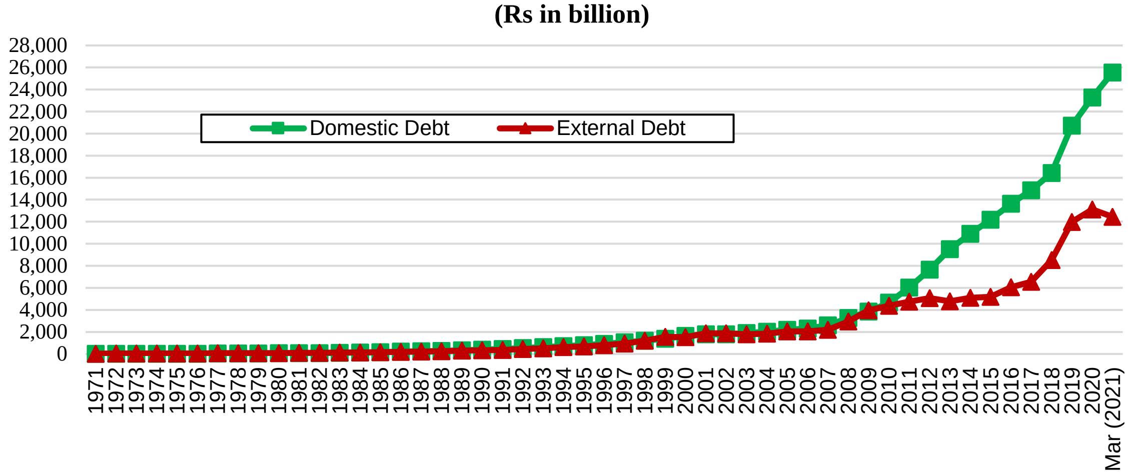
Box-I: Trend in Total Public Debt

Table-9.2: Year Wise Total Public Debt Position

(Rs in billion)

Year	Domestic Debt	External Debt	Public Debt	Year	Domestic Debt	External Debt	Public Debt	Year	Domestic Debt	External Debt	Public Debt
1971	14	16	30	1988	290	233	523	2005	2,178	2,034	4,211
1972	17	38	55	1989	333	300	634	2006	2,322	2,038	4,359
1973	20	40	60	1990	381	330	711	2007	2,601	2,201	4,802
1974	19	44	62	1991	448	377	825	2008	3,274	2,853	6,127
1975	23	48	70	1992	532	437	969	2009	3,860	3,871	7,731
1976	28	57	85	1993	617	519	1,135	2010	4,653	4,357	9,010
1977	34	63	97	1994	716	624	1,340	2011	6,014	4,756	10,771
1978	41	71	112	1995	809	688	1,497	2012	7,638	5,059	12,697
1979	52	77	130	1996	920	784	1,704	2013	9,520	4,771	14,292
1980	60	86	146	1997	1,056	939	1,995	2014	10,907	5,085	15,991
1981	58	87	145	1998	1,199	1,193	2,392	2015	12,193	5,188	17,380
1982	81	107	189	1999	1,389	1,557	2,946	2016	13,626	6,051	19,677
1983	104	123	227	2000	1,645	1,527	3,172	2017	14,849	6,559	21,409
1984	125	132	257	2001	1,799	1,885	3,684	2018	16,416	8,537	24,953
1985	153	156	309	2002	1,775	1,862	3,636	2019	20,732	11,976	32,708
1986	203	187	390	2003	1,895	1,800	3,694	2020	23,283	13,116	36,399
1987	248	209	458	2004	2,028	1,839	3,866	Mar-21	25,552	12,454	38,006

Fig-9.1: Trend in Domestic and External Debt
(Rs in billion)



In order to provide investment opportunities to oversees Pakistanis, Government of Pakistan introduced the Naya Pakistan Certificates Rules, 2020. The investors can invest digitally in Naya Pakistan Certificates (NPCs) through their Roshan Digital Accounts (RDA). The key highlights of the NPCs are presented in below box:

Box-II: Naya Pakistan Certificates

Naya Pakistan Certificates is a fixed income security issued by the Government of Pakistan under Public Debt Act, 1944 and NPC Rules 2020.

Eligible Investors

Following investors, either individually or jointly, are eligible to invest in NPCs through Roshan Digital Accounts, provided that their assets abroad have been duly declared in their latest tax returns filed with the Federal Board of Revenue (FBR):

- Pakistanis having National Identity Card for Overseas Pakistanis (NICOP).
- Foreigners having Pakistan Origin Card (POC).
- Members of Overseas Pakistanis Foundation.
- An employee or official of Federal or a Provincial Government posted abroad.

Form

The certificates are issued in scrip-less form.

Types

The NPCs are issued both is Shariah compliant and conventional structures.

Tenor

The certificates are issued for 3-Month, 6-Month, 12-Month, 3-year and 5-year tenor.

Currency

The certificates are issued in PKR, USD, EURO and GBP.

Deduction of Tax

The returns on NPCs are subject to 10% withholding tax as per existing provisions of Income Tax Ordinance 2001. There shall however, be no tax applicable on the principal amount.

Applicability of Zakat

The NPCs are exempt from zakat deduction.

Premature Encashment

Premature encashment is allowed, provided that rate of return shall be calculated as per rate of return of the nearest shorter tenor of the certificate. No profit shall be paid in case of encashment before completion of three months.

Pledging

The NPCs are pledgeable as security for raising financing in Pakistan subject to such conditions as may be prescribed by SBP.

Rate of Return

Tenor-wise, currency wise rate of return on both shariah compliant and conventional structure certificates are as under:

Tenor	Rate of return (%)			
	USD	GBP	EUR	PKR
3-Month	5.50	5.25	4.75	9.50
6-Month	6.00	5.50	5.00	10.00
12-Month	6.50	5.75	5.25	10.50
3-Year	6.75	6.25	5.50	10.75
5-Year	7.00	6.50	5.75	11.00

Minimum and Maximum Limit of Investment				
Limits	**Currency**			
	USD	**GBP**	**EUR**	**PKR**
Minimum limit	USD 5,000 and integral multiples of USD 1,000	GBP 5,000 and integral multiples of GBP 1,000	EUR 5,000 and integral multiples of EUR 1,000	PKR 100,000 and integral multiples of PKR 10,000
Maximum limit	No Limit	No Limit	No Limit	No Limit

Source: State Bank of Pakistan

9.3 Progress on Medium Term Debt Management Strategy (2019/20 - 2022/23)

Government remained within the benchmarks and thresholds defined in the Medium-Term Debt Management Strategy (MTDS)[1] at end December 2020 as depicted in the table below:

Table-9.3: Key Risk Indicators

Risk Exposure	**Indicators**	**End Dec-20**
Currency Risk	Share of External Debt in Total Public Debt	35.1
Refinancing Risk	Average Time to Maturity of Domestic Debt (Years)	4.1
	Average Time to Maturity of External Debt (Years)	7.0
	Amortization of Total Public Debt within 1 year (% of GDP)	21.4
Share of Shariah Compliant Instruments in Government Securities (%)		3.8
Share of Fixed Rate Debt in Government Securities (%)		32.4

Source: Debt Policy Coordination Office Staff Calculations, Ministry of Finance

9.4 Dynamics of Public Debt Burden

The analysis of various solvency and liquidity indicators provides clear insight into debt sustainability of the country.

Table 9.4: Selected Public Debt Indicators (in percentage)

	2012-13	2017-18	2018-19	2019-20
Primary Balance / GDP	(3.6)	(2.1)	(3.5)	(1.7)
Fiscal Balance / GDP	(8.2)	(6.5)	(9.0)	(8.1)
Total Public Debt / GDP	63.8	72.1	85.9	87.6
Total Debt of the Government / GDP	60.1	66.5	77.5	80.0
Interest Service / Revenue	33.2	28.7	42.7	41.8

Source: Debt Policy Coordination Office Staff Calculations, Ministry of Finance

Aggressive expenditure management along with impressive growth in revenues yielded a visible improvement in the fiscal position in the first eight months of 2019-20. These improvements, however, were challenged by the outbreak of COVID-19 during the last four months of the year. Nevertheless, earlier gains had created enough fiscal space to deal with COVID-19 shock and kept the full year budget deficit lower than the last fiscal year i.e. the government registered a primary deficit of 1.7 percent and an overall deficit

[1] https://www.finance.gov.pk/publications/MTDS_FY20_FY23.pdf

of 8.1 percent of GDP during 2019-20 compared with 3.5 percent and 9.0 percent of GDP respectively, during last fiscal year. The fiscal performance during 2019-20 can be mainly evaluated through analysis of developments in revenue and current expenditures as highlighted below:

- Total revenues grew by 28 percent during 2019-20 compared with the last fiscal year. This improvement was mainly due to multiple policy measures targeted to enhance FBR's tax collections while non-tax revenue collections posted a substantial increase on account of higher SBP profits and GSM license renewal fees; and
- Current expenditures grew by around 20 percent during 2019-20 mainly due to higher interest payments on debts and additional spending on COVID related expenditures. Government announced a fiscal stimulus package of Rs 1.2 trillion amid COVID-19. The purpose of the package was to provide relief to small businesses and economically vulnerable low-income groups whose livelihood was badly affected by the pandemic-related lockdown. Therefore, significant spending was recorded towards health care, social transfers and grants after the pandemic during last four months of 2019-20. Resultantly, the expenditure-control measures taken by the government prior to pandemic could not be fully implemented due to additional spending requirements following the pandemic outbreak.

Despite additional expenses carried out due to ongoing pandemic, further improvement in fiscal position was witnessed during first nine months of current fiscal year. Fiscal deficit was recorded at 3.5 percent of GDP, as compared to 4.1 percent during same period of last year. In particular, the primary surplus of 0.9 percent of GDP was recorded compared with the primary surplus of 0.5 percent of GDP recorded during the same period last year. This improvement is primarily attributable to significant increase in revenue collection that outpaced the expenditure growth. While the increase in revenues emanated from both tax and non-tax segments, the overall expenditures rose mainly on the back of higher interest payments and development expenditures.

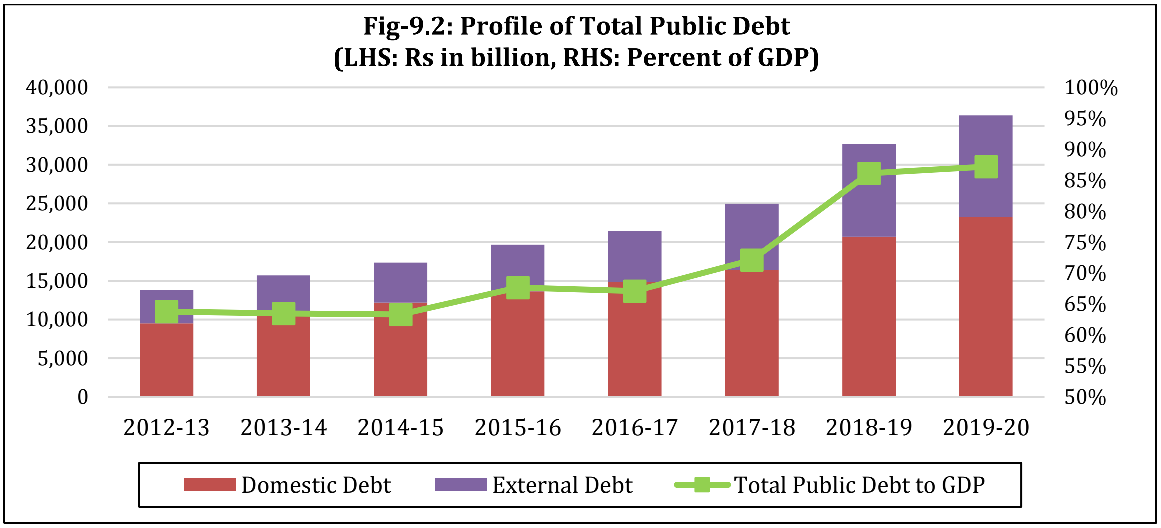
It is important to highlight that Pakistan has witnessed one of the smallest increases in its public debt during pandemic. Global public debt to GDP Ratio increased by 13 percentage points, from 84 percent in 2019 to 97 percent in 2020, whereas, Pakistan's Debt-to-GDP ratio witnessed minimal increase of 1.7 percentage points and stood at 87.6 percent at end June 2020 compared with 85.9 percent at end June 2019.

Table-9.5: Debt-to-GDP Ratio (In Percentage) – International Comparison (Pre & Post COVID)

	Pre-COVID (2019)	Post-COVID (2020)	Increase
Pakistan	85.9	87.6	1.7
Bangladesh	35.7	38.9	3.2
India	73.9	89.6	15.7
Sri Lanka	86.8	100.1	13.3
Global	84.3	97.3	13.0

Source: IMF Fiscal Monitor, 2021

The Debt-to-GDP ratio of Pakistan is expected to reduce and will remain below 84 percent at the end of current fiscal year. The historical path of Debt-to-GDP ratio is depicted through following graph:



9.5 Servicing of Public Debt

Interest servicing was recorded at Rs 2,104 billion during first nine months of current fiscal year against its annual budgeted estimate of Rs 2,946 billion. Domestic interest payments were recorded at Rs 1,934 billion and constituted around 92 percent of total interest servicing during first nine months of current fiscal which is mainly attributable to higher volume of domestic debt in total public debt portfolio.

Table-9.6: Public Debt Servicing **(Rs in billion)**

	2020-21*			
	Budgeted (2020-21)	**Actual**	**Percent of Revenue**	**Percent of Current Expenditure**
Servicing of Domestic Debt	2,631	1,934	38.7	31.8
Servicing of External Debt	315	170	3.4	2.8
Total Interest Servicing	**2,946**	**2,104**	**42.1**	**34.6**

***:** July-March

Source: Budget Wing and Debt Policy Coordination Office Staff Calculations, Ministry of Finance

On a full year basis (2020-21), interest servicing is expected to remain below the budgeted estimates primarily due to extension of DSSI from January to June 2021, appreciation of Pak Rupee against US Dollar and lower interest servicing on account of National Savings Schemes due to withdrawals against discontinued prize bonds.

9.6 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, government issues three broad types of marketable securities in order to raise debt i.e. Treasury Bills (T-bills), Pakistan Investment Bonds (PIBs) and Government Ijara Sukuk (GIS).

- T-bills are considered short-term securities and have maturities of 12-Month or less at the time of issuance.
- PIBs are considered longer-term securities and have maturities of more than 12-Month 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 determined by adding a spread to an underlying reference rate such as 3- or 6- Month T-bills yield.
- Shariah compliant government securities program has also been in place since 2008-09, however, it still constitutes a small proportion of government domestic securities portfolio. Government is aiming to increase the share of Shariah compliant securities to 10 percent in total government securities by end June 2023 compared with 2 percent at end June 2020.

Following table illustrates the details and auction mechanism of government securities:

Table-9.7: Details of Domestic Market Debt Instruments

Instrument	Tenor	Coupon Payment	Coupon Reset	Auction Mechanism
T-bills	3-Month	-	-	Multiple Price
	6-Month	-	-	Multiple Price
	12-Month	-	-	Multiple Price
PIBs (Fixed)	3-Year	Semi-Annual	-	Multiple Price
	5-Year	Semi-Annual	-	Multiple Price
	10-Year	Semi-Annual	-	Multiple Price
	15-Year	Semi-Annual	-	Multiple Price
	20-Year	Semi-Annual	-	Multiple Price
	30-Year	Semi-Annual	-	Multiple Price
PIBs (Floating)	2-Year	Quarterly	Fortnightly	Multiple Price
	3-Year	Quarterly	Quarterly	Multiple Price
	5-Year	Quarterly	Quarterly	Multiple Price
	10-Year	Quarterly	Quarterly	Multiple Price
	3-Year	Semi-Annual	Semi-Annual	Multiple Price
	5-Year	Semi-Annual	Semi-Annual	Multiple Price
	10-Year	Semi-Annual	Semi-Annual	Multiple Price
GIS	5-Year (FRR)	Semi-Annual	Semi-Annual	Single Price
	5-Year (VRR)	Semi-Annual	Semi-Annual	Single Price

FRR: Fixed Rental Rate; VRR: Variable Rental Rate
Source: Debt Policy Coordination Office, Ministry of Finance

- Within the retail debt market, multiple schemes are being offered under National Savings Schemes (NSS) having the investment horizon of 3-Month to 10-Year.

9.6.1 Domestic Borrowing Operations

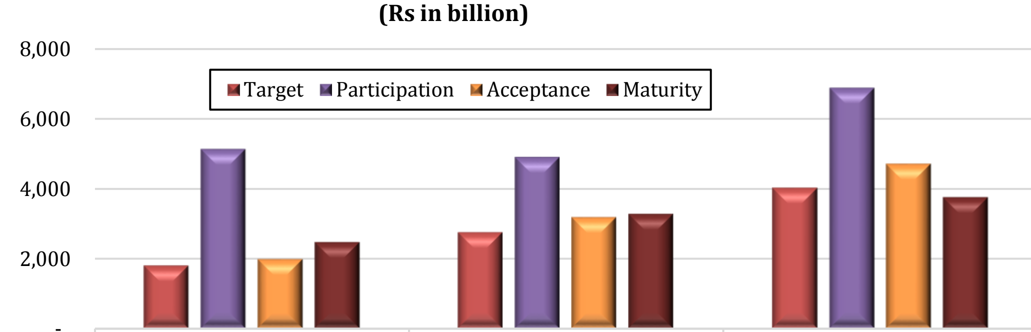
Domestic debt was recorded at Rs 25,552 billion at end March 2021, registering an increase of Rs 2,270 billion during first nine months of current fiscal year. Following are the highlights of domestic borrowing operations during ongoing fiscal year:

- Domestic borrowing was made entirely from the financial markets;
- Over 80 percent of the net borrowing from domestic sources was through medium-to-long-term domestic debt instruments;
- An amount of Rs 569 billion was repaid to SBP;
- Various new instruments were introduced to further develop the government securities market, attract more diversified investor base and to provide more flexibility to the investors as well as to the government;
    - Government started issuance of 5-Year Sukuk with fixed rate rental payments from July 2020;
    - Similar to conventional bond, government introduced re-opening mechanism in Sukuk auctions in July 2020 to increase its liquidity;
    - Government started issuance of 3, 5 and 10-year floating rate PIBs with quarterly coupon payment frequency from October 2020; and
    - Government introduced 2-year floating rate PIBs in November 2020 with quarterly coupon payment frequency and fortnightly interest rate re-setting.
- With effect from 1st July 2020, all institutional investors have been barred from investing in National Saving Schemes (NSS) with the objective to deepen the financial markets and lower the Government's long-term borrowing costs by creating more competition for long-term government debt;
- The Rs 25,000, Rs 15,000 and Rs 7,500 denominations prize bonds were withdrawn from circulation in order to improve the documentation of the economy.

9.6.2 Domestic borrowing pattern

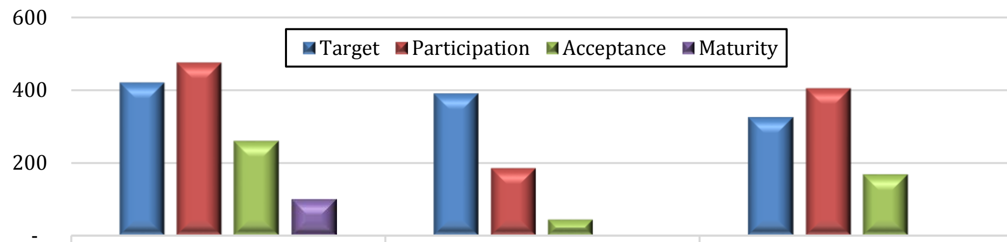
Government securities remained the preferred choice of borrowing within domestic debt. Healthy participation was witnessed in the auction of government securities as depicted in the following graphs:

Fig-9.3: Quarter Wise Auction Profile of Treasury Bills (2020-21)
(Rs in billion)



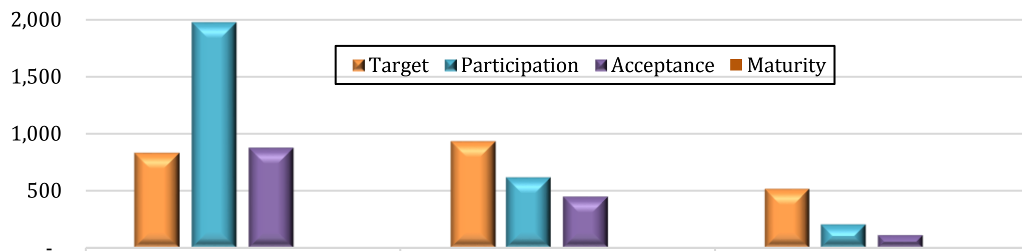
	Q1	Q2	Q3
Target	1,800	2,750	4,025
Participation	5,143	4,910	6,888
Acceptance	1,981	3,188	4,712
Maturity	2,469	3,279	3,751

Fig-9.4: Quarter Wise Auction Profile of Fixed Rate PIBs (2020-21)
(Rs in billion)



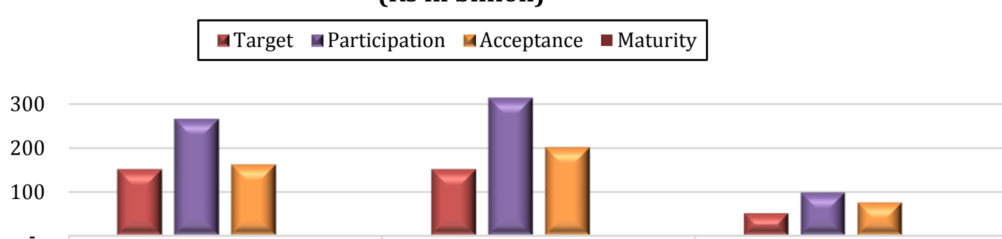
	Q1	Q2	Q3
Target	420	390	325
Participation	475	184	404
Acceptance	258	44	167
Maturity	101	-	-

Fig-9.5: Quarter Wise Auction Profile of Floating Rate PIBs (2020-21)
(Rs in billion)



	Q1	Q2	Q3
Target	830	930	515
Participation	1,976	619	207
Acceptance	874	448	111
Maturity	-	-	-

Fig-9.6: Quarter Wise Auction Profile of Sukuks (2020-21)
(Rs in billion)



	Q1	Q2	Q3
Target	150	150	50
Participation	265	314	98
Acceptance	162	201	75
Maturity	-	-	-

9.6.3 Component Wise Analysis of Domestic Debt

This section highlights the developments in various components of domestic debt during first nine months of current fiscal year:

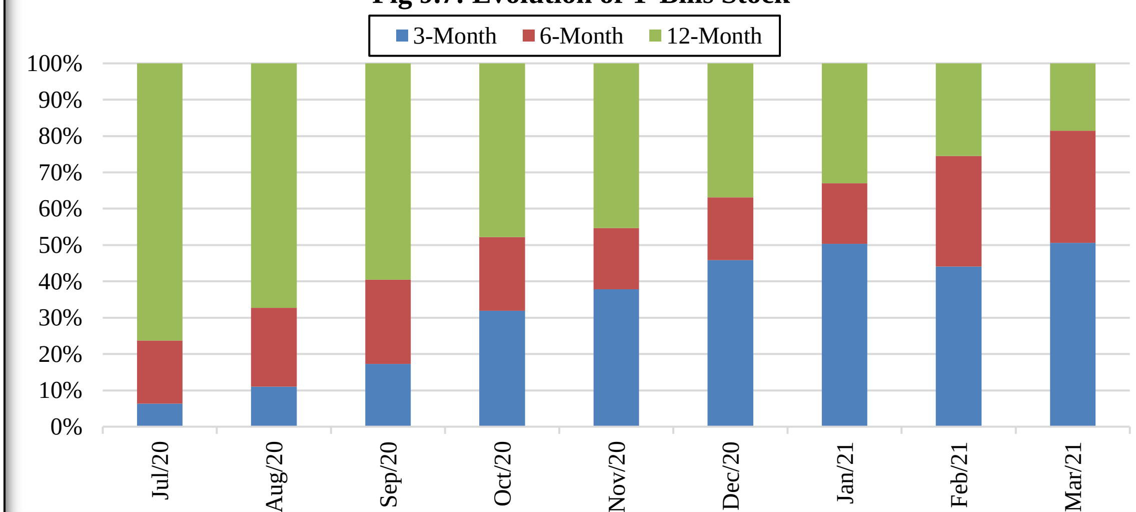
I. Permanent Debt

Permanent debt mainly comprises medium to long-term instruments such as PIBs, GIS and Prize Bonds. Permanent debt constituted 62 percent of domestic debt portfolio and recorded at Rs 15,882 billion at end March 2021, representing an increase of Rs 1,852 billion during first nine months of ongoing fiscal year. The bifurcation of this increase reveals that government net mobilization through issuance of PIBs and GIS was Rs 1,488 billion[2] and Rs 439 billion respectively, whereas a net retirement amounting to Rs 74 billion was observed in Prize Bonds due to discontinuation of prize bonds of various denominations.

II. Floating Debt

Floating debt was recorded at Rs 6,000 billion or around 24 percent of total domestic debt portfolio at end March 2021. During first nine months of ongoing fiscal year, net mobilization through issuance of T-bills was Rs 421 billion[3]. The following graph shows tenor wise changes in the T-bills stock during first nine months of current fiscal year:

Fig 9.7: Evolution of T-Bills Stock



III. Unfunded Debt

The stock of unfunded debt stood at Rs 3,652 billion at end March 2021, constituted around 14 percent of total domestic debt portfolio. Unfunded debt recorded net reduction of Rs 22 billion during first nine months of current fiscal year. The following

[2] excluding PIBs held by non-residents amounting to Rs 53 billion, which are recorded as external public debt.
[3] excluding T-bills held by non-residents amounting to Rs 58 billion which are recorded as external public debt.

graph summarizes the source wise break-up of domestic debt stock:

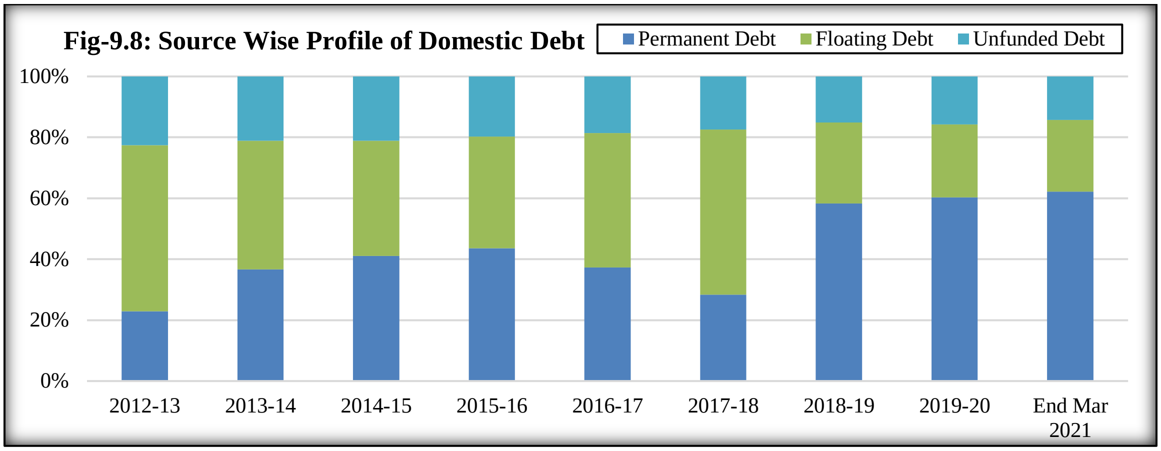


Table-9.8: Outstanding Domestic Debt (Rs in billion)

	Jun-13	Jun-18	Jun-19	Jun-20	Mar-21
Permanent Debt	**2,179.0**	**4,659.2**	**12,087.0**	**14,030.7**	**15,882.4**
Market Loans	2.8	2.8	2.8	2.8	2.8
Government Bonds	1.3	1.3	1.3	1.3	1.3
Prize Bonds	389.6	851.0	893.9	734.1	659.9
Foreign Exchange Bearer Certificates	0.1	0.1	0.1	0.1	0.1
Bearer National Fund Bonds	0.0	0.0	0.0	0.0	0.0
Federal Investment Bonds	0.0	0.0	0.0	0.0	0.0
Foreign Currency Bearer Certificates	0.0	0.0	0.1	0.1	0.1
U.S. Dollar Bearer Certificates	0.1	0.1	0.1	0.1	0.1
Special U.S. Dollar Bonds	4.3	5.1	6.7	6.9	6.3
Pakistan Investment Bonds (PIBs)*	1,321.6	3,413.3	10,933.2	12,886.0	14,374.5
GOP Ijara Sukuk	459.2	385.4	71.0	198.2	636.3
Bai-Muajjal of Sukuk	-	-	177.8	201.0	201.0
Floating Debt	**5,194.9**	**8,889.0**	**5,500.6**	**5,578.3**	**6,000.0**
Market Treasury Bills*	2,919.7	5,294.8	4,930.5	5,575.5	5,996.8
MTBs for Replenishment	2,275.2	3,594.2	570.2	2.8	3.2
Bai Muajjal	0.0	0.0	-	-	-
Unfunded Debt	**2,146.5**	**2,868.1**	**3,144.1**	**3,673.6**	**3,651.6**
Defence Saving Certificates	271.7	336.2	393.4	486.2	478.9
National Deposit Certificates	0.0	0.0	0.0	0.0	0.0
Khass Deposit Certificates	0.3	0.2	0.2	0.2	0.2
Special Savings Certificates (Registered)	388.2	381.9	413.7	427.7	432.6
Special Savings Certificates (Bearer)	0.3	0.3	0.3	0.3	0.3
Regular Income Certificates	262.6	347.5	489.6	572.9	589.1
Premium Saving Certificates	0.0	0.0	0.0	0.0	0.0
Bahbood Savings Certificates	528.4	794.9	914.5	997.8	998.3
Short Term Savings Certificates	4.0	4.3	5.1	24.3	5.3
Khass Deposit Accounts	0.3	0.3	0.3	0.3	0.3
Savings Accounts	22.3	38.3	38.2	42.7	41.9
Special Savings Accounts	346.2	549.0	416.6	617.3	600.2
Mahana Amdani Accounts	2.0	1.7	1.6	1.5	1.5
Pensioners' Benefit Account	179.9	274.9	318.3	352.2	363.4
Shuhadas Family Welfare Account	-	-	0.0	0.1	0.1
National Savings Bonds	0.2	0.1	0.1	-	-
Postal Life Insurance Schemes	67.1	46.7	47.9	48.5	47.9
GP Fund	73.1	91.7	104.3	101.5	91.7
Naya Pakistan Certificate	**-**	**-**	**-**	**-**	**18.2**
Total Domestic Debt	**9,520.4**	**16,416.3**	**20,731.8**	**23,282.5**	**25,552.2**

*Government Securities held by non-residents are deducted from PIB's and T-bills.

Source: State Bank of Pakistan

9.6.4 Secondary Market Activities in the Marketable Government Securities

The liquidity in the secondary market of government securities improved further during 2020-21. During first nine months, outright trading volumes witnessed considerable increase on the back of healthy primary issuances of T-Bills, PIBs and GIS. The outright trade amounted to Rs 32 trillion, compared with Rs 28 trillion recorded during the same period of preceding year. This translates into average daily trade volume of Rs 171 billion during July 2020 - March 2021, compared with Rs 150 billion during the same period last year.

Table-9.9: Secondary Market Outright Trading Volume (Rs in billion)

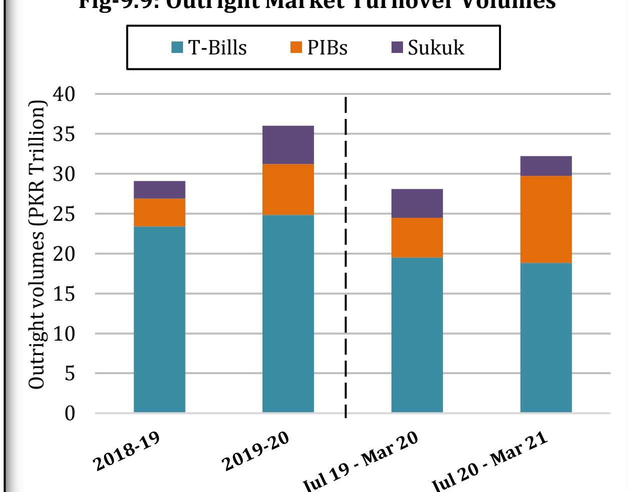
Security	2019	2020	2020 (Q1-Q3)	2021 (Q1-Q3)
3 Month T-Bills	23,330	14,260	12,452	8,305
6 Month T-Bills	41	3,660	2,314	5,389
12 Month T-Bills	33	6,914	4,741	5,129
Sub Total (A)	**23,404**	**24,835**	**19,507**	**18,823**
2 Year PIBs	-	-	-	28
3 Year PIBs	1,596	3,024	2,713	7,122
5 Year PIBs	889	1,430	973	2,221
10 Year PIBs	1,017	1,910	1,266	1,479
15 Year PIBs	0.6	15	0.1	25
20 Year PIBs	0.9	17	9	32
Sub Total (B)	**3,503**	**6,396**	**4,961**	**10,908**
GIS (C)	**2,202**	**4,817**	**3,635**	**2,469**
Grand Total (A+B+C)	**29,109**	**36,047**	**28,103**	**32,199**
Daily Average volume	**117.8**	**146.5**	**150.3**	**171.3**

Source: State Bank of Pakistan

Increased outright volumes is mainly attributed to higher outright volumes in 3 and 5-year fixed and floating-rate PIBs and 6-month T-Bills. On the other hand, outright trade in 3-month T-bills decreased by about one-third to Rs 8.3 trillion. Further, trade in GIS also witnessed a considerable dip during first nine months of 2020-21, despite significant primary issuance till January 2021. GIS worth Rs 2.5 trillion were traded during the period under consideration, compared to Rs 3.6 trillion during same period last year. The drop in GIS trade may be attributed to:

- Buy-and-hold behaviour of the Islamic Financial Institutions (IFIs) due to uncertainty regarding regular future GIS issuances;
- No issuance since January 2021; and
- Removal of holding limits for GIS that allowed individual banks to hold more securities depending upon their book-size and requirements.

Fig-9.9: Outright Market Turnover Volumes



9.6.5 Repo Market and Secondary Market Yield

During first nine months of current fiscal year, repo trades worth Rs 24 trillion were undertaken, a decline of 13 percent compared to similar period of last year. Banks mainly rely on repo market to meet their whole-sale short-term liquidity needs and a drop in repo trade indicates that the banks had sufficient liquidity to meet their daily funding needs (with relatively lower access to the repo market), which may be attributed to lower economic and banking activity in the midst of pandemic. Evidently, 74 percent of total repo volumes were in the overnight tenor. While 1- and 2-week tenor deals accounted for 12 percent and 10 percent of the total volumes, respectively. Cumulative volume of secondary market activities remained almost unchanged. However, repo volumes decreased 13 percent and outright volumes increased 14 percent during first nine months of current fiscal year compared with the same period last year.

Table-9.10: Government Security Based Transactions

Type	Volume (Rs in billion)				Market Share (Percentage)			
	2019	2020	2020 (Q1-Q3)	2021 (Q1-Q3)	2019	2020	2020 (Q1-Q3)	2021 (Q1-Q3)
Repo	35,879	35,182	27,221	23,743	55	53	49	43
Outright	29,109	31,483	28,103	32,119	45	47	51	57
Total	**64,988**	**66,665**	**55,324**	**55,862**	**100**	**100**	**100**	**100**

Source: State Bank of Pakistan

9.7 External Public Debt

External public debt was recorded at US$ 81.6 billion at end March 2021 increasing by around US$ 3.6 billion during first nine months of current fiscal year. This increase reveals the following:

- Debt from multilateral and bilateral sources increased by US$ 2.2 billion. This amount also includes US$ 0.5 billion received from the IMF under Extended Fund Facility (EFF). Overall, loans from multilateral and bilateral loans are mostly contracted on concessional terms (low cost and longer tenor);
- The stock of commercial loans registered increased by US$ 1.0 billion. Fresh loans from middle eastern commercial banks primarily contributed towards this increase;
- The stock of Pakistan Banao Certificates and Naya Pakistan Certificates cumulatively registered an increase of US$ 0.4 billion;

Pakistan's external public debt is derived from four key sources, with around 49 percent coming from multilateral loans, 31 percent from bilateral loans, 13 percent from commercial loans[4] and 7 percent from Eurobonds/Sukuk. The following graph summarizes the component wise break-up of external public debt stock:

[4] Including non-resident investments in domestic government securities, Naya Pakistan Certificates and Pakistan Banao Certificates.

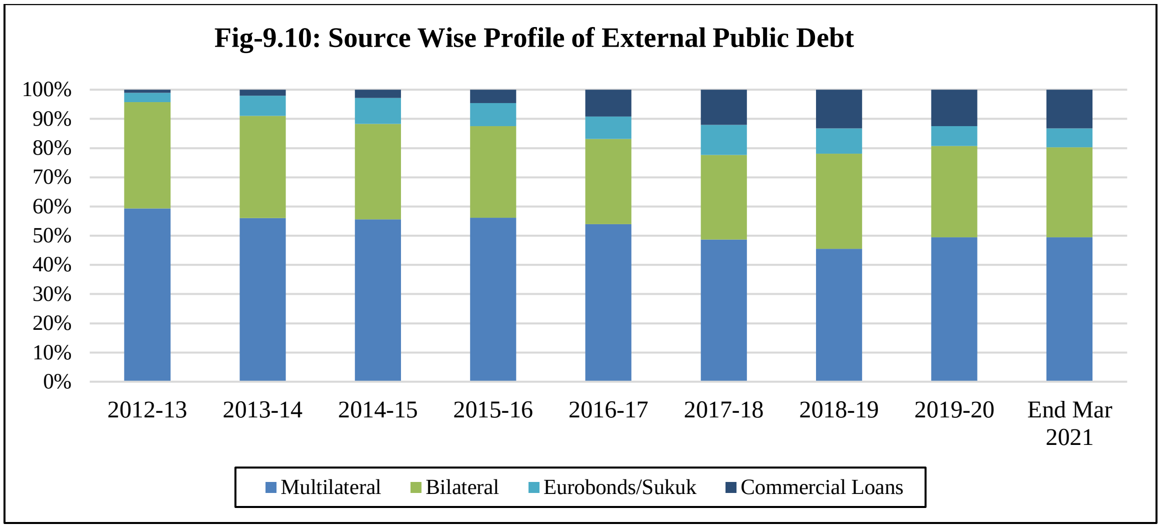


Table-9.11: External Public Debt

(US$ in million)	Jun-13	Jun-18	Jun-19	Jun-20	Mar-21
A. External Public Debt (1+2)	**48,139**	**70,237**	**73,449**	**77,994**	**81,606**
1. Government External Debt (i+ii)	**43,752**	**64,142**	**67,800**	**70,314**	**73,972**
i) Long term (>1 year)	**43,488**	**62,525**	**66,536**	**68,773**	**73,139**
Paris Club	13,548	11,643	11,235	10,924	10,438
Multilateral	24,198	28,102	27,788	30,898	32,721
Other Bilateral	3,939	8,674	12,717	13,428	14,722
Euro/Sukuk Global Bonds	1,550	7,300	6,300	5,300	5,300
Military Debt	71	-	-	-	-
Commercial Loans/Credits	-	6,806	8,470	8,068	9,161
Local Currency Securities (PIBs)	2	-	-	96	348
Saudi Fund for Development (SFD)	180	-	-	-	-
NBP/BOC deposits/PBC*	-	-	26	59	68
Naya Pakistan Certificate*	-	-	-	-	382
ii) Short term (<1 year)	**264**	**1,617**	**1,264**	**1,542**	**833**
Multilateral	256	961	778	814	451
Local Currency Securities (T-bills)	8	0	0	586	382
Commercial Loans/Credits	-	655	486	141	-
2. From IMF	**4,387**	**6,095**	**5,648**	**7,680**	**7,634**
i) Federal Government	1,519	-	-	2,833	3,415
ii) Central Bank	2,868	6,095	5,648	4,847	4,219

*: Naya Pakistan Certificate and Pakistan Banao Certificates (PBC) are issued by Government of Pakistan for overseas Pakistanis.
Source: Ministry of Economic Affairs, State Bank of Pakistan and Debt Policy Coordination Office, Ministry of Finance

9.7.1 External Public Debt Inflows and Outflows

(a) Inflows

Gross external loan disbursements were recorded at US$ 7,724 million[5] during first nine months of 2020-21, the details of which are as follows:

- Disbursements from multilateral sources amounted US$ 3,397 million and accounted for 44 percent of the total disbursements. The main contributors were Asian Development Bank (ADB), World Bank and the IMF. The disbursements from the IMF were part of ongoing EFF program while inflows from ADB and World Bank

[5] Excluding disbursement from Pakistan Banao Certificates, NPCs and non-resident investment in government securities.

were targeted towards energy, finance and infrastructure development and to address the pandemic repercussions;

- Bilateral sources contributed US$ 1,207 million or 16 percent in total disbursements. Out of this, SAFE Deposits from China amounted to US$ 1,000 million; and
- Commercial loans contributed US$ 3,120 million or 40 percent in total disbursements. These commercial loans were mostly obtained to refinance the existing maturities while incremental flows were for balance of payments support.

(b) Outflows

External public debt repayments were recorded at US$ 5,147 million during first nine months of current fiscal year compared with US$ 5,537 million during the same period last year. This reduction in repayments is primarily due to DSSI initiative and no repayment of Eurobonds/Sukuks during the current fiscal year.

Interest payments were recorded at US$ 1,080 million during first nine months of current fiscal year as compared to US$ 1,580 million during same period of preceding year. The factors which reduced the external interest servicing during the ongoing fiscal year were (i) significant reduction in global interest rates due to the pandemic which led to lower interest payments on floating rate external debt; and (ii) interest servicing deferment under DSSI.

The source wise details of external public debt inflows and outflows over last few years are depicted in the table below:

Table-9.12: Source Wise External Public Debt Inflows and Outflows

(US$ in million)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Jul 20 - Mar 21
DISBURSEMENTS							
Multilateral	5,435	5,766	3166	2813	2021	8,329	3397
Bilateral	867	1,040	1,941	1,971	4,377	1,398	1,207
Bonds	1,000	500	1,000	2,500	-	-	-
Commercial / Other	150	1,387	4,426	3,716	4,098	3,347	3,120
Total Inflows (A)	**7,452**	**8,693**	**10,533**	**11,000**	**10,496**	**13,074**	**7,724**
REPAYMENTS							
Multilateral	2,407	1274	1255	1403	1750	2199	1994
Bilateral	407	440	1,200	793	970	783	90
Bonds	-	500	750	-	1,000	1,000	-
Commercial / Other	686	1000	1922	1995	3634	5061	3063
Total Repayments (B)	**3,500**	**3,213**	**5,127**	**4,190**	**7,355**	**9,043**	**5,147**
Net Inflows (A-B)	**3,952**	**5,480**	**5,406**	**6,809**	**3,140**	**4,031**	**2,577**
INTEREST PAYMENTS							
Multilateral	258	290	381	485	584	637	449
Bilateral	385	380	441	444	541	484	106
Bonds	300	354	366	423	503	396	213
Commercial / Other	32	102	124	332	475	515	312
Total Interest Payments (C)	**975**	**1,127**	**1,313**	**1,684**	**2,103**	**2,032**	**1,080**
Total Debt Servicing (B+C)	**4,475**	**4,340**	**6,440**	**5,874**	**9,458**	**11,075**	**6,227**

Note: Above data excludes 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

9.7.2 Impact of Exchange Rate Fluctuations

External loans are contracted in various currencies; however, disbursements are effectively converted into Pak Rupee. Since Pak Rupee is not an internationally traded currency, other international currencies are bought and sold via selling and buying of US Dollar. Hence, the currency exposure of foreign debt originates from two sources: US Dollar/other foreign currencies and Pak Rupee/US Dollar. Thus, any movement in international currencies (in which debt is contracted) and PKR vis-à-vis US Dollar can change the dollar and Pak Rupee value of external debt respectively. While it must be taken into account that domestic debt does not carry currency risk since it is denominated in Pak Rupee.

In addition to net external inflows, following factors influenced the movement in external public debt stock during first nine months of current fiscal year:

- In US Dollar terms, revaluation loss owing to depreciation of US Dollar against other international currencies increased the external public debt stock by around US$ 1.1 billion. This increase was mainly driven by depreciation of US Dollar against Chinese Yuan by 8 percent, Euro by 5 percent and Special Drawing Right (SDR) by 3 percent;
- The above-mentioned translational loss on account of depreciation of US Dollar against other international currencies was more than offset by the appreciation of Pak Rupee against US Dollar by 9 percent which led to reduce the Rupee value of external public debt.

9.7.3 External Debt Sustainability

A country can achieve debt sustainability if it can meet its current and future debt service obligations in a timely manner without exceptional financial assistance.

Table-9.13: External Public Debt Sustainability Indicators

(In percent)	2012-13	2017-18	2018-19	2019-20
Current Account Deficit/GDP	1.1	6.1	4.8	1.7
ED/FEE (times)	1.0	1.3	1.3	1.4
ED/FER (times)	4.4	4.3	5.1	4.1
ED/GDP (Percentage)	20.8	22.3	26.2	29.7
ED Servicing/FEE (Percentage)	11.1	10.8	17.2	20.4

FEE: Foreign Exchange Earnings; ED: External Public Debt; FER: Foreign Exchange Reserves
Note: The above ratios are calculated based on US Dollar amounts.

Source: Debt Policy Coordination Office, Ministry of Finance

Misaligned economic policies of the past, including large fiscal deficits, loose monetary policy and defence of an overvalued exchange rate, fuelled consumption and short-term growth but steadily eroded macroeconomic buffers, increased external debt, inflated current account deficit and depleted international reserves. Current account deficit was recorded at historic high of US$ 19.2 billion during 2017-18.

The external account improved significantly during the tenure of present government. In 2019-20, Current Account Deficit (CAD) stood at US$ 4.4 billion. The lower CAD significantly reduced the country's need to arrange external financing. The external sector continues to strengthen and after remaining positive for all 10 months of ongoing fiscal year, the cumulative current account balance was recorded at a surplus of US$ 0.8 billion during July 2020 - April 2021. This turnaround was supported by an improvement in the trade balance and surge in remittances.

External public debt to foreign exchange reserves ratio improved and recorded at 4.1 times during 2019-20 compared with 5.1 times during last fiscal year, on the back of slowdown in fresh accumulation of debt and the rise in the country's foreign exchange reserves.

Growth in external public debt servicing mainly driven by repayments of Eurobonds and commercial loans which outpaced the growth in FEE and accordingly external public debt servicing to foreign exchange earnings ratio increased to 20.4 percent in 2019-20 compared with 17.2 percent in 2018-19.

Pakistan's external debt remains on sustainable path, which has also been endorsed by the IMF. With improved balance of payment situation, external debt sustainability is expected to improve further going forward.

9.7.4 Pakistan's return to International Capital Markets

Pakistan entered the international capital market in April 2021 after a gap of over three years by successfully raising US$ 2.5 billion through a multi-tranche transaction of 5-, 10- and 30-year Eurobonds. The transaction generated great interest as leading global investors from Asia, Middle East, Europe and the US participated in the global investor calls and the order book. It was the largest conventional bond issuance by Pakistan with high quality diversified order book of US$ 5.3 billion (2.1 times over subscription). This transaction also includes first ever benchmark size 30-year issuance by Pakistan.

This is for the first time that Pakistan has adopted a program-based approach with registration of Global Medium-Term Note (GMTN) program. The program will allow Pakistan to tap the market at short notice. The Government intends to make full use of this program and become a regular issuer in the International Capital Markets.

Currently, all of the Pakistan's outstanding bonds are being traded at premium, representing international market's high demand for these sovereign bonds as depicted in the table below:

Table-9.14: Pakistan Sovereign Bonds - Secondary Trading Levels

Bond	Ratings			Issue Date	Maturity Date	Size	Tenor	Coupon	Yield
	M	S&P	F			(US$ Mn)	Years	(%)	(%)
Sukuk	B3	-	B-	13-Oct-16	13-Oct-21	1,000	5	5.500	2.425
Sukuk	B3	B-	-	05-Dec-17	05-Dec-22	1,000	5	5.625	3.532
Eurobond	B3	B-	B-	30-Mar-06	31-Mar-36	300	30	7.875	7.453
Eurobond	B3	B-	B-	15-Apr-14	15-Apr-24	1,000	10	8.250	4.669
Eurobond	B3	-	B-	30-Sep-15	30-Sep-25	500	10	8.250	5.275
Eurobond	B3	B-	-	05-Dec-17	05-Dec-27	1,500	10	6.875	5.989
Eurobond	B3	-	B-	08-Apr-21	08-Apr-26	1,000	5	6.000	5.381
Eurobond	B3	-	B-	08-Apr-21	08-Apr-31	1,000	10	7.375	6.699
Eurobond	B3	-	B-	08-Apr-21	08-Apr-51	500	30	8.875	8.179

Source: Bloomberg, June 02, 2021

9.8 Conclusion

Pakistan's strategy to reduce its debt burden to a sustainable level includes commitment to run primary surpluses, maintain low and stable inflation, promote measures that support higher long-term economic growth and follow an exchange rate regime based on economic fundamentals. With narrower fiscal deficit, public debt is projected to enter a firm downward path while government's efforts to improve maturity structure will enhance public debt sustainability.

Chapter 10

Education

Education being the fundamental human right, stands most important element in evolution of human progress and nation development. It develops capabilities to fight against injustice, violence, corruption and many other social evils. Sustainable socio-economic development of a country depends on substantial investment in its human capital through education and skill development. Educated people work as an effective tool in accepting and adopting innovative ideas and means of productivity/technologies, ensuring the elimination of economic and social ailments. Further, as a dividend, it brings socio-economic progress as well as prosperity in the country. An educated and skilled nation is productive enough to accelerate economic growth through expanded vision, creativity and, innovations in the country.

Regional Comparison of Education Indicators

According to United Nations Development Programme (UNDP) Human Development Report 2020, Pakistan is ranked 154th out of 189 countries with the Human Development Index (HDI) value of 0.557 (with 1 being the maximum value). The Table 10.1 below provides regional comparison of education related indicators:

Table 10.1: Education Indicators

Country	Literacy rate adult %age 15 years and older (2008-18)	Youth Literacy rate (%)age 15-24 years old		Population with some secondary education %ages 25 years & older (2015-19)	Gross Enrolment Ratio (GER) 2014-19				Primary School Dropout rate (2008-2018)	Government Expenditure on Education (% of GDP) (2013-2018)	Human Development Index (HDI) Rank
		Female (2008-18)	Male (2008-18)		Pre-Primary	Primary	Secondary	Tertiary			
	SDG 4.6				SDG 4.2	SDG 4.1		SDG 4.3			
Sri Lanka	91.7	99.0	98.5	80.0	91	100	100	20	1.6	2.1	72
Maldives	97.7	99.1	98.4	47.6	92	97	n/a	31	6.7	4.1	95
Bhutan	66.6	92.9	93.3	27.6	34	100	90	16	11.3	6.6	129
India	74.4	90.2	93.0	39.3	14	113	75	28	8.8	3.8	131
Bangladesh	73.9	94.9	91.8	44.0	41	116	73	21	33.8	2.0	133
Nepal	67.9	90.9	94.0	36.2	87	142	80	12	26.5	5.2	142
Pakistan	60.0*	67.5	81.3	37.3	83	94	43	9	29.6	2.9	154
Afghanistan	43.0	56.3	74.1	26.1	n/a	104	55	10	n/a	4.1	169

Source: Human Development Report, 2020 (UNDP)
*: Pakistan Social and Living Standards Measurement (PSLM) District Level Survey, 2019-20, Pakistan Bureau of Statistics
Note: GER is calculated by dividing the number of students enrolled in a given level of education regardless of age by the population of the age group which officially corresponds to the given level of education and multiply the result by 100.

The Government Agenda

Present government is committed to achieve Goal 4 of SDGs i.e. "Quality Education", which stipulates equitable education, removal of discrimination, provision and up-gradation of infrastructure, skill development for sustainable progress, universal literacy, numeracy and enhancement of professional capacity of teachers. As per Article 25-A of the Constitution of Pakistan "State shall provide free and compulsory education to all children of the age of five to sixteen years" therefore, the government is working on various initiatives to provide quality education to its citizens.

A Single National Curriculum (SNC) has been designed with the vision of one system of education for all, in terms of curriculum, medium of instruction and a common platform of assessment, so that all children have a fair and equal opportunity to receive high quality education. SNC will be implemented in three phases, **Phase I:** Development of SNC and textbooks for Pre I-V classes in March 2021, **Phase II:** Development of SNC and textbooks for VI-VIII classes in March 2022 and **Phase III:** Development of SNC and textbooks for IX-XII classes in March 2023.

Educational Institutions and Enrolment Data[1]

i) Pre-Primary Education

Pre-Primary education is the basic component of Early Childhood Education (ECE). Prep classes are for children between 3 to 5 years of age. At national level, an increase of 1.1 percent in pre-primary enrolment (12.7 million) in 2018-19 over 2017-18 (12.6 million) has been observed and it is further estimated to increase by 6.1 percent to 13.5 million in 2019-20 (Table10.2).

ii) Primary Education (Classes I-V)

In 2018-19 there were a total of 182.7 thousand functional primary schools with 494.3 thousand corresponding teachers at national level. An increase of 2.9 percent in primary enrolment is witnessed as the total enrolled students increased to 23.6 million in 2018-19 against 22.9 million in 2017-18. However, it is further projected to increase by 4.3 percent to 24.6 million in 2019-20.

iii) Middle Education (Classes VI-VIII)

The total reported middle institutes were 47.3 thousand with 448.6 thousand employed teachers in the whole country during 2018-19. An increase of 3.7 percent in middle enrolment is observed. The total enrolled students increased to 7.6 million in 2018-19 against 7.4 million in 2017-18 and it is projected to increase by 3.9 percent, (from 7.6 million to 7.9 million) in 2019-20.

[1]According to Academy of Educational Planning & Management (AEPAM), the estimated data for enrolment, number of institutions and teachers for the year 2020-21 is not available; however, the said data will be available in July 2021 which will be incorporated in the Statistical Supplement of Pakistan Economic Survey, 2020-21. Therefore, the latest available data for the year 2018-19 and 2019-20 is considered for analysis.

iv) Secondary / High School Education (Classes IX-X)

During the academic year 2018-19, a total of 31.7 thousand secondary schools were functional, with 567.1 thousand teachers working in the whole country. An increase of 2.8 percent in secondary school enrolment is observed at the national level as the total enrolled students increased to 4.0 million in 2018-19 against 3.9 million in 2017-18. However, it is estimated to increase further by 6.2 percent, i.e., from 4.0 million to 4.2 million during 2019-20.

v) Higher Secondary / Inter Colleges (Classes XI-XII)

At national level, 5.9 thousand higher secondary schools / inter colleges with 128.1 thousand teachers were functional in 2018-19. The overall enrolment of students in higher secondary education witnessed an increase of 2.8 percent in 2018-19. The enrolment registered during 2018-19 was 1.73 million as compared to 1.69 million in 2017-18. For 2019-20, it is projected to increase to 1.80 million.

vi) Technical & Vocational Education

During 2018-19, 3.9 thousand technical and vocational institutes with 18.2 thousand teachers were functional at the national level. The enrolment was stagnant in 2018-19 at 0.43 million as compared to 2017-18. However, it is estimated to increase by 7.2 percent, i.e., from 0.43 million to 0.46 million in 2019-20.

vii) Degree Colleges (Classes XIII-XIV)

An enrolment of 0.59 million students is expected during 2019-20 in degree colleges against enrolment of 0.60 million in 2018-19. A total of 1,659 degree colleges with 41,233 teachers were functional during 2018-19. The slight decline in expected enrolment in 2019-20 might be due to preference of students to the professional and vocational courses.

viii) Universities

There are 211 universities with 60.3 thousand teachers in both public and private sectors functional in 2018-19. The overall enrolment of students in higher education institutes (universities) increased to 1.86 million in 2018-19 from 1.58 million in 2017-18. The enrolment is expected to increase by 2.5 percent to 1.91 million in 2019-20.

Overall Assessment

The overall education situation based on the key indicators, such as enrolments, number of institutes and teachers have shown improvement. The total number of enrolments during 2018-19 was recorded at 52.5 million as compared to 51.0 million during 2017-18, which shows an increase of 2.9 percent. It is estimated to increase to 55.0 million during 2019-20. The number of institutes recorded at 273.4 thousand during 2018-19 as compared to 262.0 thousand during 2017-18. However, the number of institutes is estimated to increase to 279.4 thousand in 2019-20.

Similarly, there were 1.76 million teachers in 2018-19 as compared to 1.77 million last year. The number of teachers is estimated to increase to 1.80 million during 2019-20.

Fig-10.1: Enrolment at each level

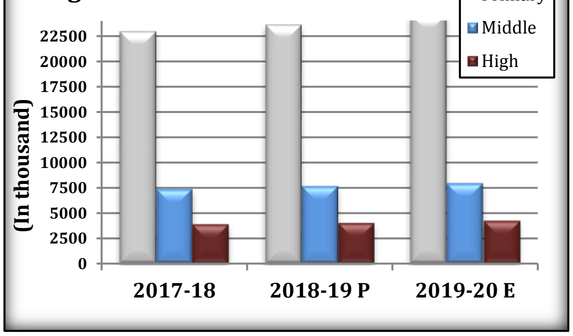


Fig-10.2: Institution at each level

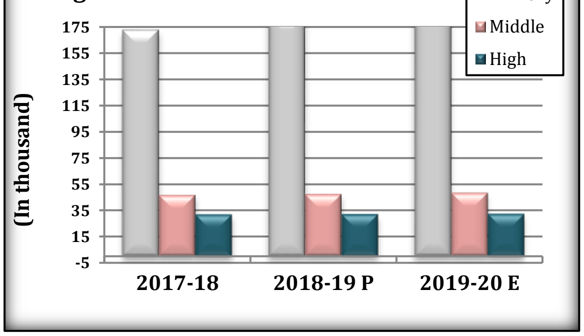


Fig-10.3: Teachers at each level

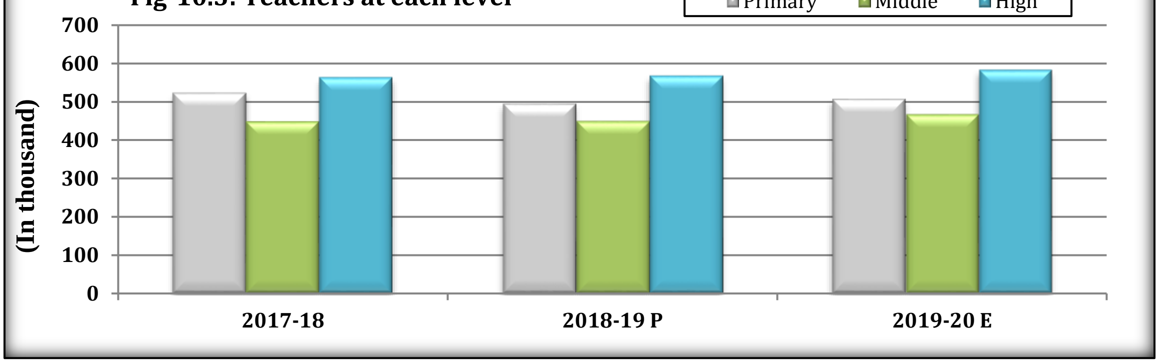


Table 10.2: Number of Mainstream Institutions, Enrolment and Teachers By Level (Thousands)

	Years	Pre-Primary	Primary^	Middle	High	Higher Sec./ Inter	Degree Colleges	Technical & Vocational Institutes	Universities	Total
Enrolment	2012-13	9284.3	18790.4	6188.0	2898.1	1400.0	641.5	302.2	1594.6	41099.1
	2013-14	9267.7	19441.1	6460.8	3109.0	1233.7	465.4	308.6	1594.6	41880.9
	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	23588.0	7634.1	3969.0	1734.9	604.6	433.2	1862.8@	52533.7
	2019-20**	13487.9	24591.7	7931.5	4213.5	1804.1	598.8	464.5	1910.0	55002.0
Institutions	2012-13	-	159.7	42.1	29.9	5.0	1.5	3.3	0.147	241.6
	2013-14	-	157.9	42.9	30.6	5.2	1.1	3.3	0.161	241.2
	2014-15	-	165.9	44.8	31.3	5.4	1.4	3.6	0.163	252.6
	2015-16	-	164.6	45.7	31.7	5.5	1.4	3.7	0.163	252.8
	2016-17	-	168.9	49.1	31.6	5.1	1.4	3.8	0.185	260.1
	2017-18	-	172.5	46.7	31.4	5.8	1.7	3.7	0.186	262.0
	2018-19*	-	182.7	47.3	31.7	5.9	1.7	3.9	0.211@	273.4
	2019-20**	-	187.1	48.3	32.0	6.1	1.7	4.0	0.224@	279.4
Teachers	2012-13	-	428.8	362.6	489.6	132.0	48.8	16.1	77.6	1555.5
	2013-14	-	420.1	364.8	500.5	124.3	26.0	16.4	77.6	1529.7
	2014-15	-	430.9	380.8	514.2	118.1	36.6	19.4	88.3	1588.3
	2015-16	-	444.6	394.2	529.5	123.1	37.1	18.2	83.4	1630.1
	2016-17	-	475.2	455.4	560.6	120.3	37.9	18.2	58.7	1726.3
	2017-18	-	522.4	448.1	563.3	123.2	41.2	18.2	56.9	1773.3
	2018-19*	-	494.3	448.6	567.1	128.1	41.2	18.2	60.3	1757.8
	2019-20**	-	506.8	466.4	582.0	127.4	40.2	18.6	58.0	1799.4

*: Provisional, **: Estimated, ^: Including Pre-Primary, Mosque Schools, BECS and NCHD, @: Figures are based on HEC.
Source: Ministry of Federal Education & Professional Training, AEPAM, Islamabad

Literacy

According to the Pakistan Social and Living Standards Measurement (PSLM) district level Survey 2019-20, the literacy rate of population (10 years and above) is stagnant at 60 percent in 2019-20 since 2014-15. The literacy rate is higher in urban areas (74 percent) than in rural areas (52 percent). Province wise analysis suggests that Punjab has the highest literacy rate, with 64 percent followed by Sindh with 58 percent, Khyber Pakhtunkhwa (Excluding Merged Areas) with 55 percent, Khyber Pakhtunkhwa (Including Merged Areas) with 53 percent and Balochistan with 46 percent (Table 10.3).

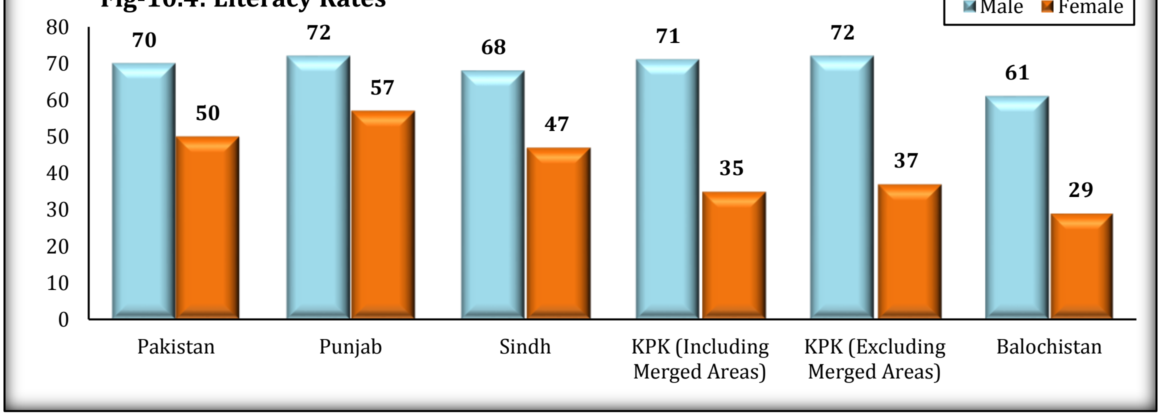
Table 10.3: Literacy Rate (10 Years and Above)-Pakistan and Provinces (percent)

Province/Area	2014-15			2019-20		
	Male	Female	Total	Male	Female	Total
Pakistan	**70**	**49**	**60**	**70**	**50**	**60**
Rural	63	38	51	64	39	52
Urban	82	69	76	79	67	74
Punjab	**71**	**55**	**63**	**72**	**57**	**64**
Rural	65	45	55	67	48	57
Urban	82	73	77	80	72	76
Sindh	**70**	**49**	**60**	**68**	**47**	**58**
Rural	55	24	40	53	23	39
Urban	82	70	76	79	66	73
Khyber Pakhtunkhwa (Including Merged Areas)	-	-	-	**71**	**35**	**53**
Rural	-	-	-	69	31	50
Urban	-	-	-	80	53	67
Khyber Pakhtunkhwa (Excluding Merged Areas)	**71**	**35**	**53**	**72**	**37**	**55**
Rural	69	31	50	70	34	52
Urban	80	52	66	81	54	68
Balochistan	**61**	**25**	**44**	**61**	**29**	**46**
Rural	54	17	38	55	22	40
Urban	78	42	61	76	47	63

Note: Area of erstwhile FATA is now part of Khyber Pakhtunkhwa and covered first time. Therefore, values of Khyber Pakhtunkhwa are given both with and without merged areas. However, the exact comparison of Khyber Pakhtunkhwa with the previous year is only possible by comparing Khyber Pakhtunkhwa, excluding merged areas.

Source: Pakistan Social and Living Standards Measurement (PSLM) District Level Survey, 2019-20, Pakistan Bureau of Statistics.

Fig-10.4: Literacy Rates



Primary Enrolment Rates

A. Gross Enrolment Rates (GER)

GER at the primary level excluding Katchi (prep) for the age group 6-10 years at the national level during 2019-20 declined to 84 percent as compared to 91 percent in 2014-15. Province wise data suggests that GER is declined in all provinces i.e. Punjab witnessed declined from 91 percent in 2014-15 to 84 percent in 2019-20, Sindh from 79 percent to 71 percent, Khyber Pakhtunkhwa (Excluding Merged Areas) from 92 percent to 89 percent and Balochistan from 73 percent to 72 percent (Table 10.4).

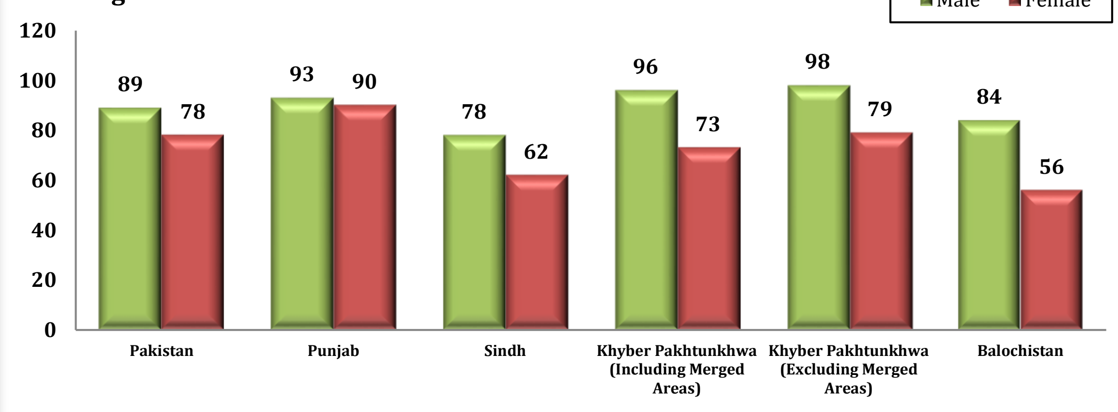
The decline in GER is mainly due to enrolment of over aged children is decreasing since 2012-13.

Table 10.4: National and Provincial GER (Age 6 -10 years) at Primary Level (Classes1-5) (percent)

Province/Area	2014-15			2019-20		
	Male	Female	Total	Male	Female	Total
Pakistan	**98**	**82**	**91**	**89**	**78**	**84**
Punjab	103	92	98	93	90	92
Sindh	88	69	79	78	62	71
Khyber Pakhtunkhwa (Including Merged Areas)	-	-	-	96	73	85
Khyber Pakhtunkhwa (Excluding Merged Areas)	103	80	92	98	79	89
Balochistan	89	54	73	84	56	72

Source: Pakistan Social and Living Standards Measurement (PSLM) District Level Survey, 2019-20, Pakistan Bureau of Statistics.

Fig-10.5: Gross Enrolment Rate



B. Net Enrolment Rates (NER)

NER at the national level during 2019-20 declined to 64 percent as compared to 67 percent in 2014-15. Province wise comparison reveals that, NER in Punjab and Balochistan remained stagnant at 70 percent and 56 percent respectively, while declined in NER has been observed in Sindh and Khyber Pakhtunkhwa (Excluding Merged Areas), where NER decreased from 61 percent to 55 percent and 71 percent to 66 percent respectively (Table 10.5).

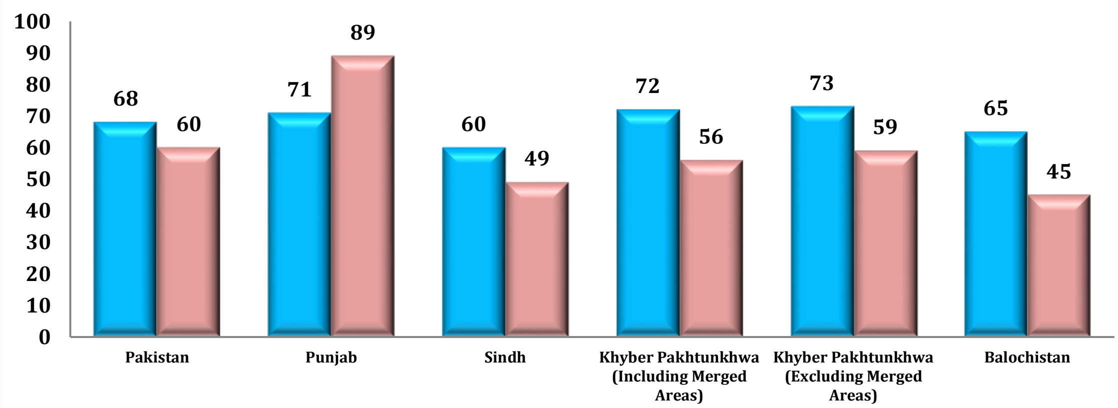
The NER is either stagnant or decreasing due to the fact that 32 percent of children aged 5-16 years are currently out of school at national level. The percentage is highest in Balochistan with 47 percent followed by 44 percent in Sindh, 30 percent in Khyber Pakhtunkhwa (Excluding Merged Areas) and 24 percent in Punjab.

Table 10.5: National and Provincial NER (Age 6 -10 years) at Primary Level (Classes1-5) (percent)

Province/Area	2014-15			2019-20		
	Male	Female	Total	Male	Female	Total
Pakistan	**72**	**62**	**67**	**68**	**60**	**64**
Punjab	73	67	70	71	89	70
Sindh	67	54	61	60	49	55
Khyber Pakhtunkhwa (Including Merged Areas)	-	-	-	72	56	65
Khyber Pakhtunkhwa (Excluding Merged Areas)	78	62	71	73	59	66
Balochistan	67	42	56	65	45	56

Source: Pakistan Social and Living Standards Measurement (PSLM) District Level Survey, 2019-20, Pakistan Bureau of Statistics.

Fig-10.6: Net Enrolment Rates



Expenditure on Education

Cumulative education expenditures by federal and provincial governments in FY2020 stood at 1.5 percent of GDP as compared to 2.3 percent of GDP in FY2019.[2] Expenditures on education had been rising gradually till 2018-19 (Fig-10.7), but in 2019-20 education-related expenditures witnessed a decrease of 29.6 percent i.e, from Rs 868.0 billion to Rs 611.0 billion. The education related expenditure details are given in Table 10.6 and Figure 10.7:

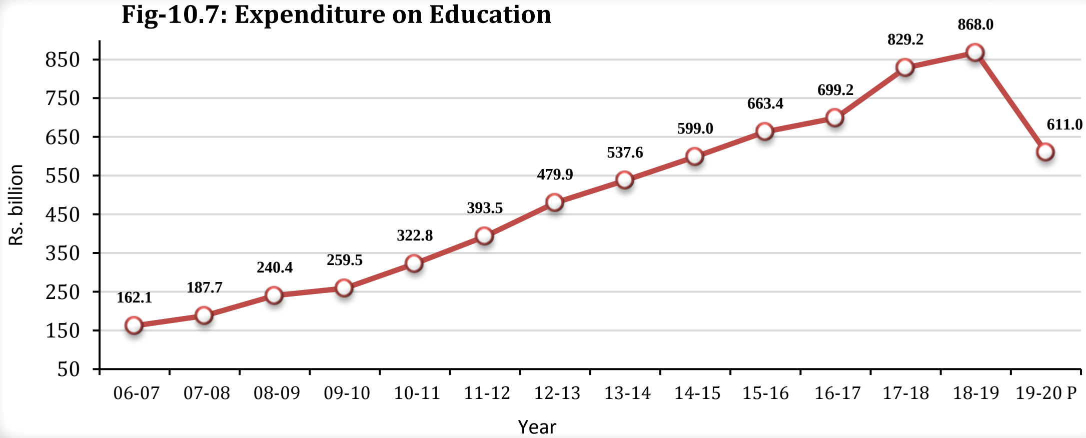
[2] The education related expenditures witnessed a decline in FY2020 due to closure of educational institutes amid country-wide lockdown and decrease in current expenditures (other than salaries) due to COVID-19 Pandemic. Furthermore, as a result of COVID-19 crisis, there was an increase in expenditure of other Social Sectors i.e., health, natural calamities & other disasters, Benazir Income Support Programme, Pakistan Bait-ul-Maal etc.

Table 10.6: Expenditure on Education (Rs million)

Years		Current Expenditure	Development Expenditure	Total Expenditure	As % of GDP
2015-16	Federal	84,496	34,665	119,161	**2.3**
	Punjab	224,608	26,863	251,471	
	Sindh	123,855	11,153	135,008	
	Khyber Pakhtunkhwa	92,306	19,925	112,231	
	Balochistan	36,121	9,364	45,485	
	Pakistan	**561,386**	**101,970**	**663,356**	
2016-17	Federal	91,139	16,890	108,029	**2.2**
	Punjab	221,049	39,593	260,642	
	Sindh	134,650	12,082	146,732	
	Khyber Pakhtunkhwa	109,482	26,639	136,121	
	Balochistan	40,571	7,127	47,698	
	Pakistan	**596,891**	**102,331**	**699,222**	
2017-18	Federal	100,428	26,495	126,923	**2.4**
	Punjab	295,893	44,910	340,803	
	Sindh	152,298	13,705	166,003	
	Khyber Pakhtunkhwa	126,149	16,494	142,643	
	Balochistan	47,107	5,673	52,780	
	Pakistan	**721,875**	**107,277**	**829,152**	
2018-19	Federal	103,787	21,780	125,567	**2.3**
	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 (P)	Federal	83,266	31,300	114,566	**1.5**
	Punjab	182,616	35,378	217,994	
	Sindh	165,028	5,427	170,455	
	Khyber Pakhtunkhwa	28,161	18,088	46,249	
	Balochistan	53,640	8,111	61,751	
	Pakistan	**512,711**	**98,304**	**611,015**	

P: Provisional
Source: PRSP Budgetary Expenditures, External Finance Policy Wing, Finance Division, Islamabad

Fig-10.7: Expenditure on Education



Development Programmes 2020-21

Federal Public Sector Development Programme (PSDP) 2020-21

An amount of Rs 4.5 billion has been allocated in PSDP 2020-21 for 22 on-going and 6 new development projects of the Ministry of Federal Education and Professional Training. While, an amount of Rs 1.2 billion has also been allocated for 6 on-going and new education related development projects sponsored by Finance, Defence, Housing & Works and Kashmir Affairs & Gilgit Baltistan Division. The implementation of PSDP funded education projects can have an enduring impact on socio-economic development of the country.

Provincial Annual Development Programmes (ADPs) 2020-21

The provincial governments have prioritized areas of interventions in education sector such as provision of missing facilities, improvement of the physical infrastructure, establishment of IT/Science labs, up-gradation of girls and boys primary schools to middle, high and secondary levels, construction of new boys and girls schools and colleges, provision of scholarship through endowment funds and other scholarship schemes. Early Childhood Education (ECE) at Primary level and strengthening of Provincial Institutes of Teacher Education (PITE) and other areas of interventions. Education Foundations have been provided sufficient resources by the provinces. The development budget has also been allocated for capacity building of teachers to provide quality education and for the establishment of the cadet colleges to meet the prerequisites of education.

Punjab

During 2020-21, Government of Punjab has allocated an amount of Rs 34.6 billion for 110 on-going and 29 new development projects of education sector. Out of which Rs 27.6 billion has been allocated for school education, Rs 3.9 billion for higher education, Rs 0.6 billion for special education and Rs 2.5 billion for literacy and non-formal education.[3]

Sindh

During 2020-21, the Sindh government has allocated Rs 23.4 billion for 399 on-going and 11 new development projects of education sector. Out of which an amount of Rs 15.5 billion has been allocated for School Education & Literacy, Rs 3.7 billion for college education, Rs 0.13 billion for Department of Empowerment of Persons with Disabilities, Rs 0.7 billion for Sindh TEVTA and Rs 3.4 billion for Universities & Boards.

Khyber Pakhtunkhwa

The government of Khyber Pakhtunkhwa has allocated Rs 30.1 billion in 2020-21 for 188 on-going and 61 new development projects. Out of which an amount of Rs 6.3 billion has been allocated for primary education, Rs 9.7 billion for secondary education and Rs 9.0 billion for higher education. This amount is 94 percent higher than the last year allocation[4].

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[3] The allocated amount doesn't include TVET sector allocation here.

[4] It does not include TVET sector allocation here.

Balochistan

The Balochistan government has allocated Rs 9.1 billion for CFY2021 for 108 on-going and 176 new development projects. Out of the total allocation, an amount of Rs 1.1 billion has been allocated for primary education, Rs 0.7 billion for middle education, Rs 2.1 billion for secondary education, Rs 4.1 billion for college education, Rs 0.7 billion for university education, Rs 0.1 billion for general education and 0.3 billion for technical education.

Technical and Vocational Education

National Vocational & Technical Training Commission (NAVTTC)

NAVTTC is an apex body at national level under the umbrella of Ministry of Federal Education and Professional Training with the vision to regulate, facilitate and provide policy direction in Technical & Vocational Education and Training (TVET). Since its inception, NAVTTC has given a high priority to un-addressed areas and challenges being faced by TVET sector which are included under the core activities/programmes of professional training for human resource development (HRD) assigned to NAVTTC. Socio-economic progress of youth through skill development and infrastructure up-gradation in HRD is also included in globally agreed 17 Sustainable Development Goals (SDGs). TVET imparts academic as well as technical hands-on knowledge and skills to youth to prepare them for decent employment and self-employment in the shortest possible time. Accordingly, this is the quickest and most effective method of youth empowerment and channelizing their energies for socio-economic development of the country.

The CPEC project and other global emerging advancements are bringing technological innovations to Pakistan which require greater preparedness of youth in high-end and high-tech technologies. Realizing the emerging needs, a detailed market gap analyses has been conducted by NAVTTC, both for identifying the demand for such high-end trades and the available institutional capacity for conducting training courses in these trades.

Box-I: Online Courses in the wake of COVID-19 Crisis

To provide opportunity to Pakistani youth for best utilization of their time on closure of training institutes during COVID-19 pandemic, special online courses in advanced technology were designed by NAVTTC in accordance with National Vocational Qualification Framework (NVQF), which are at par with international certification. More than 12,000 applicants were enrolled in these courses. The scope of the courses is being further enhanced to additional courses as per job market demand. About 2,500 students are being skilled through these online courses. Apart from the above initiative of NAVTTC, skill training components have also been included in the government Ehsaas programme for the most marginalized segments of society, which is being pursued for the socio-economic betterment of youth and deprived segments of the society. Moreover, online teachers' training has been started under which latest teaching techniques are disseminated methodologies is being provided to the teachers at their doorstep.

In addition, development partners like United Nation High Commission for Refugees (UNHCR) have joined hands with NAVTTC to equip the youth (Afghan refugees and Pakistani host citizens) in Pakistan with technical hands-on skills. Under this initiative, NAVTTC in collaboration with UNHCR has equipped more than 3,500 youth with technical hands-on skill.

Key Objectives behind NAVTTC's Mission

Key objectives behind the vision of NAVTTC is envisaging **"Skills for Employability, Skills for All",** to make TVET sector in Pakistan responsive according to the need of both youth and industry. In this regard, reforms were introduced with the aim for achieving following key objectives:

a) Improved Governance
b) Enhanced Funding for TVET sector by exploring multiple sources, both public, private and through donor interventions
c) Capacity Enhancement
d) Quality Assurance and international recognition
e) Ensuring Access & Equity
f) Industry Ownership and Public Private Partnership (PPP)
g) Skill Development for International Market
h) Communication Plan for enhancing image of TVET sector in Pakistan

NAVTTC's Initiatives for Realization of Vision

NAVTTC has taken numerous initiatives for implementation of National **"Skills for All"** Strategy, which is a comprehensive roadmap to uplift TVET sector in Pakistan. For this purpose, NAVTTC is formulating skill development programmes, funded by public & private sector and other international organizations i.e. ILO, British Council, JICA, TIKA, Korean HRD, Department of Foreign Assistance Ministry of Commerce, China etc.

Prime Minister's Skills for All – Hunarmand Pakistan Programme

A wide-ranging skill development programme namely, "**Prime Minister's Skills for All – Hunarmand Pakistan Programme"** under the umbrella of **Kamyab Jawan** has been formulated and is being implemented by NAVTTC. The programme targets 02 major categories of interventions including: i) Human resource development through youth skill development and ii) Upgradation of TVET infrastructure at par with standards of local and international job market.

Initiatives for Enhancement of Quality of Training

Following initiatives have been taken for the enhancement of quality of training:

1. **Training in most demanded trades:** Training is being provided in accordance with national and international job markets the most demanded trades especially in Construction and Hospitality sectors etc. Training programmes in Conventional, High-Tech / High-End, cutting edge technologies and industrial occupations have

been launched. More than 100,000 youth will be equipped with technical and vocational hands-on skills.

2. **Inclusion of High-End Technologies:** To cater the needs of the modern industry both nationally and internationally, with specific focus on the expected requirements for CPEC projects, NAVTTC is introducing Skill trainings in High-Tech / High-End and cutting edge technologies aligned with "Industrial Revolution 4.0" and the courses such as Mechatronics, Robotics, Industrial Automation, Internet of Things (IoT), Cloud Computing, Free Lancing are being introduced in state of the art Universities, Institutions and Industries.
3. **Updated, Demand-Driven Curricula:** Curricula of more than 100 trades have been completely updated and brought in accordance with demands of local and international job markets with technical assistance of development partners.
4. **Quality Assurance through Accreditation Regime**: For the first time in history of Pakistan, a comprehensive accreditation regime for TVET sector has been introduced. More than 400 TVET institutes and 1,500 training programmes have already been accredited under the programme.

Strengthened Industrial Linkages

One of the major reasons for non-performing TVET sector in Pakistan was the absence of strong industrial linkages. To overcome this deficiency, special emphasis has been laid on giving pivotal role to industry and private sector for TVET sector development in the country. For this purpose:

a) Three Sector Skill Councils (SSCs) have been established in the Construction & Hospitality, Renewable Energy and Textile Sector.

b) The concept of Institute Management Committees (IMCs) has been introduced for the first time in the country, which gives greater representation to private sector in the management and training delivery at the TVET institute level.

c) Industry has been actively involved in all aspects of training such as curricula development, final assessments, on-job training and selection of institutes.

Job Placement Centres (JPCs)

For the first time, NAVTTC took the initiative for establishing Job Placement Centres (JPCs), with dedicated resources. The JPCs linking Pakistani skilled workforce with employers in both national and international job markets. In addition to this 104 Job Placement and Vocational Counseling Centers (JP&VCCs) have been established across the country for the benefit of youth. Skill profiles of more than 570,000 Pakistani youth are available on this job portal and NAVTTC is providing free of cost facility to both youth and Pakistani industry to bring them closer and realize the dual objective of employment for youth and quality skilled workforce for industry[5].

[5] http://jobplacement.gov.pk

Institutional Capacity and Infra-Structure Upgradations

To upgrade the existing training facilities and bring Pakistan's TVET training at par with the international standards, seven (07) Centres of Excellence are being established across the country by NAVTTC for practicing best TVET models in Pakistan. In addition, laboratories and workshops of more than 70 TVET institutes have been upgraded with latest machinery and equipment. To build up soft institutional capacity of TVET sector in Pakistan, following initiatives have been undertaken;

- Two Batches of Pakistani TVET trainers have been sent to China for latest IT related skills, in collaboration with Huawei. Additionally, some 800 training instructors were provided training in latest methodologies / techniques across the country.
- NAVTTC has signed an MoU with Turkish Development Agency TIKA for establishing a state-of-the-art Centre of Excellence at Islamabad, with an estimated cost of more than Rs 900 million.

Introducing Matric-Tech Pathways for Integrating TVET and Formal Education

There is a complete disconnect between formal education and technical training in Pakistan. Resultantly, youth graduating from formal education system are handicapped in acquiring skills in accordance with demand of the labour market. To bridge this gap and to integrate TVET and formal education, Matric-Tech scheme is being launched on pilot basis in 15 selected schools of Islamabad, Gilgit Baltistan and Azad Jammu & Kashmir region covering 09 vocational trades. Under the scheme, students in Matriculation will be offered a third stream in the shape of Matric-Tech, where along with compulsory courses they will also be imparted hands-on technical skills in latest technologies. On completion of their Matric-Tech courses, students will have both the option open before them, either to enter the job market or to continue their further studies.

Higher Education Commission (HEC)

HEC plays a critical role in the production of human capital and the generation and transmission of knowledge, which is essential for achieving a high economic growth and a competitive position in the global knowledge economy. The new knowledge-based society and its economic growth are completely dependent on the generation of intellectual capital. This leads to dramatic rise in the demand for higher education. The youth are the biggest stakeholders in the process. Thus, there is a dire need to enable the higher education sector to lead the processes of learning management, delivery of services, innovation, creativity, research and commercialization for a synergistic way forward. In this regard, HEC has developed a "Vision 2025" which focuses on improving quality education, faculty development and maximizing the research and development opportunities in higher education sector.

There are a total of 224 Higher Education Institutes operating in the country, public sector (137) and private sector (87) having total enrolment of 1.9 million approximately. The number of sub-campuses of these universities has also been expanded to 102 (Public Sector: 75 & Private Sector: 27).

Quality of Higher Education

HEC aims to enhance quality of education through strong coordination and collaboration amongst universities and accreditation & professional councils, improve education system through proper assessment and evaluation processes with the cooperation of the concerned councils. At present 1,800 programmes are accredited by the Accreditation Councils established by HEC.

Quality Enhancement Cell (QEC):

HEC ensures that all existing and new universities should have a QEC to observe the standards being set for curricula, faculty, examination, management and digital resources. Currently, 209 out of 224 universities have established their QECs.

Human Resource Development

Human Resource Development (HRD) Division of HEC is responsible for the provision of scholarships to talented candidates. Programmes are primarily designed to fill the gap of the trained people in various fields relevant to the emerging national needs and priorities. The HRD performance for the CFY2021 (July-March) is as under:

Overseas Scholarships: A total number of **1,171** scholars proceeded abroad for their Ph.D. studies and **221** completed their studies. In addition, **378** scholars have been awarded a 6-month Ph.D. research fellowship abroad under International Research Support Initiative Programme (IRSIP) during the said period.

Indigenous Scholarships: A total number of **3,267** indigenous scholarships were awarded for Under-Graduate, Post-Graduate and Ph.D. studies and **550** scholars completed their studies during 2020-21.

Need-Based Scholarships: A total number of **1,835** needs-based scholarships were awarded under different need-based programmes, whereas **3,347** scholars completed their studies. It includes:

i. HEC Needs-based scholarships

ii. USAID-funded Merit & Needs-based Scholarship Programme

iii. OGDCL Needs-based scholarship programme.

The Ehsaas Undergraduate (UG) Scholarships: A total of **18,275** scholarships are approved for Ehsaas UG Scholarship Phase-II for FY2021. The selection process at 129 HEIs is underway which is expected to be completed during FY2021. Funds to 47,000 awardees of Ehsaas UG Scholarship Phase-I have been released.

Research & Development

HEC aims to motivate and facilitate the Higher Education Institutions (HEIs) to make research a top priority for a sustainable economic growth and future knowledge economy. By putting all efforts in tailoring programmes and formulating policies, it assures relevant research to address the significant societal issues as well as internationally compatible research for sustainable and progressive research ecosystem in the county.

HEC executes programmes and projects which ensure sustainable and progressive research culture. HEC focused on those research activities that have a direct impact on community wellbeing and economy of the country which includes;

i. National Research Programme for Universities (NRPU); 105 projects have been awarded, while 265 projects completed during CFY2021.
ii. Five (5) projects have been awarded under Grand Challenge Fund of Higher Education Development Programme (HEDP).
iii. Seventeen (17) projects have been awarded under Technology Transfer Support Fund of HEDP.
iv. Six (06) joint research grants have been awarded under Innovative & Collaborative Research Grant (ICRG) up to Max Rs 50 million for each partner by HEC & British Council.
v. Under Technology Development Fund (TDF), Grants released to 64 research projects already awarded against various Calls. 29 products have been developed, 50 Commercialization agreements signed between industry & university.
vi. 80 Travel Grants to attend conferences/Seminars abroad have been supported.
vii. 35 cases under Library Support Programme were reimbursed to the Universities for purchase of books, Journals etc.
viii. Research Publications: An IT based system termed "HEC Journals Recognition System" (HJRS) has been introduced under which more than 300 local and 28,000 international research journals across all the scientific fields have been recognized.
ix. The policies of HEC's flagship programmes, Office of Research Innovation and Commercialization (ORICs) and Establishment of Business Incubation Centres (BICs) were reviewed through National Committee on R&D and approved by the Commission for implementation by all public and private sector HEIs.
x. Establishment of ORICs across the universities of Pakistan that will serve as a pivotal point to connect research activities and commercialization under one umbrella. So far, HEC has established 71 ORICs in different public and private sector HEIs.

National Academy of Higher Education (NAHE)

NAHE is a standalone, autonomous institution, operating initially under the auspices of HEC to improve the quality of teaching, research and academic governance in HEIs across Pakistan.

NAHE has trained more than 1,500 HEI faculty members (mid and senior) in the areas i.e. teaching effectiveness, effective research and project management. Despite uncertainties and restrictions due to the COVID-19 pandemic, NAHE steered successful collaborations in its first full year of activities. NAHE also conducted a series of consultative and capacity building workshops, awareness sessions and top-up trainings engaging a total of 1,149 participants from HEIs during FY2021.

NAHE will work to collate and establish regional hubs of excellence with institutional partners across Pakistan, develop research policy frameworks that could lead to excellence in teaching and learning for faculty, staff and higher education progress and provide support to HEIs.

Planning & Development of Higher Education

To achieve the goals / targets of higher education mainly with respect to low & inequitable participation in higher education, improved quality of teaching & research and increase in capacity building of faculty, the HEC every year prioritize the projects / programmes which are to be funded through PSDP.

In FY2021, the government has allocated Rs 29.5 billion to HEC for implementation of 144 development projects (113 ongoing & 31 new approved projects) of Public Sector universities/HEIs. During July-March, FY2021 an amount of Rs 22.5 billion (76 percent of the total allocation) has been authorized to HEC for meeting expenditure against development projects.

Annual Status of Education Report, 2021, Measuring the Impact of COVID-19 on Education in Pakistan

Annual Status of Education Report (ASER), 2021, is the largest citizen-led household-based learning survey mostly in all rural and selected urban areas. It is led by the Idara-e-Taleemo-Aagahi (ITA) in collaboration with other stakeholders.

After unprecedented periods of school closures in 2020 and early 2021, ASER conducted a research study with the aim to measure the impact of COVID-19 on Education in Pakistan. The survey sample comprised of 12 rural districts (4 in Punjab, 4 in Sindh & 4 in Khyber Pakhtunkhwa). The reporting includes a total of 7,176 households, 18,838 children aged 3-16 years and out of these, 16,058 children aged 5-16 years (41% girls and 59% boys) were assessed for language and arithmetic competencies from 345 government and 184 private schools.

Box-II: Summary of Key Findings & Comparison between ASER 2019 and 2021. Enrolment (National Rural)	
▸ **In 2019,** 86% of 6-16-year-old children in these 12 rural districts were enrolled in schools (14% out-of-school children). Amongst the enrolled, 67% were in government schools and 33% were enrolled in non-state institutions (private schools & madrasa). ▸ Pre-school enrolment (3-5 years) in 2019 recorded at **40%.**	▸ **In 2021,** 84% of 6-16-year-old children were enrolled in schools, while 16% were out-of-school (6% are drop-outs). Among 6% who dropped out, 20% reported that they dropped out during COVID-19 due to financial hardships. Amongst the enrolled, 79% were enrolled in government institutes and 21% were enrolled in non-state institutions (private schools & madrasa). ▸ Pre-school enrolment (3-5 years) in 2021 stood at 35**%.**

Conclusion: Enrolment has dropped slightly for age group 6 to 16, but more significantly for age-group 3 to 5. COVID-19 drove many households into financial hardships leading to an increase in dropouts. Moreover, a higher percentage of girls were found to be dropped out compared to boys.

Quality of Learning (National Rural)

In 2019,

- Percentage of class 3 students able to read class 2 level story in Urdu/Sindhi/Pashto: **20**
- Percentage of class 5 students able to read class 2 level story in Urdu/Sindhi/Pashto: **58**
- Percentage of Class 3 students able to do 2-digit division: **22**
- Percentage of Class 5 students able to do 2-digit division: **47**
- Percentage of Class 3 students able to read Class 2 level English sentences: **23**
- Percentage of Class 5 students able to read Class 2 level English sentences: **49**

In 2021,

- Percentage of Class 3 students able to read Class 2 level story in Urdu/Sindhi/Pashto: **19**
- Percentage of Class 5 students able to read Class 2 level story in Urdu/Sindhi/Pashto: **56**
- Percentage of Class 3 students able to do 2-digit division: **12**
- Percentage of Class 5 students able to do 2-digit division: **44**
- Percentage of Class 3 students able to read Class 2 level English sentences: **23**
- Percentage of Class 5 students able to read Class 2 level English sentences: **48**

Conclusion: Learning losses for children of class 3 are higher compared to children of class 5. Subject-wise losses are more severe for arithmetic.

Learning and Teaching During the COVID-19 Pandemic

- About 52% of the surveyed children were not able to give proper time (at least one hour a day) to their studies during schools' closure periods.
- Of those who were able to give time to their studies, one-third reported that they had faced difficulty while studying Mathematics, Science and English on their own.
- About 50% students reported that they lacked confidence to study on their own during schools' closure.
- **PTV's Tele-School & Home Support:** About 27% students reported that they took some learning support from PTV's Tele-School programmes. Another 47% and 13% reported that they took family members' and paid tuitions' support/help to continue learning during COVID-19.
- **Technology Support:** About 27% students reported that they relied on TV for learning, another 16% used smart phones for continuing their learning. Average reported number of hours that children had access to household technology (computer/laptop/smartphone) for learning was 1 hour.

Conclusion: It is observable that government, school and family resources remained modest for children to continue learning during COVID-19; however, a beginning for innovative distance learning and home support has been made for almost 30% and 54% of the students, respectively.

School Facilities

In 2019,

- Teacher attendance in government schools was **88%** compared to **85%** in private schools.
- **86%** of the government schools had toilets, compared to **96%** in private schools.
- Drinking water facility was available in **86%** and **98%** in government and private schools respectively.
- **18%** government and **20%** private schools had a functional computer lab.

In 2021,

- Teacher attendance in government schools recorded at **75%**, compared to **72%** in private schools.
- **77%** of the surveyed government schools had toilets. Similarly, **95%** surveyed private primary schools have toilet facilities.
- Drinking water facility is available in **68%** and **81%** in government and private schools, respectively.
- **14%** government and **27%** private schools have a functional computer lab.

Conclusion: There is a disparity among available facilities in government and private schools and technology access remains limited. It is also of concern that compared to 2019, government schools have not maintained trends in making basic facilities available for children.

Schools' SOPs & Preparation to Prevent the Spread of COVID-19

- **Alternate Day Schooling:** Only 38% of the surveyed government and 55% private schools reported that they are practicing alternate day schooling.
- **COVID-19 SOPs Posters:** 70% of the government and 81% of the surveyed private schools reported that they have COVID-19 SOPs awareness posters on the school walls.
- **Mask Wearing Practices:** 70% of the government and 87% of the private schools reported that they ensure that students and teachers wear masks while in school.
- **Temperature Check at Entrance:** Only 46% of the government schools and 55% of the private schools reported that they ensure temperature check at school entrance.
- **Social Distancing in Classrooms:** 61% of the government schools and 56% of the private schools reported that students are seated at least 3 feet distance.
- **Isolation Rooms Availability:** Only 28% of the government schools and 46% of the private schools reported to have designated a separate room as isolation/quarantine room to isolate a suspected student of COVID-19 case.

Conclusion: Lack of strict enforcement of COVID-19 SOPs in schools (more government) demands urgent government and decision makers' attention at the highest level; there is an urgency to improve non-pharmaceutical interventions (NPIs) and hold emergency preparedness drills for behavior change.

Conclusion

The COVID-19 pandemic has not only created a health crisis in the country but also adversely affected other sectors including education sector. In order to mitigate the learning losses of students during the closure of educational institutes, the government has launched initiatives like Tele School and Radio School to provide distance learning and addressed provision of education to the children of far flung and remote areas during the pandemic.

Pakistan's literacy and enrolment have been improving over the last couple of years. The present government is focusing to improve both the quality and coverage of education through effective policy interventions and enhancing allocation of resources, but the required reforms in education sector cannot be achieved without active participation of private sector.

Chapter 11

Health and Nutrition

Good health is pivotal to mankind's well-being and happiness that contributes significantly to prosperity and even economic progress, as healthy population is more productive, earn more income and live longer. A balanced diet, good hygienic habits, staying in a proper shelter and getting enough sleep are the basic requirements for a healthy life cycle. Good health and nutrition play a pivotal role in socio-economic development of a country, whereas malnutrition and poor health are considered as barriers to socio-economic development. Human welfare directly depends on good health and is also one of the main components that determine income levels. The present government is fully committed to provide improved health services to its citizens with special focus on upgrading and strengthening primary and secondary healthcare facilities in the country.

The COVID-19 pandemic has tested country's health infrastructure and identified need for more investment in health sector especially for diagnostic facilities, disease surveillance, disease prevention and spread, training of health personnel and their protection from pandemic, vaccine development, up-grading health care infrastructure, emergency rooms, intensive care units, isolation wards and public awareness.

Regional Comparison

Socio-economic factors such as health, education, income, employment etc., are closely interlinked with Human Development Indicators. Pakistan has shown improvement in health indicators over the last three years. Life expectancy is increased from 66.9 years in 2017 to 67.3 years in 2019, but is still behind in the region. The infant mortality rate, maternal mortality and population growth rate have been decreased during the last three years. Comparative position of regional countries' in health indicators development is given in Table 11.1:

Table 11.1: Regional Countries Health Indicators

Country Name	Life expectancy at birth, total (years)			Infant Mortality Rate (per 1,000 live births)			Maternal Mortality Ratio (Per 100,000)			Under 5 Mortality Rate (Per 1,000)			Population growth (annual %)		
	2017	2018	2019	2017	2018	2019	2015	2016	2017	2017	2018	2019	2017	2018	2019
Pakistan	66.9	67.1	67.3	58.8	57.2	55.7	154.0	143.0	140.0	71.6	69.4	67.2	2.0*	2.0*	1.9*
Afghanistan	64.1	64.5	64.8	49.6	48.0	46.5	701.0	673.0	638.0	64.9	62.5	60.3	2.6	2.4	2.3
India	69.2	69.4	69.7	31.4	29.7	28.3	158.0	150.0	145.0	38.5	36.3	34.3	1.1	1.0	1.0
Bangladesh	72.1	72.3	72.6	28.0	26.7	25.6	200.0	186.0	173.0	33.9	32.3	30.8	1.1	1.1	1.0
Sri Lanka	76.6	76.8	77.0	6.7	6.4	6.1	36.0	36.0	36.0	7.8	7.4	7.1	1.1	1.0	0.6
Nepal	70.2	70.5	70.8	27.4	26.5	25.6	236.0	200.0	186.0	33.2	31.9	30.8	1.3	1.7	1.8
Bhutan	71.1	71.5	71.8	25.5	24.7	23.8	203.0	193.0	183.0	30.6	29.6	28.5	1.2	1.2	1.1
China	76.5	76.7	76.9	7.9	7.3	6.8	30.0	29.0	29.0	9.2	8.5	7.9	0.6	0.5	0.4

Table 11.1: Regional Countries Health Indicators															
Country Name	Life expectancy at birth, total (years)			Infant Mortality Rate (per 1,000 live births)			Maternal Mortality Ratio (Per 100,000)			Under 5 Mortality Rate (Per 1,000)			Population growth (annual %)		
	2017	2018	2019	2017	2018	2019	2015	2016	2017	2017	2018	2019	2017	2018	2019
Indonesia	71.3	71.5	71.7	21.7	20.9	20.2	192.0	184.0	177.0	25.7	24.8	23.9	1.2	1.1	1.1
Malaysia	75.8	76.0	76.2	7.1	7.2	7.3	30.0	29.0	29.0	8.3	8.4	8.6	1.4	1.4	1.3
Philippines	71.0	71.1	71.2	22.7	22.2	21.6	127.0	124.0	121.0	28.7	28.0	27.3	1.4	1.4	1.4
Thailand	76.7	76.9	77.2	8.4	8.1	7.7	38.0	37.0	37.0	9.9	9.4	9.0	0.3	0.3	0.3

Note: Above data is given in a calendar year
*: National Institute of Population Studies (NIPS), Government of Pakistan
Source: World Development Indicators (WDI) of World Bank

Health Status

In order to make substantial progress on Goal 3 of Sustainable Development Goals (Good Health and Wellbeing), Government of Pakistan has given priority to strengthen health sector to further resolve and address the outbreak of COVID-19 pandemic. Enhanced effective coverage of skilled birth attendants, improved public sector health facilities, increased number of Basic Health Units (BHUs) and Rural Health Clinics (RHCs) equipped with essential services are the reflection of these priorities. To enable effective family planning, pre- and post-pregnancy care and neonatal care, the Lady Health Workers (LHW) programme revitalized through adequate training, support and a revised service structure.

Pakistan's Infant Mortality Rate (IMR) has declined from 62.1 deaths per 1,000 live births in 2015 to 55.7 in 2019, while Neonatal Mortality Rate declined from 45.2 deaths per 1,000 live births in 2015 to 41.2 in 2019. Percentage of birth attended by skilled health personnel is increased from 58 percent in 2015 to 68 percent in 2020 (PSLM, 2019-20). Maternal Mortality Ratio fell from 276 maternal deaths per 100,000 births in 2006, to 189 in 2019 (Table-11.2).

Government is committed to increase its critical workforce from 1.45 to 4.45 per 1,000 persons, in line with World Health Organization (WHO) guidelines. With a population growth rate of 1.9 percent, Pakistan's contraceptive prevalence rate in 2019 stayed stagnant at 34.0 percent. Pakistan's tuberculosis incidence is of 263 per 100,000 population and HIV prevalence rate is 0.1 per 1,000 population in 2019 while, mortality from non-communicable diseases (NCDs) is 59.9 percent. Pakistan is exploring dedicated actions to curb the rising burden of NCDs, although, many of its efforts have been severally affected by COVID-19 pandemic repercussions.

Table 11.2: Health Indicators of Pakistan	2015	2019
Maternal mortality Ratio (per 100,000 births)*	276 (2006)	189
Neonatal mortality rate (per 1,000 live births)	45.2	41.2
Mortality rate, infant (per 1,000 live births)	62.1	55.7
Under-5 mortality rate (per 1,000)	76.1	67.2
Incidence of tuberculosis (per 100,000 people)	270	263
Incidence of HIV (per 1,000 uninfected population)	0.10	0.12
Life expectancy at birth, (years)	66.6	67.3
Births attended by skilled health staff (% of total)**	58.0	68.0 (2020)
Contraceptive prevalence, any methods (% of women ages 15-49)	32.0 (2014)	34.0

*: Pakistan Maternal Mortality Survey (2019), (NIPS).
**: Pakistan Social and Living Standards Measurement (PSLM) District Level Survey, 2019-20, Pakistan Bureau of Statistics.
Source: World Development Indicators (WDI) of World Bank

Due to increasing demand in public health service delivery, the health services delivery infrastructure has expanded significantly. By the year 2020, national health infrastructure comprised of 1,282 hospitals, 5,472 BHUs, 670 RHCs, 5,743 Dispensaries, 752 Maternity & Child Health Centres and 412 TB centres, while the total availability of beds in these health facilities have been estimated at 133,707. There are 245,987 registered doctors, 27,360 registered dentists and 116,659 registered nurses in these facilities together. The detail is presented in table 11.3 below:

Table 11.3: Registered Medical and Paramedical Personnel **(in Nos.)**

Health Manpower	2013	2014	2015	2016	2017	2018	2019	2020 (P)
Doctors	167,759	175,223	184,711	195,896	208,007	220,829	233,261	245,987
Dentists	13,716	15,106	16,652	18,333	20,463	22,595	24,930	27,360
Nurses	86,183	90,276	94,766	99,228	103,777	108,474	112,123	116,659
Midwives	32,677	33,687	34,668	36,326	38,060	40,272	41,810	43,129
Lady Health Visitors	14,388	15,325	16,448	17,384	18,400	19,910	20,565	21,361

Note: Above data is given in a calendar year, P: Provisional
Source: Pakistan Bureau of Statistics

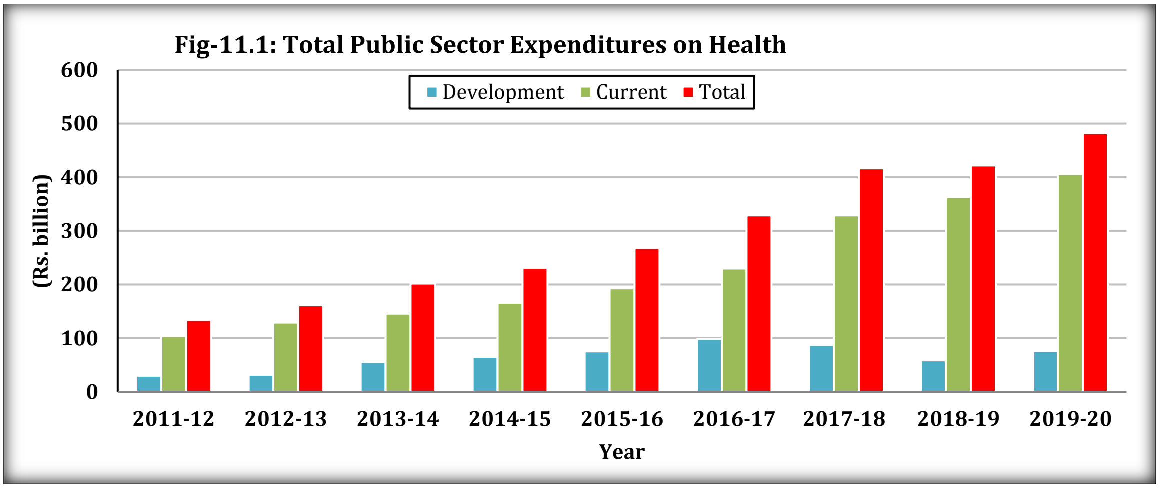
Health Expenditures

Health expenditures have increased gradually since 2011-12. The health-related expenditure increased by 14.3 percent from Rs 421.8 billion in 2018-19 to Rs 482.3 billion in 2019-20. Public sector expenditure on health was estimated at 1.2 percent of GDP in 2019-20, as compared to 1.1 percent in 2018-19. The health expenditure details are given in Table 11.4 and Figure 11.1:

Table 11.4: Federal and Provincial Governments Health Expenditure

Fiscal Years	Public Sector Expenditure (Federal and Provincial) Rs million			Health Expenditure as % of GDP
	Current Expenditure	Development Expenditure	Total Health Expenditures	
2011-12	104,284	29,898	134,182	0.7
2012-13	129,421	31,781	161,202	0.6
2013-14	146,082	55,904	201,986	0.7
2014-15	165,959	65,213	231,172	0.7
2015-16	192,704	75,249	267,953	0.9
2016-17	229,957	99,005	328,962	1.0
2017-18	329,033	87,434	416,467	1.2
2018-19	363,154	58,624	421,778	1.1
2019-20 (P)	406,011	76,254	482,265	1.2

P: Provisional
Source: PRSP Budgetary Expenditures, (EF-Policy Wing), Finance Division, Islamabad.



Health Sector Projects of Federal PSDP during FY2021

After the passage of 18th constitutional amendment, provision of health services is the mandate of the provincial governments however, the Federal Government has supported various health related projects through Public Sector Development Programme (PSDP), for fulfillment of Sustainable Development Goals (SDGs) and overall health status in the country. During FY2021, PSDP allocations of Rs 20,193.9 million were made for 71 health sector projects. The details are given in table 11.5 below;

Table 11.5: PSDP Portfolio of Health Sector (Rs million)

S. No	Name of Ministry/Organization	No of Projects	Total Cost	PSDP Allocation 2020-21
1	Ministry of National Health Services Regulations and Coordination (NHSRC)	51	91,759.470	14,508.180
2	Cabinet Division	01	306.000	306.000
3	Defense Division	01	25.000	25.000
4	Federal Education & Professional Training Division	01	21.058	7.000
5	Higher Education Commission	07	10,303.930	958.002
6	Kashmir Affairs & Gilgit Baltistan Division	04	9,975.373	2,207.714
7	Pakistan Atomic Energy Commission	03	7,729.469	2,019.370
8	Planning Development and Special Initiatives	02	1,201.917	121.974
9	Science & Technological Research Division	01	50.170	40.646
	Total	**71**	**121,372.387**	**20,193.886**

Source: Ministry of Planning, Development and Special Initiatives (Health Section)

In addition, government has introduced an especial programme with an outlay of Rs 70 billion to mitigate the impact of COVID-19 pandemic. The programme is focusing on upgrading health care facilities, sewerage system, solid waste management, clean drinking water and education.

The salient features of PSDP programmes related to health sector are as follows:

i) Sehat Sahulat Programme

Government of Pakistan has started a landmark health care initiative, "Sehat Sahulat Programme" with an objective to lead a path towards Universal Health Coverage (UHC) in the country. Sehat Sahulat Programme is not only a social health protection initiative which is providing a path to achieve "National Health Vision 2016-2025" but also acting as a game changer, through which, government is providing health care services to general public both from public and private hospitals. In brief, it is a scheme for the poor enabling them to access required health-care services in a swift and dignified manner without any financial obligations.

Sehat Sahulat Programme is being implemented in phases and its first phase (2016-2018) was implemented in 38 districts, covering 3.2 million families. In second phase (2019-2020) the programme is being implemented in 91 districts, providing services to 8.5 million families and the number of beneficiaries of the programme are increasing day by day.

ii) "Ehsaas" Programme, Family Planning and Primary Healthcare Programme (FP&PHC)

FP&PHC programme with intensification through Ehsaas Programme, is striving to control population growth. Pakistan has a Total Fertility Rate (TFR) of 3.7 percent and Contraceptive Prevalence Rate (CPR) of 34.0 percent (PSLM, 2018-19). Pakistan has demonstrated ongoing efforts towards the promotion of family planning. Each province has drafted its plan for family planning. Family planning task forces comprising of public and private sector stakeholders have been constituted. The government is committed to ensure easily accessible range of methods in the country and has trained mid-level service providers in public and private sectors to provide Intra Uterine Devices (IUDs) and implants. Additionally, to promote acceptability of family planning, the government is collaborating with family elders and religious leaders as part of its social mobilization efforts. Punjab, Sindh and Khyber Pakhtunkhwa governments have established health centres specifically for adolescents. To continue promoting strong government commitment, government is making its efforts to strengthen collaboration among regions, in order to reach 6.7 million additional users of contraception and increase CPR to 50 percent.

iii) Expanded Programme for Immunization

Pakistan became the first country in the world to include Typhoid Conjugate Vaccine (TCV) in its compulsory Expanded Programme for Immunization (EPI). The EPI is now providing immunization to children against eight (08) Vaccine-Preventable Diseases i.e., childhood tuberculosis, poliomyelitis, diphtheria, pertussis, neonatal tetanus, measles, hepatitis B and typhoid. The government is committed to address hurdles for improving vaccine coverage programme through better management, effective monitoring and evaluation (M&E), upgraded performance management in service delivery, logistics control, human resource management (HRM) and financing. It is quite encouraging that the proxy indicator for fully immunized-child i.e. coverage for Measles-1 is currently at 88 percent in the country. For EPI, government has allocated an amount of Rs 2.2 billion in PSDP 2020-21.

The Federal EPI in consultation with provinces has been meticulously working on optimization of immunization cold chain through development of operational deployment plans for the supply of cold chain equipment. After successful deployment of 6,802 Cold Chain Equipment Including Ice Lined Refrigerators (ILRs) and Solar Direct Drives (SDDs) in 2018 and 4,475 Equipment by September 2020, deployment plan for another 2,301 ILRs, 1,049 SDDs and 89 Cold Rooms is being finalized.

iv) Polio Eradication Initiative (PEI) Programme

Almost 38 million children were vaccinated during March, 2021 through the National Immunization Day (NID) campaign across the country. Pakistan is one of only 2 remaining countries in the world with ongoing wild poliovirus transmission, along with Afghanistan. The number of polio cases declined from 306 in 2014 to 54 in 2015, 20 in 2016, 8 in 2017 and 12 in 2018. However, in 2019, the programme witnessed a significant spread of the virus and reported 147 polio cases across the country. In 2020, 84 cases have been reported (Punjab 14, Sindh 22, Khyber Pakhtunkhwa 22 and Balochistan 26). The government is fully committed for polio eradication efforts to ensure that Pakistan achieves polio-free status.

Table 11.6: Province Wise Polio Cases (Nos.)

Provinces/Region	2015	2016	2017	2018	2019	2020	2021
Punjab	2	0	1	0	12	14	0
Sindh	12	8	2	1	30	22	0
Khyber Pakhtunkhwa	33	10	1	8	93	22	0
Balochistan	7	2	3	3	12	26	1
Gilgit-Baltistan	0	0	1	0	0	0	0
Azad Jammu & Kashmir	0	0	0	0	0	0	0
ICT	0	0	0	0	0	0	0
Total	**54**	**20**	**8**	**12**	**147**	**84**	**1**

Source: End Polio Pakistan (www.endpolio.com.pk)

v) National Health Emergency Preparedness & Response Network

National Health Emergency Preparedness & Response Network (NHEP&RN) was established in 2011 with the aim to: i) coordinate and liaison with other national stakeholders to maximize efficiency ii) formulate and disseminate health related updates and information iii) coordinate need based delivery iv) coordinate with provinces/districts for collection of information on essential medicines v) coordinate with WHO/provinces/districts for collection of disease data on daily basis. During 2020, NHEP&RN in collaboration with JHPIEGO (Johns Hopkins Program for International Education in Gynecology and Obstetrics) conducted training sessions of quarantine facilities staff on infection prevention and standard precautionary measures regarding COVID-19.

vi) Safe Blood Transfusion Services (SBTS) Programme

The Safe Blood Transfusion Services Programme was established by the Ministry of Health, with the collaboration from Government of Germany, to restructure the blood transfusion system and to promote a modern national blood transfusion system. The strategy involved gradually replacing the existing unsafe fragmented system with the internationally recommended centralized model. Since its establishment, the SBTS has delivered a series of outputs which have significantly contributed to improvement in blood safety standards and establishment of strong bonds among the federal and provincial governments. The government is taking necessary measures to prevent and control widespread of communicable diseases in the country through blood transfusion by scaling up of SBTS Programme. In this regard, government has allocated Rs 235 million in PSDP 2020-21 for ongoing SBTS project, entitled "Establishment of Safe Blood Transfusion Services in ICT".

vii) Malaria Control Programme

According to Directorate of Malaria Control, Pakistan remains one of the highest burden sharing countries in Eastern Mediterranean Region (EMR), with an estimated one million malaria cases annually. Efforts were made to reduce malaria burden particularly in 60 high-risk districts of the country (mostly from Balochistan & Khyber Pakhtunkhwa), by providing free of cost diagnostic and treatment services in more than 5,000 health care centres, distribution of Long Lasting Insecticide Treated Nets (LLITN) among people, capacity building of the health care personnel, spraying in outbreak situation and epidemic prone areas and raising awareness campaign about malaria in the community.

Around 7 million suspects are screened for malaria every year. Whereas around 350,000 confirmed malaria cases are treated as per national treatment guidelines. More than 6 million LLITNs have been distributed in Balochistan, Khyber Pakhtunkhwa (including merged tribal areas) and Sindh province to prevent population from malaria. In addition, malaria diagnostic and treatment services will be further expanded to achieve universal coverage in high risk districts of Pakistan.

viii) Tuberculosis (TB) Control Programme

According to WHO, Pakistan ranked fifth highest burden country of tuberculosis worldwide, with an estimated 510,000 new TB cases emerging every year. The incidence and mortality per 100,000 population per year from TB in Pakistan is 263 and 19 respectively. With the guidance of WHO, Pakistan has developed a National TB Control Programme (NTP) to prevent population from TB. The programme includes universal access to quality TB care in the country, expanding partnerships and multi-sectoral approaches by engaging all stakeholders. NTP strives for TB free Pakistan by reducing 50 percent prevalence of TB in general population by 2025 in comparison to 2012, through universal access to quality TB care and achieving Zero TB death.

ix) Human Immunodeficiency Virus (HIV) / Acquired Immunodeficiency Syndrome (AIDS) Control Programme

National AIDS Control Programme is a part of Common Management Unit for AIDS, TB & Malaria. HIV / AIDS control programme aims for the Behavior Change Communication (BCC) strategy, services to high-risk population groups, treatment of Sexually Transmitted Infections (STIs), the supply of safe blood for transfusions and capacity building. Asian Epidemic Modeling has estimated that at present, there are 197,943 people living with HIV/AIDS in Pakistan. In treatment Programme, there have been 49

HIV Treatment centres (Punjab 25, Sindh 16, Khyber Paktunkhawa 4, Balochistan 2 and ICT 2) and 11 PPTCT (Prevention of Parents to Child Transmission of HIV) established across the country. Till December 2020, about 24,362 HIV patients were taking Antiretrovirals (ARVs) medicines to control HIV infection. For prevention programme, there are 17 CBOs (Community based Organizations) working to prevent HIV transmission in key population (Transgender, Male & Female sex workers).

x) Civil Registration and Vital Statistics (CRVS)

For estimation of health related indicators and generation of vital statistics, Federal Government is fully committed for acceleration and enhancement of CRVS system in the country. For CRVS, a number of milestones were achieved ranging from national assessment studies, organization of country-wide advocacy seminars, drafting of National Policy to Revamp and Reform CRVS in Pakistan, thematic area meetings for the development of a robust National CRVS Strategic Framework. A project has been launched to transform ICT into model CRVS district. In this regard, ICT will be converted into a model CRVS district where revamped and reformed processes for vital events registration will be deployed to achieve universal civil registration. An amount of Rs 22 million has been allocated in PSDP 2020-21 for strengthening of CRVS system.

Challenge of COVID-19 Outbreak

The World Health Organization (WHO) declared the emergence of the novel coronavirus (2019-nCoV) a Public Health Emergency of International Concern (PHEIC) in January, 2020. In Pakistan, the first case of COVID-19 was confirmed on 26, February 2020, when the first patient in Karachi tested positive while returning from Iran. The first wave of COVID-19 claimed 6,795 lives, infected 332,186 and left behind 632 on ventilators. The government announced a second wave of COVID-19 on 28 October, 2020, when there was sudden increase in active cases from 6,000 to 11,000 and 93 hospitalized patients were put on ventilators. The third wave of COVID-19 in Pakistan started on 17 March, 2021, when daily cases reached to 3,000 with positivity rate of 10 percent. Till 04th June, 2021, 928,588 confirmed cases with 856,005 recoveries and 21,105 deaths recorded in the country. Punjab has recorded the most number of cases i.e, 341,390 followed by Sindh with a number of 321,425 cases, Khyber Pakhtunkhwa 133,746 and Balochistan 25,476 cases. Based on reported cases, the mortality rate is approximately 2.3 percent. The government is employing available public sector capacity and private community to rapidly scale up the health system to prevent the spread of COVID-19.

The government has constituted a high-level National Command and Operation Centre (NCOC), which is nerve centre to synergize and articulate unified national effort and to implement the decisions of National Coordination Committee (NCC) on COVID-19. The government response for the prevention of COVID-19 includes, deploying interventions for strengthening clinical management, infection prevention and provision of Personal Protective Equipment (PPEs) to frontline health workers, availability of laboratory diagnostic capacity, biosecurity/biosafety surveillance & reporting, health workforce preparedness and emergency response. In addition, social sector programmes, development partners, financial institutions and civil societies all are currently engaged in different capacities to fight against the pandemic.

National Deployment and Vaccination Plan for COVID-19 Vaccine

Pakistan formally launched the coronavirus vaccination drive on 03 February, 2021. The detailed plan of action for introducing the vaccine in Pakistan was initiated by the NCOC. Economic Coordination Committee (ECC) had approved a proposal of the M/o NHSR&C for the provision of technical supplementary grant amounting US$ 150 million for the purchase of COVID-19 vaccine. ECC had also approved the technical supplementary grant of US$ 130 million to ensure timely procurement of COVID-19 vaccine. The amount will be utilized for the purchase of 10 million doses of vaccine during the month of June, 2021. Earlier, China has donated 1.5 million doses of Sinopharm vaccine, which has an efficacy of 79 percent. Till 02nd June, 2021, a total of 13.0 million doses of vaccine have been received by the Government of Pakistan. The local manufacturing of vaccine has also been started at National Institute of Health and soon the vaccine will be available at the vaccination centres through local production.

Table 11.7: Top Manufacturers of COVID-19 Vaccine

Name	AstraZeneca	Pfizer	Sinopharm	Moderna
Origin	UK	USA	China	USA
Clinical Trials	Phase III (62-90%)	Phase III (95%)	Phase III (78%)	Phase III (94.5%)
Storage	2-8°C	-70°C	2-8°C	-20°C
Production Capacity	3 billion in 2021	1 billion in 2021	1 billion in 2021	1 billion in 2021
Production Time	Q2 2021	Q1 2021	Q1 2021	Q2 2021

Source: Ministry of National Health Services, Regulation & Coordination

As a pre-requisite for introducing COVID-19 vaccine in Pakistan, NCOC constituted an Expert Committee on vaccines and immunization, which will guide the M/o NHSR&C on the target populations that would be prioritized for vaccination (in phases) and vaccine characteristic to be preferred for use in Pakistan. Besides this committee, a National Vaccine Task Force (VTF) has also been formed with a wider participation of all local stakeholders and vaccine experts to take timely decision and oversee the preparation process of vaccine deployment.

Box-I: Regional Comparison of COVID-19, Policy Response and Vaccine Rollout

In almost every country, health-care delivery has been disrupted by mistaken initial assumption that health systems would quickly win the fight against COVID-19. Now, it is clear that pandemic will persist much longer than anticipated. It was estimated that at least half of the world's 7.8 billion people lacked access to essential health services. But now COVID-19 has increased these numbers and eroded access to health care.

The COVID-19 pandemic is the defining global health crisis of our time. It continues to ravage the health sector and economies in the South Asian region over the time. The infected cases are rapidly rising in India, compared to other countries like Pakistan, Bangladesh, Sri Lanka, which have seen a less devastating impact from the virus. Pakistan and Sri Lanka has so far coped reasonably well with the pandemic as compared to other regional countries. Iran is the worst in the region as having the second highest fatality rate of 2.7 percent after Afghanistan and 96.0 deaths per 100 thousand of population as explained below:

Country wise Cases and Mortality (as on 04-06-2021) (Nos.)

Country	Confirmed Cases	Deaths	Case-Fatality	Deaths/100k Pop.
India	28,570,000	340,702	1.2%	24.7
Pakistan	928,588	21,105	2.3%	9.6
Iran	2,950,000	80,658	2.7%	96.0
Bangladesh	805,980	12,724	1.6%	7.7
Sri Lanka	195,844	1,608	0.8%	7.5
Afghanistan	75,119	3,034	4.0%	7.8

Source: Our World in Data

The situation calls for mass-vaccination drives on a global scale, the recent start of deliveries under the COVID-19 Vaccine Global Access (COVAX) mechanism for vaccine finance and deployment is very encouraging. But at the same time, equitable distribution has remained the challenge due to the shortage of vaccine. Beside the accessibility, people's reluctance to get a vaccine jab is disrupting vaccination drive. Pakistan has administered 7,953,574 doses of vaccine but vaccination rate is 3.60 per 100 members of the population.

Vaccination Rollout by Country (as on 04-06-2021) (Nos.)

Country	Doses Administered	People Vaccinated Per Hundred
India	218,340,000	15.82
Pakistan	7,953,574	3.60
Iran	3,140,000	3.74
Bangladesh	10,020,000	6.08
Sri Lanka	2,120,000	9.89
Afghanistan	626,290	1.61

Source: Our World in Data

On health care policy front, policy makers have attempted to overcome the disruptions caused by COVID-19 through preventive & control measures and campaigns at national levels. Obsolete procedures have been replaced with advanced technologies, from remote consultations to voice-transcription from online shopping to digital payments; from more prevalent online learning to work from home in all the regions. Some countries have also provided insurance to health frontline workers like PMGKP Insurance Scheme in India. In Pakistan a special programme "COVID-19 Responsive and other Natural Calamities Control Programme" with an outlay of Rs 70 billion has been introduced to upgrade and strengthen the health sector and to support the less developed areas of the country. All measures helped to subside the worst impact of COVID-19 on health sector. Countries need to reassess their delivery strategies and make targeted investments in essential health services. Doing so will strengthen their resilience against similar health crises in the future.

Provincial Government Achievements/Initiatives in Health Sector

i) Government of Punjab

During FY2021, Government of Punjab allocated Rs 22.2 and 11.5 billion for specialized healthcare & medical education department and primary & secondary healthcare department respectively. This will help in the smooth and timely implementation of 173 development projects, which includes increasing number of 24/7 Basic Health Units (BHUs) & Rural Health Centres (RHCs) equipped with a basic package of services, staff and ambulance service, establishing training institutes for nurses and paramedical staff, upgrading secondary care facilities and building state of the art hospitals in the major urban cities of province.

Government of Punjab is also up scaling the Sehat Insaf Card Programme aiming to provide health insurance to 30 million families of the province, by December 2021. Punjab Government is managing a number of programmes aimed at controlling different types of diseases including Hepatitis Control Programme, AIDS Control Programme, EPI, TB Control Programme, Malaria Control Programme and Infection Control Programme. Punjab has 34 District Headquarter Hospitals (DHQs), 88 Tehsil Headquarter Hospitals (THQs), 293 RHCs, 2,461 BHUs and 23 Teaching Hospitals.

ii) Government of Sindh

Government of Sindh has allocated Rs 28.9 billion for 141 on-going and 51 new health schemes under ADP 2020-21. Efforts are being made for strengthening, upgrading, rehabilitation of teaching hospitals and establishment of new primary healthcare facilities in the province. Twenty three (23) healthcare centres are strengthened with dialysis services across the province, to meet the increasing demand of growing number of renal diseases. Four (04) Regional Blood Transfusion Centres (RBTC) have been established and made functional with the financial assistance of German Government. Moreover, a 196 bedded Sindh Infectious Diseases Control Hospital & Research Centre at Karachi has been established and made functional. Sindh has 6 teaching hospitals, 5 specialized institutions for chest, dermatological and mental illness, 11 DHQs, 27 major hospitals, 99 RHCs and 738 BHUs.

iii) Government of Khyber Pakhtunkhwa

The Health Department of Khyber Pakhtunkhwa (including merged districts) has a network of 106 RHCs, 940 BHUs, 9 teaching hospitals, 30 DHQs and 22 THQs. The Government of Khyber Pakhtunkhwa has initiated/executed up-gradation process of several BHUs to RHCs level in the province. The Government adopted a multi-year Accelerated Implementation Programme (AIP) 2019-2022, to address the key developmental gaps in the Merged Areas. AIP is the first 03 years development programme under the Tribal Decade Strategy that seeks to address the developmental disparity of the Merged Areas and bring the area at par with other areas of Pakistan. In this regard, government has allocated an amount of Rs 8.3 billion in ADP 2020-21. Moreover, Sehat Sahulat Programme is targeted to extend to 100 percent of the population of the province by June 2021.

iv) Government of Balochistan

Government of Balochistan has allocated an amount of Rs 7.1 billion for 63 on-going and 93 new health projects in the ADP 2020-21, spread over all the sub-sectors of health, namely Primary Health, Curative Health and General Health, to enhance health infrastructure/facilities across the province. In addition to ADP, major milestones in health sector are achieved by the health department includes formulation and approval of very first Balochistan Health Policy, posting of specialists and lady medical officers in all health care centres across the province and establishment of Balochistan Health Care Commission through BHCC Bill 2020. Balochistan has 27 DHQs, 10 THQs, 4 teaching hospitals, 82 RHCs and 549 BHUs.

Cancer Treatment Programme by Atomic Energy Cancer Hospitals

With the advent of modern technology in medicine, mortality associated with communicable diseases has been significantly reduced. Today, non-communicable diseases are responsible for majority of global deaths and cancer is ranked second leading cause of death worldwide. Pakistan Atomic Energy Commission (PAEC) has given high priority to the application of nuclear technology in the health sector, especially utilizing radiotherapy in the treatment of cancer.

Currently, there are 18 operational Atomic Energy Cancer Hospitals (AECHs) dedicated to serve poor cancer patients, not only in major cities but also in remote areas of the country. These hospitals are diligently working to provide the latest and comprehensive diagnostic and treatment facilities to cancer patients. AECHs are operated by skilled teams of more than 2,500 professionals including doctors, scientists, engineers, paramedical, technical and other supportive staff.

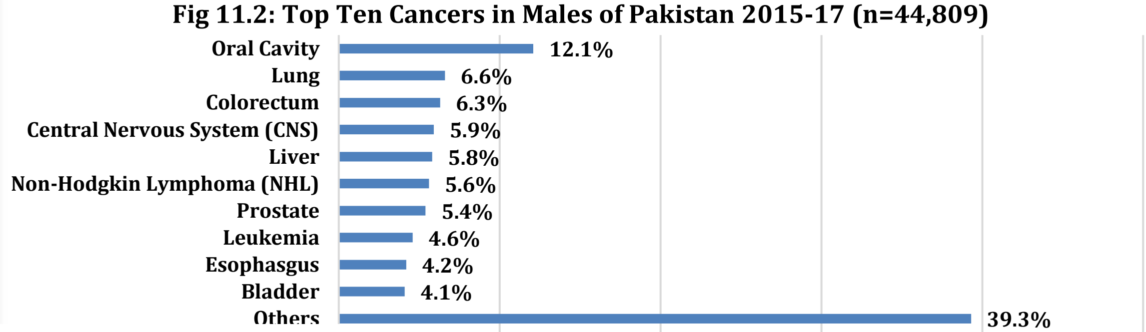
AECHs are equipped with advanced, sophisticated and modern diagnostic/therapeutic facilities. Major services provided at these hospitals are diagnostic and therapeutic Nuclear Medicine, Theranostics, Radiotherapy, Chemotherapy, Indoor wards facilities, Cancer screening/Filter clinics, Hormonal assays, Biochemistry, Hematology, Histopathology and diagnostic Radiology. Seminars, conferences and symposium for creating public awareness regarding cancer prevention and importance of early diagnosis are integral part of services at all AECHs.

Nuclear Medicine & Oncology (NM&O):

Management of cancer patient requires multidisciplinary approach and is an expensive affair. Hence, economic impact of cancer is significant and on the rise due to increasing cancer burden. Low and middle income countries have lack of necessary data to drive cancer policy. Pakistan also needs to develop international standard cancer registry that can project actual cancer burden in the country and in turn give insight to health sector to devise clear policy for cancer control & prevention.

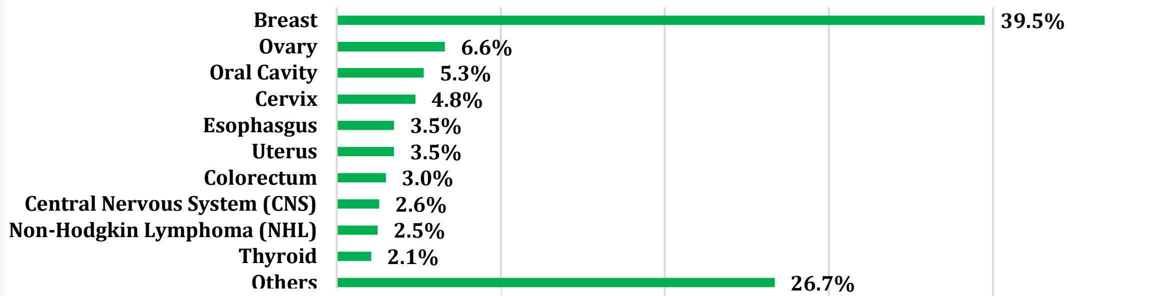
NM&O Division of PAEC has published first Cancer Registry Report comprising new cancer cases reported in all AECHs, during period 2015-17. Breast cancer is the most common cancer diagnosed in women, while oral cavity cancers are at top among males. Most common types of cancer are shown in graph (Figure 11.2 & 11.3):

Fig 11.2: Top Ten Cancers in Males of Pakistan 2015-17 (n=44,809)



Source: Pakistan Atomic Energy Commission

Fig 11.3: Top Ten Cancers in Females of Pakistan 2015-17 (n=57,312)



Source: Pakistan Atomic Energy Commission

It is expected that this data will help in cancer research and assist oncologists to determine probable causes and treatments outcome. Health departments can further formulate appropriate cancer prevention & control policy/strategies conducting comprehensive epidemiological surveys of cancer related death.

Achievements

In addition to the management of patients, the following targets have been achieved in the current fiscal year:

- A medical linear accelerator (LINAC) has been installed at INMOL, Lahore
- Gamma camera for AECH, Gilgit (GINOR) along with Mammography and other Lab equipment have been installed
- Research work continued on various International Atomic Energy Agency Projects, with the collaboration of different international/national organizations
- Events and awareness campaigns for cancer prevention/control are a regular feature at all AECH. Over 50 such events were organized throughout the country which included seminars, webinar, workshops and walks for general public awareness
- Three mobile breast care clinics (INMOL, BINO and NIMRA) are also functional and continuously arranged monthly or fortnightly visits and camps in remote areas for awareness and screening purposes.

Special Projects

In order to provide better treatment facilities to the patients, PAEC continued working on the following new initiatives/projects:

- Establishment of cancer hospital in Azad Jammu & Kashmir for which land has been acquired and PC-1 is under consideration for approval
- Pakistan Atomic Energy Cancer Registry (PAECR) report for year 2019 is also being published
- Upgradation projects of AECHs Karachi (KIRAN & AEMC), Bahawalpur (BINO) and AECH, Lahore (INMOL) is under consideration for approval

- Pakistan Atomic Energy Cancer Registry (PAECR) report for year 2020 is under process for finalization.

Nutrition Security

Proper nutrition is considered as a foundation of human development. It is a cross cutting subject and is strongly linked with almost 12 SDGs. Malnutrition hinders the development with harmful consequences to the human body. Investing in nutrition is one of the smartest approaches to overcome the issue of malnutrition, boost economic growth and bring prosperity to the people and nation.

Almost one person in every nine people in the world is hungry, while one out of three is overweight. Most of the countries including Pakistan, experience the double burden of malnutrition. According to the National Nutrition Survey (NNS) 2018, 40 percent of children under age of 5 year are stunted, 18 percent wasted and 29 percent underweight. The proportion of overweight children under five is 9 percent. Similarly, more than half (57 percent) of adolescent girls and 42 percent Women of Reproductive Age (WRA) in Pakistan are anemic.

Food Availability and Consumption:

i) Food Availability: Food availability focuses on the supply of sufficient quantity of foods. It is directly linked with the state of food and nutrition security. Being an agrarian country, Pakistan produces enough quantity of food for its domestic consumption. However, import and export fulfills the shortfall and excess respectively. The availability of major food items has been estimated and remained satisfactory during 2020-21, to fulfil the food demand of the population (Table 11.8). The availability of calories through major food commodities is estimated 2,580 in 2020-21 as compared to 2,445 in 2019-20.

Table 11.8: Food Availability (Kg) Per Capita Per Annum

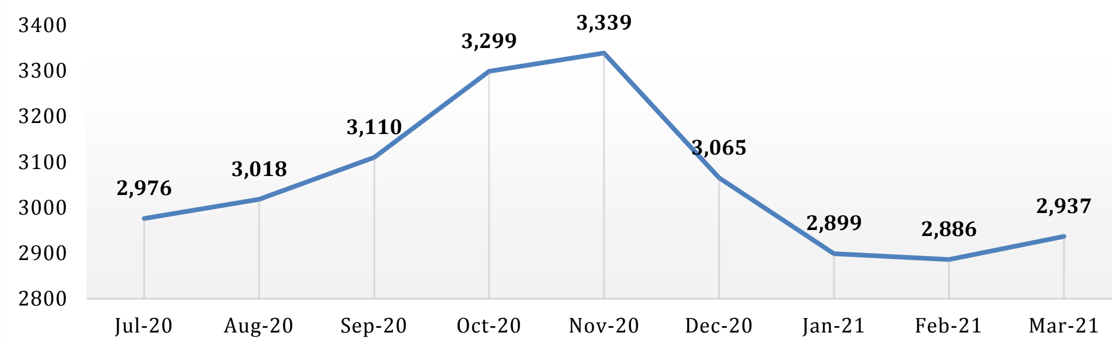
Food Items	**2018-19**	**2019-20**	**2020-21 (P)**
Cereals	133.0	137.0	149.0
Pulses	7.0	8.0	8.0
Sugar	24.0	26.0	27.0
Milk (Liter)	168.0	169.0	172.0
Meat (Beef, Mutton, Chicken)	21.0	22.0	23.0
Fish	3.0	2.0	3.0
Eggs (Dozen)	5.0	5.0	5.0
Edible Oil/Ghee	15.0	14.0	14.0
Fruits& Vegetables	56.0	54.0	55.0
Calories/Day	**2,410**	**2,445**	**2,580**

P: Provisional

Note: The data for the year 2018-19 & 2019-20 has been revised on the basis of Population Census, 2017
P: Provisional
Source: Ministry of Planning Development & Special Initiatives (Nutrition Section)

ii) Cost of Food Basket: The cost of minimum food basket providing 2,150 calories and 66gm of protein/day is being calculated on the monthly basis by using food prices data from Pakistan Bureau of Statistics (PBS). The average monthly cost of food basket during FY2021 has been estimated at Rs 3,059 (Jul-Mar FY2021) (Figure 11.4). The cost of food basket gradually increased from July, 2020 (Rs 2,976) till November, 2020 (Rs 3,339) and then declined to Rs 2937 in March, 2021.

Fig- 11.4: Cost of Food Basket (Rs.) per capita/month



Source: Ministry of Planning, Development & Special Initiatives (Nutrition Section)

Nutrition Interventions/Activities

Following are the interventions/activities which are underway to mitigate the malnutrition issues and its consequences at national and provincial levels.

National Initiatives/Programmes

- Under the Food Fortification Programme (Wheat flour, Edible oil & Salt), about 1,006 wheat flour mills across the country are covered and 2,333 micro feeders are installed.
- Nutrition specific PC-1 "Tackling Malnutrition Induced Stunting in Pakistan" costing Rs 312 billion aiming to address malnutrition and stunted growth among children, has been developed by the Ministry of National Health Services, Regulations and Coordination (NHSR&C) for 67 high burden malnutrition districts of the country.
- Urdu version of the revisited "Pakistan Dietary Guidelines for Better Nutrition" has been prepared for advocacy and awareness among all population groups.
- National Nutrition Thought Management Programme (NNTMP) is prepared with the objective to educate and sensitize all population groups on nutrition awareness for food choices to reduce malnutrition, particularly in vulnerable groups.
- Multi-sectoral Nutrition Management Information System (MNMIS) is being developed which will serve as a multi-sectoral data source and track nutrition indicators both physically and financially.
- Regular sessions of National Nutrition Forum (NNF) are being held and measures have taken regarding policy programming, coordination and research & development for nutrition improvement.
- Under Scaling Up Nutrition (SUN) Networks following activities are performed:
  - Meetings of the National Steering Committee (NSC) on Early Childhood Development (ECD) were organized. The NSC is a high level inter-ministerial

coordination and decision making authority to provide strategic direction and guide actions related to ECD.

– Conducted webinar in collaboration with Global Health Advocacy Incubator & SUN Academia and Research on "Impact of Sugar Sweetened Beverage on Obesity and Non-Communicable Diseases".

Provincial Initiatives

- Stunting Reduction Programme, Human Capital Investment Programme and Ehsaas Nashonuma Programme are under implementation in Punjab.
- Khyber Pakhtunkhwa Stunting Prevention and Rehabilitation Integrated Nutrition Gain (Khyber Pakhtunkhwa SPRING) is under implementation in 4 districts of Khyber Pakhtunkhwa (Bannu, Tank, D.I Khan & Nowshera). A new project "Integration of Health Services Delivery" costing Rs 7.0 billion is under implementation throughout the province. The project will focus on Maternal, Newborn & Child Health and Nutrition.
- An Accelerated Action Plan (AAP) for Stunting Reduction and Malnutrition with the cost of Rs 5.6 billion is implementing in 23 districts of Sindh, where rate of stunning is above 40 percent.
- Balochistan Nutrition Programme for Mothers & children has been implemented in 7 districts of Balochistan and stands completed now.

Narcotics Control

Pakistan's counter narcotics efforts revolve around the three main pillars highlighted in the National Anti-Narcotics Policy, 2019. These three pillars include i) Drug Supply Reduction, ii) Drug Demand Reduction and iii) International Cooperation. Counter narcotics efforts not only encompass the law enforcement side for drug supply reduction but also value equally importance of reducing the domestic demand for drugs.

Anti-Narcotics Policy

The Anti-Narcotics Policy of Pakistan aims to re-energize existing national drug law enforcement agencies, build the Anti-Narcotics Force capacity, develop an effective coordination and control mechanism and mobilize the people of Pakistan especially youth and institutions to ensure their active participation in eradicating drugs. This policy also seeks to promote international cooperation for mutual support and partnership against narcotics.

Policy Objectives:

1. Drug Supply Reduction

The main focus of drug supply reduction activities is to strengthen Law Enforcement Agencies (LEAs) at the federal, provincial and district levels to combat drug trafficking and to reduce the flow of drugs in Pakistan. The capacity of LEAs all over Pakistan and particularly in the provinces of Khyber Pakhtunkhwa and Balochistan is being improved so that they could effectively assist in disrupting illegal drug trafficking, money laundering and seizing drug generated assets.

1.1 Drug Supply Reduction Activities

Table 11.9 depicts the narcotics type and quantity seized by Anti-Narcotics Force during July 2020 to December 2020:

Table 11.9: Narcotics Type and Quantity Seized

S. No.	Kind of Narcotics	Quantity of Drugs Seized (In Kgs/Ltrs)
1.	Cases Registered	1,102
2.	Persons Arrested	1,199
3.	Opium	6,412.6
4.	Morphine	5,726.0
5.	Heroin	3,943.9
6.	Crystal	17.0
7.	Hashish	19,797.7
8.	Cocaine	2.3
9.	Amphetamine (Ice)	90.9
10.	Methamphetamine	576.4
11.	Ecstasy Tabs	6.4
12.	Xanax Tabs	4.2
13.	Prazolam/ Benzo Diazepam	1.0
14.	Roche-2	10.7
15.	Lexotanil	0.01
16.	Alprazolam Tabs	5.4
17.	Acetic Anhydride (AA)	2,157.0
18.	Hydrochloric Acid (HCI)	400.0
19.	H2SO4	1,175.0
20.	Poppy Straw	0.1
21.	Weed	0.6
22.	Ketamine	40.0
23.	Suspected Substance	23.1

Source: Narcotics Control Division

2. Drug Demand Reduction

Various drug addicted patients treated under different Model Addicts Treatment & Rehabilitation Centre (MATRCs) throughout the country.

2.1 ANF Youth Ambassador Programme

The programme was launched in June, 2014 and has the participation of more than 5,000 active youth ambassadors. It aims at promoting mass awareness, highlighting emerging trends of drug abuse especially amongst youth. It provides a platform for projecting young talent to channelize the role of youth, thus serving humanity and society.

2.2 Awareness Activities

Mass awareness about harms of drugs amongst students, teachers and various administrative staff is being created through delivering lectures, talks in Schools, College & Universities. Details of lectures delivered for the period from July to December, 2020 is as under:

Table 11.10: Province Wise Lecture Delivered on Awareness (Nos.)

Punjab	Khyber Pakhtunkhwa	Sindh	Balochistan	Total
13	21	04	11	49

Source: Narcotics Control Division

3. International Cooperation

Illicit trafficking of narcotics and drug abuse is a global challenge. Pakistan is acting as a front line country in combating the menace of drugs. Government of Pakistan has taken number of initiatives to control spread and trafficking of illicit narcotics. However, country cannot fight this menace alone therefore international cooperation is important pillar of Pakistan's strategy against drugs. Ministry of Narcotics Control has signed 34 MoUs with different countries on unlawful narcotics, while 30 MoUs are under process.

4. Development of New Projects

A list of narcotics control development projects, at pre-feasibility level, is given in Table 11.11. The purpose of these projects is to impose an effective check in drug infested areas.

Table 11.11: Narcotics Control Development Projects

Sr.	Name of Projects	Duration of Project Implementation	Estimated cost (Rs million)
1.	PC-II for Construction of MATRC Islamabad	1-7-2020 to 31-12-2020	9.0
2.	PC-II for Construction of RD ANF Balochistan	1-7-2020 to 31-12-2020	12.2
3.	PC-II for Construction of PS Panjgur	1-7-2020 to 31-12-2020	2.4
4.	PC-II for Construction of ANF SIC Islamabad	1-7-2020 to 31-12-2020	8.3
5.	Acquisition of Land for ANF PS at Loralai	1-7-2020 to 30-06-2021	1.4
6.	Acquisition of Land for ANF PS at Jiwani	1-7-2020 to 30-06-2021	9.5

Source: Narcotics Control Division

Conclusion

In the recent history of mankind, the COVID-19 pandemic is the biggest global challenge for world health system and socio-economic fabric. The pandemic has exposed the complex global interdependencies, highlighted fault lines in societal structures that perpetuate ethnic, economic, social and gender inequalities. The government is fully cognizant of fact and provision of best health care services to the general public is its foremost duty and priority. Federal and provincial governments are engaged in developing strategic partnerships for enhancing technical and institutional capacities, achieving UHC goals and multi-sectoral support, despite the COVID-19 crisis. Focus is on improving diagnostic facilities, surveillance, isolation wards, ICUs at public sector health care centres alongside complying with other international health regulations.

The government is fully committed to increase the health coverage to meet the emerging demand of increasing population. Areas which require support for achieving health related SDGs include realistic budgeting, training and management of health workforce with use of technology. For this purpose, public-private partnership needs to be further encouraged for better coverage of public health programmes like TB, Malaria, Hepatitis, EPI and other communicable diseases.

Chapter 12

Population, Labour Force and Employment

The Human Resource of a country plays an important role not only in the economic development but also for the social well-being of the country. However, large population size and lack of proper management of human resources may lead to social distress and reduce economic performance. Because of increasing population growth, Pakistan is facing difficulty in optimal social spending i.e. health care, education, housing and unemployment etc. In this scenario, the advent and spread of COVID-19 has further aggravated the situation. The government of Pakistan has taken several steps to overhaul the ailing structure of the economy and to implement remedial measures particularly for human capital development.

According to the National Institute of Population Studies (NIPS) estimated population of Pakistan is 215.25 million with population growth rate of 1.80 percent in 2020[1] and population density of 270 per Km^2. Pakistan has an extraordinary asset in the shape of youth bulge, which means that the largest segment of our population consists of young people. The population falling in the age group of 15-59 years is 59 percent, whereas 27 percent is between 15-29 years. This youth bulge can translate into economic gains only if the youth have skills consistent with the requirements of a modern economy. The government has started different programmes for improving employment opportunities for youth such as "Prime Minister's Youth Entrepreneurship Scheme" and "Prime Minister's Hunermand Programme-Skills for All".

During COVID-19 Pandemic, protection and creation of jobs is the second biggest challenge after the health crisis in Pakistan. The pandemic adversely impacted employment and labour productivity by impeding growth in various economic sectors. State Bank of Pakistan has taken different measures to counter the effects of COVID-19 like support to firms in paying wages to their employees amid the lockdowns to prevent layoffs (Rozgar Scheme). Further, revival of construction industry during pandemic is one of the major initiatives of the government for employment generation in the country.

Pakistan, being the 5th most populous country and having 9th largest labour force in the world, adds a large number to its labour force every year. Pakistan's labour market data has been derived from the latest available round of the Labour Force Survey (LFS) for 2017-18. The data pertaining to 2018-19 round of the LFS has not been released yet. Moreover, Labour Force Survey for 2019-2020 did not take place due to preparations

[1] Population data reported in the chapter is based on available projection of NIPS. Census Results 2017 have been released by PBS. NIPS will provide projected data accordingly, with the consultation of PBS and M/o Planning, Development and Special Initiatives. The revised Population data will be published in Statistical Supplement PES 2020-21.

for an extensive survey in 2020-21, which will have a district level representative sample.

Special Initiatives taken by the Government for Youth Development

The ability of an economy to generate sufficient employment opportunities for its population stands vital for optimal utilization of resources. The government has accorded highest priority in its manifesto to youth empowerment at national level. To accomplish the vision of the Prime Minister, National Youth Development Framework (NYDF) was developed on the basic principles of 3Es: Education, Employment and Engagement. The government has designed a comprehensive program "**Prime Minister's Kamyab Jawan Program**". Six (06) components of the Programme are as follows:

i. Prime Minister's Hunarmand Programme (Skill for All)

ii. Prime Minister's Youth Entrepreneurship Scheme (YES)

iii. Prime Minister's Start up Pakistan

iv. Prime Minister's Green Youth Movement (GYM)

v. Prime Minister's National Internship Program

vi. Prime Minister's Youth Engagement Platform (Jawan Markaz)

The government has already launched two of the components under Prime Minister's Kamyab Jawan Programme i.e., Youth Entrepreneurship Scheme (YES) and Hunarmand Pakistan (Skills for All) whereas Prime Minister's Start up Pakistan is in final stages. However, remaining three components are under process.

Prime Minister's Hunarmand Pakistan Programme -Skill for All

Prime Minister's Hunarmand Pakistan Programme-Skills for All under Kamyab Jawan program has been implemented since February, 2020 and training cost has been disbursed to all selected training institute to commence the training of 100,000 educated youth in market oriented conventional and High-Tech/High-End courses. The programme will directly employee 42 individuals under the project staff, whereas the services of more than 28,000 individuals will be hired on remuneration basis as instructional, non-instructional technical field experts, assessors, subject judges, industrial experts etc. The 14 areas of interventions covered under this programme are as follows:

i. Development & Standardization of 200 Technical and Vocational Education and Training (TVET) Qualifications

ii. International Accreditation of 50 Pakistani TVET institutes with joint degree programmes

iii. Extension of National Vocational and Technical Training Commission's (NAVTTC) Job Portal into National Employment Exchange Portal

iv. Establishing 75 Smart Tech Labs for virtual skill development programmes

v. Establishing 10 country of destination specific facilitation centers

vi. Establishing 70 vocational labs in Madrassas
vii. Skill development programme for 50,000 youth belonging to less developed areas
viii. Skill development training for 50,000 youth in High-End technologies
ix. Apprenticeship training for 20,000 youth in industry under Apprenticeship Act-2018
x. Recognition of Prior Learning (RPL) of 50,000 youth
xi. Establishment of National Accreditation Council – placed at ICT
xii. Accreditation of 2,000 TVET institutes across Pakistan
xiii. Training of 2,500 TVET teachers in international best TVET practices
xiv. Establishment of 50 Business Incubation Centers

Above mentioned 14 areas of interventions are expected to serve as a catalyst for kicking off the transformation of the entire TVET system in the country. It is also projected that with the initiation of this programme, the long overdue process of TVET sector reforms and transformation will increasingly attract other stakeholders i.e., the provincial governments, industry, private sector and the donors to contribute their share in bringing Pakistani TVET sector at par with international standards. A total number of approximately 170,000 skilled and certified workforce, 2000 Accredited TVET institutes, a national level Accreditation Council, a centralized data based for demand and supply of workforce, National Employment Exchange Portal and technical and vocational labs in Madrassas are the objectives which will be achieved after successful implementation of this programmme.

Keeping in view the COVID-19 crisis, free online courses were arranged by NAVTTC, with international certification in order to provide continuous opportunities for youth. More than 12,000 students were enrolled in these courses and the scope of the courses is being further enhanced to bring advance courses for a greater number of youths. Apart from the above initiative of NAVTTC, skill training components have also been included in the EHSAAS programme for the most marginalized segments of society. These programmes will be helpful for the socio-economic betterment of youth and deprived segments of the society.

Prime Minister’s Youth Entrepreneurship Scheme (YES)

Government of Pakistan in collaboration with SBP has launched ‘Prime Minister’s Kamyab Jawan Youth Entrepreneurships Scheme (PMKJ-YES)’ to empower Pakistan’s youth by extending affordable financing for new and existing startups. Under the scheme, 21 banks are working as executing agency and are providing business loans to youth entrepreneurs ranging from Rs 100,000 to Rs 25 million at the mark-up rate of 3-5 percent p.a. with the maximum loan tenure of 8 years. As an incentive to the banks, Government will bear credit losses in case of default (principal portion only) on the disbursed portfolio of the banks. For Tier-1 loans, risk coverage is up to 50 percent. For Tier-2 and Tier-3 loans, risk coverage is up to 20 percent and 10 percent, respectively. Under PMKJ-YES, Rs 8,566 million have been disbursed till April 2021 for various businesses.

Prime Minister's Start-Up Pakistan

Prime Minister's Startup Pakistan is flagship initiative of KJP taken by the government and envisioned to develop a national startup ecosystem that provides training to one million young people in entrepreneurship and launch 10,000 startups by 2023 as well as creates jobs and economic activities in an inclusive, scalable and sustainable way to provide a single point of contact for the entire Startup Eco system. The program will be executed by Higher Education Commission. The PC-I of the Prime Minister's Start-up Pakistan is at final stage of finalization and will be implemented soon after meeting all codal formalities.

COVID-19: Impact on Labour Market and Employment

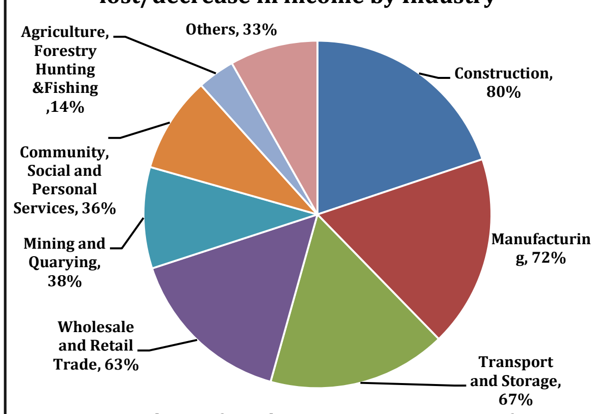
The COVID-19 Pandemic does have devastating effect not only on human life but it has also come across as an unprecedented challenge to the public health and economic growth. Pakistan has also borne the economic brunt of COVID-19 pandemic that resulted in negative growth of -0.47 percent in FY20, job losses, falling income and deteriorating social indicators. According to "Special Survey for Evaluating Socio-Economic Impact of COVID-19 on Wellbeing of People" conducted by Pakistan Bureau of Statistics (PBS), almost half of the working population was affected due to closure of business and lockdown.

As per Pakistan Bureau of Statistics, prior to COVID-19, the working population was 35 percent (55.75 million). However, in pandemic closure of economic activities due to imposition of lock down for health safety, this number declined to 35.04 million which indicates people either lost their jobs or were not able to work. In July 2020, the government announced package for construction sector. Thus opening of sectors in which daily wagers were working along with fiscal stimulus and monetary measures made economy to recover. It was reported that 33 percent (52.56 million resumed working.

The sectoral analysis reveals that construction and manufacturing sectors remained the most vulnerable sectors during this Pandemic. Wholesale & retail and transport & communication sectors are severely affected on account of COVID-19.

Summarized COVID-19 Pandemic impact on population who lost jobs/could not find job and experienced decrease in income is explained in Fig-1:

Fig-1: Incidence of Population faced job lost/decrease in income by Industry



Source: Special Survey for Evaluating Socio-Economic Impact of COVID-19 on Wellbeing of People (PBS)

The above figure shows that COVID-19 Pandemic hampered economic activities in construction and manufacturing sectors due to decline in consumer, business confidence and production and supply chain disruptions. It is estimated that 80 percent worker lost jobs/could not find work and received lower income in construction sector. People were reluctant to invest in this sector. Further, manufacturing sector observed disruption in production because of contraction in demand resulting 72 percent worker either lost jobs/could not find work or faced decrease in income. In addition, the present government imposed strict lockdown which hampered wholesale & retail business and transport & storage business leaving 63 percent and 67 percent people to become jobless or had lower income respectively.

Prudent government strategies and timely interventions have put economy on the trajectory of recovery and save the nation from very severe impact of COVID-19 pandemic. Further, construction sector package and industrial relief packages etc. are other key initiatives of the government resulting recovery of all segments of the economy from the shock. It was observed that out of 20.6 million people (industry) who lost their jobs/could not work during April-July 2020, 18.4 million had started working again during August- 5th November 2020 depicting a V-shaped recovery.

Box-I: Initiatives taken by Government during 2020-21 to reduce the adverse impact of COVID-19 and generate employment

Government has taken various steps for reviving the economy, accelerating the pace of economic growth and creating employment in the country. The major programmes are as under:

Construction Package

Construction industry has backward and forward linkages and boost 40 sectors of small and large manufacturing industry simultaneously. It is estimated that millions of employment opportunities would be generated through construction package.

Textile Industry Package

Textile production has increased by 5.9 percent during July-March FY21 as compared to 2.6 decline in last year. Flurry of export orders, tax refunds and duty draw backs have facilitated the sector. Statistics have shown that the government has recreated half a million jobs by strengthening the textile industry.

Bundal Island Project

The project would attract up to five million tourists with people already approaching the government for investment. Approximately 150,000 jobs will be generated by the project.

Export Processing Zones

Export Processing Zones Authority is conceived and designed to increase and improve the exports of the country. Its main objectives are accelerating the pace of industrialization in the country and enhancing the volume of exports by creating an enabling environment for investors to initiate ambitious export-oriented projects in the Zones which would, as a corollary, create job opportunities, bring in new technology and attract foreign investment.

Ravi River Urban Development Programme

The government is confident that the Ravi City Project costing Rs 5 trillion ($ 30 billion) would create millions of jobs as at least 40 industries are connected to the construction sector.

IT Parks Package

Pakistan's IT Industry, being a vibrant and expanding economic contributor generates over 2 billion dollars each year for the country. Its potential is also being explored. Rapid investment is being fueled by the mushrooming growth of exports along with the support of government organizations and policies. It is expected that thousands of employment opportunities will be generated through this programme.

SBP Rozgar Scheme

The Scheme aims to prevent layoff by financing wages and salaries of employees for six months (April 2020-Sep. 2020) for all kind of businesses except for Government entities, public sector enterprises, autonomous bodies and deposit taking financial institutions. It was the most popular refinance scheme of SBP which has helped to prevent layoff of 184,8945 employees of 3,331 businesses till end September, 2020. Out of these, 3,13,599 employees are of 1512 SMEs and small corporates.

Source: M/o Planning, Development &Special Initiatives (ii) State Bank of Pakistan

Employment Generation under CPEC

Investment under CPEC is expected to be around $ 50.70 billion. This huge inflow of investment will generate massive economic activities and consequently employment opportunities. Apart from focusing on energy, infrastructure and Gwadar projects, 9 Special Economic Zones will be established under CPEC portfolio, which will create tremendous job opportunities and technological transformation. Further, the ML-1 project to upgrade and dualize the rail track from Peshawar to Karachi (1872 km) has a potential to create 174,000 direct jobs. Employment opportunities under CPEC would further go up over the period of time.

Skill Development Initiatives

For low and middle income economies, lack of professional and management skills in youth may lead to unemployment or resistance to acquire quality jobs with decent work environment. The issue is becoming more serious with rapidly changing economies that requires more innovative skills. Workers need to be updated, flexible and adaptive in order to exploit the market opportunities both at national and international level.

Thus, youth empowerment and productivity has always been given priority in national plans. Socio-economic progress of youth through Technical & Vocational Education & Training (TVET) is included in long term development plan and globally agreed Sustainable Development Goals (SDGs). Various programs /schemes have been initiated to meet the confronting challenge of unemployment among youth during current financial year. More than 100,000 youth are under training through targeted training programmes being implemented at federal level.

National Skill Strategy (NSS)

NAVTTC has devised a National Skill Strategy (NSS), which emphasize on creating a demand-driven training system responsive to requirement of the job market. The priority areas for skill development are well aligned with CPEC projects and indigenous clusters such as agricultural, industrial and mining as well as exportability of skilled workforce. The National Skills Strategy proposed a paradigm shift from time bound curricula-based education to competency-based training and from supply driven trainings to demand driven skills. NSS is well aligned with Prime Minister's strategy for "Skills for ALL". Its objectives are:

- Relevant skills for industrial and economic development
- Improvement of access, equity and employability.
- Assurance of quality through an integrated approach

Strengthened Industrial Linkages

One of the major reasons for non-performing TVET sector in Pakistan was the absence of strong industrial linkages. To overcome this deficiency special emphasis has been laid on giving pivotal role to industry and private sector in TVET sector development in the country. For this purpose: -

- Three Sector Skill Councils (SSCs) have been established in the construction, hospitality, renewable energy and textile sectors.
- The concept of Institute Management Committees (IMCs) has been introduced for the first time in Pakistan at the TVET institute level, which gives greater representation to private sector in the management and training delivery at the TVET institute level.
- Industry has been actively involved in all aspects of training such as curricula development, final assessments, on-job training and selection of institutes.
- The outdated Apprenticeship Bill, 1962 has been replaced with Apprenticeship Act, 2018. The new law has a broader scope and is in line with the latest best practices in the field of apprenticeship.

Job Placement Centres (JPCs)

A dedicated web portal (www.jobplacement.gov.pk) has been developed by NAVTTC to link skill workers with potential employers. Skill profiles of more than 570,000 Pakistani youth are available on this job portal and NAVTTC which is providing free of cost facility to both youth and Pakistani industry to bring them closer and realize the dual objective of employment for youth and quality skilled workforce for industry in order to enhance their productivity and competitiveness. More than one hundred Job Placement and Vocational Counseling Centers (JP&VCCs) have also been established across the country for the benefit of youth.

Overseas Employment

Pakistan is one of the largest labour exporting country in the region. Overseas migrant workers are the most valuable asset of Pakistan and they are playing key role in the socio-economic development of the country through their remittances. More than 11.43 million Pakistanis have proceeded abroad for employment to over 50 countries through official procedures. The migration of Pakistani workers is mostly concentrated to Gulf Cooperation Council countries (96 per cent) with Saudi Arabia and the United Arab Emirates hosting the majority.

Table 12.1: Pakistani Workers Registered for Overseas Employment

Countries	2016	2017	2018	2019	2020
Saudi Arabia.	462,598	143,363	100,910	332,713	136,339
U.A.E.	295,647	275,436	208,635	211,216	53,676
Oman.	45,085	42,362	27,202	28,391	10,336
Qatar.	9,706	11,592	20,993	19,327	7,421
Bahrain.	8,226	7,919	5,745	8,189	7,843
Malaysia.	10,625	7,174	9,881	11,323	2,296
Others	7,466	8,440	9,073	14,044	6,794
Total	**839,353**	**496,286**	**382,439**	**625,203**	**224,705**

Source: Bureau of Emigration and Overseas Employment (Data of overseas employment is collected and recorded as per calendar year)

During 2020, Bureau of Emigration & Overseas Employment has registered 224,705 for overseas employment as compared to emigrants 625,203 in 2019 showing a decrease of 400,498 people as compared to the last year. It is evident from the table 12.1that Saudi Arabia (KSA) is the main destination country for Pakistani emigrants where more than 60 percent of emigrants proceeded followed by UAE (24 percent) and Oman (4.6percent). Due to COVID-19 pandemic, overall a declining trend was observed in terms of emigrants registered in 2020 including GCC countries.

Table 12.2: Pakistani Workers Registered for Overseas Employment During the period 2016-2020 Province Wise

Year	Federal	Punjab	Sindh	Khyber Pakhtun -khwa	Baloc-histan	Azad Kashmir	N/Areas	Tribal Area	Total
2016	8,472	446,566	85,326	206,929	6,378	43,093	2,961	39,628	**839,353**
2017	4,635	261,849	53,590	107,366	4,528	33,318	3,417	27,583	**496,286**
2018	2,471	185,902	41,551	88,361	2,930	33,028	2,760	25,436	**382,439**
2019	4,295	312,439	57,171	186,176	5,103	30,151	2,554	27,314	**625,203**
2020	1,814	118,818	16,950	68,299	1,869	7,685	244	9,026	**224,705**

Source: Bureau of Emigration and Overseas Employment

The comparison among provinces in Table 12.2 shows that during 2020, the highest number of workers went abroad were 118,818 from Punjab, followed by Khyber Pakhtunkhwa 68,299**.**

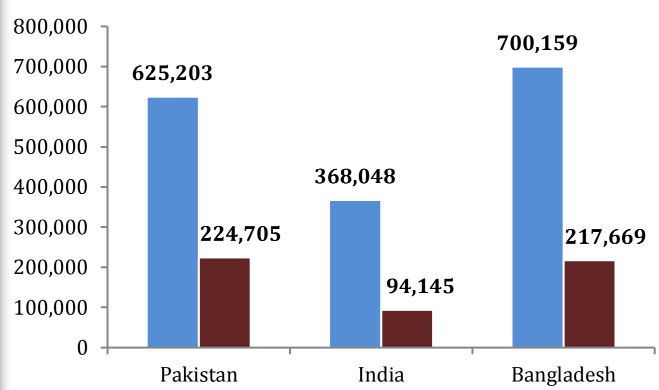
Regional Comparison of Manpower Export

The COVID-19 pandemic hampered the manpower export not only from Pakistan but also from other regional countries. The graph given below illustrates that a total of 224,705 emigrants were registered for overseas employment from Pakistan in year 2020 as compared to 625,203 registered in 2019 which shows the decrease of 400,498 emigrants. Similarly, India and Bangladesh faced a decline of 273,093 and 482,490 respectively in terms of emigrants registered during 2020 as compared to 2019.

Ministry of Overseas Pakistani & Human Resource Development (OP&HRD) has taken the following steps to boost the manpower export and to ensure regular emigration: -

- Task Force has been established in order to enhance manpower export and facilitation of Overseas Pakistanis.
- To boost manpower export, Ministry of OP&HRD signed

Fig-2: Regional Comparison of Manpower Export



Source: Labour Migration Report 2020

bilateral Agreements/ MOUs with destination countries such as Turkey and Malaysia in 2020.

- Ministry of OP&HRDis actively working to explore job opportunities for Pakistani workers in non-traditional countries. In this regard, a comprehensive dirversification strategy has been developed for top five priority countries i.e Saudi Arabia, UAE, Malaysia, Qatar & Oman along with other five potential/ non-traditional countries such as Kuwait, South Korea, Japan, Germany and China to promote the export of manpower to these countries.
- To provide One-window facilitation services to intending emigrants, BE&OE deployed a project titled, "Registration of Intending Emigrants via Biometric Verification System linked with NADRA" through which protector registration procedure completion has been made possible in minimum time and is being implemented in all Protector of Emigrants Offices.
- Campaign against illegal overseas job advertisements in close coordination with media, FIA, PTA and other relevant Departments. Moreover, in order to tighten enforcement and zero tolerance policy with respect to emigrants complaints, licenses of Overseas Employment Promoter are suspended, if found involved in breaking/violating the Emigration Ordinance/Rules 1979.
- BE&OE started registration of foreign employers on its website so that the intending emigrants may be hired either directly or through OEPs by registered Employers depending upon their requirements.
- Two new Protectorate Offices i.e., D.G Khan and Sialkot have been established. Two more Protectorate Offices i.e., Abbottabad and Sukkur, are expected to be established and functional in the second half of fiscal year 2020-21.
- BE&OE created linkages between Overseas Employment Corportion (OEC) and NAVTTC for matching of available jobs at BE&OE official website and in this regard data of the trained job seekers maintained by NAVTTC.
- OEC signed a cooperation Agreement with the Ministry of Health (MoH), Kuwait for supply of medical professionals. Resultantly, 404 medical professionals (doctors/ nurses/technicians) have joined their duties in various hospitals of Kuwait. Further recruitment of medical professional for Kuwait is under process. The cooperation between Pakistan and Kuwait in the field of employment has revived after a long time.
- OEC convened a webinar on 'potential of ICT Human Resource Export to Japan' on 17thDecember 2020. All major stakeholders including Ministries of Overseas Pakistanis & HRD, Foreign Affairs & IT & Telecom, Embassy of Japan, Islamabad, Embassy of Pakistan, Tokyo, Ignite, Pakistan Software Export Board, NUML, NUTECH, Pakistan Japan Business Forum, Pakistan Software Houses Association, Pakistan Overseas Employment Promotors Association, Pakistan and Japan based IT companies and a large number of IT personnel attended the webinar. The webinar resulted in achieving following tangible outcomes.

  - Development of awareness among stakeholders regarding opportunities, requirements, modalities and procedures involved in ICT human resource export to Japan.
  - Facilitation in developing business to business contacts and matchmaking between Information Technology Industries and Overseas Employment Promoters.
  - Consensus of OEC and NUML to start online Japanese language classes for ICT overseas jobseekers.
- OEC convenes online and in-person Korean language classes for the facilitation of those candidates who are interested to go to Korea for employment purpose. 375 students were enrolled for the said classes from July to December 2020.
- A portal was launched on 9thJune 2020 for registration of returning workers. Since the pandemic hit, 93,078 (9th June 2020 to 5th April 2021) returned workers have been registered with the Overseas Employment Corporation (OEC) portal.
- To tackle the situation emerged due to COVID-19 pandemic, BE&OE developed a comprehensive reintegration strategy for returned migrant workers to analyze the impact of COVID-19 on labor migration and suggested a plan which includes registration of returnee workers profile by OEC, so that they can be contacted if any job arises matching their credentials.
- 14,176 jobseekers have registered themselves on OEC Online Job Portal for Overseas Employment and Reintegration from July to March 2021. The portal provides one-step solution to overseas jobseekers, Overseas Employment Promoters and foreign employers.
- To facilitate Pakistani emigrant going abroad, an initiative 'Worker's Foree Remittance Account' with a full feature bank account available in current and profit and loss sharing-saving accounts were inaugurated at all 09 Protectorate Offices across Pakistan.

Women Empowerment

Women are 48 percent of the population and the potential of Pakistan. However, the status of women in Pakistan is not homogenous because of the interconnection of gender with other forms of exclusion in society. There is considerable diversity in the status of women across classes, regions and the rural/urban divide due to uneven socio-economic development and the impact of tribal, feudal and capitalist social formations of women’s lives. The Government has been fully cognizant of its constitutional responsibilities for protecting the rights of the women and realizing their full potential in all spheres of life, especially social, economic, political and personal.

In 2020-21 the government introduced several interventions to improve gender governance through financial empowerment of women and expansion of social protection net to encompass needs of women in the most vulnerable groups of population and curb gender-based violence.

Initiatives under Ehsaas Strategy:

- **Ehsaas Interest-Free Loan Initiative.** The Rs 42.65 billion programme involves 100 districts across the country and will impact 16.28 million people. 50 percent of the loan recipients are women. During April, 2021 Rs 1271.66 million interest-free loans have been given to 38,119 borrowers and out of these 20,370 borrowers are women.

- **Ehsaas Amdan (Income) Programme.** The key objective of this programme is to create opportunities for the most disadvantaged people through the transfer of small income-generating assets. The programme is launched in 375 rural union councils of 23 districts across Pakistan. The total budget of the programme is Rs. 15 billion and it will transfer 200,000 productive assets to deserving households (60 percent women) overall impacting 1.4 million individuals countrywide.

- **Ehsaas Kafaalat Program:** Kafaalat is a new unconditional cash-transfer programme, that provides monthly payments of Rs. 2,000 through saving bank accounts and improved access to mobile phones for seven million disadvantaged women across the country. More than 5 million women have been included in the programme.

- **Ehsaas Nashonuma Program:** The nutrition conditional cash transfer programme utilizing special nutrition food for mothers and children to address stunting, was launched. This programme is being rolled out after extensive spadework in 33 centers in 9 of the poorest districts and is been executed in collaboration with the World Food Programme. Eligible Pregnant and lactating Women (PLW) and children less than 2 years of age will receive specialized nutritional food and quarterly cash stipends of Rs. 1,500 for PLWs for boy child and Rs. 2,000 for the girl child. In addition, immunization, awareness sessions and antenatal and postnatal care are also part of the Ehsaas Nashonuma.

- **Waseela-e-Taleem:** This conditional cash transfer programme which has been ongoing for the last 8 years, currently in 50 districts has undergone a massive reform with technology. All institutional arrangements have been made to expand Waseela-e-Taleem Plus, nationwide to 148 districts and 4 million primary school going children will benefit from this. The stipend for girls has been increased to Rs. 2,000 per quarter whereas the stipend for boys has been increased to Rs. 1,500 per quarter.

Box-II: Empower Women-Initiatives

a) SBP has developed a "Banking on Equality: Policy to Reduce the Gender Gap in Financial Inclusion". It aims to introduce a gender lens within the financial sector through identified pillars and specific measures, to bring a shift towards women friendly business practices.

b) To encourage women participation in the economy, State Bank of Pakistan (SBP) has enhanced the financing limit under its Refinance and Credit Guarantee Scheme for Women Entrepreneurs from Rs 1.5 million to Rs. 5 million. The objective of this enhancement in financing limit is to increase financial inclusion of women since more women entrepreneurs are likely to be attracted for setting up of new businesses or for expanding the scope of their existing businesses by availing concessional financing.

c) Pakistan has significantly improved its score on entrepreneurship indicator of Woman, Business and the Law (WBL) index, from 50 to 75 points, as per WBL Report 2021

d) The following legislations have been promulgated during 2020-21 for empowerment of women:

(i) Zainab Alert, Response & Recovery Act, 2020

(ii) The Khyber Pakhtunkhwa Domestic Violence Against Women (Prevention & Protection), Act 2021

(iii) ICT Rights of Persons with Disabilities Act, 2020

Source: State Bank of Pakistan (ii) M/o Planning, Development & SPI

Women Income Generation and Self-reliance Programme (WINGS)

Punjab Social Protection Authority (PSPA) in collaboration with the Department for International Development (DFID), UK has designed Women's Income Growth and Self-reliance (WINGS) Programme. The WINGS will be funded through DFID grant of £36 million that includes £28.5 million grant for financial assistance component along with £7.5 million for technical assistance component. The total project cost is £35.7 million that includes £28.5 million of DFID grant and £7.2 million counterpart funding by Government of the Punjab. The Project envisages the productive inclusion and economic empowerment of women and will support transition of 63,000 extremely poor women from social protection to sustainable livelihoods, prosperity and self-reliance in the Punjab province. It will partner with the Government of Punjab to develop government-led delivery channels and policy reforms for enabling the women relying on social safety nets to engage in income-generating activities, accumulate productive assets, have support to access social and financial services and exit extreme poverty for good.

Punjab Human Capital Investment Project

Punjab Human Capital Investment Project is being launched by Punjab Social Protection Authority which will target the problem right from the early stages of life cycle. The World Bank will provide USD 200 million for this project. The main objective of Punjab Human Capital Investment Project (PHCIP) is to increase the access to quality health services, economic and social inclusion of the poor and vulnerable households in selected districts in Punjab. Under this project, three main activities will be performed which are as under:

Health Services Quality and Utilization: Conditional Cash Transfer Health & Nutrition is based on the first 1,000 days (i.e. the period from conception to two years of age) approach to address malnutrition. Under this component, poor pregnant and lactating women will be incentivized through cash transfers to increase utilization of Health Nutrition and Population (HNP) services (pre- and post- natal care, skilled birth, growth monitoring, immunization, HNP awareness and counseling).

Economic and Social Inclusion: Productive inclusion of adolescents and youth will be enhanced by providing education, skills, micro-financing and asset transfer.

Additionally, interventions for early childhood education will also be part of this component.

Social Protection Service Delivery Platform: Capacity of Punjab Social Protection Authority to deliver social protection services will be enhanced. PSPA's current structure and capacity needs considerable beefing-up to enable it to deliver effectively as premier provincial social protection authority. This component is aimed at addressing the current institutional, technology and resource gaps of PSPA and establishing a robust social protection delivery platform. The existing PSPA beneficiary database and program dashboards would be strengthened to keep track of major initiatives and beneficiaries' information in Punjab.

Zewar-e-Taleem Program

Punjab Social Protection Authority launched Zewar-e-Taleem Program which is the conditional cash transfer to the girl students enrolled in public sector schools in 16 districts with low literacy rate. Over 571,313 girls are receiving Rs.1,000/- per month on compliance to 80 percent attendance requirement in schools. The purpose of this initiative was to improve enrolment and retention in schools, besides addressing their nutritional requirements, essential for adolescent girls. Students enrolled in grade 10 are automatically excluded from the Program upon completion of the academic session. The students dropped out of schools are also excluded from the Programme.

Nayee Zindgi Program

Punjab Social Protection Authority under "Punjab Ehsaas Program" has launched "Nayee Zindagi Program" for Acid Attack Victims. The Program aims at rehabilitation of Acid Attack victims through reconstructive surgeries and psychological counselling for their socio-economic mainstreaming. These services will be provided by Specialized Healthcare & Medical Education Department. Empowering Acid Attacks Victims through an institutional arrangement in various fields can be a very significant step towards mainstreaming their socio-economic conditions. With the help of Rs. 200 million, the victims of the heinous crime of throwing acid will be financially assisted and fully rehabilitated at the government's expense, including the skin grafting treatment followed by skill-building and interest-free loans for livelihood support.

Sarparast Program for Poor Widows & Orphans:

Punjab Social Protection Authority initiated "Sarparast Program", a social assistance, financial support to the families of the poor and vulnerable widows for improving their wellbeing and social status. It also addresses the cross-cutting objective of Ehsaas Strategy that is lift lagging areas. Sarparast program will provide dignified social assistance specially designed for the poor widows of Punjab. With an initial outlay of Rs 2 billion, Sarparast Programme for assisting poor widows and orphans will be a key feature of Punjab's Ehsas Programme.

Punjab Day Care Fund Society

Punjab Day Care Fund Society (PDCF) was registered under the society Act for provision of grants to interested organization for establishment of Punjab Day Care Facility. Under the programme, 115 Day Care Centers have been finalized and efforts are underway to execute the facility further.

Helpline – 1099 for Legal Advice on Human Rights Violations

Ministry of Human Rights has established Helpline – 1099 for legal advice on human rights violation with special emphasis on the rights of women. The Helpline is working with the objective of addressing the issues of human rights violations through legal advice, grievance-redressal mechanism through referral services to the victims of human rights violations.

Helpline – 1043

The Punjab Women's Toll-Free Helpline 1043 is available 24/7. Managed and supervised by Punjab Commission on the Status of Women, helpline team comprises all-women call agents, three legal advisors, supervisors and management staff to address inquiries and complaints on workplace harassment, gender discrimination, property disputes and inheritance rights, domestic violence, hostels, day-care centres and other facilities for working women, quota for women in public sector jobs, skill development opportunities and various other economic and social issues.

BOLO Helpline 0800-22227

BOLO Helpline 0800-22227 is established at Provincial level for the victims of Gender Based Violence (GBV) and persons with disabilities at Directorate of Social Welfare and Women Empowerment, Government of Khyber Pakhtunkhwa. The pilot phase of Programme is accessible in Districts of Peshawar, Mardan, Swat, Nowshera, Swabi and Abbottabad with the objective to ensure convenience and accessibility of services to survivors of gender-based violence, extend program outreach to improve GBV response services and provides GBV survivors with essential support and develop a database of victims and allow department to work out future plans for GBV programming and track response mechanism.

COVID-19 Impact on Family Planning Services:

Global crisis of COVID-19 pandemic had profound impact on health, social systems and economies. During such emergencies human and financial resources are diverted from essential health programmes to respond to the disease outbreak, meaning that there can be potential rise in maternal and new-born mortality and morbidity, increased number of unintended pregnancies and gender-based violence. Recent evidence shows that service provision for skilled birth deliveries, Family Planning (FP) services and other reproductive health needs were disrupted leading to increased risks of maternal morbidity, deaths, poor neonatal outcomes, higher unmet need and discontinuation of

FP methoeds.[2]

PSDP Allocation (2020-21) on Population Welfare Programme

Federal government has allocated Rs.185.74 million for Population Welfare Programme of Special Areas (AJK & GB). Detail of PSDP allocation and cost of population welfare programmes for the year 2020-21 is as follows:

PSDP Projects 2020-21 (Rs in million)

Sr. No	Project	Allocation	Release Status (July-April FY2021)
1	Population Welfare Programme, AJK	20.00	16.00
2	Population Welfare Programme, GB	165.749	132.599

Source: Ministry of Planning, Development & Special Initiatives

Family Planning Initiatives

Country Engagement Working Group (CEWG)

Ministry of National Health Services, Regulations & Coordination has constituted CEWG with its members from the concerned Federal & Provincial Government Departments, CSOs and Development Partners. The CEWG is mandated to review the progress of Federal and Provincial Departments and CSOs regarding FP2020 targets Pakistan committed at FP2020 London Summit, 2012. Recently, in an international event "FP2020 celebrating progress, transforming for future", held on 26th January 2021, partners from around the world once again committed and pledged to move forward the FP agenda by 2030.

Revision and Updating of Curriculum for RTIs

The Regional Training Institutes (RTIs), all over Pakistan, are responsible for capacity building of the Health personnel for providing family planning/reproductive health services to the communities. The Training Curriculum used by the RTIs has been revised and updated with technical assistance from WHO.

Consultative Meeting on Population and Development

Four Consultative meetings on Population and Development have been organized by the Planning Commission with the provincial government under the chairmanship of Deputy Chairman Planning Commission, to address the high population growth challenge and to put the population development and family planning agenda in the country on fast track.

Population Situation Analysis (PSA) 2020

Ministry of Planning, Development and Special Initiatives conducted a comprehensive analysis of the situation in the population and development in collaboration with the United Nation Population Fund (UNFPA) Pakistan, in order to provide the basis for an integrated appraisal of the population dynamics and their linkages and impacts on

[2]Pakistan Situation Analysis 2020

poverty, inequality and development. The PSA, 2020 has assessed the current situation and proposed recommendations for strategic actions to address issues in the areas of population and development, reproductive health, youth, gender, in addition to women empowerment. The PSA has identified and proposed priority areas as well as formulation of relevant public policy for interventions to address population and development issues in the forthcoming development plans and strategies.

Summary of FP Initiatives undertaken by Provincial Population Welfare Departments (PWDs) during 2020-21

Punjab

- Establishment of Strategic Planning Unit
- Construction of Regional Training Institute, Faisalabad & Sahiwal
- Expansion of Family Welfare Centres and Introduction of Community Based Family Planning Workers (CBFPWs)
- E-Registration of Eligible Couples / Clients
- Franchising of Clinical Services – Phase-II
- Support innovative ideas of private sector through Punjab Population Innovation Fund

Sindh

- Functional Integration of Health & Population Welfare Departments
- Joint platform for all partners Department for Population & Health along with their allied programs i.e., People's Primary Health Initiatives (PPHI), LHW's and Maternal Neonatal and Child Health (MNCH), Planning and Development Board, Finance, Education, Women Development, Information, Youth Affairs, INGOs and Academia.
- Declaration of 300 Private Hospitals PWD supported facilities Reproductive Health Services (RHS-B) centres
- Sindh Reproductive HealthCare Rights Act, 2019 and Marital Counseling and Registration of Nikah Bill are at final stages
- Life Skill Based Education (LSBE) has been included in the curriculum of secondary and high school
- Joint Procurement of Contraceptives by PWD Sindh for all stakeholders

Khyber Pakhtunkhwa

- Promulgation of Khyber Pakhtunkhwa Reproductive HealthCare Rights Act, 2020
- Included topic of "Population Dynamics of Pakistan" in various courses of 18 out of 30 universities.
- Expansion of Population Welfare Programme through establishment of 200 new Family Welfare Centres
- Pre-marital counselling has been piloted in two districts, Haripur and Kohat.

- Advocacy and Communication Strategy launched by the department.
- All service delivery outlets have been strengthened through providing clinical and furniture items.

Balochistan

- Functional integration between Health and Population departments.
- The first Provincial Taskforce meeting held on 13th December 2019 under the chair of Provincial Minister for Population Welfare Department.
- Letter of Understanding (LOU) signed with PPHI to involve their Basic Health Units in FP service delivery network
- Completed contraceptive forecasting at provincial level for meeting the need of Department of Health, Population Welfare and PPHI including private sector
- Initiated the process of registration of all such Private practitioners who are willing to offer FP services.
- The Early Child Marriage Restraint Act prepared by Social Welfare Department has been submitted in the Provincial Cabinet for approval.
- Larger focus on behavioural change communication campaigns
- Consultation is in progress for including Life Skills Based Education and Population Studies in Secondary and Higher Secondary Schools curriculum

Conclusion

Pakistan is the fifth most populous country with an estimated population of 215.25 million in 2020 out of which 61 percent population is in the age bracket of 15-64 years. The country has limited resources and its increasing population is putting more pressure on these resources. The government is trying to overcome the issue of high population growth and fertility rate through different programs like media campaign, establishment of Family Welfare Centers (FWCs), Reproductive Health Services Centers (RHSCs), Regional Training Institutes and Mobile Services Unit.

An educated and skilled youth is needed to reap the benefits of demographic dividend. If this demographic dividend is harnessed and skilled to meet domestic and international market requirements, the youth bulge would yield increased industrial productivity and higher foreign remittances. For this reason, the government has given priorities to the education and skills of the youth for their productive employment. For this purpose, the government has launched "Skills for All" and “Youth Entrepreneurship Scheme” for the youth. These programmes for skills training, employment, entrepreneurship and engagement will play an important role in the socio-economic development of the country.

Chapter 13

Transport and Communications

Transport has an indispensable role in economic activity. Without physical access to resources and markets, economic growth and development would not be possible. An effective transport system is, therefore, a fundamental element in enabling sustainable economic development as it helps in promoting the use of natural resources, mobility of labor force and increasing agricultural and industrial production. Transport is also essential for providing access to supply chains and basic public services such as health and education. Removal of physical and non-physical barriers to effective transportation, therefore, has a direct impact on economic and social development of a country. Besides its role in economic development, modern and effective transport infrastructure and services, enabling smooth flow of goods and services within and across international borders, is key for strengthening regional economic cooperation and integration.

Pakistan is at a unique geo-strategic location, offering both opportunities and challenges. The opportunities can only be realized by exploring and developing the critical land, coastal and air routes that this location offers. Pakistan can serve as the most effective, economical and viable transit route to the land locked Central Asia and other neighboring countries. China Pakistan Economic Corridor (CPEC), with its roads and railways network, will integrate Pakistan with all regional countries and generate much needed economic activity. The Corridor will be a strategic game changer and would go a long way in strengthening our economy.

Modes of Transportation

Users of the transport network have a wider range of modes to choose from, however, most common and extensively used at present would be highlighted below:

Air Linkage

Performance of the Pakistan International Airlines Corporation (PIAC)

Table 13.1: PIAC Performance

Indicators	Units	2017	2018	2019	2020
PIAC Fleet	No. of Planes	36	32	32	30
Route	Km	360,937	332,303	389,725	778,609
Available Seat	Million Km	19,108	18,081	18,372	8,902
Passenger Load Factor	Percent	73.20	77.3	81.3	74.5
Revenue Flown	000 Km	75,207	70,089	70,515	38,114
Revenue Hours Flown	Hours	122,081	110,050	110,640	58,519

Table 13.1: PIAC Performance

Indicators	Units	2017	2018	2019	2020
Revenue Passengers Carried	000 nos.	5,342	5,203	5,290	2,541
Revenue Passengers	Million Km	13,988	13,975	14,938	6,629
Revenue Load Factor	Percent	55.2	58.4	58.6	51.3
Operating Revenue **	Rs million	-	100,051	146,097	94,683
Operating Expenses **	Rs million	-	170,447	160,037	102,912

PIAC financial year is based on calendar year.
**Revenue & Cost is based on provisional/estimated & un-audited accounts
Source: Pakistan International Airlines

PIAC has taken following measures to revamp its operations during the current FY 2021:

- Due to COVID-19, the scheduled flight operations to most of the parts of the country and the globe remained suspended. PIAC revenues, approximately PKR 82.6 billion, stood short of the target. It, however, operated special flights to facilitate stranded Pakistanis abroad.
- Enhancement of ancillary revenues through bulkhead seats, pre-allocation of seats, advance excess baggage etc.
- Network optimization e.g. code share alliances to expand network
- Focus on enhancement of cargo and charter operations
- Focus on capacity rationalization for better utilization
- Improvement in customer services via punctuality and regularity of flights, aircraft cleanliness and food quality
- Better governance and focus on discipline:
  - Action against employees with disciplinary issues
  - Plugging in loop holes by better internal controls
- Improvement in air-crew flight rosters
- Enhancing brand perception
- Reconciling and rescheduling loans
- Strict discipline and accountability regime including a Time Management System
- Centralized medical center for all PIAC employees leading to cost savings
- Increasing Maximum Take Off weight limitation on A-320 aircraft, thereby increasing payload carrying capacity
- Restructuring through Voluntary Separation Scheme (VSS)
- Reducing salaries for 6 months with a resultant saving of Rs 770 million

Road Linkage

National Highway Authority (NHA)

NHA is committed to provide a safe, modern and efficient transportation system. Pakistan is bisected into two halves by the River Indus. The eastern segment is historically well developed. To bring the western segment at par with the eastern one, NHA is improving east-west connectivity through construction of numerous bridges across river Indus as well as across the Jhelum, Chenab, Ravi and Sutlej rivers. The eastern and western parts will be further augmented with major projects like Karachi-Lahore Motorway, Multan-Sukkur Motorway and Hakla-D.I.Khan Motorway under the China Pak Economic Corridor.

Development Programme:

The present NHA network comprises of 39 national highways, motorways, expressways and strategic roads. The length of this network is 12,131 km. NHA's existing portfolio consists of 32 on-going projects with an allocation of Rs 88,954.855 million in PSDP 2020-21. Of this amount, Rs 10,750.00 million is FEC component and Rs 78,204.855 million is the local component. There are 24 new schemes in PSDP 2020-21 with a total estimated cost of Rs 520,077.996 million. In addition to these, one new scheme on BOT basis is also included in PSDP 2020-21 at an estimated cost of Rs 1,122.782 million.

China Pakistan Economic Corridor:

To ensure smooth and efficient movement of goods and passengers, Government of Pakistan plans to develop China Pak Economic Corridor (CPEC) connecting Khunjrab to Gwadar. Details of completed and ongoing CPEC projects are as under:

Table 13.2: Details of completed CPEC projects

Sr. #	Name of Project	Cost (Rs mn)	Length (Km)	Date of Completion
1	Construction of Burhan-Havelian (E-35)	34,165	57	Packages I and II: Dec 2017 Package-III: Nov 2019
2	Construction of KKH Phase-II, Havelian-Thakot	136,659	118	Feb 2020 (Inaugurated on 28th Jul 2020)
3	Construction of Sukkur-Multan M-5	298,008	392	Aug 2019

Source: National Highway Authority

Table 13.3: Details of major ongoing CPEC projects

Sr. #	Name of Project	Cost (Rs mn)	Length (Km)	Date of Completion
1	Construction of Motorway from Burhan-Hakla on M-1 to Dera Ismail Khan	110,208.00 (PC-I Cost)	293	Jun 2021
2	Construction of 02 Lane Highway from Basima to Khuzdar	19,188.44	106	Oct 2021

Source: National Highway Authority

Table 13.4: Details of future CPEC projects

Sr. #	Name of Project	Cost (Rs million)	Length (Kms)
1	Dualization of Yarik – Sagu – Zhob including Zhob Bypass Western Route	76,486.23	210
2	Zhob to Kuchlak Road CPEC Western Corridor	63,081.00	305
3	Sukkur-Hyderabad Motorway (M-6)	165,679.20	306
4	Gilgit-Shandor-Chitral Road Project (alternate route to KKH under CPEC)	-	369
5	Construction of Hoshab- Awaran Section of M-8 (146 km)	25,835.89	146

Table 13.4: Details of future CPEC projects

Sr. #	Name of Project	Cost (Rs million)	Length (Kms)
6	Construction of Awaran – Naal Section of M-8 (168 Km)	32,504	168
7	KKH Thakot-Raikot Section (realignment)	-	250
8	Mangla – Mirpur – Muzaffarabad - Mansehra	310,578	200.45

Source: National Highway Authority

Support of Development Partners

i) Asian Development Bank Assistance:

- Construction of Gojra-Khanewal Motorway (M-4) (126 km)
- Post Flood National Highways and Rehabilitation Project
- Burhan-Havelian Expressway (E-35) (59 km)
- Zhob-Mughalkot Section of N-50 Qilla Saifullah-Waigum Road Section of N-70, 124 km
- CAREC Corridor Development Investment Programme (Tranche-I)
- Construction of additional carriageway Petaro-Sehwan Section of N-55 (128 km)
- Rehabilitation of Peshawar-Dara Adam Khel of N-55 (36 km)
- Construction of additional carriageway Shikarpur-Ratodero of N-55 (44 km)
- CAREC Corridor Development Investment Programme (Tranche-II)
- Construction of additional carriageway Shikarpur-Rajanpur Section of N-55 (222 km)
- CAREC Corridor Development Investment Programme (Tranche-III)
- Construction of 4-lane highway Rajanpur-D.G. Khan (121.50 km)
- Construction of additional carriageway Dera Ghazi Khan-Dera Ismail Khan Section of N-55 (208.19 km)

ii) Korean Exim Bank Assistance:

- Improvement and Widening of Chakdara-Chitral Section of N-45(141 km)
- Malakand Tunnel (Construction of 9.7 Km Malakand Tunnel Project is ongoing to provide a short route for the people of Malakand, Upper Dir, Lower Dir and Swat. Malakand Pass lies between Dargai-Batkhela)

iii) World Bank:

Khyber Pass Economic Corridor (KPEC) consists of two components as follows:

- Component-I (102.55 km): Peshawar-Torkham Motorway Project having a length of 47.55 km and link road connecting Motorway to Badabher (N-55) intersecting N-5 between Chamkani and Jhagra (approx. 55 km)
- Component-II: Economic development and uplift of areas adjacent to the Motorway

Build-Operate-Transfer (BOT) and Public-Private Partnership (PPP) Projects

Following projects are in pipeline under Public Private Partnership (PPP)/Built-Operate-Transfer (BOT) basis:

Table 13.5: Projects in pipeline under (PPP)/ (BOT) arrangement		
Sr. No.	**Name of Project**	**Length (km)**
1	Hyderabad-Sukkur Motorway (M-2)	306
2	Dualization & Rehabilitation of Karachi-Quetta-Chaman Road (N-25)	790
3	Dualization & Rehabilitation of Balkasar-Mianwali Road	129
4	Dualization & Rehabilitation of Mianwali-Muzaffargarh Road	286
5	Construction of Shahdara Flyover	7
6	Construction of Lyari elevated Freight Corridor	20
7	Construction of Sialkot-Kharian Motorway	70
8	Construction of Kharian-Rawalpindi Motorway	115
9	Construction of Bara Kahu Flyover	3.6

Source: National Highway Authority

Achievements/Performance of NHA during the year 2020-21

i. Construction of Burhan-Havelian Expressway (E-35) 29.1 km (revised)
ii. Construction of Faisalabad-Khanewal Motorway (M-4) 184 km
iii. Construction of roads network for Islamabad International Airport, main link, Thalian link & periphery road (26 km)
iv. Karachi-Hyderabad M-9 (134.5 km)
v. Construction of KKH Phase-II Havelian-Thakot (118.057 km) (CPEC)

Maritime Linkage

Pakistan National Shipping Corporation (PNSC)

PNSC Group has made significant progress in bulk and liquid cargo segments. Despite the pandemic, the Group has managed to achieve a profit of Rs 1,235 million as against Rs 1,411 million in the corresponding period last year. The turnover stands at Rs 9,633 million compared to Rs 9,621 million for the previous year's corresponding period. Revenue of the tanker segment, including foreign charters, grew by 7.12 percent from Rs 6,195 million to Rs 6,635 million. Slot chartering revenue increased by 19.64 percent from Rs 704 million to Rs 842 million. The increase in revenues reflects the growth in operational activity of the Group. The net profitability was, however, adversely affected due to decline in AFRA by 26 percent, reduction in gross margins of slot business by 11 percent and adverse movement of USD versus PKR which resulted in exchange losses of Rs 87 million in the period under review as against exchange gains of Rs 54 million in nine months period ended March 31, 2020.

At present, PNSC fleet comprises of 11 vessels of various types/sizes (05 Bulk carriers,04 Aframax tankers and 02 LR-1 Clean Product tankers) with a total deadweight capacity (cargo carrying capacity) of 831,711 metric tons, the highest ever carrying capacity since inception of PNSC.

Commercial and Financial Performance:

PNSC's commercial and financial performance (un-audited) covering nine months activities from 1st July 2020 to 31st March 2021 is given in tables 13.6 and 13.7:

Table 13.6: PNSC Commercial Performance

	Tanker	Chartering	SLOT Consolidated	
	Liquid Cargo (MT)	Dry Cargo (MT)	TEUs	Slot BB/LCL
FY2020 (July-March)	5,460,630	1,372,713	1,329	5,476
FY2021 (July-March)	7,333,100	1,239,685	1,363	5,958

Source: Pakistan National Shipping Corporation (PNSC)

Table 13.7: PNSC Financial Performance **(Rs '000)**

S. No.	Financial Performance	July-March FY2020	July-March FY2021
1	Revenue	9,621,477	9,632,731
2	Expenses	6,454,630	7,388,157
3	Gross Profit/(Loss)	3,166,847	2,244,574
4	Administrative, Impairment & Other Expenses	2,331,640	1,108,806
5	Other Income	694,810	654,062
6	**Profit before Taxation**	**1,530,017**	**1,362,715**

Source: Pakistan National Shipping Corporation (PNSC)

Karachi Port Trust

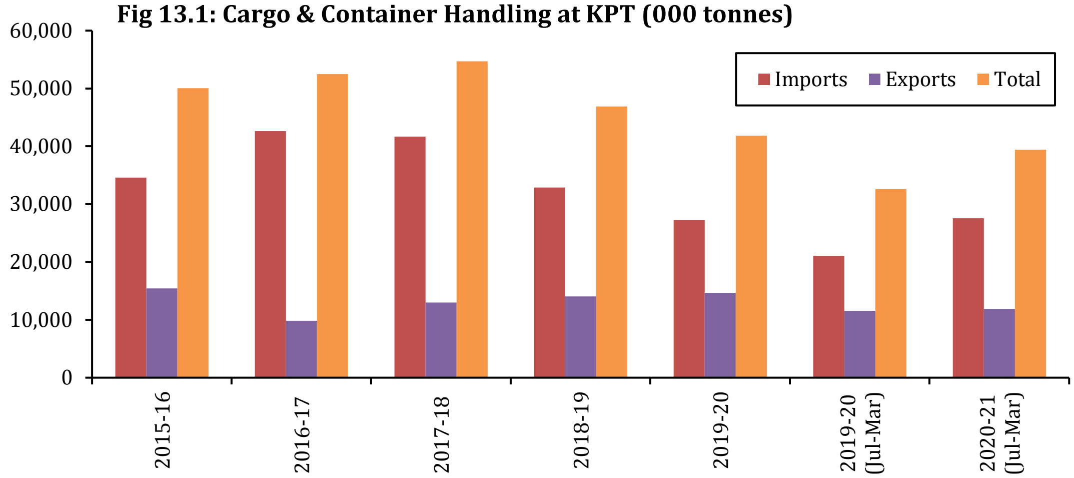
Karachi Port Trust managed a total cargo and container volume of 39.424.155 million tonnes during July-March FY2021 (Table 13.8). It experienced 21 percent increase in total cargo and container handling over the previous year. While export cargo and container volume grew by 3 percent in FY2021, imports increased by 31 percent over the same period last year.

Table 13.8: Cargo & Container Handling at Karachi Port (000 tonnes)

Fiscal Year	Imports	Exports	Total	%Change		
				Imports	Exports	Total
2015-16	34,594	15,451	50,045	-	-	-
2016-17	42,638	9,855	52,493	23	-36	5
2017-18	41,669	13,016	54,685	-2	32	4
2018-19	32,863	14,031	46,893	-21	8	-14
2019-20	27,206	14,634	41,840	-17	4	-11
(July-March)						
2019-20	21,076	11,527	32,603	-16	11	-8
2020-21	27,546	11,878	39,424	31	3	21

Source: Karachi Port Trust

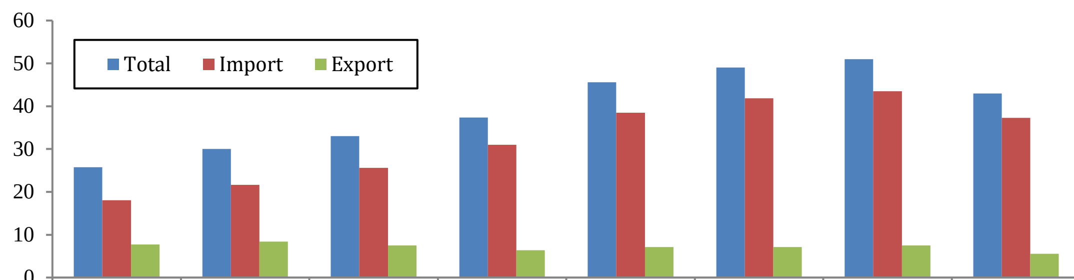
Fig 13.1: Cargo & Container Handling at KPT (000 tonnes)



Port Qasim Authority

Port Qasim handled a total cargo volume of 43.006 million tonnes during the first nine months of FY2021. Out of this, 37.255 million tonnes were imported while 5.575 million tonnes was exported.

Fig 13.2: Year-wise statistics of Port Qasim Authority (Million Tonnes)



	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Jul-Mar)
Total	25.775	30.014	33.032	37.358	45.555	49.031	51.017	43.006
Import	18.076	21.608	25.587	30.995	38.471	41.878	43.509	37.255
Export	7.699	8.405	7.464	6.363	7.084	7.153	7.508	5.575

Gwadar Port

Gwadar Port is located on the shores of the Arabian Sea in Balochistan. It is about 630 km away from Karachi and 120 km from the Iranian border. It is strategically located at the mouth of the Persian Gulf, just adjacent to the Strait of Hormuz, the key shipping route in and out of the Persian Gulf.

Gwadar Port is in the process of becoming the Gateway Port for Pakistan as well as for the region. It is the first Deep Sea Port of the country, complementing and supplementing the other two vibrant ports i.e Karachi Port and Port Qasim. Its development is critical to stimulate the economic growth of Balochistan in particular and Pakistan in general as it will provide an outlet for land-locked Central Asian Republics (CARs), Western China and Afghanistan.

Port Operations and Renovation:

In May 2013, the port's Concessional Rights were transferred to a new operator, China Overseas Ports Holding Company Limited (COPHCL), which has been working on improving port facilities and businesses and the surrounding environment. It has invested over $ 40 million for upgrading the port facilities which is now fully operational and receiving commercial vessels on regular basis. The WeBOC (Web based One Customs) system is operational since 2019 and is playing a significant role in early and efficient clearing of cargo.

For operationalization of the Gwadar Port, Gwadar Port Authority (GPA) has started developing the first Free Zone of Pakistan (spread over 9.5 sq. km area) in collaboration with COPHCL. Work on Phase-I (Southern Free Zone) is near completion. The project, completed in record time, will help to increase the port's throughput.

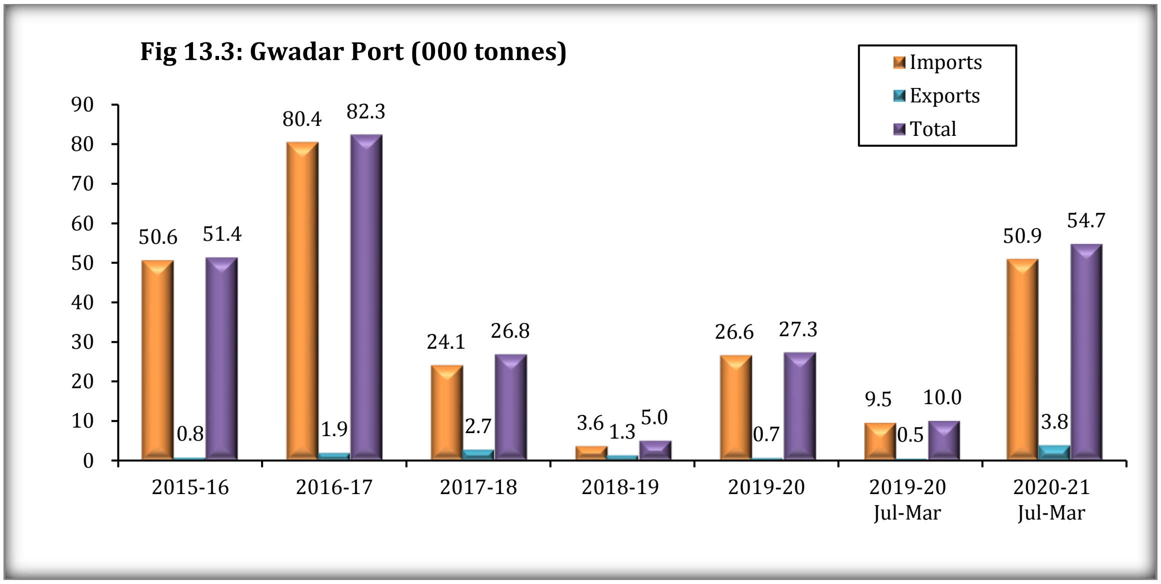
The Federal Government has provided tax incentives for the Gwadar Port Free Zone. Gwadar Expos were successfully held in the Free Zone in 2018 and 2019 and similar activity is in plans every year.

Gwadar Port Free Zone

- The construction of Free Zone Phase-I has been completed with all infrastructures, including power, water, road, telecommunication, waste treatment and drainage systems in operation now. More than 30 enterprises, in the areas of financial services, hotels, warehouses, fishery products processing, edible oil processing, pipe industry, furniture manufacturing, electric vehicles assembly, trade and logistics, have already been registered in the Free Zone.
- Following companies have completed construction and one has started operations:
    - China Communication Construction Company (Business Center)
    - Linyi Trade City (Exhibition Center)
    - Yulin Company (Steel Tube Industry)
    - HK Sun (Copper and Metal Recycling Factory)
- Work on the main Free Zone on 2,281 acres of land will start soon for which COPHCL has completed the master plan and feasibility work.

Port Operations

The Chinese Operator is working on increasing the number of ships calling at the port. Two ship-liners (COSCO & Sino-Trans) are calling regularly at the port since March 2018. Weekly container service has also been started by COSCO. The details of cargo handled so for, is reflected in the following figure:



China Pakistan Economic Corridor (CPEC), Gwadar Port and City

In 2013-14, Pakistan and China agreed to a long-term bilateral trade and economic corridor programme, i.e. CPEC. The GPA has been part of the planning and appraisal processes of CPEC. For the early harvest/prioritized phase, following projects, which are now at different stages of implementation, were agreed between the two sides:

a. Construction of East-Bay Expressway
b. Pak-China Technical & Vocational Institute

Construction of East Bay Expressway

The 19 km 6 lane Eastbay Expressway, a flagship project of CPEC, will connect Gwadar Port and its Free Zone with M-8 and Makran Coastal Highway. 14.7 km of the road is onshore while 4.3 km will be offshore. It will be a limited access high speed road meant for the use of heavy traffic fulfilling the cargo needs of the port. With 85 percent of the work already complete, the Expressway is expected to be fully operational by FY2022

Pak-China Technical & Vocational Institute

The project aims to improve the technical skills of the local population to fulfil the needs of Port Operations, Gwadar Port Free Zone, Export Processing Zone and other industrial and allied activities like tourism, hotel industry, hospitality management etc. Implementation agreement of the project was signed on 29th March, 2019 during Gwadar Expo 2019 with the Prime Minister of Pakistan witnessing the signing ceremony. The detailed design was reviewed and approved in June 2019 and construction started in December 2019. Rapid work is ongoing with physical progress at 84 percent and completion is expected by December 2021.

Development & Construction of Port Allied Structures - (GPA Business Complex)

Construction of commercial structures on 69 acres of land have been completed for port related businesses like Bank Branches, Stevedores, Agency Offices, Cargo Storage Sheds, Marine Repair Workshop etc. to facilitate investors as well as for revenue generation. Outsourcing of the above area is in process and some of the facilities have already been rented out.

On-Going PSDP Projects

Following projects are in progress under the Federal PSDP and are expected to be completed in different dates:

Table 13.9: On-Going PSDP Projects **(Rs million)**

Sr. No.	Name of project	Total Project Cost
1	Feasibility Study Construction of Breakwaters	191.200
2	Acquisition of Mobile Cranes & Fork Lifters for Gwadar Port	99.728
3	Equipment for Safety of Navigation	11.970
4	Supply, Installation and Commissioning of Floating Jetty at Gwadar Port	40.350
5	Acquisition of Marine Services Vessel for Gwadar Port	319.300
6	Feasibility Study of Capital Dredging of Berthing areas & channel for Additional Terminals	148.000
7	Up gradation of Berthing Facilities for Boats at Gwadar Mini port	134.775

Source: Gwadar Port Authority

Railways Linkage

Pakistan Railways (PR) is a major mode of transport in the public sector, contributing to the country's economic growth and providing national integration. Pakistan Railways comprises of a total of 466 locomotives (461 Diesel Engine and 05 Steam Engines) for the 7,791 km route length. During the first eight months of FY2021, gross earnings have been recorded at Rs 30,966.11 million.

Fig 13.4: Passsenger and Freight Traffic

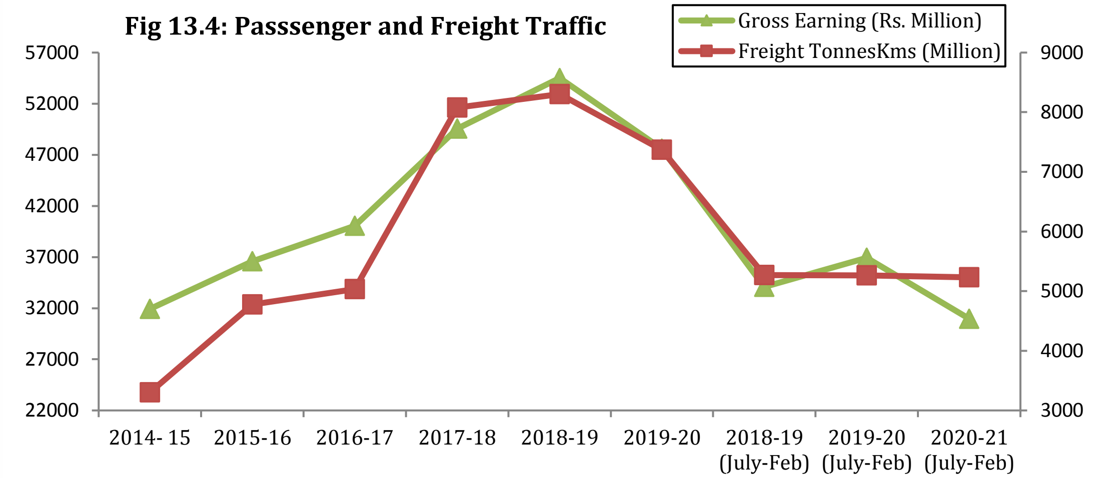


Table 13.10: Earning of Pakistan Railway		
Fiscal Year	Earning (Rs in million)	% Change
2009-10	21,886.00	-
2010-11	18,740.00	-14.4
2011-12	15,444.00	-17.6
2012-13	18,070.55	17.0
2013-14	22,800.22	26.2
2014-15	31,924.00	40.0
2015-16	36,581.87	14.6
2016-17	40,065.00	9.5
2017-18	49,569.68	23.7
2018-19	54,507.90	10.0
2019-20	47,584.00	-12.7
(July-February)		
2019-20	**36,916.85**	**-8.4**
2020-21	**30,966.11**	**-16.1**

Source: Ministry of Railways

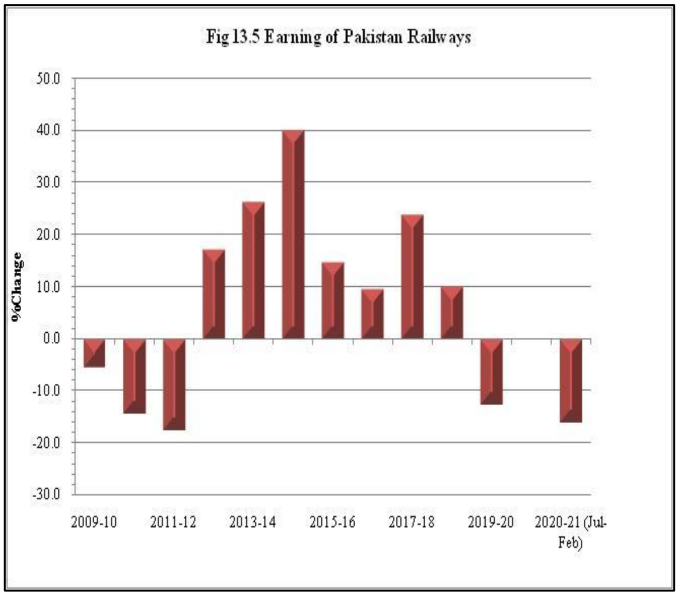
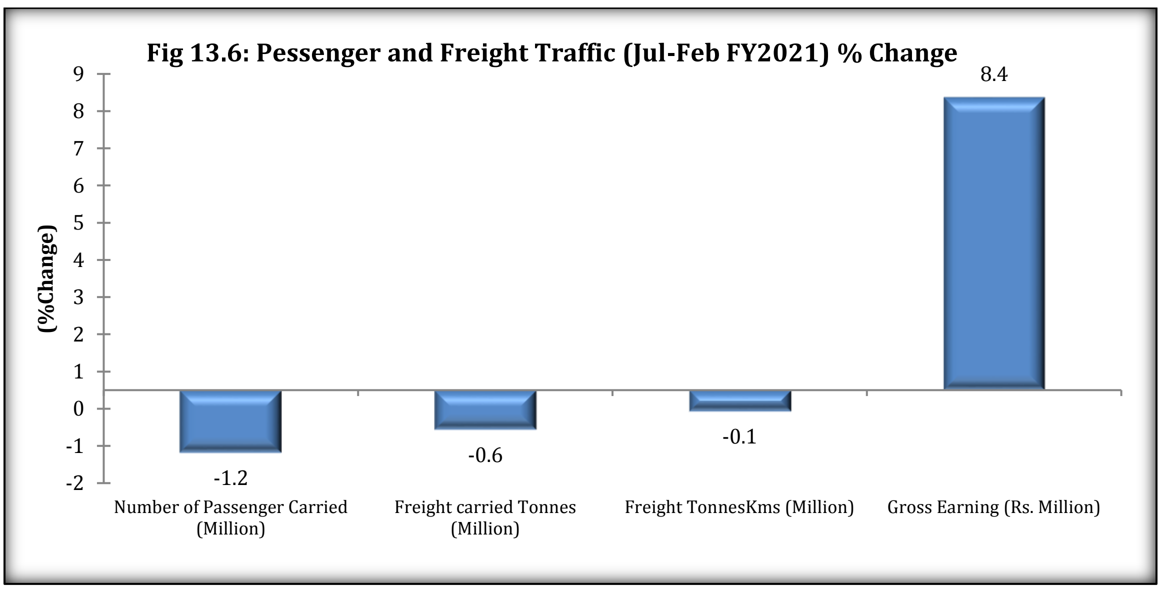


Table 13.11: Passenger and Freight Traffic

Subject	(July-February)			%Change
	2018-19	**2019-20**	**2020-21**	
Number of Passenger Carried (million)	39.90	39.40	18.11	-54.0
Freight carried Tonnes (million)	5.33	5.30	5.25	-0.9
Freight Tonnes Kms (million)	5,269.60	5,266.05	5,229.41	-0.7
Gross Earning (Rs million)	34,066.10	36,916.85	30966.11	-16.1

Source: Ministry of Railways



Communication

Information and Communication Technology Sector

The dynamically evolving Information and Communication Technologies (ICTs) hold critical importance for fueling the country's economy by acting as a catalyst of change and enablement across all other sectors. The Telecommunication market in Pakistan is open and deregulated, offering level playing field to operators. The sector was de-regulated in 2003 after the promulgation of the De-Regulation policy. Resultantly, two new cellular mobile licenses were awarded to M/s Telenor and M/s Warid through open auction. Later on, China Mobile acquired Paktel and started providing mobile cellular services. In addition, multiple Long Distance & International (LDI) and Local Loop licenses were granted to local and international companies. Frequency spectrum was also auctioned to different companies for Wireless Local loop (WLL) operations.

1. Telecom Sector

A. Policy Interventions

i. Measures for introduction of 5G in Pakistan

In line with the Policy Directive of the Ministry of Information Technology & Telecom and as per directions of the Prime Minister, a 5G roadmap with timelines has been developed in consultation with stakeholders. Additionally, an international consultant has also been hired through the World Bank for preparation of a comprehensive report on 5G readiness in the country.

ii. National Cyber Security Policy (NCSP):

Cyber Security is one of the highest priority areas of the government. Extensive efforts were undertaken to draft Pakistan's first National Cyber Security Policy. The policy aims to develop secure and resilient cyber systems and networks for national cyber security and to protect private, public and critical infrastructure. It will be uploaded on the Ministry of Information Technology & Telecom's website for consultations after requisite approvals have been accorded.

iii. National Cloud Policy Draft

Cloud computing offers a wide variety of potential benefits including reduced costs, improved responsiveness to citizens' needs, increased transparency and enhanced public service delivery. The policy will, therefore, play an important role in the achievement of the targets set in the Digital Pakistan policy. It constitutes a tool in support of the efforts to promote mass adoption of emerging digital technologies and innovative applications to enable cross-sector socio-economic development and transformation of economic activities, governance models, social interaction and achievement of sustainable development goals.

The first draft of National Cloud Policy, prepared in consultation with all relevant stakeholders, is currently being deliberated upon by the Ministry of Information Technology and Telecom. It will be put up for public consultation after the internal deliberation process is complete. Through this policy, the Ministry of Information Technology and Telecom aims to contribute to the government's goal to promote e-Governance through IT enablement at all levels.

iv. Right of Way

Right of Way (RoW) is one of the major impediments towards the growth of the Telecommunication sector of Pakistan. Clause 27-A of the Pakistan Telecommunication (Re-organization) Act, 1996 (Amendment) 2006, as well as Section 7.1 of the Telecommunications Policy 2015 mandate the procurement of RoW as an inherent right of telecom licensees to build networks. Accordingly, the government is considering a policy directive drafted by Ministry of Information Technology & Telecom that has already been deliberated by all stakeholders.

v. Local Manufacturing of SIMs/Smart Cards

Evidence suggests that approximately 07 million SIM cards and 10,000 banking cards are being imported every month as the current import regime incentivizes such imports. A multi-stakeholder 'Committee on Local Manufacturing of SIMs/Smart Cards', constituted by the Prime Minister, is deliberating on the matter to save foreign exchange.

vi. National Broadband Policy 2021

The Telecommunications Policy 2015 was subject to review after 05 years of its launch i.e. January 2021. With the support of the World Bank a comprehensive review of the Policy has been completed and a draft National Broadband Policy 2021 has been formulated keeping in view the global trends and emerging technologies. Once approved, the Policy will be uploaded on Ministry of Information Technology & Telecom's website for consultation.

B. Infrastructure Development in Unserved and Underserved Areas of the Country

Through the Universal Service Fund (USF), Ministry of Information Technology & Telecom is committed to minimize the Information and Communication gap between rural and urban communities. Several projects are being designed to connect the unconnected in the unserved and underserved areas of the country.

i. Broadband for Sustainable Development (BSD) Programme:

It is a flagship programme to establish telecommunication infrastructure that provides coverage of Voice and Broadband Internet Services to unserved mauzas across the country. USF has launched various projects to provide telecommunication coverage to approximately 12,000 unserved mauzas with a population of around 15 million across all provinces of Pakistan. More than 8,364 unserved mauzas across the country have already been provided with coverage through USF. In the current Fiscal Year, 203 mauzas have been served by USF under previously running projects, whereas, Rs 46.97 million have been disbursed upon completion of different project milestones.

ii. Next Generation – Broadband for Sustainable Development (BSD) Programme:

BSD programme has now been transformed into NG-BSD programme which targets provision of enhanced Broadband Services (at minimum rate of 512 kbps) along with Voice Services to the unserved and underserved mauzas. Projects are gradually being launched in 108 districts approved by the Federal Government.

Approximately 36 million un/underserved population in these districts will benefit from the programme. Till April 2021, 21 projects have been contracted targeting 8,545 un/undeserved mauzas in 41 districts having an approximate population of 18 million.

In FY2021, contracts for 8 projects, worth approx. Rs 3.4 billion, have been awarded to provide NG-BSD services in the districts of Bolan, Gwadar, Ghotki, Khairpur, Sukkur, Jaffarabad, Ziarat, Malir, Karachi West, Mastung, Lower Dir, Upper Dir and Chitral. 2,292 un/underserved mauzas and 3.6 million population is being targeted. So far, 505 mauzas have been served in the current FY.

iii. Next Generation BSD Programme for National Highways and Motorways (NH&MW):

The programme targets unserved road segments of the National Highways and Motorways across the country. It is estimated that around 7,700 kms of routes are unserved. A salient feature of this programme is National Roaming that facilitates commuters to get seamless coverage irrespective of their originally subscribed networks. These will be first of their kind projects to offer such facility in Pakistan. In FY2021, USF has completed provision of NG-BSD services along 132 kms of un/underserved road segments and Rs 1.087 billion has been disbursed for NG-BSD Projects including NH&MW.

iv. Optic Fiber Cable (OFC) Programme

USF Optic Fiber Cable programme is concentrating on connecting the un-served Tehsil Headquarters (THQs) and major towns' re-route. Till April, 2021, 8,184 km of OFC has been laid and 146 THQs/Towns have been provided with the connectivity. In current Fiscal Year, 238 kms of fibre has been laid connecting 11 THQs/towns whereas Rs 140 million has been disbursed. USF is working to deepen the Optic Fiber Footprint to un-served small towns/union councils. Two projects worth Rs 3.07 billion have been signed during FY2021, targeting 140 un-served towns/union councils in districts Ghotki, Kashmor, Sukkur and Khairpur.

2. Information Technology Sector

Present Government's incentives for IT industry include:

- Zero income tax on IT exports till June 2025
- Three-year tax holiday for Pakistan Software Export Board registered IT startups
- 100 percent equity ownership allowed to foreign investors
- 100 percent repatriation of capital and dividends allowed
- Tax holiday for venture capital funds till 2024
- Accelerated depreciation of 30 percent on computer equipment
- Foreign currency account permitted for receipt of export remittances

IT Exports & Remittances

There has been a consistent growth in IT & IT-enabled Services (ITeS) remittances over the last 5 years, with a compound annual growth rate (CAGR) of 18.85 percent, the highest growth rate in comparison with all other industries and the highest in the region. Micro enterprises, independent consultants and freelancers have contributed an estimated US$500 million in IT & ITeS exports. The annual domestic revenue exceeds US$1 billion.

IT export remittances, including telecommunication, computer and information services have surged to US$1.298 billion at a growth rate of 41.39 percent during July-February FY2021, in comparison to US$918 million during the corresponding period of FY2019. ITeS export remittances comprising of computer services and call center services have surged to US$1.113 billion at a growth 41.65 percent during July-February FY2021 in comparison to US$785.686 million during July-February FY2020. The number of Pakistan Software Export Board (PSEB) registered IT & ITeS companies as of 30th March, 2021 is 3,013 compared to 2,484 as of March, 2020 showing a growth of 21 percent.

Pakistan's IT sector has a promising future, brimming with talent and the potential to become the largest export industry of the country. IT industry is already among the top 5 net exporters of the country with the highest net exports in the services industries. Pakistan is the 5th most financially attractive location in the world for offshore services, according to A.T. Kearney's Global Services Location Index. Pakistan is also ranked as the 4th most popular country for freelancing as per Global Gig Economy Index 2019.

Infrastructure Development for IT Facilitation

i. Establishment of Information Technology Parks

The Software Technology Parks (STPs) are a major factor in facilitating IT companies and have a vital role in ensuring long term growth of the IT industry. STPs house IT companies and professionals act as software factories generating software and IT exports for the country.

A new state of the art IT Park is being established in Islamabad with financing from the Korean Exim Bank through the Economic Development Cooperation Fund (EDCF). It would have a covered area of more than 66,000 square meter and shall be a G+9 structure with two basements for parking. The park would provide office space to almost 120 ICT companies along with all latest ICT infrastructure facilities. Total land available is 14.9 acres. Cost estimates are US $ 88.747 million and the project is expected to be completed in 2023.

In addition to the above, Ministry of IT & Telecom through PSEB, has signed an agreement worth US$186 million with the Korean Exim Bank for development of IT Park on 06 acres of land at Jinnah International Airport, Karachi. Main features of this project include a modern building having covered area of 106,000 square meters of providing office space, data center, incubation facility for startups and other facilities to IT industry.

ii. Establishment of Disaster Recovery Site for National Data Center (NDC) at Lahore:

National Telecom Corporation being the sole ICT service provider for the Government is responsible to take care of the ICT needs of the Federal as well as Provincial Governments. NTC had established a state of the art Tier-III & ISO 27001 Certified National Data Center, at its Headquarters in Islamabad, to cater for growing ICT needs.

As Government of Pakistan gears up for Digital Transformation of Pakistan under the Prime Minister's Digital Pakistan vision, the need for secure, seamless and uninterrupted ICT services becomes of paramount importance. The National level E-Government platform running on National Data Center (NDC) at NTC is compliant with international standards. To further improve the availability and reliability, NTC has established a geographically distant Disaster Recovery Site at Lahore to overcome untoward scenarios in the face of natural calamities or emergencies. The Disaster Recovery Site, established with a cost of around Rs 600 million, adheres to international standards and best practices.

3. Legislative Measures for ICTS

The Ministry of Information Technology & Telecom has re-initiated the process of formulating the country's first Personal Data Protection Act. Views and feedback received from stakeholders were taken into consideration and the revised draft was uploaded on the Ministry's website. It is being followed up for finalization.

Peoples Development Programmes

i. Digital Skills Training Programmes for Freelancing

The Programme aims to increase:

- Number of individuals working as freelancers in the country
- Number of hours worked per freelancer
- Earnings per hour or per project for freelancers
- Household incomes
- Financial inclusion
- IT exports
- Number of experts in specialized skills

The number of trainings that Digi Skills Training Programme has conducted are over 1.5 million till April 2021. The trainees comprise 76 percent males and 24 percent females. The number of overseas Pakistanis trained in the Programme is around 15,000.

ii. Capacity Building of IT Industry

Pakistan Software Export Board (PSEB) has assisted quality certification of 04 IT companies at ISO 27001, 03 at ISO 20000-1 and 02 on CMMI Level-2. The certification of 12 IT companies is in progress on ISO 27001/20000-1/CMMI/L2/L3/L5.

iii. Capacity Building of IT Professionals

PSEB aims to create a highly skilled resource pool within the Pakistan IT industry and train 10,000 IT industry professional and graduates to match the advanced specialized international technologies i.e., Big Data/Cloud Computing, Scrum, SQA, Mean/Full stack development, Python, Cyber Security, CCNA, Oracle, PMP, Prince2 and CMMI. It has trained more than 1,000 IT graduate and professionals on these technologies.

Solicitation and Funding Activities

Technology startups are considered to be the epicenter of innovation and are fueling the growth of economies worldwide by creating new jobs, contributing to GDP and raising the standard of living. Some of the success models around the world are South Korea and Singapore. The Government of Pakistan has also realized the importance of supporting an innovation and entrepreneurship culture in the country and has taken major strides in the past few years. This includes supporting cutting-edge R&D and product development through supporting startups and joint industry-academia collaborations.

Ignite-National Technology Fund, under the Ministry of IT & Telecom, has been focusing on 4th Industrial Wave Technologies over the past three years. Under the unsolicited stream, applications are accepted throughout the year from aspiring applicants both from academia and industry (especially startups) thus creating the right balance between research and product development.

iv. National Grassroots ICT Research Initiative (NGIRI)

The Programme is aimed at promoting R&D and innovation at grassroot level by providing financial support to selected final year projects (FYP) of undergraduate students enrolled in ICT related disciplines of the public & private sector institutions. The Programme rolled out in FY2012, has approved 4,494 FYP for funding. Disbursements of Rs 172.08 million have been made against 3,032 approved FYP. Programme highlights from FY2012 to FY2020 are summarized in table below:

Table 13.12: National Grass-Root ICT Research Initiative (NGIRI) 2012-2020 (Nos.)

Programme Year	Participating Institutes	FYP Submitted	FYP Approved	FYP Funded	Disbursements (Rs million)
2011-12	68	785	272	272	15.27
2012-13	78	1,017	418	418	31.78
2013-14	72	1,247	430	430	25.13
2014-15	75	1,324	436	436	29.59
2015-16	76	1,166	512	360	18.14
2017-18	89	1,623	569	439	21.45
2018-19	136	2,124	815	677	30.72
2019-20	156	2,832	1,042	-	-
Total		**12,118**	**4,494**	**3,032**	**172.08**

NGIRI 2021 was launched on 14th December 2020 and last date to submit FYP was 1st February 2021
Source: Ministry of Information Technology & Telecom

Pakistan Telecommunication Authority

Pakistan Telecommunication Authority (PTA), as regulator of the telecom sector of Pakistan, strives to establish a competitive, fair, progressive, consumer oriented and business friendly regulatory environment in the country. International connectivity, bandwidth capacity, fiber footprint and network redundancies are being improved to meet the ever-increasing demand for data services in the country. While providing modern telecom services, effective governance of internet is ensured to safeguard the interests of the people through active engagement with international platforms, forums and organizations. Encouraging fair competition, keeping pace with rapid modernization of telecom systems, contributing to informed policymaking and creating synergies by working in partnership mode are just a few areas marked by PTA with substantive improvements. Following is detail of telecom developments in Pakistan.

Table 13.13: Telecom Investment US$ (million)

	2016-17	2017-18	2018-19	2019-20	Jul 20-Feb 21
FDI (inflow)	116.4	288.5	235.5	763.3	101.1
Telecom Investment	971.7	792.6	642.0	855.4	363.9
Total	1,088.1	1,081.1	877.5	1618.7	465.0

Source: State Bank of Pakistan

Telecom Sector Analysis

Telecom sector has emerged as one of the vibrant sector of Pakistan's economy. Increasing revenues, growing investment and enhanced contributions to national exchequer are hallmarks of the sector for many years now.

During July 2012 to February 2021, telecom sector has attracted over US$ 3.9 billion of FDI. Foreign Direct Investment in telecom during July-February FY2021 was US$ 101.1 million. Telecom operators have invested an amount of US$ 363.9 million during July-December FY2021. The main driver behind this investment is the cellular mobile sector which has invested US $253.5 million during the period. The overall investment in the telecom sector during the 1st 8 months of FY2021 crossed US$ 465.0 million.

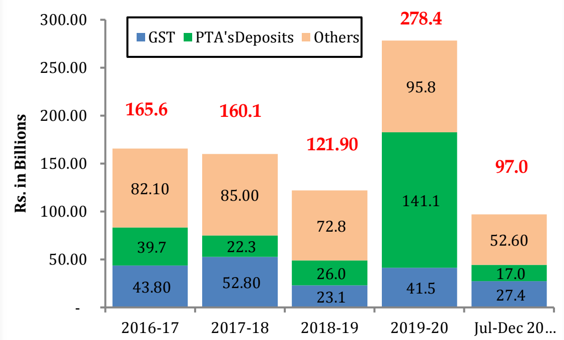
Telecom Sector Contribution

Telecom sector is a significant source of revenue generation for the national exchequer. The telecom sector's contribution (including PTA deposits) to the national exchequer registered 129 percent growth in FY2021. During July-December FY2021, telecom sector contributed estimated Rs 97.7 billion to the national exchequer in terms of taxes, regulatory fees, initial and annual license fees, activation tax and other charges (see Fig-13.7).

Telecom Revenues

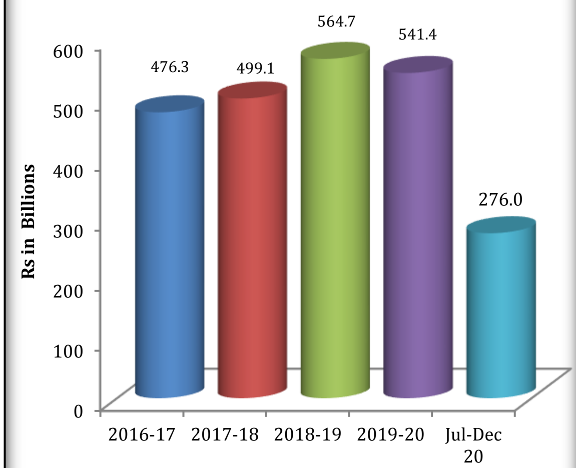
The International Telecommunicaiton Union reported decline of 5-10 percent in telecom sector revenue across countries owing to the COVID-19. Pakistan was no exception in FY2021, as telecom sector revenue declined to Rs 541.4 billion, which was 4.1 percent less as compared to last year. Revenues from telecom sector in two quarters 2021 reached an estimated Rs 276.0 billion (see Fig-13.8).

Fig: 13.7: Telecom Contribution



Note: Figures for Jul-Dec 21 are estimates and all other figures are updated. PTA's contributions comprise of all its receipts including Initial and Annual License Fees, Annual Radio Frequency Spectrum Fee, Annual Spectrum Administrative Fee, USF and R&D Fund Contributions, APC for USF, Numbering Charges, License Application Fee, etc. Others include custom duties, WHT and other taxes.

Fig 13.8: Telecom Revenues



Teledensity

At the end of March 2021, total teledensity in the country reached 85.8 percent, registering a growth of 7.3 percent during July-March FY2021 (see Fig13.9). Cellular mobile segment was the main contributor towards overall growth in teledensity.

Cellular Subscribers

The cellular mobile sector in Pakistan demonstrated impressive growth in terms of nationwide expansion of networks and provision of broadband services. According to the PSLM Survey 2020, 98 percent urban households in the country have mobile phone and about 45 percent individuals own them. Cellular mobile subscribers (number of active SIMs) in Pakistan reached 182 million at the end of March 2021 compared to 167.3 million at the end of June 2020, showing a growth of 8.6 percent in nine months (see Fig13.10). Growth in this segment is a healthy sign for the operators as more subscribers mean more revenue generating opportunities.

Fig 13.9: Teledensity

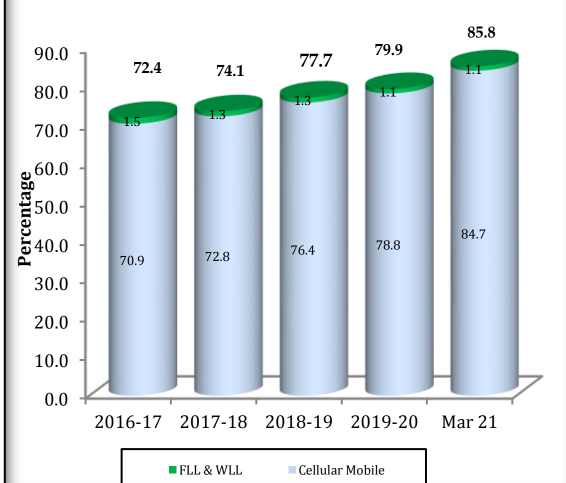
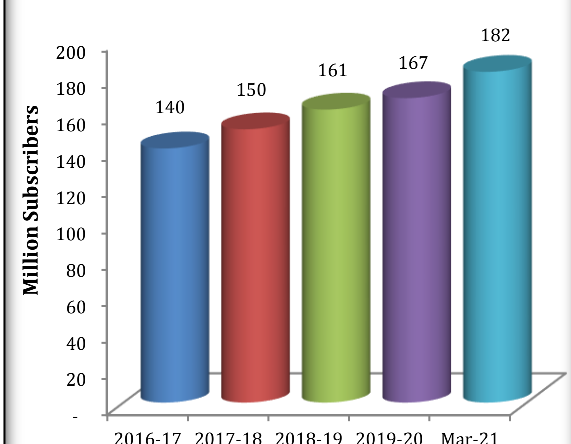
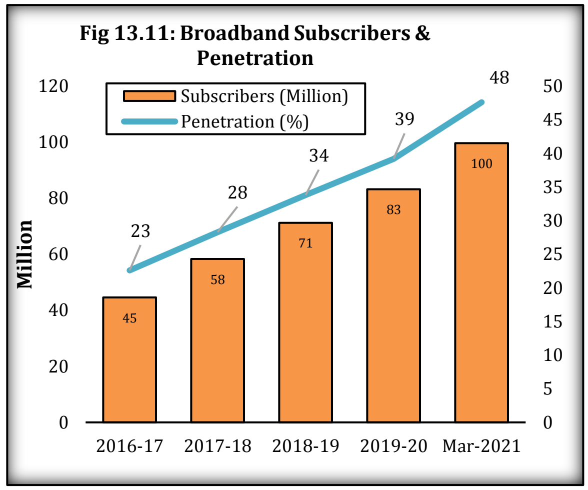


Fig-13.10: Cellular Subscribers



Broadband Subscribers and Penetration



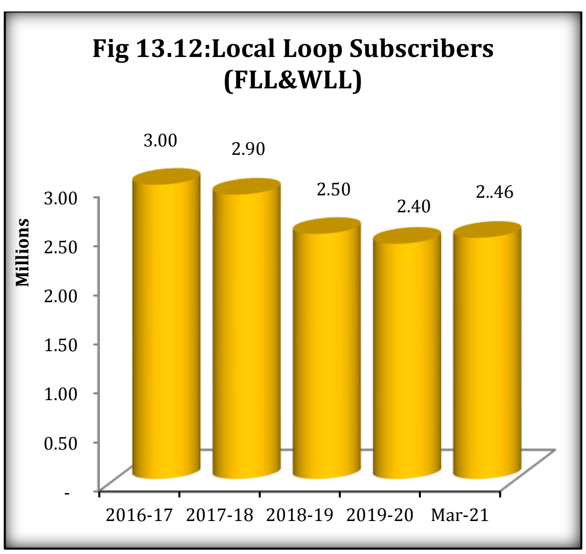
Where lockdowns during the COVID-19 pandemic slackened economic activity, vibrant telecommunication systems played a pivotal role in ensuring availability of essential services to the community. The pandemic enabled actualization of the true potential of broadband services, transforming the way people lived and worked from home. All daily activities related to education, health and virtually every other sector of the economy were digitized, creating a huge nation wide demand for telecom services. Rising to the occasion, PTA supported by other telecom operators ensured connectivity and network resilience; Mobile and Fixed Broadband subscriber base showed strong growth during July-March 2021. At end March 2021, broadband subscribers touched 100 million. The total broadband penetration (both fixed and mobile) in Pakistan stood at 47.6 percent in March 2021 registering an increase of about 19.7 percent as compared to the FY2020 (see Fig13.11).

Local Loop Subscribers

The subscriber base of local loop (FLL&WLL) segment reached 2.46 million at end March 2021 as compared to 2.40 million in June 2020. The net addition of 0.06 million subscribers translates to a 2.5 percent growth (see Fig13.12).

Mobile Data Usage

Data usage by CMOs during July 2020 to February 2021 reached 4,196 Petabytes which is indicating a huge increase in eight months. During last FY2020 data usage remained 4,498 Petabytes (see Fig13.13).



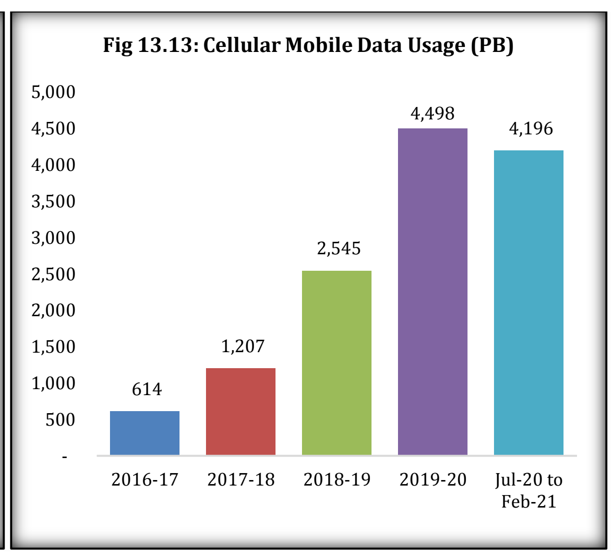


Table 13.16: Local Loop Subscribers (Nos.)

Financial Year	Telephones (FLL&WLL)	Broadband Connections (Mobile& Fixed)	Mobile Phones
2014-15	3,931,296	16,885,518	114,658,434
2015-16	3,295,169	40,147,991	133,241,465
2016-17	2,986,310	44,586,733	139,758,116
2017-18	2,884,889	58,339,814	150,238,653
2018-19	2,574,937	71,026,087	161,021,628
2019-20	2,417,195	83,205,589	167,268,871
Mar-21	2,464,317	99,628,182	181,740,406

Note: FLL and WLL Subscribers are till December 2020
Source: Pakistan Telecommunication Authority

Spectrum Auction and Renewals

PTA has initiated the process for Spectrum Auction of 1800 MHz and 2100 MHz in Pakistan including AJK & GB. Cellular Mobile licenses are being renewed in AJK & GB for enhanced next generation mobile services. An advisory committee has been constituted for the release of spectrum for Next Generation Mobile Services across the country.

Introduction of 5G

PTA has unveiled 5G roadmap incorporating the testing of 5G technology and allied services during the FY2021. Under the policy directives of the Government for introduction and trials of future wireless networks in Pakistan, stakeholders consultation exercise was undertaken to draft a framework on the matter. Furthermore, PTA permitted tests and trials of 5G services under limited environment and on non-commercial basis. Successful trials have been conducted by CMPak, Jazz, Telenor, Ufone and PTCL. During the trials, operators conducted demo test cases including, remote surgery for the first time in Pakistan, Cloud gaming and overview of other 5G technology applications. These were among the first trials of 5G services in any South Asian country, with a recorded download speed of more than 1 Gigabits per second (Gbps). Pakistan was thus recognized as a pioneer of 5G trials in the region. PTA foresees 5G technology operating in a highly heterogeneous environment and providing ubiquitous connectivity for a wide range of devices, new applications and use cases.

Device Identification, Registration and Blocking System (DIRBS)

International organizations such as the International Telecommunications Union (ITU), GSM Association (GSMA), Mobile Manufacturers Forum (MMF), Intellectual Property Owners Organization (IPO), the Organization for Economic Cooperation and Development (OECD), the World Customs Organization (WCO) and other entities have been working to confront the menace of the grey market for mobile devices and its negative impact on the mobile ecosystem. Pakistan has the distinction of implementing the world's first open-source, full-fledged Device Identification, Registration and Blocking System (DIRBS). This system has the ability to identify all the IMEIs latched on Pakistan's mobile network and categorize them on the basis of their compliant status. Implementation of DIRBS has resulted in removing illegal devices from the local market.

During January-March FY2021, the legal import of mobile devices increased to 48 million. This is an exponential jump and perhaps the most visible change due to DIRBS as both businesses and individual consumers showed confidence in the system and avoided the use of illegal mobile devices.

The taxes/duties collected from individual consumers, which prior to DIRBS was an untapped area for revenue collection, stands at Rs 13.93 billion during the period Jan 2019 to Mar 2021. On the commercial import side, the revenue of Rs 22 billion during 2018-19 increased to 83 billion for the period from Jan 2019 to Nov 2020. This is a significant increase despite economic slowdown caused by the pandemic.

Impacts of DIRBS on Economy

a) PTA has blocked 175 thousand devices IMEI reported as stolen through DIRBS
b) System has also identified and blocked 26.03 million fake/replica mobile devices since 2019 identified as programmed with non-GSMA formation
c) The system has been successfully able to identify cloned/duplicated IMEI, whereby 657,645 IMEI were cloned against 4.24 million MSISDN

The launch of DIRBS has also had a significant impact on development of mobile device eco system as companies now have a level playing field. As per figures extracted from DIRBS, it is observed that there is substantial growth in 4G devices that are connected to local mobile networks and the pattern also shows a decline in use of 2G, 3G devices with consumer appetite shifting towards 4G functionality devices. This pattern listed below compliments GoP vision of digital Pakistan.

- 4G devices have seen a growth from 16 percent (Jan 2018) to 41 percent (Feb 2021)
- 3G devices have seen drop from 19 percent (Jan 2018) to 8 percent (Feb 2021)
- 2G devices have seen drop from 64 percent (Jan 2018) to 51 percent (Feb 2021)

Mobile Manufacturing

Due to the introduction of DIRBS, legal imports have increased significantly and local manufacturing has also picked up. The government decided to introduce a comprehensive mobile manufacturing policy to encourage and attract mobile manufacturing players to come to Pakistan and establish their plants. The mobile manufacturing policy was approved by Federal Cabinet in June, 2020 and in light of this policy, PTA has published Mobile Device Manufacturing (MDM) Regulations on 28th January, 2021. Till date 7 companies have obtained 10 Year Mobile Device Manufacturing Authorization and will manufacture mobile devices including 4G smart phones within Pakistan.

Renewal of integrated and Commercial Licenses

Integrated licenses were granted to Pakistan Telecommunication Company Limited (PTCL), National Telecommunication Company (NTC) and Special Communication Organization (SCO) under Sections 39, 40 and 41(3) of the Pakistan Telecommunication (Re-organization) Act, 1996 for a period of 25 years effective January 1, 1996. These licenses were to expire on December 31, 2020. PTA has initiated the renewal process in consultation with all relevant stakeholders. In a bid to fulfil commercial and practical communication needs, PTA granted commercial licenses to Sui Southern Gas Company Limited (SSGCL) and Pakistan Railways for establishment and operationalization of their own telecommunication systems and services. The process for renewal of these licenses has also been initiated with the consensus of stakeholders and in consonance with the Telecom Policy. During the period under review, 62 licenses for telecom and 48 licenses for radio-based services were issued.

PTA Gets ISO 9001:2015 Certification for Consumer Protection Division

PTA has received ISO 9001:2015 quality management system certification for its Consumer Protection Division (CPD) after a detailed audit conducted by accredited certification body, the British Assessment Bureau.

This certification demonstrates PTA's commitment to deliver the highest quality solutions to end users in Pakistan through state of the art Complaint Management System (CMS) run by its Consumer Protection Division. PTA is also determined to analyze and address issues of telecom services for continuous improvement, user satisfaction and engagement. ISO 9001:2015 is an internationally recognized standard of consistency and competency using robust quality management systems designed to encourage continuous improvement and enhance customer satisfaction.

Consumer Support Centre

In February 2020, PTA launched a Consumer Support Center (CSC) for registration of complaints related to telecom services. Managed by an efficient and qualified team, this state-of-the-art facility remains functional seven days a week (from 9 am to 9 pm). Customers can lodge their complaints through a dedicated toll-free number (0800-55055). The CSC, inter alia, handles complaints related to cellular mobile telephony, Internet Service Providers (ISPs), fixed and wireless telephony, DIRBS, web content reporting (blasphemy, pornography, etc.), Universal Account Number (UAN), toll-free, Unique Identification Number (UIN) and allocation of short/ Class Value Added Services (CVAS) registration. On average during February 2020 to March 2021 CSC received 38,700 calls per month. The facility is testimony to PTA's commitment to provide innovative international quality services to address consumer needs.

Raids on Illegal Gateways

Determined to tackle the hazards of illegal grey trafficking, PTA, with support from the Federal Investigation Agency (FIA), carried out 50 successful raids against illegal Voice Over IP (VoIP) setups across Pakistan during 2019 and January 2020 to March 2021. As many as 145 illegal gateways were confiscated during these raids. These raids led to the arrest of 33 persons against whom legal proceedings are underway. Table presents a summary of the raids conducted, gateways confiscated and arrests made.

Table 13.14: Raids on Illegal Gateways

	2019	Jan 2020 to Mar 2021
Raids Conducted	28	22
Gateways Confiscated	102	43
Arrests	23	10

Source: Pakistan Telecommunication Authority

4th Generation Regulator

PTA's ranking as 4th Generation Regulator (G4) places Pakistan among the top five regulators in the Asia-Pacific region. Out of 38 economies in the region, only 8 percent states have managed to attain this distinctive status. Moreover, the country's journey towards collaborative regulations is well acknowledged. In order to achieve the G5 regulator status from ITU, PTA is continuously striving to protect consumer interests and enhance public-private collaboration for digital transformation and socio-economic uplift.

Table 13.15: Top Five Asia-Pacific Regulators (2019)

	Score	GEN
Singapore	130.5	G5
Japan	109.5	G5
Australia	94.5	G4
Pakistan	88.0	G4
Malaysia	87.0	G4

Source: Pakistan Telecommunication Authority

Pakistan Electronic Media Regulatory Authority

Pakistan Electronic Media Regulatory Authority (PEMRA), established under PEMRA Ordinance 2002, as amended by the PEMRA (Amendment) Act 2007, facilitates and regulates private electronic media in Pakistan and strives to improve the standards of information and entertainment in the country. It also works to broaden the choice available to the people of Pakistan in terms of news, current affairs, religious knowledge, art and culture as well as science and technology. The Authority is responsible for facilitating and regulating the establishment and operation of all types of broadcast media and distribution services in Pakistan established for the purpose of international, national, provincial, district and local area community based or special target audiences.

PEMRA is primarily mandated for licensing and regulating the establishment and operation of all broadcast media (satellite TV & FM radio) and distribution services (Cable TV, DTH, IPTV, Mobile TV, MMDS etc.) in Pakistan. Its mandate further includes:

i. Improve the standards of information, education and entertainment.
ii. Enlarge the choice available to the people of Pakistan in the media for news, current affairs, religious knowledge, art, culture, science, technology, economic development, social sector concerns, music, sports, drama and other subjects of public and national interest.
iii. Facilitate the devolution of responsibility and power to the grass roots level by improving the access of the people to mass media at the local and community level.
iv. Ensure accountability, transparency and good governance by optimization of the free flow of information.

PEMRA is now in its 19th year and during these years, the country has witnessed unprecedented growth in the number of TV channels and FM Radio stations as well as distribution networks i.e. Cable TV, IPTV, DTH and MMDS in the private sector.

The private electronic media has come a long way since 2002 when Pakistan was only dominated by the state-run Pakistan Television and Pakistan Broadcasting Corporation. Now with almost 112 Pakistani electronic media channels and more than 43 channels with Landing Rights Permission in Pakistan, the role of PEMRA has never been more important. This boom is owed to the government's unequivocal commitment to a free media and the proactive role played by PEMRA in facilitating the growth of the electronic media. The growth of TV channels, Cable TV and launch of FM Radio stations has indeed contributed remarkably in raising the standards of public awareness and literacy, locally and portraying progressive image of Pakistan globally. A glance at the following facts and figures on licensing of media amply substantiates growth which has taken place in electronic media in private sector in the last nineteen years.

Financial Contributions

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). Year wise detail as under:

Table 13.17: Financial Contributions (Rs in million)

Financial Year	Surplus	Fine & Penalty	Total
2012-13	8,337.636	2,986.800	11,324.436
2013-14	205.537	1,894.750	2,100.287
2014-15	20,077.535	22,746.500	42,824.035
2015-16	481.304	6,588.000	7,069.304
2016-17	5,287.295	25,983.500	31,270.795
2017-18	390.912	11,161.999	11,552.911
2018-19	936,885.338	6,471.000	943,356.338
2019-20	236.919	4,571.000	4,807.919
2020-21 (upto April-2021)	-	4,711.000	4,711.000
Total:	**971,902.476**	**87,114.549**	**1,059,017.025**

Source: Pakistan Electronic Media Regulatory Authority (PEMRA)

Economic Contribution

The growth of media industry in Pakistan has multiplied rapidly during the last decade and now this sector is contributing considerably in building broadcasting apparatus in the major cities and generating a large number of job opportunities for the youth. Over the period, cumulative investment of approximately US$ 4 to 5 billion has been estimated in electronic media industry of Pakistan. The sector is providing employment to more than 300,000 people in the field of journalism, management and technical services. However, with the growing landscape of media industry, a significant jump in employment opportunities is expected in the coming 3 to 5 years. Moreover, new licences would inject investment of approximately US$ 2 to 3 billion in various projects.

Pakistan Television Corporation Limited

Two main projects are underway by Pakistan Television Corporation i.e. modernization of camera & production equipment and DTMB-A. The first project, financed by Government of Pakistan under PSDP, has an allocation of Rs 133 million. The second project DTMB-A has been launched with the assistance from China to improve the signal quality of terrestrial network in less developed areas of Pakistan.

Pakistan Broadcasting Corporation

Pakistan Broadcasting Corporation (PBC) is another important and effective electronic media platform to provide information, education and entertainment to the masses.

PBC's achievements during FY2021 are as under:

1. Special Programmes on Corona pandemic to reach out to the most vulnerable:

Special programmes were broadcasted to cover corona-virus pandemic and governments' efforts to bring the pandemic under control. Programmes were broadcast in 21 regional languages besides Urdu from PBC network, situated in Punjab, Sindh, Balochistan, Khyber Pakhtunkhwa, Azad Kashmir and Gilgit Baltistan.

2. Radio School:

In light of the Prime Minister's vision, Radio Pakistan started Radio School to impart education to children especially in far flung areas through distance learning during COVID-19 pandemic. Educational programmes are being broadcast from various medium wave and FM networks of Radio Pakistan from 10:00 am to 12:00 pm with rebroadcast from 2:00 pm to 4:00 pm seven days a week.

3. Wide Spread Publicity and Coverage of Government's Initiatives:

Extensive coverage was given by all PBC Stations and Channels to government's initiative and its socio-economic benefits were also highlighted on regular basis.

4. Special Kashmir Transmission:

PBC started special exclusive transmission for the Indian Illegally Occupied Jammu & Kashmir after imposition of curfew and communication blockade by the Indian Oppressing forces in the aftermath of changing the status of Kashmir in August, 2019. Radio Pakistan is the only source of information and communication for the people of the Occupied Valley.

5. Sports Coverage:

PBC aired Live Running Commentary and Live updates on all important national and international Cricket Series like PSL, International Tours etc. to entertain the masses. Special programmes and sports updates were also regularly aired regarding other sports events.

6. Kamyab Jawan Programme:

PBC started a weekly programme to highlight the government initiatives to create opportunities for youth to empower them in the process of decision making and encourage their representation in all spheres of life.

7. Locust Control Programmes by Radio Pakistan:

PBC broadcast special programmes regarding Locust control from Quetta, Karachi, Larkana, Hyderabad, Mianwali, D.I Khan and Bahawalpur stations. Discussion programmes were broadcast emphasizing the methods to save fields from Locust attacks. Government initiatives regarding Locust control were also highlighted.

8. Tourism:

PBC has been broadcasting a special programme titled "Rabta" to highlight the Steps taken by the government for the promotion of tourism in the country. PBC also produced documentaries on Historical sites across the country.

9. Countering Extremism & 5th General Hybrid War of the Enemy:

All PBC Stations/Channels highlighted and supported the sacrifices of Pakistan Army and other Law Enforcement Agencies with full spirit as a national cause for maintaining peace in the country and countering the 5th General Hybrid War of the Enemy through the mainstream and all social media platforms.

Pakistan Post Office

Pakistan Post Office is one of the oldest government departments in the subcontinent. It began functioning as the Department of Post & Telegraph in 1947. In 1962, it started working as an independent attached department of Ministry of Communications. Pakistan Post is the largest postal operator in the country providing timely services at affordable cost.

Pakistan Post's Recent Initiatives

Pakistan Post has recently taken important initiatives to provide efficient postal services to the people of Pakistan. The details are as follows:

i) Same Day Delivery Service

The same Day Delivery Services aims to facilitate the delivery within a city. Consignment is delivered the same day if booked before noon. The service is available in 29 cities at present with plans for extension to other cities in the near future.

ii) Electronic Money Order

The "Electronic Money Order" (EMO) service is one of the most promising services which provides electronic transfer of money. Initially the EMO was offered for window payment at the General Post Offices (GPOs) throughout the country which was known as Post–to–Post. Now Pakistan Post is offering EMO services which is Post–to–doorstep.

iii) Pakistan Post Mobile Application

Pakistan post has launched its own mobile application offering postal services tariffs, post codes, post office locator, complaint registration, track and trace and pick up facilities.

iv) Express Mail Service (Plus)

Pakistan Post has launched **Express Mail Service (EMS) (Plus),** a specialized service for export sector. It aims to ensure delivery of parcel and packets worldwide in shortest possible time. Rates are competitive with real time track and trace facility.

v) Pakistan Post E-Commerce Initiative

Pakistan Post launched its e-commerce initiative in February 2019 on pakpostshop.gov.pk. Registrations were sought in the following categories:

a. Delivery Partner
b. Sale through Postal Counter
c. Collect and return services
d. Co-branding Partner

1625 registration forms from private vendors for COD business have been received till 31st March 2021.

vi) Partnership with NADRA

Pakistan Post and NADRA signed an agreement for "Renewal/ Modification of CNIC through Post Offices". This initiative has facilitated customers in remote areas.

vii) Improvement of Pakistan Post Complaint Management System (CMS)

Pakistan Post has a Complaint Management System (CMS) connecting all controlling and field offices across the country.

viii) Pakistan Post's Facebook Page

Pakistan Post is maintaining a Facebook page to receive feedback and suggestions for improvement in postal operations from general public https://www.facebook/pakistan.postoffice

ix) Computerized Pension Payment System

Pakistan Post Office Department is paying pensions to military and PTCL pensioners in a hassle free environment.

x) Western Union (WU) Money Transfer Service

Pakistan Post, under an Agency Agreement with Western Union, provides international remittance services under the Western Union Money Transfer Service through 2,094 post offices in the country.

xi) International Postal Services

Pakistan Post has mail links across the globe. The exchange of mail is carried out under rules and regulations of the Universal Postal Union. Direct mail links exists with 72 countries while the rest of the countries are catered through transit facilities of intermediary countries.

xii) PPOD-NBP International Remittance Service

Pakistan Post, in collaboration with the National Bank of Pakistan (NBP), provides payment of/disburses foreign remittances under NBP's remittance service, through 500 designated post offices across the country.

Philately:

The following Commemorative Postage Stamps have been issued during the July 2020 to March 2021 period:

Table 13.18: Commemorative Postage Stamps		
Issuance of Commemorative Postage Stamp on World Population Day, 2020.	11-07-2020	Rs 20/-
Issuance of Special Postage Stamp on one year of Indian Occupied Jammu & Kashmir Siege.	05-08-2020	Rs 58/-
Issuance of Commemorative Postage Stamp of Silver Jubilee Shoukat Khanum Hospital	06-08-2020	Rs 20/-
Issuance of Commemorative Postage stamp in the Honour of Mughal Abdul Haq Jahanzeb former Wali of Swat State	14-09-2020	Rs 20/-
Issuance of Commemorative Postage Stamp To Celebrate The 75th Anniversary of the United Nations	24-10-2020	Rs 20/-
Issuance of Special Postage Stamp on Pink Ribbon -Breast Cancer Awareness.	11-11-2020	Rs 20/-
Issuance of Special Postage Stamp on "NEW POLITICAL MAP OF PAKISTAN - 2020	25-12-2020	Rs 20/-

Source: Pakistan Post Office

Number of Post Offices as in March 2021

Summary of Rural & Urban Post Offices is as under:

Table 13.19: Post Offices (Nos.)

Urban	Rural	Total
1514	8589	10,103

Source: Pakistan Post Office

Conclusion

A well developed and functioning transport and communication network is critical to the country's economy. It is for this very reason that the Government is fully focused towards establishing a state of the art fully modernized network of linkages which can propel Pakistan as a regional gateway. Inward and outward connections will give impetus to the private sector to realize its true potential, attract investments from abroad, boost our exports, create jobs and opportunities for sustained and inclusive growth. Going forward, the addition of new highways and motorways, promising developments at the Gwadar Port, updation of the rail network and adoption of IT services are all measures which will have a significant impact of the country's growth prospects.

Chapter 14

Energy

The use of energy has increased significantly due to various inventions and innovations of common use made in last century. Thus almost all human activities have become more dependent on energy. For developing nations in particular, there is fundamental need for reliable and affordable energy. In these countries, energy demand has been increased due to expansion in industry, modernized agriculture, increased trade and improved transportation. Pakistan is dependent on energy imports because there is lack of investment in indigenous resources of hydro, natural gas and lignite. Biomass is the largest energy source. The government has decided to stop building new coal-fired power plants because of environmental issues. The public oil and gas companies are planned to be privatized for various concerns. Due to significant increase in electricity demand, both state-owned companies and IPPs are actively engaged in producing electricity. However, fiscal sustainability has become a challenge due to increase in energy payments. This energy deficiency began from a fuel mix transformation which was initiated two decades ago, when power generation used to rely more on imported furnace oil than hydropower. The current energy crisis began to manifest itself by late 2007. The problem has evolved over the years from one of chronic power supply deficits to one where there is excess installed capacity but not enough cash flow in the system to run it. The latter created 'circular debt' issue. Specifically, the 'circular debt' in Pakistan's energy supply chain refers to the cash flow shortfall incurred in the power sector from the delayed/non-payment of obligations by consumers, distribution companies and the government. It has continued to grow in size over the years, rising from 1.6 percent of GDP (Rs161billion) in 2008, to 5.2 percent of GDP (Rs 2,150 billion) in June 2020. The present government has given prime importance to resolve this issue and working on various options to reduce circular debt.

In terms of energy-mix, Pakistan's reliance on thermal which includes imported coal, local coal, RLNG and natural gas has been decreasing over last few years. Pakistan's dependence on natural gas in the overall energy mix is on decline and the reduction of its share in the energy mix is due to declining natural gas reserves and introduction of LNG. The share of renewable energy has steadily increased over the years. The government is also taking measures to increase the shares of Hydel and Nuclear in energy-mix.

Energy systems around the world are going through rapid transitions that will bring significant changes to the way we fuel our cars, heat our houses and power our industries. These trends will have widespread implications for businesses, governments and individuals in the coming decades. In Pakistan, special measures have been taken to use these innovations for domestic usage of energy, such as Electrical Vehicle Policy 2020-25.

Pakistan's Electricity Generation Capacity and Energy Mix

The hydro share in total electricity generation has declined in FY2021 as compared to its share in FY2020. Currently, thermal has the largest share in electricity generation. Moreover, its percentage share in FY2021 has increased as compared to FY2020. Significant growth of RLNG usage in energy mix has helped for improved supply to various power plants. RLNG is also supplied to fertilizer plants, industrial and transport sectors. The comparison of share of different sources of electricity's installed and generation capacity is given below:

Table 14.1: Fuel-wise Installed Capacity Breakup

	Installed (MW)	Percentage Share
Hydel	9,874.0	26.00
RLNG	7,325.0	19.66
RFO	6,274.0	16.84
COAL	4,770.0	12.80
Gas	4,529.0	12.15
Nuclear	2,490.0	6.68
Wind	1,235.0	3.31
Solar	400.0	1.07
Bagasse	364.0	0.98
Total	37,261.0	100.00

Source: Ministry of Energy, (Power Division)

Fig-14.1: Fuel-wise Installed Capacity Breakup

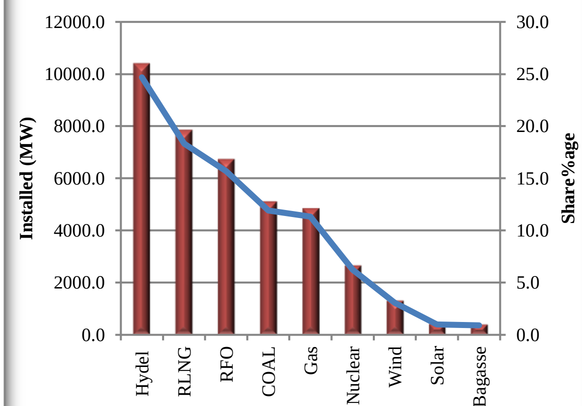


Table 14.2: Installed Capacity

	2019-20 (July-April)	2020-21 (July-April)
Installed Capacity (MW)	35,972	37,261

Source: Ministry of Energy, (Power Division)

Till April, FY2021, installed capacity of electricity has reached 37,261 MW, posting a growth of 3.6 percent.

Fig-14.2: Installed Capacity (MW)

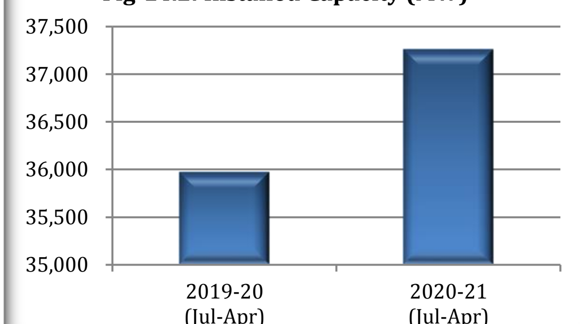
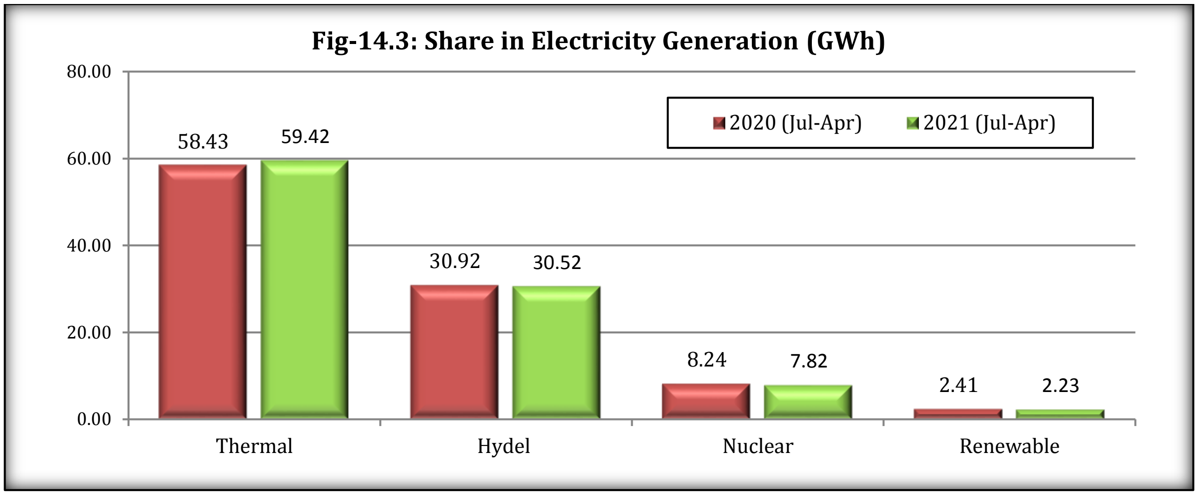


Table 14.3: Share in Electricity Generation (GWh)				**Percentage Share**	
	2019 (July-April)	**2020 (July-April)**	**2021 (July-April)**	**2020 (July-April)**	**2021 (July-April)**
Thermal	61,003	56,320	61,052	58.43	59.42
Hydel	24,931	29,799	31,357	30.92	30.52
Nuclear	2,903	7,941	8,038	8.24	7.82
Renewable	7,955	2,322	2,294	2.41	2.23
Total	96,792	96,382	102,742	100.0	100.0

Source: Ministry of Energy, (Power Division)



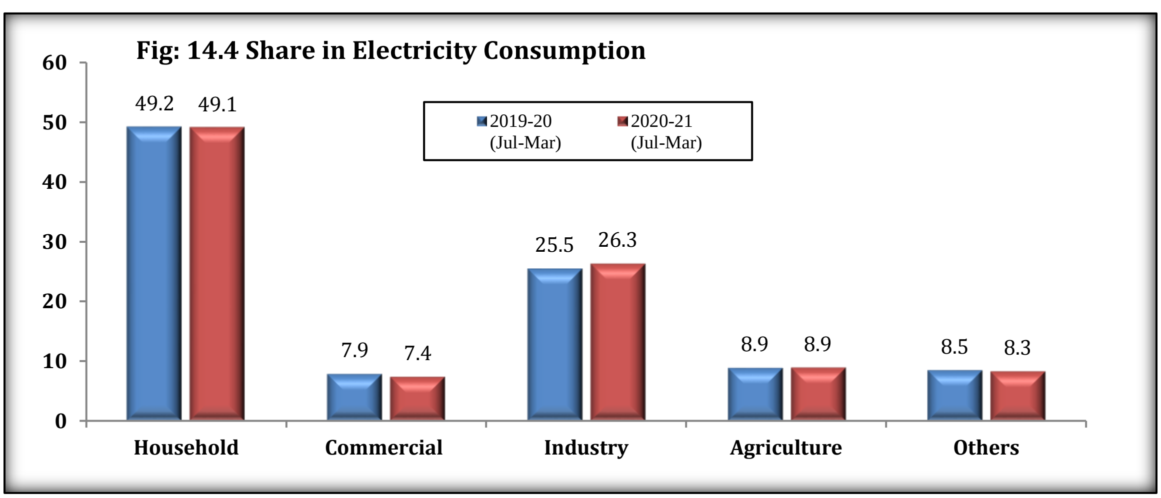
Electricity Consumption

There is no considerable change in the consumption pattern of electricity. During July-April FY2021, the share of agriculture in electricity consumption is constant. However, the share of Industry in electricity consumption has increased which shows revival of economic activities. The comparison between consumption patterns of electricity during July-March 2021 with corresponding period last year is shown below:

Table 14.4: Share in Electricity Consumption

Sector	UNITS SOLD (GWh)		%Share	
	2019-20 (July-March)	2020-21 (July-March)	2019-20 (July-March)	2020-21 (July-March)
Household	39,461	41,508	49.2	49.1
Commercial	6,313	6,246	7.9	7.4
Industry	20,461	22,280	25.5	26.3
Agriculture	7,127	7,558	8.9	8.9
Others	6,825	7,008	8.5	8.3
Grand Total	80,187	84,600	100	100

Source: Hydrocarbon Development Index of Pakistan



NEPRA has extended advice to the concerned entities, including Federal/ Provincial Governments, on various power sector issues. NEPRA also established Occupational Health, Safety & Environment (HSE) Department to enhance the safe and smooth operations and well-being of licensee employees, contractors and community as a whole. NEPRA has also established Corporate Social Responsibility (CSR) Department to streamline CSR initiatives taken by licensees for people within their organization and for the communities within they operate.

NEPRA issued an advisory to ensure following issues to help DISCOs in achieving better service delivery:

- Fully utilize investments as allowed by NEPRA so that new and critical projects are initiated and completed in time
- Install 100% metering at all levels to trace flow of electricity top-down;
- Elimination of electricity theft and billing through prepaid and postpaid initiatives;
- Engage law enforcement agencies with DISCOs to control theft and for the enforcement of disconnection order;

Oil Sector

Crude oil's local extraction and imports reached to 68.9 million barrels in Jul-Mar 2021 from 58.6 million barrel in corresponding period last year, while share of import in July-March 2021 remained 48.2 million barrel as compared to 38.8 million barrel in last year same period. Similarly in Jul-Mar 2021, consumption of petroleum products increased to 14.7 million ton from 12.5 million ton in period under discussion. Oil storage of 38,579 metric tons added in the country's logistics during the period of Jul-Mar, 2021 at the cost of Rs.5,786.8 million. Four licenses for construction and one license for operation of Lube Oil Blending, Reclamation and Grease Plants were issued. Five licenses for setting up Lubricant Marketing Company (LMC) and three Operational licenses for LMCs were also issued. These provisions of licenses will enhance the domestic supply of crude oil and will decrease import bill.

GAS Sector

Natural Gas is a clean, safe, efficient and environment friendly fuel. Its indigenous supplies contribute about 35 percent in the primary energy supply mix of the country. Pakistan has an extensive gas network of over 13,315 KM Transmission 149,715 KM Distribution and 39,612 KM services gas pipelines to cater for the requirement of more than 10.3 million consumers across the country. The Government of Pakistan is pursuing policies for enhancing indigenous gas production as well as imported gas to meet the increasing demand of energy in the country. At present, the capacity of two Floating Re-gasification Storage Units (FRSU) for Re-gasified Liquefied Natural Gas (RLNG) is 1200 MMCFD and accordingly RLNG is being imported to mitigate gas demand-supply shortfall. The average natural gas consumption was about 3,723 Million Cubic Feet per day (MMCFD) including 950 MMCFD volume of RLNG during July-Feb 2021. During July-Feb 2021, the two gas utility companies (SNGPL & SSGCL) have laid 143 Km Gas Transmission network, 2,616 Km Distribution and 886 Km Services lines and connected

70 villages/towns to the gas network. During the period 304,573 additional gas connections including 303,243 Domestic, 1,020 Commercial and 310 Industrial connections were provided across the country.

It is expected that gas will be supplied to approximately 524,000 new consumers (this target is subject to approval/revision by OGRA) during the fiscal year 2021-22. Gas utility companies have planned to invest Rs. 17,571 million on transmission projects, Rs. 91,812 million on distribution projects and Rs. 3,156 million on other projects bringing the total investment of Rs. 112,539 million during the fiscal year 2021-22.

Table14.5 : Sector Wise Natural Gas Consumption In million Cubic Feet Per Day (MMCFD)

Sector	Gas Consumption in MMCFD	RLNG (Bcfd)	Total
Power	610	578	**1,188**
Household	915	-	**915**
Commercial	65	8	**73**
Transport (CNG)	63	47	**110**
Fertilizer	687	37	**724**
General Industry	433	280	**713**
Total	**2,773**	**950**	**3,723**

Source: Ministry of Energy (Petroleum Division, Policy Wing)

Table 14.6 Gas Transmission Augmentation Projects

S. No	Project Description	Commissioning Date
1	**Installation of one (01) New Gas Turbine Driven Centrifugal Compressor at Shikarpur** In order to cater the natural gas requirement at Balochistan and Quetta, SSGCL has successfully installed one turbo compressor unit of 200 Mmcfd capacity at Shikarpur. The main objective of this project is to meet the requirement during winter season.	November 2020
2	**30" Diameter x 17 Km Pipeline from CTS Bin Qasim to Pakland** In order to enhance the pipeline capacity of RLNG from 1.2 Bcfd to 1.8 Bcfd, a 30" diameter x 17 Km pipeline has been laid from CTS Bin Qasim to Pakland in addition to already existing 42" Dia pipeline.	December 2020

Source: Ministry of Energy (Petroleum Division, Policy Wing)

Table 14.7 Gas Projects in progress

1	**24" Diameter X 31 KMs Pipeline from ACPL to Surjani** In order to cater the low pressure problem in West end of Karachi & S.I.T.E industrial area, 24" diameter x 31 Km pipeline has been planned for transporting 100 MMcfd additional gas to aforesaid area of Karachi.
2	**12" Diameter X 9 KMs Pipeline from SMS Pakland to SMS Dhabeji for Special Economic Zone** This project is being executed in order to supply 13.5 MMscfd volumes of gas to Dhabeji Special Economic Zone.

Source: Ministry of Energy (Petroleum Division, Policy Wing)

Liquefied Petroleum Gas Sector

Liquefied Petroleum 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, 2021 was 927,683 metric tons. Currently there are 11 LPG producers and 216 LPG marketing companies operating in the country having more than 7,000 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, 2020-21, one (01) license for construction of LPG production facility, nine (09) licenses for operation of LPG Storage & Filling Plants and twenty (20) licenses for construction of LPG Storage and Filling plants were issued. In addition, OGRA has also issued five (05) licenses for construction of LPG auto refueling stations and one (01) license for operation of LPG Auto Refueling Station during the same period.

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 significant contribution in national economic progress and created an environment for additional investment which will not only result in creation of infrastructure in LPG sector all over the country but will also provide jobs to hundreds of unemployed people. OGRA is playing its vital regulatory role to increase private investment in midstream and downstream petroleum industry. During July–March, 2021 an investment of approximately Rs. 17.08 billion has been made in LPG infrastructure.

Liquefied Natural Gas Sector

As of March 2021, two (02) Operational and five (05) Provisional Licenses pertaining to LNG regulated activities have been issued by OGRA which are valid and in-force. Two Provisional Licenses holders for LNG projects i.e. Energas Terminal (Private) Limited (ETPL) and Tabeer Energy (Private) Limited (TEPL) applied for the next stage of licensing i.e. construction license. Moreover, Daewoo Gas (Private) Limited (DGPL) and LNG Easy (Private) Limited have been granted provisional licenses during the period under reference for virtual pipeline projects. In addition to the above, OGRA has drafted LNG Terminal Access Rules and LNG Terminal Access Code during the period under reference. These rules are expected to play a pivotal role in liberalization of LNG market and shall also promote development of a competitive gas market by ensuring uniform principles of transparency, fair and non-discriminatory practices in all transactions concerning use of LNG terminals and ensuring safe and reliable supply of gas thus participating in economic growth.

Compressed Natural Gas (CNG) Sector

There has been a ban on issuance of new CNG License(s) since 2008 and therefore OGRA did not issue any new CNG License(s). However, the government has permitted issuance of CNG License(s) on RLNG basis only in October 2020.

Nuclear Energy

Pakistan Atomic Energy Commission (PAEC) is the only utility engaged in generation of electricity through nuclear power in Pakistan. In performing its functions, it undertakes planning, construction, operation, radioactive waste management and decommissioning of all its nuclear power plants. The electricity produced by the operating Nuclear Power Plants (NPPs) of PAEC is delivered to its clients, namely K Electric in Karachi and Central Power Purchasing Agency (CPPA) in the rest of the country.

There are six nuclear power plants operating on two sites in the country, two units namely Karachi Nuclear Power Plant (KANUPP) at Karachi and four units of Chashma Nuclear Power Plants (C-1, C-2, C-3 & C-4) at Chashma (Mianwali District of Punjab Province). The gross capacity of these five nuclear power plants is 2,530 MW that supplied about 7,076 million units of electricity to the national grid during 1st July 2020 to 31st March 2021.

KANUPP, the oldest of the lot has surpassed its design life of 30 years and has completed 49 years of safe and successful operation. PNRA relicensed the plant after expiry of its design life and put a cap on thermal power as well as electrical power. KANUPP was allowed to operate at a maximum power of 90 MW. The second unit at Karachi (K-2) was connected to grid on 18th March 2021. The four units of Chashma are amongst the best performing electricity generating plants in the country, in terms of endurance and availability. Two of these plants, C-2 and C-4 made national records of continuous longest operation for over one year. Some performance parameters of these plants are presented in the following table:

Table14.8: PAEC's Performance Parameters

Plant	Capacity (MW)		Electricity sent to Grid (Million kWh)	
	Gross	Net	1st July 2020 to 31st March 2021	Lifetime up to 31st March 2021
KANUPP	100	90	162	14,871
C-1	325	300	1,929	41,742
C-2	325	300	1,466	22,328
C-3	340	315	1,723	10,355
C-4	340	315	1,774	8,358
K-2	1,100	1,071	22	22

Source: Pakistan Atomic Energy Commission

One more unit with gross capacity of 1,100 MW is currently under construction near the KANUPP site in Karachi, the Karachi Nuclear Power Plants (K-3). Cold functional tests for K-3 are in progress. K-3 plants are expected to become operational in 2022. PAEC has undertaken construction of another nuclear power plant at Chashma near Mianwali. The site already is home to four operating nuclear plants. This unit will be called C-5 and it will replicate the design characteristics of K-2 and K-3. As per requirement of Environment Protection Agency (EPA), Punjab, public hearing of Environment Impact Assessment Report of C-5 was arranged at Chashma site in September 2020. Punjab EPA has issued the NOC.

PAEC has intensified its activities to meet the nuclear electricity generation target of 8,800 MW by the year 2030 set through government's Energy Security Plan formulated in 2005. Completion of K-2/K-3 project will be a big step that will bring PAEC 2,200 MW closer to achieving this target. PAEC is planning to develop additional sites to house more nuclear power plants in the future and sites identified throughout the country.

These sites are investigated and acquired for future development. Ample technical and engineering infrastructure is already in place to support both the existing and the under construction nuclear power plants. Skilled labor is being produced regularly by Indigenous institutes, imparting state of the art training and education in all relevant disciplines and at all levels, from technical trainings to academic programs. These instruments are enough to successfully support the foreseeable future ambitions envisioned by PAEC for the future nuclear power program of Pakistan.

Mineral Sector

As per constitutional provisions, the Federal Government is mandated with geological surveys and regulation of mineral oil, natural gas and mineral necessary for generation of nuclear energy and those occurring in federally, controlled areas, national policy formulation, facilitation and coordination at national and international levels. All other minerals are Provincial subject and the executively and legislatively authority for regulating the development and exploitation of these natural resources through grant of mineral titles (prospecting/exploration licenses & mining leases) etc. The country is blessed with 92 minerals, out of which 50 are exploited on commercial basis. Following initiatives/achievements have been undertaken by the Petroleum Division for the uplift of mineral sector of Pakistan;

i) Baluchistan Minerals Exploration Company Limited (BMEC) has been established as joint venture with the Provincial Government in August 2020 to promote large-scale mining in the mineral rich province of Baluchistan.

ii) An investment facilitation project "Establishment of National Minerals Data Center (NMDC)" has been launched at federal level through PSDP at cost of Rs 295.000 million to maintain data repository encompassing the available geo-technical data and administrative details about licensing - granted mineral tiles and the areas applied for mining concessions. The NMDC will comprise an integrated system of the units located in each province and other concerned organizations (GSP etc.) connected to a Central setup managed by the Mineral Wing of Petroleum Division. This arrangement would enable ready access to the basic data required by the prospective investors and would facilitate the investors in a big way.

iii) Another initiative has been taken through PSDP "Legal Consultancy Services for Drafting of Model Mineral Agreement and formulation of uniform regulatory regime" at cost of Rs 100.000 million to facilitate introduction of an internationally competitive regulatory and institutional framework in the country in the light of best industry practices.

iv) Action is underway for revamping of Pakistan Mineral Development Corporation (PMDC) and restructuring of Geological Survey of Pakistan (GSP) for better service delivery to help exploration and development of indigenous mineral resources.

v) Stakeholders' consultation process initiated for formulation of policy framework to promote use of indigenous coal resources for synthesis of gas and liquid fuels.

vi) Services extended for special development packages introduced by the Federal Government for minerals sector of Baluchistan and Gilgit-Baltistan.

vii) Continued support to facilitate smooth operation of mineral sector projects - Saindak Copper-Gold (Saindak Metals Limited), Duddar Lead-Zinc (MCC Huaye Duddar Mining Company), Barite-Lead-Zinc (Bolan Mining Enterprises), Chiniot Iron Ore (Punjab Mineral Company) and mining projects of rock salt and coal.

Coal is still used as source of energy production; however, its share is 12.8% in total installed capacity. The province wise coal production along with its import is given below:

Table 14.9: COAL Production

Sr. No.	Province	FY2020	FY2021 (July to Feb)
1.	Balochistan	3,086,576	2,060,624
2.	Sindh	4,414,296	3,747,144
3.	Punjab	1,072,120	526,190
4.	Khyber Pakhtunkhwa	257,240	41,212
5.	AJ&K	272	205
6.	Import	16,421,787	12,183,161
	Total	**25,252,291**	**18,558,536**

Source: Ministry of Energy (Petroleum Division, Mineral Wing)

Renewable Sector

The Government of Pakistan is emphasizing on utilization of indigenous and environmentally clean energy generation resources. The government has made Alternative Energy Development Board (AEDB) responsible for renewable energy sector. In this regard, the promotion of alternative and renewable technologies is amongst the top priorities of the government. Several initiatives have been taken to create conducive environment for the sustainable growth of Alternative Renewable Energy (ARE) Sector in Pakistan in order to harness the potential of indigenous renewable energy resources.

Development of IPP Based Projects

The development of large-scale grid connected on ARE based power generation projects are being pursued through private investors. Under the vision of the current Government to exploit clean energy resources and increase the share of ARE in the energy mix, the Cabinet Committee on Energy (CCOE) had allowed implementation of projects that had already achieved significant milestones of project development by placing them into following three categories;

- Category-1: 19 projects of 531 MW that have already been issued Letter of Support (LOS) subject to revision of tariff in case tariff determination has been done since more than one year or if the tariff validity period has lapsed
- Category-II: 24 projects of 1339.3 MW that have acquired tariff and generation license subject to revision of tariff in case tariff determination has been done since more than one year or if the tariff validity period has lapsed

- Category-III: 110 projects of 6707 MW cumulative capacity holding LOIs to be allowed to proceed ahead after becoming successful in a competitive bidding to be undertaken as per demand communicated by NTDC.

AEDB has actively been facilitating the said projects as per the criterion set by the CCOE. Four (04) solar PV projects, listed under Category-II have been facilitated to achieve Financial Closing in February, 2021. The projects will be completed by December 2021.

AEDB has prepared the Request for Proposals (RFP) for carrying out competitive bidding for wind and solar projects falling under category-III. The RFP package was considered by NEPRA in Feb 2021 and directed AEDB to make certain changes in RFP and submit revised RFP after AEDB Board approval. AEDB has revised the RFP documents as per NEPRA's directions. Security Documents (EPA & IA) have also been revised in view of NEPRA's observations. RFP Packages are ready to be floated upon receipt of information pertaining to IRZs and total evacuation capacity/ quantum by NTDC through the Indicative Generation Capacity Expansion Plan (IGCEP).

Alternative Renewable Energy Policy 2019

The Government announced a new ARE Policy 2019 in October 2020. The policy aims at creating a conducive environment supported by a robust framework for the sustainable growth of ARE Sector in Pakistan. The GOP's strategic objectives of energy security, affordability of electricity, availability for all, environmental protection, sustainable development, social equity and mitigation of climate change will further be harnessed under the ARE Policy 2019.

Salient features of the ARE Policy 2019 are as follows:

- The policy has an expanded scope encompassing all alternative and renewable energy sources, competitive procurement and addresses areas like distributed generation systems, off-grid solutions, B2B methodologies and rural energy services.
- The policy is target oriented and sets a target of achieving 20% on-grid capacity from ARE technologies by 2025 and 30% capacity by 2030.
- It envisages development of large scale ARE projects in all parts of the country through active participation of the provinces.
- Indicative Generation Capacity Expansion Plan (IGCEP) outputs will form the basis of all on-grid capacity procurements.
- Provinces are part of the Steering Committee envisaged in the policy that will be carrying out the planning of annual ARE induction. Provincial energy departments will be carrying out competitive bidding process as per the annual ARE procurement plan approved by the AEDB on recommendations of the Steering Committee.
- The most significant feature of the policy is that it makes a transition from the traditional methods of procurement based on cost plus and upfront tariffs to competitive bidding. All new ARE projects specifically wind and solar power projects will be developed through competitive bidding.

- The policy envisages simplification and rationalization of the licensing framework for non-utility procurement to minimize regulatory fee, compliance cost and timeframes.

Distributed Generation (Net Metering)

Apart from large scale RE projects, the Government of Pakistan is also encouraging utilization of renewable energy technology at consumer ends across domestic, commercial, industrial sectors. AEDB has been promoting the renewable energy based net-metering deployments under the NEPRA (Alternative & Renewable Energy) Distributed Generation and Net Metering Regulations, 2015.

AEDB has also been carrying out certification of service providers / vendors / installers of solar systems under AEDB (Certification) Regulations, 2018 in order to facilitate the consumers, DISCOs and at the same time ensuring quality of service and equipment. AEDB issued certificates to sixty eight (68) service providers /vendors/installers during July 2020-March 2021. As of Mar 2021 the total number of active AEDB certified service providers /vendors/installers reached up to one hundred and four (104).

During the period of July 2020 to March 2021, a total of 5283 new licenses were issued by NPERA for net-metering based installation of approx. 90.15 MW. As of 31st March, 2021 a total of 10,563 generation licenses for net-metering based solar installations with a cumulative capacity of 181.27 MW had been issued by NEPRA.

Other Supportive Measures by AEDB

AEDB undertook a number of supportive measures in order to promote ARE technologies and to attract private sector investments. Some of the supportive measures taken by AEDB are as follows:

i. AEDB proactively facilitated the RE power projects in achieving their project milestones and resolution of issues and impediments faced by the project sponsors from different public sector entities.
ii. Assisted World Bank in study for analyzing the integration of variable renewable energy in the national grid with the objective of increasing the share of renewable energy in the energy mix of the country.
iii. Assisted World Bank in carrying out the Pakistan Renewable Energy Locational study that has the objective to identify the most suitable locations for VRE deployment in Pakistan to enable an informed strategic planning process of the imminent capacity ramp-up.
iv. AEDB proactively engaged with World Bank for carrying out the Pakistan Renewable Energy Competitive Bidding Study that will provide strategic analysis and advice to the AEDB and other relevant sector agencies on the implementation of competitive bidding for the contracting of Renewable Energy (RE) capacity to achieve the 2025 and 2030 targets in line with the Alternative Renewable Energy (ARE) Policy 2019.

v. Carried out stakeholder consultation for revision of AEDB (Certification) Regulations 2018 aimed to simply the procedures laid therein in order to ensure the implement the present Government's policy of Ease of Doing Business.

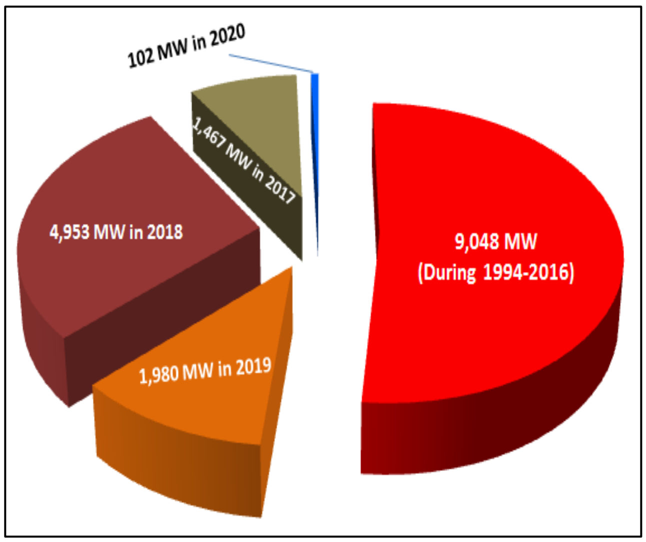
vi. Developed the RFP package after stakeholder consultation for carrying out competitive bidding amongst pipeline wind and solar projects are per the decisions of the Cabinet Committee on Energy (CCOE).

vii. Assisted NTDC in carrying out the feasibility study of solar water pumping in Baluchistan.

viii. Supported Government of Baluchistan in preparation of PC-IIs for renewable energy based off-grid electrification projects in districts of southern Baluchistan.

Private Power and Infrastructure Board

Private Power and Infrastructure Board (PPIB) acts as a one-window facilitator/one- stop organization to promote, encourage, facilitate and safeguard investment in the power sector. PPIB approves and facilitates the development and implementation of power projects and related infrastructure in private sector, public-private partnership and specified public sector projects.



The performance of PPIB is evident from the fact that under 1994, 1995, 2002 and 2015 Power Policies PPIB has so far managed to commission forty (40) independent power projects (IPPs) totaling 17,551 MW with a cumulative investment outlay of around US$ 20 billion of which nine (9) IPPs of more than 8,500 MW have been commissioned within a short period of three years i.e. during 2017-2020.

Conclusion

Pakistan is successfully overcoming energy crisis, which has direct and indirect impact on all sectors of the economy, through increase in generation as well as in transmission capacity of the system. Presently, Energy Sector is confronted with some issues, which needs to be filled up along with improvement in energy-mix for its supply at lower cost as well as fixation of other energy related issues which are strained to national exchequer. Besides ongoing big hydro power projects, present government is also pursuing renewable energy sources which are cost saving to improve the existing energy mix in the country.

Chapter 15

Social Protection

Social protection signifies the capacity of a society to meet the basic human needs of its citizens, establish the building blocks that allow citizens and communities to enhance the quality of their lives on sustainable basis and create the conditions for all individuals to attain their full potential. Social protection can help build the resilience of the poor and vulnerable segments by supporting them against negative income shocks and protecting essential household expenditures such that on food, health and education.

The social and economic effects of COVID-19 are being felt with high intensity across least-developed, developing and emerging market economies irrespective of their income levels. Most of these will experience a low GDP growth during the pandemic period coupled with decline in employment levels leading to a worsening situation in respect of poverty, food insecurity and malnutrition.

The COVID-19 pandemic is posing an unprecedented challenge to countries' social protection systems. Informal workers are at a high risk as they are not covered by any formal social assistance or social insurance mechanism. The socio-economic consequences includes a decrease in demand for goods and services, supply chain disruptions and, employment and income losses. Concurrently, capacities and resources vary across the world to overcome this pandemic and its health, social and economic challenges associated with it.

Social protection, therefore has a central role to play in mitigating the social, economic and health dimensions of the crisis. It fulfils three interrelated roles: (i) protecting critically threatened livelihoods; (ii) preserving and strengthening capacity for recovery; and (iii) building future resilience. Pakistan's poverty reduction efforts have been widely documented and acknowledged. Remittances, safety net transfers and informal system of philanthropic networks have contributed to poverty alleviation. Under social safety nets, Pakistan's Ehsaas Emergency Cash programme has helped to counter the socio-economic fallout of the pandemic.

Multilateral assistance through specific global financial initiatives can help further cushioning the impact of the pandemic. The IMF has enhanced the access limits for its emergency financing facilities, extended grant-based debt service relief and is helping vulnerable countries with new financing through other lending facilities. Other elements of the global financial safety net have also been activated to alleviate international liquidity shortages in emerging markets, including central bank swap lines. The longer the pandemic and its aftermath persist, greater the need to enhance efforts to support financially constrained economies.

To achieve "No Poverty" by 2030 is part of a comprehensive SDG Agenda-1 that calls to end poverty (extreme) in all its manifestations by ensuring social protection, increase access to basic services and support people from economic, social and environmental shocks. Ministry of Planning, Development & Special Initiatives in collaboration with the Provincial Planning and Development Departments and the UNDP carried out an extensive series of divisional level workshops on sensitization to SDGs at the grass root levels, localization of SDGs, prioritization of SDGs and data gap analysis for proper monitoring and reporting.

Indicator Description	Baseline Value/Year	Latest Achievements[1]	Target 2030
1.1.1 Proportion of population below the international poverty line, by sex, age, employment status and geographical location (urban/ rural)	3.90% (2014-15)	-	-
1.2.1 Proportion of population living below the national poverty line, by sex and age	Overall=29.5% Urban=18.2%, Rural=35.6% (2013-14)	Overall=24.3% Urban=12.5%, Rural=30.7% (2015-16)	9.00%
1.2.2 Proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions	Overall=38.8% Urban=9.4%, Rural=54.6% (2014-15)	-	19.00%

According to UNDP Human Development Report 2020, Pakistan's HDI value for 2019 remained at 0.557 which put the country in the 'Medium' category. Pakistan ranked at 154 out of 189 countries in the index based on Health (life expectancy at birth), Education (Expected years of schooling) and Gross National Income (GNI) per capita. Between 1990-2019, Pakistan's HDI value increased from 0.402 to 0.557, an increase of 38.6 percent which is considerably less than the increase achieved by Bangladesh (59 percent) and India (52 percent). Pakistan's life expectancy at birth increased by 7.2 years, mean years of schooling increased by 2.9 years and expected years of schooling increased by 3.7 years respectively. Pakistan's GNI per capita increased by 64.1 percent. From South Asia, Pakistan is compared with Bangladesh, Afghanistan and India which have HDIs ranks of 133, 169 and 131 respectively. Pakistan has shown some progress in human development indicators over the years, raising it to the Medium Human Development category yet, this progress is slower than all other South Asian countries except Afghanistan as given in the Table 15.1 below:

[1] Ministry of Planning, Development & Special Initiatives has constituted a committee to work out the latest poverty figures. The work on poverty figures in under process, once approved, will be published in the national document accordingly.

Table-15.1: Human Development Index and its Components								
Country/ Region	HDI Rank	Human Development Index (HDI) Value (2019)	Average Annual HDI Growth (%) [1990-2019]	Life Expectancy at Birth	Expected Years of Schooling	Mean Years of Schooling	Gross National Income (GNI) per capita (2017 PPP $)	Multidimensional Poverty Index
				SDG-3	SDG-4.3	SDG-4.4	SDG-8.5	Headcount (%)
World	-	**0.737**	**0.71**	**72.8**	**12.7**	**8.5**	**16,734**	-
South Asia	-	**0.641**	**1.33**	**69.9**	**11.7**	**6.5**	**6,532**	**29.2**
Iran	71	0.783	1.13	76.7	14.8	10.3	12,447	-
Sri Lanka	72	0.782	0.75	77.0	14.1	10.6	12,707	2.9
China	85	0.761	1.47	76.9	14.0	8.1	16,057	3.9
India	131	0.645	1.42	69.7	12.2	6.5	6,681	27.9
Bangladesh	133	0.632	1.64	72.6	11.6	6.2	4,976	24.6
Afghanistan	169	0.580	1.83	64.8	10.2	3.9	2,229	55.9
Pakistan	**154**	**0.557**	**1.13**	**67.3**	**8.3**	**5.2**	**5,005**	**38.3**

Source: UNDP Human Development Report-2020

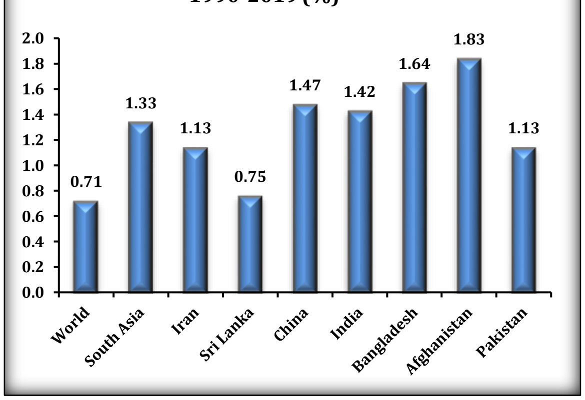


Fig-15.1: Average Annual HDI Growth 1990-2019 (%)

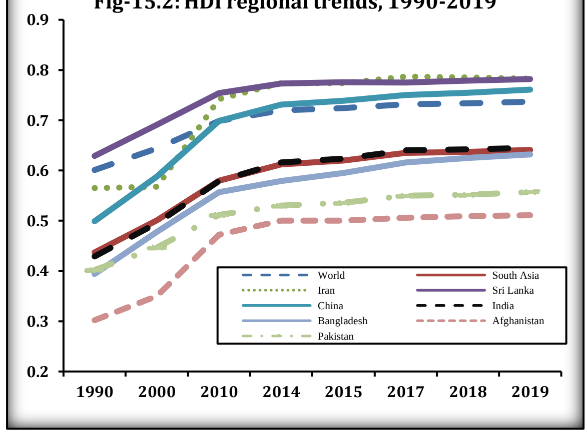


Fig-15.2: HDI regional trends, 1990-2019

Tracking the Pro-Poor Expenditures

Expenditure on pro-poor sectors stood at 9.5 percent of GDP in 2016-17 followed by 9.2 percent of GDP in 2017-18. It dropped to 8.1 percent of GDP in 2018-19 and slightly increased to 8.3 percent of GDP in 2019-20. In absolute terms, pro-poor expenditure increased to Rs 3,447.35 billion as compared to Rs 3,009.30 billion in 2018-19 shown in Table 15.2 below:

Table-15.2: PRSP Budgetary Expenditures by Sector					(Rs million)
Sectors	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20***
Roads, Highways & Bridges	397,506	526,356	452,463	400,623	342,689
Environment / Water Supply and Sanitation	63,554	72,031	77,932	45,186	70,337
Education	663,356	699,222	829,152	868,022	611,015
Health	267,953	328,962	416,467	421,778	482,265
Population Planning	10,894	20,338	20,451	14,328	11,381
Social Security & Welfare**	173,532	259,455	257,534	173,443	280,258
Natural Calamities & Other Disasters	59,204	27,461	19,062	20,933	72,353
Agriculture	239,019	258,396	277,867	256,697	377,093
Land Reclamation	4,601	2,558	2,730	2,538	2,418

Table-15.2: PRSP Budgetary Expenditures by Sector (Rs million)

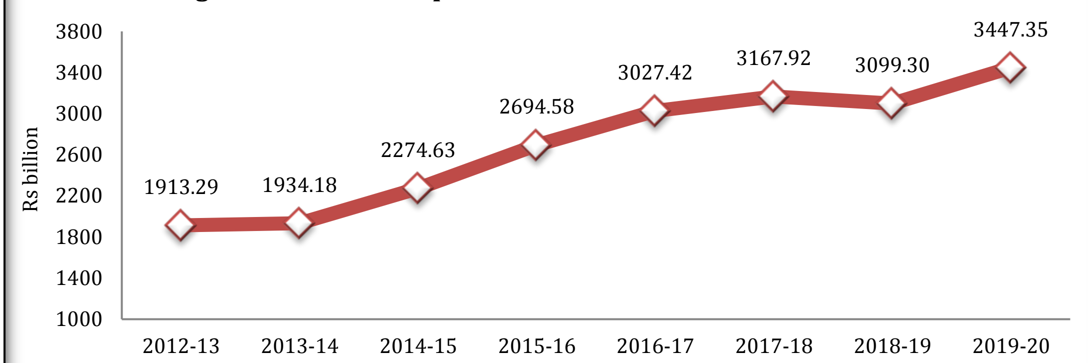
Sectors	2015-16	2016-17	2017-18	2018-19	2019-20*
Rural Development	37,419	30,934	42,127	11,958	29,738
Subsidies	437,087	403,139	327,767	387,092	635,816
Low Cost Housing	460	422	349	704	1,766
Justice Administration	33,255	41,926	53,461	65,937	72,737
Law and Order	306,738	356,217	390,556	430,063	457,487
Total	2,694,578	3,027,417	3,167,918	3,099,302	3,447,353
Total as % of GDP (2005-06 base)	**9.3**	**9.5**	**9.2**	**8.1**	**8.3**

*: Provisional

**: Social Security & Welfare includes the expenditure of BISP, SDGs and PBM.

Source: External Finance Policy Wing, Finance Division

Fig-15.3: Pro-Poor Expenditures



Two Years of Prime Minister's Ehsaas

On March 27, 2019, Ehsaas was launched by Prime Minister as Pakistan's largest ever social protection and poverty eradication initiative. Ehsaas aims at creation of a 'welfare state' by countering elite capture and leveraging 21st century tools—such as using information and digital payment systems, to create a modern safety net programmes; promoting financial inclusion and access to digital services; supporting the economic empowerment of women; focusing on the central role of human capital formation for poverty eradication, economic growth and sustainable development; and overcoming financial barriers to accessing health and post-secondary education.

The programme is unique because of its scale, multisectoral character, coverage, design process, management and governance, institutional arrangements and funding. Ehsaas is based on taking a whole-of-government multi-sectoral approach for innovative solutions; ensuring joint federal-provincial leadership; and mainstreaming the role of the private philanthropic sector on the one hand and fosters locally relevant innovation and on the other, protects livelihoods of the most vulnerable.

Ehsaas programme is specially designed for the ultra poor, orphans, widows, the homeless, the disabled, those who are at risk of health shocks, jobless, poor farmers, laborers, sick and undernourished, students from low-income backgrounds, poor women and elderly citizens. This plan is also about supporting lagging geographical areas where poverty is higher.

Ehsaas' poverty reduction strategy is articulated in four pillars and it currently embodies more than 140 policy actions, which may be expanded as consultations on the programme are taken forward. The four pillars include: addressing elite capture and making the governance system work for a more equal society; implementing safety net programmes for the disadvantaged segments of the population; supporting jobs and livelihoods; and enhancing human capital development.

Post-COVID 19 scenario, necessitated for new forms of social protection and the need to reach out to various disadvantaged groups. Accordingly, Post-COVID Ehsaas Strategy of Ehsaas programme considers social protection as the cornerstone of relief and recovery efforts which also aim to address rising inequality in the wake of the pandemic. Therefore, pandemic was raging in the country, ground work had already commenced on several demand-side social protection interventions to protect human capital from negative shocks, which impact inter-generational poverty. As a result of these efforts, the education conditional cash transfer programme has been expanded nationwide, the new health and nutrition programme (Ehsaas Nashonuma) has been rolled out in timely manner and the expansion of the shock-oriented safety net (Ehsaas Tahafuz) is planned to be extended to other parts of the country in next phase. Additional resources have been allocated for the 'National Poverty Graduation Initiative'. Planning on social risk mitigation measures, for the informal sector has taken a higher priority. COVID-19 has exposed structural problems in the informal sector. A new programme has been designed being cognizant of the miseries of the poor, informal workers having inadequate savings and limited access to finance.

Prioritization of the Safety Net Pillar in the Ehsaas Framework:

The main instruments through which prioritization of Safety Net Pillar is being carried, include the following:

1) Increase in social protection spending by the government;
2) Enhanced scope and coverage of safety nets;
3) Strong focus on governance of institutions implementing safety net programmes;
4) Development of the new National Socio-Economic Registry (NSER) to ensure a sound targeting mechanism;
5) System building for efficiency and integrity and
6) Service delivery through the One-Window Ehsaas.

A new federal division has been established to oversee implementation of the policies, programmes and initiatives related to poverty alleviation and social safety nets. Details related to the operationalization of the Safety Net Pillar are outlined in Panel 1.

Panel 1. Operationalizing the Safety Net Pillar of Ehsaas

Institutional arrangement	The Poverty Alleviation and Social Safety Division (PASSD), now popularly known as the 'Ehsaas Ministry' was established in April 2019. All the agencies responsible for executing Ehsaas which were previously reporting to different ministries are now attached to the 'Ehsaas Ministry'
Financial resources	Budget is set aside in the Federal Budget to broaden safety nets
Data	The Government is investing in building a new National Socio-Economic Registry (NSER) to be completed in June, 2021 and big data analytics is in use for targeting
Governance and Integrity Policy	To eliminate abuse, misaligned incentives and inefficiencies and ensure effective targeting, a Governance and Integrity Policy has been pronounced. Compliance with the policy is binding for all PASSD agencies. The Ehsaas Governance observatory has also been setup to track implementation
Systems building	The Ehsaas digital payment system was installed in 2019
One-Window Ehsaas	The One-Window Ehsaas will facilitate citizen's access to all the social protection programmes and online public goods
Scope (policies, programmes and initiatives)	1. Ehsaas Kafaalat: stipends, financial and digital inclusion of women 2. Ehsaas Tahafuz, safety net to enable protection against catastrophic risks 3. Waseela-e-Taleem Digital, education related conditional cash transfers 4. Ehsaas Merit and needs-based under-graduate scholarships * 5. Ehsaas Nashonuma: health and nutrition-centered conditional cash transfer and specialized nutrition food for mothers and children up to 2 years 6. Ehsaas Langars[2] 7. Ehsaas Interest Free Loans 8. Ehsaas Emergency Cash 9. Ehsaas Amdan, asset transfer programme 10. Ehsaas Kafaaalt for differently-abled and Overall Disability Policy** 11. Dar-ul-Ehsaas, new standards for orphanages expanding base 12. Ehsaas One Window 13. Sehat Card: a health insurance scheme**** ▸ *Executed by PASS in collaboration with the Higher Education Commission ▸ ** Multisectoral responsibility ▸ ***Execution: Ministry of Human Resource Development and Overseas Pakistanis ▸ ****Execution: Ministry of National Health Services Regulation and Coordination ▸ All others are executed through ancillary agencies of PASSD

[2] Soup kitchens to feed those who have no other means

Key Ehsaas Programmes and Initiatives

Since the launch of Ehsaas, many transformative initiatives and policy reforms have effectively been implemented nationwide. Some of the Ehsaas' early wins across various sectors include: Ehsaas Kafaalat, Ehsaas Emergency Cash, Ehsaas Undergraduate Scholarship, Ehsaas Nashonuma, Ehsaas Langars, Ehsaas Interest Free Loans, Ehsaas Amdan and several others.

Ehsaas Kafaalat

Launched by the Prime Minister on Jan 31, 2020, Ehsaas Kafaalat is the Government's un-conditional cash transfer programme which disburses cash stipends of Rs 2,000 per month and has led to opening of bank accounts of the most deserving and poorest women across the country. Kafaalat is a key initiative of the Ehsaas programme. The number of Kafaalat beneficiaries has been increased to 7 million and a policy on indexation of cash transfers has been approved by BISP board. Quarterly stipend has also been increased from 5,000 to 6,000 per quarter. Enrolment of new beneficiaries is dependent on the data from the new Ehsaas survey. With the Ehsaas survey now 87 percent complete, payments to those that have been identified through the new survey have commenced. All those that are being identified for enrolment through the new survey are given Rs 2000 a month on a continuing basis, to assist them with their basic needs. In total, 7 million beneficiaries will be included in Ehsaas Kafaalat. Government servants and their spouses, taxpayers, car owners, people with history of multiple foreign travels are not eligible under Kafaalat. Data analytics are being used to include or exclude individuals on these parameters. All payments are made through the new biometric Ehsaas Digital Payment System ensuring transparency.

Ehsaas National Socio-economic Registry Survey

Ehsaas is conducting a door-to-door survey all over the country so that data can be gathered about the socioeconomic status of households. The survey is the first ever computer aided survey that continues in various districts across the country to enroll deserving households in Ehsaas. As of May 9, 2021 the survey is currently 87 percent completed in the country and is progressing smoothly to be accomplished by June 30, 2021. According to the inclusive social protection policy of Ehsaas, the results of the survey will facilitate proper targeting of poor households across the country for a multitude of Ehsaas initiatives. To ensure transparency and integrity in data collection, the entire survey process has been digital from end-to-end. Field teams are collecting the socio-economic data of households at the doorstep through an android based application. Owing to the technical nature of the computerized Ehsaas survey, widespread training of master trainers, trainers, enumerators and supervisors is an important element of the Ehsaas survey methodology. These reforms have helped prompt decision making through analytics and intelligent live reporting systems.

Ehsaas Registration Desks/ Effective Grievance Redressal

To facilitate deserving households in self-registration, Ehsaas registration desks are being launched at Tehsil level in the country. The opening of registration desks is linked with the milestone of survey completion in each district. In this regard, Ehsaas has partnered with NADRA to establish Ehsaas Registration Centres(ERC). These are desk-based data collection centres through which the registration of missed households as well as updation of any demographic information is carried out. Initially, 63 Ehsaas registration desks were established in 15 districts and now more desks are being established in 50 more districts. All these districts have achieved 70 percent household coverage under Ehsaas survey. Further, Ehsaas has also revamped its call center mechanism and improved information management to ensure effective grievance redressal for beneficiaries.

Ehsaas Emergency Cash

In addition to dire health consequences, COVID-19 affected livelihoods at an unprecedented scale; according to estimates, it negatively impacted ~160 million people in Pakistan. In response, the Government of Pakistan delivered Rs 179.8 billion as one-time emergency cash assistance to 14.8 million beneficiaries at risk of falling into extreme poverty. Given the family size, this meant helping over 100 million people or half the country's population, representing the largest and most extensive social protection intervention ever in the history of the country. Each family was meant to receive Rs 12,000 for immediate subsistence. Digital capabilities established over the past year as part of Ehsaas, Pakistan's new poverty alleviation frame-work, were adapted to deliver Ehsaas Emergency Cash, in particular, a new biometric payment system, a demand side SMS based request seeking platform and a new wealth profiling big data analytics mechanism.

A hybrid targeting approach was adopted, combining emergency assistance for the known vulnerable with demand-based support for the "new poor". Requests were sought through an 8171 SMS short code service and web-portal. Data analytics enabled eligibility ascertainment, using unique national identification numbers and drawing on the National Socio-Economic Registry and wealth proxies (travel, taxes, billing, assets ownership data and government employment status). The system was end-to-end data-driven, fully automated, rule-based, transparent and politically-neutral. Payments were biometrically verified.

Ehsaas received 139 million requests of which 66 million were unique. 16.9 million individuals were declared eligible; over 14.8 million individuals collected their payments by the closing date on September 30, 2020; by then, Rs 179.221 billion had been disbursed. Payments to those with biometric failure and the next-of-kin of dead beneficiaries continued for a month beyond that date.

Many challenges were encountered during the disbursement process. The largest social protection operation in the country was rolled out with lock downs in effect, public transport suspended and risk of disease spread looming. Additional challenges related to issues of logistics, connectivity, liquidity, cyber-attacks, biometric failures and limitations of data-driven messaging. The government approach, public private synergy and real time evaluation helped to successfully address these challenges swiftly. Fiscal measures were adopted to incentivize retailers to work in a difficult environment; communication measures were taken to address low financial and digital literacy.

Ehsaas Emergency Cash will be an important component of the redesign of social protection, post COVID-19 and will assist in the global re-imagination of social welfare envisaged in Ehsaas. The Ehsaas Strategy has been revamped, post COVID-19 and there is a practical demonstration of increased attention to social protection under the Ehsaas umbrella despite the post-COVID financial constraints (Ehsaas Official 2020). Furthermore, this programme has also accelerated progress towards achievement of the gender equality and financial inclusion goals within the Ehsaas framework since nearly 54 percent of the recipients were women.

In terms of global experience sharing, the case of Pakistan provides useful lessons for other countries that utilize unique personal identification systems. It shows that by combining phones, internet connectivity, national IDs and commercial payment systems, a digital and innovative demand-based social protection system can be created to enable those in distress to seek social support during crises. Ehsaas Emergency Cash also demonstrated how cash transfer programmes can be deployed to counter socio-economic fallouts due to external shocks such as COVID-19 which present a long-term predicament. The approach can also address rising inequality and advance attainment of SDGs in a post COVID-19 world.

Education Conditional Cash Transfers

Education Conditional Cash Transfers (CCTs) are an important pillar of Ehsaas and are included in the Ehsaas framework as Policy #73 'Education Conditional Cash Transfers'. Initially, the programme covered primary school enrollment of 3.69 million children, supply capacity assessment of 160,246 public and private schools, constitution of 100,505 beneficiary committees for social mobilization and disbursement of Rs 15.7 billion as of 30-06-2020.

The Rs 80 billion Education CCT programme has been expanded and massively reformed under Ehsaas to bring 5 million deserving primary school children into its fold from across all 154 districts of Pakistan over a 4- year duration. Over the last year and a half, a comprehensive and deep-rooted reform was designed and deployed as a result of which far reaching changes have been made in the programme. There are four key pillars of reform: First, end-to-end digitization of a number of processes, which were previously managed manually. Apps have been developed which are used by staff to register children and monitor compliance. Secondly, cost-effective changes in institutional infrastructure were implemented to expand this programme nationwide and reliance on NGOs was eliminated. Because of this, operational cost has been reduced from 8 percent to 3 percent. Third, the stipend given to children has been modified as per Ehsaas' new Stipend policy. Children of poorest families will now be provided conditional cash grants of Rs 1,500 for a boy child and Rs 2,000 per quarter for a girl child on attainment of 70 percent attendance in school. Finally and most importantly, the programme is being expanded to all districts of the country.

Ehsaas Nashonuma

To ensure that malnutrition does not continue to compromise the human capital required to sustain the socioeconomic development, Ehsaas has rolled out a conditional cash transfer programme covering health and nutrition, Ehsaas Nashonuma. The programme aims to address stunting in children under 23 months of age. 49 Nashonuma Centres are being opened in 14 districts in the first phase of Ehsaas Nashonuma programme. The flagship initiative of the government has been designed to tackle stunting and improve the nutrition of the poorest children through a combination of cash stipends, nutritional food, medical examination and training. The programme will be expanded to other districts in the next phase. The total budget of the three-year programme is approximately Rs 8.52 billion. The programme is fully funded by Government of Pakistan. The programme targets improving nutrition and health in the first thousand days of life, which is the most critical period in early childhood development, starting at conception and finishing at age of two. Every quarter, conditional cash-transfers are being provided to the poorest pregnant and lactating women and those with children under two years old; Rs 1500 for a boy child and mother and Rs 2000 for a girl child. Nashonuma stipends are disbursed to mothers through the biometrically-enabled Ehsaas payment system. Payments are conditional upon the consumption of specialized nutritious food, immunizations and attendance in health awareness sessions.

Ehsaas Undergraduate Scholarship

Prime Minster granted Ehsaas undergraduate scholarships for academic year FY2019 to the first batch of deserving students on March 2, 2020. Aiming to provide higher education opportunities for 200,000 students (50 percent girls) coming from under-privileged backgrounds, the 4-year Ehsaas undergraduate scholarship programme worth Rs 24 billion is the largest ever need based scholarship programme in the history of the country. Last year, 50,762 scholarships worth Rs 4.8 billion were granted to bright yet brilliant students. The scholarship offers full-tuition fee and a living stipend (Rs 4,000 per month) for bright yet disadvantaged students to earn an undergraduate degree at any of the 125 public sector universities across Pakistan (including GB and AJK) recognized by the HEC. As part of the policy, the scholarship support will be continued to the awardees throughout the course of their undergraduate degree programme based on their academic performance. The HEC portal is currently closed and will be opened for the next phase of applications after June 2021. For the academic year FY2021, total 67,000 scholarships worth 6.53 billion have been approved to benefit deserving students.

Financial Inclusion and Ehsaas Saving Wallets

Through Ehsaas Saving Wallets (ESWs), Kafaalat beneficiaries will have the option of either drawing their money or saving money in digital wallets. For the first time, the poorest women in Pakistan will have the option to save their payments. Financial and digital inclusion of 7 million households is one of the seven overarching goals of the Ehsaas Strategy. ESWs initiative is predicated on the understanding that digital and financial inclusion will open avenues for women to take better advantage of opportunities offered under the Ehsaas Interest Free Loans. ESWs is also an essential component of the Ehsaas Financial Inclusion Strategy, which was launched by the Prime Minister in the presence of H.E. Queen Maxima of the Netherlands when she visited Pakistan in November 2019.

Initially, ESWs pilot is being rolled out in thirteen districts of the country including Haripur (KP), Muzaffarabad (AJK), Hunza Nagar (GB), Quetta (Balochistan), Islamabad (ICT), Faisalabad, Okara, Sheikhupura, Sargodha (Punjab), Matiari, Karachi Malir, Sanghar and Khairpur (Sindh). Based on lessons from the pilot, the initiative will be upscaled all across the country for the benefit of 7 million Ehsaas Kafaalat beneficiaries.

The initiative will also focus on financial literacy of Kafaalat beneficiaries to ensure that women draw maximum benefit from this empowering initiative. Financial inclusion is a central goal of Ehsaas and key to unlocking the potential of millions of the most disadvantaged women, in Pakistan. By providing deserving women with access to secure, useful and affordable financial products and services like transactions, payments, savings, credit and insurance, Ehsaas will ensure their financial empowerment.

Currently, Kafaalat beneficiaries are getting their cash grants through Limited Mandate Accounts (LMA) after biometric verification. The Saving Wallets will be linked to existing LMA accounts of Kafaalat recipients, providing them the option to save money and even purchase goods through the wallets. The facility will cover a set of transactions including balance inquiry, cash in/ cash out, transfer in from LMA-II, mobile top-up, utility bills payment and money transfers. Two specialized features: saving against deposit and cash back against purchase are also embedded in digital wallets. This model will also ensure end-to-end transparent audit trail of disbursed funds. Changing lives of millions of women, ESWs will help the marginalized people manage expenditure ranging from that related to long-term goals as well as unexpected emergencies.

Ehsaas Interest Free Loans

Launched in July 2019, under Ehsaas strategy, Interest Free Loans are a major component of the National Poverty Graduation Initiative. It aims to graduate the poorest households out of poverty and set them on a course of economic and social prosperity. As part of Ehsaas framework, 80,000 interest free loans (50 percent women) are being disbursed every month across Pakistan to reach 2.28 million households over the next four years. The range of loan size is Rs 20,000 – Rs 75,000. Any Pakistani aged between 18-60 years belonging to 110 districts (the information and list of which is available on the PPAF website (www.ppaf.org.pk/NPGI.html) can apply for an interest free loan under the Ehsaas Initiatives. Interest free loans are accessible through 1100 existing loan centers operated by partnering organizations which are manned with competent people to guide the borrowers. Overall, 1,100 loan centers/branches have been established in about 110 districts by 24 partner organizations across the country.

Since inception of the programme till March 2021, a total of 1.2 million loans (46 percent loans to women) have been disbursed with a value of Rs 44.42 billion. During July- March FY2021, a total of 490,368 interest free loans (47 percent loans to women) amounting to Rs 17.50 billion have been disbursed to the borrowers. The detail of physical progress of IFL programme is given below:

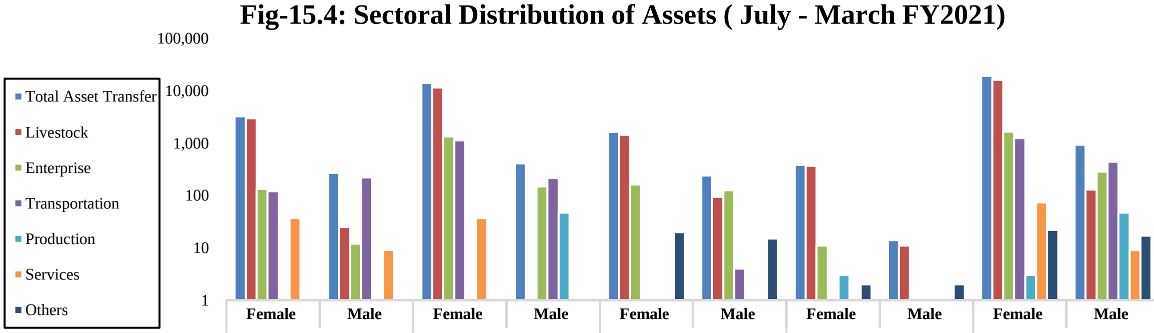
Sr. #	Particulars	July-March FY2021			Cumulative as of March 2021		
		Men	Women	Total	Men	Women	Total
1	Number of loans disbursed to borrowers	257,542	232,826	490,368	687,108	584,194	1,271,302
2	Amount disbursed to borrowers (Rs million)	9,728.46	7771.78	17,500.26	25578.48	18,842.80	44,421.29
3	Number of Loan Centers	1,100					

Ehsaas Amdan (Income) Programme

The Ehsaas Amdan programme is one of several programmes under the umbrella of Ehsaas. Its primary objective is to create livelihoods opportunities for the most disadvantaged segments of the society. This programme is an integral component of government of Pakistan's Ehsaas Strategy and National Poverty Graduation Initiative (NPGI). It was launched by the Prime Minister on Feb 21, 2020. The programme involves giving small "assets" to those who live below the poverty line so that they can earn a living and escape from the shocks of poverty. Assets include livestock (goats, cows, buffaloes and poultry), agricultural inputs, body of Qingqi rickshaws and inputs for small retail outlets and small enterprises. The Rs 15 billion programme has been rolled out in 375 rural Union Councils of 23 poorest districts across the 4 provinces of Pakistan. The four-year programme has set a target of providing around 200,000 assets to the deserving households (60 percent women and 30 percent youth beneficiaries). In total, it will benefit a population of 1.4 million across the country. Pakistan Poverty Alleviation Fund (PPAF) which is an organization attached to the Poverty Alleviation and Social Safety Division is the lead implementing agency for the Ehsaas Amdan Programme and is working through other implementing partner organizations that have a strong presence in the selected districts. Districts in Punjab where this programme is commencing include Dera Ghazi Khan, Jhang and Layyah. In KP there are 10 districts; Upper Kohistan, Lower Kohistan, Palas Kolai, Torghar, Batagram, Shangla, North Waziristan, South Waziristan, Dera Ismail Khan, Tank. In Balochistan there are three districts: Zhob, Gwadar and Lasbela. In Sindh, the programme districts include Badin, Thatta, Sujawal, Kashmore, Shikarpur, Tharparkar and Umerkot.

Since the inception of the programme till March 2021, overall, 41,762 livelihood productive assets have been transferred to the ultra-poor and vulnerable households identified as per set criteria whereas a total of 20,175 productive assets have been transferred during the reporting period i.e. July-March FY2021. Over 95 percent assets have been transferred to women beneficiaries. The categories of these assets include livestock (81.21 percent), enterprises (9.56 percent), transportation (8.38 percent), production (0.25 percent), services (0.41 percent) and other (0.19 percent). The graphic representation (Fig-15.4) on asset transfers captures the diversity in economic sectors and beneficiary groups targeted in each province.

Fig-15.4: Sectoral Distribution of Assets (July - March FY2021)



	Punjab		Sindh		KP		Balochistan		Overall	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Total Asset Transfer	3,267	268	13,974	410	1,619	239	384	14	19,244	931
Livestock	2,978	25	11,471	0	1437	94	368	11	16,254	130
Enterprise	132	12	1337	148	162	126	11	0	1,642	286
Transportation	120	222	1129	215	0	4	0	1	1249	442
Production	0	0	0	47	0	0	3	0	3	47
Services	37	9	37	0	0	0	0	0	74	9
Others	0	0	0	0	20	15	2	2	22	17

Ehsaas Langars

The Prime Minister launched the 'Ehsaas Langar' on October 7, 2019. The Ehsaas Langars are meant to serve meals to the poorest and most vulnerable segments of the society, especially daily wage laborers. Under an agreement with the Saylani Welfare International Trust (SWIT), Ehsaas will open over 100 Langars nationwide over a 2-year period under a public private partnership. Areas where Langars are being established include bus stands, industrial areas, railway stations and places where labourers tend to congregate. Till May FY2021, 34 Langars have been opened in all four provinces and Islamabad. Each Langar is serving two meals a day to at least 600-800 persons as per the vision of the Prime Minister. The Government is extending strategic support widely towards Ehsaas Langars in the areas of logistics, safety and quality standards and information dissemination which is at zero cost to the government.

Ehsaas Koi Bhooka Na Soye

'Ehsaas Koi Bhooka Na Soye' (EKBNS) is a new programme of the federal government to eliminate hunger in the country. The initiative is an extension of Ehsaas Langar Policy and it aims to distribute cooked meals at designated delivery points in multiple cities to people in need especially those at risk of or experiencing hunger. Meals are delivered free of charge through food truck arrangements. EKBNS was officially launched by the Prime Minister on March 10, FY2021 to serve free meals to deserving populations in twin cities, Rawalpindi and Islamabad. Centered on lessons from this initial phase, the innovative EKBNS programme has now been upscaled to three other cities including Lahore, Faisalabad and Peshawar. Earlier this year, Prime Minister had declared his resolve for the year 2021 that EKBNS would be introduced to make sure that no one goes to bed hungry. The distribution of free meals will help the labour class to save their hard-earned earnings for their families. Later this year, the programme will be upscaled phase-wise to other parts of the country. Under the stewardship of the Poverty Alleviation and Social Safety Division, a 'Donor Coordination Group' has also been set up to steward the private sector engagement for this innovative food programme. All pledges and commitments by the private sector will be handled by the coordination group.

Enshrined in post-COVID-19 Ehsaas strategy, EKBNS is premised on a public-private partnership arrangement whereby the Pakistan Bait-ul-Mal manages food truck operations and Saylani Welfare International Trust manages food production.

Panagah

'Panagahs' (shelter homes) is one of the Prime Minister's priority programmes. To facilitate labourers and daily wagers who need shelter, Panagah facilities have been established by the government countrywide. Panagahs not only offer shelter to the needy but also provide a two-time meal for them. On August 9, 2020 the Prime Minister entrusted Pakistan Bait-ul-Mal (under the Poverty Alleviation and Social Safety Division's umbrella) with the responsibility of improving quality standards within Panagahs. Work has been undertaken speedily since then to upgrade standards of five Panagahs in Islamabad as a starting point. Till May,2021 all five Panagahs in the federal capital have been upgraded to a "One Star+ bed and breakfast facility with meals, essentials, hygiene and security standards. Also, 4 new Panagahs have been opened in Gwadar, Lasbela, Chaman and Quetta districts of Balochistan, 5 in Karachi Sindh and 01 in Mardan district of KP. In the next phase, building upon the remodeling experience of Islamabad led by Ehsaas, federal-provincial collaboration will be ensured across provinces to bring improvements in the standards of Panagahs. So far, an amount of Rs 103.970 million has been utilized till March FY2021.

Individual Financial Assistance (IFA)

Through Individual Financial Assistance (IFA), a sizeable number of poor, widows, destitute and orphans are supported for medical treatment, education and general assistance. Ehsaas has envisioned providing wheel chairs to every disabled person in the country through Pakistan Bait ul Mal (PBM). A family having two or more special (disabled) children has been declared "Special Family" and receives benefits of Rs 25,000/- annually, whereas the family with one special child is being provided financial assistance of Rs 10,000/- per annum. From July to March FY2021, an amount of Rs 1.8 billion has been disbursed.

Dar ul Ehsaas (Orphanages)

Under Ehsaas, PBM has established Dar-ul-Ehsaas (orphanages) for orphan children, where they are being provided free food, nutrition, medical treatment, boarding and lodging, as well as, free education through well reputed educational institutions. An amount of Rs 367.35 million has been spent up to month of March FY2021.

Ehsaas Kada (for shelter less senior citizen)

Presently 02 centers have been established. This initiative would be up-scaled by PBM in a phased manner. The enrolled senior citizens (above the 60 years of age) are being provided free of cost boarding/lodging, messing and medical care of excellent standard. From July to March FY2021, an amount of Rs 3.596 million has been utilized.

Women Empowerment Centres (WEC)

Vocational Training Centres known as Women Empowerment Centres (WECs) have been established throughout the country by PBM. 154 WECs are providing free training to widows, orphans and poor girls in different skills i.e. cutting, sewing, knitting, computers and embroidery along with other trades. The trainees are being provided free training material. An amount of Rs 252.884 million has been utilized up to March during FY2021.

Schools for Rehabilitation of Child Labour (SRCLs)

Under the umbrella of Ehsaas, PBM has established 159 National Centres for Rehabilitation of Child Labour countrywide since 1995 for primary (non-formal) education. Children (male & female) between the ages of 5-6 years are weaned away from hazardous labour and enrolled in these centers with free provision of uniform, books and stationery. From July to March FY2021, an amount of Rs 437.985 million has been utilized.

Data4Pakistan

Ehsaas District Development Portal-Data4Pakistan is the first initiative of its kind in the country which provides open and public access to a spatial interactive portal that has poverty estimates for every district in Pakistan, along with over 120 development and policy indicators. The portal currently has six rounds of district poverty and development data, covering the period 2004-2018. This is a very valuable resource for federal, provincial and district level policymakers, for decision making. Interactive maps allow the user to visualize and compare districts on poverty with two additional indicators. The innovative portal uses data produced by the Pakistan Bureau of Statistics, as part of its Social and Living Standards Measurement Surveys as well as the Multiple indicators Custers Surveys produced by the provincial Bureaus of Statistics. The indicators currently available in the portal, include a range of demographic, health, education and employment statistics as well as statistics reporting access to key services like water, sanitation, electricity and gas. It also provides a number of gender parity indices at the district level.

Ehsaas Tahafuz

Extensive work has been done on the design of Ehsaas Tahafuz, Pakistan's first health shock-oriented precision safety net. The programme aims at protecting the vulnerable populations from catastrophic health expenditures and is being pilot tested in one public hospital (Holy Family Hospital, Rawalpindi). Ehsaas Tahafuz will work with public hospitals to identify patients facing catastrophic health expenditures, who will then be assessed by the system and if eligible, will be provided funding by allocating donations to the patient. Tahafuz is being rolled out using a phased approach. Once fully operationalized, Tahafuz will establish a one window paperless and web-based precision safety net. It will also have funders' empowerment features in terms of microtransaction alerts and personalized login credentials for detailed web-viewing right down to the micro-transaction level.

One Window Ehsaas

One Window Ehsaas is a single-window information and service approach for better access to multiple Ehsaas programmes. The basic structure comprises of a 'front-end' and a 'back-end. Physical Ehsaas center with hardware and prominent signage, android App and web interface would be at the 'front-end', whereas open APIs architecture along with a guiding policy will work at the 'back-end'. With an aim to extend maximum facilitation and information on Ehsaas to the disadvantaged populations, Ehsaas is opening the first Ehsaas Physical Centre in Islamabad. Work has neared completion on the first prototype of the Ehsaas physical centre in Islamabad and digital interfaces. One window operation would assist beneficiaries of social protection besides reducing duplication. The initiative will optimize efficiency and coordination of multiple programmes at service points, data streams and digital platforms. All the information about Ehsaas programmes and government's digital resources will be made accessible as a public good in these sites that would create a window for integrated human development in the country. Likewise, Ehsaas physical centres will feature Ehsaas Registration Desks, Ehsaas Payment Rooms with ATMs, Ehsaas Nashonuma hall with complete facilities (registration, anthropometry, payments) and desks of Waseela-e-Taleem Digital, One-Woman One-Account, Ehsaas Interest Free Loans, Ehsaas Amdan, Ehsaas Tahafuz, Ehsaas survey along with One-Woman One- Account training room, Ehsaas' partners hall (with periodic exhibits by partners regarding their services) and Ehsaas Information room.

Ehsaas Labour Expert Group

The Ehsaas Labour Expert Group (LEG) is one of the several expert committees constituted under the framework of Ehsaas. The mandate of LEG was to propose evidence-based practical recommendations to extend labour welfare measures for the informal sector. LEG finalized its report in March 2019 and its recommendations are now in the pipeline for implementation.

Ehsaas Living Standards for Orphanages in Private Sector

For the first time in the history of the country, a stakeholders' committee had been put in place under Ehsaas to stipulate "Living Standards for Orphanages and Child Care Centres" in the country. This is the first time not just in Pakistan but also across the Muslim World that such a historic initiative has been taken by the government for the welfare of orphans and deserving children, aimed at minimizing variation in the orphan care and to support private sector orphanages in raising their service standards nationwide. The committee met 17 times last year and after taking stock of the on-ground situation, has formulated these standards which are being notified and shared with provinces to ensure compliance, strictly.

Ehsaas Governance and Integrity Policy and Observatory

With an aim to eliminate corruption and ensure rule-based control on the use of public resources and to promote efficiency, transparency and accountability of results, Ehsaas has institutionalized a Governance and integrity Policy and established an Observatory as one of its over 140 programmes and policy initiatives. Ehsaas Governance and

Integrity Policy and Observatory was officially approved by the Cabinet and launched in November 2019. The policy is binding on the Poverty Alleviation and Social Safety Division (PASSD) and its executing agencies- the BISP, Pakistan Bait-ul-Mal, Pakistan Poverty Alleviation Fund and Trust for Voluntary Organizations. As part of its monitoring arrangement, the Ehsaas Governance Observatory is meant to gauge the status of compliance with the Policy. The policy is meant to address institutionalized corruption and collusion in social welfare organizations. It outlines how boards should function which policies are crucial and the importance of whistle blowing and conflict of interest. It also sets the institutional framework to promote integrity through risk management and assurance, maintenance of risk registers, appointment of accountability officers; error, fraud and corruption frameworks, IT security departments, strengthening of financial management and fiduciary systems, procurement systems, access to information, electronic filing and development of workplans and creation of credible data sets. In addition, the policy is aimed at eliminating discretionary powers. The Governance Observatory serves as an implementation and monitoring tool for the policy. Since, the roll out of the policy and observatory, PASSD and its entities have begun to demonstrate improvement in implementation of the governance reforms.

Governance Reforms

a. New Payment Model

- A refined BVS based Payment Mechanism has been designed in coordination with all stakeholders;
- The Refined BVS Payment Solution was further revised for Financial Inclusion of BISP beneficiaries and 'One Woman One Bank Account';
- Ehsaas Emergency Cash Programme payments applied for all BISP based payments;
- Specific biometric verification service developed by NADRA will be used to curb any fraud;
- Beneficiaries can get payments from any BVS Point of Sales, BVS ATMs and BVS Enabled branches of the banks and their partner banks;
- Real time reporting of all transactions by banks to BISP MIS; and
- Automated Complaint Management System is introduced.

b. Monitoring Mechanism:

A robust mechanism has been introduced to monitor Ehsaas Kafalat related disbursement activities through:

- MIS based monitoring;
- Monitoring through BISP field offices;
- WhatsApp Groups;
- Coordination at local level; and

– Monitoring through Evaluation Wing

c. Profiling Exercise on BISP Beneficiaries

– Under Ehsaas reforms, BISP with the assistance of NADRA carried out extensive analysis on various parameters to ascertain current living standards of beneficiaries identified through National Socio-Economic Survey carried out in 2010-2011;

– Resultantly, more than 800,000 were excluded from the programme in December 2019; and

– The same analysis is also being carried out on all beneficiaries identified through on-going Ehsaas survey.

d. Payments Related Grievance Redressal System

– An automated Payment Complaint Management System (PCMS) has been developed;

– Integrated Complaint Resolution Mechanisms (CRMs) have been established with partnering banks

Institutions under Ehsaas

BISP under Ehsaas

Since its inception, BISP- one of the 34 executing agencies of Ehsaas has managed to disburse an amount of Rs 1,112.20 billion through unconditional and conditional cash transfer grants. The year wise released and disbursement on CCT and UCT grants are reflected in table 15.3 and figures Fig-15.5 and Fig-15.6 below:

Table-15.3: BISP Financial Achievements (Rs in billion)

Financial Year	Released	Funds Transfer to Cash Grants			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	108.60	5.78
2019-20	243.71*	3.70	228.67*	232.37	14.40
2020-21**	194.91	0.51	138.78	139.29	6.78
Total	**1,226.33**	**32.90**	**1,085.81**	**1,118.70**	-

* Including Emergency Cash Transfer (COVID-19)
** Till 30th April, 2021

Source: Benazir Income Support Programme (BISP)

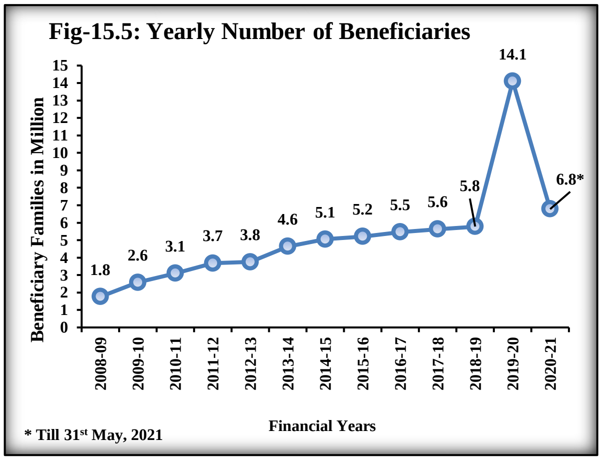


Fig-15.5: Yearly Number of Beneficiaries

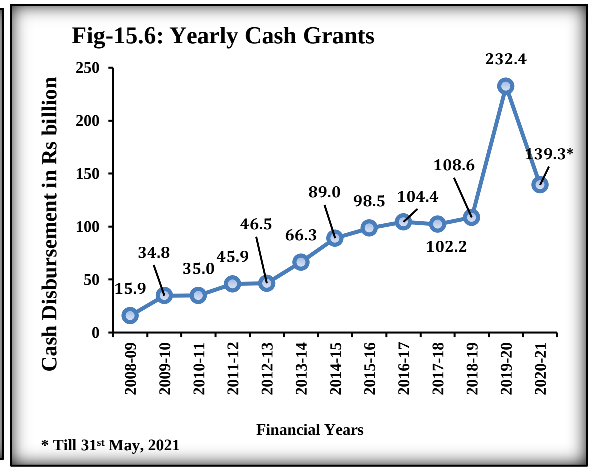


Fig-15.6: Yearly Cash Grants

PPAF under Ehsaas

During July March FY2021, PPAF disbursed an amount of Rs 2,640.09 million to its Partner Organizations (POs) for various programmes funded by donors and PPAF's own resources. The component-wise financial progress update is given in the table 15.4 below:

Table-15.4: PPAF Disbursement by Operating Units/Special Initiatives (Rs million)

Sr#.	Programme Components	Amount Disbursed
1	Institutional Development/Social Mobilization (ID/SM)	391.06
2	Livelihood Enhancement and Protection (LEP)	1,673.92
3	Water and Infrastructure (W&I)	540.06
4	Education, Health and Nutrition (EHN)	35.05
	Total	2640.09

Source: Pakistan Poverty Alleviation Fund, Islamabad.

During the reporting period, a total of 5,068 Community Institutions were formed and 7,576 community and PO staff members were trained (including 39 percent women) under Institutional Development and Social Mobilization component. Similarly, under the Livelihood Enhancement and Protection (LEP) component, 3,298 individuals received skills and entrepreneurial trainings (34 percent women) and 21,619 productive assets were transferred to ultra and vulnerable poor (94 percent women). A total of 174 Water and Infrastructure sub-projects were completed benefitting 109,873 persons (including 49 percent women). Under Health and Education component, 16 educational facilities were supported during the reporting period; 2,465 new students (73 percent girls) were enrolled and 99,539 consultation visits by patients (60 percent women and girls) treated. A total of 490,368 interest free loans (47 percent loans to women) were disbursed through Interest Free Loans (IFL). Overall, these projects and interventions benefitted around 734,081 poor and marginalized persons including 49 percent women beneficiaries during the reporting period. These highlights of physical progress are given as follows:

Table-15.5: Major Achievements by Operating Units of PPAF (Numbers)

Programme Components	Physical Progress
Institutional Development and Social Mobilization	
▪ Community Institutions Formed	5,068
▪ Community and PO staff trainees (39% women)	7,576
Livelihoods Enhancement and Protection	
▪ Individuals received skills/entrepreneurial training (34% women)	3,298
▪ Productive assets transferred to ultra and vulnerable poor (94% women)	21,619
Water and Infrastructure Sub-projects	
▪ Sub-projects completed	174
▪ Sub-projects beneficiaries (49% women)	109,873
Education	
▪ Educational facilities supported	16
▪ New students enrolled in programme schools (73% girls)	2,465
Health	
▪ Consultation visits by patients treated under programme health facilities (60% women & girls)	99,539
Interest-Free Loans Scheme	
▪ Number of Interest-Free Loans (47% women)	490,368

Source: Pakistan Poverty Alleviation Fund, Islamabad.

Other Key Initiatives during FY2021

In addition to the above, following key initiatives were taken by the organization during the reporting period:

- PPAF completed its COVID-19 Economic Revival Assistance Programme across 21 districts falling in the Extreme Poverty Zones which benefitted 66,590 households through provision of livestock fodder, food packages, agricultural inputs, emergency interest free loans as well as through small enterprise and kitchen gardening. The programme was extended so that the target population can restore their livelihoods, survive this crisis and strengthen their resilience. The total funding included Rs 432.5 million, contributed by the PPAF COVID-19 Emergency Response Fund (Rs 413 million) as well as by the Citi Foundation (Rs 19.5 million).
- PPAF completed the Revitalizing Youth Enterprise (RYE) project with the financial support of the Citi Foundation, through one of its partner organization BRSP in districts Ziarat and Killa Saifullah in Balochistan. The 300 youths including 150 young men and 150 young women were trained on technical skills. After imparting technical skills, 200 of them were provided internship/apprenticeship opportunities in the local market.
- Under Programme for Poverty Reduction (PPR), an MoU was signed between PPAF and University of Malakand to support university students in their endeavors to accelerate socio-economic development in their respective areas funded by the Italian Government through the Italian Agency for Development Cooperation (AICS).
- PPAF in collaboration with the UNDP Pakistan, Forest and Wildlife Department and the Government of Balochistan, initiated a mass tree plantation campaign called 'Chand Meri Zameen, Phool Mera Watan'. The tree plantation campaign implemented

by PPAF's Partner Organization Taraqee Foundation, targets multiple cities of Balochistan including Quetta, Pishin and Nushki.

- An MoU was singed between PPAF and Engro Foundation who pledged to contribute Rs 70 million to the Ehsaas Amdan Programme to support the deserving families, whose incomes have been adversely affected by the COVID-19 pandemic.

Pakistan Bait-ul-Mal under Ehsaas

The PBM was established for providing assistance to destitute and needy widows, orphan, invalid, infirm and such other persons through its establishment at the district level. During FY2021, an amount of Rs 6.105 billion has been allocated to PBM for implementation of schemes; i.e. Dar-ul Ehsaas (orphanage), Women Empowerment Centres. School for rehabilitation of child labor, Ehsaas Kada (for shelter less senior citizen), Child Support Programme, Individual Financial Assistance etc.

Microfinance Initiatives

The Pakistan Microfinance Network (PMN) is the national association for retail players in the microfinance industry with a membership of 46 microfinance providers, including Microfinance Banks (regulated by SBP) and Non-Bank Microfinance companies (regulated by SECP).

The microfinance industry broadly provides services in three categories of micro-credit, micro-savings and micro-insurance. As shown in Table 15.6, the micro-credit witnessed 3 percent declined in growth with active borrowers during FY2020, while the gross loan portfolio registered 6 percent growth reaching Rs 324.15 billion. Micro-savings, on the other hand, posted a growth of 35 percent under active savers increased to over 64 million and the value of their savings rose to Rs 374.4 billion, an increase of 40 percent over the corresponding year. The number of policyholders in micro-finance industry declined to 7.3 million (14 percent) by the end of the year 2020 along with the value of sum insured which declined by 8 percent, reached to Rs 244.65 billion.

Table 15.6: Active Borrowers, Active Savers and Active Policyholders

Details	Micro-Credit		Micro-Savings		Micro-Insurance	
	Active Borrowers	Value (Rs million)	Active Savers	Value (Rs million)	Policy Holders	Sum Insured (Rs million)
2020*	7,005,885	324,155	64,112,657	374,362	7,324,379	244,650
2019*	7,249,943	305,753	47,642,271	267,591	8,479,576	266,748
Increase/Decrease (Net)	-244,058	18,402	16,470,386	106,770	-1,155,197	-22,097
Increase/Decrease (%)	-3%	6%	35%	40%	-14%	-8%

*: Calendar Year

Source: Pakistan Microfinance Network (PMN)

The objective of the microfinance initiative is to provide liquidity to the microfinance providers in response to tighter liquidity conditions. It is provided as a package through Microfinance Banks (MFBs), Microfinance Institutions (MFIs), Rural Support Programmes (RSPs) and others, including Commercial Financial Institutions (CFIs) and Non-Government Organizations (NGOs). Table-15.7 presents the number of micro-credit beneficiaries with outstanding loan portfolios and disbursements by loan providers upto December, 2020.

Table 15.7: Micro credit beneficiaries, outstanding loans portfolio and loan disbursement as of Dec. 2020

MFP	Active Borrowers	Outstanding Loans Portfolio (Rs)	Number of Loans Disbursed	Disbursements (Rs)
Total for Pakistan MF sector	**7,005,885**	**324,155,425,831**	**10,732,090**	**371,030,958,187**
MFBs				
Apna Microfinance Bank	84,397	10,504,573,724	461,631	52,454,200,171
Advans Pakistan	8,517	1,074,437,207	4,436	845,345,342
FINCA Microfinance Bank	225,288	21,550,509,640	128,790	15,557,445,695
First Microfinance Bank Limited	571,125	42,583,434,872	351,102	31,216,585,579
Khushhali Bank	879,637	60,647,662,090	923,304	66,474,876,985
Mobilink Microfinance Bank	808,239	25,243,147,182	3,504,294	20,216,293,362
NRSP Bank	339,130	28,992,356,981	213,611	20,939,345,144
Pak Oman Microfinance Bank	56,061	2,519,259,822	36,015	2,862,826,100
Sindh Microfinance Bank	36,410	560,257,733	21,390	628,695,000
Telenor Microfinance Bank Limited	305,619	12,738,344,368	1,503,149	13,801,846,003
U Microfinance Bank	346,258	31,319,361,775	176,079	18,251,854,017
Total for MFBS	**3,660,681**	**237,733,345,394**	**7,323,801**	**243,249,313,397**
MFIs				
AKHUWAT	814,722	19,376,447,080	655,023	26,279,253,120
ASA – Pakistan	420,776	10,339,617,871	1,335,549	34,915,083,000
Community Support Concern	44,529	1,379,068,985	28,790	1,722,403,435
DAMEN	114,593	3,323,013,355	74,731	4,296,610,000
Farmer Friend Organization	41,229	1,037,636,781	23,367	1,197,015,000
MOJAZ Foundation	32,065	702,195,401	13,412	657,932,500
Micro Options	-	-	170	7,779,000
Orangi Charitable Trust	18,679	348,147,616	7,177	277,337,500
SAFCO Support Fund	102,235	2,595,253,531	60,714	2,983,689,576
Soon Valley Development Programme	13,040	362,894,968	10,265	473,697,700
Total for MFIs	**2,102,815**	**54,053,430,566**	**2,511,369**	**87,790,876,831**
RSPs				
National Rural Support Programme	681,943	17,741,796,738	545,559	23,898,968,800
Ghazi BarotaTariqiatiIdara	26,229	369,903,956	14,791	408,294,000
Punjab Rural Support Programme	42,298	793,223,860	23,393	726,044,000
Sindh Rural Support Organization	73,532	1,523,523,037	51,866	1,297,425,376
Sarhad Rural Support Programme	4,538	56,676,006	3,128	60,421,000
Thardeep Rural Support Programme	109,582	3,195,338,071	65,960	3,146,042,000
Total for RSPs	**938,122**	**23,680,461,668**	**704,697**	**29,537,195,176**
Others				
AGAHE	34,779	744,498,504	27,990	1,061,315,000
JWS Pakistan	77,930	2,306,462,245	64,113	3,280,405,000
Orix Leasing	13,871	186,582,063	2,141	108,454,000
Organization for Participatory Development	4,247	73,063,872	2,528	100,575,000
Rural Community Development Programme	161,096	4,924,725,653	85,218	5,402,852,700
Shah Sachal Sami Foundation	4,420	161,257,063	1,559	90,763,000
Total for Others	**296,343**	**8,396,589,400**	**183,549**	**10,044,364,700**

Source: Pakistan Microfinance Network (PMN)

Zakat

The subject of Zakat was devolved to the provinces and federal areas following the 18th Constitutional amendment. The federal government is responsible for the collection of Zakat and its distribution to the provinces/federal areas in accordance with the Zakat distribution formula approved by the Council of Common Interests. A total amount of Rs 7929.16 million was collected during FY2020 and distributed during FY2021 as per details given in the Table 15.8:

Table 15.8: Disbursement of Zakat		(Rs million)
Federal Areas/ Provinces	**% Share**	**Allocated/ Released Budget 2020-21**
Federal Areas	7% of total Zakat Collection is distributed amongst federal Areas	
ICT	35.14% of 7%	195.041
Gilgit-Baltistan	18.57 % of 7%	103.071
FATA	46.29 % of 7%	256.929
	Total Federal	**555.041**
Provincial	Share of provinces after deduction of above federal payments	
Punjab	57.36 % of 93 %	4229.795
Sindh	23.71 % of 93 %	1748.404
Khyber Pakhtunkhwa	13.82% of 93 %	1019.103
Balochistan	5.11 % of 93 %	376.817
	Total Provincial	**7374.119**
G. Total		**7929.160**

Source: Poverty Alleviation and Social Safety Division

Employees Old-Age Benefits Institution (EOBI)

The EOBI is playing a vital role in poverty alleviation by paying pension and grants to retired workers and their families. Currently EOBI has registered 437,472 Old-age pensioners, 225,465 Survivors' pensioners and 11,056 Invalidity pensioners.

Main Features of the EOBI Schemes are:

- **Old-age pension** on attaining the 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 more than one third of normal of the insured person's earning.
- **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 15 years of age, or
  - Surviving female children till 18 years of age or their marriage, whichever is earlier, or
  - Surviving parents for 5 years, if any insured person/pensioner is not survived by spouse or children.
- **Old-Age Grant** for those not meeting the benchmark for old-age pension. The grant is paid in lump sum to insured persons who have less than fifteen years' insurable employment but attain the age of 60/55 years

The EOBI disbursements, although not very handsome, are a sustainable source of income for the insured persons and their survivors who are generally below the poverty line. In this way, the EOBI benefits have proved effective in preventing the insured persons and their survivors from falling into poverty and enabled those living in poverty to escape from the poverty trap to some extent. The details of monthly disbursed benefits are shown in Table 15.9.

Table 15.9: Achievements of EOBI during July- March FY2021

Benefits	Number of beneficiaries									Total Disbursement (Rs million)
	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
Old-age Pension	234,128	235,271	236,100	236,796	237,388	237,808	238,709	239,223	240,247	20,539
Invalidity Pension	5,131	5,158	5,170	5,174	5,193	5,187	5,208	5,219	5,246	442.0
Survivors' Pension	145,425	146,412	147,265	148,225	149,132	150,266	151,387	152,327	153,480	12,826
Old-Age Grant	308	385	352	533	591	511	474	490	601	256.0
Total										**34,063**

Source: Employees' Old Age Benefits Institution (EOBI), Karachi

Workers Welfare Fund (WWF)

The WWF was established under the Workers Welfare Fund Ordinance, 1971, for providing low-cost housing and other amenities to industrial labour. During July-March, FY2021 expenditures amounting to Rs 2.47 billion have been incurred on 33,679 scholarship cases, while Rs 573.44 million has been disbursed as marriage grants @ Rs 100,000 per worker benefitting 5736 workers' families. The WWF has also disbursed Rs 496.55 million as death grant @ Rs 500,000 per worker– covering 994 cases of mishaps all over the country.

Way forward

The past two and a half years have been remarkable phase in terms of performance and expansion of social protection in the country. A comprehensive strategy was developed for the largest social protection programme which has been revised further with regard to post-COVID scenario. Many innovative programmes have been conceptualized, rolled out and taken to scale and few existing programmes which were continued have undergone extensive and deep-rooted reform. Through an unprecedented effort, wide-ranging reform has been implemented in the governance system. There are five priorities of the government to implement the social protection policies under Ehsaas programme. Firstly, upscaling of the existing programmes so that they have their widest outreach possible. Secondly, appropriate investment in instructional communications so that individuals can actually benefit from the programmes that have been rolled out. Thirdly, the institutionalization of one window operations of Ehsaas so that all programmes and policies can be brought under one umbrella and citizens can be facilitated to take benefit. Fourthly, completion of the 2021 Ehsaas database on the basis of which the list of beneficiaries for Ehsaas programme will be expanded and targets would be improved. Lastly, a move from untargeted to targeted subsidies, these five priorities will continue with an aggressive governance reform which has been a hallmark of Ehsaas.

Chapter 16

Climate Change

Pakistan is vulnerable to the effects of climate change which has occurred due to rapid industrialization with substantial geopolitical consequences. As things stand, the country is at a crossroads for a much warmer world. According to German Watch, Pakistan has been ranked in top ten of the countries most affected by climate change in the past 20 years. The reasons behind include the impact of back-to-back floods since 2010, the worst drought episode (1998-2002) as well as more recent droughts in Tharparkar and Cholistan, the intense heat wave in Karachi (in Southern Pakistan generally) in July 2015, severe windstorms in Islamabad in June 2016, increased cyclonic activity and increased incidences of landslides and Glacial Lake Outburst Floods (GLOFs) in the northern parts of the country.

Pakistan’s climate change concerns include increased variability of monsoons, the likely impact of receding Hindu Kush-Karakoram-Himalayan (HKH) glaciers due to global warming and carbon soot deposits from trans-boundary pollution sources, threatening water inflows into Indus River System (IRS), severe water-stressed conditions particularly in arid and semi-arid regions impacting agriculture and livestock production negatively, decreasing forest cover and increased level of saline water in the Indus delta also adversely affecting coastal agriculture, mangroves and breeding grounds of fish.

Box-I: Water sector challenges in the Indus Basin and impact of climate change

Food and Agriculture Organization (FAO) took stock of Pakistan's water resource availability, delineating water supply system and its sources including precipitation and river flows and the impact of increasing climatic variability on the water supply system. The focus was on the current water usage and requirements in the agricultural sector and how changing climatic conditions will affect the consumption patterns. With inflows expected to become more variable in the coming years, the severity of climatic extremities will become more pronounced, driving up water demands in addition to the demand increase from a rising population and urbanization. Over extraction of groundwater resources is also disturbing the water calculus and pushing the country towards a critical demand-supply gap.

Pakistan's water sector remains vulnerable to the impacts of climate change. To ensure that Pakistan is adequately prepared to deal with the changing climatic realities, it is important to understand the nexus between water availability, agricultural productivity and climatic variability. The work has endeavoured to highlight the same indicating the existing availability of water based on a single river system which is Indus Basin System and its tributaries; future projections of water requirements for crops, livestock, forest, rangelands, ecological and municipal sectors and the challenges Pakistan faces in accommodating the increasing demand for water from competing sectors. Further, limited water conservation practices that are contributing towards the degradation of water quality and loss.

In light of the analysis conducted, it is clear that due to competing pressures of water demand from different sectors and a widening demand-supply gap, there is a need to guide the shift from irrigation to water management in order to address the challenges that come with increasing climatic variability and water scarcity. Some key recommendations are proposed signalling the need to adopt a more holistic approach towards water management and conservation, which takes into account the available resources, its usage, challenges and projected water requirements as well as future course of action to ensure that Pakistan is able to boost its agricultural productivity without drying out its water resources.

Source: FAO Pakistan report on water availability, use and challenges in Pakistan

The Government of Pakistan has evolved policy frameworks backed by strategy to address various aspects of the climate change including major policy and climate related interventions. In order to mitigate the negative impacts of automobile sector on environment and giving a boost to the economy, Government has approved its National Electric Vehicle Policy targeting a 30 percent shift to electric vehicles by 2030.

Pakistan will host World Environment Day 2021 in partnership with UN Environment on 5th June 2021. This year's observance of World Environment Day will be on the theme of 'ecosystem restoration' and will focus on resetting our relationship with nature. This event will also mark the formal launch of the UN Decade on Ecosystem Restoration 2021 – 2030. This aims to prevent, halt and reverse the degradation of ecosystems on every continent and in every ocean. The Government has taken different initiatives to mitigate the effects of environment and climate.

Major Initiatives in Forestry Sector

Pakistan is forest deficient country, mainly due to arid and semi-arid climate in large parts of the country. The country is maintaining 4.51 million hectares to 5.01percent area under forest cover, out of which 3.44 million hectares forests exist on state-owned lands and remaining on communal and private lands. Though the forestry having meager share of 2.1 percent in agriculture, it provides foundations of life on earth through ecological function, regulates the climate and water resources and serves as habitat for plants and animals[1].

Rapidly growing population coupled with poverty and lack of awareness is leading to illegal and unsustainable logging and overharvesting of wood for fuel and charcoal continue to cause deforestation. Moreover, forest fires, natural hazards along with pests and diseases further contribute to the declining rate.

All these issues threaten the survival of species, people's livelihoods and undermines the vital services that forests provide. To meet the domestic needs and to maintain the existing forest stand together with meeting need of improving the forest cover. The government has taken different measures for the revival of forestry sector, the detail is as follows:

I. Ten Billion Tree Tsunami Programme (TBTTP)

The TBTTP is built on successful initiative of Khyber Pakhtunkhwa's Billion Trees

[1] Compendium on Environment Statistics of Pakistan (PBS)

Afforestation Project (BTAP). Following the success and confirmation by the independent monitors, the government has decided to set a goal of "10 Billion Tree Plantation" across the country. The programme was approved by ECNEC with the project cost of Rs. 125.184 billion. During Phase-I of the programme, plantation / regeneration of 3.29 billion plants will be completed. The programme has achieved plantation of about 350 million during July-March FY2021 and cumulatively has attained 814.671 million plants through regeneration. Through this programme around 100,000 daily wagers have been employed uptill March 2021. The Government is confident that a target to plant one billion trees will be achieved by June 2021.

This project is expected to deliver environmental dividend in preserving atmospheric health, reducing greenhouse gas effects, lowering cases of random floods, lowering rains, droughts and enhancing other biodiversity supportive actions. It is anticipated that approximately 1.5 million jobs will be created directly or indirectly.

Table 16.1: Physical & Financial Progress FY2020 & FY2021(July-March)

S. No	Provinces	Number of Trees (million)	Area (Hectare)	Budget Utilization (Rs-million)
1.	Khyber Pakhtunkhwa	304.24	340,068	5,509.14
2.	Punjab	61.5	20,806	5,216.04
3.	Sindh	323.84	19,500	1,290.64
4.	Balochistan	5.42	2,435	658.979
5.	Azad Jammu & Kashmir	106.937	40,512	1,536.266
6.	Gilgit Baltistan	10.734	1713	4,59.589
	Total	**814.671**	**125,034**	**14,670.654**

Source: Ministry of Climate Change

II. Protected Areas Initiative

The overall objective of 'Ten Billion Tree Tsunami Programme' is to revive Forest and Wildlife resources in Pakistan, to improve the overall conservation of the existing Protected Areas; encourage eco-tourism, community engagement and job creation through the conservation. To meet challenges faced, to protect and preserve wildlife, TBTTP is aiming at better management of 23 protected areas. The initiative will increase venues for international standards of Eco-tourism and is aiming to provide about 5,500 green jobs. The total cost of this initiative shall be Rs. 3.89 billion and it will include community engagement as follows:

- Seven "Autonomous Protected Areas Management Boards" will be developed to provide strategic direction to guide, direct and monitor the activities of executing parties.
- Under the Protected Area Initiative 66 communities will be engaged which will create job opportunities for them.

- Sixty five Village Conservation Committees (VCCs) will be established within first year of implementation.
- Ten Village development plans will be designed after the VCCs are established within the first year, improving livelihood and financial conditions of the communities.
- During the first year of project, 805 community watchers for Protected areas will be hired accordingly

Table 16.2: Protected Areas in Pakistan

Province	Name	Area (sq. km)
Islamabad Capital Territory	1. Margalla Hills National Park	173.9
Punjab	2. Kheri Murat National Park	56.2
	3. Salt Range National Park	52.6
	4. Rakh Choti Dalana	N.A
Gilgit-Baltistan	5. Deosai National Park	3622.1
	6. Khunjerab National Park	44506.0
	7. Himalaya National Park	2263.0
	8. Nanga Parbat National Park	1785.6
Sindh	9. Takar National Park	435.1
	10. Karunjar National Park	N.A
Balochistan	11. Astola Marine Protected Area	401.5
	12. Takatu State Forest Area	38.9
	13. Hingol National Park	6290.5
	14. Chiltan-Hazar ganji National Park	278.0
Azad Jammu & Kashmir	15. Machiara National Park	135.4
	16. Toli Pir National Park	50.4
	17. Deva Vatala National Park	14.5
Khyber Pakhtunkhwa	18. Lulusar-Dudipat Sar National Park	303.6
	19. Saif-ul-Maluk National Park	55.6
	20. Broghil National Park	1347.6
	21. Chitral Gol National Park	78.0
	22. Ayubia National Park	33.7
	23. Sheikh Badin National Park	155.4
Total Area		**62077.6**

Source: Ministry of Climate Change

III. Wildlife Management

The challenges for the protection and preservation of wildlife of Margallah Hills National Park (MHNP) could be managed through improvement and effective implementation of Islamabad Wildlife (Protection, Preservation, Conservation and Management) Ordinance 1979, legislation and institutional strengthening. The following measures have been taken for the wildlife management of Margallah Hills National Park:

- Enhanced management of Protected Areas i.e., Margallah Hills National Park by setting goals on international standards
- Revival of critically endangered spices and their Habitats
- Restriction of illegal wildlife trafficking and hunting in ICT
- Rehabilitation/ Rescue Center for Confiscated Wildlife in Islamabad

- Zero plastic in hiking trails and other areas of MHNP, "Plastic free National Park"
- Improvements of Islamabad Wildlife (Protection, Preservation, Conservation and Management) Ordinance 1979 legislation and its implementation
- Engage different universities students to conduct scientific studies in MHNP
- Awareness about the importance of wildlife in MHNP to students and general public

Natural Capital Account

Pakistan in a recent development is partnering with World Bank to explore and formulate Natural Capital Account of protected areas that can provide detailed statistics for better management of the economy. National Capital Account can be used to help identify the distributional consequences of changes to land use, forest cover and ecosystem function which will help the government to gauge whether planned economic growth is inclusive. The outcome will help the government to design the evidence-based national forest policy and plans. Improved institutional framework and strategies are needed for the achievement of SDGs and implementing the SDGs pertaining to climate change like SDG 15 (sustainable forest management), SDG 7 (Ensure access to affordable, reliable, sustainable and modern energy for all), SDG 12 (sustainable consumption and production), SDG 6 (protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes) and SDG 13 (climate change action).It requires a solid framework of indicators and statistical data for policymaking to monitor progress and ensure accountability. Natural Capital Accounting expands the scope of traditional reporting and can meet this need

Participation in Reducing Emissions from Deforestation and Forest Degradation (REDD+)

Reduced Emission from Deforestation and Forest Degradation (REDD+) is a concept adopted by the countries under United Nations Framework Convention on Climate Change (UNFCCC) in 2010. The concept relates to absorption of atmospheric carbon through forest resource. Due to accumulation of carbon in standing trees their financial value increases. Carbon stocked in forests is traded in carbon markets.

The REDD+ Readiness Preparation Proposal (R-PP) is being implemented in Pakistan with a grant of $ 3.8 million since July 2015. Pakistan was awarded the grant through a competitive process by Forest Carbon Partnership Facility (FCPF) of the World Bank. International and national consultants were hired to prepare documents for the four elements required to complete the REDD+ readiness phase. Meanwhile, in 2018, an additional grant of $ 4.01 million has also been awarded by FCPF to further support the preparedness activities in Pakistan till June 2020. The Forest Reference Emission Level (FREL) of Pakistan has been submitted to UNFCCC. The design of National Forest Monitoring System has also been finalized.

Nationally Determined Contributions (NDC) Revision

As per Paris Agreement, parties are obligated to submit revised NDC every five years with enhanced commitments. Government of Pakistan is in the process of revising its

NDCs for a more robust and ambitious NDCs covering all economic sectors. For the revised NDCs, Pakistan is aiming to highlight the projects which have been conducted with its indigenous resources in the last five years like institutional arrangements, governance approaches and also include new gases to GHG inventory and new sectors like Blue Carbon, Electric Vehicles, Health co-benefits, Air pollution and Youth etc. for enhanced commitments. The revised NDCs will be institutionalizing a 'whole-of-government' approach to revising, reviewing and reporting on climate action.

The enhancement activities like Updated Greenhouse Gas Inventory, mapping of Pakistan's vulnerabilities and options to strengthen resilience of most vulnerability to climate change, the selection and application of appropriate tools and methodologies for adaption and mitigation in priority sectors, developing Marginal Abatement Cost Curves (MACC) for the different NDC sectors which allows government to ratchet up climate ambition, conducting Gender and climate change nexus, Youth and climate change nexus, Health, Climate change and air pollution nexus and estimation of emission from refrigerant gases.

National Greenhouse Gas Inventory

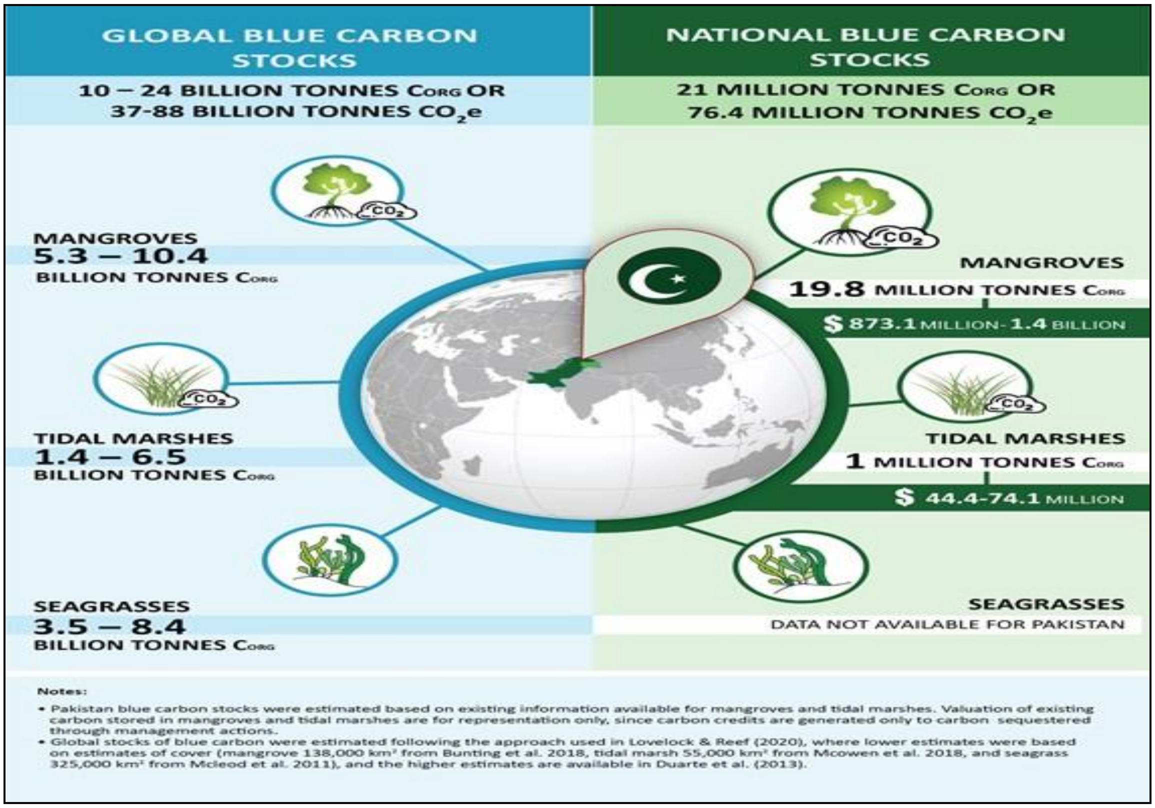
The Government is committed to submit its first biennial update (BUR-I) to United Nations Convention on Climate Change (UNFCCC) and information on national GHGs inventory is as an essential component of the report. In this respect, national GHGs inventory is prepared using the standard techniques contained in the Inter-governmental Panel on Climate Change (IPCC), 2006, Guidelines for National Greenhouse Gas Inventories (using IPCC GHGI Software, version 2.69). This inventory provides information regarding GHGs namely CO_2, CH_4 and N_2O emitted from the anthropogenic sources from all sectors of economy including energy, Industrial Product & Product Use (IPPU), agriculture, forestry and other land use and waste.

Carbon Markets

In line with commitment to the Paris Agreement under Article 6 facility Pakistan intends to establish a robust and cohesive carbon market. Carbon market can generate fiscal resources and green jobs to support sustainable recovery from economic regression in the medium term. To develop local "carbon trading" and participate in international carbon market; the MoCC has conducted a study on the Introduction of Carbon Pricing Instruments with support of UNFCCC. As a result of the study National Committee on the Establishment of Carbon Market (NCEC) was established after approval of Prime Minister. Further, NCEC is tasked to design domestic Emission Trading Scheme (ETS) framework, Monitoring, Reporting and Verification (MRV) infrastructure and procedures underpinned by communication strategy and capacity building and training of the relevant stakeholders.

Blue Carbon

Ministry of Climate Change with the support of the World Bank conducted Blue Carbon rapid assessment for Pakistan to figure out how and where to act to protect and bolster blue carbon opportunities. Accordingly, Pakistan envisions gaining value from blue carbon in a plethora of ways that can be beneficial for climate and ocean. The assessment concluded that in total, mangrove forests and mapped tidal marshes store approximately 21 million tonnes of organic carbon (Corg)or 76.4 million tonnes CO_2e. It is estimated that the Sindh government's Indus Delta Mangroves REDD+ Project, which is being conducted on 350,000 ha, will remove 25 million CO2e by 2030 and 150 million by 2075. This project will result in removals equivalent to approximately 0.25-0.5 percent of Pakistan's annual emissions.



Source: Ministry of Climate Change

Water, Sanitation and Hygiene (WASH) Programme

The government recognizes access to drinking water and sanitation services as a fundamental human right as enshrined in the Constitution of Pakistan under Article 9 that "no person shall be deprived of life or liberty save in accordance with law". The commitment of government for creating an enabling environment for water and sanitation has been reinforced through launching of Clean Green Pakistan Movement (CGPM) by the Prime Minister in October 2018, showing the highest level of commitment to the subject. Ministry of Climate Change is developing a national WASH programme, in collaboration with the provinces, as COVID-19 response strategy with a key focus on liquid waste management and effective municipal service delivery.

Sector Financing for Water Sanitation and Hygiene:

Pakistan spent around 0.22 percent of its GDP on water and sanitation in 2019 as compared to 0.16 percent of its GDP in 2012-13. Pakistan needs Rs 450 billion annually, based on SDGs costing tool of World Bank/UNICEF, to meet SDG targets of WASH by

2030. The overall budget allocation in FY2020 was Rs 158 billion annually for WASH. The spending was Rs 87 billion annually through public sector with overall utilization of only 55 percent of budgetary allocations.

At federal level, Ministry of Climate Change (MoCC) has been entrusted the role of policy formulation, standards settings, reporting and coordination for regional and international commitments. The WASH Strategic Unit at the MoCC rolled out Joint Sector Reviews (JSRs) of WASH by arranging a training workshop of key provincial departments and sector partners. The capacity development on key technical areas is being included in new national WASH programme of the MoCC. The detail of budget allocation and expenditure for FY2020 is given table 16.3 below:

Table 16.3: Budgetary Allocations and Expenditures for WASH FY2020

Province/ Region	Allocations – Rs Million			Spending – Rs Million		
	Current	Development	Total	Current	Development	Total
Balochistan	5,970	16,553	22,523	6,068	6,532	12,601
Khyber Pakhtunkhwa	8,288	19,913	28,201	10,549	7,021	17,570
Punjab	10,071	31,334	41,405	10,162	17,477	27,639
Sindh	8,849	47,450	56,300	5,455	15,477	20,932
Federal	470	9,579	10,049	470	7,573	8,043
Total	**33,648**	**124,829**	**158,477**	**32,705**	**54,080**	**86,785**

Source: Ministry of Climate Change

For 2021, the Federal and Provincial Governments allocated Rs 150 billion in the country in spite of the challenge of resource constraints due to Covid-19. This is the highest in Balochistan province with Rs 2,815 per capita followed by Federal and Khyber Pakhtunkhwa province. The per capita allocation has been the lowest in the Punjab province. The province/region wise allocation and per capita allocation has been given in table 16.4 below:

Table 16.4: Allocation for WASH FY2021

Province/ Region	Current – Rs Million	Development – Rs Million	Total Rs Million	Per capita - Rs
Balochistan	6,210	28,418	34,627	2,815
Khyber Pakhtunkhwa	8,686	25,302	33,988	1,082
Punjab	6,289	31,359	37,649	338
Sindh	8,345	25,108	33,453	684
Federal	431	10,100	10,531	1,210

Source: Ministry of Climate Change

Pakistan Climate Resilient Urban Policy Framework

Climate change is a real threat to the sustainability of our cities. MoCC is formulating Pakistan Climate Resilient Urban Policy Framework, which will take into account opportunities and challenges in achieving green and resilient urban development in Pakistan with special reference to climate change.

PSDP Project "Climate Resilient Urban Human Settlements"(CRUHS) Unit to address the urban environmental and climatic issues in a sustainable and resilient way is also under execution. The CRUHS Unit will serve for 05 years as the Secretariat to follow-up and arrange the conduction of various research studies on developing the Climate Resilient Sustainable Cities. The Ministry of Climate Change will be equipped to effectively look after at national level the subject of urban affairs & human settlements and efficiently deal with all related matters in coordination with the sectoral partners, including the provincial governments and local authorities; private sector and multilateral and bilateral agencies.

Gender Dimension in Climate Action

In recent years, the gendered nature of climate change impacts has been recognized by researchers and development practitioners. In view of this, MoCC has begun to address this climate change-gender nexus. A working group has been established on gender and climate change and they are working on mainstreaming gender in to existing and future policies, plans and initiatives which will address different sectors vulnerable to climate change like water, agriculture, fishery etc. Additionally, an initiative is also underway with International Union for Conservation of Nature (IUCN) where country capacity will be strengthened to implement gender responsive climate change program and a national Climate Change Gender Action Plan CCGAP will be finalized.

Youth and Climate Change Perception Survey

Pakistan is the fifth most populous and one of the youngest countries in the world. Almost 27 percent of the Pakistani population is between 15 to 29 years. The number of youth in Pakistan are expected to peak till 2050. Youth remains the biggest stakeholder in climate action due to the intergenerational nature of climate challenges and, hence as such deserve to be at the forefront of all planned policies and action. Towards that end, the MoCC, in collaboration with UNDP conducted a youth survey aimed at gauging the perception and knowledge of Pakistan's youth regarding climate change. The survey aimed to collect information on a host of subject areas that were divided into five themes such as Climate Change knowledge, Climate Change vulnerability, Adaptation strategies, Regulatory knowledge and Climate advocacy.

The results indicate the highly prevalent impact of climate change on Pakistan. Marked differences in understanding of climate change were observed in cohorts that belonged to rural or urban areas. Majority (70 percent) of the phone respondents reported limited to no knowledge of the concept of environmental sustainability, whereas over 60 percent of the digital respondents claimed to have high or very high understanding of the concept of climate change, highlighting a major gap in climate change awareness within digitally challenged youth of Pakistan. The government initiatives launched in order to promote the green economy or to provide financial support against those who had suffered due to climate change were well acknowledged as agents of change with 84 percent of the respondents crediting increased knowledge through these ventures and programs.

Clean Green Pakistan Index and Champions Programme

In Clean Green Pakistan Movement (CGPM), the MoCC started Clean Green Pakistan Index for ranking the cities against the performance of five pillars of Clean Green Pakistan i.e., drinking water, sanitation, hygiene, solid waste management and plantation. The Index is calculated by comparing the cities with 35 performance indicators. The pilot has been successfully implemented in 20 cities of Pakistan during 2020 in Khyber Pakhtunkhwa and Punjab and was concluded in October 2020. It is now being scaled up in 93 cities of Pakistan across the country from 2021. The CGPI is becoming a key tool for integrating mutual accountability mechanisms of WASH in Pakistan. Ranking of cities in Punjab and Khyber Pakhtunkhwa is given in fig-16.1 and fig-16.2 below:

Fig- 16.1: Cities' Ranking - Punjab

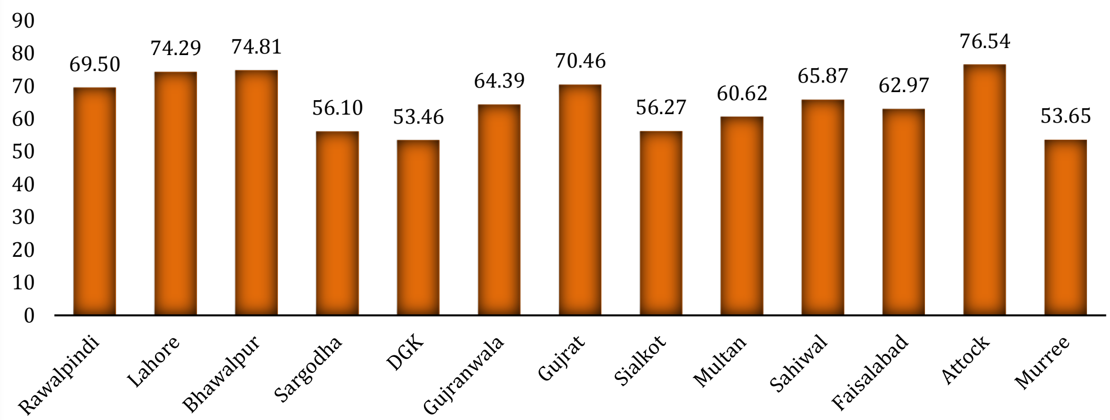
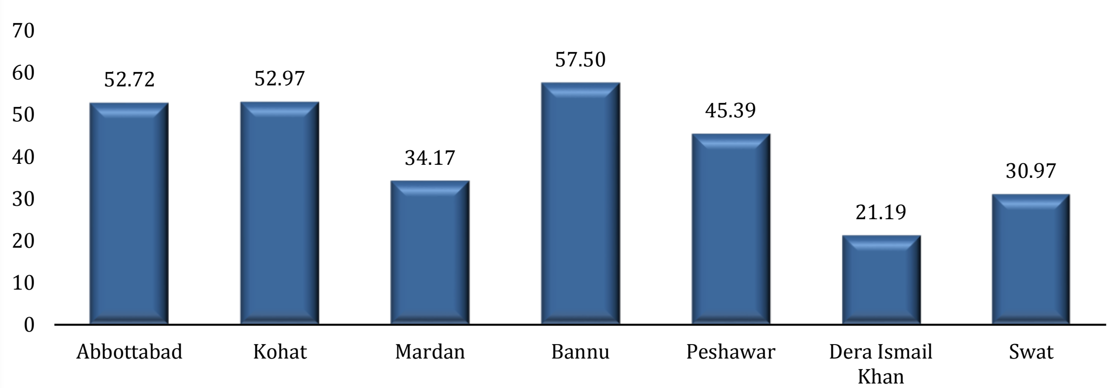


Fig- 16.2: Cities' Ranking - Khyber Pakhtunkhwa



Source: Ministry of Climate Chage

National Adaptation Plan (NAP)

Pakistan has officially initiated the process of creating a National Adaptation Plan (NAP) for building resilience to climate change. NAP is widely seen as one of the most important mechanisms for adapting to climate change. They aim to reduce vulnerabilities to climate impacts by creating comprehensive medium and long-term plans, including the integration of adaptation measures into national policy. Pakistan will be using the National Adaptation Plan process and its outcomes to enhance the adaptation elements of the Nationally Determined Contributions (NDCs), a central aspect of the Paris Agreement. Pakistan has been using nature-based solutions and 'ecosystem-based adaptation' in its national efforts to build climate resilience. The National Adaptation Plan process will be looking to build on these existing nature-based approaches which include the Ten Billion Trees Tsunami Programme, the Ecosystem Restoration Fund and the Recharge Pakistan initiative.

Coordination with International Environmental Agencies on Environmental Issues

MoCC is responsible for coordination with international environmental agencies on environmental issues, signing & implementation of MOUs and handling of matters related to GSP+. Moreover, it also represents Pakistan at international fora with respect to the signed Conventions and Protocols. The major achievements during 2020-21 are as under:

- Ratification of Minamata Convention on Mercury and Organizing Awareness Seminars for Compliance of Minamata Convention.
- UNEP approved funds for the project titled "Strengthening of National Legislation and Capacity Building of Stakeholders for Sound Chemicals and Hazardous Waste Management in Pakistan".
- A project titled "Development of National Inventory of Plastic Waste in Pakistan" has been submitted to Basel Convention Regional Centre, Tehran for funding under Small Grant Programme (SGP) on plastic waste.
- Completed a project titled "Comprehensive Elimination and Destruction of Persistent Organic Pollutants (POPs) in Pakistan".

National Ozone Unit (NOU)

The National Ozone Unit remained actively involved in multiple activities to attain targets relating to containing Ozone Depleting materials. The Unit has successfully distributed Hydro Chloro Fluoro Carbon (HCFC) quota for 2021 among 21 eligible importers on 50 percent compliance target from baseline of 248.11 Ozone Depletion Potential (ODP) tons under Montreal Protocol. The Unit held pre consultative workshop for draft proposal of Hydrofluorocarbons Phase Out Management Plan (HPMP)-III for which all the stakeholders including Industries, Imports and government departments have been taken on board. This has enabled NOU to make an overarching strategy for the HPMP stage III. The draft has been prepared which focuses on the HCFC phasing out while promoting ozone-friendly, climate-friendly and energy-efficient technologies to the possible extent. The proposed strategy also includes the establishment of a Recovery, Recycling and Reclaims (RR&R) center as well as raising awareness of stakeholders on the Kigali Amendment and its future obligation phase-down.

Environmental Protection

MoCC is mandated to enforce the Pakistan Environmental Protection Act, 1997 in the Islamabad Capital Territory. The following major activities are being undertaken by Pak-EPA:

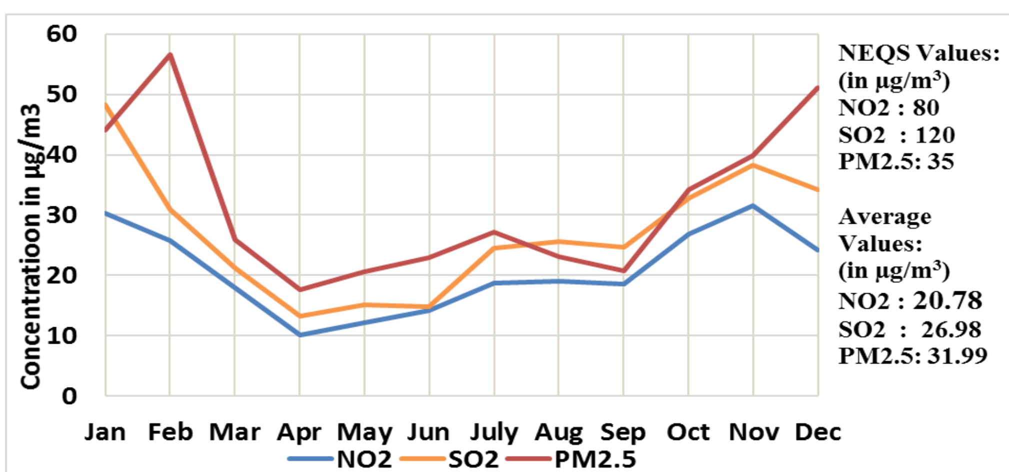
Water Quality

An Integrated Surveillance System to monitor the Islamabad's natural streams and river water samples is established and samples were collected and analysed, from nalah, Margallah hills and sewerage system of ICT. Teams collected eight water samples from Wah Garden and 25 water samples from CDA filtration plants, industrial and slaughter waste/effluent water. Five bore water samples were collected from (Barakahu). Lab/NEQS directorate July 2020 to March 2021 collected fifty-two (52) water samples and tested in EPA laboratory. Ten environmental industries/sites were visited to check Environmental Management Plan status.

Air Quality

Pak-EPA has established an active and reliable monitoring system to routinely monitor air emissions of steel, pharma, aluminium, food industries, brick kilns and construction sites. Fixed monitoring station located in H-8, Islamabad. Data is gathered and analyzed on 24-hourly basis and disseminated to the public through Pak-EPA website (wwww.environment.gov.pk) and official social media accounts.

Fig-16.3: Air Quality Annual Average 2020



Legal /enforcement directorate has taken following actions during 2020-21

- One hundred sixty six notices served upon the violators for causing Environmental Pollution in Islamabad including Brick Kilns, Hospitals, Industries of all users of Polythene Bags.
- Pak-EPA issued Forty seven Environmental Protection Orders on violation of Environmental Laws/Rules/Regulations including Brick Kilns, Project Proponents of different Housing Societies, Hospitals, Steel Industries, Polluters, Violators of Plastic Shopping Bags Regulations.
- Environmental Monitoring and Implementation Teams confiscated a volume of 700 kilograms Polythene Bags from different outlets/selling points in ICT.
- Due to non-compliance of National Environmental Quality Standards eight Brick Kilns were sealed.

Ban on Polythene Plastic Bags in Islamabad Capital Territory

In order to curb plastic pollution, Pakistan Environmental Protection Agency with the support of Ministry of Climate Change imposed a ban on polythene plastic bags in ICT vide SRO. No.92 (KE)/219, dated 22nd July, 2019 that imposed a complete ban on polythene bags (Manufacture, import, storage and Usage) in ICT which also includes fines on manufacturers, shopkeepers and users Rs. 100,000, Rs 10,000 and Rs 5000, respectively.

- Launched integration of Mobile App on "Ban on Polythene Bags" into City Islamabad application.
- MoCC organized First National Dialogue and Stakeholder Convening with the Collect and Recycle (Core) Alliance on topic "Collective action approach to deal with packaging waste"at Islamabad.
- Conducted a detailed survey on waste to help in policy building.
- MoCC in collaboration with European Union Switch Asia is preparing the waste reduction and minimization of plastic waste management. In addition to this, Ministry is working on expanded producer responsibility tools to facilitate effective plastic waste management and build capacity of relevant stakeholders across the country (both federal & provincial level).

Global Change Impact Studies

The Global Change Impact Studies Centre (GCISC) is corporate body, governed by an independent Board of Governors, with the mandate of conducting research on climate change and its impacts and possible remedies. Specific research themes include the climate change profiles of Pakistan, impacts on critical socio-economic sectors and identification of appropriate adaptation/mitigation strategies.

Green Climate Fund (GCF) Projects under the Ministry of Climate Change

GCF was established to limit greenhouse gas emissions in developing countries and to help vulnerable societies adapt to the unavoidable impacts of climate change. The ongoing projects under GCF are as under:

1. Scaling-up of Glacial Lake Outburst Flood (GLOF II) Risk Reduction in Northern Pakistan

MoCC has initiated US$ 37 million project with UNDP funded by GCF. The project objective is to reduce the vulnerability of the communities in Northern Pakistan to climate change-induced natural disaster risks as a result of GLOFs. Currently the project targets 18 districts (10 in Gilgit Baltistan & 8 in Khyber Pakhtunkhwa). In target communities, 95 percent of households able to receive and respond to early warnings and take the appropriate action, At least 250 small-scale engineering structures established to reduce the effects of GLOF events on livelihoods, such as tree plantation, controlled drainage and mini dams, 50 weather monitoring stations to collect meteorological data in catchment areas; 408 river discharge sensors to collect river flood data. This data will inform hydrological modelling and help develop village hazard watch groups and to improve food security and reduce flood risks due to deforestation and inefficient water use, 65,000 women will be trained in home gardening, 240 water-efficient farming technologies will be installed and 35,000 hectares of land will be reforested.

2. Transforming the Indus Basin with Climate Resilient Agriculture and Climate-Smart Water Management

GCF signed this project with FAO and granted $ 35 million. The project objective is to transform agriculture in the Basin by increasing resilience among the most vulnerable farmers and strengthening Government’s capacity to support their communities to adapt. It will build farmers resilience to climate change through skills, knowledge and technology and create a wider enabling environment for continuous adaptation and expanded sustainable uptake of climate-resilient approaches. The project will be implemented in eight districts in Punjab and Sindh Provinces over a six-year period at a total cost of $ 47.69 million with a co-financing from both the provinces.

Global Environment Facility (GEF)

The Global Environment Facility (GEF) was established to tackle the environmental problems. The Ministry of Climate Change has currently a portfolio of $ 19.4 million with four projects under implementation.

1. Sustainable Forest Management to Secure Multiple Benefits in High Conservation Value Forests. ($ 9.3 million) UNDP
2. Generating Global Environmental benefits from Improved Decision-Making Systems and Local Planning in Pakistan. ($1 million) UNDP
3. Pakistan Snow Leopard Eco-System Protection Program. ($4.6 million) UNDP

4. Reversing Deforestation and Degradation in High Conservation Value Chilgoza Pine Forests. ($ 4.5 M) FAO

Conclusion

Pakistan has been consistently ranked as one of the most affected countries by climate change. The population is facing challenges of natural hazard like floods, droughts and cyclones, which have been growing in intensity and frequency with the passage of time. The government is taking different measures to effectively tackle climate change challenges, such as improving technological responses by setting in place early warning systems and information systems to enhance disaster preparedness climate change resilience and by improving forest management and biodiversity conservation. The government has launched TBTTP for the revival of Forest and Wildlife resources in Pakistan. Through this programme the government will improve the overall conservation of the existing Protected Areas, encourage eco-tourism, community engagement and will create jobs through the conservation.

ANNEXURES

i. Contingent Liabilities
ii. Tax Expenditure
iii. Special Economic Zones
iv. Impact of COVID-19 on Socioeconomic Situation of Pakistan

Annex I

Contingent Liabilities

Contingent liabilities are possible obligations that arise from past events and their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the government.

Contingent liabilities should be examined in the same manner as a proposal for a loan, taking into account, 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 cannot be overlooked 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.

Contingent liabilities of Pakistan are primarily guarantees issued on behalf of Public Sector Enterprises (PSEs). The sovereign guarantee is normally extended to improve financial viability of projects or activities undertaken by the government entities with significant social and economic benefits. It allows public sector companies to borrow money at lower costs or on more favourable terms. In addition to that in some cases permits to fulfil the requirement where sovereign guarantee is a precondition for concessional loans from bilateral/multilateral agencies to sub-sovereign borrowers.

The volume of new government guarantees issued during a financial year is limited under Fiscal Responsibility and Debt Limitation Act which stipulates that the government shall not accord guarantees aggregating to an amount exceeding two percent of the GDP in any financial year including those for rupee lending, rate of return, outright purchase agreements and other claims and commitments provided the renewal of existing guarantees shall be considered as issuing a new guarantee.

During July 2020 to March 2021, the government issued fresh/rollover guarantees/Letter of Comforts (LoCs) aggregating to Rs 83 billion or 0.2 percent of GDP. The outstanding stock of guarantees was Rs 2,410 billion at end March 2021.

Table 1: Summary of Outstanding Government Guarantees

	(All figures are Rs in billion unless otherwise stated)
Domestic	1,613
External	796
Total Outstanding Government Guarantees	**2,410**
Memo:	
External (US$ in million)	**5,213**
Exchange Rate (Pak Rupee/US Dollar)	153

Source: Debt Policy Coordination Office, Staff Calculation, Ministry of Finance

Guarantees issued against commodity operations are not included in the stipulated limit of 2 percent of GDP as the loans are secured against the underlying commodity and are essentially self-liquidating. These guarantees are issued against the commodity financing operations undertaken by TCP, PASSCO and provincial governments. The outstanding stock of commodity operations was Rs 701 billion at end March 2021.

Annex II

Tax Expenditure Estimates - FY2021

Tax expenditure for FY2021 has been estimated at Rs 1,314.3 billion as per following Details:

Income Tax

Tax expenditure in respect of income taxes during FY2021 has been reflected in Table 1 below:

Table 1: Tax Expenditure Estimates of Income Tax –FY 2021	(Rs million)
1. Allowances	37,318
2. Tax Credits	105,342
3. Exemptions from Total Income	267,115
4. Reduction in Tax Rates	124
5. Reduction in Tax Liability	2,839
6. Exemption from Specific Provisions	2,687
7. Others /Miscellaneous	32,621
Total	**448,046**
Source: Federal Board of Revenue	

Sales Tax

Major exemptions in sales tax and their tax expenditures during FY2021 are presented in Table 2.

Table 2: Tax Expenditure Estimates of Sales Tax –FY 2021	(Rs million)
1. Zero Rating under Fifth Schedule to Sales Tax Act 1990	12,887
2. Exemption under 6th Schedule on (Imports)	173,808
3. Exemption under 6th Schedule on Local Supplies	156,134
4. Reduced Rates Under 8thSchedule (1%)	330
5. Reduced Rates Under 8thSchedule (2%)	90,288
6. Reduced Rates Under 8thSchedule (5 %)	27,108
7. Reduced Rates Under 8th Schedule (7 %)	496
8. Reduced Rates Under 8th Schedule (8%)	1,396
9. Reduced Rates Under 8th Schedule (10%)	69,592
10. Reduced Rates Under 8th Schedule (12%)	19,321
11. Sales Tax on Cellular mobile Phones under 9th Schedule	27,096
Total	**578,456**
Source: Federal Board of Revenue	

Customs

Following is the break-up of estimates of tax expenditure of main exemptions in Customs Duties for FY2021.

Table 3: Tax Expenditure Estimates of Customs Duties – FY 2021	(Rs million)
1.Chapter-99 Exemptions	12,635
2.FTA & PTA Exemptions	34,210
3.5th Schedule Exemptions & Concessions	137,418
4.General Concessions: Automobile sector, E&P Companies, CPEC, etc	55,877
5. Export Related Exemptions	47,631
Total	**287,771**

Source: Federal Board of Revenue

Following is the consolidated summary of tax expenditure for the FY 2021 in Table 4.

Table 4: Tax Expenditure of Federal Taxes for FY2020 (Rs billion)

S.#	**Types of Tax**	**FY202,**
1.	Income Tax	448.046
2.	Sales Tax	578.456
3.	Customs Duty	287.771
Total Tax expenditure Estimates		1,314.273

Source: Federal Board of Revenue

Annex-III

Special Economic Zones

Special Economic Zones (SEZs) were established in many countries as testing grounds for implementation of liberal market economy principles. While viewed as economic policy tools for enhancing the acceptability and credibility of industrial transformation policies, attracting domestic and foreign investment and also for the opening up of the economy, SEZs also seek to promote the value addition component in exports, generate employment, encourage import substitution as well as mobilize foreign exchange in countries for Balance of Payment Support. Many developing and developed economies have established economic zones for the regional development and prosperity, aiming at creating spillovers for the economy outside the zones, successfully.

SEZs, an industrial policy tool that depends on the attraction of local and foreign direct investment (FDI), data indicates continue to multiply and diversify all over the world. The UNCTAD's World Investment Report published in 2019, elucidates that more than 5,400 SEZs exist in nearly 150 countries, increased from 4,000 SEZs in 2015, showing growth of 35%. SEZs not only serve as a policy tool for FDI attraction but also FDI competition across the world, with many diverse incentive packages being offered to entice direct investment.

SEZ policy objectives and type differ substantially among the economies at different stages of, what UNCTAD[1] refers to as the development ladder. In developed economies, most SEZs are custom-free zones that provide relief from tariffs, and the administrative burden of customs procedures, thereby providing support to sophisticated cross-border value chains. Developing economies often establish SEZs to attract FDI, in order to build, diversify and upgrade industries. The economies that have historically struggled to attract FDI show a higher tendency to implement this concept. Whereas, new adopters, such as some African countries, are using SEZs to kickoff manufacturing, industrialization and export generation to compete with other regional countries. In transition economies, technology-centered zones are spurring. Several advanced

[1] World Investment Report 2019

economies are utilizing SEZ to promote industrial upgrading, China's Shenzhen SEZ, being the classic example.

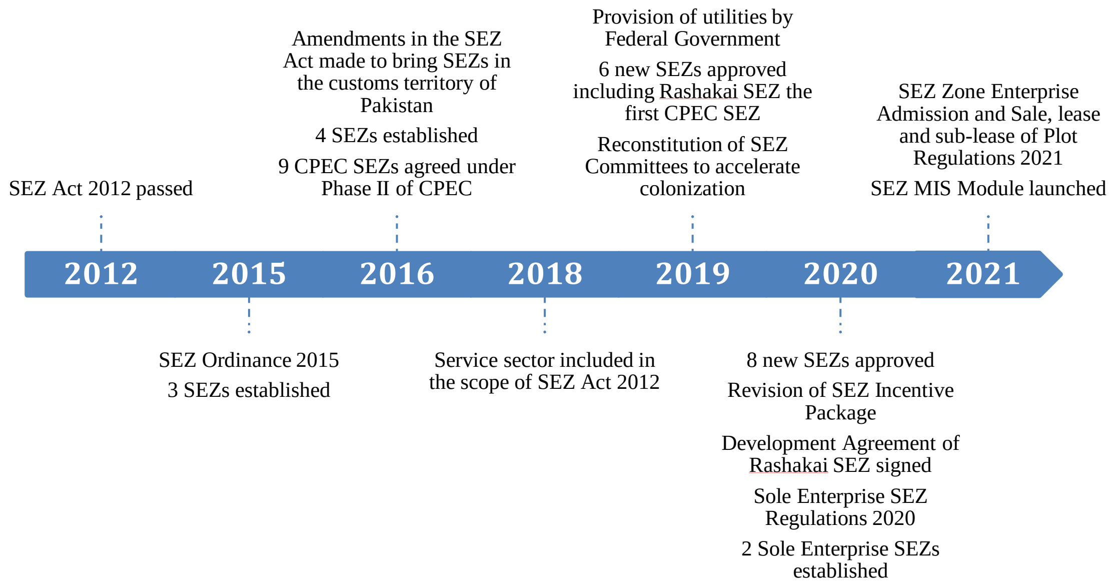
SEZ Act 2012 – the inception till first amendment

The Government of Pakistan also adopted the concept of SEZ with the commencement of the Special Economic Zones Act 2012 (herein referred to as the Act), to meet the challenges of global competitiveness and to create industrial clusters in the economy. The Act envisages SEZs to encourage domestic and international investors for promotion and establishment of industrial infrastructures focusing on export promotion, import substitution, transfer of technology, and employment generation. Section 4 of the Act allows the Federal Government and Provincial Governments to establish SEZs on their own or in collaboration with private parties under various modes of collaboration including Public-Private Partnership or exclusively through private parties. Whereas to incentivize such investment in the SEZs, the said Act provides certain fiscal and allied benefits to the SEZ investors, i.e., developers and zone enterprises.

The significance of SEZs as a policy tool for economic growth through industrialization can be gauged from the composition of its approving forums. The apex approving body is the Board of Approvals (BOA) that is headed by the Prime Minister, with the Chief Ministers, Federal Ministers from relevant economic ministries and representatives from the public and private sector. This high-powered policy making forum is effectively responsible for successful establishment of SEZs across Pakistan. At the lowest tier of the approval structure, are the SEZ Committees that are chartered by the BOA, under Section 23 of the Act, for each notified zone. These committees comprise of the representatives from the investment promotion departments at federal and provincial levels, the district government, the provincial SEZ Authorities and the developer of the respective zone. They are responsible for granting approval to the eligible zone enterprises on the basis of their business proposals to set up in the particular SEZ.

In Pakistan, the policy objectives and the type of SEZ framework provided through the SEZ Act 2012 was originally not aligned with the economic realities as the SEZs from 2012-2015 were placed outside the customs territory of Pakistan limiting their appeal for the investors that wanted to capitalize on the budding domestic consumer market. Resultantly, in order to expand the scope of SEZs and to accelerate industrialization, Board of Investment, being the custodian of SEZs in Pakistan proposed certain amendments in the Act in 2015 to bring the SEZs within the customs territory of Pakistan. With the incorporation of the proposed amendments in the Act, the SEZs were made more investor friendly. By the end of 2016, seven SEZs got notified across Pakistan.

Box-I: The SEZ Journey of Pakistan



SEZs – A New Direction (2018-2020)

Till FY2018, only 7 SEZs existed, while 6 of them had converted from their earlier status as Industrial estates (IEs) or Industrial Parks (IPs). However, with the advent of CPEC SEZs, the establishment of SEZs across the country took up pace, showing investor confidence in the industrial regime. As of now, 22 SEZs have been approved, while 21 of them have been notified by the BOI (Box-IV). These include, 4CPEC SEZs, 3 Private SEZs (including two Sole Enterprise SEZs), and a Science and Technology Park that is being established by NUST in Islamabad.

Box-II: Case of CPEC SEZs

During the 6th meeting of Pak-China Joint Cooperation Committee (JCC) on CPEC held in Beijing, China; establishment of nine SEZs in Pakistan, seven Provincial and two Federal, were agreed under the framework of CPEC Industrial Cooperation (IC). All four provincial SEZs, namely, Rashakai SEZ in KP, Allama Iqbal Industrial City in Punjab, Bostan SEZ in Balochistan and Dhabeji SEZ in Sindh have been accorded approval by the Board of Approvals and are at various stages of development. In order to fast-track development of these SEZs, the federal government has ensured provision of utilities to the designated zero-point of these SEZs and as such allocated Rs4 billion in the Federal PSDP FY2021.

Table 1: Special Economic Zones established across Pakistan

Year	Name of SEZ	Developer	Area (Acres)
FY2014	Bin Qasim Industrial Park (BQIP), Karachi, Sindh	NIP	930
	Khairpur Special Economic Zone (KSEZ), Khairpur, Sindh	SEZMC	140
	Korangi Creek Industrial Park (KCIP), Karachi, Sindh	NIP	220
FY2016	Hattar Special Economic Zone (HSEZ), Haripur, KP	KPEZDMC	440
	M3 Industrial City (M3IC), Faisalabad, Punjab	FIEDMC	4,356

Table 1: Special Economic Zones established across Pakistan

Year	Name of SEZ	Developer	Area (Acres)
	Value Addition City (VAC), Faisalabad, Punjab	FIEDMC	214
FY2019	Oil Village SEZ (OVSEZ), Rawalpindi, Punjab	FOC-1	105
	Rachna Industrial Park (RIP), Sheikhupura, Punjab	NIP	215
	Rahimyar Khan Industrial Estate (RIE), Rahim Yar Khan, Punjab	PIEDMC	456
	Rashakai Special Economic Zone (RSEZ), Nowshera, KP	KPEZDMC	1,000
	Vehari Industrial Estate (VIE), Vehari, Punjab	PIEDMC	277
	Bhalwal Industrial Estate (BIE), Sargodha, Punjab	PIEDMC	427
	Bostan Special Economic Zone (BSEZ), Pishin, Balochistan	Industries Depart. Bal.	200
	Hub Special Economic Zone (HUBSEZ), Lasbela, Balochistan	LIEDA	406
	Naushero Feroz Industrial Park (NFIP), Naushahro Feroze, Sindh	NIP	80
FY2021	Allama Iqbal Industrial City (AIIC), Faisalabad, Punjab	FIEDMC	2,800
	National Science and Technology Park (NSTP), Islamabad, ICT	NUST	58
	JW-SEZ China-Pakistan SEZ (JWSEZ), Lahore, Punjab	JWSEZ Group	231
	Quaid-e-Azam Business Park (QABP), Sheikhupura, Punjab	PIEDMC	1,536
	Service Long March Tyres SESEZ, Jamshoro, Sindh	SLM	50
	Siddiqsons Tinplate SESEZ, Lasbela, Balochistan	STPL	71
Total	**21**		**14,212**

Source: Board of Investment

SEZ Colonization

The colonization of SEZs can be divided into two eras, pre- and post-SEZ MIS Module (Box-III). Before the notification of the SEZs, Zone Enterprise Admission and Sale, Lease and Sub-lease of Plots Regulations 2021, the SEZs were marred with real estate activities. However, in order to eradicate these practices and give way to only serious investors, all zone and zone enterprise applications are being processed through the SEZ MIS Module with effect from 1st January 2021. This Module is integrated with the SECP and only accepts applications from SECP registered concerns. Efforts are also underway to digitize and streamline the legacy data and approvals.

Box-III: SEZ MIS Module

In the 7th meeting of the Board of Approvals, held on 14th December 2020, the Prime Minister launched the SEZ MIS Module. Since 1st January 2021, all zone and zone enterprise entry applications that are received through the Module are to be entertained and put before the competent forum for consideration.

	Pre-SEZ MIS (2012-2020)*	Post-SEZ MIS (1st Jan 2021 – 4th May 2021)
Zone Enterprises Active	200	55
Planned Investment (Rs billion)	334.22	299.68
FDI (Rs billion)	173.08	103.45
FDI (USD million)	1,081.74	646.59

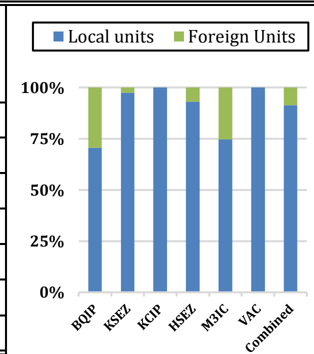
The number of zone enterprises pre-SEZ MIS launch, although significant, includes certain enterprises that could not realize their planned investments and are being tracked and phased out. The pre-launch period that spans over 8 years across 19 SEZs, due to non-availability of required infrastructure and lack of regulatory monitoring and ease could only solicit foreign investment interest of Rs173.08billion. Whereas post-launch, in a matter of just 5 months, more than half of this progress has been registered and given approval for setting up of industries.

Out of earlier notified seven SEZs by 2016, except the Quaid-e-Azam Apparel Park (which was re-notified on 8th December 2020 as Quaid-e-Azam Business Park), all 6 earlier notified SEZs are at advanced stage of colonization. These SEZs together house 285 enterprise (excluding the Industrial Estate units in M3IC and VAC). Over 84% of industrial area allotted, 46% of investment has been realized with 50% as FDI. The Federal Government has exempted Rs 49.39 billion of custom duties and taxes on the import of plant and machinery for setting up of units in these zones.

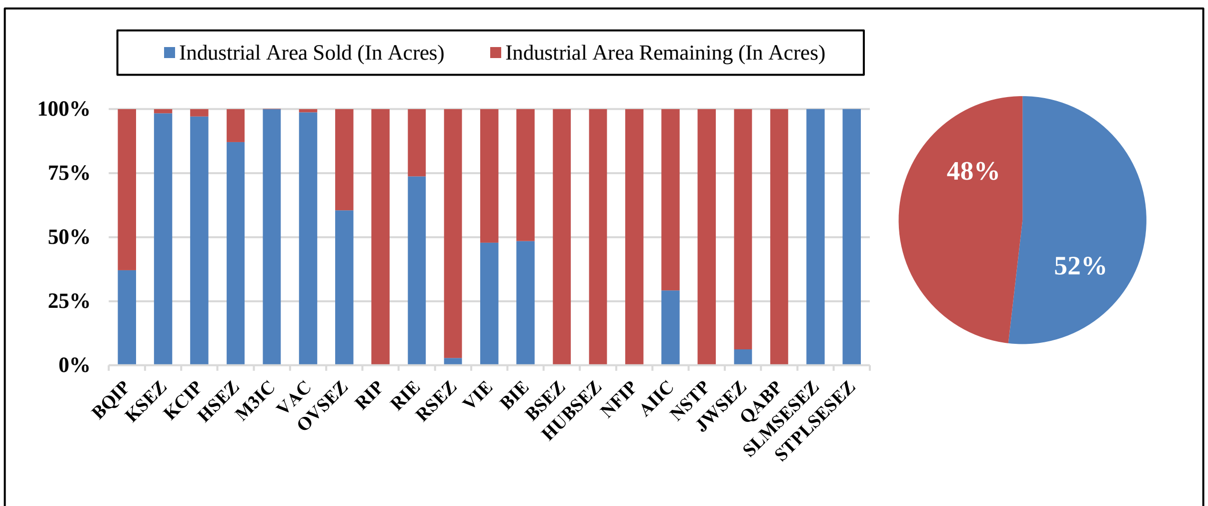
Table 2: Exemption of Custom Duties and Taxes on the Import of Plant and Machinery

SEZs (Notified FY2012-18)	% Indus. Area Sold	Total Units	Expected Invest. (Rs Bn)	% Share of FDI	% Invest. So far	CD Exempt (Rs bn)
BQIP	34%	17	47.95	64%	85%	1.10
KSEZ	81%	34	6.35	55%	2%	0.17
KCIP	96%	123	31.18	0%	31%	0.07
HSEZ	87%	43	10.07	24%	24%	0.37
M3IC	95%	63	212.10	57%	42%	47.33
VAC	99%	5	1.02	0%	71%	0.35
Total	84%	285	308.67	51%	46%	49.39

Source: Biannual reports submitted by provincial SEZ Authorities



As of May 2021, the 21 notified SEZs together account for approx. 10,029.64 acres of industrial land out of which 5,220.62 acres (52%) have been allotted to investors for setting up of industry with planned investments of Rs 633.9 billion, 43.6% of this comprises of FDI component (USD 1.73 billion). It is also significant to mention that under the SEZ Act 2012, a zone enterprise is obligated to start construction within six months and to get into commercial production/operations within 24 months of its approval, whereas title to land is to be transferred only after it has performed regular operations for six months. Unless otherwise extended, upon expiry of the 24 months or the period so extended, if a zone enterprise remains unable to fulfill its obligation the status is to be withdrawn.



Incentives

Considering incentives to be the driving force for any type of SEZ, to lure the investors, over the past two years, certain revisions in the fiscal incentive package have been made to make it further profitable as well as regionally competitive (Box-IV).

Box-IV: Revised SEZ Fiscal Incentive Package

The SEZ Act, 2012 incentivizes investment in the SEZs through provision of certain fiscal and allied benefits. The fiscal benefits provided under section 36 & 37 of the SEZ Act 2012, to zone developers and enterprises have been expanded over the past two years through various policy tools.

The scope of SEZs has been expanded by inclusion of service sector and accordingly amendments have been enacted in the Customs Act 1969, vide Finance Act 2020, through incorporation of certain key service sectors for provision of incentives. These sectors include IT, storage, communication, and infrastructure development of SEZs by zone developers. The exemption from custom duty that was earlier available on import of plant and machinery, has been expanded in scope of applicability through amendment in PCT code 9917(2) vide Finance Act 2020. It is now available on the import of a wide variety of capital goods that are used in manufacturing and service sectors as defined under the Fifth Schedule to the Customs Act 1969.

To encourage and facilitate PPP in SEZ development, concession and exemptions available to the developers of SEZs have also been extended to the co-developers of the SEZs. Similarly, the income tax holiday for the zone developers has been extended from 5 to 10 years, whereas the cut-off date applicable on zone enterprises under section 37 of the SEZ Act 2012 has been removed vide section 126E of the Income Tax Ordinance 2001, providing income tax holiday of 10-years to the zone enterprises as well. Efforts are also underway to make the *'exemption from all taxes on income'* available under the SEZ Act 2012, a reality.

Among other SEZ incentives, one of the major attractions is provision of utilities to the zero point of each SEZ. Lack of resource allocation constrained the earlier notified 7 SEZs from achieving their development milestones while making it difficult to solicit interest for CPEC SEZs. As a result of the joint efforts, funds amounting to Rs 19.9 billion were allocated from the PSDP for provision of power and gas for all the SEZs, to be released over the period of next 5 years, in a phased and prioritized manner. Out of these funds, amounting to Rs 5.6 billion were allocated in FY2019, whereas Rs 4 billion have been allocated for FY2021, out of which, Rs 3.4 billion have been earmarked for CPEC SEZs.

Provision of utilities and infrastructure are the basic components for any industrial undertaking to be successful. SEZs could not get any financial support for the provision of utilities in the past but now funds are being allocated for the purpose. The notion that provision of utilities and infrastructure must be completed in all respects to allow plug and play facilities to the enterprise before admission required re-evaluation. To this end, a mechanism for provision of utilities and infrastructure in a phased manner, aligned with the development timelines and requirements of the zone enterprises allowing the developers to admit more enterprises and rationalize the demand and supply of these facilities was implemented through the SEZ Zone Enterprise Sale, Lease and Sub-Lease of Plots Regulations 2021.

The regulations allow the developer to only open those plots for allotment that have necessary infrastructure available, while committing to meet the development timelines of the potential zone enterprise at the time of approval. This will help the developers in meeting the costs of development with the proceeds from the operations, and slowly but surely develop the whole SEZ and populate it with quality investments. The role of SEZ committees in monitoring the provision of utilities and infrastructure to the zone enterprises as per their phased requirement will be crucial.

Box-V: Major Initiatives Taken by BOI in FY2021

A. Industrial Cooperation through SEZs under CPEC – Rashakai Development Agreement

- To transform the trade corridor into a true economic corridor, BOI being the secretariat for SEZs and Industrial Cooperation under CPEC, and a party to all the SEZ development agreements on the behalf of the Federal Government, after 9 months of negotiations, on 14th September 2020, facilitated signing of the quad-partite development agreement for the development of the first CPEC SEZ, i.e. Rashakai SEZ, in KP. Rashakai SEZ is to be developed in collaboration with a state-owned Chinese enterprise, that makes this development agreement first of its kind with Chinese counterpart being one of the parties to the development agreement.

B. Provision of Utilities from Federal PSDP

- With BOI's efforts and support of line ministries Rs19.9 billion have been earmarked in the PSDP for provision of utilities for all the SEZs over the period of 5 years. Efforts are underway for more funding and use of other innovative models, such as captive power to cut the costs and release the burden of such allocation.

C. Encouraging Establishment of Hi-tech and IT zones

- BOI being the SEZ Authority for ICT, promoted the case for award of SEZ status to National Science & Technology Park, that is being developed by NUST for promotion of hi-tech industry and research and development. The park was approved by the BOA in its 6th meeting held on 7thOctober 2020, and notified on 2ndDecember 2020, as an SEZ under the purview of the SEZ Act 2012 and was allowed certain exemptions by the BOA for its unique business model. Considering the special needs of the hi-tech and IT sector on BOI's proposal, amendments were made in the Customs Act 1969 to expand the custom duty exemptions to includes IT sector.

D. Sole Enterprise SEZ Regulations 2020

- Sole Enterprise Special Economic Zone Regulations 2020 for the establishment of single unit SEZs in Pakistan under the provisions of the SEZ Act 2012 have been notified on 11th December 2020.These regulations provide clarity on procedural guidelines and also propose certain parameters, to safeguard the socio-economic interests of the country and provide passage to only serious investors for establishment of such single unit SEZ, while relaxes these parameters to induce industrialization in 67 underdeveloped areas across Pakistan and to support import substitution of top 5 importing sectors. Two SEZs have since been notified under these regulations and both these SEZs are located in backward areas.

E. SEZ Zone Enterprise Sale, Lease and Sub-Lease of Plots Regulations 2021

- In order to discourage real estate activities and simplifying the processes for dealing with and disposing off the SEZ enterprises entry applications and to ensure transparent sale, lease and sub-lease of plots in the SEZs in an efficient manner, SEZ Zone Enterprise Admission and Sale/ lease/ sub-lease of Plot Regulations 2020 were notified on 15th January 2021. These regulations aim at streamlining the sale/lease of the industrial plots in the SEZs to the prospective zone enterprises to ensure transparency and a level playing field, through use of an IT-enabled solution – the SEZ MIS Module.

F. SEZ MIS Module

- BOI has launched the "SEZ MIS Module" that is aimed to act as a one-window for SEZs. This module assists the real investors, including foreign investors, in getting admitted into the SEZs without worrying about any middleman role to arrange the transaction or of any exploitation. SEZ MIS Module features:

- Zone Application processing.
- Zone Entry Application processing.
- Streamlined and timebound processes.
- Speedy processing, application tracking& surety of case disposal.
- Transparency.
- Grievance redressal.
- Investment databases.
- SEZ Planning.
- Elimination of real estate activities.
- Removal of Red tape.
- Auditable data and access to information.

Annex IV

Impact of COVID-19 on Socioeconomic Situation of Pakistan

Introduction

In the first quarter of 2020, the world was faced with COVID-19 pandemic which was truly a 'black swan' event – an event whose probabilistic occurrence is rare, but should it occur, the event can have devastating consequences. Globally, stock markets nosedived, factories were shut down, global trade and supply chains were severely disrupted, airports were deserted, offices had stopped their operations and shops remained closed to contain the pandemic outbreak.

On the December 31, 2019, first official case was reported in Wuhan China. Initially it was confined to China until first official case was recorded in Thailand on January 13, 2021. The first case of COVID-19 in Pakistan was reported on 26th February 2020. By 1st June 2020, 76,398 cases were reported with 1,621 deaths, i.e., CFR[1] 2.12%.

Daily maximum cases in Pakistan were reported on June 14, 2020, i.e., 6,825 cases. 213 cases were the lowest official number that were reported on August 30, 2020. Second wave was started in the second week of October, reached 3,795 official case on December 6; maximum in the second wave. Although the cases started increasing the maximum number remained close to 1,000 cases till February 2021.

The ongoing third wave in Pakistan was officially recognized to have started in the second week of March 2021. The number of cases (on March 18, 2021) are increasing at 8 percent infection rate and CFR is 1.2 percent. Total cases are more than 600 thousand and are expected to increase due to increase in infection rate as well as outbreak of new variant of virus.

Impact on Economy – Initial Impact and Assessment

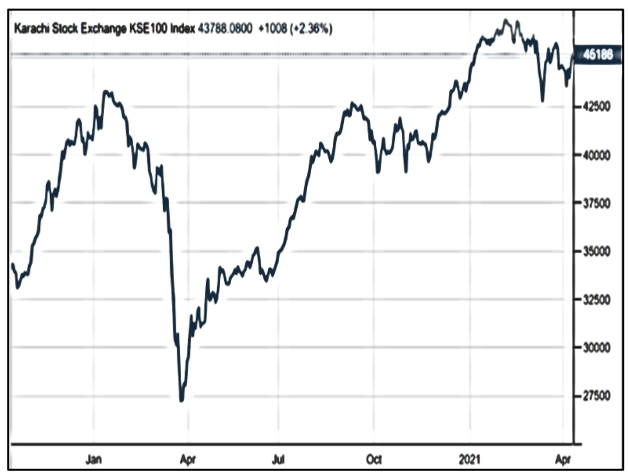
Prevention lies in following COVID-19 SOPs; wear masks, hand washing and maintaining social distance. Third being the most significant SOP that leads to decline in daily business especially in the informal retail and wholesale markets thus leading to numerous business closures and un-precedented job losses. Developed countries like

[1] Case Fatality Rate

USA have registered 35 million jobs loss in the first two months. It was also expected that half a billion people might slip below poverty line in developing countries due to job loss.

With the gradual increase in cases and closure of business, both employers and employees have started worrying about their business and jobs. Investors have started becoming concerned about their money invested in companies. Economies around the world have been experiencing the an economic decline similar to the great depression of 1930s. China's GDP shrunk by 10-20% in January and February compared with a year earlier. A similar drop was expected in other countries as well, especially European countries and Iran. Massive government interventions are required to lessen the shock to economy.

The outbreak in China forced factories to stop production, which reduced the demand for oil, raw material, intermediate goods as well as the supply of intermediate and final goods to the world from China. European countries faced a similar situation. Hence, an overall downturn in the global economy was observed. Developing countries, especially outward-oriented countries were affected the most due to disruptions in the overall global value chain.



In the initial days of lockdown in March 2020, the Pakistan stock market lost on average 1500 points daily. The losses in the stock market were mainly attributed to the increase in interest rate first, reduction in oil price second and the onset of coronavirus. Billions of rupees invested in different shares were reduced by one third and in some case half of the value. Graph shows the movements of the Karachi stock markets (KSE-100 Index) which was above 42,000 in January 2020 and was expected to go up, however, outbreak of COVID-19 created panic and it hit harder when the lockdown was announced in the mid-March 2020. Although it started recovering by the End of March, nonetheless, it took almost a year to reach at the same level.

Manufacturing sector, especially the exporters faced difficulties due to the decline in the demand for imports from Pakistan and other developing countries. Numerous consignments of the textile sector were stranded on the sea and then returned because, in wake of the pandemic, no state wanted to bring them inside the country unless everything was back to normal. Exporters also faced with problems in working capital management. Moreover, small businesses, especially freelance entrepreneurs, have struggled as supply chains dried up, leaving them without products or essential materials.

Globally, 2007-08 financial crisis was considered to be the biggest financial crisis of the world before the current crisis. The current crisis hit services sector the most which has the biggest share in the economy. Due to social distancing, many of the services sector businesses were shut down such as hotels, restaurants, wedding halls and marquees. Similarly, due to border closures and overall business slow down the most effected services sector was wholesale and retail trade that has the maximum share in services sectors in addition to the transport sector.

Overall economic growth in Pakistan contracted to (-) 0.47% in 2019-20 when it already had weak economic growth of just 1.9 percent in the prior year. The COVID-19 further compounded long-standing challenges, especially in the industrial and services sector. However, due to the timely intervention of the government (economic stimulus package), the economy turned back to revival path.

Poverty and Unemployment

In 2015-16, 24.3 percent of the population was living below the poverty line, while 19.87 percent are vulnerable who can slip below poverty line due to any shock. Keeping the spread of the pandemic in perspective, almost 44% of the population is potentially vulnerable (including 24.3% already living below the poverty line) and may require immediate bail out[2].

The estimates of multidimensional vulnerability index based on PSLM 2014-15 shows that 56.6 per cent of the population have become socioeconomically vulnerable after the outbreak. This implies that various segments of the society may get affected by the pandemic, especially women and children as well as home-based and piece rate workers and marginalized groups including transgenders, persons with disabilities, refugees etc.

The 2017-18 Labor Force Survey estimates show 61.7 million employed labor force. Among these, 23.8 million are agriculture workers and 37.9 million are non-agriculture workers. Out of non-agriculture workers, 27.3 million (72 per cent) work in the informal sector[3]. Majority of the informal workers fall in the categories of “paid employees” (13 million workers, or 48%) and “own account” or “self-employed” workers (11.2 million, or 41%). ILO and PIDE estimated expected job loss considering two scenarios, i.e., (1) moderate slow-down of economic activity and (2) severe restrictions on economic

[2] https://www.sdgpakistan.pk/uploads/pub/National_Poverty_Report_2015_16.pdf

[3] Wholesale and retail trade sector and manufacturing sector employs most (15.1 million) of the informal workers followed by construction sector (4.43 million), community/social & personal services sectors (4.37 million) and transport/ storage & communication sector (3.14 million).

activities. International Labor Organization (ILO) estimates 12.6 million to 19.1 million vulnerable workers may lose their jobs while PIDE estimates 15.54 million to 18.65 million job loss[4]. It is expected that wholesale and retail trade will lose maximum workers followed by manufacturing, construction and transport. However, expected job loss in non-agriculture sector is between 4.8 million to 5.8 million.

SMEDA[5] estimates shows that 3.25 million Micro, Small and Medium Enterprises (MSMEs) constitute nearly 90% of all the enterprises in Pakistan and their share in the annual GDP is 40%, approximately. 97% of these enterprises are under individual ownership and hence mainly working in the informal sector. Since most of MSMEs are not documented (other than those workers registered under EOBI or a social security program), they are not protected against loss of employment.

In addition, the gig or platform economy workers[6], especially those providing geographically tethered services like transportation (Uber and Careem), delivery of items (Bykea)[7] and domestic work services (Mauqa, Ghar Par) are significantly affected amid lockdown. Such digital platforms treat these workers as independent contractors, hence relieving themselves of any employment responsibilities towards these workers[8]. These white collars workers cannot be part of any *Ehsaas* program or other social protection program.

Socioeconomic Situation

Border closures and lockdown disrupted agriculture value chain. For the local consumer, this translates to potentially reduced availability of farm produce and related products in the market. On the other hand, it may restrict people's access to sufficient/diverse and nutritious sources of food, especially in those areas most impacted by the virus and/or with a pre-existing problem of food security. Lower socio-economic groups are most susceptible to this, particularly women-led households and children (since reduced household incomes and purchasing power will lead to restricted nutritional diversity and rationing of food intake). However, survey data is lacking to

[4] Table 3 in https://www.pide.org.pk/pdf/PIDE-COVID-19-Bulletin-4.pdf

[5] State of SMEs in Pakistan, SMEDA

[6] The platform economy distinguishes between two major forms of work: crowd work and work on demand via apps. Crowd work is performed online and is location-independent. It includes software development, data entry, translation services, etc. Examples are Up Work, Fiverr and Freelancer.
'Work on demand via apps', on the other hand, matches the worker and the client digitally and the work is performed locally. Activities include transportation, food delivery and home services. Major platforms in Pakistan include Uber, Careem (transportation) and Food panda (food delivery).

[7] Bykea has over 30,000 daily wage earners working with it. It has launched a Rs 7 million relief fund for its driver partners affected by the lockdown and suspension of services amid the coronavirus pandemic.

[8] The Online Labour Index (OLI) is the first economic indicator providing online gig economy equivalent to conventional labour market statistics. It measures the supply and demand of online freelance labour across countries and occupations by tracking the number of projects and tasks across platforms in real time.

validate the expected adverse impact of the COVID-19.

Tackling Health Issues

Unlike developed countries, Pakistan has fragile healthcare system. Facilities are insufficient to meet the population needs. There is on average one hospital bed available for over 1,680 people[9]. The daily testing was initially very low which was improved as the infection rate increased.

Provision of healthcare for non-COVID related illnesses was one of the major concerns during the first as well as second wave of pandemic which included primary healthcare services such as routine immunization and mother and child healthcare. The lockdown and travel restrictions across countries disrupted supply chains, stock shortages of essential vaccines and resultant disruption of immunization services that might have affected immunization of children.

The COVID-19 pandemic had significant impact on reproductive healthcare and newborn at multiple levels: i) potential shortages of required medications (such as antiretrovirals and antibiotics) due to disrupted supply; ii) health care providers diverted to help address COVID-19 patients; iii) financial resources diverted to COVID-19 response.

Outbreak of the disease put an additional burden of domestic work and disease prevention on women. The responsibility of women in prevention and care of disease extends outside the household as well. Moreover, majority of healthcare professionals (nurses, doctors, etc.) are women. In such cases, these healthcare professionals shoulder the responsibilities of both domestic work and homecare.

Tackling Education Issues

Education is among the few sectors which was closed after the COVID-19 to contain the spread by keeping social and physical distancing. The COVID-19 pandemic has directly impacted 42 million school going children from pre-primary and primary to higher secondary and degree college levels. Low-cost private schools are unable to pay salaries to the teachers and face risk of school closures. This situation stands to potentially exacerbate risks and vulnerabilities to an already weak education system, as well as steepen learning capabilities.

Mobility constraints, non-availability of internet, non-access to tele-schooling facilities has disproportionate adverse impact on the most vulnerable groups, particularly females[10] and other marginalized groups and those in rural areas and urban slums.

[9] PIDE COVID 19 E-Book

[10] World Bank, Managing the impact of COVID-19 on education systems around the world: How are countries preparing,

Geographically, rural areas and urban slums are potentially at highest risk with more than 70 per cent of current enrolment and large pockets of already out of school children. Hence, the COVID-19 crisis may widen the already existing socioeconomic gap in the educational system and impact the overall literacy rate of the country.

Tackling Gender Issues

Women and other vulnerable groups are the worst hit by pandemic. Women dominate professions such as domestic workers, teachers and instructors in schools and colleges. Due to lockdown conditions, closure of schools and colleges, stalling of transportation and general inability to pay salaries, women are among the most vulnerable to lose employment.

Furthermore, currently 12 million Home Based Workers are working who earn around Rs 3,000 to 4,000 per month. Given that they belong to informal sector, they too face multidimensional issues such as income insecurity and absence of social protection. In the current situation, this segment of labor force is mostly at risk of losing livelihoods due to its inability to supply the required labor hours.

Role of Philanthropy

Pakistanis are very philanthropic nation. Overall, nation is always responsive in the crisis situation. Therefore, the importance of philanthropy cannot be ignored. It has played a vital role in providing critical support to various organizations leading relief and recovery efforts.

Various organisation as well as individuals have participated in philanthropic activities. The philanthropic activities are mostly related to (i) support for hospitals where facilities are inadequate e.g., testing of patients with COVID-19, ventilators, personal protective equipment and other consumables, (ii) Ration packages (iii) public health messaging campaigns.

An Integrated Response for Salvaging the Economy; Saving Lives and Livelihoods

Administrative Response and Establishment of the NCOC

The National Command and Operation Center (NCOC) was setup at the early stages of pandemic and is mandated for reviewing situation continuously and taking day to day important decisions. NCOC is nerve center to synergize and articulate unified national effort against COVID-19 and to implement the decisions of national coordination committee on COVID-19. The center is one window operation to collate, analyze and process information based on digital input and human intelligence across Pakistan

coping and planning for recovery? Accessed 1 April, 2020, https://blogs.worldbank.org/education/managing-impact-COVID-19-education-systems-around-world-how-countries-are-preparing through all provinces, AJ&K, GB&ICT dedicated representatives and centers.

NCOC issued several guidelines for COVID-19 prevention that includes (i) cleaning and disinfection of all areas/sites, objects and potential surfaces where a suspected or confirmed case of COVID-19 has visited, lived, used and/or touched (ii) mandatory wearing of masks and testing of COVID-19, (iii) establishing quarantine facility, (iv) home isolation, (v) social distancing (vi) zoning of hospital for better access and treatment of COVID-19 patients (vii) Cleaning & Disinfection of Environmental Surfaces, (viii) court premises and inside the court rooms, (ix) management of stores for owners and public, (x) industries and workers, (xi) management of the Neonate of suspected or confirmed COVID-19 mother, (xii) air transport, Burial and Safe Management of COVID-19 Dead Body (xiii) Personal Protective Equipment (PPE) and outpatient guidelines for hospital staff (xiv) Health & Safety of Building & Construction Workers (xvii) public transport, domestic air transport and railway stations (xix) Eid-ul-Azha markets (xx) Government offices (xxi) reopening of all the businesses including tourism, restaurants, marriage halls, salons, parlours, cinemas and all mass gatherings and (xxii) reopening of schools.

In addition to the aforementioned guidelines for COVID-19 prevention, COVID-19 1166 helpline was setup in case of an emergency. Some basic preventive measures were selected and communicated through pictorial depiction as well as played on electronic and social media.

Evidence Based Decision Making and Policy Response

COVID-19 Specific PBS Survey[11]

Pakistan Bureau of Statistics has conducted a special survey[12] for evaluating impact of

[11] Ealuating the socio-economic impact of COVID-19

[12] Report is available at

COVID-19 on wellbeing of people[13] to provide representative results at national/provincial level to inform government on the magnitude/level of effects of this crisis on Employment, Food security and general wellbeing of the population for informed decision making. Questionnaire & methodology was finalized with consultation of all relevant stake holders like FAO, World Bank, UNDP, WHO, independent renowned researches and M/o Planning Development & Special Initiatives (PD&SI).

Main Sector Covered are; Employment, Income, Remittances, Food Insecurity, Access/use to Health Facilities, Housing Characteristics Water, Sanitation & Hygiene and Assistance obtained from Organizations.

The findings show that 27.31 million working population was affected. While, 20.6 million people could not work during the first wave of pandemic. Whereas, 6.7 million people said that their income was declined.

Not surprisingly, 74 percent informal workers were affected. Own account worker (non-agriculture) were the most effected worker (30 percent) followed by casual paid employee (29 percent), regular paid employees (19 percent) and piece rate employed (15 percent).

Larger part of the affected belong to manufacturing sector (26 percent), while construction sector (20 percent) is at number 2, transport and communication sector (17 percent) at number 3 and wholesale and retail trade (15 percent) at number 4.

As a coping mechanism, half of the households reduced their non-food expenditures, whereas almost half also reduced the non-food expenses. Moreover, significant number of households have sold their property or used their savings whereas one third households reported borrowing from their relatives and friends.

Ehsaas has increased the scope of Kafaalat program, however the findings show that 33 percent of the households i.e. approximately 17.07 million households received assistance during the COVID-19 period. Out of which, 19 percent received assistance from government, while private sector assistance is reported as 18 percent. The share of NGOs is 2 percent. Nonetheless, out of 33 percent, 5.5 percent households had received assistance both from government and private sector.

Stimulus Package and Salvaging Economy

During the initial days of the COVID-19 pandemic, after analyzing the initial status and

https://www.pbs.gov.pk/sites/default/files//other/COVID/Final_Report_for_COVID_Survey_0.pdf

[13] The data is collected between 20 October 2020 to 5 November 2020. The reference period was April 2020 to July 2020 and post August 2020, i.e, recovery period.

possible repercussions at the NCOC, Government came up with Rs 1.24 trillion stimulus package. Besides this stimulus package several other policy measures were taken to reduce the incidence and deaths due to COVID-19 and salvaging economy.

State Bank of Pakistan has also come up with several initiatives. The objective behind the stimulus package is to support investors, exporters and other traders who were severely affected due to CVOID-19. These incentives include;

- Payment of principle on loan obligations deferred for 1 year;
- Margin call requirements against bank financing reduced from 30% to 20%;
- Criteria for classification of trade bills relaxed by 6 months; Banks overall poll of loanable funds increased; Criteria for re-structuring/re-scheduling of loan relaxed;
- Relaxing credit requirements for exporters &importers and relief for individual borrowers;
- Two new refinancing facilities: first, the 'Temporary Economic Refinancing Facility' (TERF) worth Rs 100 billion in bank refinancing to stimulate investment in new manufacturing plants and machinery at 7 percent fixed for 10 years; second, the "Refinance Facility for Combating COVID–19" (RFCC) worth Rs 5 billion to support hospitals and medical centers the purchase of equipment to detect, contain and treat COVID-19;
- Reduced capital conservation buffer by 100 basis points to 1.5 percent;
- Increased regulatory limit on extension of credit to SMEs by 44 percent to Rs 180 million;
- Relaxation of the debt burden ratio for consumer loans from 50 percent to 60 percent.

BOX-1: PM's Economic Support Package

- Elimination of import duties on imports of emergency health equipment;
- Relief to daily wage workers (Rs 200 billion);
- Cash transfers to low-income families (Rs 150 billion);
- Accelerated tax refunds to the export industry (Rs 100 billion);
- Financial support to SMEs (Rs 100 billion);
- Resources for an accelerated procurement of wheat (Rs 280 billion);
- Financial support to utility stores (Rs 50 billion), relief in fuel prices (Rs 70 billion), support for health and food supplies (Rs 15 billion), electricity bill payments relief (Rs 110 billion), an emergency contingency fund (Rs 100 billion) and a transfer to the National Disaster Management Authority (NDMA) for the purchase of necessary equipment to deal with the pandemic (Rs 25 billion).

Following the announced interventions/incentives by the SBP, discount rate was reduced from 13.25 percent to 7 percent in June 2020 and maintained till now. In addition, the reduction in maximum end user rate from 7% to 5% on July 08, 2020 under Temporary Economic Refinance Facility (TERF) resulted in bringing significant increase in number. Despite lower economic growth, the requested amount in the last one year has increased from Rs 36.1 billion by end April 2020 to Rs 690 billion at maturity[14] while over the same period approved financing has reached to Rs 435.7 billion from Rs 0.5 billion.

All the segments of customers including corporate / commercial and retail borrowers show positive response to the debt relief scheme. Out of 1.883 million applications received 1.825 million applications (96.92 %) were approved[15]. These loans include 1.717 million approved applications from the customers of microfinance banks involving an amount of Rs 121 billion. Out of total 910 billion deferred and restructured loans, Rs 717 billion was taken by corporate and commercial borrowers.

Health sector obtained approvals of Rs 10.5 billion out of Rs 16.67 billion (they asked) under the RFCC[16].This is the first time that SBP has initiated a refinance scheme for Health sector due to extreme scenario amid pandemic. The main objective was to enhance hospitals' capacities in building COVID-19 specific isolation wards and increasing number vital machinery such as ventilators and oxygen providing equipment.

The Rozgar scheme aims to prevent layoff by financing wages and salaries of employees for six months, i.e., April 2020 – September 2020. Under the risk sharing scheme 2603 SMEs and Small corporates with sales turnover up to Rs 2 billion have applied for financing of Rs 69.4 billion against which Rs 56.2 billion have been approved. The scheme has prevented layoff of 1.849 million employees of 3,331 businesses till end September 2020.

Ministry of Planning, Development Special initiatives has allocated Rs 70 billion especially for COVID-19 related expenditures that mostly includes upgradation of health facilities and WASH related measures. Numerous hospitals had submitted their proposal from all over the Pakistan that were approved at the Planning Commission that mostly includes increase in the health provision facilities. These projects ensure the long-term better provision of better public sector health facilities in Pakistan.

Economic Recovery

Smart lockdown in March 2020 to May 2020 and in the next few months for numerous businesses led to decline in economic activity in the last quarter of 2019-20. The drop-in activities were so severe that normal expected GDP growth has decline from 3.3

[14] As of 31st March 2021, the TERF scheme has matured, consequently no further change is expected.

[15] up to April 02, 2021

[16] The scheme has matured except for new hospitals that will continue till June 30, 2021

percent to negative 0.47 percent, which was partly cushioned by the introduction of the construction sector package in June 2020.

Economy of Pakistan rebounded strongly in FY2021 and posted growth of 3.94 percent which is not only substantially higher than the previous two years (-0.47 and 2.08 percent in FY2020 and FY2019 respectively) but also surpassed the target (2.1 percent for FY2021). Despite strict fiscal constraints, timely and appropriate policy measures taken by the government resulted in a V-Shaped economic recovery.

The government will continue to take the necessary measures for achieving a higher, sustainable and inclusive growth rate. Thus, increased size of PSDP, better containment of pandemic along with roll-out of vaccination and continuation of Ehsaas Programme will keep momentum of the economic growth.

STATISTICAL APPENDIX

CONTENTS

10 EDUCATION

11 HEALTH AND NUTRITION

12 POPULATION, LABOUR FORCE AND EMPLOYMENT

13 TRANSPORT AND COMMUNICATIONS

ECONOMIC AND SOCIAL INDICATORS

ECONOMIC AND

INDICATORS	1960s	1970s	1980s	1990s	2000s	2007-08	2008-09	2009-10	2010-11
	Average (Annual)								
FINANCIAL SECTOR:									
GROWTH RATE (at constant fc) %									
GDP	6.8	4.8	6.5	4.6	4.5	5.0	0.4	2.6	3.6
Agriculture	5.1	2.4	5.4	4.4	2.8	1.8	3.5	0.2	2.0
Manufacturing	9.9	5.5	8.2	4.8	7.3	6.1	-4.2	1.4	2.5
Commodity Producing Sector	6.8	3.9	6.5	4.6	4.8	5.1	-0.9	1.8	3.2
Services Sector	6.7	6.3	6.7	4.6	5.2	4.9	1.3	3.2	3.9
GROWTH RATES (at current mp) %									
Total Investment	-	21.8	4.2	8.1	15.6	17.7	13.4	1.4	9.8
Fixed Investment	14.8	20.5	3.7	7.8	15.7	17.9	12.4	0.3	8.4
Public Investment	14.0	25.3	2.6	7.3	12.5	21.0	11.2	-2.1	6.6
(including general govt.)									
Private Investment	20.9	17.0	5.1	8.8	17.5	16.8	12.9	1.2	9.0
(as % of Total Investment)			5.1						
National Savings	-	67.5	79.2	75.4	89.9	57.5	68.6	85.9	100.7
Foreign Savings	-	32.5	20.8	24.6	10.1	42.5	31.4	14.1	-0.7
(as % of GDP current mp)									
Total Investment	-	17.1	18.7	18.3	17.9	19.2	17.5	15.8	14.1
Fixed Investment	-	15.9	17.0	16.6	16.4	17.6	15.9	14.2	12.5
Public Investment	-	10.3	9.2	7.5	4.6	4.8	4.3	3.7	3.2
Private Investment	-	5.6	7.8	9.1	11.8	12.8	11.7	10.5	9.3
National Savings	-	11.2	14.8	13.8	15.9	11.0	12.0	13.6	14.2
Foreign Savings*	-	5.8	3.9	4.5	2.0	8.2	5.5	2.2	-0.1
Domestic Savings	-	7.4	7.7	14.0	14.6	9.1	9.4	9.8	9.7
Per Capita Income (mp-US $)*	-	-	-	-	746.0	1053.2	1026.1	1072.4	1274.1
GDP DEFLATOR (growth %)	-	-	2.3	8.3	8.4	12.9	20.7	10.7	19.5
CONSUMER PRICE INDEX (CPI)									
(growth %)	3.2	12.5	7.2	9.7	7.3	12.0	17.0	10.1	13.7
FISCAL POLICY									
(as % of GDP mp)									
Total Revenue	13.1	16.8	17.3	17.1	13.9	14.1	14.0	14.0	12.3
Tax Revenue	-	-	13.8	13.4	10.3	9.9	9.1	9.9	9.3
Non-Tax Revenue	-	-	3.5	3.7	3.6	4.2	4.9	4.1	3.0
Total Expenditure	11.6	21.5	24.9	24.1	18.3	21.4	19.2	20.2	18.9
Current Expenditure	-	-	17.6	19.4	15.1	17.4	15.5	16.0	15.9
Defence	-	-	6.5	5.6	3.1	2.6	2.5	2.5	2.5
Markup Payments	-	-	3.8	6.8	4.9	4.8	5.0	4.4	3.9
Others	-	-	7.3	7.0	7.2	10.0	8.0	9.2	9.6
Development Expenditure	-	-	7.3	4.7	3.3	4.0	3.5	4.4	2.8
Overall Deficit	2.1	5.3	7.1	6.9	4.4	7.3	5.2	6.2	6.5
MONEY & CREDIT (growth %)									
Monetary Assets (M2)	16.3	21.0	13.2	16.8	15.0	15.3	9.6	12.5	15.9
Domestic Assets	15.0	20.5	15.4	12.2	14.1	33.6	15.4	12.7	13.1
STOCK EXCHANGE (growth %)									
KSE 100 Index	-	-	0.1	4.1	27.2	-10.8	-41.7	35.7	28.5
Aggregate Market Capitalization	-	-	2.5	13.4	29.1	-6.0	-43.9	28.8	20.3

- : Not available mp : Market prices fc : Factor cost P: Provisional, R: Revised, F: Final

***: At average exchange rate used in National Accounts Committee meeting**

****: July-April**

Note: From 2016-17, CPI is estimated on 2015-16=100 as base year

SOCIAL INDICATORS

Base Year 2005-06									
2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 (Jul-Mar) P
3.8	3.7	4.1	4.1	4.6	5.2	5.5	2.1	-0.5	3.9
3.6	2.7	2.5	2.1	0.2	2.2	4.0	0.6	3.3	2.8
2.1	4.9	5.7	3.9	3.7	5.8	5.4	-0.7	-7.4	8.7
3.1	1.7	3.5	3.6	2.9	3.4	4.3	-0.5	-0.3	3.2
4.4	5.1	4.5	4.4	5.7	6.5	6.3	3.8	-0.6	4.4
17.1	10.8	10.0	17.0	5.8	13.0	16.4	-0.8	7.0	13.9
18.1	10.7	9.7	18.0	5.8	13.4	17.3	-1.9	6.7	13.8
27.2	4.9	1.2	29.0	7.0	30.5	25.4	-24.4	-3.7	38.1
14.9	12.9	12.8	14.5	5.4	7.1	13.7	9.2	10.3	6.6
86.3	92.8	91.3	93.4	88.9	74.4	64.9	69.3	89.0	100.4
13.8	7.2	8.7	6.6	11.1	25.6	35.1	3.7	11.0	-0.4
15.1	15.0	14.6	15.7	15.7	16.2	17.3	15.6	15.3	15.2
13.5	13.4	13.0	14.1	14.1	14.6	15.7	14.0	13.7	13.6
3.7	3.5	3.2	3.7	3.8	4.5	5.2	3.6	3.2	3.8
9.7	9.8	9.9	10.4	10.3	10.1	10.5	10.5	10.6	9.8
13.0	13.9	13.4	14.7	13.9	12.0	11.3	10.8	13.6	15.3
2.1	1.1	1.3	1.0	1.7	4.1	6.1	4.8	1.7	-0.1
7.8	8.7	7.7	8.6	7.8	6.5	5.9	4.1	5.8	5.8
1320.5	1333.7	1388.8	1514.0	1529.4	1630.1	1651.9	1459.1	1360.9	1542.5
5.7	7.1	7.4	4.3	0.5	4.0	2.4	8.6	10.1	9.8
11.0	7.4	8.6	4.5	2.9	4.8	4.7	6.8	10.7	8.6 **
12.8	13.3	14.5	14.3	15.3	15.5	15.1	12.9	15.1	10.5
10.2	9.8	10.2	11.0	12.6	12.4	12.9	11.8	11.4	7.9
2.6	3.5	4.3	3.3	2.7	3.0	2.2	1.1	3.7	2.6
21.6	21.5	20.0	19.6	19.9	21.3	21.6	22.0	23.2	13.9
17.3	16.4	15.9	16.1	16.1	16.3	16.9	18.7	20.5	12.8
2.5	2.4	2.5	2.5	2.6	2.8	3.0	3.0	2.9	1.6
4.5	4.5	4.6	4.8	4.3	4.2	4.3	5.5	6.3	4.4
10.3	9.5	8.9	8.8	9.2	9.3	9.6	10.2	11.3	6.7
3.9	5.1	4.9	4.2	4.5	5.3	4.6	3.1	2.8	1.4
8.8	8.2	5.5	5.3	4.6	5.8	6.5	9.0	8.1	3.5
14.1	15.9	12.5	13.2	13.7	13.7	9.7	11.3	17.5	7.8
20.2	20.9	9.1	11.7	12.9	18.3	15.9	19.1	11.0	4.4
10.4	52.2	41.2	16.0	9.8	23.2	-10.0	-20.5	1.5	29.5
6.2	47.6	36.2	5.7	2.3	25.5	-9.0	-19.1	5.2	20.9

As per PBS Per capita income during 2016-17 is Rs 162,101 based on final figures of Population Census 2017 i.e. 207,684,626 held in March 2017. The revised series of per capita income will be compiled after receipt of projected population from NIPS.

(Contd...)

ECONOMIC AND

INDICATORS		1960s	1970s	1980s	1990s	2000s	2006-07	2007-08	2008-09	2009-10
		Average (Annual)								
TRADE AND PAYMENTS (growth %)										
Exports (fob)		-	13.5	8.5	5.6	9.9	4.5	18.0	-6.4	2.9
Imports (fob)		-	16.6	4.5	3.2	13.7	8.0	31.6	-10.3	-1.7
Workers' Remittances		-	-	1.9	-5.3	26.8	19.4	17.4	21.1	14.0
As % of GDP (mp)										
Exports (fob)		-	-	9.8	13.0	12.3	11.2	12.0	11.4	11.1
Imports (fob)		-	-	18.7	17.4	16.2	17.5	20.8	18.9	17.5
Trade Deficit		-	-	8.9	4.4	3.9	6.2	8.8	7.5	6.5
Current Account Deficit		-	-	3.9	4.5	3.8	4.8	8.2	5.5	2.2
COMMODITY SECTOR:										
Agriculture										
Total Cropped Area	mln. hectares	-	-	20.3	22.4	22.9	23.6	23.9	24.1	23.9
Production										
Wheat	mln. tons	-	-	12.5	17.0	20.8	23.3	20.9	24.0	23.3
Rice	mln. tons	-	-	3.3	3.9	5.2	5.4	5.6	6.9	6.9
Sugarcane	mln. tons	-	-	33.1	44.6	50.4	54.7	63.9	50.0	49.4
Cotton	mln. bales	-	-	6.3	9.7	11.6	12.9	11.7	11.8	12.9
Fertilizer Offtake	mln.N/tons	-	-	1.4	2.3	3.3	3.7	3.6	3.7	4.4
Credit Disbursed	bln. Rs.	-	-	11.2	23.8	112.9	168.8	211.6	233.0	248.1
Manufacturing										
Cotton Yarn	mln. Kg.	5.6	3.4	10.0	1884.4	2236.2	2727.6	2809.4	2913.0	2787.3
Cotton Cloth	mln. sq. mtr.	3.1	-5.2	-1.1	487.8	763.3	1012.9	1016.4	1016.9	1009.4
Fertilizer	mln. tons	27.5	13.2	10.7	4.9	5.3	5.9	6.1	6.3	6.5
Sugar	mln. tons	34.3	2.2	14.4	3.6	3.4	3.5	4.7	3.2	3.1
Cement	mln. tons	10.7	2.5	8.6	11.2	16.4	22.8	26.7	28.4	31.3
Soda Ash	000 tons	12.0	2.6	6.7	269.0	292.6	330.6	365.0	365.3	409.6
Caustic Soda	000 tons	24.4	5.0	6.6	147.2	195.0	242.2	248.3	245.3	182.3
Cigarettes	bln. nos.	10.7	4.9	-0.4	55.4	60.0	66.0	67.4	75.6	65.3
Jute Goods	000 tons	-	3.4	9.5	101.1	105.0	118.1	129.0	137.4	106.2
INFRASTRUCTURE:										
Energy										
Crude Oil Extraction	mln. barrels	-	2.8	10.9	26.1	23.3	24.6	25.6	24.0	23.7
Gas (supply)	bcf	-	165.4	385.2	908.0	1186.8	1413.6	1454.2	1460.7	1482.8
Electricity (installed capacity)	000 MW	-	1.3	3.1	12.9	18.7	19.4	19.4	19.8	20.9
Transport & Communications										
Roads	000 km	70.5	74.1	123.8	279.3	255.6	261.8	258.4	260.2	260.8
Motor Vehicles on Roads	mln. nos.	-	0.4	1.4	4.6	6.4	8.1	8.8	9.4	9.8
Post Offices	000 nos.	7.1	9.0	11.8	15.8	12.3	12.3	12.4	12.3	12.0
Telephones	mln. nos.	0.1	0.2	0.6	3.3	4.2	4.8	4.5	3.5	3.4
Mobile Phones	mln. nos.	-	-	-	-	30.3	63.2	88.0	94.3	99.2

- : Not available P: Provisional, R: Revised, F: Final *: July-April

SOCIAL INDICATORS

2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
								F	R	(Jul-Mar) P
28.9	-2.6	0.3	1.1	-3.9	-8.8	0.1	12.6	-2.1	-7.1	6.5 *
14.9	12.8	-0.6	3.8	-0.8	-0.6	16.7	16.0	-6.8	-15.9	13.5 *
25.8	17.7	5.6	13.7	18.2	6.4	-2.8	2.9	9.2	6.4	29.0 *
11.9	11.0	10.7	10.2	8.9	7.9	7.2	7.9	8.7	8.7	7.0 *
16.7	18.0	17.4	17.0	15.3	14.7	15.7	17.7	18.5	16.6	14.2 *
4.9	7.0	6.6	6.8	6.4	6.9	8.5	9.8	9.9	8.0	7.1 *
+0.1	2.1	1.1	1.3	1.0	1.8	4.0	6.1	4.8	1.7	+0.3 *
22.7	22.5	22.6	23.2	23.3	24.0	23.0	23.5	23.5	23.5	-
25.2	23.5	24.2	26.0	25.1	25.6	26.7	25.1	24.3	25.2	27.3
4.8	6.2	5.5	6.8	7.0	6.8	6.8	7.5	7.2	7.4	8.4
55.3	58.4	63.8	67.5	62.8	65.5	75.5	83.3	67.2	66.4	81.0
11.5	13.6	13.0	12.8	14.0	9.9	10.7	11.9	9.9	9.1	7.1
3.9	3.9	3.6	4.1	4.3	3.7	5.0	4.8	4.6	4.5	3.9
263.0	293.9	336.2	391.4	515.9	598.3	704.5	972.6	1174.0	1214.7	953.7
2939.5	2954.6	3017.9	3066.0	3360.0	3405.6	3428.1	3430.1	3431.4	3059.9	2577.7
1020.3	1023.4	1029.1	1036.1	1036.1	1039.2	1043.3	1043.7	1046.0	934.5	786.0
5.9	6.0	5.7	6.7	7.0	8.0	8.1	7.2	7.7	8.1	4.6
4.2	4.6	5.1	5.6	5.1	5.1	7.0	6.6	5.3	4.9	5.6
28.8	29.5	31.1	31.4	32.2	35.4	37.0	41.1	39.9	39.1	37.6
378.0	370.7	366.2	409.1	437.1	468.5	479.7	509.8	572.1	550.6	439.4
172.0	179.1	182.9	167.5	184.0	225.3	223.9	270.1	246.6	315.6	292.0
65.4	62.0	67.4	64.5	62.7	53.5	34.3	59.1	60.7	46.1	39.5
93.2	94.1	102.8	101.7	94.3	55.3	59.8	74.2	67.1	65.0	52.7
24.0	24.6	27.8	31.6	34.5	31.7	32.3	32.6	32.5	28.1	20.8
1471.6	1559.0	1505.8	1493.5	1465.8	1481.6	1471.9	1458.9	1436.5	1316.6	962.4
22.5	22.8	22.8	23.5	23.8	25.9	29.9	33.6	35.1	38.6	37.2
259.5	261.6	263.4	263.8	265.4	265.9	267.0	268.9	271.0	501.4	493.1
10.4	11.5	11.6	13.2	13.9	15.6	21.9	24.3	25.2	30.0	31.0
12.0	12.0	12.8	12.1	12.1	11.7	11.5	11.5	10.1	10.1	10.1
5.7	5.8	6.4	5.7	4.2	3.3	2.6	2.6	2.6	2.4	2.5
108.9	120.2	128.9	140.0	114.7	133.2	139.8	150.2	161.0	167.3	181.7

(Contd...)

ECONOMIC AND

INDICATORS		1960s	1970s	1980s	1990s	2000s	2005-06	2006-07	2007-08	2008-09
		Average (Annual)								
HUMAN RESOURCES:										
Population*	million	-	-	96.3	124.6	150.9	155.4	158.2	161.0	163.8
Crude Birth Rate	per 1000 person	-	-	-	-	27.4	26.1	26.1	26.1	24.3
Crude Death Rate	per 1000 person	-	-	-	-	7.9	8.2	7.1	7.1	7.3
Infant Mortality Rate	per 1000 person	-	-	-	-	79.6	77.0	76.7	76.7	68.2
Labour Force & Employment**										
Labour Force	million	-	-	11.6	35.1	45.5	46.8	50.5	50.8	52.2
Employed Labour Force	million	-	-	11.2	33.1	42.4	43.2	47.3	48.1	49.5
Un-employed Labour Force	million	-	-	0.4	2.0	3.6	3.6	3.1	2.7	2.7
Un-employment Rate	% per annum	-	-	1.4	5.7	6.8	7.6	6.2	5.2	5.2
SOCIAL DEVELOPMENT:										
Education										
Primary Schools	000 nos.	-	-	88.8	143.5	155.2	157.5	158.7	157.4	156.7
Male	000 nos.	-	-	64.6	96.4	96.6	97.7	97.8	92.5	93.3
Female	000 nos.	-	-	24.2	47.1	58.6	59.8	60.9	64.9	63.4
Middle Schools	000 nos.	-	-	6.8	15.3	31.9	39.4	40.1	40.8	40.9
Male	000 nos.	-	-	4.6	8.8	16.7	20.1	22.6	20.2	20.5
Female	000 nos.	-	-	2.2	6.5	15.2	19.3	17.5	20.6	20.4
High Schools	000 nos.	-	-	5.4	10.6	18.6	22.9	23.6	24.0	24.3
Male	000 nos.	-	-	3.9	7.4	12.2	14.8	14.6	15.0	15.1
Female	000 nos.	-	-	1.5	3.2	6.3	8.1	9.0	9.0	9.2
Technical / Vocational Institutions	nos.	-	-	508.6	572.2	1623.8	3059.0	3090.0	3125.0	3159.0
Male		-	-	282.2	328.7	874.8	1584.0	1599.0	1618.0	1636.0
Female		-	-	235.2	243.5	749.0	1475.0	1491.0	1507.0	1523.0
Literacy Rate	percent	-	-	29.5	40.7	52.6	54.0	55.0	56.0	57.0
Male		-	-	39.0	51.6	65.7	65.0	67.0	69.0	69.0
Female		-	-	18.7	28.6	41.4	42.0	42.0	44.0	45.0
Expenditure on Education (as % of GDP)		1.4	1.7	2.3	2.0	1.7	1.7	1.8	1.8	1.8
Health*										
Registered Doctors	000 nos.	2.0	6.3	28.1	68.9	109.7	123.1	128.0	133.9	139.5
Registered Nurses	000 nos.	-	2.9	9.9	24.1	48.7	57.6	62.6	65.4	69.3
Registered Dentists	000 nos.	0.2	0.7	1.4	2.8	6.0	7.4	8.2	9.0	9.8
Hospitals	nos.	380.0	521.0	651.0	823.0	917.5	924.0	945.0	948.0	968.0
Dispensaries	000 nos.	1.7	2.8	3.5	4.3	4.7	4.7	4.7	4.8	4.8
Rural Health Centers	nos.	-	1.0	127.0	330.0	494.0	560.0	562.0	561.0	572.0
TB Centres	nos.	-	90.0	122.0	245.0	283.7	288.0	290.0	293.0	293.0
Total Beds	000 nos.	25.5	38.4	55.6	83.8	99.3	102.1	103.3	103.0	103.7
Expenditure on Health (as % of GDP)		-	0.6	0.8	0.7	0.6	0.5	0.6	0.6	0.5

P: Provisional, R: Revised, F: Final **- : Not available**
*** : on Calendar Year basis** ****: Labour Force Survey 2017-18**

Notes:

Total may differ due to rounding off

Population Data revised from 2016 on the basis of projections provided by NIPS (NIPS projected data based on Census 1998)

SOCIAL INDICATORS

2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
									F	R	(July-March) P
173.5	177.1	180.7	184.4	188.0	191.7	198.8	202.9	207.0	211.2	215.3	-
28.0	27.5	27.2	26.8	26.4	26.1	27.8	27.3	26.7	26.1	25.4	-
7.4	7.3	7.2	7.0	6.9	6.8	7.0	6.9	6.8	6.7	6.6	-
72.0	70.5	69.0	67.5	66.1	64.6	62.4	61.4	60.5	59.5	58.5	-
53.7	58.1	59.3	60.3	60.1	61.04	-	-	65.5	-	-	-
50.8	54.7	55.8	56.6	56.5	57.4	-	-	61.7	-	-	-
2.9	3.5	3.5	3.8	3.6	3.62	-	-	3.8	-	-	-
5.5	6.0	6.0	6.2	6.0	5.9	-	-	5.8	-	-	-
157.5	155.5	154.6	159.7	157.9	165.9	164.6	168.9	172.5	182.7	187.1	-
96.9	93.6	93.6	99.6	97.6	99.9	99.3	102.8	99.0	95.4	93.2	-
60.6	58.2	57.0	60.1	60.3	66.0	65.3	66.1	73.5	87.3	93.9	-
41.3	41.6	42.0	42.1	42.9	44.8	45.7	49.1	46.7	47.3	48.3	-
21.8	21.9	21.6	20.7	21.8	22.4	18.7	21.2	23.2	20.7	20.6	-
19.5	20.4	21.0	21.4	21.1	22.4	27.0	27.9	23.5	26.6	27.7	-
24.8	25.2	28.7	29.9	30.6	31.3	31.7	31.6	31.4	31.7	32.0	-
14.2	14.4	14.3	17.6	18.0	18.2	16.1	16.9	17.9	17.3	17.2	-
10.6	9.5	11.6	12.3	12.6	13.1	15.6	14.7	13.5	14.4	14.8	-
3192.0	3224.0	3257.0	3290.0	3323.0	3579.0	3746.0	3798.0	3740.0	3882.0	3998.0	-
1010.0	1018.0	1028.0	1037.0	1047.0	1760.0	2232.0	2262.0	2410.0	2473.0	2677.0	-
2182.0	2206.0	2229.0	2253.0	2276.0	1819.0	1514.0	1536.0	1330.0	1409.0	1321.0	-
57.7	58.0	58.0	60.0	58.0	60.0	58.0	-	62.3 **	60.0	60.0	-
69.5	69.0	70.0	71.0	70.0	70.0	70.0	-	72.5 **	71.0	70.0	-
45.2	46.0	47.0	48.0	47.0	49.0	48.0	-	51.8 **	49.0	50.0	-
1.7	1.8	2.0	2.1	2.1	2.2	2.3	2.2	2.4	2.3	1.5	-
144.9	152.4	160.9	167.7	175.2	184.7	195.9	208.0	220.8	233.3	245.0	-
73.2	77.7	82.1	86.1	90.3	94.8	99.2	103.8	108.5	112.1	116.7	-
10.5	11.6	12.7	13.7	15.1	16.7	18.3	20.5	22.6	24.9	27.4	-
972.0	980.0	1092.0	1113.0	1143.0	1172.0	1243.0	1264.0	1279.0	1282.0	1282.0	-
4.8	5.0	5.2	5.4	5.5	5.7	6.0	5.6	5.7	5.7	5.7	-
577.0	579.0	640.0	667.0	669.0	684.0	668.0	688.0	686.0	670.0	67.0	-
304.0	345.0	326.0	329.0	334.0	339.0	345.0	431.0	441.0	412.0	412.0	-
104.1	107.5	111.8	118.4	118.2	119.5	124.8	131.0	132.2	133.7	133.7	-
0.5	0.2	0.7	0.6	0.7	0.7	0.9	1.0	1.2	1.1	1.2	-

GROWTH AND INVESTMENT

TABLE 1.1

GROSS NATIONAL PRODUCT AT CONSTANT BASIC PRICES OF 2005-06

Rs million

Sectors	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P	% Change 2019-20/ 2018-19	% Change 2020-21/ 2019-20
A AGRICULTURE	2,156,117	2,202,043	2,205,433	2,253,565	2,343,614	2,356,827	2,434,850	2,502,181	3.3	2.8
1. Crops	867,133	868,494	822,689	832,744	871,796	828,596	874,504	896,102	5.5	2.5
Important Crops	562,707	553,568	521,125	534,659	553,693	511,129	537,929	562,964	5.2	4.7
Other Crops	243,890	250,006	251,005	244,703	260,026	266,791	288,344	292,420	8.1	1.4
Cotton Ginning	60,536	64,920	50,559	53,382	58,077	50,676	48,231	40,718	-4.8	-15.6
2. Livestock	1,198,671	1,246,512	1,288,373	1,326,948	1,375,986	1,428,608	1,458,624	1,503,254	2.1	3.1
3. Forestry	46,555	40,761	46,592	45,505	46,679	50,076	51,880	52,617	3.6	1.4
4. Fishing	43,758	46,276	47,779	48,368	49,153	49,547	49,842	50,208	0.6	0.7
B. INDUSTRIAL SECTOR	2,089,776	2,198,027	2,323,169	2,428,902	2,540,894	2,501,345	2,407,093	2,493,031	-3.8	3.6
1. Mining & Quarrying	298,856	313,707	333,121	331,121	356,949	361,221	331,309	309,823	-8.3	-6.5
2. Manufacturing	1,387,556	1,441,461	1,494,591	1,581,680	1,667,524	1,656,069	1,533,747	1,667,362	-7.4	8.7
Large Scale	1,122,266	1,159,052	1,193,569	1,260,836	1,325,429	1,290,942	1,160,247	1,268,043	-10.1	9.3
Small Scale	169,677	183,607	198,652	214,839	232,383	251,532	255,303	276,530	1.5	8.3
Slaughtering	95,613	98,802	102,370	106,005	109,712	113,595	118,197	122,789	4.1	3.9
3. Electricity Generation & Distribution & Gas Distribution	164,054	186,174	203,661	198,180	164,067	186,328	228,065	175,700	22.4	-23.0
4. Construction	239,310	256,685	291,796	317,921	352,354	297,727	313,972	340,146	5.5	8.3
COMMODITY PRODUCING SECTOR (A+B)	4,245,893	4,400,070	4,528,602	4,682,467	4,884,508	4,858,172	4,841,943	4,995,212	-0.3	3.2
C. SERVICES SECTOR	5,971,163	6,231,579	6,588,200	7,014,467	7,459,758	7,742,479	7,699,891	8,041,169	-0.6	4.4
1. Wholesale & Retail Trade	1,894,410	1,943,612	2,035,509	2,187,751	2,331,415	2,356,539	2,263,668	2,453,199	-3.9	8.4
2. Transport, Storage & Communication	1,355,570	1,424,255	1,493,830	1,557,639	1,587,297	1,660,907	1,597,828	1,588,101	-3.8	-0.6
3. Finance & Insurance	315,428	335,448	356,981	396,669	426,012	445,219	450,270	485,574	1.1	7.8
4. Housing Services (Ownership of Dwellings)	691,093	718,674	747,343	777,140	808,172	840,489	874,219	909,247	4.0	4.0
5. General Government Services	723,823	758,746	832,505	882,015	986,125	1,037,147	1,047,767	1,070,833	1.0	2.2
6. Other Private Services	990,839	1,050,844	1,122,032	1,213,253	1,320,737	1,402,178	1,466,139	1,534,215	4.6	4.6
GDP {Total of GVA at bp (A + B + C)}	10,217,056	10,631,649	11,116,802	11,696,934	12,344,266	12,600,651	12,541,834	13,036,381	-0.5	3.9
Indirest Taxes	556,679	616,350	724,998	795,386	862,628	795,748	740,311	812,900	-7.0	9.8
Subsidies	136,844	107,861	85,976	83,545	73,891	113,056	123,053	71,924	8.8	-41.6
GDP {GVA + T - S}	10,636,891	11,140,138	11,755,824	12,408,775	13,133,003	13,283,343	13,159,092	13,777,357	-0.9	4.7
Net Factor Income from Abroad	474,006	548,903	675,096	669,191	673,876	874,614	1,089,918	1,484,683	24.6	36.2
Gross National Income	11,110,897	11,689,041	12,430,920	13,077,966	13,806,879	14,157,957	14,249,010	15,262,040	0.6	7.1
Population (in million)	186.19	189.87	193.56	197.26	200.96	204.65	208.31	211.93	1.8	1.7

P: Provisional R: Revised F: Final

Source: Pakistan Bureau of Statistics

TABLE 1.2

SECTORAL SHARE IN GDP (%)

(%)

Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P
A. AGRICULTURE	21.10	20.71	19.84	19.27	18.99	18.70	19.41	19.19
1. Crops	8.49	8.17	7.40	7.12	7.06	6.58	6.97	6.87
Important Crops	5.51	5.21	4.69	4.57	4.49	4.06	4.29	4.32
Other Crops	2.39	2.35	2.26	2.09	2.11	2.12	2.30	2.24
Cotton Ginning	0.59	0.61	0.45	0.46	0.47	0.40	0.38	0.31
2. Livestock	11.73	11.72	11.59	11.34	11.15	11.34	11.63	11.53
3. Forestry	0.46	0.38	0.42	0.39	0.38	0.40	0.41	0.40
4. Fishing	0.43	0.44	0.43	0.41	0.40	0.39	0.40	0.39
B. INDUSTRIAL SECTOR	20.45	20.67	20.90	20.77	20.58	19.85	19.19	19.12
1. Mining & Quarrying	2.93	2.95	3.00	2.83	2.89	2.87	2.64	2.38
2. Manufacturing	13.58	13.56	13.44	13.52	13.51	13.14	12.23	12.79
Large Scale	10.98	10.90	10.74	10.78	10.74	10.25	9.25	9.73
Small Scale	1.66	1.73	1.79	1.84	1.88	2.00	2.04	2.12
Slaughtering	0.94	0.93	0.92	0.91	0.89	0.90	0.94	0.94
3. Electricity Generation & Distribution & Gas Distribution	1.61	1.75	1.83	1.69	1.33	1.48	1.82	1.35
4. Construction	2.34	2.41	2.62	2.72	2.85	2.36	2.50	2.61
COMMODITY PRODUCING SECTOR (A+B)	41.56	41.39	40.74	40.03	39.57	38.55	38.61	38.32
C. SERVICES SECTOR	58.44	58.61	59.26	59.97	60.43	61.45	61.39	61.68
1. Wholesale & Retail Trade	18.54	18.28	18.31	18.70	18.89	18.70	18.05	18.82
2. Transport, Storage & Communication	13.27	13.40	13.44	13.32	12.86	13.18	12.74	12.18
3. Finance & Insurance	3.09	3.16	3.21	3.39	3.45	3.53	3.59	3.72
4. Housing Services (Ownership of Dwellings)	6.76	6.76	6.72	6.64	6.55	6.67	6.97	6.97
5. General Government Services	7.08	7.14	7.49	7.54	7.99	8.23	8.35	8.21
6. Other Private Services	9.70	9.88	10.09	10.37	10.70	11.13	11.69	11.77
GDP {Total of GVA at bp (A + B + C)}	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

P: Provisional R: Revised F: Final

Source: Pakistan Bureau of Statistics

TABLE 1.3

GROWTH RATES (%)

(%)

Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P
A. Agriculture	2.50	2.13	0.15	2.18	4.00	0.56	3.31	2.77
1. Crops	2.64	0.16	-5.27	1.22	4.69	-4.96	5.54	2.47
Important Crops	7.22	-1.62	-5.86	2.60	3.56	-7.69	5.24	4.65
Other Crops	-5.71	2.51	0.40	-2.51	6.26	2.60	8.08	1.41
Cotton Ginning	-1.33	7.24	-22.12	5.58	8.80	-12.74	-4.82	-15.58
2. Livestock	2.48	3.99	3.36	2.99	3.70	3.82	2.10	3.06
3. Forestry	1.88	-12.45	14.31	-2.33	2.58	7.28	3.60	1.42
4. Fishing	0.98	5.75	3.25	1.23	1.62	0.80	0.60	0.73
B. INDUSTRIAL SECTOR	4.53	5.18	5.69	4.55	4.61	-1.56	-3.77	3.57
1. Mining & Quarrying	1.40	4.97	6.19	-0.60	7.80	1.20	-8.28	-6.49
2. Manufacturing	5.65	3.88	3.69	5.83	5.43	-0.69	-7.39	8.71
Large Scale	5.46	3.28	2.98	5.64	5.12	-2.60	-10.12	9.29
Small Scale	8.29	8.21	8.19	8.15	8.17	8.24	1.50	8.31
Slaughtering	3.38	3.34	3.61	3.55	3.50	3.54	4.05	3.89
3. Electricity Generation & Distribution & Gas Distribution	-0.74	13.48	9.39	-2.69	-17.21	13.57	22.40	-22.96
4. Construction	5.96	7.26	13.68	8.95	10.83	-15.50	5.46	8.34
COMMODITY PRODUCING SECTOR (A+B)	3.49	3.63	2.92	3.40	4.31	-0.54	-0.33	3.17
C. SERVICES SECTOR	4.46	4.36	5.72	6.47	6.35	3.79	-0.55	4.43
1. Wholesale & Retail Trade	4.77	2.60	4.73	7.48	6.57	1.08	-3.94	8.37
2. Transport, Storage & Communication	3.90	5.07	4.89	4.27	1.90	4.64	-3.80	-0.61
3. Finance & Insurance	4.31	6.35	6.42	11.12	7.40	4.51	1.13	7.84
4. Housing Services (Ownership of Dwellings)	4.00	3.99	3.99	3.99	3.99	4.00	4.01	4.01
5. General Government Services	2.86	4.82	9.72	5.95	11.80	5.17	1.02	2.20
6. Other Private Services	6.22	6.06	6.77	8.13	8.86	6.17	4.56	4.64
GDP {Total of GVA at bp (A + B + C)}	4.05	4.06	4.56	5.22	5.53	2.08	-0.47	3.94

P: Provisional R: Revised F: Final

Source: Pakistan Bureau of Statistics

TABLE 1.4

EXPENDITURE ON GROSS NATIONAL PRODUCT AT CONSTANT PRICES OF 2005-06

Rs million

Flows	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P	% Change 2019-20/ 2018-19	% Change 2020-21/ 2019-20
Household Final Consumption Expenditure	8,304,881	8,545,418	9,196,738	9,978,329	10,598,522	10,922,533	10,470,713	11,242,554	-4.14	7.37
General Government Final Consumption Expenditure	1,129,117	1,220,931	1,321,395	1,390,837	1,510,861	1,523,036	1,626,355	1,692,596	6.78	4.07
Total Investment	1,536,447	1,760,001	1,887,998	2,073,722	2,295,850	2,037,035	2,016,039	2,130,826	-1.03	5.69
Gross Fixed Capital Formation	1,366,256	1,581,759	1,699,905	1,875,181	2,085,722	1,824,501	1,805,494	1,910,389	-1.04	5.81
A. Private Sector	1,062,261	1,190,708	1,278,275	1,334,422	1,427,631	1,388,633	1,436,843	1,418,203	3.47	-1.30
B. Public Sector	82,094	110,647	93,165	142,146	175,590	151,844	84,970	127,383	-44.04	49.92
C. General Govt.	221,902	280,404	328,466	398,614	482,500	284,024	283,681	364,802	-0.12	28.60
Change in Inventories	170,190	178,242	188,093	198,540	210,128	212,533	210,545	220,438	-0.94	4.70
Export of Goods and Non-Factor Services	1,225,028	1,147,318	1,128,923	1,121,671	1,263,892	1,447,078	1,482,911	1,575,286	2.48	6.23
Less Imports of Goods and Non-Factor Services	1,558,582	1,533,530	1,779,230	2,155,784	2,536,122	2,646,339	2,436,926	2,863,905	-7.91	17.52
Expenditure on GDP at Market Prices	10,636,891	11,140,138	11,755,824	12,408,775	13,133,003	13,283,343	13,159,092	13,777,357	-0.94	4.70
Plus Net Factor Income from the Rest of the World	474,006	548,903	675,096	669,191	673,876	874,614	1,089,918	1,484,683	24.62	36.22
Expenditure on GNP at Market Prices	11,110,897	11,689,041	12,430,920	13,077,966	13,806,879	14,157,957	14,249,010	15,262,040	0.64	7.11
Less Indirect Taxes	556,679	616,350	724,998	795,386	862,628	795,748	740,311	812,900	-6.97	9.81
Plus Subsidies	136,844	107,861	85,976	83,545	73,891	113,056	123,053	71,924	8.84	-41.55
GNP at Factor Cost	10,691,062	11,180,552	11,791,898	12,366,125	13,018,142	13,475,265	13,631,752	14,521,064	1.16	6.52

P: Provisional R: Revised F: Final

Source: Pakistan Bureau of Statistics

TABLE 1.5

GROSS NATIONAL PRODUCT AT CURRENT PRICES

Rs million

Sectors	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P	% Change 2019-20/ 2018-19	% Change 2020-21/ 2019-20
A. Agriculture	5,976,217	6,536,122	6,749,966	7,318,465	7,911,779	8,368,631	9,612,331	11,542,998	14.86	20.09
1. Crops	2,612,933	2,690,102	2,620,390	2,826,463	2,964,894	2,888,671	3,702,887	4,642,762	28.19	25.38
Important Crops	1,760,329	1,735,888	1,718,029	1,827,252	1,890,555	1,803,359	2,333,252	3,068,717	29.38	31.52
Other Crops	695,138	769,867	739,842	811,971	874,378	909,337	1,170,812	1,376,753	28.75	17.59
Cotton Ginning	157,467	184,347	162,519	187,240	199,961	175,975	198,822	197,293	12.98	-0.77
2. Livestock	3,129,682	3,612,244	3,846,646	4,180,531	4,615,565	5,119,066	5,509,117	6,470,351	7.62	17.45
3. Forestry	153,722	142,902	170,706	172,578	183,199	202,162	220,332	244,184	8.99	10.83
4. Fishing	79,880	90,873	112,223	138,893	148,121	158,732	179,995	185,701	13.40	3.17
B. INDUSTRIAL SECTOR	5,040,094	5,239,146	5,308,368	5,683,545	6,200,543	7,010,231	7,364,291	8,128,397	5.05	10.38
1. Mining & Quarrying	741,022	707,236	652,814	644,686	755,778	1,004,203	1,095,298	976,819	9.07	-10.82
2. Manufacturing	3,408,468	3,510,536	3,512,556	3,830,210	4,217,685	4,730,014	4,764,739	5,621,560	0.73	17.98
Large Scale	2,824,463	2,853,222	2,801,169	3,044,603	3,331,305	3,722,568	3,646,994	4,282,289	-2.03	17.42
Small Scale	327,030	373,595	406,648	457,088	506,839	572,034	624,546	755,325	9.18	20.94
Slaughtering	256,975	283,719	304,739	328,520	379,542	435,412	493,199	583,946	13.27	18.40
3. Electricity Generation & Distribution & Gas Distribution	406,192	480,515	541,909	529,040	435,889	530,908	717,505	611,169	35.15	-14.82
4. Construction	484,412	540,859	601,089	679,609	791,191	745,106	786,749	918,849	5.59	16.79
COMMODITY PRODUCING SECTOR (A+B)	11,016,311	11,775,268	12,058,334	13,002,010	14,112,322	15,378,862	16,976,622	19,671,395	10.39	15.87
C. SERVICES SECTOR	13,012,586	14,314,423	15,343,961	16,975,549	18,270,699	20,518,341	22,374,227	25,223,552	9.05	12.73
1. Wholesale & Retail Trade	4,924,462	5,045,262	5,104,854	5,792,701	6,232,618	6,902,928	7,196,739	8,419,076	4.26	16.98
2. Transport, Storage & Communication	2,474,818	3,107,785	3,518,864	3,697,932	3,523,539	3,866,033	4,065,331	4,785,777	5.16	17.72
3. Finance & Insurance	584,074	595,961	544,301	594,362	684,623	908,121	1,106,187	916,265	21.81	-17.17
4. Housing Services (Ownership of Dwellings)	1,229,110	1,371,443	1,506,385	1,668,521	1,848,594	2,059,629	2,275,293	2,485,965	10.47	9.26
5. General Government Services	1,660,434	1,818,477	2,050,560	2,263,393	2,629,924	2,968,885	3,332,876	3,670,326	12.26	10.12
6. Other Private Services	2,139,688	2,375,495	2,618,997	2,958,640	3,351,401	3,812,745	4,397,801	4,946,143	15.34	12.47
GDP {Total of GVA at bp (A + B + C)}	24,028,897	26,089,690	27,402,295	29,977,559	32,383,021	35,897,203	39,350,849	44,894,947	9.62	14.09
Indirest Taxes	1,480,099	1,633,881	1,901,743	2,170,448	2,435,629	2,515,836	2,599,306	3,065,120	3.32	17.92
Subsidies	340,191	280,549	228,405	225,704	202,348	326,807	393,829	250,742	20.51	-36.33
GDP {GVA + T - S}	25,168,805	27,443,022	29,075,633	31,922,303	34,616,302	38,086,232	41,556,326	47,709,325	9.11	14.81
Net Factor Income from Abroad	1,428,227	1,674,811	1,782,860	1,743,643	1,846,151	2,550,025	3,242,724	4,513,289	27.16	39.18
Gross National Product (mp)	26,597,032	29,117,833	30,858,493	33,665,946	36,462,453	40,636,257	44,799,050	52,222,614	10.24	16.57
Population (in million)	186.19	189.87	193.6	197.3	201.0	204.7	208.3	211.9	1.79	1.74
Per Capita Income(Rs)*	142,849	153,357	159,426	170,672	181,441	198,565	215,060	246,414	8.31	14.58
Per Capita Income(US $)	1,388.8	1,514.0	1,529.4	1,630.1	1,651.9	1,459.1	1,360.9	1,542.5	-6.73	13.35
GDP Deflator Index	235.18	245.40	246.49	256.29	262.33	284.88	313.76	344.38	10.14	9.76
GDP Deflator (Growth %)	7.39	4.34	0.45	3.97	2.36	8.60	10.14	9.76	-	-

P: Provisional R: Revised F: Final

Source : Pakistan Bureau of Statistics

* : Per capita income during 2016-17 is Rs 162101 based on final figures of Population Census 2017 i.e. 207,684,626 held in March 2017.
The revised series of per capita income will be compiled after receipt of projected population from NIPS

TABLE 1.6

EXPENDITURE ON GROSS NATIONAL PRODUCT AT CURRENT PRICES

Rs million

Flows	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P	% Change 2019-20/ 2018-19	2020-21/ 2019-20
Household Final										
Consumption Expenditure	20,391,214	21,890,279	23,266,454	26,148,647	28,400,347	31,547,687	32,949,371	38,501,127	4.44	16.85
General Government Final										
Consumption Expenditure	2,708,918	3,011,195	3,287,930	3,599,000	4,054,823	4,457,033	5,318,942	5,925,068	19.34	11.40
Total Investment	3,683,523	4,310,484	4,560,840	5,155,623	6,003,330	5,954,753	6,369,596	7,255,379	6.97	13.91
Gross Fixed										
Capital Formation	3,280,822	3,871,396	4,095,630	4,644,866	5,449,469	5,345,374	5,704,695	6,492,030	6.72	13.80
A. Private Sector	2,483,817	2,843,159	2,995,889	3,209,360	3,649,178	3,984,517	4,393,570	4,681,348	10.27	6.55
B. Public Sector	207,012	284,912	238,143	347,770	437,951	463,085	314,753	435,158	-32.03	38.25
C. General Govt.	589,993	743,325	861,598	1,087,737	1,362,340	897,771	996,372	1,375,524	10.98	38.05
Change in Inventories	402,701	439,088	465,210	510,757	553,861	609,380	664,901	763,349	9.11	14.81
Export of Goods and										
Non-Factor Services	3,081,312	2,910,171	2,659,178	2,635,927	3,105,763	3,842,425	4,168,760	4,733,736	8.49	13.55
Less Imports of Goods										
and Non-Factor Services	4,696,162	4,679,107	4,698,769	5,616,894	6,947,961	7,715,666	7,250,343	8,705,985	-6.03	20.08
Expenditure on GDP at										
Market Prices	25,168,805	27,443,022	29,075,633	31,922,303	34,616,302	38,086,232	41,556,326	47,709,325	9.11	14.81
Plus Net Factor Income										
from the Rest of the World	1,428,227	1,674,811	1,782,860	1,743,643	1,846,151	2,550,025	3,242,724	4,513,289	27.16	39.18
Expenditure on GNP at										
at Market Prices	26,597,032	29,117,833	30,858,493	33,665,946	36,462,453	40,636,257	44,799,050	52,222,614	10.24	16.57
Less Indirect Taxes	1,480,099	1,633,881	1,901,743	2,170,448	2,435,629	2,515,836	2,599,306	3,065,120	3.32	17.92
Plus Subsidies	340,191	280,549	228,405	225,704	202,348	326,807	393,829	250,742	20.51	-36.33
GNP at Factor Cost	25,457,124	27,764,501	29,185,155	31,721,202	34,229,172	38,447,228	42,593,573	49,408,236	10.78	16.00

P: Provisional R: Revised F: Final

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

Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P	% Change 2019-20/ 2018-19	% Change 2020-21/ 2019-20
GFCF (A+B+C)	3,280,822	3,871,396	4,095,630	4,644,866	5,449,469	5,345,374	5,704,695	6,492,030	6.7	13.8
A. Private Sector	2,483,817	2,843,159	2,995,889	3,209,360	3,649,178	3,984,517	4,393,570	4,681,348	10.3	6.5
B. Public Sector	207,012	284,912	238,143	347,770	437,951	463,085	314,753	435,158	-32.0	38.3
C. General Govt.	589,993	743,325	861,598	1,087,737	1,362,340	897,771	996,372	1,375,524	11.0	38.1
Private & Public (A+B)	2,690,829	3,128,071	3,234,032	3,557,129	4,087,129	4,447,603	4,708,323	5,116,506	5.9	8.7
SECTOR-WISE:										
1. Agriculture	725,388	820,391	850,088	929,275	1,046,432	1,160,319	1,270,317	1,482,145	9.5	16.7
2. Mining and Quarrying	70,138	74,361	105,418	97,825	69,000	67,012	71,603	55,878	6.9	-22.0
3. Manufacturing (A+B)	381,421	429,484	485,495	548,025	622,217	699,843	727,537	793,687	4.0	9.1
A. Large Scale	357,556	403,087	456,222	514,830	585,895	656,628	676,513	731,892	3.0	8.2
B. Small Scale (including Slaughtering)	23,865	26,397	29,273	33,195	36,322	43,215	51,024	61,795	18.1	21.1
4. Electricity Generation & Distribution & Gas Distribution	104,926	218,447	178,264	163,917	359,779	428,620	272,496	260,966	-36.4	-4.2
5. Construction	49,042	39,700	49,009	88,241	59,512	27,516	34,776	28,277	26.4	-18.7
6. Wholesale and Retail Trade	73,000	74,712	77,462	86,643	95,549	108,170	115,515	134,300	6.8	16.3
7. Transport & Communication	436,682	538,926	507,856	564,504	651,987	591,103	728,493	707,254	23.2	-2.9
8. Finance & Insurance	40,770	49,559	57,775	66,920	63,162	74,355	80,536	79,542	8.3	-1.2
9. Housing Services (Ownership of Dwellings)	525,816	568,524	577,278	622,467	680,241	788,716	824,083	918,920	4.5	11.5
10. Other Private Services	283,646	313,967	345,387	389,312	439,250	501,948	582,967	655,537	16.1	12.4

P: Provisional R: Revised F: Final

(Contd...)

TABLE 1.7 a

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

Rs million

Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P	% Change 2019-20/ 2018-19	% Change 2020-21/ 2019-20
PRIVATE SECTOR	2,483,817	2,843,159	2,995,889	3,209,360	3,649,178	3,984,517	4,393,570	4,681,348	10.3	6.5
1. Agriculture	725,292	820,265	849,943	929,152	1,046,251	1,160,176	1,270,098	1,481,789	9.5	16.7
2. Mining and Quarrying	48,205	42,658	77,365	35,296	44,754	48,889	46,476	39,261	-4.9	-15.5
3. Manufacturing (A+B)	375,567	427,724	483,781	519,820	613,582	698,078	718,918	761,408	3.0	5.9
A. Large Scale	351,702	401,327	454,508	486,625	577,260	654,863	667,894	699,613	2.0	4.7
B. Small Scale (including Slaughtering)	23,865	26,397	29,273	33,195	36,322	43,215	51,024	61,795	18.1	21.1
4. Electricity Generation & Distribution & Gas Distribution	20,855	55,220	23,156	17,298	99,122	53,380	43,658	14,415	-18.2	-67.0
5. Construction	29,122	30,128	43,831	82,429	52,906	26,546	30,620	23,395	15.3	-23.6
6. Wholesale and Retail Trade	73,000	74,712	77,462	86,643	95,549	108,170	115,515	134,300	6.8	16.3
7. Transport & Communication	366,473	465,937	466,875	476,971	520,954	532,133	690,140	580,850	29.7	-15.8
8. Finance & Insurance	35,841	44,024	50,811	49,971	56,569	66,481	71,095	71,473	6.9	0.5
9. Housing Services (Ownership of Dwellings)	525,816	568,524	577,278	622,467	680,241	788,716	824,083	918,920	4.5	11.5
10. Other Private Services	283,646	313,967	345,387	389,312	439,250	501,948	582,967	655,537	16.1	12.4

P: Provisional R: Revised F: Final

(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

Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P	% Change 2019-20/ 2018-19	% Change 2020-21/ 2019-20
Public Sector and General Govt. (A+B)	797,005	1,028,237	1,099,741	1,435,507	1,800,291	1,360,856	1,311,125	1,810,682	-3.7	38.1
A. Public Sector (Autonomous & Semi Auto-Bodies)	207,012	284,912	238,143	347,770	437,951	463,085	314,753	435,158	-32.0	38.3
1. Agriculture	96	126	145	123	181	143	219	356	53.1	62.6
2. Mining and Quarrying	21,933	31,703	28,053	62,529	24,246	18,123	25,127	16,617	38.6	-33.9
3. Manufacturing	5,854	1,760	1,714	28,205	8,635	1,765	8,619	32,279	388.3	274.5
4. Electricity Generation & Distribution & Gas Distribution	84,071	163,227	155,108	146,619	260,657	375,240	228,838	246,551	-39.0	7.7
5. Construction	19,920	9,572	5,178	5,812	6,606	970	4,156	4,882	328.3	17.5
6. Transport & Communication	70,209	72,989	40,981	87,533	131,033	58,970	38,353	126,404	-35.0	229.6
Railways	8,767	6,196	5,825	39,407	8,627	14,612	6,261	4,485	-57.2	-28.4
Post Office & PTCL	18,137	18,232	13,644	16,376	15,450	17,228	14,812	4,702	-14.0	-68.3
Others	43,305	48,561	21,512	31,750	106,956	27,130	17,280	117,217	-36.3	578.3
7. Finance & Insurance	4,929	5,535	6,964	16,949	6,593	7,874	9,441	8,069	19.9	-14.5
B. General Govt.	589,993	743,325	861,598	1,087,737	1,362,340	897,771	996,372	1,375,524	11.0	38.1
Federal	164,736	208,953	229,128	312,699	362,287	353,735	388,098	450,561	9.7	16.1
Provincial	358,791	442,650	527,461	686,665	909,116	463,854	527,970	777,116	13.8	47.2
District Governments	66,466	91,722	105,009	88,373	90,937	80,182	80,304	147,847	0.2	84.1

P: Provisional R: Revised F: Final

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 (2005-06)

Rs million

Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P	% Change 2019-20/ 2018-19	% Change 2020-21/ 2019-20
GFCF (A+B+C)	1,366,256	1,581,759	1,699,905	1,875,181	2,085,722	1,824,501	1,805,494	1,910,389	-1.0	5.8
A. Private Sector	1,062,261	1,190,708	1,278,275	1,334,422	1,427,631	1,388,633	1,436,843	1,418,203	3.5	-1.3
B. Public Sector	82,094	110,647	93,165	142,146	175,590	151,844	84,970	127,383	-44.0	49.9
C. General Govt.	221,902	280,404	328,466	398,614	482,500	284,024	283,681	364,802	-0.1	28.6
Private & Public (A+B)	1,144,354	1,301,355	1,371,440	1,476,568	1,603,221	1,540,477	1,521,813	1,545,586	-1.2	1.6
SECTOR-WISE:										
1. Agriculture	296,850	315,526	315,864	331,977	351,942	355,206	352,602	361,190	-0.7	2.4
2. Mining and Quarrying	25,880	26,868	38,002	35,837	25,185	21,237	17,798	13,564	-16.2	-23.8
3. Manufacturing (A+B)	144,694	163,023	185,697	201,304	221,076	222,302	208,252	210,895	-6.3	1.3
A. Large Scale	134,480	152,057	173,925	188,665	207,507	207,735	192,613	194,105	-7.3	0.8
B. Small Scale (including Slaughtering)	10,215	10,966	11,773	12,639	13,569	14,567	15,639	16,790	7.4	7.4
4. Electricity Generation & Distribution & Gas Distribution	38,716	78,930	64,262	60,049	131,321	135,833	67,733	63,347	-50.1	-6.5
5. Construction	24,268	18,897	23,893	41,492	26,631	11,045	13,894	10,537	25.8	-24.2
6. Wholesale and Retail Trade	27,456	28,184	29,531	31,751	33,841	34,221	32,889	35,618	-3.9	8.3
7. Transport & Communication	180,484	242,486	263,083	297,844	314,271	237,353	283,924	284,518	19.6	0.2
8. Finance & Insurance	15,334	18,695	22,025	24,524	22,370	23,523	22,930	21,095	-2.5	-8.0
9. Housing Services (Ownership of Dwellings)	260,202	270,610	281,434	292,691	304,399	316,575	329,238	342,408	4.0	4.0
10. Other Private Services	130,470	138,136	147,647	159,097	172,186	183,183	192,554	202,415	5.1	5.1

P: Provisional R: Revised F: Final

(Contd...)

TABLE 1.8 a

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE SECTOR BY ECONOMIC ACTIVITY AT CONSTANT PRICES (2005-06)

Rs million

Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P	% Change 2019-20/ 2018-19	% Change 2020-21/ 2019-20
PRIVATE SECTOR	1,062,261	1,190,708	1,278,275	1,334,422	1,427,631	1,388,633	1,436,843	1,418,203	3.5	-1.3
1. Agriculture	296,800	315,461	315,789	331,915	351,852	355,139	352,509	361,059	-0.7	2.4
2. Mining and Quarrying	17,787	15,413	27,889	12,930	16,335	15,493	11,552	9,530	-25.4	-17.5
3. Manufacturing (A+B)	142,493	162,359	185,044	190,968	218,017	221,744	205,798	202,334	-7.2	-1.7
A. Large Scale	132,278	151,393	173,271	178,329	204,448	207,176	190,159	185,544	-8.2	-2.4
B. Small Scale (including Slaughtering)	10,215	10,966	11,773	12,639	13,569	14,567	15,639	16,790	7.4	7.4
4. Electricity Generation & Distribution & Gas Distribution	7,695	19,952	8,348	6,337	36,180	16,916	10,852	3,499	-35.9	-67.8
5. Construction	14,411	14,341	21,368	38,759	23,675	10,655	12,233	8,717	14.8	-28.7
6. Wholesale and Retail Trade	27,456	28,184	29,531	31,751	33,841	34,221	32,889	35,618	-3.9	8.3
7. Transport & Communication	151,467	209,645	241,854	251,660	251,111	213,674	268,977	233,667	25.9	-13.1
8. Finance & Insurance	13,480	16,607	19,371	18,312	20,035	21,032	20,242	18,955	-3.8	-6.4
9. Housing Services (Ownership of Dwellings)	260,202	270,610	281,434	292,691	304,399	316,575	329,238	342,408	4.0	4.0
10. Other Private Services	130,470	138,136	147,647	159,097	172,186	183,183	192,554	202,415	5.1	5.1

P: Provisional R: Revised F: Final

(Contd...)

TABLE 1.8 b

GROSS FIXED CAPITAL FORMATION (GFCF) IN PUBLIC AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CONSTANT PRICES (2005-06)

Rs million

Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 F	2019-20 R	2020-21 P	% Change 2019-20/ 2018-19	% Change 2020-21/ 2019-20
Public Sector and										
General Govt. (A+B)	303,996	391,051	421,630	540,759	658,091	435,868	368,651	492,186	-15.4	33.5
A. Public Sector (Autonomous & Semi Auto-Bodies)	82,094	110,647	93,165	142,146	175,590	151,844	84,970	127,383	-44.0	49.9
1. Agriculture	50	65	75	62	90	67	93	131	38.8	40.9
2. Mining and Quarrying	8,093	11,455	10,113	22,907	8,850	5,743	6,246	4,034	8.7	-35.4
3. Manufacturing	2,202	664	653	10,336	3,058	558	2,454	8,561	339.5	248.9
4. Electricity Generation & Distribution & Gas Distribution	31,021	58,978	55,915	53,712	95,141	118,916	56,881	59,848	-52.2	5.2
5. Construction	9,857	4,556	2,524	2,733	2,956	390	1,660	1,819	326.3	9.6
6. Transport & Communication	29,017	32,841	21,229	46,184	63,161	23,679	14,948	50,850	-36.9	240.2
Railways	3,623	2,788	3,018	20,792	4,158	5,867	2,440	1,804	-58.4	-26.1
Post Office & PTCL	7,496	8,203	7,068	8,640	7,447	6,918	5,773	1,892	-16.6	-67.2
Others	17,898	21,850	11,144	16,752	51,555	10,894	6,735	47,155	-38.2	600.2
7. Finance & Insurance	1,854	2,088	2,655	6,211	2,335	2,491	2,688	2,140	7.9	-20.4
B. General Govt.	221,902	280,404	328,466	398,614	482,500	284,024	283,681	364,802	-0.1	28.6
Federal	61,959	78,823	87,350	114,592	128,311	111,910	110,497	119,493	-1.3	8.1
Provincial	134,945	166,981	201,083	251,636	321,982	146,747	150,320	206,099	2.4	37.1
District Governments	24,998	34,600	40,032	32,385	32,207	25,367	22,864	39,210	-9.9	71.5

P: Provisional R: Revised F: Final

Source: Pakistan Bureau of Statistics

TABLE 2.1 A

INDEX OF AGRICULTURAL PRODUCTION

Fiscal Year	1999-2000 Base				2005-06 Base				
	All major crops	Food crops	Fibre crops	Other crops	Food crops			Cash crop	Fibre crop
					Wheat	Maize	Rice	Sugarcane	Cotton
2000-01	93.0	91.2	95.0	94.0	-	-	-	-	-
2001-02	97.0	85.2	94.4	103.6	-	-	-	-	-
2002-03	104.0	91.8	90.8	112.1	-	-	-	-	-
2003-04	107.0	94.9	89.4	115.1	-	-	-	-	-
2004-05	104.0	106.4	126.9	101.9	-	-	-	-	-
2005-06	101.0	107.0	116.0	95.6	100.0	100.0	100.0	100.0	100.0
2006-07	117.0	115.0	114.0	118.0	109.5	99.3	98.0	122.6	98.7
2007-08	126.0	108.0	104.0	138.0	98.5	115.9	100.3	143.1	89.5
2008-09	114.0	124.0	105.0	108.0	113.0	115.5	125.3	112.0	90.8
2009-10	111.0	119.0	115.0	106.0	109.6	104.9	124.1	110.5	99.2
2010-11	119.0	120.0	102.0	119.0	118.5	119.2	87.0	123.8	88.0
2011-12	123.0	120.0	121.0	125.0	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
2015-16	-	-	-	-	120.5	169.5	122.6	146.6	76.2
2016-17	-	-	-	-	125.4	197.2	123.5	169.0	82.0
2017-18	-	-	-	-	117.9	189.8	134.3	186.6	91.8
2018-19	-	-	-	-	114.4	219.5	129.8	150.4	75.7
2019-20	-	-	-	-	118.7	253.5	133.7	148.6	70.3
2020-21 P	-	-	-	-	128.3	272.2	151.8	181.4	54.3

P: Provisional -: Not available 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)
2000-01	22.04	193.80	134.77	2,964.00	44,790	659.3
2001-02	22.12	191.57	134.63	2,929.00	52,314	707.3
2002-03	21.85	172.02	134.48	3,020.00	58,915	769.0
2003-04	22.94	178.77	134.78	3,222.00	73,446	950.1
2004-05	22.78	218.12	135.68	3,694.04	108,733	984.3
2005-06	23.13	226.07	137.98	3,804.00	137,474	999.6
2006-07	23.56	218.60	137.80	3,672.00	168,830	1,025.8
2007-08	23.85	264.67	137.80	3,581.00	211,561	1,016.1
2008-09	24.12	314.63	131.51	3,711.00	233,010	1,070.0
2009-10	23.87	312.63	133.70	4,360.00	248,120	1,088.0
2010-11	22.72	331.02	137.16	3,933.00	263,022	1,103.4
2011-12	22.50	346.38	135.86	3,861.00	293,850	997.7
2012-13	22.56	327.08	137.51	3,621.00	336,247	1,220.4
2013-14	23.16	359.18	137.51	4,089.00	391,353	1,317.3
2014-15	23.26	481.30	138.59	4,316.00	515,875	1,332.9
2015-16	24.04	431.79	133.00	3,699.00	598,287	1,357.0
2016-17	23.01	554.95	132.70	5,040.00	704,488	1,357.0
2017-18	23.45	604.58	133.40	4,763.00	972,606	1,357.0
2018-19	23.45	554.13	127.40	4,614.00	1,173,990	1,131.6 @
2019-20	23.45 P	550.77	130.00	4,549.00	1,214,684	-
2020-21 P	-	847.41	131.50	3,925.00	953,699	1,179.9 @

(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.)
2000-01	32,553	2,015	26,284	629.6	472
2001-02	24,311	2,072	27,031	637.8	487
2002-03	27,101	2,132	27,811	566.2	266
2003-04	36,059	2,188	28,624	573.5	313
2004-05	44,095	2,271	29,438	580.6	282
2005-06	49,642	2,515	31,970	604.9	265
2006-07	54,431	2,618	32,986	640.0	373
2007-08	53,598	2,728	34,064	885.0	363
2008-09	60,561	2,843	35,160	914.1	347
2009-10	71,607	2,965	36,299	925.8	356
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	34,521	3,531	41,133	735.0	-
2014-15	45,860	3,696	42,454	765.0	-
2015-16	33,883	3,873	43,818	788.0	-
2016-17	53,499	4,061	45,227	797.0	-
2017-18	52,551	4,262	46,682	807.0	-
2018-19	37,457	4,478	48,185	799.0	-
2019-20	32,451	4,708	49,737	804.0	-
2020-21 P	36,653	4,955	51,340	690.0	-

P : Provisional **- : Not available** **Source: Pakistan Bureau of Statistics**
^: At farm gate **Ministry of National Food Security and Research**
***: Wheat seed testing is in progress and is very slow due to Corona pandemic.The expected yield of wheat seed is 48345 MT**
@: Figures provided by Provincial Agricurltre Department / Agencies (Punjab, Khyber Pakhtunkhwa, Balochistan and ICT)

TABLE 2.2

LAND UTILIZATION

Million Hectares

Fiscal Year	Total Area	Reported Area	Forest Area	Not Available for Cultivation	Culturable Waste	Cultivated Area: Current Fallow	Cultivated Area: Net Area Sown	Cultivated Area: Total Area Cultivated (6+7)	Area Sown more than once	Total Cropped Area (7+9)
	1	2	3	4	5	6	7	8	9	10
2000-01	79.61	59.44	3.77	24.37	9.17	6.73	15.40	22.13	6.64	22.04
2001-02	79.61	59.33	3.80	24.31	8.95	6.60	15.67	22.27	6.45	22.12
2002-03	79.61	59.45	4.04	24.25	8.95	6.61	15.60	22.21	6.25	21.85
2003-04	79.61	59.46	4.01	24.23	9.10	6.23	15.89	22.12	7.05	22.94
2004-05	79.61	59.48	4.02	24.39	8.94	6.86	15.27	22.13	7.51	22.78
2005-06	79.61	57.22	4.03	22.87	8.21	6.72	15.39	22.11	7.74	23.13
2006-07	79.61	57.05	4.19	22.70	8.30	5.72	16.16	21.87	7.40	23.56
2007-08	79.61	57.08	4.21	23.41	8.19	4.93	16.34	21.17	7.51	23.85
2008-09	79.61	57.21	4.21	23.47	8.15	5.04	16.34	21.38	7.78	24.12
2009-10	79.61	57.21	4.23	23.49	8.09	5.20	16.20	21.40	7.67	23.87
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	10.14	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 P	79.61	58.02	4.47	25.60	8.29	9.40	15.74	22.15	7.75	23.45
2019-20 P	79.61	58.02	4.47	25.60	8.29	9.40	15.74	22.15	7.75	23.45

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.
3. 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".
4. 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.
5. 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.
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.
   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.
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
2000-01	8,181	2,377	390	354	944	113	12,359	905	961	273	101	2,927	46
2001-02	8,058	2,114	417	358	942	111	12,000	934	1,000	269	136	3,116	49
2002-03	8,034	2,225	349	338	935	108	11,989	963	1,100	256	88	2,794	47
2003-04	8,216	2,461	539	392	947	102	12,657	982	1,074	259	60	2,989	46
2004-05	8,358	2,520	343	308	982	93	12,603	1,094	966	243	66	3,193	50
2005-06	8,448	2,621	441	254	1,042	90	12,896	1,029	907	217	82	3,103	56
2006-07	8,578	2,581	504	292	1,017	94	13,066	1,052	1,029	256	71	3,075	51
2007-08	8,550	2,515	531	281	1,052	91	13,020	1,107	1,241	224	76	3,054	51
2008-09	9,046	2,963	470	263	1,052	86	13,880	1,081	1,029	233	91	2,820	50
2009-10	9,132	2,883	476	248	935	84	13,758	1,067	943	178	80	3,106	56
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 P	9,178	3,335	350	126	1,418	41	14,448	873	1,165	222	170	2,079	51

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	Rapeseed and Mustard	Sesa-mum	Cotton (000 tonnes)	Cotton (000 Bales)	Tob-acco
2000-01	19,024	4,803	199	218	1,643	99	25,987	397	43,606	230	50.7	1,826	10,732	85
2001-02	18,226	3,882	216	222	1,664	100	24,311	362	48,042	221	69.6	1,805	10,613	94
2002-03	19,183	4,478	189	203	1,737	100	25,889	675	52,056	215	19.3	1,737	10,211	88
2003-04	19,500	4,848	274	238	1,897	98	26,855	611	53,419	221	25.0	1,709	10,048	86
2004-05	21,612	5,025	193	186	2,797	92	29,905	868	47,244	203	30.0	2,426	14,265	101
2005-06	21,277	5,547	221	153	3,110	88	30,396	480	44,666	172	35.0	2,215	13,019	113
2006-07	23,295	5,438	238	180	3,088	93	32,337	838	54,742	212	30.0	2,187	12,856	103
2007-08	20,959	5,563	305	170	3,605	87	31,198	475	63,920	176	32.8	1,982	11,655	108
2008-09	24,033	6,952	296	165	3,593	82	35,121	741	50,045	188	41.0	2,010	11,819	105
2009-10	23,311	6,883	293	154	3,261	71	33,973	562	49,373	151	33.4	2,196	12,914	119
2010-11	25,214	4,823	346	141	3,707	71	34,302	496	55,309	188	31.0	1,949	11,460	103
2011-12	23,473	6,160	304	137	4,338	66	34,478	284	58,397	164	30.2	2,310	13,595	98
2012-13	24,211	5,536	311	123	4,220	67	34,468	751	63,750	205	29.2	2,214	13,031	108
2013-14	25,979	6,798	301	119	4,944	67	38,208	399	67,460	203	32.4	2,170	12,769	130
2014-15	25,086	7,003	294	115	4,937	63	37,498	379	62,826	196	33.1	2,372	13,960	120
2015-16	25,633	6,801	300	161	5,271	61	38,227	286	65,482	185	31.8	1,688	9,917	116
2016-17	26,674	6,849	305	148	6,134	58	40,168	330	75,482	181	34.1	1,815	10,671	100
2017-18	25,076	7,450	339	153	5,902	55	38,975	323	83,333	225	35.2	2,032	11,946	107
2018-19	24,349	7,202	350	149	6,826	55	38,931	447	67,174	302	35.7	1,677	9,861	104
2019-20	25,248	7,414	384	120	7,883	47	41,096	498	66,380	488	64.4	1,556	9,148	133
2020-21 P	27,293	8,419	266	96	8,465	47	44,586	261	81,009	488	102.2	1,202	7,064	133

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
2000-01	2,325	2,021	45,376	1,741	439	624
2001-02	2,262	1,836	48,042	1,766	388	579
2002-03	2,388	2,013	47,324	1,858	701	622
2003-04	2,375	1,970	49,738	2,003	622	572
2004-05	2,568	1,995	48,906	2,848	793	760
2005-06	2,519	2,116	49,246	2,985	467	714
2006-07	2,716	2,107	53,199	3,036	797	711
2007-08	2,451	2,212	51,507	3,427	429	649
2008-09	2,657	2,346	48,634	3,415	685	713
2009-10	2,553	2,387	52,357	3,487	527	707
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	2,867	2,444	63,827	5,615	528	618
2020-21 P	2,974	2,524	69,536	5,970	299	578

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 2.6

PRODUCTION AND EXPORT OF FRUIT

Fiscal Year	Production of Important Fruit (000 tonnes)								Export	
	Citrus	Mango	Apple	Banana	Apricot	Almonds	Grapes	Guava	(000 tonnes)	Value (Mln. Rs)
2000-01	1,898	990	439	139	126	33	51	526	260	4,575
2001-02	1,830	1,037	367	150	125	26	53	539	290	5,084
2002-03	1,702	1,035	315	143	130	24	52	532	263	4,815
2003-04	1,760	1,056	334	175	211	24	51	550	354	5,913
2004-05	1,944	1,671	352	148	205	23	49	571	281	5,408
2005-06	2,458	1,754	351	164	197	23	49	552	455	7,508
2006-07	1,472	1,719	348	151	177	23	47	555	343	6,894
2007-08	2,294	1,754	442	158	240	27	75	539	411	9,085
2008-09	2,132	1,728	441	157	238	26	76	512	469	12,519
2009-10	2,150	1,846	366	155	194	22	65	509	687	20,094
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	2,358	1,639	604	151	94	20	82	706	798	67,769
2020-21 P	2,358	1,639	604	151	94	20	82	706	829	61,037

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 2.7

CROP WISE COMPOSITION OF OUTPUT OF IMPORTANT AGRICULTURAL CROPS (AT CONSTANT BASIC PRICES BASE 2005-06)

% Share

Fiscal Year/ Crops	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 P
Important Crops	100	100	100	100	100	100	100	100	100	100
Food Crops	58.94	58.79	61.21	59.94	65.26	64.22	61.14	65.88	68.27	71.22
Wheat	38.92	40.21	40.29	38.63	42.24	40.95	37.69	39.22	39.75	41.01
Maize	8.32	8.09	8.88	8.83	10.08	10.98	10.33	12.86	14.52	14.89
Rice	11.69	10.49	12.04	12.49	12.94	12.29	13.12	13.80	14.00	15.32
Cash Crop	11.83	13.15	13.09	12.11	13.51	14.48	15.56	13.47	13.03	15.01
Sugarcane	11.83	13.15	13.09	12.11	13.51	14.48	15.56	13.47	13.03	15.01
Fibre Crop	29.23	28.06	25.70	27.95	21.22	21.29	23.30	20.65	18.69	13.76
Cotton	29.23	28.06	25.70	27.95	21.22	21.29	23.30	20.65	18.69	13.76

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
2000-01	27,610	-	5,124	12,056	-	-	-	44,790
2001-02	29,108	593	5,128	17,486	-	-	-	52,314
2002-03	29,270	1,421	5,485	22,739	-	-	-	58,915
2003-04	29,933	2,702	7,564	33,247	-	-	-	73,446
2004-05	37,409	12,407	7,607	51,310	-	-	-	108,733
2005-06	47,594	16,023	5,889	67,967	-	-	-	137,474
2006-07	56,473	23,976	7,988	80,393	-	-	-	168,830
2007-08	66,939	43,941	5,931	94,749	-	-	-	211,561
2008-09	75,139	41,626	5,579	110,666	-	-	-	233,010
2009-10	79,012	43,777	5,722	119,609	-	-	-	248,120
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 P	56,478	192,471	5,179	554,240	92,818	35,890	16,624	953,699

P: Provisional (Jul-Mar)   - : Not available   Source: State Bank of Pakistan
ZTBL: Zarai Taraqiati Bank Limited
DPBs: 14 Domestic Private Banks
PPCBL: Punjab Provincial Corporative Bank Limited
Commercial Banks: Include ABL, HBL, MCB, NBP & UBL
MFBs: 11 Microfinance Banks
***: 5 Islamic Banks**
****: 13 Microfinance Institutions / Rural Support Programmes**

TABLE 2.9

FERTILIZER OFFTAKE AND IMPORTS OF FERTILIZERS & PESTICIDES

Fiscal Year	Fertilizer Offtake (000 N/Tonnes)				Import of Fertilizers 000 N/Tonnes	Import of Insecticides	
	Nitrogen	Phosphorus	Potash	Total		Quantity (Tonnes)	Value (Mln Rs.)
2000-01	2,264	677	23	2,966	580	21,255	3,477
2001-02	2,285	625	19	2,929	626	31,783	5,320
2002-03	2,349	650	20	3,020	766	22,242	3,441
2003-04	2,527	674	22	3,222	764	41,406	7,157
2004-05	2,796	864	33	3,694	784	41,561	8,281
2005-06	2,926	851	27	3,804	1,268	33,954	6,804
2006-07	2,650	979	43	3,672	796	29,089	5,848
2007-08	2,925	630	27	3,582	876	27,814	6,330
2008-09	3,034	651	25	3,710	568	28,839	8,981
2009-10	3,476	860	24	4,360	1,444	38,227	13,473
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 P	2,835	1,035	55	3,925	610	27,381	21,018

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	AN/CAN	AS	NP	SSP(G)	DAP	SOP
2000-01	363.0	233.0	300.0	468.0	253.0	670.0	682.0
2001-02	394.0	268.0	308.0	519.0	280.0	710.0	765.0
2002-03	411.0	282.0	344.0	539.0	287.0	765.0	780.0
2003-04	420.0	208.0	373.0	622.0	329.0	913.0	809.0
2004-05	468.0	353.0	405.0	704.0	373.0	1,001.0	996.0
2005-06	509.0	395.0	744.0	710.0	407.0	1,079.0	1,170.0
2006-07	527.0	396.0	779.0	670.0	334.0	993.0	985.0
2007-08	581.0	471.0	867.0	1,267.0	572.0	1,934.0	1,497.0
2008-09	751.0	704.0	1,330.0	1,700.0	874.0	2,578.0	2,091.0
2009-10	799.0	701.0	1,223.0	1,452.0	726.0	2,267.0	2,370.0
2010-11	1,035.0	843.0	1,124.0	2,108.0	896.0	3,236.0	2,807.0
2011-12	1,719.0	1,392.0	-	2,691.0	1,260.0	4,054.0	3,797.0
2012-13	1,799.0	1,443.0	-	2,524.0	1,172.0	3,902.0	3,945.0
2013-14	1,827.0	1,566.0	-	2,513.0	1,050.0	3,640.0	4,233.0
2014-15	1,883.0	1,606.0	-	2,584.0	1,012.0	3,677.0	4,904.0
2015-16	1,860.0	1,564.0	-	2,339.0	973.0	3,343.0	5,131.0
2016-17	1,378.0	1,198.0	-	1,869.0	886.0	2,596.0	4,100.0
2017-18	1,386.0	1,241.0	-	2,175.0	890.0	2,882.0	3,659.0
2018-19	1,745.0	1,571.0	-	2,829.0	1,002.0	3,518.0	3,945.0
2019-20	1,850.0	1,700.0	-	2,695.0	1,068.0	3,558.0	4,299.0
2020-21 P	1,686.0	1,543.0	-	2,921.0	1,190.0	4,053.0	4,334.0

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

Source: Pakistan Bureau of Statistics
National Fertilizer Development Centre

AN/CAN: Ammonium Nitrate/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
2000-01	6.98	0.16	0.10	3.19	7.22	0.17	17.82
2001-02	6.81	0.20	0.16	3.45	7.24	0.18	18.04
2002-03	7.06	0.21	0.17	3.42	7.17	0.20	18.22
2003-04	7.22	0.22	0.15	3.49	7.47	0.21	18.76
2004-05	7.00	0.25	0.19	3.46	7.70	0.24	18.84
2005-06	7.06	0.28	0.20	3.58	7.78	0.22	19.12
2006-07	6.78	0.67	0.22	3.89	7.78	0.25	19.59
2007-08	6.52	0.31	0.17	3.83	7.79	0.28	19.29
2008-09	6.42	0.31	0.20	3.82	7.94	0.24	19.39
2009-10	6.39	0.31	0.26	3.88	7.07	0.28	20.06
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	5.66	0.43	0.28	3.57	8.19	0.21	19.32
2018-19 P	5.66	0.43	0.28	3.57	8.19	0.21	19.32

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	Wheat	Rice		Paddy			Sugarcane (at factory gate)**				Seed Cotton (Phutti)
Year		Basmati 385	Irri-6 (F.A.Q)	Basmati 385	Basmati Super 2000	Irri-6	Khyber Pakhtunkhwa	Punjab	Sindh	Baloch-istan	B-557 149-F
2000-01	300.0	-	-	385.0	460.0	205.0	35.0	35.0	36.0	36.0	725.0 @
2001-02	300.0	-	-	385.0	460.0	205.0	42.0	42.0	43.0	43.0	780.0 ^
2002-03	300.0	-	-	385.0	460.0	205.0	42.0	42.0	43.0	43.0	800.0 ^
2003-04	350.0	-	-	400.0	485.0	215.0	42.0	42.0	43.0	43.0	850.0 ^
2004-05	400.0	-	-	415.0	510.0	230.0	42.0	42.0	43.0	43.0	925.0 ^
2005-06	415.0	-	-	460.0	560.0	300.0	48.0	45.0	60.0	-	975.0 ^
2006-07	425.0	-	-	-	-	306.0	65.0	60.0	67.0	-	1025.0
2007-08	625.0	-	-	-	-	-	65.0	60.0	63.0	-	1025.0
2008-09	950.0	2,500.0	1,400.0	1,250.0	1,500.0 *	700.0	80.0	80.0	81.0	-	1465.0
2009-10	950.0	-	-	1,000.0	1,250.0 *	600.0	100.0	100.0	102.0	-	-
2010-11	950.0	-	-	-	-	-	125.0	125.0	125.0	-	-
2011-12	1,050.0	-	-	-	-	-	150.0	150.0	154.0	-	-
2012-13	1,200.0	-	-	-	-	-	170.0	170.0	172.0	-	-
2013-14	1,200.0	-	-	-	-	-	170.0	170.0	172.0	-	-
2014-15	1,300.0	-	-	-	-	-	180.0	180.0	182.0	-	3000.0
2015-16	1,300.0	-	-	-	-	-	180.0	180.0	172.0	-	3000.0 ^
2016-17	1,300.0	-	-	-	-	-	180.0	180.0	182.0	-	-
2017-18	1,300.0	-	-	-	-	-	180.0	180.0	182.0	-	-
2018-19	1,300.0	-	-	-	-	-	180.0	180.0	182.0	-	-
2019-20	1,400.0	-	-	-	-	-	190.0	190.0	192.0	-	-
2020-21	1,800.0 #	-	-	-	-	-	200.0	200.0	202.0	-	-

F.A.Q : Fair Average Quality   - : Not available   (Contd.)

*: Price of Basmati Super (Paddy) Rs. 1500/40kg for 2008-09 and Rs. 1250 for 2009-10

** : Sugarcane prices are fixed by the respective Provincial Governments

#: For Punjab; however the Government of Sindh has announced Support Price of Rs. 2000 per 40 kgs

@: Niab-78, CIM   ^: As recommended by API

TABLE 2.13

PROCUREMENT, RELEASES AND STOCKS OF WHEAT

000 tonnes

Fiscal Year	Wheat (May-April) Procurement	Releases	Stocks As on 1st May
2000-01	8,582.0	5,537.0	3,552.0
2001-02	4,081.0	3,376.0	3,683.0
2002-03	4,045.0	5,130.0	992.0
2003-04	3,514.0	4,104.0	161.0
2004-05	3,939.0	4,500.0	350.0
2005-06	4,514.0	2,088.4	2,107.4
2006-07	4,422.0	5,985.4	499.1
2007-08	3,918.0	6,397.9	136.9
2008-09	9,200.0	5,784.4	821.9
2009-10	6,715.0	5,985.0	4,223.0
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 P	3,732.0 *	7,264.8 **	4,232.1 *

P: Provisional - : Not available

Source: Ministry of National Food Security & Research

*: As on 01-05-2021

**: As on 24-02-2021

TABLE 2.14

LIVESTOCK POPULATION

Million Numbers

Fiscal Year	Buffalo	Cattle	Goat	Sheep	Poultry	Camels	Asses	Horses	Mules
2000-01	23.3	22.4	49.1	24.2	292.4	0.8	3.9	0.3	0.2
2001-02	24.0	22.8	50.9	24.4	330.0	0.8	3.9	0.3	0.2
2002-03	24.8	23.3	52.8	24.6	346.1	0.8	4.1	0.3	0.2
2003-04	25.5	23.8	54.7	24.7	352.6	0.7	4.1	0.3	0.2
2004-05	26.3	24.2	56.7	24.9	372.0	0.7	4.2	0.3	0.3
2005-06*	27.3	29.6	53.8	26.5	433.8	0.9	4.3	0.3	0.2
2006-07	28.2	30.7	55.2	26.8	477.0	0.9	4.3	0.3	0.2
2007-08	29.0	31.8	56.7	27.1	518.0	1.0	4.4	0.3	0.2
2008-09	29.9	33.0	58.3	27.4	562.0	1.0	4.5	0.4	0.2
2009-10	30.8	34.3	59.9	27.8	610.0	1.0	4.6	0.4	0.2
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	1016.0	1.0	5.1	0.4	0.2
2016-17	37.7	44.4	72.2	30.1	1108.0	1.1	5.2	0.4	0.2
2017-18	38.8	46.1	74.1	30.5	1210.0	1.1	5.3	0.4	0.2
2018-19	40.0	47.8	76.1	30.9	1321.0	1.1	5.4	0.4	0.2
2019-20	41.2	49.6	78.2	31.2	1443.0	1.1	5.5	0.4	0.2
2020-21 P	42.4	51.5	80.3	31.6	1578.0	1.1	5.6	0.4	0.2

P: Provisional **Source: Ministry of National Food Security & Research**

***: Actual figures of Livestock Census 2006**

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.)
2000-01	26,284	1,010	666	339	39.2	18.6	331.4	123.5	41.8	7,505	7.8	38.2
2001-02	27,031	1,034	683	355	39.4	19.3	339.4	126.5	42.9	7,679	7.9	39.2
2002-03	27,811	1,060	702	370	39.7	19.9	347.6	129.7	44.0	7,860	8.2	40.3
2003-04	28,624	1,087	720	378	39.9	20.7	356.2	132.9	45.2	8,102	8.4	42.4
2004-05	29,438	1,115	739	384	40.0	20.7	365.1	136.3	45.2	8,529	8.6	42.6
2005-06**	31,970	1,449	554	512	40.1	20.3	633.5	203.3	51.4	9,712	11.4	43.3
2006-07	32,996	1,498	566	554	40.6	20.8	652.5	209.2	52.7	10,197	11.8	44.3
2007-08	34,064	1,549	578	601	41.0	21.4	672.2	215.3	54.1	10,711	12.2	45.3
2008-09	35,160	1,601	590	652	41.5	22.0	692.4	221.6	55.4	11,258	12.6	46.3
2009-10	36,299	1,655	603	707	42.0	22.6	713.4	228.1	56.8	11,839	13.0	47.4
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	1074	44.6	25.8	827.2	263.3	64.4	15,346	15.4	53.1
2015-16	43,818	2,017	686	1170	45.1	26.5	852.3	271.0	66.1	16,188	15.9	54.3
2016-17	45,227	2,085	701	1276	45.7	27.2	878.2	279.0	67.8	17,083	16.4	55.5
2017-18	46,682	2,155	717	1391	46.2	27.9	904.9	287.3	69.5	18,037	17.0	56.8
2018-19	48,185	2,227	732	1518	46.8	28.6	932.5	295.8	71.3	19,052	17.5	58.1
2019-20	49,737	2,303	748	1657	47.3	29.4	961.0	304.5	73.1	20,133	18.1	59.5
2020-21 P	51,340	2,380	765	1809	47.9	30.2	990.3	313.6	75.0	21,285	18.8	60.8

P: Provisional **Source: Ministry of National Food Security & Research**

***: Human Consumption**

****: Actual figures of Livestock Census 2006**

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

TABLE 3.1

RESERVES AND EXTRACTION OF PRINCIPAL MINERALS

Minerals in 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										
2000-01	95	620	47	22	3,285	352,689	164	13	364	10,870
2001-02	37	685	54	24	3,512	312,886	171	16	402	10,820
2002-03	-	1,066	40	31	3,609	340,864	117	15	424	11,880
2003-04	-	994	25	29	3,325	297,419	193	14	467	13,150
2004-05	5	1,280	38	56	3,367	199,653	254	17	552	14,857
2005-06	91	1,836	53	65	3,881	183,952	333	16	601	18,428
2006-07	119	1,980	31	104	3,702	342,463	347	12	624	25,512
2007-08	245	1,537	32	115	4,066	359,994	330	11	660	31,794
2008-09	75	1,145	17	90	3,679	249,918	389	10	800	33,186
2009-10	25	1,065	23	257	3,536	130,408	329	11	854	37,137
2010-11	25	1,133	16	148	3,292	240,111	274	4	885	32,021
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 R	-	7,736	21	138	5,407	472,474	671	11	2,518	75,596
2019-20	-	5,797	14	121	8,428	302,045	884	3	2,150	65,810
Jul-Mar										
2019-20	-	4,777	11	67	6,081	254,986	774	3	1,576	51,061
2020-21 P	-	2,146	8	86	5,718	121,674	800	1	1,208	46,486

- : Not available **P : Provisional** **(Contd.)**

R : Revised

TABLE 3.1

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											
2000-01	4,645	1,394	155	4,691	17,428	47	28	35,114	24,765	21.08	24.78
2001-02	4,637	1,423	157	5,064	22,580	39	21	37,182	4,942	23.19	26.16
2002-03	2,645	1,426	185	6,733	19,402	66	41	67,536	11,483	23.46	28.11
2003-04	6,074	1,640	259	7,861	23,873	53	44	88,044	84,946	22.62	34.06
2004-05	3,029	1,648	309	18,686	24,158	21	42	78,288	104,278	24.12	38.08
2005-06	1,161	1,859	411	34,320	24,695	21	52	60,370	131,259	23.94	39.65
2006-07	3,445	1,873	402	61,665	27,710	45	47	150,842	150,695	24.62	40.03
2007-08	3,940	1,849	403	46,215	29,485	38	54	174,223	286,255	25.48	41.17
2008-09	2,639	1,917	370	56,617	25,784	14	63	137,485	320,214	24.03	41.37
2009-10	5,159	1,944	411	55,352	26,641	54	57	190,077	447,541	23.71	41.99
2010-11	4,908	1,954	301	36,078	27,645	48	31	308,027	329,100	24.04	41.68
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	42.30
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 R	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
Jul-Mar											
2019-20	14,467	2,546	632	113,343	15,086	123	38	484,601	430,677	22.26	28.60
2020-21 P	15,360	2,685	323	86,628	14,920	104	18	848,934	543,641	20.77	27.26

P : Provisional R : Revised Source : Pakistan Bureau of Statistics

TABLE 3.2

PRODUCTION INDEX OF MINING AND MANUFACTURING

Year	Mining	Manufacturing
	Base Year 1999-2000 = 100	
2000-01	105.6	101.0
2001-02	112.5	114.8
2002-03	119.6	123.1
2003-04	134.8	146.4
2004-05	148.7	173.0
	Base Year 2005-06=100	
2005-06	100.0	100.0
2006-07	103.7	109.5
2007-08	108.9	116.1
2008-09	108.1	109.1
2009-10	110.2	109.5
2010-11	108.0	111.1
2011-12	113.7	112.4
2012-13	115.3	117.3
2013-14	118.5	123.7
2014-15	120.5	127.9
2015-16	121.6	131.9
2016-17	123.2	139.6
2017-18	129.8	146.9
2018-19 R	131.0	143.6
2019-20	119.7	129.4
Jul-Mar		
2019-20	125.8	138.1
2020-21 P	118.1	150.5

P : Provisional R: Revised

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 (Million)	Loom Hours Worked (Million)	Consumption of Cotton (mln kg)	Total Yarn Produced (mln.kg)	Surplus Yarn (tonnes)	Total Production of Cloth (mln. sq mtr.)
		No. of Spindles (000)	No. of Looms (000)	No. of Spindles (000)	No. of Looms (000)						
2000-01	353	8,601	10	6,913	4	59,219	34.1	2,078.3	1,721.0	1,652.7	490.2
2001-02	350	9,060	10	7,440	5	61,877	36.3	2,165.2	1,808.6	1,731.2	568.4
2002-03	453	9,260	10	7,676	5	67,519	38.7	2,372.7	1,924.9	1,833.7	582.1
2003-04	456	9,499	10	7,934	4	70,214	32.6	2,407.7	1,938.9	1,845.7	683.4
2004-05	518	10,941	9	8,852	4	72,254	30.3	2,622.8	2,290.3	2,184.3	925.0
2005-06	524	11,292	9	9,754	4	74,884	24.8	2,932.6	2,546.5	2,460.5	903.8
2006-07	521	11,266	8	10,057	4	76,892	21.7	3,143.5	2,845.2	2,623.2	977.8
2007-08	521	11,834	8	9,960	4	76,000	21.5	3,169.2	2,914.6	2,704.4	1,016.4
2008-09	521	11,366	8	9,968	4	75,325	24.0	3,195.6	2,913.4	2,753.3	1,016.9
2009-10	526	11,392	7	10,632	5	74,654	22.4	3,372.4	2,787.3	2,703.9	1,009.5
2010-11	524	11,762	7	10,757	5	76,835	22.9	3,405.7	2,939.5	2,851.2	1,029.5
2011-12	512	11,762	7	10,653	5	76,933	22.6	3,427.1	2,954.6	2,857.3	1,020.3
2012-13	526	11,946	8	10,872	5	76,757	23.4	3,539.3	3,017.9	2,960.9	1,029.1
2013-14	538	13,269	8	10,999	6	78,207	23.5	3,675.5	3,333.4	2,669.5	1,036.1
2014-15	411	13,184	8	11,058	5	79,184	24.2	2,732.7	3,369.7	3,256.2	1,036.9
2015-16	408	13,142	8	11,263	5	78,548	28.0	2,732.5	3,415.3	3,301.6	1,039.2
2016-17	408	13,409	9	11,338	6	77,213	29.7	2,733.1	3,428.1	3,315.3	1,043.3
2017-18	408	13,409	9	11,313	6	51,280	19.3	1,825.0	3,430.1	2,190.3	1,044.1
2018-19	408	13,409	9	11,338	6	80,292	30.1	2,735.2	3,431.3	3,314.4	1,046.0
2019-20	408	13,409	9	11,338	6	71,606	26.9	2,467.3	3,049.6	2,945.6	931.0
2020-21 P	408	13,409	9	11,338	6	59,236	24.5	2,056.4	2,577.7	2,494.4	786.0

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 Phos-phate	Ammo-nium Nitrate	Dia-Ammonium phosphate	Nitro Phos-phate			
2000-01	4,005.1	159.6	374.4	-	282.5	835	2,956	9,672
2001-02	4,259.6	161.0	329.4	-	305.7	797	3,247	9,935
2002-03	4,401.9	147.2	335.3	-	304.9	772	3,686	10,845
2003-04	4,431.6	167.7	350.4	-	363.5	888	4,021	12,862
2004-05	4,606.4	163.1	329.9	-	338.9	1,048	3,116	16,353
2005-06	4,806.4	160.8	327.9	436.0	356.6	1,152	2,960	18,564
2006-07	4,732.5	148.9	330.8	397.6	325.8	1,180	3,527	22,739
2007-08	4,925.0	157.7	343.7	356.2	329.7	1,137	4,733	26,751
2008-09	4,918.4	187.4	344.3	530.3	305.7	1,060	3,190	28,380
2009-10	5,056.5	148.7	345.5	625.8	304.4	1,075	3,143	31,358
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	1,447	4,881	39,122
Jul-Mar								
2019-20	4,677.2	39.2	359.3	549.0	376.4	1,101	4,816	30,063
2020-21 P	3,227.2	50.8	396.3	446.1	448.5	1,064	5,619	37,620

P : Provisional - : Not available Source: Pakistan Bureau of Statistics

TABLE 3.5

PRODUCTION OF SELECTED INDUSTRIAL ITEMS

Year	Food and Tobacco		Jute	Rubber			
	Beverages (Million litres)	Cigarettes (Million Nos)	Textiles (000 tonnes)	Motor Tyres (000 Nos)	Motor Tubes (000 Nos)	Cycle Tyres (000 Nos)	Cycle Tubes (000 Nos)
2000-01	2,542	58,259	89	2,439	3,387	4,056	5,892
2001-02	2,492	55,100	82	2,694	3,419	4,652	7,058
2002-03	2,289	49,365	96	3,360	4,091	5,330	8,942
2003-04	2,691	55,399	104	5,175	4,964	4,768	8,270
2004-05	3,424	61,097	105	5,336	6,279	4,900	9,612
2005-06	1,162	64,137	105	5,942	7,164	5,287	10,204
2006-07	1,551	65,980	118	7,027	10,277	5,182	10,420
2007-08	1,842	67,446	129	6,990	9,627	4,243	9,224
2008-09	1,896	75,609	137	7,089	14,515	3,213	6,876
2009-10	1,556	65,292	106	8,672	20,152	3,405	7,273
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	3,169	46,103	65	11,128	24,550	4,438	9,058
Jul-Mar							
2019-20	2,229	33,521	52	8,638	18,959	3,603	7,312
2020-21 P	2,348	39,473	53	7,535	16,915	2,641	5,144

P : Provisional (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.)
2000-01	217.9	57.1	145.5	14.5	10,922	906.7	569.6	26.9	97.4
2001-02	215.2	59.4	150.3	15.1	10,341	920.9	553.4	24.0	450.0
2002-03	280.3	56.0	164.4	15.9	3,899	935.3	629.7	30.6	764.6
2003-04	286.5	64.7	187.5	17.2	5,406	950.1	664.1	35.0	843.1
2004-05	297.3	91.3	206.7	19.1	15,023	959.6	587.9	36.1	908.8
2005-06	318.7	94.4	219.3	18.3	17,147	969.2	589.6	39.1	935.1
2006-07	330.6	96.3	242.2	17.2	23,936	978.8	486.3	52.2	608.6
2007-08	364.9	102.8	248.3	18.2	26,308	988.6	535.5	57.3	716.1
2008-09	365.3	97.2	245.3	16.5	29,831	998.5	419.9	50.8	402.3
2009-10	409.6	84.7	182.3	16.1	30,749	1,008.5	447.2	48.6	342.8
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	315.6	15.8	51,761	1,025.5	141.1	28.6	282.1
Jul-Mar									
2019-20	435.0	32.7	270.6	13.0	45,238	709.6	129.6	26.6	259.5
2020-21 P	439.4	50.8	292.0	13.0	66,815	716.6	53.1	15.2	159.3

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)
2000-01	55.2	10,548.0	246.3	531.1	717.3	1,071.2	1,664.7
2001-02	52.8	10,441.0	165.1	137.9	694.6	1,042.9	1,874.2
2002-03	58.3	10,844.0	203.8	148.0	775.2	1,140.2	1,874.2
2003-04	139.4	14,630.0	225.7	156.8	785.5	1,179.9	2,118.9
2004-05	146.7	19,819.0	236.5	163.7	772.8	1,137.2	2,430.1
2005-06	143.6	19,992.0	286.1	167.7	182.3	768.0	3,380.6
2006-07	145.1	21,400.0	280.4	161.7	326.3	1,008.8	3,677.8
2007-08	129.8	19,524.0	227.6	192.0	290.9	993.4	2,873.8
2008-09	91.8	11,101.0	168.8	252.5	423.7	791.1	1,943.4
2009-10	75.6	2,914.0	178.1	248.8	342.8	483.3	1,663.8
2010-11	79.6	1,180.0	206.1	228.7	301.7	433.1	1,628.9
2011-12	79.0	1,266.0	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	54.8	-	449.4	270.4	0.0	0.0	3,164.0
Jul-Mar							
2019-20	44.7	-	339.3	216.9	0.0	0.0	2,601.0
2020-21 P	40.3	-	379.9	172.9	0.0	0.0	3,564.0

P : Provisional -: Not available Source: Pakistan Bureau of Statistics

TABLE 3.6

PERCENT GROWTH OF SELECTED INDUSTRIAL ITEMS

(in %)

	Cotton Yarn	Cotton Cloth	Jute Goods	Veg.Ghee	Cigarettes	Fertilizers	Cement	Soda Ash	Caustic Soda	Sugar
2000-01	3.10	12.10	4.60	19.60	24.02	11.10	3.80	(11.30)	3.00	21.70
2001-02	5.10	16.00	(8.70)	(4.50)	(5.40)	(1.80)	2.70	(1.20)	3.30	9.80
2002-03	5.90	2.40	16.90	(3.20)	(10.40)	2.50	9.20	30.30	9.30	13.50
2003-04	0.70	17.40	8.90	15.10	12.20	9.00	18.60	2.20	14.10	9.10
2004-05	18.20	35.30	0.80	18.00	10.30	7.50	27.10	3.80	10.20	(22.50)
2005-06	11.73	(2.30)	(0.30)	9.90	5.00	4.30	13.50	7.20	6.10	(5.00)
2006-07	11.73	8.18	12.97	2.45	2.87	(2.76)	22.49	3.74	10.45	19.16
2007-08	2.44	3.95	9.29	(3.63)	2.22	3.27	17.64	10.37	2.50	34.20
2008-09	(0.04)	0.05	6.50	(6.75)	12.10	1.58	6.09	0.11	(1.18)	(32.61)
2009-10	(4.33)	(0.74)	(22.68)	1.38	(13.65)	3.58	10.49	12.12	(25.70)	(1.44)
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)	1.66	4.49	2.39	(0.62)	37.80
2017-18	0.06	0.04	23.86	5.21	71.98	(9.88)	11.14	6.26	20.67	(6.85)
2018-19	0.04	0.22	(9.54)	3.34	2.83	7.68	(2.97)	12.22	(8.70)	(19.89)
2019-20	(10.83)	(10.66)	(3.08)	3.98	(24.08)	4.39	(2.01)	(3.75)	27.99	(7.20)
Jul-Mar										
2019-20	(2.96)	(2.81)	8.24	5.85	(31.49)	5.81	1.79	4.63	45.54	(1.68)
2020-21 P	3.17	3.00	1.66	(3.37)	17.76	5.69	25.14	1.01	7.92	16.66

P : Provisional

Source: Pakistan Bureau of Statistics

TABLE 4.1

FEDERAL GOVERNMENT OVERALL BUDGETARY POSITION

Rs Million

Fiscal Year / Item	2019-20	2020-21 P (July-March)
A. REVENUE		
FBR Tax Revenue (1 +2)	3,997,921 *	3,394,885
1. Direct Taxes	1,524,252	1,246,379
2. Indirect Taxes	2,473,669	2,148,506
i. Customs	626,378	541,049
ii. Sales Tax	1,596,821	1,415,770
iii. Federal Excise	250,470	191,686
Others	336,264 **	^
Non-Tax Revenue	1,448,088	1,165,647
Gross Revenue Receipts	5,782,273	4,560,532
B. EXPENDITURE		
Current Expenditure	6,092,581	4,223,568
i. Defence	1,213,281	783,966
ii. Mark-up payments	2,619,739	2,103,858
iii. Grants	928,237	490,554
vi. Others***	1,331,324	845,190
Development Expenditure and Net Lending	726,343	412,940
Statistical Discrepency	60,602	3,015
Total Expenditure	6,879,526	4,639,523

P : Provisional

Source: Budget Wing, Finance Division, Islamabad

* : Revised FBR tax collection 2019-20 is Rs. 3,997,408 million.

** : Includes Petroleum Levy, Airport tax , other taxes of ICT, Gas Infrastructure Development Cess and Natural Gas Development Surcharge

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

*** : Includes other categories not shown here

TABLE 4.2

SUMMARY OF PUBLIC FINANCE (CONSOLIDATED FEDERAL & PROVINCIAL GOVERNMENTS)

Rs Million

Fiscal Year / Items	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 P (July-March)
Total Revenues (i+ii)	3,637,297	3,931,042	4,446,979	4,936,723	5,228,014	4,900,724	6,272,168	4,992,555
Federal	3,397,954	3,649,604	4,070,392	4,535,452	4,679,945	4,412,625	5,756,162	4,540,288
Provincial	239,343	281,438	376,587	401,271	548,069	488,099	516,006	452,267
i) Tax Revenues	2,564,509	3,017,596	3,660,418	3,969,248	4,467,160	4,473,422	4,747,802	3,765,002
Federal	2,374,540	2,811,773	3,377,145	3,647,476	4,065,788	4,071,619	4,334,185	3,394,885
Provincial	189,969	205,823	283,273	321,772	401,372	401,803	413,617	370,117
ii) Non-Tax Revenues	1,072,788	913,446	786,561	967,475	760,854	427,302	1,524,366	1,227,553
Federal	1,023,414	837,831	693,247	887,976	614,157	341,006	1,421,977	1,145,403
Provincial	49,374	75,615	93,314	79,499	146,697	86,296	102,389	82,150
Total Expenditures (a+b+c+d)	5,026,016	5,387,767	5,796,302	6,800,520	7,488,394	8,345,640	9,648,488	6,644,601
a) Current	4,004,582	4,424,747	4,694,294	5,197,854	5,854,266	7,104,031	8,532,020	6,085,411
Federal	2,831,249	3,037,584	3,144,276	3,472,150	3,789,767	4,776,150	6,016,192	4,157,266
Provincial	1,173,333	1,387,163	1,550,018	1,725,704	2,064,499	2,327,881	2,515,828	1,928,145
b) Developm Development	1,135,918	1,113,223	1,301,473	1,693,474	1,584,057	1,178,442	1,155,213	667,997
c) Net Lending to PSE's	100,610	27,381	12,631	-12,817	37,625	40,750	48,528	54,950
d) Statistical Discrepancy	-215,094	-177,584	-212,096	-77,991	12,446	22,417	-87,273	-163,757
Overall Balance	-1,388,719	-1,456,725	-1,349,323	-1,863,797	-2,260,380	-3,444,916	-3,376,320	-1,652,046
Financing (net)	1,388,719	1,456,725	1,349,323	1,863,797	2,260,380	3,444,916	3,376,320	1,652,046
External (net)	511,727	181,032	370,465	541,390	785,166	416,706	895,510	562,158
Domestic (i+ii+iii)	876,992	1,275,693	978,858	1,322,407	1,475,214	3,028,210	2,480,810	1,089,888
i) Non-Bank	553,330	366,138	191,843	276,629	352,719	764,986	540,250	292,137
ii) Bank	323,662	892,057	787,015	1,045,778	1,120,495	2,263,224	1,940,561	797,751
iii) Privatization Proceeds	0	17,498	0	0	2,000	-	-	-
Memorandum Item								
GDP (mp) in Rs. Billion	25,169	27,443	29,076	31,922	34,616	38,086	41,556	47,709
	(As Percent of GDP at Market Price)							
Total Revenue	14.5	14.3	15.3	15.5	15.1	12.9	15.1	10.5
Tax Revenue	10.2	11.0	12.6	12.4	12.9	11.7	11.4	7.9
Non-Tax Revenue	4.3	3.3	2.7	3.0	2.2	1.1	3.7	2.6
Expenditure	20.0	19.6	19.9	21.3	21.6	21.9	23.2	13.9
Current	15.9	16.1	16.1	16.3	16.9	18.7	20.5	12.8
Development Expenditure & net Lending	4.9	4.2	4.5	5.3	4.7	3.2	2.9	1.5
Overall Balance	-5.5	-5.3	-4.6	-5.8	-6.5	-9.0	-8.1	-3.5

P : Provisional

Source: Budget Wing, Finance Division, Islamabad

TABLE 4.3

CONSOLIDATED FEDERAL & PROVINCIAL GOVERNMENT REVENUES

Rs Million

Fiscal Year/Items	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 P (July-March)
Total Revenue (I+II)	2,982,436	3,637,297	3,931,042	4,446,979	4,936,723	5,228,014	4,900,724	6,272,168	4,992,555
Federal	2,760,436	3,397,954	3,649,604	4,070,392	4,535,452	4,679,945	4,412,625	5,756,162	4,540,288
Provincial	222,000	239,343	281,438	376,587	401,271	548,069	488,099	516,006	452,267
I. Tax Revenues (A+B)	2,199,232	2,564,509	3,017,596	3,660,418	3,969,248	4,467,160	4,473,422	4,747,802	3,765,002
Federal	2,048,509	2,374,540	2,811,773	3,377,145	3,647,476	4,065,788	4,071,619	4,334,185	3,394,885
Provincial	150,723	189,969	205,823	283,273	321,772	401,372	401,803	413,617	370,117
A. Direct Taxes (1+2)	742,488	893,351	1,040,038	1,195,462	1,350,233	1,542,187	1,452,620	1,533,903	1,253,470
1 Federal	735,758	884,118	1,029,244	1,191,602	1,343,197	1,536,636	1,445,594	1,524,252	1,246,379
2 Provincial	6,730	9,233	10,794	3,860	7,036	5,551	7,026	9,651	7,091
B. Indirect Taxes	1,456,744	1,671,158	1,977,558	2,464,956	2,619,015	2,924,973	3,020,802	3,213,899	2,511,531
3. Excise Duty	124,349	144,540	170,004	197,461	205,205	214,431	242,865	258,113	198,020
Federal	119,453	139,084	163,969	190,581	198,570	205,877	233,591	250,470	191,686
Provincial	4,896	5,456	6,035	6,880	6,635	8,554	9,274	7,643	6,334
4. Sales Tax*	841,324	1,002,110	1,088,823	1,323,685	1,323,261	1,491,310	1,464,887	1,596,821	1,415,770
5. Taxes on International Trade	239,608	240,997	306,140	406,180	496,018	608,325	685,397	626,378	541,049
6. Surcharges*	141,837	142,064	157,231	181,944	239,959	203,086	211,612	306,037	386,459
6.1 Gas	32,171	38,530	25,874	32,654	73,262	24,212	5,304	12,356	17,249
6.2 Petroleum	109,666	103,534	131,357	149,290	166,697	178,874	206,308	293,681	369,210
7. Other Taxes **	141,797	179,977	255,360	355,686	354,572	407,821	416,041	426,550	356,692
7.1 Sales Tax on services GST	-	-	-	129,752	170,791	223,860	202,881	232,969	210,753
7.2 Stamp Duties	18,306	21,790	29,476	35,484	38,167	62,754	70,396	59,148	40,289
7.3 Motor Vehicle Taxes	13,975	15,565	15,872	19,077	21,282	24,123	24,850	17,979	20,532
7.4 Gas Infrastructure Development Cess*	-	-	57,021	79,771	42,149	15,176	21,471	9,346	-
7.4 Others	109,516	142,622	152,991	91,602	82,183	81,908	96,443	107,108	85,118 ***
II. Non-Tax Revenues	783,204	1,072,788	913,446	786,561	967,475	760,854	427,302	1,524,366	1,227,553
Federal	711,927	1,023,414	837,831	693,247	887,976	614,157	341,006	1,421,977	1,145,403
Provincial	71,277	49,374	75,615	93,314	79,499	146,697	86,296	102,389	82,150

P: Provisional

Source: Budget Wing, Finance Division

* : Revenues under these heads are exclusively Federal

** : Mainly includes Provincial Revenues

*** : Includes other provincial tax revenues

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	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 P (July-March)
Current Expenditure	4,004,582	4,424,747	4,694,294	5,197,854	5,854,266	7,104,031	8,532,020	6,085,411
Federal	2,831,249	3,037,584	3,144,276	3,472,150	3,789,767	4,776,150	6,016,192	4,157,266
Provincial	1,173,333	1,387,163	1,550,018	1,725,704	2,064,499	2,327,881	2,515,828	1,928,145
Defence	623,085	697,821	757,653	888,078	1,030,407	1,146,793	1,213,281	783,966
Mark-up Payments	1,147,793	1,303,767	1,263,368	1,348,435	1,499,922	2,091,126	2,619,739	2,103,858
Current Subsidies	305,748	241,593	207,161	153,717	114,194	195,345	359,923	204,262
Others	754,623	794,403	916,094	1,081,920	1,145,244	1,342,886	1,823,249	1,065,180
Development Expenditure	1,135,918	1,113,223	1,301,473	1,693,474	1,584,057	1,178,442	1,155,213	667,997
Net Lending to PSEs	100,610	27,381	12,631	-12,817	37,625	40,750	48,528	54,950
Statistical Discrepancy	-215,094	-177,584	-212,096	-77,991	12,446	22,417	-87,273	-163,757
Expenditure Booked excl discrepency	5,241,110	5,565,351	6,008,398	6,878,511	7,475,948	8,323,223	9,735,761	6,808,358
Total Expenditure	5,026,016	5,387,767	5,796,302	6,800,520	7,488,394	8,345,640	9,648,488	6,644,601
Memorandum Items:	(Percent Growth over preceding period)							
Current Expenditure	9.4	10.5	6.1	10.7	12.6	21.3	20.1	
Defence	15.3	12.0	8.6	17.2	16.0	11.3	5.8	
Mark-up Payments	15.8	13.6	-3.1	6.7	11.2	39.4	25.3	
Current Subsidies	-14.6	-21.0	-14.3	-25.8	-25.7	71.1	84.2	
Development Expenditure	46.2	-2.0	16.9	30.1	-6.5	-25.6	-2.0	
Expenditure Booked excl discrepency	9.2	6.2	8.0	14.5	8.7	11.3	17.0	
Total Expenditure	4.4	7.2	7.6	17.3	10.1	11.4	15.6	
	As % of total expenditures							
Current Expenditure	79.7	82.1	81.0	76.4	78.2	85.1	88.4	91.6
Defence	12.4	13.0	13.1	13.1	13.8	13.7	12.6	11.8
Mark-up Payments	22.8	24.2	21.8	19.8	20.0	25.1	27.2	31.7
Current Subsidies	6.1	4.5	3.6	2.3	1.5	2.3	3.7	3.1
Development Expenditure*	24.6	21.2	22.7	24.7	21.7	14.6	12.5	10.9

P: Provisional

* : Include Net Lending

Source: Budget Wing, Finance Division

TABLE 4.5

DEBT SERVICING

								Rs Million
Fiscal Year / Item	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 P (July-March)
A. Mark-up Payments	1,147,793	1,303,767	1,263,368	1,348,435	1,499,922	2,091,126	2,619,739	2,103,858
Servicing of Domestic Debt	1,072,813	1,208,105	1,150,809	1,220,265	1,322,645	1,820,821	2,313,133	1,933,981
Servicing of Foreign Debt	74,980	95,662	112,559	128,170	177,277	270,305	306,606	169,877
B. Repayment/Amortization of Foreign Debt	312,112	285,193	335,307	544,314	450,189	974,001	1,362,353	711,026
C. Total Debt Servicing (A+B)	1,459,905	1,588,960	1,598,675	1,892,749	1,950,111	3,065,127	3,982,092	2,814,884
MEMORANDUM ITEMS	(As Percent of GDP)							
Servicing of Domestic Debt	4.3	4.4	4.0	3.8	3.8	4.8	5.6	4.1
Servicing of Foreign Debt	0.3	0.3	0.4	0.4	0.5	0.7	0.7	0.4
Repayment/Amortization of Foreign Debt	1.2	1.0	1.2	1.7	1.3	2.6	3.3	1.5
Total Debt Servicing	5.8	5.8	5.5	5.9	5.6	8.0	9.6	5.9

P; Provisional

Source: Budget Wing, Finance Division

TABLE 5.1

COMPONENTS OF BROAD MONEY (M2)

(Rs. Million)

Stock		End June					
		2016	2017	2018	2019	2020	2020-21 (Mar)
1.	Currency Issued	3,563,749	4,176,915	4,644,900	5,294,754	6,468,725	6,871,333
2.	Currency held by SBP	634	973	1,181	1,199	1,201	565
3.	Currency in title of Scheduled Banks	229,331	264,627	255,891	343,516	325,508	329,679
4.	Currency in circulation (1-2-3)	3,333,784	3,911,315	4,387,828	4,950,039	6,142,016	6,541,090
5.	Other deposits with SBP*	18,756	22,692	26,962	33,636	41,218	56,624
6.	Scheduled Banks Total Deposits**	9,472,313	10,646,875	11,582,372	12,814,820	14,724,770	15,932,441
7.	Resident Foreign Currency Deposits (RFCD)	587,258	655,340	829,355	1,109,780	1,074,511	1,006,057
8.	Broad Money (4+5+6)	12,824,853	14,580,882	15,997,162	17,798,494	20,908,003	22,530,155
9.	Growth rate (%)	13.7	13.7	9.7	11.3	17.5	7.8
Memorandum							
1.	Currency / Money ratio	26.0	26.8	27.4	27.8	29.4	29.0
2.	Demand Deposits / Money ratio	63.9	64.3	63.0	62.8	60.6	62.3
3.	Time Deposits / Money ratio	5.4	4.2	4.2	3.0	4.7	4.0
4.	Other Deposits / Money ratio	0.1	0.2	0.2	0.2	0.2	0.3
5.	RFCD / Money ratio	4.6	4.5	5.2	6.2	5.1	4.5
6.	Income Velocity of Money***	2.4	2.3	2.3	2.3	2.2	

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 taken as GDP at current factor cost / quarterly average of monetary assets (M2)

TABLE 5.2

CAUSATIVE FACTORS ASSOCIATED WITH BROAD MONEY (M2)

(Rs. Million)

	2016	2017	2018	2019	2020	2020-21 (Mar)
			A. Stock End June			
1. Public Sector Borrowing (net)						
(i + ii + iii)	7,819,545	8,955,597	10,199,670	12,336,664	14,547,233	15,183,275
i. Net Budgetary Support	7,194,814	8,282,074	9,392,960	11,596,468	13,748,309	14,490,407
ii. Commodity Operations	636,574	686,508	819,680	756,416	813,435	700,913
iii. Zakat Fund etc.	-11,843	-12,985	-12,971	-16,220	-14,510	-8,044
2. Non-Government Sector	5,012,588	6,011,267	7,033,598	8,072,803	8,372,428	8,855,264
i. Autonomous Bodies*	200,760	250,244	324,787	285,745	258,059	261,989
ii. Net Credit to Private Sector &PSEs	4,811,828	5,761,023	6,708,811	7,787,058	8,114,369	8,593,276
a. Private Sector	4,449,547	5,197,473	5,972,968	6,666,505	6,862,862	7,362,427
b. Public Sector Corp. other than 2(i)	367,297	572,553	743,413	1,108,476	1,232,463	1,205,756
c. PSEs Special Account Debt Repayment	-24,244	-24,244	-24,244	-24,244	-24,244	-24,244
d. Other Financial Institutions (NBFIs)	19,228	15,241	16,675	36,321	43,288	49,337
3. Counterpart Funds	-530	-530	-530	-560	-534	-532
4. Other Items (Net)	-1,014,348	-987,502	-1,027,153	-1,103,333	-1,494,971	-1,675,010
5. Domestic Credit (1+2+3+4)	11,817,255	13,978,833	16,205,586	19,305,575	21,424,157	22,362,998
6. Foreign Assets (Net)	1,007,598	602,049	-208,423	-1,507,081	-516,153	167,157
7. Broad Money (5+6)	12,824,853	14,580,882	15,997,162	17,798,494	20,908,003	22,530,155
			B. Changes over the year (July-June)			
8. Public Sector Borrowing (net)						
(i+ii+iii)	861,330	1,136,052	1,244,073	2,136,994	2,210,569	636,042
i. Net Budgetary Support	791,255	1,087,260	1,110,887	2,203,507	2,151,841	742,098
ii. Commodity Operations	72,115	49,934	133,172	-63,264	57,019	-112,522
iii. Zakat Fund etc.	-2,040	-1,142	14	-3,249	1,709	6,466
9. Non-Government Sector	556,587	998,679	1,022,331	1,039,205	299,625	482,836
i. Autonomous Bodies*	58,581	49,484	74,543	-39,042	-27,686	3,930
ii. Net Credit to Private Sector & PSCEs	498,006	949,195	947,788	1,078,247	327,311	478,906
a. Private Sector*	446,463	747,926	775,495	693,537	196,357	499,564
b. Public Sector Corp. other than 2(i)	50,736	205,256	170,859	365,064	123,987	-26,707
c. PSEs Special Account Debt Repayment	-169	0	0	0	0	0
d. Other Financial Institutions (NBFIs)	975	-3,987	1,433	19,646	6,967	6,049
10. Counterpart Funds	0	0	0	-30	25	3
11. Other Items (Net)	-70,060	26,846	-39,651	-76,180	-391,638	-180,040
12. Domestic Credit Expansion (8+9+10+11)	1,347,857	2,161,578	2,226,753	3,099,989	2,118,582	938,841
13. Foreign Assets (Net)	194,851	-405,549	-810,473	-1,298,658	990,928	683,310
14. Monetary Expansion (12+13)	1,542,708	1,756,029	1,416,280	1,801,332	3,109,510	1,622,151

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

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

TABLE 5.3

SCHEDULED BANKS' CONSOLIDATED POSITION

BASED ON LAST WEEKEND POSITION OF LIABILITIES & ASSETS

(Rs. in Million)

Item Description	2016	2017	2018	2019	2020	2020-21 (Mar)
Assets						
Cash & Balances with Treasury Banks	781,400	1,122,866	1,349,450	1,966,692	1,408,559	1,383,353
Balances with other Banks	126,065	185,623	186,038	195,992	212,150	261,200
Lending to Financial Institutions	262,861	503,760	612,681	717,249	843,513	843,927
Investments	7,542,990	8,166,143	8,178,723	7,624,217	10,681,288	12,503,807
Gross Advances	5,113,688	6,176,306	7,361,622	8,096,771	8,202,328	8,536,458
Less: Provision for Non- Performing Advances	460,632	456,701	463,772	488,093	546,797	628,703
Advances – Net of Provision	4,653,056	5,719,604	6,897,850	7,608,677	7,655,531	7,907,755
Operating Fixed Assets	317,857	345,652	417,591	468,981	567,753	621,284
Deferred Tax Assets	54,749	47,428	52,835	59,834	56,161	70,707
Other Assets	626,331	711,952	715,125	943,951	950,083	846,762
Total Assets	14,365,309	16,803,028	18,410,293	19,585,594	22,375,037	24,438,794
Liabilities						
Bills Payable	223,062	201,124	230,357	299,737	245,363	296,257
Borrowings	2,245,107	2,654,899	3,014,680	2,412,023	2,865,768	3,705,643
Deposits and other Accounts	10,060,188	11,980,697	13,062,787	14,458,307	16,229,036	17,435,284
Sub-ordinated Loans	47,696	46,910	79,460	108,670	126,296	112,735
Liabilities Against Assets Subject to Finance Lease	48	35	20	0	2,134	1,835
Deferred Tax Liabilities	44,774	35,556	22,070	22,591	47,329	23,456
Other Liabilities	411,820	446,232	577,934	803,227	964,493	989,812
Total Liabilities	13,032,696	15,365,453	16,987,306	18,104,555	20,480,420	22,565,023
Net Assets	1,332,613	1,437,575	1,422,987	1,481,039	1,894,617	1,873,771
Represented by:						
Paid up Capital / Head Office Capital Account	538,631	651,359	525,796	546,922	556,465	561,397
Reserves	227,497	199,217	285,610	340,060	357,675	369,807
Un-appropriated / Un-remitted Profit	337,664	392,033	440,846	480,816	618,864	706,049
Sub total	1,103,792	1,242,609	1,252,252	1,367,798	1,533,004	1,637,254
Surplus/ (Deficit) on Revaluation of Assets	228,821	194,964	170,736	113,241	361,613	236,517
Total	1,332,613	1,437,573	1,422,988	1,481,039	1,894,617	1,873,771

Source: State Bank of Pakistan

TABLE 5.4

INCOME VELOCITY OF MONEY

(Rs. Billion)

End June Stocks	Narrow Money M1	Monetary Assets (M2)	Growth Percentage	Income Velocity of Monetary Assets (M2)
2000-01	1,275.61	1,526.04	9.0	2.6
2001-02	1,494.14	1,751.88	14.8	2.5
2002-03	1,797.36	2,078.48	18.6	2.3
2003-04	2,174.74	2,485.49	19.6	2.3
2004-05	2,512.21	2,960.64	19.1	2.4
2005-06	2,720.68	3,406.91	15.1	2.4
2006-07	3,155.63	4,065.16	19.3	2.3
2007-08	4,339.50	4,689.14	15.3	2.3
2008-09	3,621.22	5,137.21	9.6	2.7
2009-10	-	5,777.23	12.5	2.7
2010-11	-	6,695.19	15.9	2.9
2011-12	-	7,641.79	14.1	2.8
2012-13	-	8,856.36	15.9	2.7
2013-14	-	9,966.58	12.5	2.7
2014-15	-	11,282.14	13.2	2.6
2015-16	-	12,824.85	13.7	2.4
2016-17	-	14,580.88	13.7	2.3
2017-18	-	15,997.16	9.7	2.3
2018-19	-	17,798.49	11.3	2.3
2019-20	-	20,908.00	17.5	2.2
2020-21(Mar) P	-	22,530.15	7.8	-

P : Provisional **Source: State Bank of Pakistan**

Explanatory Notes:

1. It may be noted that data series of M1 from 2000-01 is not comparable as compilation of M1 based on weekly data has been discontinued by the SBP. Now M1 is being compiled on the basis of monthly returns and as reported in the monthly Statistical Bulletin of the SBP beginning from April 2008 in its table 2.1. Now its compilation has been discontinued.

2. Income velocity of money is estimated using GDP at current factor cost/ Average of quarter end monetary assets (M2).

TABLE 5.5

LIST OF DOMESTIC, FOREIGN BANKS AND DFIs

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. **The Punjab Provincial Co-operative Bank**
2. **Industrial Development Bank Limited (IDBL)**
3. **SME Bank Limited**
4. **Zarai Taraqiati Bank Limited**

Private Local Banks

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

Foreign Banks

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

Development Financial Institutions

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

Micro Finance Banks

1. **Advans Pakistan Microfinance Bank**
2. **Apna Microfinance Bank Ltd**
3. **FINCA Microfinance Bank Ltd**
4. **Khushhali Microfinance Bank**
5. **Mobilink Microfinance Bank (Formerly Waseela Microfinance Bank)**
6. **NRSP Microfinance Bank Ltd**
7. **Pak Oman Microfinance Bank Ltd**
8. **Sindh Microfinance Bank Limited**
9. **Telenor Microfinance Bank Ltd**
10. **The First Microfinance Bank**
11. **U Microfinance Bank Limited**

*** : Full fledged Islamic Banks** **Source: State Bank of Pakistan**

TABLE 5.6

SECURITY AND NATURE WISE WEIGHTED AVERAGE LENDING RATES (ALL SCHEDULED BANKS)

in Percentage

As at the End of		Precious Metal	Stock Exchange Securities	Merchan-dise	Machinery	Real Estate	Financial Obli-gations	Others	Total Advances*
I. INTEREST BEARING									
2005	Jun	8.51	6.86	6.09	4.59	6.68	6.76	8.86	7.01
		(8.51)	(8.29)	(6.01)	(4.07)	(6.68)	(6.70)	(9.02)	(7.01)
2006	Jun	11.58	14.84	8.68	8.55	10.23	10.31	9.59	9.71
		(11.58)	(14.09)	(8.51)	(8.55)	(10.23)	(10.31)	(9.99)	(9.66)
2007	Jun	10.87	11.37	10.73	11.07	12.30	11.05	10.76	11.25
		(10.87)	(12.11)	(10.68)	(11.06)	(12.30)	(11.05)	(10.81)	(11.30)
	Dec	11.45	10.36	9.82	11.09	12.85	10.02	11.93	11.64
		(11.45)	(10.42)	(9.82)	(11.09)	(12.85)	(10.02)	(11.98)	(11.66)
2008	Jun	13.62	12.37	11.78	13.16	12.21	13.32	13.02	12.53
		(13.62)	(12.60)	(11.77)	(13.16)	(12.21)	(13.32)	(13.14)	(12.57)
	Dec	14.64	13.88	13.83	12.05	13.60	16.55	13.74	13.60
		(14.64)	(14.11)	(13.83)	(12.04)	(13.60)	(16.55)	(13.52)	(13.66)
2009	Jun	14.86	12.15	13.45	11.91	14.14	15.30	13.21	13.54
		(14.86)	(10.11)	(13.07)	(11.91)	(13.75)	(15.27)	(13.10)	(13.54)
	Dec	14.07	11.62	12.38	12.78	13.70	12.43	12.35	12.66
		(14.07)	(10.28)	(12.17)	(12.78)	(13.70)	(11.87)	(11.99)	(12.48)
2010	Jun	14.85	13.86	10.90	9.63	12.77	12.07	13.02	12.20
		(14.85)	(14.30)	(9.77)	(9.63)	(12.77)	(12.07)	(13.20)	(12.03)
	Dec	14.72	13.36	11.69	12.02	12.48	13.45	12.92	12.36
		(14.72)	(12.30)	(11.32)	(11.95)	(12.47)	(13.45)	(12.81)	(12.19)
2011	Jun	15.78	12.42	11.33	11.11	12.01	11.04	12.85	12.01
		(15.78)	(13.26)	(10.50)	(11.11)	(12.01)	(11.04)	(12.69)	(11.72)
	Dec	14.78	10.20	11.53	8.89	11.46	13.12	12.90	11.81
		(14.78)	(9.95)	(11.27)	(8.85)	(11.46)	(13.12)	(12.88)	(11.68)
2012	Jun	12.80	12.86	11.89	11.07	12.49	12.30	13.29	12.43
		(12.80)	(15.01)	(11.48)	(11.02)	(12.49)	(12.30)	(13.24)	(12.28)
	Dec	15.40	12.28	10.55	8.31	10.20	8.40	11.41	10.77
		(15.40)	(12.25)	(10.15)	(8.28)	(10.20)	(8.40)	(11.92)	(10.81)
2013	Jun	14.86	11.72	8.71	8.45	10.80	9.40	10.64	9.97
		(14.86)	(11.95)	(8.61)	(8.42)	(10.80)	(9.40)	(10.58)	(9.89)
	Dec	9.66	11.65	10.77	9.67	11.11	7.79	11.49	10.91
		(9.66)	(11.97)	(10.50)	(9.66)	(11.11)	(7.79)	(12.22)	(11.04)
2014	Jun	15.46	12.03	10.11	9.92	11.61	7.10	11.72	11.20
		(15.46)	(12.49)	(9.66)	(9.92)	(11.61)	(7.10)	(11.72)	(11.10)
	Dec	15.32	11.93	9.58	9.64	11.65	7.39	12.33	11.30
		(15.32)	(12.73)	(9.07)	(9.64)	(11.65)	(7.39)	(12.33)	(11.20)
2015	Jun	12.99	11.15	9.13	8.64	9.91	7.32	11.51	10.27
		(12.99)	(11.06)	(8.73)	(8.64)	(9.91)	(7.32)	(11.51)	(10.14)
	Dec	14.45	9.44	8.69	8.79	9.29	6.65	11.38	9.90
		(14.45)	(10.49)	(8.92)	(8.79)	(9.29)	(6.65)	(11.38)	(10.07)
2016	Jun	11.60	8.30	8.76	8.59	8.80	9.58	10.03	9.25
		(11.60)	(9.40)	(8.18)	(8.80)	(8.80)	(9.58)	(10.72)	(9.44)
	Dec	11.35	9.18	7.94	8.44	8.49	4.76	10.92	9.28
		(11.35)	(9.50)	(7.94)	(8.44)	(8.49)	(4.76)	(11.21)	(9.36)
2017	Jun	14.51	7.31	7.11	8.38	8.67	4.52	11.03	8.88
		(14.51)	(9.56)	(7.85)	(8.38)	(8.67)	(4.52)	(11.55)	(9.35)
	Dec	14.13	7.4	7.16	8.33	8.31	8.89	10.35	8.67
		(14.13)	(9.31)	(7.16)	(8.33)	(8.77)	(8.89)	(11.62)	(9.17)
2018	Jun	11.95	8.18	7.81	9.42	9.34	4.88	11.86	9.71
		(11.93)	(9.88)	(7.83)	(9.37)	(9.34)	(4.88)	(11.88)	(9.79)
	Dec	11.96	9.98	10.76	10.19	10.37	8.67	13.08	11.47
		(11.96)	(10.85)	(10.76)	(10.19)	(10.37)	(8.67)	(13.10)	(11.52)

TABLE 5.6
SECURITY AND NATURE WISE WEIGHTED AVERAGE LENDING RATES
(ALL SCHEDULED BANKS)

(in Percentage)

As at the End of		Precious Metal	Stock Exchange Securities	Merchan- dise	Machinery	Real Estate	Financial Obli- gations	Others	Total Advances*
II. ISLAMIC MODES OF FINANCING									
2005	Jun	9.03	7.15	7.93	7.80	10.16	8.21	10.15	8.94
		(9.03)	(7.17)	(7.95)	(7.88)	(10.22)	(8.19)	(10.67)	(9.13)
2006	Jun	10.66	10.03	9.63	9.14	11.23	9.25	12.37	10.68
		(10.66)	(10.20)	(9.66)	(9.20)	(11.26)	(9.25)	(12.90)	(10.83)
2007	Jun	12.04	11.26	10.11	10.80	11.92	10.43	13.02	11.57
		(12.04)	(11.34)	(10.03)	(10.84)	(11.92)	(10.49)	(13.40)	(11.68)
	Dec	9.70	11.27	10.26	10.76	11.80	10.58	12.93	11.55
		(9.70)	(11.41)	(10.23)	(10.82)	(11.79)	(10.62)	(13.26)	(11.65)
2008	Jun	11.75	12.87	11.53	12.26	12.11	11.23	13.90	12.48
		(11.75)	(12.93)	(11.55)	(12.22)	(12.12)	(11.23)	(14.21)	(12.55)
	Dec	15.02	15.76	14.42	14.62	13.51	15.00	15.89	14.72
		(15.02)	(15.66)	(14.19)	(14.67)	(13.49)	(15.02)	(15.96)	(14.72)
2009	Jun	14.18	15.01	14.19	14.20	13.27	15.83	15.08	14.31
		(14.18)	(15.03)	(13.73)	(14.10)	(13.30)	(16.79)	(15.20)	(14.30)
	Dec	14.18	13.61	12.10	12.72	12.71	11.93	14.88	13.22
		(14.14)	(14.02)	(12.18)	(12.70)	(12.71)	(11.55)	(14.96)	(13.10)
2010	Jun	15.08	14.26	13.16	13.81	12.25	13.59	14.83	13.73
		(15.74)	(14.34)	(12.80)	(13.79)	(12.24)	(13.67)	(14.94)	(13.52)
	Dec	15.20	13.80	13.01	13.10	12.24	12.86	14.59	13.43
		(15.20)	(13.59)	(12.69)	(13.18)	(12.23)	(12.79)	(14.82)	(13.23)
2011	Jun	16.24	11.04	12.81	13.74	12.57	12.81	14.73	13.55
		(16.24)	(14.41)	(12.36)	(14.22)	(12.53)	(12.83)	(14.43)	(13.32)
	Dec	13.50	13.06	13.40	14.18	12.46	12.42	15.04	13.83
		(13.50)	(13.21)	(13.17)	(14.14)	(12.46)	(12.51)	(14.92)	(13.62)
2012	Jun	9.46	11.63	12.84	12.51	11.84	14.11	13.68	12.84
		(9.63)	(12.89)	(12.43)	(13.17)	(11.81)	(14.10)	(13.52)	(12.72)
	Dec	9.53	11.10	11.19	12.10	12.43	13.30	12.80	12.02
		(9.53)	(11.67)	(10.91)	(12.03)	(12.40)	(13.21)	(13.02)	(11.93)
2013	Jun	12.80	11.65	11.02	11.74	12.05	13.80	12.20	11.78
		(13.69)	(11.44)	(10.92)	(11.46)	(12.04)	(12.57)	(12.88)	(11.81)
	Dec	14.20	10.80	10.52	11.14	11.23	9.10	11.79	11.20
		(15.26)	(10.99)	(10.48)	(11.03)	(11.29)	(10.67)	(12.59)	(11.37)
2014	Jun	14.22	11.27	10.12	9.48	12.03	10.65	12.29	11.18
		(15.12)	(11.25)	(10.44)	(11.16)	(11.71)	(10.65)	(12.90)	(11.58)
	Dec	13.73	11.00	10.35	10.72	11.50	10.22	11.94	11.11
		(15.03)	(11.01)	(10.31)	(11.04)	(11.50)	(10.19)	(12.91)	(11.28)
2015	Jun	11.59	8.83	8.48	8.22	10.49	10.19	9.48	9.13
		(12.22)	(8.79)	(8.68)	(8.62)	(10.56)	(9.58)	(10.46)	(9.54)
	Dec	13.15	8.42	7.32	8.16	9.12	9.70	8.76	8.33
		(13.85)	(7.94)	(7.43)	(8.18)	(9.20)	(8.57)	(10.05)	(8.65)
2016	Jun	11.28	6.73	7.44	8.01	9.56	10.17	8.94	8.34
		(11.28)	(8.21)	(7.48)	(8.24)	(9.75)	(9.37)	(10.69)	(8.85)
	Dec	11.18	7.75	6.47	7.10	8.07	4.84	8.42	7.51
		(11.19)	(7.58)	(6.88)	(7.00)	(9.03)	(7.94)	(9.71)	(8.05)
2017	Jun	8.25	7.40	6.93	5.88	8.79	6.74	8.43	7.41
		(8.25)	(7.24)	(6.90)	(7.11)	(8.99)	(6.74)	(9.58)	(7.98)
	Dec	7.87	7.17	6.94	7.21	8.69	6.99	8.32	7.71
		(7.87)	(7.82)	(7.04)	(7.37)	(8.91)	(6.99)	(9.74)	(8.12)
2018	Jun	10.98	7.74	7.19	7.85	8.75	7.17	8.46	8.00
		(12.10)	(7.63)	(7.16)	(7.95)	(8.88)	(7.17)	(9.92)	(8.36)
	Dec	9.48	9.81	8.70	9.53	10.24	8.65	10.39	9.67
		(9.48)	(10.14)	(8.80)	(9.30)	(10.29)	(8.52)	(11.05)	(9.71)

(Contd…)

TABLE 5.6
SECURITY AND NATURE WISE WEIGHTED AVERAGE LENDING RATES / FINANCING RATES (ALL SCHEDULED BANKS)

(Percent)

As at the End of		Precious Metal	Stock Exchange Securities	Merchandise	Machinery	Real Estate	Financial Obligations	Others	Unsecured Advances	Total Advances*
Conventional Banking										
2019	Jun	11.20	12.34	10.32	11.74	11.09	10.74	11.88	28.12	11.64
		(11.20)	(12.41)	(10.19)	(11.58)	(11.09)	(10.74)	(12.00)	(28.12)	(11.56)
	Dec	12.67	14.08	11.20	12.89	11.55	12.01	14.08	26.14	12.92
		(12.67)	(13.79)	(10.99)	(12.64)	(11.53)	(11.65)	(13.80)	(26.14)	(12.42)
2020	Jun R	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	6.90	7.83	7.10	7.01	8.06	27.42	8.00
		(10.58)	(7.83)	(6.84)	(7.80)	(7.10)	(6.90)	(7.80)	(27.42)	(7.93)
Islamic Banking										
2019	Jun	-	11.26	10.99	11.07	10.87	9.31	11.34	5.76	11.13
		-	(8.00)	(10.95)	(10.90)	(10.87)	(9.31)	(11.23)	(5.24)	(10.99)
	Dec	-	10.95	11.59	12.63	12.14	10.35	12.92	12.92	12.40
		-	(7.13)	(11.53)	(12.63)	(12.16)	(10.35)	(11.85)	(10.52)	(11.96)
2020	Jun R	-	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	7.51	8.41	8.27	6.59	7.38	9.82	7.76
		-	(9.56)	(7.52)	(8.42)	(8.34)	(6.49)	(7.29)	(9.82)	(7.83)

R: Revised

Source: State Bank of Pakistan

* : Weighted average rates shown in parentheses represent Private Sector

TABLE 5.7

SALE OF MARKET TREASURY BILLS THROUGH AUCTION

(Rs. Million)

No.	Securities	2016	2017	2018	2019	2020	2021 (Jul-Mar)
	Market Treasury Bills						
A.	**Three Months Maturity**						
	Amount Offered						
	i) Face value	2,726,618	5,287,269	19,826,420	23,757,544	14,913,709	11,269,020
	ii) Discounted value	2,681,109	5,223,172	19,549,300	23,222,877	14,486,853	11,085,456
	Amount Accepted						
	i) Face value	1,457,485	3,824,534	16,231,950	18,866,489	8,811,853	6,985,123
	ii) Discounted value	1,436,402	3,772,951	16,005,555	18,448,036	8,554,064	6,871,598
	Weighted Average Yield						
	i) Minimum % p.a.	5.8998	5.7873	5.9902	6.7575	7.6896	6.4267
	ii) Maximum % p.a.	6.9308	5.9910	6.7595	12.7454	13.7490	7.4298
B.	**Six Months Maturity**						
	Amount Offered						
	i) Face value	2,873,573	4,632,304	1,620,207	120,484	4,345,673	4,341,280
	ii) Discounted value	2,780,740	4,495,594	1,560,051	101,275	4,115,593	4,186,810
	Amount Accepted						
	i) Face value	1,629,803	2,974,251	1,271,001	8,928	1,705,828	2,608,950
	ii) Discounted value	1,579,538	2,888,666	1,233,895	8,502	1,613,386	2,516,182
	Weighted Average Yield						
	i) Minimum % p.a.	5.8910	5.8214	6.0093	7.8526	7.4786	6.4666
	ii) Maximum % p.a.	6.9511	6.0109	6.8322	12.6958	13.9498	7.7327
C.	**Twelve Months Maturity**						
	Amount Offered						
	i) Face value	3,656,106	1,708,636	86,406	29,073	14,210,931	1,795,065
	ii) Discounted value	3,434,144	1,611,283	78,882	15,431	12,653,509	1,668,955
	Amount Accepted						
	i) Face value	1,821,670	936,611	47,687	500	4,649,744	528,226
	ii) Discounted value	1,712,268	884,431	44,979	443	4,133,139	493,106
	Weighted Average Yield						
	i) Minimum % p.a.	5.9101	5.8370	6.0273	13.1500	7.2892	6.5475
	ii) Maximum % p.a.	6.9710	6.0499	6.0386	13.1500	14.2169	7.7908

Note : Amount includes Non-competitive Bids.

Source: State Bank of Pakistan

TABLE 5.8

SALE OF PAKISTAN INVESTMENT BONDS THROUGH AUCTION

(Rs. Million)

No.	Securities	2016	2017	2018	2019	2020	2021 (Jul-Mar)
	Pakistan Investment Bonds						
A.	Amount Offered (Face Value)	2,559,922	1,761,044	348,935	3,156,891		
	02 Years (Floater) Maturity (PFL) Quarterly						120,025
	03 Years Maturity	1,315,268	1,039,668	235,367	976,869	2,389,228	337,420
	05 Years Maturity	982,167	451,788	48,467	653,189	1,643,278	450,548
	07 Years Maturity	-	-	-	-	-	-
	10 Years Maturity	262,487	266,846	65,101	815,509	1,216,358	243,752
	03 Years (Floater) Maturity (PFL) Semi-Annual					84,100	1,193,302
	05 Years (Floater) Maturity (PFL) Semi-Annual					48,500	577,020
	10 Years (Floater) Maturity (PFL) Semi-Annual				706,324	1,445,471	384,124
	03 Years (Floater) Maturity (PFL) Quarterly						287,756
	05 Years (Floater) Maturity (PFL) Quarterly						107,600
	10 Years (Floater) Maturity (PFL) Quarterly						130,050
	15 Years Maturity	-	-	-	-	22,925	54,549
	20 Years Maturity	-	2,743	-	5,000	22,659	50,061
	30 Years Maturity	-	-	-	-	-	-
B.	Amount Accepted (Face Value)	963,600	894,017	101,732	1,183,510		
	(a) 02 Years (Floater) Quarterly Maturity (PFL)						
	(i) Amount Accepted						86,282
	(ii) Cut-Off Price						
	(1) Minimum Cut-Off Price						99.5239
	(2) Maximum Cut-Off Price						99.6467
	(b) 03 Years Maturity.						
	(i) Amount Accepted	484,812	522,756	37,915	418,859	1,102,152	176,740
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	6.2948	6.1444	6.4029	12.0002	7.5239	7.2359
	(2) Maximum % p.a.	8.0647	6.4043	7.4677	13.6770	14.1519	9.3344
	(c) 03 Years (Floater) Maturity (PFL) Semi-Annual**						
	(i) Amount Accepted					60,552	624763
	(ii) Margin* / Cut-Off Price						
	(1) Minimum bps / Cut-Off Price					45bps	98.8132
	(2) Maximum bps / Cut-Off Price					45bps	100.4413
	(d) 03 Years (Floater) Quarterly Maturity (PFL)						
	(i) Amount Accepted						193776
	(ii) Cut-Off Price						
	(1) Minimum Cut-Off Price						98.9923
	(2) Maximum Cut-Off Price						99.2323
	(e) 05 Years Maturity						
	(i) Amount Accepted	407,561	239,114	14,932	199,680	612,849	136,716
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	6.8824	6.6364	6.8960	9.2500	7.8740	8.2139
	(2) Maximum % p.a.	8.9652	6.8998	8.4795	13.7687	13.7740	9.8296
	(f) 05 Years (Floater) Maturity (PFL) Semi-Annual**						
	(i) Amount Accepted					34,500	236,261
	(ii) Margin* / Cut-Off Price						
	(1) Minimum bps / Cut-Off Price					49bps	100.0341
	(2) Maximum bps / Cut-Off Price					49bps	100.4845
	(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	71,227	132,147	48,885	253,195	332,797	83,405
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	7.9981	7.7222	7.9359	12.8267	8.4767	8.8570
	(2) Maximum % p.a.	9.4007	7.9414	8.6999	13.6820	13.4548	10.2140

(Contd…)

TABLE 5.8

SALE OF PAKISTAN INVESTMENT BONDS THROUGH AUCTION

(Rs. Million)

No.	Securities	2016	2017	2018	2019	2020	2021 (Jul-Mar)
	(j) 10 Years (Floater) Maturity (PFL) Semi-Annual**						
	(i) Amount Accepted	-	-	-	311,776	723,417	107,802
	(ii) Margin* / Cut-Off Price						
	(1) Minimum bps / Cut-Off Price	-	-	-	8.5526	70bps	100.1264
	(2) Maximum bps / Cut-Off Price	-	-	-	13.6000	75bps	101.0536
	(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	-	-	-	-	16,800	37,000
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	-	-	-	-	9.6640	9.7020
	(2) Maximum % p.a.	-	-	-	-	10.4540	10.0000
	(m) 20 Years Maturity	-					
	(i) Amount Accepted	-	-	-	-	6,113	40,061
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	-	-	-	-	10.5100	10.3400
	(2) Maximum % p.a.	-	-	-	-	11.7999	10.5624
	(n) 30 Years Maturity						
	(i) Amount Accepted	-	-	-	-	-	-
	(ii) Weighted Average Yield	-					
	(1) Minimum % p.a.	-	-	-	-	-	-
	(2) Maximum % p.a.	-	-	-	-	-	-

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

Source: State Bank of Pakistan

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

Note : Amounts include non-competitive bids & short sale accomodation as well.

TABLE 6.1

NATIONAL SAVINGS SCHEMES (NET INVESTMENT)

Rs Million

	Name of Scheme	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Jul-Mar)
1	Defence Savings Certificates	29,892.0	12,970.8	16,183.3	8,053.0	16,620.0	10,743.6	57,171.0	92,783.1	(7,265.0)
2	National Deposit Scheme	(0.6)	(0.3)	(1.0)	(0.3)	(0.7)	0.1	(0.03)	-	(0.00)
3	Khaas Deposit Scheme	(1.2)	(0.8)	(4.3)	(2.0)	(51.4)	(0.2)	(0.04)	(0.05)	(0.24)
4	Special Savings Certificates (R)	46,401.5	57,619.6	28,547.1	(1,932.8)	(39,344.6)	(51,180.1)	31,842.5	13,945.7	4,963.6
5	Special Savings Certificates (B)	(0.3)	(0.8)	-	-	(0.8)	(0.6)	-	(0.01)	(0.50)
6	Regular Income Certificates	36,047.0	62,783.3	50,582.1	(16,223.0)	(20,950.7)	8,726.3	142,088.1	83,232.3	16,246.3
7	Bahbood Saving Certificates	47,622.7	53,963.0	45,927.8	63,761.1	57,432.1	45,395.3	119,573.1	83,380.0	409.4
8	Pensioners' Benefit Account	17,538.9	18,471.2	15,701.9	20,645.1	18,716.7	21,504.4	43,367.4	33,876.0	11,204.2
9	Savings Accounts	1,098.9	283.2	3,859.4	3,807.7	4,684.4	3,413.0	(166.2)	4,537.0	(768.3)
10	Special Savings Accounts	150,836.0	(53,463.7)	100,124.9	30,924.1	65,246.6	59,939.2	(132,393.5)	200,770.6	(17,155.7)
11	Mahana Amdani Accounts	(78.5)	(72.5)	(73.0)	(63.0)	(55.2)	(46.7)	(73.8)	(60.4)	(55.0)
12	Prize Bonds	56,175.4	57,058.4	75,884.6	123,901.9	97,791.6	101,575.7	40,432.1	(171,109.9)	(85,942.9)
13	Postal Life Insurance	-	-	-	-	2,529.8	875.5	1,248.4	628.0	(649.0)
14	National Savings Bonds	(3,425.6)	-	(62.6)	-	-	-	-	(137.0)	-
15	Short Term Saving Certificates	3,969.7	(2,628.9)	389.1	157.9	2,077.4	560.6	761.0	19,254.6	(19,021.6)
16	Premium Prize Bonds (R)	-	-	-	-	2,921.7	2,323.2	2,820.0	11,322.7	11,736.5
17	Shuhda Welfare Accounts	-	-	-	-	-	-	42.1	27.0	13.7
	Grand Total	386,075.9	206,982.4	337,059.3	233,029.6	207,617.0	203,829.1	306,712.0	372,449.4	(86,284.5)

- : Not available

Source : Central Directorate of National Savings (CDNS)

Figures in Parenthesis represent negative growth

TABLE 6.2

MARK UP RATE/PROFIT RATE ON FEDERAL GOVERNMENT'S DEBT INSTURMENTS*

S. No.	Name of Securities	Coupon/Profit Rates	Remarks	Tax Status
1	Pakistan Investment Bonds (PIBs)			
	Fixed-rate PIBs			
	3-years maturity	7.00%	3-years PIB first issued on 20-Aug-20	
	5-Years maturity	7.50%	5-Years PIB first issued on 15-Oct-20	
	10-Years maturity	8.00%	10-Years PIB first issued on 10-Dec-20	
	15-Years maturity	10.50%	15-Years PIB first issued on 16-Apr-20	
	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	Profit taxable
	Floating-rate PIBs			
	2-years maturity	coupon rate linked to 3M t-bill auction's weighted-average yield	fortnightly coupon reset and quarterly coupon payment; first issued on 05-Nov-20	
	3-years maturity		Quarterly coupon reset and payment; first issued on 22-Oct-20	
	5-Years maturity	coupon rate linked to 6M t-bill auction's weighted-average yield	Half-yearly coupon reset and payment. Security available for sale in the primary market, though no acceptance.	
2	Government Ijara Sukuk			
	5-year variable rental rate (VRR) Sukuk	rental rate is 6-month t-bill's auction weighted-average yield plus margin	Cut-off margin is -20 BPs; Security last auctioned on 14-Jan-2021	Profit taxable
	5-year fixed rental rate (FRR) Sukuk	9.45%	Security last auctioned on 14-Janury-21	

*: Federal governments debt instuments under SBP management

Source: State Bank of Pakistan

TABLE 7.1 (A)

PRICE INDICES

A. COMBINED CONSUMER PRICE INDEX BY GROUPS												
Groups/ Fiscal Year	General	Food Beverages & Tobacco	Apparel Textile & Footwear	House Rent	Energy	Household Fur-niture, Equip-ments etc.	Transport & Commu-nication	Recreation Enter-tainment	Education	Cleaning, Laun-dry & Personal Appearance	Medicare	
	(Base Year : 2000-01 = 100)											
2000-01	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
2001-02	103.54	102.50	103.23	102.80	107.76	103.80	103.80	106.30	104.97	102.50	102.37	
2002-03	106.75	105.40	106.75	103.80	118.39	105.29	105.29	107.21	109.72	103.37	105.59	
2003-04	111.63	111.74	109.69	108.20	120.26	115.72	115.72	106.08	114.19	111.29	106.89	
2004-05	121.98	125.69	112.98	120.42	128.46	117.33	120.18	105.86	117.55	115.90	107.94	
2005-06	131.64	134.39	117.58	132.36	147.24	124.25	130.99	105.65	125.03	119.49	110.66	
2006-07	141.87	148.21	123.70	141.21	156.65	131.64	134.63	105.76	133.82	124.55	120.91	
2007-08	158.90	174.36	133.79	154.47	165.17	141.08	138.66	107.86	140.88	138.28	132.23	
2008-09	191.90	215.69	152.82	180.90	198.92	159.58	192.55	120.00	165.27	163.17	147.25	
2009-10	214.41	242.59	162.49	205.88	226.90	169.76	204.15	127.09	185.74	180.52	157.02	
2010-11	244.26	286.15	181.97	220.90	261.67	187.04	233.52	139.63	197.14	203.16	180.67	
	(Base Year : 2007-08 = 100)											
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
2008-09	117.03	123.13	113.64	111.74	112.01	115.97	108.03	125.15	105.59	114.27	108.15	123.53	117.65
2009-10	128.85	139.05	136.71	119.22	122.14	123.93	114.33	132.79	109.65	127.87	119.39	140.36	133.63
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 feuls	Furnishing and Household Equipment Maintenance	Health	Transport	Commu-nication	Recreation & Culture	Educatio	Restau-ants and hotels	Misc. goods and services
2016-17	104.81	110.24	110.76	105.29	105.98	102.34	107.97	99.26	100.03	102.27	110.83	106.04	104.39
2017-18	109.72	117.60	100.83	110.94	111.23	106.00	114.98	108.04	100.65	104.91	123.88	113.15	109.93
2018-19	117.18	112.24	112.26	118.13	120.08	114.00	122.92	125.31	103.27	111.54	134.74	119.10	118.86
2019-20	129.76	129.59	135.80	129.56	128.33	125.70	136.81	138.71	106.84	118.70	141.90	127.78	132.96
July-April													
2019-20	129.41	128.81	135.40	128.45	128.29	125.04	136.06	141.73	106.82	118.46	141.80	127.02	132.01
2020-21	140.56	146.02	143.10	141.33	135.66	135.16	147.33	139.86	107.41	123.48	143.50	137.82	147.49

(Contd.)

Note: i) On the adoption of each new base year the data for the common periods may not be matched
ii) July 2021 to April 2021 commulative indices

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 : 2000-01 = 100)							
2000-01	100.00	100.00	100.00	100.00	4.41	3.56	5.09	4.2
2001-02	103.54	102.50	104.28	103.76	3.54	2.44	4.28	2.0
2002-03	106.75	105.40	107.66	106.43	3.10	2.89	3.24	2.5
2003-04	111.63	111.74	111.55	110.43	4.57	6.01	3.62	3.8
2004-05	121.98	125.69	119.47	117.95	9.28	12.48	7.10	6.8
2005-06	131.64	134.39	129.77	126.82	7.92	6.92	8.63	7.5
2006-07	141.87	148.21	137.58	134.35	7.77	10.28	6.02	5.9
2007-08	158.90	174.36	148.45	145.60	12.00	17.65	7.90	8.4
2008-09	191.90	215.69	175.81	171.18	20.77	23.70	18.45	17.6
2009-10	214.41	242.59	195.36	190.03	11.73	12.47	11.12	11.0
2010-11	244.26	286.15	215.94	208.42	13.92	17.95	10.53	9.7
	(Base Year : 2007-08 = 100)							
2008-09	117.03	123.13	113.37	111.38	17.03	23.13	13.37	11.38
2009-10	128.85	139.05	122.73	119.79	10.10	12.93	8.26	7.55
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
July-April							
2019-20	129.41	127.95	130.72	128.88	129.84	128.24	128.13
2020-21	140.56	143.67	137.41	136.39	147.35	137.16	137.90
	Growth (%) (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
July-April							
2019-20	11.22	13.97	8.97	7.75	15.92	8.14	8.67
2020-21	8.62	12.29	5.12	5.83	13.49	6.96	7.63

***: Core Inflation is defined as overall inflation adjusted for food and energy.**

Note: On the adoption of each new base year the data for the common periods may not be matched

TABLE 7.1 (C)

PRICES INDICES

Groups/ Fiscal Year	B. Wholesale Price Index by Groups						Sensitive Price Indicator	GDP Deflator
	General	Food	Raw Materials	Fuel, Lighting & Lubricants	Manufactures	Building Materials		
	(Base Year : 2000-01 = 100)							
2000-01	100.00	100.00	100.00	100.00	100.00	100.00	100.00	108.02
2001-02	102.01	101.95	100.31	103.14	101.87	101.10	103.37	110.71
2002-03	107.77	105.62	115.51	115.95	103.67	102.90	107.06	115.61
2003-04	116.29	112.99	135.12	119.23	111.83	126.48	114.38	124.55
2004-05	124.14	125.03	110.44	138.01	113.05	143.79	127.59	133.30
2005-06	136.68	133.78	121.93	174.57	116.27	144.18	136.56	100.00
2006-07	146.17	145.67	138.85	184.10	119.91	151.93	151.35	107.28
2007-08	170.15	173.27	156.57	223.34	128.33	177.18	176.78	121.13
2008-09	201.10	213.54	184.45	258.96	140.67	213.00	218.16	146.18
2009-10	226.49	239.01	238.11	296.48	154.94	201.40	247.22	161.89
2010-11	279.30	285.93	374.44	348.19	197.39	226.63	292.16	193.52

Groups/ Fiscal Year	General	Agriculture Forestry & Fishery Product	Ores & Minerals, Materials electricity gas & water	Food Product, Beverages & Tobacco, Textiles Appreal Leather Products	Other Transportable Goods	Metal Products Machinery & Equipment	Sensitive Price Indicator	GDP Deflator
	(Base Year : 2007-08 = 100)							
2008-09	118.93	119.10	125.31	114.57	125.21	109.07	121.14	146.18
2009-10	135.40	142.02	139.76	135.02	135.41	111.10	136.80	161.89
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	246.49
2016-17	216.02	248.00	242.08	225.59	168.07	174.40	210.59	256.29
2017-18	223.52	256.02	242.99	229.90	198.27	184.00	212.44	262.33
2018-19	250.28	276.64	279.87	254.78	220.88	190.87	223.34	284.88

	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 Tranportable 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	256.29
2017-18	109.97	113.34	100.88	107.08	104.00	115.64	101.40	115.52	106.06	110.28	262.33
2018-19	127.55	124.35	127.07	119.30	112.45	133.41	107.72	147.71	115.26	115.92	284.88
2019-20	140.63	137.80	163.40	131.68	126.74	141.64	113.65	147.95	131.83	131.85	313.76
July-April											
2019-20	141.54	137.37	163.85	130.43	125.40	141.42	112.60	153.95	130.93	131.29	313.76
2020-21	151.97	153.44	167.78	147.13	145.26	152.67	119.26	149.15	150.36	148.17	344.38

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

(Percent)

Months	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2016-17	2017-18	2018-19	2019-20	2020-21
A. CONSUMER PRICE INDEX (C.P.I)						Base Year 2007-08=100								Base Year 2015-16=100		
Jul	-	1.51	2.07	1.27	-0.25	2.02	1.70	0.43	1.34	0.34	0.94	-	0.57	1.51	1.83	2.50
Aug	1.75	1.81	2.19	1.40	0.90	1.16	0.33	0.24	-0.30	0.19	0.21	-0.36	0.15	-0.31	1.64	0.63
Sep	0.80	0.17	2.03	1.03	0.79	-0.29	0.35	-0.10	0.20	0.63	-0.06	0.42	0.69	-0.03	0.77	1.54
Oct	1.39	0.60	0.98	1.44	0.38	1.97	0.21	0.49	0.81	0.75	2.33	0.93	1.09	2.12	1.82	1.70
Nov	-0.32	1.32	0.99	0.29	-0.39	1.27	-0.51	0.59	0.21	0.37	0.11	0.47	0.66	-0.12	1.34	0.82
Dec	-0.24	-0.73	-0.30	-0.70	0.23	-1.32	-1.01	-0.57	-0.68	-0.10	-0.41	-0.58	-0.03	-0.30	-0.34	-0.68
Jan	0.24	2.59	1.21	1.54	1.67	0.49	0.08	0.21	0.18	0.03	1.00	0.43	0.08	0.25	1.97	-0.21
Feb	1.37	0.38	-0.56	0.30	-0.34	-0.32	-0.92	-0.25	0.28	-0.31	0.64	0.48	-0.26	0.87	-1.04	1.80
Mar	0.36	1.24	1.40	1.17	0.41	0.96	0.23	0.15	0.84	0.31	1.42	1.05	0.22	2.00	0.04	0.36
Apr	1.00	1.83	1.40	1.83	1.09	1.70	1.32	1.55	1.40	1.82	1.26	0.72	1.08	0.73	-0.84	1.03
May	-0.07	0.13	0.23	1.15	0.51	-0.26	0.76	-0.21	0.01	0.51	0.78	-0.52	0.46	0.60	0.32	
Jun	0.87	0.36	0.96	0.04	0.72	0.61	0.62	0.64	-0.41	0.56	0.36	0.17	0.83	0.48	0.82	
URBAN CONSUMER PRICE INDEX (U.C.P.I)														Base Year 2015-16=100		
Jul	-	-	-	-	-	-	-	-	-	-	-		0.59	1.41	1.98	2.15
Aug	-	-	-	-	-	-	-	-	-	-	-	-0.46	0.20	-0.31	1.46	0.81
Sep	-	-	-	-	-	-	-	-	-	-	-	0.32	0.42	-0.08	0.75	1.26
Oct	-	-	-	-	-	-	-	-	-	-	-	0.79	0.89	2.23	1.59	1.27
Nov	-	-	-	-	-	-	-	-	-	-	-	0.47	0.63	-0.09	1.00	0.64
Dec	-	-	-	-	-	-	-	-	-	-	-	-0.59	0.05	-0.32	-0.37	-0.35
Jan	-	-	-	-	-	-	-	-	-	-	-	0.82	0.18	0.43	1.68	-0.16
Feb	-	-	-	-	-	-	-	-	-	-	-	0.51	-0.15	0.86	-1.09	2.27
Mar	-	-	-	-	-	-	-	-	-	-	-	1.01	0.28	1.87	0.13	0.27
Apr	-	-	-	-	-	-	-	-	-	-	-	0.96	1.37	0.83	-0.68	1.34
May	-	-	-	-	-	-	-	-	-	-	-	-0.32	0.53	0.68	0.30	
Jun	-	-	-	-	-	-	-	-	-	-	-	0.21	0.72	0.34	0.69	
RURAL PRICE INDEX (R.P.I)														Base Year 2015-16=100		
Jul	-	-	-	-	-	-	-	-	-	-	-	-	0.54	1.67	1.60	3.02
Aug	-	-	-	-	-	-	-	-	-	-	-	-0.21	0.07	-0.30	1.91	0.35
Sep	-	-	-	-	-	-	-	-	-	-	-	0.57	1.10	0.04	0.79	1.95
Oct	-	-	-	-	-	-	-	-	-	-	-	1.15	1.40	1.96	2.17	2.35
Nov	-	-	-	-	-	-	-	-	-	-	-	0.48	0.72	-0.17	1.86	1.09
Dec	-	-	-	-	-	-	-	-	-	-	-	-0.56	-0.14	-0.29	-0.30	-1.17
Jan	-	-	-	-	-	-	-	-	-	-	-	-0.14	-0.07	-0.02	2.41	-0.29
Feb	-	-	-	-	-	-	-	-	-	-	-	0.45	-0.45	0.87	-0.97	1.12
Mar	-	-	-	-	-	-	-	-	-	-	-	1.12	0.13	2.19	-0.10	0.51
Apr	-	-	-	-	-	-	-	-	-	-	-	0.36	0.64	0.58	-1.08	0.57
May	-	-	-	-	-	-	-	-	-	-	-	-0.82	0.35	0.47	0.34	
Jun	-	-	-	-	-	-	-	-	-	-	-	0.12	1.01	0.70	1.02	
B. WHOLESALE PRICE INDEX (W.P.I.)						Base Year 2007-08=100								Base Year 2015-16=100		
Jul		1.75	1.66	-0.40	0.36	1.65	0.54	-0.38	2.34	-0.24	2.41	-	-0.70	3.69	3.05	5.41
Aug	1.90	2.47	1.91	0.55	1.02	2.65	-0.48	-0.49	-0.03	0.33	0.79	0.06	0.19	0.55	1.25	1.27
Sep	0.49	0.81	1.70	0.25	0.35	0.71	0.15	-0.46	-0.53	0.06	-1.52	-0.40	0.28	-1.51	0.07	1.05
Oct	-1.08	0.93	1.74	0.37	0.11	1.13	-0.31	0.53	-0.04	0.61	4.17	-0.09	0.88	4.40	2.03	2.88
Nov	-3.24	1.83	2.54	-0.53	-0.37	0.25	-0.99	0.01	-0.21	0.36	0.70	0.54	1.05	1.04	-0.82	-0.94
Dec	-0.32	0.18	1.97	-1.33	0.43	-0.99	-1.89	-0.65	-0.14	0.36	-0.88	0.20	0.49	-1.34	-0.30	0.34
Jan	-0.04	3.26	1.91	2.26	1.25	0.53	-1.03	-0.53	0.51	1.81	-0.21	0.83	2.60	-0.82	1.83	2.50
Feb	0.95	0.94	1.96	0.56	0.34	-0.14	-1.09	-0.59	0.47	-0.15	0.90	0.81	0.41	1.62	-0.80	2.20
Mar	0.44	1.51	3.31	0.67	0.26	0.34	0.01	-0.40	0.66	0.25	1.70	0.42	-0.08	2.23	-0.88	3.72
Apr	1.68	1.95	2.45	1.80	0.77	0.10	0.86	1.30	0.89	1.27	2.33	0.43	1.28	1.76	-2.04	-0.36
May	1.31	1.15	-0.96	2.15	-0.43	-0.08	1.10	0.55	-0.20	1.28	1.43	-0.15	2.02	1.47	-2.08	
Jun	1.23	0.17	0.57	-0.05	1.00	1.37	1.18	1.38	-0.46	1.48	0.33	-0.08	2.46	0.25	-0.32	
C. SENSITIVE PRICE INDEX (S.P.I.)						Base Year 2007-08=100								Base Year 2015-16=100		
Jul	-	2.77	2.26	2.38	0.51	2.27	1.95	0.34	1.32	-0.45	1.17		0.00	1.39	1.03	3.03
Aug	2.38	2.28	2.26	0.83	1.29	1.54	0.83	-0.19	0.23	0.54	0.22	-0.25	1.06	-0.20	2.72	0.92
Sep	0.39	0.66	5.11	1.34	1.25	0.06	0.24	0.46	0.11	2.13	-0.06	0.21	2.06	-0.42	1.87	2.09
Oct	1.82	0.20	1.76	0.76	-0.45	1.17	-0.03	1.18	0.67	0.86	1.15	0.49	0.94	2.27	2.66	3.36
Nov	-0.69	1.97	3.40	0.74	0.03	3.22	-1.13	1.00	0.33	0.34	0.26	0.68	0.20	-0.69	3.71	1.10
Dec	-1.19	-0.18	-1.27	-2.01	0.05	-2.54	-1.52	-0.71	-0.78	-0.67	0.02	-1.25	-0.88	-0.25	-1.97	-2.71
Jan	-2.38	3.28	0.07	1.00	1.92	-2.54	-0.87	-0.67	-0.80	-1.04	0.61	-1.00	-1.52	0.36	0.45	-0.82
Feb	1.03	0.45	-1.33	-0.12	0.07	-0.09	-0.99	-0.52	0.21	-1.21	1.48	0.42	-1.16	2.45	-0.79	3.14
Mar	0.80	1.14	0.66	1.49	0.78	2.15	0.00	-0.15	1.79	-0.60	1.56	2.75	-0.91	2.13	-0.31	5.70
Apr	0.89	0.77	0.31	1.67	-0.29	0.07	0.39	-0.12	-0.91	0.45	0.89	-0.69	0.86	0.48	-1.77	0.41
May	1.43	-0.24	-0.66	-0.14	0.07	-1.51	1.31	-0.96	-0.89	-0.15	1.24	-0.38	0.71	0.58	2.15	
Jun	1.41	0.56	-0.08	1.39	2.45	1.11	0.99	1.12	0.14	1.78	1.57	0.00	1.45	0.90	1.37	

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	All Income Groups	Upto Rs 3000	Rs 3001 to 5000	Rs 5001 to 12000	Above Rs 12,000	
	Base Year 2000-01 = 100					
2000-01	100.00	100.00	100.00	100.00	100.00	
2001-02	103.54	102.97	104.88	103.44	103.64	
2002-03	106.75	105.95	106.70	106.68	106.83	
2003-04	111.63	111.61	112.18	111.72	111.39	
2004-05	121.98	123.01	123.16	122.26	121.35	
2005-06	131.64	132.47	132.44	131.51	131.45	
2006-07	141.87	143.52	143.42	142.05	141.19	
2007-08	158.90	163.98	163.64	160.24	156.32	
2008-09	191.90	200.20	199.83	194.91	186.86	
2009-10	214.41	224.33	223.81	218.07	208.34	
2010-11	244.26	258.35	257.12	249.10	236.38	
	Spliced with Base Year 2007-08 = 100					
Income Group/ Fiscal Year	**All Income Groups**	**Upto Rs 8000**	**Rs 8001 to 12000**	**Rs 12000 to 18000**	**Rs 18001 to 35000**	**Above Rs 35,000**
2008-09	117.03	117.95	117.77	118.11	117.61	116.83
2009-10	128.85	130.39	130.19	130.61	129.77	128.25
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
	Base Year 2015-16=100					
	Urban					
Consumption Group/ Fiscal Year	**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
Jul-April						
2019-20	129.70	126.54	127.12	128.93	128.96	131.34
2020-21	141.05	142.35	141.44	141.19	140.43	140.85
	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
July-April						
2019-20	128.97	128.69	128.56	128.41	128.42	130.30
2020-21	141.85	143.98	142.77	141.69	140.82	141.24

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			Wholesale Price Index	Sensitive Price Indicator	Annual GDP Deflator
	National	Urban	Rural			
	Base Year 2000-01 = 100					
1990-91	12.66	-	-	11.73	12.59	-
1991-92	10.58	-	-	9.84	10.54	10.07
1992-93	9.83	-	-	7.36	10.71	8.89
1993-94	11.27	-	-	16.40	11.79	12.47
1994-95	13.02	-	-	16.00	15.01	13.78
1995-96	10.79	-	-	11.10	10.71	8.28
1996-97	11.80	-	-	13.01	12.45	14.63
1997-98	7.81	-	-	6.58	7.35	6.55
1998-99	5.74	-	-	6.35	6.44	5.85
1999-00	3.58	-	-	1.77	1.83	2.78
2000-01	4.41	-	-	6.21	4.84	6.72
2001-02	3.54	-	-	2.08	3.37	2.49
2002-03	3.10	-	-	5.57	3.58	4.42
2003-04	4.57	-	-	7.91	6.83	7.74
2004-05	9.28	-	-	6.75	11.55	7.02
2005-06	7.92	-	-	10.10	7.02	10.49
2006-07	7.77	-	-	6.94	10.82	7.28
2007-08	12.00	-	-	16.64	16.81	12.91
2008-09	20.77	-	-	18.19	23.41	20.68
2009-10	11.73	-	-	12.63	13.32	10.75
2010-11	13.92	-	-	23.32	18.18	19.54
	(Base Year : 2007-08 = 100)					
2008-09	17.03	-	-	18.93	21.14	20.68
2009-10	10.10	-	-	13.85	12.93	10.75
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	0.45
2016-17	4.16	-	-	4.04	1.57	3.97
2017-18	3.92	-	-	3.50	0.88	2.36
2018-19	7.34	-	-	11.97	5.15	8.60
	(Base Year : 2015-16 = 100)					
2016-17	4.81	4.83	4.77	4.48	7.62	3.97
2017-18	4.68	5.10	4.08	5.27	2.47	2.36
2018-19	6.80	7.09	6.34	15.99	5.11	8.60
2019-20	10.74	10.17	11.62	10.24	13.74	10.14
July-April						
2019-20	11.22	10.73	11.98	12.15	14.26	10.14
2020-21	8.62	7.72	9.99	7.36	12.86	9.76

Source: Pakistan Bureau of Statistics

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 2000-01 = 100						
2000-01	8.67	9.80	15.35	30.30	29.52	56.01	50.65	109.38	26.35	9.74	10.72	17.24
2001-02	8.29	9.67	15.49	34.36	34.89	55.19	52.04	111.53	28.57	11.43	9.59	17.12
2002-03	8.73	10.14	18.07	30.46	31.13	61.21	54.01	124.95	30.69	9.43	8.70	13.30
2003-04	10.25	11.71	19.04	27.98	24.17	75.45	57.50	154.31	30.03	8.58	11.09	19.10
2004-05	11.68	13.28	20.19	31.66	29.35	94.83	66.43	185.19	37.45	14.94	13.82	25.03
2005-06	11.55	13.06	20.16	47.28	31.12	106.84	66.08	202.10	35.07	18.18	12.05	19.48
2006-07	11.96	13.64	23.11	56.53	41.38	117.87	74.16	224.07	38.31	17.22	20.95	27.43
2007-08	16.44	18.07	37.77	52.67	44.78	123.30	83.39	236.49	49.45	15.22	16.28	28.50
2008-09	23.87	25.64	47.12	50.10	57.15	143.82	103.12	262.03	58.80	20.35	25.77	29.67
2009-10	25.40	28.77	43.92	78.02	53.34	174.49	126.22	316.52	65.67	23.74	25.56	27.72
2010-11	25.79	29.56	50.32	136.49	70.25	215.42	130.98	411.48	72.78	27.59	33.27	44.86
						(Base Year : 2007-08 = 100)						
2008-09	24.07	25.53	47.12	50.10	57.15	143.82	103.13	262.03	58.80	20.36	25.77	29.70
2009-10	25.51	28.73	43.92	78.02	53.34	174.49	126.22	316.52	65.67	23.74	25.56	27.72
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
July-April												
2019-20	-	888.86	81.38	202.09	141.69	427.06	163.49	887.31	107.13	42.32	65.50	64.31
2020-21	-	987.54	89.91	233.85	142.91	474.40	199.51	988.38	154.08	54.67	46.18	70.07

(Contd.)

Note: i) On the adoption of each new base year the data for the common periods may not be matched

ii) In the new base year 2015-16, dissemination of prices started w.e.f July, 2019

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) 250 grams
				Base Year 2000-01 = 100				
2000-01	56.92	44.82	3.43	66.75	27.11	26.31	18.23	53.73
2001-02	59.01	49.20	3.19	78.34	22.87	23.12	17.92	57.00
2002-03	60.80	55.25	3.21	75.87	20.77	20.45	18.35	61.50
2003-04	63.51	59.84	3.22	73.80	19.01	19.79	19.21	64.68
2004-05	65.63	59.60	3.50	76.64	23.45	23.98	21.28	61.99
2005-06	66.70	58.95	3.94	70.79	31.16	35.90	23.90	62.62
2006-07	76.71	70.81	4.68	94.66	31.85	39.26	26.72	68.39
2007-08	119.71	108.43	5.12	147.84	27.92	32.87	30.45	68.28
2008-09	142.25	110.63	6.08	145.32	38.72	43.65	36.62	97.94
2009-10	133.56	112.04	6.69	152.38	57.11	70.74	42.32	120.77
2010-11	156.56	150.31	7.23	230.27	72.72	83.86	50.10	139.17
				(Base Year : 2007-08 = 100)				
2008-09	142.25	110.62	6.09	145.32	38.72	43.65	36.62	88.89
2009-10	133.55	112.04	6.69	152.38	57.11	70.74	42.32	108.98
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
July-April								
2019-20	206.49	221.63	29.86	152.03	75.72	113.70	92.85	224.79
2020-21	246.75	263.58	30.01	307.51	93.50	128.39	104.41	230.20

(Contd.)

*: Tea packet prices in Bases year 2007-08=100 is quoted of 200 grams packet price.
*: Tea packet prices in Bases year 2015-16=100 is quoted of 190 grams packet price.
In the new base year 2015-16, prices are disseminated of prices started w.e.f July, 2019.

TABLE 7.4 (B)

AVERAGE RETAIL PRICES OF ESSENTIAL ITEMS

(Rs/unit)

Fiscal Year	Cigarettes Pkt	Coarse Latha Mtr.	Voil Printed 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 2000-01 = 100				
2000-01	5.01	24.11	33.04	399.00	104.04	0.50	6.90	9.50
2001-02	5.82	26.81	33.30	399.00	99.30	0.51	7.37	10.02
2002-03	6.06	26.84	33.74	428.17	104.20	0.51	7.48	11.00
2003-04	6.08	28.80	34.52	499.00	118.40	0.51	7.48	10.82
2004-05	6.90	32.08	36.13	492.33	135.96	0.53	7.47	14.00
2005-06	7.23	34.26	36.74	399.00	166.03	0.62	7.73	13.93
2006-07	7.98	35.05	37.90	429.00	191.72	0.71	8.13	14.18
2007-08	8.38	39.04	40.29	499.00	220.74	0.92	9.78	17.38
2008-09	9.11	44.69	46.02	499.00	264.12	1.00	12.51	21.59
2009-10	11.55	47.25	48.91	499.00	296.64	1.00	12.87	22.00
2010-11	13.72	57.52	56.67	499.00	354.29	1.00	15.14	25.47
				(Base Year : 2007-08 = 100)				
2008-09	18.19	135.35	59.29	499.00	264.12	1.00	12.51	21.59
2009-10	23.11	135.69	63.31	499.00	296.64	1.00	12.87	22.00
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
July-April								
2019-20	81.05	303.02	145.68	899.00	663.81	2.49	44.51	44.48
2020-21	83.41	355.22	164.46	980.12	713.54	3.06	52.85	46.52

(Contd.)

Note: Prices of Long Cloth and Georgerette have been quoted in base year 2007-08 and 2015-16 instead of prices of Coarse Latha and Voil Printed in previous base year.
In the new base year 2015-16, dissemination of prices started w.e.f July, 2019.

TABLE 7.4 (C)

AVERAGE RETAIL PRICES OF ESSENTIAL ITEMS

(Rs/unit)

Fiscal Year	Electric Bulb (60-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 2000-01 = 100				
2000-01	14.10	18.53	11.87	11.56	36.97	48.38	28.07	155.64	153.43
2001-02	14.00	18.58	12.42	11.51	38.41	44.25	39.93	170.97	169.24
2002-03	13.30	18.88	13.09	12.23	38.41	37.56	34.11	199.68	196.77
2003-04	12.69	20.95	13.86	13.06	35.40	35.57	32.82	203.98	200.28
2004-05	12.07	24.21	14.71	15.41	43.11	38.52	44.22	204.99	204.15
2005-06	11.43	26.07	15.65	16.05	45.01	52.91	58.09	204.41	203.63
2006-07	11.95	29.80	17.84	17.59	44.54	70.51	61.81	224.48	224.06
2007-08	12.68	33.26	20.46	29.32	71.41	71.36	46.18	316.32	312.97
2008-09	14.83	40.18	25.59	39.35	122.16	77.31	41.64	371.38	356.44
2009-10	19.79	44.82	28.07	34.43	121.92	129.88	131.52	359.05	356.58
2010-11	24.07	52.88	33.65	38.87	117.72	163.16	198.92	435.88	435.98
					(Base Year : 2007-08 = 100)				
2008-09	112.96	40.18	25.59	39.35	122.16	77.31	41.68	371.38	356.44
2009-10	118.78	44.82	28.07	34.43	121.92	129.88	131.52	359.05	356.58
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
July-April									
2019-20	184.80	132.89	68.22	61.57	137.12	204.25	286.08	1184.19	575.85
2020-21	199.13	147.30	74.97	70.80	156.23	249.25	225.25	1343.50	674.86

(Contd.)

Note: Prices of Energy Saver (14-volts) have been quoted in new base year 2007-08 and 2015-16 instead of Electric Bulb (60 volts) prices in previous base year.
* : The unit of cooking oil Dalda has changed from 2.5 Ltr. to 5 Ltr. in base year 2015-16
In the new base year 2015-16, dissemination of prices started w.e.f July, 2019.

TABLE 7.4 (D)

AVERAGE RETAIL PRICES OF ESSENTIAL ITEMS

(Rs/Unit)

Fiscal Year	Curd Kg	Tea Prepared Cup	Banana Doz.	Lawn Hussain Mtr.	Shirting Hussain Mtr.	Shoes Lady Bata	Chappal Gents Spang	Bread Plain M.Size	Milk Powder Nido 500 grams
				Base Year 2000-01 = 100					
2000-01	22.43	4.03	22.11	77.77	59.10	319.00	79.00	11.17	114.03
2001-02	21.90	4.18	22.14	70.79	55.17	319.00	79.00	11.14	116.00
2002-03	23.35	4.46	21.96	69.92	55.59	342.23	79.00	11.16	88.00
2003-04	23.33	4.72	23.01	69.96	56.78	364.00	79.00	11.77	94.75
2004-05	25.75	5.12	25.11	72.61	59.94	252.33	86.53	13.25	102.62
2005-06	28.38	5.77	28.18	76.42	62.36	299.00	89.00	14.23	108.50
2006-07	31.34	6.31	32.51	79.69	65.45	299.00	92.00	15.34	121.47
2007-08	35.76	6.91	35.43	83.45	71.01	299.00	101.50	18.43	145.93
2008-09	43.38	8.41	39.62	91.00	78.38	372.33	127.33	24.17	168.48
2009-10	49.74	10.07	40.94	96.46	81.55	379.00	129.00	26.42	183.31
2010-11	58.41	12.66	49.15	110.53	88.80	397.33	138.17	28.24	204.38
				(Base Year : 2007-08 = 100)					
2008-09	43.38	8.41	39.62	126.32	78.38	372.33	129.00	24.17	168.48
2009-10	49.74	10.07	40.94	137.48	81.55	379.00	129.00	26.42	183.31
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
July-April									
2019-20	107.79	25.68	73.59	353.94	199.64	599.00	199.00	47.36	445.68
2020-21	120.53	28.18	79.15	384.70	230.75	599.00	212.84	54.92	476.15

(Contd.)

* : The unit has changed from 500 gms to 400 gms in base year 2000-01
* : The unit has changed from 500 gms to 390 gms in base year 2015-16
In the new base year 2015-16, dissemination of prices started w.e.f July, 2019.

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 2000-01 = 100		
2000-01	16.84	248.55	1.46	29.34	2.22
2001-02	18.58	259.26	2.18	31.60	2.31
2002-03	22.48	259.35	2.45	33.08	2.31
2003-04	24.95	79.45	2.54	33.69	2.31
2004-05	29.11	84.60	2.47	40.74	2.31
2005-06	36.19	88.92	2.14	55.12	2.31
2006-07	39.09	99.79	2.49	56.00	2.31
2007-08	43.44	97.17	2.76	57.83	2.31
2008-09	66.79	96.91	3.18	67.68	2.38
2009-10	72.65	106.81	3.64	67.56	2.62
2010-11	84.88	115.40	4.32	75.70	3.59
			(Base Year : 2007-08 = 100)		
2008-09	66.79	94.57	1.40	67.68	2.38
2009-10	72.65	103.87	1.53	67.56	2.62
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
July-April					
2019-20	-	141.57	3.93	113.10	1.55
2020-21	-	141.57	4.39	106.53	1.56

-: Not available

Source: Pakistan Bureau of Statistics

*: The unit has been changed form 100 CM to 100 CF in base year 2000-01.
In the new base year 2015-16, prices are disseminated w.e.f July, 2019.

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 Fuels
	(Base Year 2000-01 = 100)										
2000-01	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
2001-02	96.10	109.64	84.23	82.36	114.12	99.28	102.04	107.57	99.79	91.31	102.90
2002-03	101.12	126.09	71.40	75.32	130.34	96.93	111.10	101.65	100.50	110.46	106.80
2003-04	191.89	138.50	74.17	67.72	141.44	96.94	137.55	116.00	105.41	144.44	111.03
2004-05	137.24	153.40	95.52	85.18	137.41	93.78	169.19	144.06	113.43	95.23	134.78
2005-06	135.61	154.78	127.43	120.70	136.94	93.99	185.95	160.14	122.83	103.91	181.46
2006-07	139.21	175.54	147.79	118.80	164.73	100.48	201.01	161.14	133.31	110.92	181.38
2007-08	190.75	285.63	139.22	98.78	249.36	100.92	207.99	163.85	154.42	136.71	192.88
2008-09	277.87	356.43	181.83	142.52	254.49	134.83	242.43	204.04	184.75	153.12	216.16
2009-10	300.58	317.20	215.86	209.50	262.63	160.82	292.57	267.37	206.54	203.26	219.11
2010-11	301.21	365.48	242.04	267.79	354.09	179.71	370.99	370.80	242.21	386.09	244.87
	(Base Year : 2007-08 = 100)										
2008-09	148.02	125.90	126.16	142.39	97.19	129.05	115.53	132.22	119.35	121.12	113.68
2009-10	157.54	111.40	144.32	209.80	94.75	151.22	139.74	151.74	135.32	144.08	119.93
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
July-April											
2019-20	118.58	144.06	-	121.70	136.74	126.08	137.41	112.91	124.50	126.00	158.72
2020-21	159.92	165.39	-	149.19	162.54	129.68	159.73	115.03	140.64	138.32	147.57

-: Not available (Contd.)

Note: In the base year 2007-08 and 2015-16 prices of Motor Spirit has been quoted instead of Motor Fuel prices in previous base year 2000-01.
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	Other Oils	Fire Wood	Cotton Yarn	Matches	Soaps	Ferti-lizers	Trans-port	Leather	Timber	Cement
					Base Year 2000-01 = 100					
2000-01	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
2001-02	103.59	101.33	95.35	100.55	103.89	102.26	106.66	100.00	101.45	100.42
2002-03	128.10	103.94	98.06	100.55	109.00	113.59	106.82	95.23	101.25	102.77
2003-04	139.86	115.41	121.03	105.61	110.68	123.64	108.70	93.64	121.75	102.45
2004-05	169.56	127.94	106.36	107.66	122.81	140.95	110.39	102.77	140.93	104.82
2005-06	227.55	152.23	108.07	107.67	122.05	156.16	111.71	110.65	142.05	122.67
2006-07	237.63	176.28	112.66	107.67	127.73	147.70	114.94	111.86	162.09	127.42
2007-08	264.00	205.70	112.15	111.86	147.59	215.18	114.99	121.84	170.93	111.61
2008-09	372.04	247.76	104.21	124.26	176.29	310.97	123.95	129.83	201.11	139.83
2009-10	434.55	273.93	138.40	124.26	182.99	296.52	128.03	134.14	210.60	129.35
2010-11	511.36	322.67	222.84	131.38	203.92	357.86	159.78	216.90	227.95	132.15
					(Base Year : 2007-08 = 100)					
2008-09	126.68	118.08	106.00	122.07	111.35	147.58	109.26	103.63	114.01	129.08
2009-10	122.94	129.86	150.86	108.52	117.69	143.70	113.20	104.89	118.75	117.30
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	131.64	111.12	164.90	1164.79	110.25	101.84	-	106.04	111.87	113.42
July-April										
2019-20	187.55	110.16	164.92	1163.56	109.96	103.28	-	112.60	111.86	113.08
2020-21	138.56	123.72	174.27	1172.22	112.47	100.18	-	119.26	151.59	121.65

-: Not available

Source: Pakistan Bureau of Statistics

Note: In the base year 2007-08 and 2015-16 prices of kerosene Oil has been quoted instead of other oils in previous base year 2000-01 and prices of Motorcyles instead of transport.

TABLE 8.1

SUMMARY BALANCE OF PAYMENTS AS PER BPM6

US $ million

ITEM	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 R	2020-21 P (July-March)
Current Account Balance	-2,496	-3,130	-2,815	-4,961	-12,270	-19,195	-13,434	-4,449	959
Current Account Balance without off. transfers	-2,898	-3,464	-3,141	-5,546	-12,844	-20,165	-14,177	-4,898	737
Exports of Goods FOB	24,802	25,078	24,090	21,972	22,003	24,768	24,257	22,536	18,700
Imports of Goods FOB	40,157	41,668	41,357	41,118	48,001	55,671	51,869	43,645	37,357
Balance on Trade in Goods	-15,355	-16,590	-17,267	-19,146	-25,998	-30,903	-27,612	-21,109	-18,657
Exports of Services	6,724	5,345	5,872	5,456	5,915	5,851	5,966	5,437	4,372
Imports of Services	8,288	7,995	8,848	9,002	10,576	12,277	10,936	8,753	5,734
of which									
Transportation	3,297	3,874	4,160	3,272	3,808	3,956	3,639	3,036	2,031
Travel	1,233	1,073	1,518	1,839	2,000	2,289	1,709	1,229	605
Balance on Trade in Services	-1,564	-2,650	-2,976	-3,546	-4,661	-6,426	-4,970	-3,316	-1,362
Balance on Trade in Goods and Services	-16,919	-19,240	-20,243	-22,692	-30,659	-37,329	-32,582	-24,425	-20,019
Primary Income credit	488	508	644	610	696	726	578	479	412
Primary Income debit	4,157	4,463	5,243	5,955	5,710	6,163	6,188	5,938	4,006
of which: Interest Payments[#]	1,217	1,323	1,605	1,733	1,993	2,600	3,066	3,109	1,871
Balance on Primary Income	-3,669	-3,955	-4,599	-5,345	-5,014	-5,437	-5,610	-5,459	-3,594
Balance on Goods, Services and Primary Income	-20,588	-23,195	-24,842	-28,037	-35,673	-42,766	-38,192	-29,884	-23,613
Secondary Income credit	18,183	20,222	22,291	23,204	23,604	23,800	24,990	25,802	24,793
of which: Workers' Remittances	13,922	15,837	18,721	19,917	19,351	19,914	21,740	23,131	21,468
Secondary Income debit	91	157	264	128	201	229	232	367	221
Balance on secondary Income	18,092	20,065	22,027	23,076	23,403	23,571	24,758	25,435	24,572
Capital Account Balance	264	1,857	375	273	375	376	229	285	183
Capital Account credit	266	1,857	375	279	375	376	229	288	183
Capital Account debit	2	0	0	6	0	0	0	3	0
Net lending (+) / Net borrowing (–) (Current and Capital Accounts)	-2,232	-1,273	-2,440	-4,688	-11,895	-18,819	-13,205	-4,164	1,142
Financial Account	-549	-5,553	-5,119	-6,878	-9,855	-13,611	-11,759	-9,313	-1,364
Direct investment	-1,258	-1,572	-960	-2,374	-2,320	-2,772	-1,436	-2,652	-1,340
Direct Investment Abroad	198	128	73	19	86	10	-74	-54	56
Direct Investment in Pakistan	1,456	1,700	1,033	2,393	2,406	2,782	1,362	2,598	1,396
Portfolio investment	-26	-2,762	-1,886	429	250	-2,257	1,274	409	291
Portfolio Investment Abroad	99	-23	-44	100	-1	-48	-144	-115	24
Portfolio Investment in Pakistan	125	2,739	1,842	-329	-251	2,209	-1,418	-524	-267
Financial Derivatives (other than reserves) and ESOs*	0	2	-2	0	0	0	0	-8	2
Other Investment	735	-1,221	-2,271	-4,933	-7,785	-8,582	-11,597	-7,062	-317
Net Acquisition of Financial Assets	314	-211	-71	96	1,180	273	-67	-127	1,297
Net Incurrence of Liabilities	-421	1,010	2,200	5,029	8,965	8,855	11,530	6,935	1,614
of which									
General Government	248	1,610	1,400	3,445	5,040	4,894	4,294	5,919	3,744
Disbursements	2,530	4,349	4,243	6,159	9,414	8,507	8,255	13,181	6,722
Credit and Loans with the IMF (Other than Reserves)[@]	0	0	0	0	0	0	0	2,834	499
Other Long Term	2,274	3,617	3,088	4,498	8,251	6,782	6,610	8,736	5,382
Short Term	256	732	1,155	1,661	1,163	1,725	1,645	1,611	841
Amortization	2,282	2,734	2,841	2,714	4,374	4,107	5,982	7,299	4,369
Credit and Loans with the IMF (Other than Reserves)[@]	361	900	563	53	0	0	0	0	0
Other Long Term	1,530	1,834	1,696	1,927	2,981	2,619	4,444	6,117	3,624
Short Term	391	0	582	734	1,393	1,488	1,538	1,182	745
Other Liabilities (Net)	0	-5	-2	0	0	494	2,021	37	1,391
Net Errors and Omissions	-309	-422	-33	462	94	-933	-58	150	-969
Overall Balance	1,992	-3,858	-2,646	-2,652	1,946	6,141	1,504	-5,299	-1,537
Reserves and Related Items	-1,992	3,858	2,646	2,652	-1,946	-6,141	-1,504	5,299	1,537
Use of Fund Credit and Loans	-2,538	-573	1,949	2,009	102	-86	-376	-745	-779
Exceptional Financing	0	0	0	0	0	0	0	0	0
SBP Gross Reserves	7,197	10,509	14,836	19,446	17,550	11,341	9,301	13,724	14,906

P: Provisional; R: Revised

Source: State Bank of Pakistan

* : Employee Stock Options

: Revised from 2011-12 onwards

@ : newly added in this table

TABLE 8.2

COMPONENTS OF BALANCE OF PAYMENTS (AS PERCENT OF GDP)

Year	Exports *	Imports *	Trade Deficit *	Worker's Remittances #	Current Account Balance #
2000-01	12.9	15.1	2.1	1.5	-0.7
2001-02	12.8	14.4	1.7	3.3	1.9
2002-03	13.5	14.8	1.3	5.1	4.9
2003-04	12.6	15.9	3.3	3.9	1.8
2004-05	13.0	18.6	5.6	3.8	-1.4
2005-06**	12.0	20.9	8.9	3.4	-4.1
2006-07	11.1	20.0	8.9	3.6	-4.8
2007-08	11.2	23.5	12.3	3.8	-8.2
2008-09	10.5	20.7	10.2	4.6	-5.5
2009-10	10.9	19.6	8.7	5.0	-2.2
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	7.5	16.0	8.6	7.1	-1.7
2016-17	6.7	17.4	10.7	6.3	-4.0
2017-18	7.4	19.3	11.9	6.3	-6.1
2018-19 @	8.2	19.6	11.4	7.8	-4.8
2019-20	8.1	16.9	8.8	8.8	-1.7
July-March					
2019-20 (P)@	6.6	13.2	6.6	6.5	-1.6
2020-21	6.3	13.2	7.0	7.2	0.3

P : Provisional

Source: PBS, SBP & EAWing, Finance Division

* : Based on the data compiled t by PBS

**: Based on revised GDP base year since 2005-06 onwards

: MoF Calculation based on data compiled by SBP

@: Based on average exhcnage rate FY2019 = 136.09, FY2020 = 158.03, FY2021= 159.75 as ginven by PBS in National Accounts

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
2000-01	539,070	627,000	-87,930	21.50	17.46	-2.42	9,202	10,729	-1,527	7.39	4.07	-12.24
2001-02	560,947	634,630	-73,683	4.06	1.22	-16.20	9,135	10,340	-1,205	-0.73	-3.63	-21.09
2002-03	652,294	714,372	-62,078	16.28	12.57	-15.75	11,160	12,220	-1,060	22.17	18.18	-12.03
2003-04	709,036	897,825	-188,789	8.70	25.68	204.12	12,313	15,592	-3,279	10.33	27.59	209.34
2004-05	854,088	1,223,079	-368,991	20.46	36.23	95.45	14,391	20,598	-6,207	16.88	32.11	89.30
2005-06	984,841	1,711,158	-726,317	15.31	39.91	96.84	16,451	28,581	-12,130	14.31	38.76	95.42
2006-07	1,029,312	1,851,806	-822,494	4.52	8.22	13.24	16,976	30,540	-13,564	3.19	6.85	11.82
2007-08	1,196,638	2,512,072	-1,315,434	16.26	35.66	59.93	19,052	39,966	-20,914	12.23	30.86	54.19
2008-09	1,383,718	2,723,570	-1,339,852	15.63	8.42	1.86	17,688	34,822	-17,134	-7.16	-12.87	-18.07
2009-10	1,617,458	2,910,975	-1,293,517	16.89	6.88	-3.46	19,290	34,710	-15,420	9.06	-0.32	-10.00
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	2,110,605	4,009,093	-1,898,488	-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
July- March												
2019-20	2,725,210	5,434,524	-2,709,314	20.39	1.18	12.81	17,443	34,791	-17,348	2.18	-14.47	-26.52
2020-21 P	3,020,281	6,377,205	-3,356,924	10.83	17.35	23.90	18,687	39,496	-20,809	7.13	13.52	19.95

P : Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.4

UNIT VALUE INDICES & TERMS OF TRADE (T.O.T) (1990-91 = 100)

Groups	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
All Groups											
Exports	271.47	271.18	254.02	279.65	288.84	299.31	310.03	350.40	450.40	478.07	593.19
Imports	298.44	298.56	309.52	355.43	392.45	460.38	495.33	632.30	790.82	839.60	1013.10
T.O.T.	90.96	90.83	82.07	78.68	73.60	65.01	62.59	55.42	56.95	56.94	58.55
Food & Live Animals											
Exports	249.32	260.55	258.11	267.55	303.93	327.47	350.75	496.58	758.42	693.35	747.72
Imports	278.82	277.41	259.76	282.18	314.36	323.95	431.20	551.25	622.23	689.76	743.82
T.O.T.	89.42	93.92	99.36	94.82	96.68	101.09	81.34	90.08	121.89	100.52	100.52
Beverages & Tobacco											
Exports	171.44	169.82	146.52	175.33	162.96	191.13	208.44	202.67	431.15	629.08	804.61
Imports	698.92	790.14	598.00	521.88	561.23	621.67	675.14	635.41	884.26	961.43	1060.35
T.O.T.	24.53	21.49	24.50	33.60	29.04	30.74	30.87	31.02	48.76	65.43	75.88
Crude Materials (inedible except fuels)											
Exports	192.12	158.90	171.58	218.86	195.64	209.97	225.52	328.53	494.08	573.05	647.55
Imports	218.95	228.14	232.37	245.01	293.06	329.71	350.19	445.35	613.16	677.43	803.59
T.O.T.	87.75	69.65	73.84	89.33	66.76	63.68	64.40	73.77	80.58	84.59	80.58
Minerals, Fuels & Lubricants											
Exports	373.65	314.40	365.14	416.09	525.75	644.33	733.54	979.83	840.28	1115.54	1333.56
Imports	276.87	249.66	297.20	306.38	389.16	615.00	632.08	877.47	982.09	975.40	1255.86
T.O.T.	134.96	125.93	122.86	135.81	135.10	104.77	116.05	111.67	85.56	114.37	106.19
Chemicals											
Exports	282.36	281.54	270.05	265.61	277.23	312.89	362.50	397.29	480.24	534.75	620.91
Imports	228.06	239.29	245.60	313.15	334.10	372.17	392.87	471.77	659.24	725.54	796.89
T.O.T.	123.81	117.66	109.96	84.82	82.98	84.07	92.27	84.21	72.85	73.70	77.92
Animal & Vegetable Oils, Fats & Waxes											
Exports	-	-	-	-	-	-	-	-	-	-	-
Imports	195.10	224.82	300.36	347.94	358.48	341.40	406.00	647.28	793.22	881.02	1005.72
T.O.T.	-	-	-	-	-	-	-	-	-	-	-
Manufactured Goods											
Exports	279.04	281.83	248.93	274.02	284.72	289.58	300.76	318.97	387.90	411.00	559.56
Imports	251.50	244.97	240.82	287.80	301.00	340.71	375.06	427.60	559.24	612.77	747.32
T.O.T.	110.95	115.05	103.37	95.21	94.59	84.99	80.19	74.60	69.36	67.07	74.88
Machinery & Transport Equipment											
Exports	453.20	579.13	572.31	396.09	342.97	414.01	430.91	518.62	806.33	988.72	1286.13
Imports	470.20	481.18	450.67	537.55	561.15	538.14	580.85	639.86	897.86	965.15	1183.62
T.O.T.	96.38	120.36	126.99	73.68	61.12	76.93	74.19	81.05	89.81	102.44	108.66
Miscellaneous Manufactured Articles											
Exports	292.47	298.40	294.67	318.55	324.17	342.71	340.99	351.77	442.64	498.40	558.25
Imports	323.02	320.35	299.60	333.22	343.13	414.94	418.65	605.24	763.29	964.44	1174.99
T.O.T.	90.54	93.15	98.35	95.60	94.47	82.59	81.45	58.12	57.99	51.68	47.61

- : Not available

(Contd...)

TABLE 8.4

UNIT VALUE INDICES & TERMS OF TRADE (T.O.T) (1990-91 = 100)

Groups	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	July-March	
										2019-20	2020-21 P
All Groups											
Exports	679.44	715.45	752.86	759.21	705.02	701.43	735.50	794.77	841.44	845.05	903.29
Imports	1,233.49	1,329.56	1,387.15	1,394.75	1,215.80	1,199.54	1,261.25	1342.30	1369.71	1375.49	1405.43
T.O.T.	55.08	53.81	54.27	54.43	57.99	58.47	58.32	59.21	61.43	61.44	64.27
Food & Live Animals											
Exports	800.09	884.48	954.07	1,057.47	944.46	923.60	1,134.29	1229.51	1280.54	1293.76	1364.30
Imports	791.79	802.28	838.74	891.28	839.11	829.56	943.23	908.93	1172.18	1156.72	1191.26
T.O.T.	101.05	110.25	113.75	118.65	112.55	111.34	120.26	135.27	109.24	111.85	114.53
Beverages & Tobacco											
Exports	935.29	1,052.54	1,127.89	1,148.80	1,217.42	1,225.01	1,061.25	860.48	830.28	836.30	767.05
Imports	1,230.10	1,339.47	1,446.20	1,620.65	1,700.77	1,762.07	1,656.22	1325.61	1287.99	1312.44	1512.52
T.O.T.	76.03	78.58	77.99	70.89	71.58	69.52	64.08	64.91	64.46	63.72	50.71
Crude Materials (inedible except fuels)											
Exports	848.74	958.74	1,009.57	999.87	920.79	888.69	1,043.30	1119.52	1327.78	1316.00	1236.73
Imports	881.00	995.65	1,046.35	1,048.08	1,031.47	1,019.86	1,020.56	1102.13	1228.58	1194.11	1251.10
T.O.T.	96.34	96.29	96.48	95.40	89.27	87.14	102.23	101.58	108.07	110.21	98.85
Minerals, Fuels & Lubricants											
Exports	1,500.63	1,615.08	1,682.81	1,713.20	1,092.25	1,126.22	1,485.92	2016.59	1894.55	2056.53	1556.38
Imports	1,651.93	1,720.77	1,757.91	1,511.85	919.48	811.76	1,030.32	1564.46	1411.00	1578.75	1163.29
T.O.T.	90.84	93.86	95.73	113.32	118.79	138.74	144.22	128.90	134.27	130.26	133.79
Chemicals											
Exports	739.66	876.11	939.50	935.18	1,000.41	1,017.19	1,054.28	1129.18	1252.79	1235.51	1323.72
Imports	897.56	994.50	1,098.60	1,256.50	1,193.67	1,277.08	1,264.05	1335.10	1455.62	1437.15	1425.20
T.O.T.	82.41	88.10	85.52	74.43	83.81	79.65	83.40	84.58	86.07	85.97	92.88
Animal & Vegetable Oils, Fats & Waxes											
Exports	-	-	-	-	-	-	-	-	-	-	-
Imports	1,240.29	1,103.29	1,054.13	1,037.83	1,011.65	1,090.65	1,010.73	995.35	1133.53	1088.22	1412.22
T.O.T.	-	-	-	-	-	-	-	-	-	-	-
Manufactured Goods											
Exports	641.15	689.62	698.49	667.05	607.38	595.81	580.96	616.90	647.03	650.15	668.50
Imports	823.33	887.02	899.66	1,026.39	920.53	927.03	939.97	1110.15	1289.64	1299.31	1343.70
T.O.T.	77.87	77.75	77.64	64.99	65.98	64.27	61.81	55.57	50.17	50.04	49.75
Machinery & Transport Equipment											
Exports	1,517.96	1,603.48	1,650.17	1,789.37	1,873.58	1,741.77	1,838.42	1466.32	1129.99	1155.98	1257.17
Imports	1,407.29	1,738.91	1,866.32	1,985.27	1,913.99	1,872.19	1,913.85	1458.64	1387.32	1247.29	1849.58
T.O.T.	107.86	92.21	88.42	90.13	97.89	93.03	96.06	100.53	81.45	92.68	67.97
Miscellaneous Manufactured Articles											
Exports	650.31	657.15	700.75	728.76	774.38	786.63	820.87	887.27	982.56	963.82	1183.38
Imports	1,274.46	1,342.66	1,458.63	1,854.42	2,376.63	2,494.45	2,652.61	2186.14	2019.53	1977.59	1974.33
T.O.T.	51.03	48.94	48.04	39.30	32.58	31.54	30.95	40.59	48.65	48.74	59.94

- : Not available

P : Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.5 A

ECONOMIC CLASSIFICATION OF EXPORTS

Value in Rs million

Year	Primary Commodities		Semi-Manufactured		Manufactured Goods		
	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Total Value *
2000-01	67,783	13	81,288	15	389,999	72	539,070
2001-02	60,346	11	80,438	14	420,163	75	560,947
2002-03	71,194	11	71,323	11	509,777	78	652,294
2003-04	70,716	10	83,361	12	554,959	78	709,036
2004-05	92,018	11	86,483	10	675,586	79	854,088
2005-06	112,268	11	106,029	11	766,543	78	984,841
2006-07	113,954	11	121,930	12	793,428	77	1,029,312
2007-08	171,670	14	127,090	11	897,877	75	1,196,638
2008-09	224,873	16	130,693	10	1,028,151	74	1,383,718
2009-10	287,491	18	170,609	10	1,159,358	72	1,617,458
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
July-March							
2019-20	484,014	18	229,099	8	2,012,097	74	2,725,210
2020-21 P	478,056	16	206,686	7	2,335,538	77	3,020,281

P : Provisional

* : Total may differ due to rounding off figure

Source: Pakistan Bureau of Statistics

TABLE 8.5 B

ECONOMIC CLASSIFICATION OF IMPORTS

Rs million

Year	Capital Goods		Industrial Raw Material For Capital Goods		Industrial Raw Material For Consumer Goods		Consumer Goods		Total
	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Value *
2000-01	157,091	25	34,371	6	345,770	55	89,768	14	627,000
2001-02	176,702	28	39,038	6	346,865	55	72,025	11	634,630
2002-03	220,942	31	41,216	6	380,035	53	72,179	10	714,372
2003-04	316,082	35	57,310	7	441,586	49	82,847	9	897,825
2004-05	441,528	36	101,719	8	557,226	46	122,607	10	1,223,079
2005-06	631,644	37	124,480	7	769,336	45	185,698	11	1,711,158
2006-07	670,539	36	134,519	7	864,736	47	182,011	10	1,851,806
2007-08	731,017	29	202,538	8	1,322,329	53	256,187	10	2,512,072
2008-09	790,327	29	246,600	9	1,337,986	49	348,657	13	2,723,570
2009-10	812,016	28	209,051	7	1,509,081	52	380,827	13	2,910,975
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
July-March									
2019-20	1,508,644	28	583,562	11	2,333,834	43	1,008,484	19	5,434,524
2020-21 P	1,777,354	28	710,207	11	2,675,843	42	1,213,800	19	6,377,205

P : Provisional

Source: Pakistan Bureau of Statistics

* : Total may differ due to rounding off figures

TABLE 8.6

MAJOR IMPORTS

Rs million

Items	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	July-March 2019-20	July-March 2020-21 P
1. Chemicals	435,801	447,521	498,340	532,197	540,558	579,959	719,354	865,613	851,989	630,244	758,406
2. Drugs & medicines	62,268	80,736	81,399	96,183	96,135	102,110	118,122	148,428	157,763	118,324	135,173
3. Dyes and colours	29,129	29,932	38,601	40,221	43,345	47,334	55,255	72,491	65,958	50,329	64,287
4. Chemical Fertilizers	110,626	63,277	73,058	92,641	75,667	67,063	90,879	105,162	89,580	75,389	71,306
5. Electrical goods	72,608	81,728	114,784	122,183	187,163	243,082	236,896	239,618	349,334	272,152	177,690
6. Machinery (non-electrical)	435,139	473,258	551,829	633,733	712,920	996,128	1,045,502	984,410	1,042,935	771,457	985,382
7. Transport equipments	192,247	228,987	219,877	263,622	297,225	332,549	462,630	397,772	229,955	172,966	308,764
8. Paper, board & stationery	38,081	38,970	44,362	56,130	56,930	59,960	69,096	78,298	66,947	52,059	55,649
9. Tea	31,292	35,632	30,827	34,532	53,491	54,839	60,368	77,367	84,354	58,765	70,424
10. Sugar-refined	1,167	501	635	631	645	535	554	534	608	366	20,710
11. Art-silk yarn	52,939	52,328	63,596	69,028	64,612	66,478	72,996	94,611	79,126	67,071	80,711
12. Iron, steel & manu-factures thereof	156,683	193,543	180,530	226,030	261,291	228,719	344,595	401,045	319,554	238,986	289,709
13. Non-ferrous metals	35,370	37,693	44,389	44,709	51,722	55,534	67,736	61,698	49,606	37,089	52,949
14. Petroleum & products	1,361,511	1,447,531	1,527,753	1,195,025	794,698	982,619	1,289,222	1,475,012	1,171,969	1,001,965	885,217
15. Edible oils	216,387	196,776	206,955	186,010	195,200	212,327	238,563	265,430	300,008	222,632	308,488
16. Grains, pulses & flour	48,691	45,239	52,710	71,742	77,525	110,483	72,603	84,754	112,183	74,797	238,955
17. Other imports	729,154	896,228	900,876	979,535	1,149,622	1,340,002	1,750,526	2,091,010	2,057,949	1,589,933	1,873,385
Grand Total	4,009,093	4,349,880	4,630,521	4,644,152	4,658,749	5,479,721	6,694,897	7,443,253	7,029,818	5,434,524	6,377,205

P : Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.7

MAJOR EXPORTS

Rs million

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	July-March	
										2019-20	2020-21 P
1. Rice	184,405	186,304	222,906	206,266	194,246	168,244	224,739	285,031	343,916	249,099	251,312
2. Fish and Fish preparations	28,590	30,755	37,918	35,429	33,918	41,214	49,755	60,405	64,118	49,527	48,945
3. Fruits	32,068	37,772	45,196	44,375	44,607	39,878	43,842	56,272	67,769	59,183	61,037
4. Wheat	11,178	6,064	732	291	17	109	27,109	20,124	1,815	1,815	-
5. Sugar	2,576	51,643	29,638	32,686	13,818	16,867	56,379	31,147	11,063	11,063	-
6. Meat and Meat Preparations	15,522	20,362	23,650	24,657	28,036	23,103	24,920	33,438	48,021	36,379	40,120
7. Raw Cotton	41,393	14,882	21,353	14,931	7,948	4,559	6,184	2,709	2,669	2,669	98
8. Cotton Yarn	162,004	217,123	205,660	187,376	131,700	130,216	151,063	152,726	155,158	128,188	116,119
9. Cotton Fabrics	218,160	260,347	285,130	248,431	230,757	223,675	242,374	285,625	287,877	241,762	229,679
10. Hosiery (Knitwear)	176,682	196,408	235,564	243,719	246,267	247,242	298,374	394,748	440,104	359,419	449,951
11. Bedwear	155,108	172,538	219,962	213,018	210,543	223,812	248,538	307,202	338,750	275,280	332,181
12. Towels	61,326	75,060	78,889	80,778	83,681	83,819	87,633	107,043	111,969	92,560	111,895
13. Readymade Garments	144,269	175,662	196,198	212,210	228,861	242,782	283,498	362,320	401,355	339,017	367,028
14. Art Silk and Synthetic Textiles	48,817	39,369	39,508	33,485	30,005	19,638	34,069	40,433	49,548	40,795	43,470
15. Carpets, Carpeting Rugs & Mats	10,757	11,839	12,935	12,098	10,186	8,219	8,317	9,147	8,516	7,612	8,777
16. Sports Goods excl. Toys	30,240	31,888	37,256	34,294	33,862	32,285	37,710	41,995	41,286	34,802	31,146
17. Leather Excluding Reptile Leather (Tanned)	39,841	48,378	56,496	49,583	37,803	36,180	36,330	34,269	29,001	23,657	18,294
18. Leather Manufactures	46,536	54,000	64,360	60,429	54,788	51,421	57,422	66,146	74,588	62,673	69,302
19. Foot wear	8,860	10,037	12,209	13,304	11,453	10,024	11,913	16,734	19,839	16,311	16,029
20. Medical & Surgical Instruments	27,126	29,316	34,725	34,576	37,408	35,574	41,618	52,970	55,960	47,396	52,483
21. Chemicals and Pharmaceuticals	96,009	84,213	120,391	99,339	83,752	92,176	114,350	154,532	159,377	114,840	136,138
22. Engineering goods	24,726	28,030	33,487	22,675	19,645	18,238	22,882	23,518	27,229	21,931	26,484
23. Jewellery	82,774	112,419	33,844	668	833	610	644	661	506	502	1,060
24. Cement and cement Products	44,619	55,878	52,147	44,943	33,468	24,896	24,420	36,550	40,849	32,804	34,051
25. All other items	417,019	421,592	483,309	447,952	359,244	363,405	420,960	552,485	588,499	475,926	574,682
Total Exports	2,110,605	2,371,879	2,583,463	2,397,513	2,166,846	2,138,186	2,555,043	3,128,230	3,369,782	2,725,210	3,020,281

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.8

DESTINATION OF EXPORTS & ORIGIN OF IMPORTS

% Share

REGION	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
1. Developed Countries											
Exports	58.1	56.1	58.2	55.9	55.9	54.7	54.7	51.0	46.4	43.7	43.3
Imports	34.3	34.4	35.5	38.0	38.0	34.2	33.3	30.2	29.1	26.3	22.7
a. OECD											
Exports	57.6	55.6	57.5	55.2	55.2	53.8	53.8	50.0	45.5	42.8	42.3
Imports	33.7	33.5	34.7	34.7	34.7	32.4	31.5	27.1	27.8	25.3	21.6
b. Other European Countries											
Exports	0.5	0.5	0.7	0.7	0.7	0.9	0.9	1.0	0.9	0.9	1.0
Imports	0.6	0.9	0.8	3.3	3.3	1.8	1.8	3.1	1.3	1.0	0.6
2. CMEA*											
Exports	0.5	0.6	0.7	0.9	0.9	0.9	1.1	1.2	1.2	1.2	1.3
Imports	1.1	0.8	1.2	2.1	2.1	2.2	1.8	1.4	3.1	1.2	1.1
3. Developing Countries											
Exports	41.4	43.3	41.1	43.2	43.2	44.4	44.2	47.8	52.4	55.1	55.4
Imports	64.6	64.8	63.3	59.9	59.9	63.6	64.9	68.4	67.8	72.5	76.7
a. OIC											
Exports	19.2	22.3	20.7	21.9	21.9	23.3	21.6	26.4	30.4	29.1	28.3
Imports	36.0	35.2	33.7	29.2	29.2	33.7	32.0	33.4	33.9	37.4	38.0
b. SAARC											
Exports	2.5	2.4	3.2	4.6	4.6	4.4	4.8	4.4	5.0	5.4	6.5
Imports	2.4	1.9	3.1	3.2	3.2	3.3	4.5	5.0	3.8	3.9	4.7
c. ASEAN											
Exports	2.7	2.9	2.7	2.1	2.1	1.7	1.9	1.7	2.1	2.8	2.3
Imports	11.7	12.2	11.1	10.0	10.0	9.1	9.5	9.9	10.4	11.4	11.9
d. Central America											
Exports	1.0	0.9	0.9	0.9	0.9	0.9	1.1	1.0	1.0	0.9	0.8
Imports	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.2	0.2	0.1
e. South America											
Exports	0.9	0.7	0.8	0.9	0.9	1.0	1.4	1.6	1.4	1.2	1.5
Imports	0.7	0.6	0.6	1.1	1.1	1.4	0.8	1.8	1.2	0.6	1.1
f. Other Asian Countries											
Exports	11.4	9.9	9.4	8.7	8.7	8.9	9.2	8.4	8.5	11.2	11.8
Imports	10.9	12.5	12.3	13.7	13.7	13.7	15.9	15.7	15.2	16.3	17.8
g. Other African Countries											
Exports	3.5	4.0	3.2	4.0	4.0	4.1	4.1	4.2	4.0	4.4	4.1
Imports	2.7	2.3	2.3	2.4	2.4	2.2	1.9	2.2	3.0	2.5	2.9
h. Central Asian States											
Exports	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	-	0.1	0.1
Imports	0.1	-	0.1	0.2	0.2	0.1	0.1	0.3	0.1	0.2	0.2
Total	100	100	100	100	100	100	100	100	100	100	100

- : Not available

* : Council for Mutual Economic Assistance

(Contd...)

TABLE 8.8

DESTINATION OF EXPORTS & ORIGIN OF IMPORTS

% Share

REGION	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	July-March 2019-20	July-March 2020-21 P
1. Developed Countries											
Exports	40.3	41.5	44.7	46.7	51.6	53.4	52.2	53.6	54.5	54.4	57.5
Imports	21.0	21.5	20.5	20.9	23.3	22.5	22.0	21.8	21.0	20.9	21.4
a. OECD											
Exports	39.2	40.4	43.5	45.5	50.5	52.2	50.8	52.3	53.0	53.0	56.2
Imports	19.9	20.5	18.5	18.4	20.9	20.6	20.1	19.9	19.3	19.2	18.8
b. Other European Countries											
Exports	1.1	1.1	1.2	1.1	1.1	1.2	1.3	1.3	1.4	1.5	1.3
Imports	1.1	1.0	2.0	2.5	2.4	1.9	1.9	1.8	1.7	1.7	2.6
2. CMEA*											
Exports	1.4	1.5	1.6	1.7	1.9	2.1	2.0	2.2	2.3	2.3	2.6
Imports	1.1	1.0	1.0	1.3	0.9	1.3	1.0	0.9	1.1	1.0	2.1
3. Developing Countries											
Exports	58.3	57.0	53.7	51.6	46.6	44.6	45.8	44.2	43.3	43.2	39.9
Imports	77.9	77.6	78.5	77.8	75.8	76.2	77.0	77.3	77.9	78.0	76.5
a. OIC											
Exports	28.8	26.5	23.3	20.9	18.6	17.2	17.5	16.7	17.6	17.4	15.0
Imports	40.8	40.5	39.4	33.2	24.7	26.2	28.2	30.8	27.3	29.6	25.2
b. SAARC											
Exports	5.4	5.6	5.5	5.6	6.0	6.1	6.1	5.8	4.6	5.1	3.8
Imports	3.7	4.3	4.8	4.0	4.3	3.5	3.4	3.0	1.1	1.2	0.9
c. ASEAN											
Exports	3.0	2.8	2.6	3.6	2.6	2.8	3.7	3.4	3.3	3.2	3.0
Imports	11.8	11.0	11.0	10.7	10.2	9.8	10.2	10.3	10.4	10.3	11.0
d. Central America											
Exports	0.8	0.8	0.7	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.5
Imports	0.1	0.1	0.1	0.1	0.2	0.2	0.3	0.2	0.4	0.3	0.2
e. South America											
Exports	1.4	1.4	1.4	1.3	1.2	1.2	1.2	1.1	1.0	1.1	1.0
Imports	0.6	0.8	0.8	1.3	2.2	1.4	1.5	1.2	2.0	1.4	2.0
f. Other Asian Countries											
Exports	14.5	15.4	14.9	14.1	12.1	11.5	11.3	11.9	10.6	10.5	11.9
Imports	18.3	18.2	20.2	25.6	30.7	31.6	29.3	27.0	31.6	30.0	32.2
g. Other African Countries											
Exports	4.3	4.4	5.2	5.2	5.0	4.7	4.8	4.2	4.9	4.8	4.1
Imports	2.6	2.6	2.2	2.9	3.4	3.4	4.1	4.8	5.1	5.2	4.9
h. Central Asian States											
Exports	-	0.1	0.1	0.1	0.2	0.3	0.4	0.5	0.4	0.4	0.5
Imports	0.1	-	-	-	0.1	0.1	0.1	0.0	0.0	0.0	0.1
Total	100	100	100	100	100	100	100	100	100	100	100

P : Provisional   - : Not available   Source: Pakistan Bureau of Statistics

* : Council for Mutual Economic Assistance

TABLE 8.9

WORKERS' REMITTANCES

US $ million

COUNTRY	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
I. Cash Flow	1,021.59	2,340.79	4,190.73	3,826.16	4,152.29	4,588.03	5,490.97	6,448.84	7,810.95	8,904.9	11,200.9
Bahrain	23.87	39.58	71.46	80.55	91.22	100.57	136.28	140.51	153.27	151.4	167.3
Canada	4.90	20.52	15.19	22.90	48.49	81.71	87.20	100.62	79.07	115.1	184.6
Germany	9.20	13.44	26.87	46.52	53.84	59.03	76.87	73.33	100.71	81.2	106.6
Japan	3.93	5.97	8.14	5.28	6.51	6.63	4.26	4.75	5.10	5.7	8.1
Kuwait	123.39	89.66	221.23	177.01	214.78	246.75	288.71	384.58	432.05	445.1	495.2
Norway	5.74	6.55	8.89	10.19	18.30	16.82	22.04	28.78	24.94	34.7	37.0
Qatar	13.38	31.87	87.68	88.69	86.86	118.69	170.65	233.36	339.51	354.2	306.1
Saudi Arabia	304.43	376.34	580.76	565.29	627.19	750.44	1,023.56	1,251.32	1,559.56	1,917.7	2,670.1
Sultanat-e-Oman	38.11	63.18	93.65	105.29	119.28	130.45	161.69	224.94	277.82	287.3	337.6
U.A.E.	190.04	469.49	837.87	597.48	712.61	716.30	866.49	1,090.30	1,688.59	2,038.5	2,597.7
Abu Dhabi	48.11	103.72	212.37	114.92	152.51	147.89	200.40	298.80	669.40	1,130.3	1,328.8
Dubai	129.69	331.47	581.09	447.49	532.93	540.24	635.60	761.24	970.42	851.5	1,201.2
Sharjah	12.21	34.05	42.60	34.61	26.17	26.87	28.86	28.58	47.84	54.6	63.8
Others	0.03	0.25	1.81	0.46	1.00	1.30	1.63	1.68	0.93	2.1	4.0
U.K.	81.39	151.93	273.83	333.94	371.86	438.65	430.04	458.87	605.59	876.4	1,199.7
U.S.A.	134.81	778.98	1,237.52	1,225.09	1,294.08	1,242.49	1,459.64	1,762.03	1,735.87	1,771.2	2,068.7
Other Countries	88.40	293.28	727.64	567.93	507.27	679.50	763.54	695.45	808.87	826.6	1,022.2
II Encashment*	64.98	48.26	46.12	45.42	16.50	12.09	2.68	2.40	0.48	1.0	0.1
Total (I+II)	1,086.57	2,389.05	4,236.85	3,871.58	4,168.79	4,600.12	5,493.65	6,451.24	7,811.43	8,905.9	11,201.0

* Encashment and Profit in Pak Rs. of Foreign Exchange Bearer Certificates (FEBCs) & Foreign Currency Bearer Certificates (FCBCs)

(Contd…)

TABLE 8.9

WORKERS' REMITTANCES

% Share

COUNTRY	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Cash Flow											
Bahrain	2.34	1.69	1.71	2.11	2.20	2.19	2.48	2.18	1.96	1.70	1.49
Canada	0.48	0.88	0.36	0.60	1.17	1.78	1.59	1.56	1.01	1.29	1.65
Germany	0.9	0.57	0.64	1.22	1.30	1.29	1.40	1.14	1.29	0.91	0.95
Japan	0.38	0.26	0.19	0.14	0.16	0.14	0.08	0.07	0.07	0.06	0.07
Kuwait	12.08	3.83	5.28	4.63	5.17	5.38	5.26	5.96	5.53	5.00	4.42
Norway	0.56	0.28	0.21	0.27	0.44	0.37	0.40	0.45	0.32	0.39	0.33
Qatar	1.31	1.36	2.09	2.32	2.09	2.59	3.11	3.62	4.35	3.98	2.73
Saudi Arabia	29.8	16.08	13.86	14.77	15.10	16.36	18.64	19.40	19.97	21.53	23.84
Sultanat-e-Oman	3.73	2.7	2.23	2.75	2.87	2.84	2.94	3.49	3.56	3.23	3.01
U.A.E.	18.6	20.06	19.99	15.62	17.16	15.61	15.78	16.91	21.62	22.89	23.19
Abu Dhabi	4.71	4.43	5.07	3.00	3.67	3.22	3.65	4.63	8.57	12.69	11.86
Dubai	12.69	14.16	13.87	11.70	12.83	11.77	11.58	11.80	12.42	9.56	10.72
Sharjah	1.2	1.45	1.02	0.90	0.63	0.59	0.53	0.44	0.61	0.61	0.57
Others	0	0.01	0.04	0.01	0.02	0.03	0.03	0.03	0.01	0.02	0.04
U.K.	7.97	6.49	6.53	8.73	8.96	9.56	7.83	7.12	7.75	9.84	10.71
U.S.A.	13.2	33.28	29.53	32.02	31.17	27.08	26.58	27.32	22.22	19.89	18.47
Other Countries	8.65	12.53	17.36	14.84	12.22	14.81	13.91	10.78	10.36	9.28	9.13
Total	100	100	100	100	100	100	100	100	100	100	100

(Contd…)

TABLE 8.9

WORKERS' REMITTANCES

US $ million

COUNTRY	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	July-March 2019-20	July-March 2020-21 P
I. Cash Flow	13,186.6	13,921.6	15,837.7	18,719.8	19,916.8	19,351.3	19,913.6	21,739.4	23,132.3	16,991.6	21,467.8
Bahrain	211.0	282.8	318.8	389.0	448.4	396.4	355.7	340.2	417.1	229.2	350.7
Canada	177.7	177.2	160.0	171.0	176.0	187.4	211.1	213.0	313.4	137.8	394.4
Germany	88.7	83.2	85.6	78.1	93.7	94.1	127.8	123.5	392.2	92.4	310.1
Japan	9.0	5.2	7.1	7.8	13.2	14.3	22.8	23.0	66.4	21.5	65.7
Kuwait	582.6	619.0	681.4	748.1	774.0	763.8	774.2	725.8	738.6	504.6	636.7
Norway	38.5	37.8	30.8	27.6	34.9	41.3	47.8	43.5	69.7	25.6	78.7
Qatar	318.8	321.3	329.2	350.2	380.9	404.4	371.1	385.9	760.2	344.0	667.3
Saudi Arabia	3,687.0	4,104.7	4,729.4	5,630.4	5,968.3	5,469.8	4,858.8	5,003.0	6,613.5	3,925.7	5,731.8
Sultanat-e-Oman	382.7	384.8	530.5	685.7	819.4	760.9	657.3	667.2	994.3	548.8	803.7
U.A.E.	2,848.9	2,750.2	3,109.5	4,231.8	4,365.3	4,328.0	4,359.0	4,617.3	5,611.8	2,349.3	4,526.3
Abu Dhabi	1,367.6	1,485.0	1,512.5	1,750.7	1,418.3	1,426.8	1,132.7	1,488.0	810.4	1,121.2	647.3
Dubai	1,411.3	1,213.8	1,550.0	2,412.0	2,877.7	2,845.3	3,173.7	3,075.5	4,768.2	2,390.5	3,806.6
Sharjah	67.3	49.8	45.5	67.6	66.5	50.5	47.6	37.2	25.1	17.1	52.3
Others	2.7	1.5	1.5	1.5	2.8	5.5	5.0	16.7	8.1	23.4	20.1
U.K.	1,521.1	1,946.0	2,180.2	2,376.2	2,579.7	2,341.7	2,892.4	3,412.3	2,569.0	2,554.1	2,900.5
U.S.A	2,334.5	2,186.2	2,467.7	2,702.7	2,524.7	2,452.9	2,838.0	3,309.1	1,742.8	2,880.4	1,901.8
Other Countries	986.2	1,023.2	1,207.4	1,321.3	1,738.4	2,096.2	2,397.7	2,875.7	2,843.3	3,378.3	3,100.0
II Encashment*	0.0	0.1	0.0	0.2	-	0.0	0.0	0.0	0.0	0.0	0.0
Total (I+II)	13,186.6	13,921.7	15,837.7	18,720.0	19,916.8	19,351.3	19,913.6	21,739.5	23,132.3	16,991.6	21,467.8

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	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	July-March 2019-20	July-March 2020-21 P
Cash Flow											
Bahrain	1.60	2.03	2.01	2.08	2.25	2.05	1.8	1.56	1.80	1.35	1.63
Canada	1.35	1.27	1.01	0.91	0.88	0.97	1.1	0.98	1.35	0.81	1.84
Germany	0.67	0.60	0.54	0.42	0.47	0.49	0.6	0.57	1.70	0.54	1.44
Japan	0.07	0.04	0.04	0.04	0.07	0.07	0.1	0.11	0.29	0.13	0.31
Kuwait	4.42	4.45	4.30	4.00	3.89	3.95	3.9	3.34	3.19	2.97	2.97
Norway	0.29	0.27	0.19	0.15	0.18	0.21	0.2	0.20	0.30	0.15	0.37
Qatar	2.42	2.31	2.08	1.87	1.91	2.09	1.9	1.78	3.29	2.02	3.11
Saudi Arabia	27.96	29.48	29.86	30.08	29.97	28.27	24.4	23.01	28.59	23.10	26.70
Sultanat-e-Oman	2.90	2.76	3.35	3.66	4.11	3.93	3.3	3.07	4.30	3.23	3.74
U.A.E.	21.60	19.75	19.63	22.61	21.92	22.37	21.9	21.24	24.26	13.83	21.08
Abu Dhabi	10.37	10.67	9.55	9.35	7.12	7.37	5.7	6.84	3.50	6.60	3.02
Dubai	10.70	8.72	9.79	12.88	14.45	14.70	15.9	14.15	20.61	14.07	17.73
Sharjah	0.51	0.36	0.29	0.36	0.33	0.26	0.2	0.17	0.11	0.10	0.24
Others	0.02	0.01	0.01	0.01	0.01	0.03	0.0	0.08	0.03	0.14	0.09
U.K.	11.54	13.98	13.77	12.69	12.95	12.10	14.5	15.70	11.11	15.03	13.51
U.S.A	17.70	15.70	15.58	14.44	12.68	12.68	14.3	15.22	7.53	16.95	8.86
Other Countries	7.48	7.35	7.62	7.06	8.73	10.83	12.0	13.23	12.29	19.88	14.44
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 RUPPEES

Rs million

	Total				Cash [2]				Gold [1]			
Period	Jun*	Dec.*	Low	High	Jun*	Dec.*	Low	High	Jun*	Dec.*	Low	High
2001	170,786	252,249	100,825	252,249	134,587	216,050	65,083	216,050	36,199	36,199	34,015	36,199
2002	326,715	501,291	259,497	501,291	286,695	461,271	223,298	461,271	40,020	40,020	36,199	40,020
2003	616,683	662,663	532,661	662,673	576,640	620,734	492,641	620,744	40,043	41,929	40,020	41,929
2004	691,051	638,332	634,239	702,725	642,746	590,027	585,934	660,742	48,305	48,305	41,929	48,305
2005	669,957	653,680	676,803	649,495	615,236	599,713	573,421	652,465	54,721	53,967	49,296	54,721
2006	771,157	772,963	646,033	772,963	694,840	695,786	592,016	716,000	76,317	77,177	54,017	77,177
2007	990,929	963,215	937,241	1,031,761	909,776	855,848	855,848	932,508	81,153	107,363	81,153	107,367
2008 R	784,159	761,302	477,146	931,355	652,439	619,658	353,900	811,637	131,720	141,644	116,489	143,112
2009	992,930	1,276,176	790,720	1,276,176	835,343	1,083,600	632,050	1,083,600	157,588	192,576	147,245	203,409
2010 R	1,413,294	1,537,264	1,205,987	1,537,264	1,193,108	1,288,062	1,011,828	1,288,062	220,186	249,203	189,972	249,203
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	249,275	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	1,957,316	2,546,111	1,766,630	2,546,111	1,488,691	2,056,041	1,386,208	2,056,041	468,625	490,069	376,650	498,191
2020	2,923,806	3,006,316	2,546,495	3,021,459	2,306,312	2,379,317	1,960,583	2,379,317	617,495	626,999	508,578	681,860
2021 P	-	-	2,813,795	2,926,572	-	-	2,276,950	2,306,446	-	-	536,845	620,126

- : 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 echange rate votality.

TABLE 8.11

EXCHANGE RATE POSITION

(Pakistan Rupees in Terms of One Unit of Selected Foreign Currencies)

Country	Currency	(Average During the Year)									
		2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Australia	Dollar	32.1607	34.2101	41.0626	44.7141	44.7564	47.6760	56.1958	58.2931	73.9643	84.6185
Bangladesh	Taka	1.0826	1.0108	0.9842	0.9774	0.9121	0.8723	0.9088	1.1423	1.2118	1.2101
Canada	Dollar	39.1719	38.8234	42.8526	47.5567	51.4986	53.5778	61.9742	67.5867	79.4785	85.4711
China	Yuan	7.4149	7.0613	6.9497	7.1676	7.4161	7.7526	8.6128	11.4930	12.2840	12.9120
Hong Kong	Dollar	7.8720	7.4990	7.3970	7.6176	7.7127	7.7772	8.0273	10.1246	10.8074	11.0019
India	Rupee	1.2787	1.2219	1.2682	1.3253	1.3389	1.3746	1.5417	1.6468	1.7995	1.8881
Iran	Rial	0.0307	0.0073	0.0069	0.0067	0.0066	0.0066	0.0067	0.0081	0.0084	0.0082
Japan	Yen	0.4884	0.4888	0.5203	0.5558	0.5216	0.5122	0.5711	0.8012	0.9164	1.0301
Kuwait	Dinar	200.7861	194.5677	194.3681	202.3816	205.3258	209.8118	228.2954	281.2742	291.6604	304.4159
Malaysia	Ringgit	16.1621	15.3944	15.1532	15.6244	16.0515	17.0649	18.9021	22.3290	24.8037	27.7427
Nepal	Rupee	0.8033	0.7515	0.7802	0.8169	0.8296	0.8575	0.9593	1.0285	1.1251	1.1800
Norway	Krone	7.0288	8.1021	8.2191	9.1841	9.2141	9.7161	11.6417	12.4113	14.0698	14.7356
Singapore	Dollar	33.9503	33.3406	33.5098	35.6797	36.4149	39.1651	43.6846	53.5502	59.6004	66.1304
Sri Lanka	Rupee	0.6624	0.6057	0.5920	0.5813	0.5872	0.5649	0.5676	0.7024	0.7336	0.7694
Sweden	Krona	5.9117	6.691	7.5195	8.2949	7.7867	8.6143	9.8890	10.4330	11.5692	12.8272
Switzerland	Franc	37.1824	41.4643	44.2489	49.0657	46.8551	49.2385	56.6736	70.0527	78.9664	89.9297
S. Arabia	Riyal	16.3792	15.5961	15.3488	15.8027	15.9608	16.1656	16.6973	20.9341	22.3482	22.8047
Thailand	Baht	1.4000	1.3742	-	1.4763	1.5005	1.6789	1.8786	2.2651	2.5326	2.7963
UAE	Dirham	16.7231	15.9261	15.6727	16.1586	16.2972	16.5107	17.0391	21.3856	22.8216	23.2883
UK	Pound	88.5691	92.7433	100.1672	110.2891	106.4344	117.1852	125.2948	126.0915	132.4866	135.9640
USA	Dollar	61.4258	58.4995	57.5745	59.3576	59.8566	60.6342	62.5465	78.4983	83.8017	85.5017
EMU	Euro	54.9991	61.3083	68.6226	75.5359	72.8661	79.1763	92.1700	107.4327	116.4991	116.5981
IMF	SDR	78.0627	79.3198	83.2470	88.5631	86.9594	90.7726	98.6265	119.9599	129.7431	133.3407

- : Not available

(Contd…)

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
		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 P
Australia	Dollar	91.8961	99.2813	94.4043	84.6706	75.8551	78.9703	85.1230	97.1750	105.9281	119.6485
Bangladesh	Taka	1.1385	1.2059	1.3232	1.3045	1.3327	1.3263	1.3414	1.6203	1.8636	1.9093
Canada	Dollar	88.8631	96.3207	96.1939	86.6031	78.6541	78.9236	86.5105	102.7630	117.6982	124.4677
China	Yuan	14.0507	15.5063	16.7639	16.3639	16.1983	15.4059	16.9332	19.9618	22.4714	24.2806
Hong Kong	Dollar	11.4768	12.4764	13.2668	13.0664	13.4416	13.5015	14.0663	17.3843	20.2849	20.9023
India	Rupee	1.7836	1.7658	1.6757	1.6354	1.5735	1.5778	1.6903	1.9323	2.1845	2.1997
Iran	Rial	0.0079	0.0079	0.0041	0.0037	0.0035	0.0033	0.0030	0.0032	0.0038	0.0038
Japan	Yen	1.1352	1.1116	1.0180	0.8865	0.8959	0.9611	0.9965	1.2257	1.4617	1.5351
Kuwait	Dinar	322.3284	342.4219	364.0262	346.1203	345.2872	345.0024	364.9610	448.8278	516.4404	530.9886
Malaysia	Ringgit	28.9142	31.3927	31.6823	29.3817	25.2457	24.4675	27.0716	33.0115	37.5510	39.2726
Nepal	Rupee	1.1164	1.1044	1.0477	1.0222	0.9838	0.9861	1.0565	1.2070	1.3770	1.3683
Norway	Krone	15.5404	16.8037	17.0596	14.2794	12.4110	12.4644	13.7701	16.0675	16.9236	18.2446
Singapore	Dollar	70.7611	78.0767	81.6310	77.3079	74.9776	75.1927	81.9160	99.7173	114.1680	119.8411
Sri Lanka	Rupee	0.7625	0.7524	0.7862	0.7701	0.7372	0.7031	0.7107	0.7853	0.8669	0.8611
Sweden	Krona	13.2669	14.6811	15.7629	13.1103	12.4006	11.8827	13.2473	14.8779	16.3999	18.7992
Switzerland	Franc	99.3752	102.7673	113.7726	107.4720	106.3904	105.5866	113.2043	136.7574	161.7409	178.0510
S. Arabia	Riyal	23.7943	25.8099	27.4313	27.0040	27.7996	27.9260	29.2998	36.2985	42.1047	43.1704
Thailand	Baht	2.8943	3.1909	3.2278	3.1076	2.9393	3.0034	3.3964	4.2335	5.0949	5.2769
UAE	Dirham	24.2894	26.3384	28.0070	27.5787	28.3865	28.5170	29.9164	37.0585	43.0181	44.0887
UK	Pound	141.1402	151.5965	167.2207	159.4351	154.4878	132.7123	148.0433	175.9308	199.0651	215.2232
USA	Dollar	89.2359	96.7272	102.8591	101.2947	104.2351	104.6971	109.8444	136.0901	158.0253	161.9699
EMU	Euro	119.1998	125.1227	139.4950	121.6726	115.6294	114.0341	131.0859	155.0710	174.5851	192.4414
IMF	SDR	138.9409	147.2259	158.0043	146.9546	145.8777	143.8126	156.7849	189.5557	217.2951	230.5854

P: Provisional

Source: State Bank of Pakistan

TABLE 9.1

PUBLIC & PUBLICLY GUARANTEED DEBT OUTSTANDING (AS ON 31-03-2021)

Country/Creditor	$ Million Amount
I. BILATERAL	
a. Paris Club Countries	
AUSTRIA	24
BELGIUM	18
CANADA	50
FINLAND	3
FRANCE	1,529
GERMANY	1,368
ITALY	169
JAPAN	5,416
KOREA	434
THE NETHERLANDS	85
NORWAY	10
RUSSIA	68
SPAIN	59
SWEDEN	86
SWITZERLAND	78
UNITED KINGDOM	5
UNITED STATES	1,037
Sub Total I.a. Paris Club Countries	**10,438**
b. Non Paris Club Countries	
CHINA	14,180
KUWAIT	157
LIBYA	1
SAUDI ARABIA	954
UNITED ARAB EMIRATES	28
Sub Total I.b. Non-Paris Club Countries	**15,320**
c. Commercial Banks	9,776
d. Safe Deposit	4,000
Total I. (a+b+c+d)	**39,534**
II. MULTILATERAL & Others	
ASIAN DEVELOPMENT BANK (ADB)	13,457
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (IBRD)	1,743
INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA)	15,284
Other	2,237
ASIAN INFRASTRUCTURE INVESTMENT BANK (AIIB)	835
EUROPEAN INVESTMENT BANK (EIB)	-
ISLAMIC DEVELOPMENT BANK (IDB)	963
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)	309
NORDIC DEVELOPMENT FUND	7
OPEC FUND	82
ECO TRADE BANK	41
Sub Total II. Multilateral & Others	**32,721**
III. BONDS	5,300
IV. IDB (SHORT TERM CREDIT)	451
V. LOCAL CURRENCY BONDS (TBs & PIBs)	730
VI. PAKISTAN BANAO CERTIFICATES (PBCs), NAYA PAKISTAN CERTIFICATES (NPCs)	450
Grand Total: (I+II+III+IV+V+VI)	**79,185**

Note: Excluding IMF Loans

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			
	Commitment	Disbursement	Commitment	Disbursement	Commitment	Disbursement	Commitment	Disbursement	Commitment	Disbursement	Commitment	Disbursement
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	4,460	-	-	-	-	8,566	8,173	2	45	12,078	12,678
2018-19	1,280	3,466	-	-	-	-	7,129	7,352	1	1	8,410	10,819
2019-20	1,962	3,117	-	-	-	-	7,922	8,783	-	-	9,884	11,900
2020-21 (Jul-Mar)	2,269	1,196	-	-	-	-	6,007	6,216	-	1	8,276	7,413

*: Excluding 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

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	1,004	663	1,668	18.7%	11.7%	2.3%
2001-02	27,215	3,504	3,293	2,423	772	538	1,309	14.3%	8.5%	1.8%
2002-03	28,301	3,811	1,747	1,729	971	613	1,583	14.4%	7.7%	1.9%
2003-04	28,900	5,392	2,125	1,372	2,513	702	3,215	25.8%	14.6%	3.3%
2004-05	30,813	4,975	3,113	2,452	1,072	669	1,742	12.0%	6.5%	1.6%
2005-06	33,033	5,838	4,507	3,163	1,424	712	2,136	12.9%	6.7%	1.6%
2006-07	35,673	6,277	4,059	3,356	1,283	819	2,102	12.2%	6.4%	1.4%
2007-08	40,770	6,540	3,398	3,160	1,130	949	2,079	10.2%	5.6%	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	2,339	756	3,095	15.7%	8.1%	1.7%
2010-11	46,458	9,797	4,580	2,620	1,925	762	2,687	10.6%	5.6%	1.3%
2011-12	46,349	10,316	4,679	3,089	1,534	717	2,251	9.1%	4.7%	1.0%
2012-13	44,350	9,954	1,278	2,486	1,903	709	2,612	10.5%	5.2%	1.1%
2013-14	48,978	15,770	11,263	3,760	2,074	736	2,810	11.2%	5.5%	1.1%
2014-15	47,832	18,559	3,621	3,601	2,262	949	3,211	13.3%	6.1%	1.2%
2015-16	52,979	20,669	14,215	4,693	3,202	1,092	4,294	19.5%	8.4%	1.5%
2016-17	57,643	21,524	5,651	4,859	5,195	1,242	6,437	29.3%	12.3%	2.1%
2017-18	65,526	19,573	4,120	4,320	4,175	1,636	5,811	23.5%	10.5%	1.8%
2018-19	70,601	17,739	3,119	5,578	7,054	2,067	9,121	37.6%	16.3%	3.3%
2019-20	74,558	19,032	5,803	7,327	8,569	1,990	10,559	46.9%	19.5%	4.0%
2020-21 (Jul-Mar)	79,185	20,660	3,555	2,665	4,426	1,032	5,458	29.2%	11.3%	1.8%

*** : Excluding grants** **Source: Economic Affairs Division**

**** : Excluding IMF, Short Term Credit, Commercial Credits and Bonds**

***** : Excluding IMF Loans**

@: Public and Publically Guaranteed Loans (Excluding IMF)

TABLE 9.4

DEBT SERVICE PAYMENTS OF FOREIGN LOANS (Paid in Foreign Exchange)

US$ Million

Fiscal Year	Kind	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Jul-Mar)
I. PARIS CLUB COUNTRIES										
1. Australia	Principal	-	-	-	-	-	-	-		
	Interest	-	-	-	-	-	-	-		
2. Austria	Principal	3.66	4.92	3.77	3.77	3.99	3.93	2.81	1.52	-
	Interest	2.98	3.01	2.31	1.99	1.77	1.69	1.45	0.66	-
3. Belgium	Principal	1.01	1.22	1.22	1.32	1.50	1.84	2.02	1.09	-
	Interest	1.75	1.77	1.49	1.34	1.24	1.24	1.09	0.49	-
4. Canada	Principal	2.72	3.12	3.56	4.08	4.68	5.36	6.13	3.38	-
	Interest	0.99	0.75	0.67	0.80	1.16	1.34	1.90	0.84	-
5. Denmark	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	-	-		-
6. France	Principal	39.78	52.27	53.41	57.91	79.26	109.60	115.57	66.64	-
	Interest	77.53	79.17	66.81	60.55	57.91	58.56	52.72	25.68	0.270
7. Finland	Principal	0.18	0.21	0.42	0.27	0.31	0.35	0.40	0.50	-
	Interest	0.06	0.05	0.07	0.05	0.08	0.09	0.12	0.08	-
8. Germany	Principal	17.88	14.46	16.85	15.99	39.52	66.75	67.80	34.48	0.160
	Interest	16.51	26.69	25.12	24.76	22.37	22.92	19.90	10.06	0.230
9. Italy	Principal	0.65	0.76	0.83	0.92	1.05	1.24	1.40	0.76	-
	Interest	0.22	0.16	0.14	0.16	0.19	0.22	0.30	0.12	-
10. Japan	Principal	61.46	55.90	51.16	62.49	175.52	281.79	293.96	179.64	0.550
	Interest	117.64	103.27	88.09	90.45	93.76	89.94	86.18	48.20	0.030
11. Korea	Principal	14.49	16.63	19.01	22.18	25.85	30.20	33.99	22.28	4.070
	Interest	6.91	5.93	5.48	6.06	7.96	9.33	11.81	5.89	0.330
12. Norway	Principal	0.57	0.65	0.72	0.80	0.89	1.08	1.20	0.65	-
	Interest	0.27	0.20	0.18	0.17	0.22	0.26	0.34	0.15	-
13. The Netherlands	Principal	0.35	0.51	0.51	0.54	2.44	4.65	4.56	2.28	-
	Interest	2.97	3.22	2.96	2.59	2.54	2.69	2.48	2.08	-
14. Russia	Principal	3.71	4.26	4.86	5.57	6.39	7.31	8.37	4.62	-
	Interest	5.71	5.51	5.40	5.05	4.74	4.42	4.03	1.85	-
15. Sweden	Principal	4.68	5.37	6.13	7.03	8.05	9.22	10.55	5.82	-
	Interest	1.63	1.23	1.10	1.32	1.94	2.25	3.21	1.41	-
16. Spain	Principal	0.82	0.96	1.09	1.25	2.57	3.91	4.13	2.16	-
	Interest	1.85	1.78	1.75	1.78	1.74	1.88	1.98	0.95	-
17. Switzerland	Principal	2.88	3.43	3.72	4.10	5.23	6.41	7.10	3.95	-
	Interest	1.23	3.89	1.09	0.98	0.96	0.91	0.85	0.41	-
18. USA	Principal	5.34	6.12	7.00	8.03	25.51	43.15	45.03	23.76	-
	Interest	28.67	28.41	29.40	27.68	27.26	26.11	24.72	11.81	-
19. UK	Principal	0.28	0.34	0.37	0.40	0.40	0.48	0.53	0.29	-
	Interest	0.16	0.07	0.09	0.09	0.07	0.06	0.07	0.03	-
TOTAL (I)	Principal	160.46	171.13	174.63	196.64	383.13	577.25	605.53	353.82	4.780
	Interest	267.07	265.12	232.18	225.82	225.90	223.90	213.13	110.71	0.860
II. NON-PARIS CLUB COUNTRIES										
1. China	Principal	72.73	121.26	127.99	170.39	712.30	216.09	341.99	421.58	130.880
	Interest	74.58	103.49	139.30	141.46	205.75	240.34	388.16	450.83	160.840
2. Czecho-Slovakia	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	-	-		-
3. Kuwait	Principal	8.07	7.06	7.55	10.28	9.48	11.23	12.12	12.02	10.810
	Interest	2.84	3.12	3.06	3.20	3.79	4.10	3.99	3.48	3.360
4. Libya	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	-	-		-
5. Saudi Arabia	Principal	76.12	166.67	121.93	111.22	167.13	30.73	32.85	29.99	-
	Interest	4.20	7.55	5.70	5.39	7.83	4.29	5.11	10.66	-
6. UAE	Principal	4.11	4.51	4.51	6.35	6.35	6.35	6.35	6.32	-
	Interest	1.88	3.03	1.70	1.72	1.55	1.38	1.00	0.81	-
7. EXIM Bank (FE)	Principal	6.32	7.26	8.30	9.51	10.90	12.48	14.28	7.89	-
	Interest	1.20	1.17	1.11	1.06	1.15	1.93	3.55	1.82	-
8. PL-480	Principal	1.15	1.15	1.15	1.15	3.15	5.14	4.78	2.35	-
	Interest	2.94	2.92	1.53	2.89	2.86	2.75	2.56	1.27	-
9. CCC	Principal	8.46	9.71	11.10	12.72	14.58	16.69	19.10	10.55	-
	Interest	15.75	15.21	14.59	13.93	13.08	12.16	11.10	5.12	-
TOTAL (II)	Principal	176.98	317.62	282.54	321.62	923.87	298.70	431.46	490.70	141.690
	Interest	103.38	136.47	167.00	169.65	236.02	266.94	415.46	473.99	164.200

(Contd..)

TABLE 9.4

DEBT SERVICE PAYMENTS OF FOREIGN LOANS (Paid in Foreign Exchange)

US$ Million

Fiscal Year	Kind	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Jul-Mar)
III. MULTILATERAL										
1. ADB	Principal	737.09	728.13	721.22	755.35	778.36	757.57	744.00	803.00	658.300
	Interest	101.56	82.58	80.63	84.76	107.43	138.85	184.14	201.83	122.480
2. IBRD	Principal	177.06	165.64	156.07	147.32	128.00	136.75	117.24	85.00	87.860
	Interest	13.88	8.11	5.92	8.03	13.41	17.08	41.96	40.61	17.590
3. IDA	Principal	222.63	236.29	253.49	256.76	278.96	344.82	370.17	452.27	396.330
	Interest	92.77	96.22	113.08	125.36	151.12	173.97	178.42	187.21	166.090
4. IFAD	Principal	8.11	4.80	5.28	5.45	6.60	7.94	7.76	7.75	5.600
	Interest	1.70	1.62	1.65	1.67	1.70	1.81	1.83	1.93	1.500
5. IDB	Principal	17.44	23.60	31.61	44.58	50.78	58.52	80.83	93.08	61.850
	Interest	4.83	10.20	13.65	16.38	18.11	20.74	29.80	39.76	21.800
6. IDB (ST)	Principal	390.29	412.95	409.09	734.53	877.89	836.26	1,082.08	836.67	718.640
	Interest	11.19	15.74	18.37	47.59	51.46	61.25	52.02	48.36	36.710
TOTAL (III)	Principal	1,552.62	1,571.42	1,576.77	1,944.00	2,120.60	2,141.86	2,402.09	2,277.77	1,928.580
	Interest	225.93	214.47	233.29	283.80	343.23	413.69	488.16	519.70	366.170
IV. DEVELOPMENT FUNDS										
1. NORDIC	Principal	1.87	1.59	0.84	0.57	0.57	0.61	0.58	0.27	0.400
	Interest	0.14	0.12	0.06	0.07	0.07	0.07	0.06	0.02	0.040
2. OPEC Fund	Principal	3.02	3.02	4.45	6.35	6.08	6.12	9.45	9.44	5.630
	Interest	0.83	1.24	1.61	2.04	2.37	3.09	2.47	2.42	1.180
3. Turkey (EXIM Bank)	Principal	-	0.67	31.34	1.33	1.33	1.33	41.34	1.32	0.670
	Interest	0.22	0.19	0.88	0.70	1.47	1.64	1.83	1.99	1.350
4. E.I.Bank	Principal	8.08	8.37	8.17	6.96	5.46	5.00	5.00	-	-
	Interest	0.85	0.63	0.40	0.33	0.36	0.34	0.34	0.07	0.070
5. ANZ Bank / Standard Charted Bank	Principal	-	-	172.50	225.00	1,003.79	1,138.87	2,552.00	4,434.72	2,344.030
	Interest	-	6.95	12.29	55.01	65.88	284.18	443.20	485.26	285.170
TOTAL (IV)	Principal	12.97	13.63	217.29	240.22	1,017.23	1,151.93	2,608.37	4,445.75	2,350.730
	Interest	2.04	9.13	15.24	58.15	70.15	289.32	447.90	489.76	287.810
V. GLOBAL BONDS										
1. Euro Bonds	Principal	-	-	-	500.00	750.00	-	1,000.00	1,000.00	-
	Interest	110.85	110.82	301.43	354.33	366.95	422.83	502.66	395.84	213.400
2. Saindak Bonds	Principal	-	-	-	-	-	-	-	-	-
	Interest	-	-	-	-	-	-	-		-
3. US Dollar Bonds (NHA)	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	-	-		-
TOTAL (V)	Principal	-	-	-	500.00	750.00	-	1,000.00	1,000.00	-
	Interest	110.85	110.82	301.43	354.33	366.95	422.83	502.66	395.84	213.400
TOTAL (I+II+III+IV+V)	Principal	1,903.02	2,073.80	2,251.23	3,202.48	5,194.82	4,169.74	7,047.45	8,568.04	4,425.780
	Interest	709.27	735.99	949.13	1,091.75	1,242.24	1,616.69	2,067.31	1,990.00	1,032.440
	Total (P+I)	2,612.29	2,809.79	3,200.37	4,294.23	6,437.06	5,786.43	9,114.76	10,558.04	5,458.220
VI. OTHERS										
1. NBP	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	-	-		-
2. Bank of Indosuez	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	-	-		-
3. NBP Bahrain	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	-	-		-
4. ANZ Bank	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	-	-		-
5. US Dollar Bonds	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	-	-		-
6. Cash (ST)	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	-	-		-
7. OTF	Principal	-	-	-	-	-	-	-		-
	Interest	0.19	0.16	-	-	-	-	-		-
8 Exchange Loss	Principal	-	-	-	-	-	-	-		-
	Interest	-	-	-	-	-	19.35	-		-
9 Unspent Balance	Principal	-	-	10.69	-		5.28	6.73	1.12	-
	Interest	-	-	-	-	-	-			-
TOTAL (VI)	Principal	-	-	10.69	-	-	5.28	6.73		-
	Interest	0.19	0.16	-	-	-	19.35	-		-
TOTAL (I+II+III+IV+V+VI)	Principal	1,903.02	2,073.80	2,261.92	3,202.48	5,194.82	4,175.02	7,054.18	8,569.16	4,425.78
	Interest	709.46	736.15	949.13	1,091.75	1,242.24	1,636.04	2,067.31	1,990.00	1,032.44
Grand Total (P+I)		2,612.48	2,809.95	3,211.05	4,294.23	6,437.06	5,811.06	9,121.50	10,559.16	5,458.22

Note: Excluding IMF Loans

Source: Economic Affairs Division

TABLE 9.5

TERMS OF FOREIGN LOANS/CREDITS CONTRACTED BY PAKISTAN*

	Lending Country/Agency	2012-13 Amount $ Million	2012-13 Interest Rate/ Commission(%)	2012-13 Amortization years	2013-14 Amount $ Million	2013-14 Interest Rate/ Commission(%)	2013-14 Amortization years
A.	Paris Club Countries						
	1. Germany				27.3	0.75 Fixed	40
	2. Japan				49.3	LIBOR Yen 6 Month + 0.34	40
	3.France				83.3	EIBOR+0.93	20
	4. Italy	88.9	LIBOR 6 months + 0.93	15			
	Sub-Total A	88.9			159.9		
B.	Non-Paris Club						
	1. China	448.0	LIBOR 6 months + 2.8	10	6,493.8	1 , 2 and 6 Fixed	28 to 30
	2. Kuwait						
	3. Saudi Arabia	100.0	LIBOR 12 months + 1.25	10	282.8	LIBOR 12 months + 1.25 and 2 Fixed	For Fixed 6 and for LIBOR 25
	4. Korea						
	Sub-Total B	548.0			6,776.6		
C.	Multilateral						
	1. IDB Short-term				1,006.5	5.25 Fixed, LIBOR 12 Months + 4.5, LIBOR 6 Months + 4.5, LIBOR Euro 12 Months+2.3	1
	2. IDB	227.0	LIBOR 6 months + 1.35	24	264.4	2 to 2.5 Fixed	25
	3. IDA	242.9	1.25 Fixed	25	1,554.1	1.25 to 2 Fixed	30
	4. ADB	170.8	1.5 & LIBOR 6 months + 0.6	20-28	2,148.8	2 Fixed & LIBOR 6 months + 0.6	30
	5. OPEC				50.0	1.75 Fixed	25
	6.IBRD						
	7. IFAD						
	8. EIB				136.5	LIBOR + spread, Euribor + spread and Fixed	30
	9. E.C.O BANK				30.0	LIBOR 6 MONTHS + 2	1
	Sub-Total C	640.7			5,190.3		
D.	Commercial Banks						
	1. SCB (London)				172.5	LIBOR 3 Months + 4	1
	2. SUISSE AG, UBL, ABL				200.0	LIBOR 3 Months + 4	1
	Sub-Total (D)	-			372.5		
E.	Bonds						
	1. Eurobonds				1,000.0	7.25 Fixed	5
	2. Eurobonds				1,000.0	8.25 Fixed	10
	3. Sukuk				-		
	Sub-Total (E)	-			2,000.0		
	Total (A+B+C+D+E)	1,277.6			14,499.2		

	Lending Country/Agency	2014-15 Amount $ Million	2014-15 Interest Rate/ Commission(%)	2014-15 Amortization years	2015-16 Amount $ Million	2015-16 Interest Rate/ Commission(%)	2015-16 Amortization years
A.	Paris Club Countries						
	1. Germany				44.6	0.75 Fixed	40
	2. Japan				109.8	LIBOR Yen 6 Months + 0.1	30 to 40
	3.France				46.3	EIBOR + 0.25	20
	4. Italy						
	5. Korea				139.8	0.10 Fixed	40
	Sub-Total A	0.0			340.4		
B.	Non-Paris Club						
	1. China	37.7	Fixed 2	20	9,422.7	2 and 5.2 Fixed	18 to 20
	2. Kuwait						
	3. Saudi Arabia				55.0	2 Fixed	20
	Sub-Total B	37.7			9,477.7		
C.	Multilateral						
	1. IDB Short-term	488.8	5.0126 Fixed, LIBOR 6 Months 4.5, LIBOR EURO 12 Months	1	1,237.0	4.9 Fixed, LIBOR 12 months + 4.5 to 5.5	1
	2. IDB				100.0	2 Fixed, LIBOR 6 months +1.35	16
	3. IDA	1,425.4	1.25 to 2 Fixed	30	1,598.6	1.83 to 2 Fixed	24
	4. ADB	762.1	2 Fixed & LIBOR 6 Months + 0.6	30	1,713.1	2 Fixed & LIBOR 6 months + 0.6	6 to 24
	5. OPEC						
	6. IBRD				100.0	LIBOR 6 months + 0.75	18
	7. IFAD	31.6	Fixed 0.75		67.9		8
	8. EIB						
	9. E.C.O BANK				35.0	LIBOR 6 months + 2.5	1
	10. AIIB				100.0	LIBOR 6 months + 0.75	20
	Sub-Total C	2,707.9			4,951.6		
D.	Commercial Banks						
	1. SCB (London)	100.1	LIBOR 3 Months + 4.25	4			
	2. SUISSE AG, UBL, ABL				983.0	LIBOR 3 months +2.66 & 3.25	1
	3. Dubai Bank				125.0	LIBOR 6 months + 2.5	1
	4. Noor Bank				340.0	LIBOR 3 months + 3.75 & 4.1	1
	Sub-Total (D)	100.1			1,448.0		
E.	Bonds						
	1. Sukuk	1,000.0	6.75 Fixed	5			
	2. Eurobonds				500.0	8.25 Fixed	10
	Sub-Total (E)	1,000.0			500.0		
	Total (A+B+C+D+E)	3,845.7			16,717.7		

*Excluding IMF Loans

(Contd.)

TABLE 9.5

TERMS OF FOREIGN LOANS/CREDITS CONTRACTED BY PAKISTAN*

	Lending Country/Agency	2016-17 Amount	2016-17 Interest Rate/	2016-17 Amortization	2017-18 Amount	2017-18 Interest Rate/	2017-18 Amortization
		$ Million	Commission(%)	years	$ Million	Commission(%)	years
A.	Paris Club Countries						
	1. Germany						
	2. Japan	23.8	Fixed 0.1 & LIBOR Yen 06 Months + 0.1	30			
	3.France	114.0	LIBOR EURO 06 Months + 0.52	20	192.1	LIBOR EURO 06 Months + 0.47 & 0.52	20
	4. Italy						
	5. Korea	76.3	Fixed 0.1	40			
	Sub-Total A	214.1			192.1		
B.	Non-Paris Club						
	1. China**	729.4	Fixed 2 & LIBOR 06 Months + 2.8	20	500.0	LIBOR 12 Months + 1	2
	2. Kuwait				14.9	Fixed 2.5	21
	3. Saudi Arabia						
	Sub-Total B	729.4			514.9		
C.	Multilateral						
	1. IDB Short-term	700.0	LIBOR 12 Months + 2.22	1	694.4	Fixed 4 & LIBOR 12 Months + 2.22	1
	2. IDB						
	3. IDA	761.2	1.88 to 3.2 Fixed	25	1,386.3	Fixed 2 to 3.36	25
	4. ADB	2,001.0	2 Fixed & LIBOR 6 Months + 0.6	25	1,589.6	Fixed 2 & LIBOR 6 Months + 0.6	24
	5. OPEC						
	6. IBRD	690.0	LIBOR 6 Months + 0.5 & 0.75	21	855.0	LIBOR 6 Months + 0.75	21
	7. IFAD	50.0	Fixed 1.75	20	82.6	Fixed 0.75	40
	8. EIB						
	9. E.C.O BANK	40.0	LIBOR 6 Months + 1.9	2			
	10.AIIB	300.0	LIBOR 6 Months + 0.75	20			
	Sub-Total C	4,542.2			4,607.9		
D.	Commercial Banks						
	1. SCB (London)	700.0	Fixed 4.47	10	200.0	LIBOR 12 Months + 1.4	1
	2. SUISSE AG, UBL, ABL	1,000.0	LIBOR 6 Months + 2 to 3	1 & 9	1,200.0	LIBOR 3 Months + 2	1
	3. Dubai Bank				80.0	LIBOR 3 Months + 2.6	2
	4. Noor Bank	445.0	LIBOR 3 Months + 2.3 to 2.5	2	220.0	LIBOR 3 Months + 2	1
	5. Bank of China	300.0	LIBOR 3 Months + 2.93	3	200.0	LIBOR CHF 3 MONTHS + 2	3
	6. China Development Bank	1,700.0	LIBOR 6 Months + 3.02	3	1,000.0	LIBOR 3 Months + 3	3
	7. Citi Bank	275.0	LIBOR 3 Months + 2.7	2	267.0	LIBOR 3 Months + 2.7	2
	8. ICBC-China	300.0	LIBOR 3 Months + 2.75	2	1,000.0	LIBOR 3 Months + 3.25	3
	Sub-Total (D)	4,720.0			4,167.0		
E.	Bonds						
	1. Bonds 2021	1,000.0	Fixed 5.5	5			
	2. Bonds 2027				1,500.0	Fixed 6.875	10
	3. Sukuk 2022				1,000.0	Fixed 5.625	5
	Sub-Total (E)	1,000.0			2,500.0		
	Total (A+B+C+D+E)	11,205.7			11,981.9		

	Lending Country/Agency	2018-19 Amount	2018-19 Interest Rate/	2018-19 Amortization	2019-20 Amount	2019-20 Interest Rate/	2019-20 Amortization
		$ Million	Commission(%)	years	$ Million	Commission(%)	years
A.	Paris Club Countries						
	1. Germany						
	2. Japan						
	3.France	148.0	LIBOR EURO 6 MONTH +0.25	20			
	4. Italy				23.0	Interest Free	28
	5. Korea				80.0	Fixed +1.5	25
	Sub-Total A	148.0			103.0		
B.	Non-Paris Club						
	1. China**	2,000.0	LIBOR 12 Months +1	1			
	2. Kuwait						
	3. Saudi Arabia						
	Sub-Total B	2,000.0			0.0		
C.	Multilateral						
	1. IDB Short-term	926.0	LIBOR 12 Months + 2.7	1	555.8	LIBOR 12 Months + 2.7	1
	2. IDB				200.0		
	3. IDA	615.6	Fixed 1.25	30	1,449.0	Fixed 1.25	30
	4. ADB	355.0	LIBOR 6 Months + 0.6	25	2,823.3	LIBOR 6 Months + 0.6	25
	5. OPEC						
	6. IBRD				652.0	LIBOR 6 Months + 0.5	25
	7. IFAD				36.0		
	8. EIB						
	9. E.C.O BANK	40.0	LIBOR 12 Months + 1.9	1			
	10.AIIB				540.0	LIBOR 6 MONTHS +0.6	16
	Sub-Total C	1,936.6			6,256.1		
D.	Commercial Banks						
	1. SCB (London)				200.0		
	2. SUISSE AG, UBL, ABL	495.0	LIBOR 3 Months + 3.25	1	200.0	LIBOR 3 Months + 3.25	1
	3. Dubai Bank	685.0	LIBOR 12 Months + 2	1	445.0	LIBOR 3 Months + 2.2	1
	4. Noor Bank	225.0	LIBOR 12 Months + 2.25				
	5. Bank of China				500.0	LIBOR 6 Months + 2.93 and 2.65	2 and 3
	6. China Development Bank	2,183.7	SHIBOR 6 Months + 2.5	3	1,700.0	LIBOR 6 Months +3	3
	7. Citi Bank				150.0	LIBOR 3 Months + 2.2	
	8. ICBC China	300.0	LIBOR 6 Months + 2.75	2			
	9. Ajman Bank	274.0	LIBOR 6 Months + 2.20	1	267.5	LIBOR 6 Months + 2.20	1
	Sub-Total (D)	4,162.7			3,462.5		
	Total (A+B+C+D)	8,247.2			9,821.6		

*Excluding IMF Loans ** Including SAFE Deposits

Source: Economic Affairs Division

TABLE 9.5

TERMS OF FOREIGN LOANS/CREDITS CONTRACTED BY PAKISTAN*

Lending Country/Agency	2020-21 (Jul-Mar)		
	Amount	Interest Rate/	Amortization
	$ Million	Commission(%)	years
A. Paris Club Countries			
1. Germany	31.7	Fixed 0.75	40
2. Japan			
3. France	76.3		
4. Italy			
5. Korea			
Sub-Total A	107.9		
B. Non-Paris Club			
1. China **	1,000.0	LIBOR 12 Months + 1	1
2. Kuwait			
3. Saudi Arabia			
Sub-Total B	1,000.0		
C. Multilateral			
1. IDB Short-term	480.0	LIBOR 12 Months + 2.7	1
2. IDB			
3. IDA	1,621.3	Fixed 2	30
4. ADB	600.0	Fixed 2 & LIBOR 6 Months + 0.6	25
5. OPEC	50.0	Fixed 2	10
6. IBRD	854.0	LIBOR 6 Months + 0.5	30
7. IFAD			
8. EIB			
9. E.C.O BANK			
10.AIIB	321.8	LIBOR 6 MONTHS +0.6	23
Sub-Total C	3,927.1		
D. Commercial Banks			
1. SCB (London)	400.0	LIBOR 12 Months + 2.4	1
2. SUISSE AG, UBL, ABL	215.0	LIBOR 12 Months + 2	1
3. DUBAI BANK	825.0	LIBOR 12 Months + 2.05	1
4. NOOR BANK PJSC			
5. BANK OF CHINA SR.BD.			
6. CHINA DEV BANK			
7. CITI BANK			
8. ICBC-CHINA	1,300.0	LIBOR 3 Months + 2.75	2
9. EMIRATES NBD	370.0	LIBOR 12 Months + 2.05	1
10. AJMAN BANK PJSC			
Sub-Total (D)	3,110.0		
Total (A+B+C+D)	8,145.1		

* Excluding IMF

Source: Economic Affairs Division

** China SAFE Deposit

TABLE 9.6

GRANT ASSISTANCE AGREEMENTS SIGNED

($ Million)

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Jul-Mar)
I. Paris Club Countries									
1. Australia	-	-	-	-	-	-	-	-	-
2. Austria	-	-	-	-	-	-	-	-	-
3. Canada	-	-	-	-	-	-	-	-	-
4. France	0.5	3.4	-	6.5	-	-	-	-	-
5. Germany	13.1	18.4	9.0	56.8	1.1	11.6	5.7	13.5	5.9
6. Japan	28.4	19.2	79.7	38.1	10.7	26.2	3.0	-	64.0
7. The Netherlands	-	-	-	-	-	-	-	-	-
8. Norway	12.4	-	-	-	-	-	-	-	-
9. Korea	-	-	-	-	-	-	-	-	-
10. Switzerland	-	-	-	-	-	-	-	-	-
11. UK	1,173.3	-	534.4	-	49.8	-	-	-	-
12. USA	70.0	150.0	-	43.0	677.3	-	-	-	-
13. Italy	-	-	-	-	-	-	-	-	-
14. Denmark	-	-	-	-		-	-	-	-
Sub-Total (I)	1,297.6	191.0	623.0	144.5	738.9	37.8	8.7	13.5	69.8
II. Non Paris Club Countries									
1. China	11.4	-	123.9	4.5	-	21.2	-	-	-
2. Iran	-	-	-	-	-	-	-	-	-
3. UAE	-	-	-	-	-	-	-	-	-
4. Oman	-	-	-	-	-	-	-	-	-
5. Saudi Arabia	-	26.7	-	53.5			16.1	-	-
Sub-Total (II)	11.4	26.7	123.9	58.0	-	21.2	16.1	-	-
III. Multilateral									
1. ADB	-	-	-	247.6	3.5	19.2	4.0	5.0	2.0
2. EEC / EU	19.6	200.7	-	230.2			130.9	14.6	-
3. Islamic Development Bank	-	-	-	0.6	0.3		-	-	-
4. IDA	-	9.0	-	-			2.0	10.2	-
5. IBRD	39.4	18.1	127.2	-	111.2	15.6	-	15.0	54.9
6. IFAD	-	-	0.5	-	-	-	-	2.9	-
7. AIIB	-	-	-	-	-	-	-	1.5	4.1
8. UN and Specialised Agencies	-	2.4	-	-	-	-	-	-	-
9. UNDP Special Grant	-	-	-	-	-	-	-	-	-
10. World Food Programme	-	-	-	-	-	-	-	-	-
11. UNFPA	-	-	-	-	-	-			
Sub-Total (III)	59.0	230.2	127.8	478.3	114.9	34.8	136.9	49.1	61.0
IV. Relief Assistance for									
A. Afghan Refugees	4.2	-	1.0	1.3	1.1	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	-	-	-	-	10.0	-	-	-	-
19. UK	-	-	-	-	-	-	-	-	-
20. ADB	-	-	-	-	-	-	-	-	-
21. WB (IDA)	10.0	-	-	-	-	-	-	-	-
22. Germany	-	-	-	-	-	-	-	-	-
23. IDB	-	-	-	-	-	-	-	-	-
24. Mauritius	-	-	-	-	-	-	-	-	-
Sub-Total (IV)	14.2	-	1.0	1.3	11.1	1.9	0.9	0.3	-
Grand Total (I+II+III+IV)	1,382.3	447.9	875.6	682.1	864.9	95.7	162.6	62.9	130.8

Source : Economic Affairs Division

TABLE 9.7

TOTAL LOANS AND CREDITS CONTRACTED

($ Million)

Lending Country/Agency	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Jul-Mar)
A. Paris Club Countries									
1. Austria	-	-	-	-	-	-	-	-	-
2. Australia	-	-	-	-	-	-	-	-	-
3. Belgium	-	-	-	-	-	-	-	-	-
4. Canada	-	-	-	-	-	-	-	-	-
5. France	88.9	83.3	-	46.3	114.0	192.1	148.0	-	76.3
6. Germany	-	27.3	-	44.6	-	-	-	-	31.7
7. Japan	-	49.3	-	109.8	23.8	-	-	-	-
8. Korea	-	-	-	139.8	76.3	-	-	80.0	-
9. Netherlands	-	-	-	-	-	-	-	-	-
10. Norway	-	-	-	-	-	-	-	-	-
11. Spain	-	-	-	-	-	-	-	-	-
12. UK	-	-	-	-	-	-	-	-	-
13. USA	-	-	-	-	-	-	-	-	-
14. Italy	-	-	-	-	-	-	-	23.0	-
15. Sweden	-	-	-	-	-	-	-	-	-
Sub-Total (A)	88.9	159.9	-	340.4	214.1	192.1	148.0	103.0	107.9
							-	-	-
B. Non-Paris Club Countries							-	-	-
1. China	448.0	6,493.8	37.7	9,422.7	729.4	500.0	2,000.0	-	1,000.0
2. Kuwait	-	-	-	-	-	14.9	-	-	-
3. Saudi Arabia	100.0	282.8	-	55.0	-	-	-	-	-
4. Turkey (EXIM Bank)	-	-	-	-	-	-	-	-	-
5. Abu Dhabi Fund	-	-	-	-	-	-	-	-	-
Sub-Total (B)	548.0	6,776.6	37.7	9,477.7	729.4	514.9	2,000.0	-	1,000.0
C. Multilateral									
1. IBRD	-	-	-	100.0	690.0	855.0	-	652.0	854.0
2. IDA	242.9	1,554.1	1,425.4	1,598.6	761.2	1,386.3	615.6	1,449.0	1,621.3
3. ADB	170.8	2,148.8	762.1	1,713.1	2,001.0	1,589.6	355.0	2,823.3	600.0
4. IFAD	-	-	31.6	67.9	-	82.6	-	36.0	-
5. European Investment Bank	-	136.5	-	-	-	-	-	-	-
6. ECOTDB	-	30.0	-	35.0	40.0	-	40.0	-	-
7. OPEC Fund	-	50.0	-	-	50.0	-	-	-	50.0
8. IDB	227.0	264.4	-	100.0	-	-	-	200.0	-
9.IDB (ST)	-	1,006.5	488.8	1,237.0	700.0	694.4	926.0	555.8	480.0
10.AIIB	-	-	-	100.0	300.0	-	-	540.0	321.8
Sub-Total (C)	640.7	5,190.3	2,707.9	4,951.6	4,542.2	4,607.9	1,936.6	6,256.1	3,927.1
D. Eurobonds / Sukuks									
1. Eurobonds / Sukuks	-	2,000.0	1,000.0	500.0	1,000.0	2,500.0	-	-	-
Sub-Total (D)	-	2,000.0	1,000.0	500.0	1,000.0	2,500.0	-	-	-
E. Commercial Banks									
1. SCB London	-	172.5	100.1	-	700.0	200.0	-	200.0	400.0
2. Dubai Bank	-	-	-	125.0	-	80.0	685.0	445.0	825.0
3. Noor Bank	-	-	-	340.0	445.0	220.0	225.0	-	-
4. SUISSE AG, UBL, ABL	-	200.0	-	983.0	1,000.0	1,200.0	495.0	200.0	215.0
5. Bank of China	-	-	-	-	300.0	200.0	-	500.0	-
6. China Development Bank	-	-	-	-	1,700.0	1,000.0	2,183.7	1,700.0	-
7. ICBC-China	-	-	-	-	300.0	1,000.0	300.0	-	1,300.0
8. Citi Bank	-	-	-	-	275.0	267.0	-	150.0	-
9. Ajman Bank	-	-	-	-	-	-	274.0	267.5	370.0
Sub-Total (E)	-	372.5	100.1	1,448.0	4,720.0	4,167.0	4,162.7	3,462.5	3,110.0
Grand-Total (A+B+C+D+E)	1,277.6	14,499.2	3,845.7	16,717.7	11,205.7	11,981.9	8,247.3	9,821.6	8,145.1

Note: Total may differ due to rounding off

Source : Economic Affairs Division

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		Universities
	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total
2000-01	147.7	54.3	25.5	12.0	14.8	4.6	630	236	1,710	691	366	171	59
2001-02	149.1	55.3	26.8	12.8	15.1	4.6	607	239	1,784	731	376	177	74
2002-03	150.8	56.1	28.0	13.5	15.6	4.8	585	230	1,855	768	386	186	96
2003-04	155.0	57.6	28.7	13.9	16.1	5.1	624	228	1,989	822	426	206	106
2004-05	157.2	58.7	30.4	14.8	16.6	5.3	747	328	1,604	684	677	331	108
2005-06	157.5	59.8	39.4	19.3	22.9	8.1	3,059	1,475	2,996	1,484	1,135	664	111
2006-07	158.4	60.9	40.1	17.5	23.6	9.0	3,090	1,491	3,095	1,420	1,166	631	120
2007-08	157.4	64.9	40.8	20.6	24.0	9.0	3,125	1,507	3,213	1,642	1,202	700	124
2008-09	156.7	63.4	40.9	20.4	24.3	9.2	3,159	1,523	3,242	1,707	1,336	733	129
2009-10	157.5	60.6	41.3	19.5	24.8	10.6	3,192	2,182	3,329	1,763	1,439	821	132
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 (P)	182.7	87.3	47.3	26.6	31.7	14.4	3,882	1,409	5,938	2,864	1,659	834	211 ^
2019-20 (E)	187.1	93.9	48.3	27.7	32.0	14.8	3,998	1,321	6,117	2,954	1,682	865	224 ^

P : Provisional E: Estimated *: Including Pre-Primary, Mosque Schools and Non-Formal Basic Education

^: Figures provided by HEC

Notes:

1. All figures include Public and Private Sector data
2. Female institution includes percentage of mixed institutions

Sources:

1. Figures of Primary, Middle, High and Higher Sec. From 2000-01 to 2018-19 is based on Annual Pakistan Education Statistics Reports, NEMIS, AEPAM, Islamabad.
2. Figures of Inter Colleges and Degree Colleges from 2000-01 to 2003-04 is based on Pakistan Economic Survey.
3. Figures of Private School data from 2004-05 onward is based on Annual Pakistan Education Statistics Reports NEMIS, AEPAM, Islamabad.
4. Figures of Private School data from 2000-01 to 2004-05 is based on 'Census of Private Education Institution 1999-2000', Federal Bureau of Statistics, Islamabad.
5. Figures of Private Schools data from 2005-06 is based on 'National Education Census, 2005', NEMIS, AEPAM, Islamabad.
6. Figures of Technical and Vocational from 2000-01 to 2002-03 is based on Pakistan Economic Survey.
7. Figures of Technical and Vocational from 2003-04 onward is based on Pakistan Education Statistics Reports, NEMIS, AEPAM, Islamabad.
8. Figures of Universities is provided by Higher Education Commission (HEC), Islamabad.

TABLE 10.2

ENROLMENT IN EDUCATIONAL INSTITUTIONS BY KIND, LEVEL & SEX

Year	Primary Stage I-V in 000		Middle Stage VI-VIII in 000		High Stage IX-X in 000		Technical & Vocational in 000		Higher Sec/ Inter Colleges in 000		Degree Colleges Numbers		Universities Numbers	
	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female
2000-01	14,105	5,559	3,759	1,706	1,565	675	83	14	582	283	305,200	149,600	124,944	36,699
2001-02	14,560	5,871	3,821	1,506	1,574	644	83	15	582	285	300,400	148,000	276,274	101,770
2002-03	15,094	6,132	3,918	1,551	1,589	658	94	19	625	306	320,800	158,400	331,745	128,066
2003-04	16,207	6,606	4,321	1,737	1,800	709	105	14	691	338	329,007	163,059	423,236	178,723
2004-05	18,190	7,642	4,612	1,885	1,936	780	114	21	307	141	453,275	220,118	471,964	195,555
2005-06	17,757	7,710	5,322	2,191	2,188	905	239	90	891	444	355,705	209,806	521,473	212,997
2006-07	17,993	7,848	5,431	2,264	2,373	974	251	94	942	473	380,012	224,263	605,885	255,695
2007-08	18,360	8,032	5,427	2,279	2,484	1,022	256	96	960	452	383,810	226,517	741,092	342,125
2008-09	18,468	8,144	5,414	2,298	2,556	1,071	265	99	1,074	508	366,518	222,850	803,507	356,233
2009-10	18,772	8,320	5,504	2,337	2,583	1,078	273	102	1,166	495	383,954	217,621	935,599	426,323
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 (P)	23,588	10,625	7,634	3,426	3,969	1,755	433	148	1,735	782	604,614	294,388	1,862,764 ^	676,029 ^
2019-20 (E)	24,592	11,127	7,931	3,593	4,214	1,885	465	155	1,804	813	598,814	291,564	1,910,001	836,992

P : Provisional **E : Estimated**

^: Figure provided by HEC

Notes:

1. All figures include Public and Private Sector data

2. Enrolment of Deeni Madaris and Non-Formal Basic Education are included.

Sources:

1. Figures of Primary, Middle, High and Higher Sec. From 2000-01 to 2018-19 is based on Annual Pakistan Education Statistics Reports, NEMIS, AEPAM, Islamabad.

2. Figures of Inter Colleges and Degree Colleges from 2000-01 to 2003-04 is based on Pakistan Economic Survey.

3. Figures of Private School data from 2004-05 onward is based on Annual Pakistan Education Statistics Reports NEMIS, AEPAM, Islamabad.

4. Figures of Private School data from 2000-01 to 2004-05 is based on 'Census of Private Education Institution 1999-2000', Federal Bureau of Statistics, Islamabad.

5. Figures of Pravate Schools data from 2005-06 is based on 'National Education Census, 2005', NEMIS, AEPAM, Islamabad.

6. Figures of Technical and Vocational from 2000-01 to 2002-03 is based on Pakistan Economic Survey.

7. Figures of Technical and Vocational from 2003-04 onward is based on Pakistan Education Statistics Reports, NEMIS, AEPAM, Islamabad.

8. Figures of Universities is provided by Higher Education Commission (HEC), Islamabad.

TABLE 10.3

NUMBER OF TEACHERS IN EDUCATIONAL INSTITUTIONS IN PAKISTAN, BY KIND, LEVEL & SEX

Year	Primary Schools* in 000		Middle Schools in 000		High Schools in 000		Technical & Vocational Institutions Numbers		Higher Sec/ Inter Colleges Numbers		Degree Colleges Numbers		Universities Numbers
	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total
2000-01	408.9	183.6	209.7	127.8	260.3	125.3	9,441	1,959	48,054	21,506	11,019	4,218	5,988
2001-02	413.9	183.5	230.1	139.3	270.2	126.1	7,192	1,863	55,146	23,016	10,598	4,164	5,160
2002-03	433.5	191.7	236.3	145.8	278.0	131.9	7,273	1,623	57,681	24,146	11,164	4,410	6,180
2003-04	432.2	195.3	239.4	146.6	276.9	134.2	7,042	1,325	57,881	24,190	11,245	4,505	37,428
2004-05	450.1	206.5	246.7	151.5	282.1	138.6	7,356	1,450	57,661	24,366	15,653	6,690	37,469
2005-06	454.2	210.6	310.8	201.6	417.1	209.9	14,565	4,658	69,425	33,959	20,568	10,485	37,509
2006-07	456.0	212.6	313.5	203.3	421.7	213.0	14,622	4,676	71,246	34,996	20,768	10,587	44,537
2007-08	452.6	216.0	320.6	208.2	429.9	219.7	14,914	4,770	74,223	36,162	20,971	10,690	46,893
2008-09	465.3	216.2	320.5	209.0	439.3	225.5	15,264	5,061	76,184	37,149	21,176	10,794	52,833
2009-10	441.7	208.9	331.5	216.6	447.1	230.4	15,338	4,905	77,248	37,595	30,754	14,313	57,780
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 (P)	494.3	276.1	448.6	321.9	567.1	348.4	18,207	4,304	128,062	67,044	41,233	17,803	60,279
2019-20 (E)	506.8	290.8	466.4	339.8	582.0	360.8	18,602	4,184	127,424	66,403	40,166	17,570	58,041

P : Provisional **E : Estimated** *** : Including Pre-primary, Mosque Schools and Non-Formal Basic Education**

Notes: **All figures include Public and Private Sector data**

Sources:

1. Figures of Primary, Middle, High and Higher Sec. From 2000-01 to 2018-19 is based on Annual Pakistan Education Statistics Reports, NEMIS, AEPAM, Islamabad.

2. Figures of Inter Colleges and Degree Colleges from 2000-01 to 2003-04 is based on Pakistan Economic Survey.

3. Figures of Private School data from 2004-05 onward is based on Annual Pakistan Education Statistics Reports NEMIS, AEPAM, Islamabad.

4. Figures of Private School data from 2000-01 to 2004-05 is based on 'Census of Private Education Institution 1999-2000', Federal Bureau of Statistics, Islamabad.

5. Figures of Pravate Schools data from 2005-06 is based on 'National Education Census, 2005', NEMIS, AEPAM, Islamabad.

6. Figures of Technical and Vocational from 2000-01 to 2002-03 is based on Pakistan Economic Survey.

7. Figures of Technical and Vocational from 2003-04 onward is based on Pakistan Education Statistics Reports, NEMIS, AEPAM, Islamabad.

8. Figures of Universities is provided by Higher Education Commission (HEC), Islamabad.

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
2001	907	4,625	5,230	879	541	272	97,945	1,427
2002	906	4,590	5,308	862	550	285	98,264	1,454
2003	906	4,554	5,290	907	552	289	98,684	1,479
2004	916	4,582	5,301	906	552	289	99,908	1,492
2005	919	4,632	5,334	907	556	289	101,490	1,483
2006	924	4,712	5,336	906	560	288	102,073	1,508
2007	945	4,755	5,349	903	562	290	103,285	1,544
2008	948	4,794	5,310	908	561	293	103,037	1,575
2009	968	4,813	5,345	906	572	293	103,708	1,592
2010	972	4,842	5,344	909	577	304	104,137	1,701
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	-
2020(P)	1,282	5,743	5,472	752	670	412	133,707	-

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-Deve-lopment
2001	97,260	4,612	40,019	22,711	5,669	1,516	31,579	6,688	18,717
2002	102,644	5,058	44,520	23,084	6,397	1,466	29,405	6,609	22,205
2003	108,164	5,531	46,331	23,318	6,599	1,404	27,414	8,500	24,305
2004	113,309	6,128	48,446	23,559	6,741	1,359	25,107	5,568	21,441
2005	118,113	6,734	51,270	23,897	7,073	1,310	25,297	6,649	24,777
2006	123,146	7,438	57,646	24,692	8,405	1,254	20,839	9,793	29,410
2007	128,042	8,215	62,651	25,261	9,302	1,245	19,417	13,898	39,268
2008	133,925	9,012	65,387	25,534	10,002	1,212	18,010	17,748	44,659
2009	139,488	9,822	69,313	26,225	10,731	1,184	16,814	26,456	57,258
2010	144,901	10,508	73,244	27,153	11,510	1,222	16,854	28,301	66,098
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	-	-	58,624	363,154
2020	245,987	27,360	116,659	43,129	21,361	-	-	76,254	406,011

Source: Pakistan Medical & Dental Council (PMDC)
Pakistan Nursis Council. (PNC)
Pakistan Bureau of Statistics
PRSP Budgetary Expenditure, External Finance (Policy wing), Finance Division

- : Not available

*** : Registered with Pakistan Medical and Dental Council and Pakistan Nursing Council.**

**** : Expenditure figures are for Respecteve Financial Year**

TABLE 11.3
DATA ON EXPANDED PROGRAMME OF IMMUNIZATION VACCINATION PERFORMANCE

Nos. in 000

Vaccine/doze.		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
B.C.G.		5,813.3	6,062.0	6,186.4	6,150.8	5,848.5	6,233.7	6,356.5	6,608.4	7,261.5	7,019.4
POLIO	0	3,844.4	4,200.3	4,464.2	4,746.2	4,796.7	5,120.1	5,420.8	5,818.8	6,220.4	6,339.8
	I	5,698.5	5,822.8	5,905.2	5,838.7	5,743.6	5,990.7	6,001.4	6,138.1	6,618.3	6,607.1
	II	5,356.0	5,445.9	5,538.9	5,494.8	5,387.8	5,537.9	5,618.4	6,138.1	6,249.3	6,239.1
	III	5,218.1	5,330.5	5,398.0	5,369.4	5,257.4	5,378.7	5,455.2	5,672.4	6,115.9	6,124.0
	IV	-	-	-	-	-	-	-	-	-	
	BR	86.1	-	-	-	-	-	-	-	-	
Pentavalent											
	I	5,606.3	5,773.2	5,921.6	5,843.5	5,713.7	5,933.6	6,009.0	5,526.7	6,725.8	6,145.7
	II	5,266.8	5,400.2	5,552.8	5,491.0	5,353.2	5,532.2	5,625.0	6,139.5	6,360.6	5,766.4
	III	5,129.2	5,275.6	5,411.6	5,370.8	5,225.9	5,371.7	5,472.0	5,676.0	6,231.3	5,665.8
T.T											
	I	5,089.9	5,361.9	5,157.2	4,536.5	5,048.2	4,569.7	4,690.3	4,874.9	5,272.2	4,993.8
	II	4,121.0	4,279.0	4,235.0	3,708.5	4,063.1	3,934.9	3,993.8	4,103.6	4,560.7	4,366.7
	III	812.9	815.1	783.2	577.7	586.7	398.5	191.4	192.5	250.7	225.1
	IV	234.4	229.8	312.3	185.4	157.9	97.8	51.9	57.9	70.8	60.1
	V	127.2	128.4	130.1	105.8	86.6	56.8	27.5	30.7	37.0	27.6
MEASLES											
	I	5,169.3	5,428.7	5,622.7	5,370.8	5,192.1	5,516.8	5,606.5	5,455.4	6,216.6	6,284.2
	II	4,490.3	4,330.6	4,193.5	4,684.7	4,684.7	4,684.7	4,710.9	4,734.0	5,492.7	5,617.2
Pneumococcal (PCV10)											
	I	-	-	3,588.7	5,526.3	5,641.8	5,884.3	5,994.4	5,528.7	6,724.8	6,590.8
	II	-	-	3,195.3	5,197.4	5,388.6	5,505.8	5,605.1	6,135.8	6,356.5	6,225.8
	III	-	-	3,008.4	5,072.4	5,175.9	5,374.9	5,470.6	5,673.4	6,228.7	6,127.0

Source: National Institute of Health (NIH)
Pakistan Bureau of Statistics

- : Not available
B.C.G. Bacilus+Calamus+Guerin
D.P.T Diphteira+Perussia+Tetanus
T.T Tetanus Toxoid

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
AVERAGE DOCTOR CALL FEE IN VARIOUS CITIES											
2000	40.00	40.00	33.75	33.13	32.40	38.93	30.00	107.50	32.92	30.00	41.86
2001	40.00	40.00	33.75	33.13	33.00	41.96	43.33	107.50	33.75	30.00	43.64
2002	40.00	50.00	30.00	33.13	35.00	41.25	43.33	95.00	33.96	30.00	43.17
2003	40.00	50.00	31.25	45.00	36.35	41.96	50.00	100.00	38.75	30.00	46.33
2004	41.25	50.00	33.00	45.00	36.25	41.96	50.00	100.00	38.75	30.00	46.62
2005	41.25	50.00	33.75	46.25	38.08	44.29	50.00	100.00	42.08	30.00	47.57
2006	41.25	50.00	33.75	55.00	41.73	52.68	50.00	100.00	43.75	50.00	51.81
2007	43.75	50.00	50.00	55.00	55.00	52.68	50.00	120.00	43.75	75.00	59.52
2008	75.00	65.00	50.00	75.00	80.00	63.21	100.00	130.00	61.67	75.00	77.49
2009	75.00	65.00	50.00	75.00	93.85	68.93	100.00	120.00	61.67	75.00	78.45
2010	75.00	75.00	60.00	90.00	93.85	68.93	125.00	130.00	71.67	100.00	88.95
2011	80.00	75.00	68.75	100.00	93.85	70.00	166.67	180.00	85.00	100.00	101.93
2012	90.00	75.00	80.00	200.00	100.00	70.36	191.61	200.00	110.00	100.00	121.70
2013	90.00	75.00	100.00	146.25	100.00	100.00	225.00	200.00	135.00	100.00	127.13
2014	90.00	75.00	100.00	175.00	100.00	100.00	220.83	200.00	166.67	100.00	132.75
2015	125.00	75.00	100.00	175.00	100.00	100.00	266.67	200.00	166.67	100.00	140.83
2016	125.00	75.00	100.00	175.00	100.00	100.00	266.67	200.00	166.67	100.00	140.83
2017	135.42	77.08	100.00	220.83	141.28	100.00	266.67	200.00	212.50	100.00	155.38
2018	250.00	100.00	100.00	225.00	173.39	118.75	266.67	200.00	216.67	135.42	178.59
2019	250.00	100.00	100.00	225.00	197.43	125.00	266.67	200.00	216.67	150.00	228.16
2020	264.47	100.00	100.00	334.56	210.18	160.14	462.83	212.09	305.87	185.38	254.29
2021*	300.00	180.00	106.56	380.39	225.00	194.10	579.61	211.00	350.54	200.00	287.05

*: July-April   **: Fiscal Year   Source: Pakistan Bureau of Statistics

Note: In the new base year 2015-16, prices are disseminated w.e.f July, 2019

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	202.93	-	-	-	27.30	6.90	61.40	2.04
2018	207.06	31.70 **	65.50 **	61.71 **	26.70	6.80	60.50	1.99
2019	211.17	-	-	-	26.10	6.70	59.50	1.94
2020*	215.25	-	-	-	25.40	6.60	58.50	1.80

- : Not available **Source: Pakistan Bureau of Statistics**

***: Population data reported in the chapter is based on Census 1998. Census Results 2017 have been released by PBS. NIPS will provide projected data accordingly, with the consultation of PBS and M/o Planning,Development & Special Initiatives. The revised Population data will be published in Statistical Supplement PES 2020-21**

****: Data taken from Labour Force Survey 2017-18**

Note: Labour Force Survey 2018-19 and 2019-20 has not been Published

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	202.93	104.80	98.13	117.25	85.69
2018	207.07	106.90	100.17	118.59	88.48
2019	211.17	108.98	102.19	119.88	91.30
2020	215.25	111.04	104.20	121.10	94.15

Source: National Institute of Population Studies (NIPS)
Ministry of Planning, Development & Special Initiatives

TABLE 12.3

POPULATION IN URBAN, RURAL AREAS 1972, 1981, 1998 AND 2017 CENSUS

In Thousands

Region/ Province	Population*									Density (Per sq. km)
	Total			Urban			Rural			
	Both Sexes	Male	Female	Both Sexes	Male	Female	Both Sexes	Male	Female	
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	143	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	66,877	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	11,630	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

- : Not available

Source: Pakistan Bureau of Statistics

* : This population does not include the population of AJK and Gilgit Baltistan

** : Adjusted due to transfer of some mouzas from Rawalpindi to Islamabad district

Note : Total may differ due to rounding off figures

TABLE 12.4

POPULATION BY AGE, IN URBAN, RURAL AREAS 1981 AND 1998 CENSUS

In Thousands

Age (in years)	Total			Rural			Urban		
	Both	Male	Female	Both	Male	Female	Both	Male	Female
					1981 Census				
All ages	82,055	43,090	38,965	58,214	30,323	27,891	23,841	12,767	11,074
0- 4	12,574	6,200	6,373	8,995	4,387	4,608	3,579	1,813	1,766
5- 9	13,142	6,811	6,331	9,591	4,973	4,618	3,552	1,839	1,713
10-14	10,803	5,857	4,946	7,684	4,204	3,480	3,119	1,653	1,467
15-19	7,763	4,193	3,571	5,223	2,828	2,395	2,540	1,365	1,175
20-24	6,228	3,270	2,958	4,119	2,111	2,008	2,108	1,159	950
25-29	5,479	2,891	2,588	3,760	1,948	1,812	1,719	944	776
30-34	4,617	2,388	2,229	3,226	1,631	1,595	1,391	757	634
35-39	4,197	2,121	2,077	2,922	1,452	1,469	1,276	668	608
40-44	3,865	1,937	1,928	2,733	1,332	1,402	1,132	606	526
45-49	3,076	1,610	1,466	2,194	1,121	1,074	882	490	392
50-54	2,966	1,638	1,328	2,170	1,179	991	796	459	337
55-59	1,611	859	751	1,187	618	569	424	242	182
60-64	2,216	1,299	917	1,667	973	695	549	327	222
65-69	987	555	431	755	420	334	232	135	97
70-74	1,161	678	484	900	526	374	261	152	109
75 and above	1,369	782	588	1,088	622	466	281	160	121
					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

* : Figures regarding FATA is not included

Source: Pakitan Bureau of Statistics

Note: Figures will be updated after the release of final result of Population Census 2017

TABLE 12.5
POPULATION OF PAKISTAN BY PROVINCE, LAND AREA AND PERCENTAGE DISTRIBUTION 1951-2017

	Area	Population (In thousand)					
	Sq km	1951	1961	1972	1981	1998	2017
PAKISTAN	796,096	33,740	42,880	65,309	84,254	132,352	207,685
	(100)	(100)	(100)	(100)	(100)	(100)	(100)
Khyber Pakhtunkhwa	74,521	4,557	5,731	8,388	11,061	17,744	30,509
	(9.4)	(13.5)	(13.4)	(12.8)	(13.1)	(13.4)	(14.7)
FATA	27,220	1,332	1,847	2,491	2,199	3,176	4,993
	(3.4)	(3.9)	(4.3)	(3.8)	(2.6)	(2.4)	(2.4)
Punjab	205,345	20,541	25,464	37,607	47,292	73,621	109,990
	(25.8)	(60.9)	(59.4)	(57.6)	(56.1)	(55.6)	(53.0)
Sindh	140,914	6,048	8,367	14,156	19,029	30,440	47,855
	(17.7)	(17.9)	(19.5)	(21.7)	(22.6)	(23.0)	(23.0)
Balochistan	347,190	1,167	1,353	2,429	4,332	6,566	12,335
	(43.6)	(3.5)	(3.2)	(3.7)	(5.1)	(5.0)	(5.9)
Islamabad	906	96	118	238	340	805	2,003
	(0.1)	(0.3)	(0.3)	(0.4)	(0.4)	(0.6)	(1.0)

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 AND 1981 CENSUS

	Total			Urban			Rural		
	1998		1981	1998		1981	1998		1981
Sex	15 Years & Above	10 Years & Above	10 Years & Above	15 Years & Above	10 Years & Above	10 Years & Above	15 Years & Above	10 Years & Above	10 Years & Above
Pakistan									
Both	41.0	43.9	26.2	60.5	63.1	47.1	30.4	33.6	17.3
Male	53.0	54.8	35.1	68.7	70.0	55.3	44.0	46.4	26.2
Female	28.0	32.0	16.0	51.0	55.2	37.3	16.2	20.1	7.3
Islamabad									
Both	69.7	72.4	47.8	75.2	77.3	57.6	58.4	62.5	32.5
Male	79.5	80.6	59.1	82.2	83.2	65.8	73.2	75.1	48.1
Female	57.7	62.4	33.5	65.9	69.7	46.8	42.1	48.8	14.7
Punjab									
Both	43.4	46.6	27.4	61.9	64.5	46.7	34.5	38.0	20.0
Male	55.2	57.2	36.8	69.8	70.9	55.2	47.9	50.4	29.6
Female	30.8	35.1	16.8	53.0	57.2	36.7	20.5	24.8	9.4
Sindh									
Both	43.9	45.3	31.4	62.6	63.7	50.8	23.9	25.7	15.6
Male	54.5	54.5	39.7	70.0	69.8	57.8	37.2	37.9	24.5
Female	32.0	34.8	21.6	54.9	56.7	42.2	9.8	12.2	5.2
Khyber Pakhtunkhwa									
Both	31.5	35.4	16.7	51.0	54.3	35.8	27.2	31.3	13.2
Male	48.2	51.4	25.9	65.5	67.5	47.0	44.1	47.7	21.7
Female	14.6	18.8	6.5	33.9	39.1	21.9	10.6	14.7	3.8
Balochistan									
Both	22.4	24.8	10.3	43.4	46.9	32.2	15.2	17.5	6.2
Male	32.5	34.0	15.2	55.9	58.1	42.4	24.0	25.8	9.8
Female	11.0	14.1	4.3	28.0	33.1	18.5	5.6	7.9	1.7
FATA									
Both	-	17.4	6.4	-	39.3	-	-	16.8	6.4
Male	-	29.5	10.9	-	59.7	-	-	28.6	10.9
Female	-	3.0	0.8	-	12.0	-	-	2.8	0.8

FATA: Federally Administered Tribal Areas **Source: Pakistan Bureau of Statistics**

- : Not available

Note: Literacy Ratio will be updated after the release of final result of Population Census 2017

TABLE 12.7

LAND AREA, POPULATION AND PERCENTAGE DISTRIBUTION

Population in Thousand

Region / Years		Area Sq. Kms	1951	1981	1998	2014	2015	2016	2017	2018	2019	2020
Pakistan		796,096	33,740	84,254	132,352	188,019	191,708	198,785	202,934	207,067	211,177	215,254
		100	100	100	100	100	100	100	100	100	100	100
i.	Punjab	205,345	20,541	47,292	73,621	102,005	103,837	107,959	110,036	112,095	114,137	116,153
		25.79	60.88	56.13	55.63	54.25	54.16	54.31	54.22	54.13	54.05	54.00
ii.	Sindh	140,914	6,048	19,029	30,440	45,032	45,988	46,568	47,580	48,591	49,595	50,593
		17.70	17.93	22.59	23.00	23.95	23.98	23.43	23.45	23.47	23.49	23.50
iii.	Khyber Pakhtunkhwa	74,521	4,556	11,061	17,744	25,308	25,836	27,714	28,363	29,013	29,660	30,304
		9.36	13.50	13.13	13.41	13.46	13.47	13.94	13.98	14.01	14.05	14.07
iv.	Balochistan	347,190	1,167	4,332	6,566	9,717	9,942	10,408	10,667	10,930	11,193	11,458
		43.61	3.46	5.14	4.96	5.17	5.18	5.24	5.26	5.28	5.30	5.32
v.	FATA	27,220	1,332	2,199	3,176	4,516	4,623	4,927	5,056	5,187	5,320	5,454
		3.42	3.95	2.61	2.40	2.40	2.41	2.48	2.49	2.50	2.52	2.53
vi.	Islamabad	906	96	340	805	1,441	1,479	1,207	1,228	1,249	1,269	1,289
		0.11	0.28	0.40	0.61	0.77	0.77	0.60	0.60	0.60	0.60	0.60

Sources : Ministry of Planning, Development & Special Initiatives
Pakistan Bureau of Statistics
National Institute of Population Studies (NIPS)

TABLE 12.8

PERCENTAGE DISTRIBUTION OF POPULATION OF 10 YEARS AND ABOVE AND CIVILIAN LABOUR FORCE BY GENDER YEAR 2017-18

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	50.45	49.55	44.28	34.30	9.98	41.72	32.56	9.16	2.56	1.74	0.82
Rural	100	49.80	50.20	47.14	34.29	12.85	44.77	32.67	12.10	2.37	1.62	0.75
Urban	100	51.49	48.51	39.71	34.33	5.38	36.84	32.40	4.44	2.87	1.93	0.94
Punjab	100	49.25	50.75	47.89	34.44	13.45	45.03	32.58	12.45	2.86	1.86	1.00
Rural	100	48.55	51.45	52.12	34.48	17.64	49.32	32.68	16.64	2.80	1.80	1.00
Urban	100	50.38	49.62	41.10	34.37	6.73	38.15	32.43	5.73	2.95	1.94	1.00
Sindh	100	53.51	46.49	42.27	36.64	5.63	40.19	35.20	4.99	2.08	1.44	0.64
Rural	100	53.50	46.50	46.06	38.20	7.86	44.81	37.33	7.48	1.25	0.87	0.38
Urban	100	53.51	46.49	38.85	35.23	3.62	36.03	33.28	2.75	2.82	1.95	0.87
Khyber Pakhtunkhwa	100	48.43	51.57	35.42	29.57	5.85	32.88	27.55	5.33	2.54	2.02	0.52
Rural	100	48.13	51.87	35.53	29.26	6.27	33.07	27.28	5.80	2.46	1.98	0.47
Urban	100	49.75	50.25	34.96	30.95	4.01	32.07	28.81	3.26	2.89	2.14	0.75
Balochistan	100	55.60	44.40	38.98	35.48	3.50	37.39	34.48	2.91	1.59	1.00	0.60
Rural	100	56.24	43.76	40.54	36.86	3.68	39.12	35.50	3.63	1.42	1.36	0.05
Urban	100	53.94	46.06	34.96	31.91	3.05	32.91	30.85	2.06	2.05	1.06	0.99

Source: Pakistan Bureau of Statistics
Labour Force Survey 2017-18

TABLE 12.9

LABOUR FORCE AND EMPLOYMENT

In Million

Mid Year	2007-08	2008-09	2009-10	2010-11	2011-12*	2012-13	2013-14	2014-15	2017-18
Population	165.45	168.99	172.57	176.20	180.71	183.57	186.19	189.19	206.62
Rural	103.08	104.38	105.70	107.00	120.10	121.66	121.56	123.36	131.19
Urban	62.37	64.61	66.87	69.20	60.61	61.91	64.63	65.83	75.43
Working Age Population	117.83	121.42	124.06	126.60	129.84	132.07	132.24	134.99	147.91
Rural	76.28	78.28	80.08	81.77	83.87	84.96	83.62	85.60	91.02
Urban	41.55	43.14	43.98	44.83	45.97	47.11	48.62	49.39	56.89
Labour Force	53.22	55.91	56.92	57.84	59.33	59.74	60.10	61.04	65.50
Rural	37.19	38.82	39.56	40.12	41.15	41.23	41.14	41.95	42.91
Urban	16.03	17.09	17.36	17.72	18.18	18.15	18.96	19.09	22.59
Employed Labour Force	50.45	52.86	53.76	54.40	55.80	56.01	56.52	57.42	61.71
Rural	35.44	36.99	37.66	38.24	39.22	39.14	39.07	39.85	40.75
Urban	15.01	15.87	16.10	16.16	16.58	16.87	17.45	17.57	20.96
Unemployed Labour Force	2.77	3.05	3.16	3.44	3.53	3.73	3.58	3.62	3.79
Rural	1.75	1.83	1.90	1.88	1.93	2.09	2.06	2.10	2.15
Urban	1.02	1.22	1.26	1.56	1.60	1.64	1.52	1.52	1.64
Unemployment Rate (%)	5.20	5.46	5.55	5.95	5.95	6.24	6.00	5.90	5.80
Rural	4.71	4.73	4.82	4.68	4.68	5.08	5.01	5.00	5.00
Urban	6.34	7.11	7.21	8.84	8.84	8.83	8.02	8.00	7.20
Labour Force Partici-pation Rates (%)	32.17	32.81	32.98	32.83	32.83	32.88	32.28	32.30	31.70
Rural	33.84	34.29	34.50	34.26	34.26	34.23	33.84	34.00	32.70
Urban	28.87	29.87	29.99	29.99	29.99	30.21	29.35	29.00	30.00

Source : Pakistan Bureau of Statistics (Labour Force Survey)
Ministry of Planning, Development & Special Initiatives

* : Data supplied by Ministry of Planning, Development & Special Initiatives

Note: Labour Force Survey has not been conducted for the last two years (2015-16 and 2016-17) due to Population Census

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
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	5.95	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

* : Data supplied by Ministry of Planning, Development & Special Initiatives

Note: Labour Force Survey was not conducted in the years 2000-01, 2002-03, 2004-05, 2011-12, 2015-16 and 2016-17.

Source: Ministry of Planning, Development & Special Initiatives
Pakistan Bureau of Statistics
(Labour Force Survey)

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
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 *	-	-	-	-	-	-	-
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

- : Not available

Source: Pakistan Bureau of Statistics

*: Labour Force Survey 2011-12 was not conducted

Note: Labour Force Survey has not been conducted for the last two years (2015-16 and 2016-17) due to Population Census

TABLE 12.12
PERCENTAGE DISTRIBUTION OF EMPLOYED PERSONS OF 10 YEARS AGE AND ABOVE BY MAJOR INDUSTRY 2017-18

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	66.03	33.97	100.0	67.48	32.52	100.0	52.84	47.16	100.0	81.80	18.20	100.0	75.39	24.61
1.	Agriculture, Forestry and Fishing	38.49	36.44	2.06	40.01	38.17	1.84	37.21	34.47	2.74	32.62	31.32	1.30	40.03	36.43	3.60
2.	Mining and Quarrying	0.23	0.21	0.03	0.04	0.02	0.01	0.23	0.20	0.03	0.30	0.27	0.03	2.95	2.76	0.19
3.	Manufacturing	16.05	7.37	8.68	17.74	8.82	8.91	15.48	3.56	11.92	12.03	8.96	3.07	5.55	2.93	2.62
4.	Electricity, Gas Steam and Air Conditioning Supply	0.41	0.15	0.26	0.32	0.12	0.19	0.62	0.09	0.52	0.34	0.23	0.11	0.79	0.59	0.20
5.	Water Supply, Sewerage, Waste, Management & Remediation Activity	0.32	0.14	0.17	0.23	0.07	0.16	0.42	0.20	0.22	0.47	0.34	0.13	0.62	0.38	0.24
6.	Construction	7.61	5.38	2.23	6.99	4.90	2.09	6.20	3.30	2.90	13.74	12.04	1.69	7.60	5.57	2.03
7.	Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles	14.92	6.30	8.62	14.16	6.19	7.97	16.39	3.94	12.44	15.12	10.18	4.94	17.27	10.44	6.84
8.	Transport, storage	5.67	3.19	2.49	4.92	2.73	2.20	6.09	2.25	3.84	8.35	6.82	1.53	6.86	5.18	1.69
9.	Accomodation and Food Services Activities	1.97	0.90	1.07	1.94	0.91	1.04	2.11	0.64	1.47	1.52	0.95	0.57	2.97	2.22	0.75
10.	Information and Communication	0.52	0.09	0.42	0.53	0.09	0.44	0.64	0.06	0.58	0.32	0.17	0.15	0.23	0.09	0.13
11.	Financial and Insurance Activities	0.53	0.14	0.39	0.51	0.16	0.35	0.73	0.07	0.66	0.37	0.21	0.15	0.16	0.06	0.10
12.	Real Estate Activities	0.46	0.12	0.34	0.48	0.14	0.34	0.51	0.05	0.47	0.30	0.15	0.15	0.34	0.18	0.16
13.	Professional, Scientific and Technical Activities	0.53	0.21	0.32	0.63	0.25	0.38	0.35	0.07	0.28	0.50	0.32	0.19	0.16	0.07	0.09
14.	Administrative and Support Service Activities	0.53	0.20	0.34	0.49	0.18	0.31	0.65	0.12	0.53	0.61	0.42	0.19	0.34	0.22	0.12
15.	Public Administration and Defence Compulsory Scocial Security	2.49	1.00	1.49	1.98	0.73	1.26	3.24	0.89	2.35	2.56	1.80	0.77	5.65	3.48	2.17
16.	Education	4.05	1.91	2.14	3.52	1.47	2.05	4.33	1.69	2.64	5.98	4.38	1.60	4.82	2.67	2.15
17.	Human Health and Social Work Activities	1.56	0.65	0.90	1.36	0.58	0.78	1.79	0.48	1.31	2.03	1.26	0.77	1.78	0.97	0.81
18.	Arts, Entertainment & Recreation	0.18	0.08	0.10	0.24	0.11	0.13	0.07	0.03	0.04	0.14	0.04	0.10	0.03	0.01	0.02
19.	Other Services Activities	2.10	1.09	1.01	2.24	1.24	1.00	1.87	0.52	1.35	2.07	1.52	0.55	1.44	0.90	0.54
20.	Activities of Households as Employer; Undifferentiated Goods & Services - Producing Activities of Household for own use	1.34	0.47	0.88	1.64	0.59	1.06	1.08	0.21	0.87	0.61	0.42	0.19	0.39	0.24	0.14
21.	Activities Extraterritorial Organizations and Bodies	0.03	-	0.03	0.04	-	0.03	0.02	-	0.02	0.03	0.01	0.02	-	-	-

- : Not available

Source: Pakistan Bureau of Statistics
(Labour Force Survey 2017-18)

TABLE 12.13

AGE SPECIFIC LABOUR FORCE PARTICIPATION RATE

In Percentage

Age Group	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2012-13	2013-14	2014-15	2017-18
10 years & over										
Both Sexes	46.01	45.18	45.17	45.66	45.89	45.69	45.70	45.45	45.22	44.30
Male	71.97	70.14	69.54	69.31	68.83	68.70	68.89	68.07	67.78	68.00
Female	18.93	19.10	19.59	20.66	21.51	21.67	21.50	22.17	22.02	20.10
10-14										
Male	20.68	16.92	17.09	16.20	15.42	14.27	14.46	12.62	11.22	9.80
Female	9.21	9.18	9.69	9.48	9.24	8.83	7.98	8.37	7.71	6.40
15-19										
Male	60.87	56.29	53.94	52.74	52.68	51.59	51.16	49.68	47.55	47.60
Female	16.91	16.60	17.61	18.90	19.17	19.58	18.19	19.32	18.01	15.60
20-24										
Male	87.63	86.76	85.12	85.39	84.54	84.27	82.38	81.71	82.32	84.60
Female	20.67	20.66	20.98	22.76	23.88	24.20	24.41	25.14	25.74	23.30
25-34										
Male	97.03	97.16	96.90	97.19	96.89	97.42	96.73	96.91	97.33	97.00
Female	21.62	21.66	21.87	23.63	25.48	25.44	26.01	26.57	27.15	25.57
35-44										
Male	97.57	98.01	97.87	98.37	97.53	98.34	98.45	98.06	98.33	98.38
Female	25.07	25.93	26.75	27.67	27.88	29.46	28.72	30.00	29.43	27.97
45-54										
Male	96.37	96.62	96.65	96.69	96.96	97.29	97.02	97.13	97.24	96.77
Female	24.78	25.01	24.42	25.86	29.41	28.35	29.11	29.37	30.75	26.07
55-59										
Male	90.62	92.20	92.54	93.71	93.26	92.24	92.61	92.78	93.80	91.70
Female	22.84	22.45	25.53	26.37	27.98	26.27	26.60	27.48	27.29	23.40
60+										
Male	59.38	58.52	59.46	56.38	55.49	54.95	52.42	53.33	55.16	51.30
Female	14.69	15.70	15.50	15.22	13.54	14.62	13.58	12.77	11.95	11.50

Note: Labour Force Survey has not been conducted for the last two years (2015-16 and 2016-17) due to Population Census

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)**	
	2011	2012	2013	2014	2015	2016	2017	2018	2019-20 (July-April)	2020-21 (July-April)
Painter*										
Islamabad	687.50	775.00	900.00	1,000.00	1,200.00	1,200.00	1,250.00	1,300.00	1,423.81	1,432.57
Karachi	632.92	700.00	700.00	792.31	861.54	861.54	861.54	1,292.31	1,345.46	1,423.72
Lahore	611.17	682.14	682.14	780.36	830.36	830.36	925.00	1,100.00	1,232.45	1,232.45
Peshawar	508.33	608.33	666.67	741.67	800.00	800.00	1,000.00	1,000.00	1,200.00	1,297.43
Quetta	691.67	750.00	900.00	900.00	900.00	900.00	900.00	1,000.00	1,287.41	1,347.52
Mason (Raj)										
Islamabad	685.42	775.00	900.00	1,000.00	1,200.00	1,200.00	1,250.00	1,300.00	1,440.83	1,488.17
Karachi	662.50	800.00	800.00	861.54	1,061.54	1,061.54	1,061.54	1,430.77	1,500.00	1,500.00
Lahore	618.17	689.29	689.29	826.79	926.79	926.79	1,025.00	1,150.00	1,263.41	1,425.40
Peshawar	579.17	733.33	850.00	900.00	900.00	1,000.00	1,200.00	1,200.00	1,200.00	1,428.59
Quetta	816.67	900.00	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00	1,200.00	1,487.75	1,537.82
Labour (Unskilled)										
Islamabad	387.50	450.00	525.00	600.00	700.00	700.00	800.00	825.00	965.49	993.10
Karachi	410.42	500.00	500.00	530.00	630.77	663.46	719.23	932.69	988.94	1,000.00
Lahore	389.58	475.00	475.00	600.00	600.00	600.00	725.00	850.00	858.75	921.10
Peshawar	308.33	400.00	466.67	483.33	500.00	500.00	600.00	600.00	631.64	800.00
Quetta	397.92	425.00	550.00	550.00	550.00	550.00	550.00	700.00	986.62	1,006.69

Data pertains to month of November calandar year

Source: Pakistan Bureau of Statistics

*: Painter is included while Carpainter is excluded in Base Year 2015-16

** : Data pertains to Financial Year

TABLE 13.1

TRANSPORT (Roads)

(in kilometers)

Years	Length of Roads		
	High Type	Low Type	Total
2000-01	144,652	105,320	249,972
2001-02	148,877	102,784	251,661
2002-03	153,225	98,943	252,168
2003-04	158,543	97,527	256,070
2004-05	162,841	95,373	258,214
2005-06	167,530	91,491	259,021
2006-07	172,827	86,370	259,197
2007-08	175,000	84,038	259,038
2008-09	177,060	83,140	260,200
2009-10	180,190	79,850	260,040
2010-11	180,866	78,597	259,463
2011-12	181,940	79,655	261,595
2012-13	182,900	80,515	263,415
2013-14	184,120	79,635	263,755
2014-15	188,430	76,974	265,404
2015-16	190,355	75,550	265,905
2016-17	193,871	73,131	267,002
2017-18	197,452	71,483	268,935
2018-19	201,100	69,872	270,971

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	225	18,577	373,772	77	2,337	9,662	2,318	86,119	493,088

Source: National Transport Research Center

Note: Earlier, NTRC was collecting the data regarding road length that included ranging from kacha road, gravel/ shingle road, un-surfaced road to metalled road. Due to digitization of road directory and ground verification of classification of roads and development of a web portal “Pakistan Geo Directory Road Portal”. The length of road has been calculated at 493,088 km in all provinces, AJK and GB.

TABLE 13.1 B

RAILWAYS

Fiscal Year	Locomo-tives (Nos.)	Freight Wagons (Nos.)	Route (Kms.)	Number of Passengers carried (Million)	Freight carried (Million Tonnes)	Freight Tonne (Million Kms.)	Gross Earnings (Rs. Million)
2000-01	610	23,893	7,791	68.80	5.89	4,520	11,938
2001-02	577	23,460	7,791	69.00	5.90	4,573	13,346
2002-03	577	23,722	7,791	72.40	6.18	4,830	14,810
2003-04	592	21,812	7,791	75.70	6.14	5,336	14,635
2004-05	557	21,556	7,791	78.18	6.41	5,532	18,027
2005-06	544	20,809	7,791	81.43	6.03	5,916	18,184
2006-07	544	19,638	7,791	83.89	6.42	5,453	19,195
2007-08	555	18,638	7,791	79.99	7.23	6,178	19,973
2008-09	551	17,259	7,791	82.54	6.94	5,896	23,160
2009-10	528	16,499	7,791	74.93	5.83	4,847	21,886
2010-11	528	18,468	7,791	64.90	2.61	1,757	18,740
2011-12	522	17,611	7,791	41.90	1.30	403	15,444
2012-13	493	16,635	7,791	42.00	1.00	419	18,071
2013-14	421	16,179	7,791	48.00	1.00	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	52.19	5.00	4,774	36,582
2016-17	455	16,085	7,791	52.39	5.63	5,031	40,065
2017-18	472	16,159	7,791	54.91	8.35	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	7,370	47,584
2020-21 (Jul-Feb) P	466	14,448	7,791	18.11	5.25	5,229	30,966

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)
2000-01	14	243,802	5,458.7
2001-02	14	243,749	4,555.5
2002-03	13	229,579	5,405.0
2003-04	14	469,931	6,881.9
2004-05	14	570,466	7,860.0
2005-06	15	636,182	7,924.6
2006-07	14	636,821	9,089.1
2007-08	14	636,821	10,753.5
2008-09	14	477,238	11,474.0
2009-10	10	633,273	8,738.8
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	10,070.2
2018-19	11	831,711	10,862.5
2019-20	11	831,711	13,803.0
2020-21 (Jul- Mar) P	11	831,711	9,632.7

P: Provisional **Source: Pakistan National Shipping Corporation**

*** : Highest carring capacity since 1979 inception of PNSC**

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
2000-01	25,981	20,063	5,918	13,588	11,841	1,747	-	-	-
2001-02	26,692	20,330	6,362	13,317	10,932	2,385	-	-	-
2002-03	25,852	19,609	6,244	15,109	11,980	3,129	-	-	-
2003-04	27,813	21,732	6,081	14,123	11,264	2,859	-	-	-
2004-05	28,615	22,100	6,515	19,437	16,006	3,431	-	-	-
2005-06	32,270	25,573	6,697	21,573	17,588	3,985	-	-	-
2006-07	30,846	23,329	7,517	24,350	19,511	4,839	-	-	-
2007-08	37,192	25,517	11,675	26,424	21,607	4,817	63.6	63.6	-
2008-09	38,732	25,367	13,364	25,030	19,443	5,286	1,496.5	1,496.5	-
2009-10	41,420	27,892	13,528	25,626	19,226	6,380	1,261.8	1,261.8	-
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	949.0	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 (Jul-Mar) P	39,424	27,546	11,878	43,006	37,255	5,575	54.7	50.9	3.8

P : Provisional   - : Not available

Source: Karachi Port Trust
Port Qasim Authority
Gawardar Port Authority

TABLE 13.2

PAKISTAN INTERNATIONAL AIRLINES CORPORATION-Operational

Year	PIA Fleet No. of Planes	Available Seat (Million Kms.)	Route Kms.	Passenger Load Factor %	Available Tonne (Million Kms.)	Operating Expenses (Million Rs.)
2001	45	17,756	265,643	66.0	2,541	43,242
2002	44	15,776	257,858	68.0	2,242	38,097
2003	43	17,259	290,129	70.0	2,476	42,574
2004	42	20,354	354,664	66.0	2,973	55,872
2005	42	20,816	343,525	70.0	3,103	67,075
2006	42	22,092	446,570	69.0	3,369	79,164
2007	39	20,313	383,574	67.0	3,126	76,415
2008	44	18,528	311,131	71.0	2,934	120,499
2009	42	19,859	380,917	70.0	2,933	98,629
2010	40	21,219	424,570	74.0	3,091	106,811
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	778,609	74.5	1,356	102,912

(Contd.)

PAKISTAN INTERNATIONAL AIRLINES CORPORATION-Revenue

Year	Revenue Passengers (Million Kms.)	Revenue Passengers Carried (000)	Revenue Load Factor (%)	Revenue Kilometers Flown (000)	Revenue Tonne (Million Kms.)	Revenue Hours Flown	Operating Revenue (Million Rs.)
2001	11,652	4,877	57.0	70,958	1,438	121,860	43,608
2002	10,780	4,166	59.0	61,921	1,331	105,553	43,674
2003	12,009	4,556	59.0	68,851	1,448	115,017	47,951
2004	13,520	5,120	55.0	80,087	1,635	130,977	57,786
2005	14,506	5,499	56.0	82,550	1,729	134,039	64,074
2006	15,124	5,732	54.0	88,302	1,801	141,479	70,587
2007	13,681	5,415	51.0	80,759	1,593	132,416	70,481
2008	13,925	5,617	54.0	79,580	1,581	132,378	88,863
2009	13,891	5,535	52.0	80,108	1,525	132,155	94,564
2010	15,657	5,538	56.0	81,588	1,746	142,940	107,532
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	58.6	70,515	1,530	110,640	147,500
2020	6,629	2,541	51.3	38,114	695	58,519	94,683

Note: PIA Financial Year has changed to Calendar Year **Source: Pakistan International Airlines Corporation**

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
2006	2,757,842	136,394	1,372,191	105,373	175,589	189,950	896,014	5,633,353
2007	2,895,734	143,215	1,440,801	103,397	184,368	199,447	940,851	5,907,813
2008	3,039,815	156,068	1,549,854	104,431	187,367	202,574	961,646	6,201,755
2009	3,215,583	167,910	1,657,860	106,463	195,163	210,944	1,005,441	6,559,364
2010	4,305,121	201,827	1,726,347	122,882	198,790	216,119	1,081,916	7,853,002
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	15,230,960	671,403	2,933,668	170,759	235,614	269,471	1,555,975	21,067,850
2017 (R)	17,518,365	763,076	3,196,542	170,890	242,194	278,120	1,643,489	23,812,676
2018 (R)	19,796,577	843,300	3,495,581	171,117	249,198	284,949	1,725,445	26,566,167
2019 (P)	21,971,120	919,009	3,703,517	171,179	253,939	288,253	1,799,337	29,106,354
2020 (P)	22,707,368	939,384	3,772,835	171,231	254,778	295,023	1,823,975	29,964,594

P : Provisional   R: Revised   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
2000-01	2,218.9	928.0	79.8	72.4	72.4	68.4	18.3	93.8
2001-02	2,481.1	1,040.0	96.4	80.8	116.9	78.3	43.4	122.7
2002-03	2,656.2	1,110.0	104.1	80.9	120.3	80.6	44.4	126.4
2003-04	2,882.5	1,193.1	112.6	81.0	121.3	84.4	47.8	132.4
2004-05	3,063.0	1,264.7	120.3	81.3	121.9	87.6	51.8	140.5
2005-06	3,791.0	1,999.2	122.1	77.8	143.3	93.5	65.7	140.8
2006-07	4,463.8	1,682.2	119.1	79.0	148.9	104.5	85.4	169.1
2007-08	5,037.0	1,853.5	129.8	89.3	163.5	115.3	82.9	163.2
2008-09	5,368.0	2,029.1	138.6	88.4	167.2	125.5	79.0	155.6
2009-10	5,412.1	2,387.2	146.4	89.1	170.4	130.3	78.3	171.4
2010-11	5,468.8	2,822.2	154.6	89.8	173.6	135.3	78.5	175.2
2011-12	4,463.6	3,205.0	158.7	102.4	176.6	141.3	78.6	178.3
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
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 E	23,701.8	4,048.7	116.5	767.7	141.3	521.6	155.2	913.2

(Contd.)

TABLE 13.4

MOTOR VEHICLES ON ROAD-HCV

(In 000 Nos.)

Year	Ambu- lance	Buses	Trucks	Tractor	Tankers (Oil & Water)	Others	Total
2000-01	1.7	86.6	132.3	579.4	8.0	89.0	4,471.0
2001-02	4.1	96.6	145.2	630.5	8.4	71.5	5,016.0
2002-03	4.3	98.3	146.7	663.2	8.4	71.4	5,315.0
2003-04	4.4	100.4	149.2	722.7	8.6	71.3	5,711.9
2004-05	4.5	102.4	151.8	778.1	8.5	69.4	6,048.3
2005-06	4.5	103.6	151.8	822.3	8.6	60.2	7,084.5
2006-07	4.6	108.4	173.3	877.8	8.8	38.6	8,063.6
2007-08	5.2	109.9	177.8	900.5	9.8	40.7	8,878.4
2008-09	5.6	111.1	181.9	911.7	10.8	41.3	9,413.7
2009-10	4.0	123.3	200.5	940.8	11.1	21.8	9,886.4
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
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 E	9.1	164.6	313.3	636.5	20.9	289.1	30,977.9

E: Estimated

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
2000-01	117,858	39,573	6,960	1,332	948	32,556
2001-02	133,334	41,171	8,491	1,099	1,141	24,331
2002-03	176,591	63,267	12,174	1,340	1,950	26,501
2003-04	327,446	100,070	14,089	1,380	2,022	36,103
2004-05	571,145	128,381	23,613	1,762	3,204	43,746
2005-06	751,667	163,114	29,581	825	4,518	49,439
2006-07	839,224	179,314	19,672	993	4,410	54,610
2007-08	1,057,751	166,300	21,354	1,146	4,993	53,607
2008-09	917,628	85,240	16,158	657	3,135	60,107
2009-10	1,389,047	122,819	15,568	628	3,425	71,730
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	35,836	1,070	5,666	34,914
2016-17	2,500,650	190,466	24,265	1,118	7,712	53,975
2017-18	2,825,071	231,138	29,055	784	9,187	71,894
2018-19	2,459,849	216,780	24,453	913	6,035	49,902
2019-20	1,821,644	97,889	12,068	532	2,945	32,608
(Jul-Mar)						
2019-20	1,562,947	91,918	11,008	462	2,732	23,266
2020-21	1,880,333	114,627	14,334	445	2,509	36,653

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
2004-05	61,187	4,143	189,721	3	144	66,338	244	-	5,394	5,409
2005-06	52,022	9,472	167,626	15	315	36,563	1,587	-	23,303	2,108
2006-07	28,509	12,467	164,078	1,727	421	202,785	1,174	6	21,898	1,938
2007-08	38,249	18,512	209,098	1,029	187	540,025	690	-	8,169	210
2008-09	42,966	20,726	200,745	125	6	425,721	557	20	1,871	14
2009-10	99,349	33,596	175,577	10,816	84	750,888	176	1	21,096	27
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
(Jul-Mar)										
2019-20	199,037	88,979	420,302	26,779	-	867,949	-	-	65,180	1
2020-21 P	264,399	96,132	220,640	56,807	-	1,091,397	-	2	87,459	4

(Contd.)

Fiscal Year	Station Wagon	Delivery Van	Lorries Trucks Ambulance	Passenger Vehicles Public	Special Lorries Trucks & Vans	Bus etc. Chassis	Buses, Trolly Buses	Motor Vehicles for Goods	Spl. Truck etc. Chassis	Road Tractors for Trailers
2004-05	37	178	2,616	1,519	1,544	18	411	269	-	117
2005-06	284	2,586	13,463	5,228	551	7	2,104	3,844	38	498
2006-07	2,817	1,583	16,610	2,123	573	24	652	297	48	997
2007-08	345	311	4,331	836	875	314	217	22	335	2,409
2008-09	28	37	2,405	363	1,203	1,017	232	2	9	2,149
2009-10	109	2	12,819	364	5,325	671	285	-	12	2,154
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
(Jul-Mar)										
2019-20	-	1,711	9,331	162	175	477	235	7	402	44,481
2020-21 P	-	2,773	10,241	787	164	678	189	5	21	20,768

(Contd.)

Fiscal Year	Tractor Agricul-tural	Tractor Cater-pillar	Tractor Heavy Duty for const.	Tractor Roads	Tractor (NES)	Electric Vehicles	Electric Bikes	Sport Utility Vehicle	3-Wheel Loader
2004-05	6,543	232	563	1,646	2,167		-	-	-
2005-06	20,769	12	632	2,284	3,378		-	-	-
2006-07	30,588	1	845	904	7,213		-	-	-
2007-08	8,914	1	744	1,892	19,623		-	-	-
2008-09	2,636	-	402	434	14,205		-	-	-
2009-10	12,052	-	245	165	6,189		-	-	-
2010-11	905	-	148	144	12,208		-	-	-
2011-12	3,684	-	68	0	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	51,864	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	-	-	86	488	12,835	-	-	-	-
(Jul-Mar)									
2019-20	827	-	75	246	10,553	-	-	20	35
2020-21 P	913	-	90	131	16,961	-	-	-	-

P : Provisional   - : Not Available   Source: Pakistan Bureau of Statistics

TABLE 13.7

POST AND TELECOMMUNICATIONS

Fiscal Year	No. of Post Offices Urban	Rural	Total	Telephones (000 Nos.)	Broad Band Subscribers (000 Nos.)	Mobile Phones (000 Nos.)
2000-01	2,302	9,932	12,233	3340	-	742.6
2001-02	1,983	10,284	12,267	3656	-	1,698.5
2002-03	1,808	10,446	12,254	4940	-	2,404.4
2003-04	2,267	9,840	12,107	4460	-	5,022.9
2004-05	1,831	10,499	12,330	5191	-	12,771.2
2005-06	1,845	10,494	12,339	5128	26.6	34,506.6
2006-07	1,849	10,494	12,343	4806	45.2	63,160.9
2007-08	1,849	10,493	12,342	4546	168.0	88,019.8
2008-09	1,852	10,514	12,366	3523	413.8	94,342.0
2009-10	1,580	10,455	12,035	3417	688.4	99,185.8
2010-11	1,580	10,455	12,035	5,720 *	1,491.5	108,894.5
2011-12	1,797	10,238	12,035	5,803 *	2,101.3	120,151.2
2012-13	2,178	10,650	12,828	6,371 *	2,723.7	128,933.6
2013-14	1,813	10,264	12,077	5,232 *	3,795.9 @	139,974.8
2014-15	1,813	10,264	12,077	3,931	16,885.5	114,658.4
2015-16	1,782	9,962	11,744	3,295	40,148.0	133,241.5
2016-17	2,046	9,450	11,496	2,986	44,586.7	139,758.1
2017-18	2,046	9,450	11,496	2,885	58,339.8	150,238.7
2018-19	1,717	8,352	10,069	2,575	71,026.1	161,021.6
2019-20	1,519	8,626	10,145	2,417	83,205.6	167,268.9
2020-21 (Jul-Mar)	1,514	8,589	10,103	2,464	99,628.2	181,740.4

Source: (i) : Pakistan Post Office
(ii) : Pakistan Telecommunications Company Ltd

- : Not Available
@ : Includes dial-up and broadband connection
* : Including Fixed Local Loop and Wireless Local Loop

TABLE 14.1

COMMERCIAL ENERGY CONSUMPTION

Fiscal Year	1. Oil/Petroleum (tons)						
	Households	Industry	Agricul-ture	Transport	Power	Other Govt.	Total
2000-01	450,960	1,924,048	254,833	8,157,893	6,487,988	372,176	17,647,898
2001-02	334,501	1,611,995	225,742	8,018,777	6,305,419	463,654	16,960,088
2002-03	282,521	1,604,068	196,747	8,082,273	6,019,958	266,387	16,451,954
2003-04	231,459	1,493,080	183,506	8,464,042	2,739,763	309,263	13,421,113
2004-05	192,750	1,542,398	142,062	9,024,783	3,452,581	316,686	14,671,260
2005-06	128,651	1,681,517	81,896	8,156,831	4,218,982	358,807	14,626,684
2006-07	106,148	1,595,981	97,232	7,981,893	6,740,559	325,318	16,847,131
2007-08	120,961	1,071,191	109,351	9,384,482	7,083,933	310,501	18,080,419
2008-09	97,332	969,193	69,793	8,837,197	7,570,418	367,266	17,911,199
2009-10	90,312	984,690	58,072	8,860,880	8,814,274	323,472	19,131,700
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 P	47,292	1,220,638	12,494	14,694,099	1,487,578	389,781	17,851,882
(July-March)							
2019-20*	31,261	821,678	8,805	9,194,112	1,205,712	244,462	11,506,030
2020-21	21,754	1,114,336	9,828	11,386,867	1,819,877	222,984	14,575,646

P : Provisional

(Contd...)

Note: HSD consumption in agricultural sector is not available seprately and is included under transport sector. Agricultural sector represents LDO only.

* Consumption of POL products available till February 2020.

Source : Oil Companies Advisory Committee.

TABLE 14.1

COMMERCIAL ENERGY CONSUMPTION

Fiscal Year	2. Gas (mm cft)* Households	Commercial	Cement	Fertilizer	Power	SSGC*	Industry	Transport CNG**	Total
2000-01	140,899	20,618	6,977	175,393	281,255		138,503	4,423	768,068
2001-02	144,186	22,130	7,063	177,589	314,851		151,416	7,369	824,604
2002-03	153,508	22,776	3,445	180,611	335,636		164,968	11,320	872,264
2003-04	155,174	24,192	7,711	185,350	469,738		193,395	15,858	1,051,418
2004-05	172,103	27,191	13,383	190,409	507,398		226,116	24,443	1,161,043
2005-06	171,109	29,269	15,335	198,175	491,766		278,846	38,885	1,223,385
2006-07	185,533	31,375	14,686	193,682	433,672		306,600	56,446	1,221,994
2007-08	204,035	33,905	12,736	200,063	429,892		322,563	72,018	1,275,212
2008-09	214,113	35,536	7,305	201,100	404,140		319,003	88,236	1,269,433
2009-10	219,382	36,955	1,944	220,124	366,906		333,508	99,002	1,277,821
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 P	325,740	27,084	-	251,076	437,004	-	229,116	46,482	1,316,502
<u>(July-March)</u>									
2019-20	259,204	22,194	-	184,402	318,388	-	181,114	39,456	1,004,758
2020-21	249,795	19,929	-	197,652	324,324	-	194,649	30,030	1,016,379

P : Provisional **- : Not available** **(Contd…)**

*** RLNG withheld by SSGCL.**

**** Sector wise natural gas consumption is available till Feb-2019.**

TABLE 14.1

COMMERCIAL ENERGY CONSUMPTION

	3. Electricity (Gwh)									4. Coal (000 metric ton)					
Fiscal Year	Traction	Household	Commercial	Industrial	Agricultural	Street Lights	General Services*	Other Govt.	Total	Household	Power	Brick Kilns	Cement	Other Govt.	Total
2000-01	13	22,765	2,774	14,349	4,924	213	-	3,547	48,585	1.0	205.8	2,837.9	1,000.0	-	4044.7
2001-02	11	23,210	2,951	15,141	5,607	212	-	3,490	50,622	1.1	249.4	2,577.5	1,580.6	-	4408.6
2002-03	10	23,624	3,218	16,181	6,016	244	-	3,363	52,656	1.1	203.6	2,607.0	2,078.2	-	4,889.9
2003-04	9	25,846	3,689	17,366	6,669	262	-	3,650	57,491	1.0	184.9	2,589.4	3,289.2	-	6,064.5
2004-05	12	27,601	4,080	18,591	6,988	305	-	3,750	61,327	-	179.9	3,906.7	3,807.2	-	7,893.8
2005-06	13	30,720	4,730	19,803	7,949	353	-	4,035	67,603	-	149.3	4,221.8	3,342.8	-	7,714.0
2006-07	12	33,335	5,363	21,066	8,176	387	-	4,373	72,712	1.0	164.4	3,277.5	4,451.2	-	7,894.1
2007-08	8	33,704	5,572	20,729	8,472	415	-	4,500	73,400	1.0	162.0	3,760.7	6,186.9	-	10,110.6
2008-09	5	32,282	5,252	19,330	8,795	430	-	4,277	70,371	0.8	112.5	3,274.8	5,001.8	-	8,389.9
2009-10	2	34,272	5,605	19,823	9,689	458	-	4,499	74,348	-	125.5	3,005.2	5,007.8	-	8,138.5
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 P	-	55,132	7,874	25,647	9,758	385	-	13,273	112,070	-	9,700.0	5,300.0	10,300.0	-	25,300.0
(July-March)															
2019-20***	-	39,461	6,313	20,461	7,127	291	178	6,356	80,187	-	10,498.0	2,581.0	6,000.0	-	19,079.0
2020-21	-	41,508	6,246	22,280	7,558	318	254	6,436	84,600	-	8,925.0	4,125.0	7,875.0	-	20,925.0

- : Not available P: Provisional

Source: Ministry of Energy,
Hydrocarbon Development Institute of Pakistan (HDIP)

* : 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 yet received while electricity consumption from WAPDA is uptill Feb-2019. Consumption of coal is estimated.

*** : Consumption of electricity from AJK Hydro Electric Board is estimated for the last three months.

Note: Sectoral consumption data of coal is mostly not available and has therefore been estimated.

TABLE 14.2

COMMERCIAL ENERGY SUPPLIES (ELECTRICITY)

Fiscal Year	Installed Capacity MW	Generation GW/h (a)	Hydroelectric		Thermal		Nuclear		Renewable		Imported (GW/h)
			Installed Capacity (MW) (b)	Generation (GW/h)	Installed Capacity (MW)	Generation (GW/h)	Installed Capacity (MW)	Generation (GW/h)	Installed Capacity (MW)	Generation (GW/h)	
2000-01	17,498	68,117	4,867	17,194	12,169	48,926	462	1,997	-	-	-
2001-02	17,799	72,405	5,051	18,941	12,286	51,174	462	2,291	-	-	-
2002-03	17,798	75,682	5,051	22,351	12,285	51,591	462	1,740	-	-	0.36
2003-04	19,257	80,900	6,496	26,944	12,299	52,122	462	1,760	-	-	73
2004-05	19,384	85,738	6,499	25,671	12,423	57,162	462	2,795	-	-	109
2005-06	19,450	93,774	6,499	30,862	12,489	60,283	462	2,484	-	-	146
2006-07	19,420	98,384	6,479	31,953	12,478	63,972	462	2,288	-	-	171
2007-08	19,420	95,860	6,480	28,707	12,478	63,877	462	3,077	-	-	199
2008-09	19,786	91,843	6,481	27,784	12,843	62,214	462	1,618	-	-	227
2009-10	20,922	95,608	6,481	28,093	13,978	64,371	462	2,894	-	-	249
2010-11	22,477	94,653	6,481	31,811	15,209	59,153	787	3,420	-	-	269
2011-12	22,797	95,365	6,556	28,517	15,454	61,308	787	5,265	-	-	274
2012-13	22,812	96,497	6,773	29,857	15,289	61,711	750	4,553	-	-	375
2013-14	23,531	104,089	6,893	31,873	15,887	66,707	750	5,090	-	-	419
2014-15	23,759	107,408	7,030	32,474	15,541	67,886	750	5,804	438	802	443
2015-16	25,889	111,763	7,122	34,633	17,115	70,512	750	4,605	902	1,549	463
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 P	38,619	134,746	9,861	38,988	25,244	81,555	1,467	9,898	2,047	4,305	514
(July-March)											
2019-20	36,166	88,368	9,874	27,270	23,312	51,629	1,345	7,049	1,635	2,057	363
2020-21	37,183	92,371	9,874	28,543	22,898	53,550	2,490	6,915	1,921	3,007	356

- : Not Available (a) GWh: Giga Watt hour (b) MW: Mega Watt

Source: Ministry of Energy

TABLE 14.3

COMMERCIAL ENERGY SUPPLIES (OIL, GAS, PETROLEUM, COAL)

Fiscal Year	Oil		Gas		Petroleum Products		Coal	
	Crude Oil Imports 000 barrels	Local Crude Extraction 000 barrels	Produc-tion mcf*	Imports mcf	Imports 000 tons	Produc-tion 000 tons	Imports 000 tons	Produc-tion 000 tons
2000-01	52,505	21,084	857,433	-	10,029	8,337	950	3,095
2001-02	51,982	23,195	923,758	-	9,023	9,028	1,081	3,328
2002-03	52,512	23,458	992,589	-	8,437	9,084	1,578	3,312
2003-04	57,699	22,625	1,202,750	-	5,170	9,740	2,789	3,275
2004-05	61,161	24,119	1,344,953	-	5,676	10,474	3,307	4,587
2005-06	63,546	23,936	1,400,026	-	6,009	10,498	2,843	4,871
2006-07	60,694	24,615	1,413,581	-	8,330	10,314	4,251	3,643
2007-08	64,912	25,603	1,454,194	-	9,025	10,754	5,987	4,124
2008-09	62,115	24,033	1,460,679	-	9,974	9,828	4,652	3,738
2009-10	53,081	23,706	1,482,847	-	11,178	8,996	4,658	3,481
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	5,463
2019-20 P	52,030	28,087	1,316,635	355,559	7,539	9,585	16,422	8,831
(July-March)								
2019-20***	38,820	19,791	898,400	279,334	5,316	7,238	13,297	5,782
2020-21	48,180	20,768	962,397	346,750	7,313	7,402	12,183 **	6,375 **

P : Provisional - : Not available Ministry of Energy
(a) MW: Mega Watt (b) GWh: Giga Watt hour
* : Million cubic feet
** : Figure of coal production and import are avaialable till February 2021.
*** : Production of crude oi, gas and coal is avaialable till February 2020.

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 01-07-2019	Qtr. Adjust. for 3rd & 4th quarter and interim increase on account Distribution Margin, notified w.e.f. 01-10-2019	Quarterly Uniform Tariff 1st QTR 2019-20 w.e.f. 1 December 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		2.00		-	-	-	2.00
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		-	-	-	10.20
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		1.80	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	(3.00)	1.80	0.83	0.26	18.73
B1 Off Peak		13.28		1.80	0.83	0.26	16.17
B2	400	14.78		1.80	0.83	0.26	17.67
B2 - TOU (Peak)		18.78	(3.00)	1.80	0.83	0.26	18.67
B2 - TOU (Off-peak)	400	13.07		1.80	0.83	0.26	15.96
B3 - TOU (Peak)		18.78	(3.00)	1.80	0.83	0.26	18.67
B3 - TOU (Off-peak)	380	12.98		1.80	0.83	0.26	15.87
B4 - TOU (Peak)		18.78	(3.00)	1.80	0.83	0.26	18.67
B4 - TOU (Off-peak)	360	12.88		1.80	0.83	0.26	15.77
Temporary Supply		16.36		1.80	0.83	0.26	19.25
C - Single Point Supply							
C1(a) Supply at 400 Volts-less than 5 kW		18.68		1.80	0.83	0.26	21.57
C1(b) Supply at 400 Volts-exceeding 5	400	18.18		1.80	0.83	0.26	21.07
Time of Use (TOU) - Peak		21.6		1.80	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	400	15		1.80	0.83	0.26	17.89
C2 Supply at 11 kV	380	17.98		1.80	0.83	0.26	20.87
Time of Use (TOU) - Peak		21.6		1.80	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	380	14.8		1.80	0.83	0.26	17.69
C3 Supply above 11 kV	360	17.88		1.80	0.83	0.26	20.77
Time of Use (TOU) - Peak		21.6		1.80	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	360	14.7		1.80	0.83	0.26	17.59
D- Agricultural							
Scarp		15.68		1.80	0.83	0.26	18.57
Time of Use (TOU) - Peak		18.6		1.80	0.83	0.26	21.49
Time of Use (TOU) - Off-Peak	200	11.35		1.80	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		1.80	0.83	0.26	21.57
Residential Colonies - Tariff H		18.68		1.80	0.83	0.26	21.57
Railway Traction Tariff I		18.68		1.80	0.83	0.26	21.57
Tariff K - AJK	360	15.9		1.80	0.83	0.26	18.79
Time of Use (TOU) - Peak		21.6		1.80	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	360	14.7		1.80	0.83	0.26	17.59
Tariff K -Rawat Lab		18.68		1.80	0.83	0.26	21.57
J- Special Contract							
J-1 For Supply at 66 kV & above	360	17.88		1.80	0.83	0.26	20.77
Time of Use (TOU) - Peak		21.6		1.80	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	360	14.7		1.80	0.83	0.26	17.59
J-2 (a) For Supply at 11, 33 kV	380	17.98		1.80	0.83	0.26	20.87
Time of Use (TOU) - Peak		21.6		1.80	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	380	14.8		1.80	0.83	0.26	17.69
J-2 (b) For Supply at 66 kV & above	360	17.88		1.80	0.83	0.26	20.77
Time of Use (TOU) - Peak		21.6		1.80	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	360	14.7		1.80	0.83	0.26	17.59
J-3 (a) For Supply at 11, 33 kV	380	17.98		1.80	0.83	0.26	20.87
Time of Use (TOU) - Peak		21.6		1.80	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	380	14.8		1.80	0.83	0.26	17.69
J-3 (b) For Supply at 66 kV & above	360	17.88		1.80	0.83	0.26	20.77
Time of Use (TOU) - Peak		21.6		1.80	0.83	0.26	24.49
Time of Use (TOU) - Off-Peak	360	14.7		1.80	0.83	0.26	17.59

* Industrial Support Package (ISP) reduction shall be inclusive of any downward revision of Fuel Price Adjustment notified from time to time. Source: NEPRA

Note:FC Surcharge @ Rs. 0.43/kWh and NJ Surcharge @ 0.10/kWh are applicable in addition to above on all cosumer categories except life line.

TABLE 14.5
OIL SALE PRICES

Rs/Ltrs

Date	01-06-2014	01-07-2014	01-08-2014	01-09-2014	01-10-2014	01-11-2014	01-12-2014	01-01-2015
EX-NRL/PRL KARACHI								
Motor Gasoline	74.89	107.97	107.97	106.56	103.62	94.19	84.53	78.28
HOBC (Automotive 100 Octane)	96.45							
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	74.19	97.40	97.05	96.99	95.68	87.52	83.18	71.92
HSD	75.30	109.34	109.34	108.34	107.39	101.21	94.09	86.23
LDO	73.67	94.13	93.27	92.08	91.94	83.37	77.98	67.50
Aviation gasoline (100LL)								
JP-1:	-	86.71	86.74	84.84	85.00	77.60	73.05	59.10
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	-	87.06	86.42	85.52	84.66	77.01	72.72	58.76

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5
OIL SALE PRICES

Rs/Ltrs

Date	01-02-2015	01-03-2015	01-07-2015	01-08-2015	01-09-2015	01-10-2015	01-11-2015	01-12-2015
EX-NRL/PRL KARACHI								
Motor Gasoline	70.29	70.29	77.79	76.76	73.76	73.76	76.26	76.26
HOBC (Automotive 100 Octane)			83.81	82.79	79.79	79.79	79.79	80.66
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	61.44	61.44	64.94	60.11	57.11	57.11	57.11	56.32
HSD	80.61	80.61	87.11	85.05	82.04	82.04	83.79	83.79
LDO	57.94	57.94	61.51	56.59	53.59	53.59	53.59	53.23
Aviation gasoline (100LL)								
JP-1:	47.30	53.59	55.81	49.33	42.65	45.31	46.12	45.24
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	46.96	53.25	55.47	48.99	42.31	44.96	45.77	44.90

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5
OIL SALE PRICES

Rs/Ltrs

Date	01-01-2016	01-02-2016	01-03-2016	01-04-2016	01-05-2016	01-06-2016	01-07-2016	01-08-2016
EX-NRL/PRL KARACHI								
Motor Gasoline	76.25	71.25	62.77	64.27	64.27	64.27	64.27	64.27
HOBC (Automotive 100 Octane)	80.66	75.66	72.68	72.68	72.68	72.68	72.68	72.68
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	48.25	43.25	43.25	43.25	43.25	43.25	43.25	43.25
HSD	80.79	75.79	71.12	72.52	72.52	72.52	72.52	72.52
LDO	44.94	39.94	37.97	37.97	37.97	37.97	43.35	43.35
Aviation gasoline (100LL)								
JP-1:	37.50	29.66	32.67	36.35	38.87	38.87	48.82	45.19
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	37.15	29.31	31.36	36.01	37.37	37.37	44.81	42.27

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5
OIL SALE PRICES

Rs/Ltrs

Date	01-09-2016	01-10-2016	01-11-2016	01-12-2016	01-01-2017	16-01-2017	01-02-2017	16-02-2017
EX-NRL/PRL KARACHI								
Motor Gasoline	64.27	64.27	64.27	66.27	67.27	68.04	70.29	71.29
HOBC (Automotive 100 Octane)	72.68	72.68						
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	43.25	43.25	43.25	43.25	43.25	43.25	43.25	43.25
HSD	72.52	72.52	72.52	75.22	75.22	77.22	49.48	80.48
LDO	43.34	43.34	43.34	43.34	43.34	43.34	43.34	43.34
Aviation gasoline (100LL)								
JP-1:	40.51	42.19	46.67	44.61				
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	40.17	41.84	46.33	43.47				

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	01-03-2017	01-04-2017	01-05-2017	01-06-2017	01-07-2017	01-08-2017	06-08-2017	01-09-2017
EX-NRL/PRL KARACHI								
Motor Gasoline	73.00	74.00	74.00	72.80	71.30	71.30	69.50	71.50
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00
HSD	82.00	83.00	83.00	81.40	79.90	79.90	77.40	77.40
LDO	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00
Aviation gasoline (100LL)								
JP-1:					44.40	45.98	45.98	48.77
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					44.05	45.63	45.63	48.41

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	01-10-2017	01-11-2017	01-12-2017	01-01-2018	01-02-2018	01-07-2018	08-07-2018	01-08-2018
EX-NRL/PRL KARACHI								
Motor Gasoline	73.50	75.99	77.47	81.53	84.51	99.50	95.24	95.24
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	48.00	53.19	57.58	64.32	70.18	87.70	83.96	83.96
HSD	79.40	84.59	85.95	89.91	95.83	119.31	112.94	112.94
LDO	46.00	49.00	52.12	58.37	64.30	80.91	75.37	75.37
Aviation gasoline (100LL)								
JP-1:	52.26	52.91	57.22	62.35	65.85	76.18	76.18	81.44
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	51.91	52.96	56.87	59.41	65.48	76.16	76.16	81.24

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	01-09-2018	01-10-2018	01-11-2018	01-12-2018	01-01-2019	01-02-2019	01-03-2019	01-04-2019
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	01-05-2019	05-05-2019	01-06-2019	01-07-2019	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	27.6.20	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	16.9.2020	1.10.2020	16.10.2020	1.11.2020	16.11.2020	1.12.2020	16.12.2020	1.1.2021
EX-NRL/PRL KARACHI								
Motor Gasoline	103.97	103.97	102.4	100.69	101.69	103.69	106.00	109.20
HOBC (Automotive 100 Octane)								
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)								
Kerosene	65.29	65.29	65.29	65.29	65.29	65.29	70.29	73.65
HSD	106.46	104.06	104.06	103.22	101.43	105.43	108.44	110.24
LDO	62.86	62.86	62.86	62.86	62.86	62.86	67.86	71.81
Aviation gasoline (100LL)								
JP-1:	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	16.1.2021	1.2.2021	16.2.2021	1.3.2021	16.3.2021	1.4.2021
EX-NRL/PRL KARACHI						
Motor Gasoline	111.90	111.90	111.90	111.90	110.35	108.56
HOBC (Automotive 100 Octane)						
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)						
Kerosene	76.65	80.19	80.19	80.19	83.61	82.06
HSD	113.19	116.08	116.08	116.08	116.08	113.08
LDO	76.23	79.23	79.23	79.23	81.42	79.86
Aviation gasoline (100LL)						
JP-1:	-	-	-	-	-	-
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	-	-	-	-	-	-

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.6

GAS SALE PRICES

Unit: Rupees/MMbtu.

Category	1-1-2013	23-8-13	1-1-14	1-9-2015	1-1-2016	1-4-2016	1-7-2016	15-12-16
DOMESTIC (Slab)								
i) Upto 1.77 M cu.ft./month								
ii) Upto 1.77 to 3.55 M cu.ft./month	106.14	106.14	106.14	110.00			110.00	110.00
iii) Upto 3.55 to 7.10 M cu.ft./month								
iv) Upto 7.10 to 10.64 Mcu.ft./month	212.28	212.28	212.28	220.00			220.00	220.00
v) Upto 10.64 to 14.20 M cu.ft./month	530.00	530.69	530.69	600.00			600.00	600.00
vi) Upto 14.20 to 17.75 M cu.ft./month								
vii) All over 17.75								
BULK METER	530.00	530.69	530.69	600.00			600.00	600.00
COMMERCIAL	636.83	636.83	636.83	700.00				
SPECIAL COMMERCIAL ROTI TANDOOR								
Upto 50								
Over 50 upto 100	106.14	106.14	106.14	110.00			110.00	110.00
Over 100 upto 200								
Over 200 upto 300	212.28	212.28	212.28	220.00			220.00	220.00
Over 300	636.83	636.83	636.83	700.00				
ICE FACTORIES	636.83	636.83	636.83	700.00			700.00	700.00
General Industry	488.23	488.23	488.23	700.00			600.00	600.00
Cement	742.97	742.97	742.97	750.00			750.00	750.00
CNG Station	656.32	656.32	656.32	700.00			700.00	700.00
Pakistan Steel								
Captive Power	488.23	573.28	573.28	600.00			600.00	600.00
Independent Power Projects	488.23	488.23	488.23	600.00		613.00	613.00	400.00
FERTILIZER								
<u>SNGPL'S SYSTEM</u>								
(i) For Feed Stock								
Pak American Fertilizer Ltd.	123.41	123.41	123.41	200.00		123.41	123.00	123.00
F.F.C Jorden								
Engro Fertilizer Ltd.	67.38	*-69.10	73.17	70.61	72.73		72.72	72.72
Dawood Hercules/ Pak Arab	123.41	123.41	123.41	200.00		123.41	123.00	123.00
Pak China /Hazara	123.41	123.41	123.41	200.00		123.41	123.00	123.00
<u>SSGCL'S SYSTEM</u>								
F.F.Bin Qasim Ltd.	123.41	123.41	123.41	200.00		123.41	123.00	123.00
F.F.Bin Qasim Ltd. (Add. 10mmcfd FS	67.38	69.10	73.17	70.61	72.73		72.72	72.72
(ii) For Fuel Generation all Fertilizer Co.	488.23	488.23	488.23	600.00			600.00	600.00
<u>FOR MARI GAS CO. SYSTEM</u>								
(i) For Feed Stock								
(a) Engro Chemical	123.41	123.41	123.41	200.00		123.41	123.00	123.00
FFC (Goth Machi)	123.41	123.41	123.41	200.00		123.41	123.00	123.00
Fatima Fertilizer	67.38	69.10	73.17	70.61	72.73		72.72	72.72
FFC (Mirpur M)	123.41	123.41	123.41				123.00	123.00
Foundation Power Company	488.23	488.23	488.23				613.00	400.00
(ii) For Power Generation	488.23	488.23	488.23					
POWER Stations								
SNGPL & SSGCL'S SYSTEM	488.23	488.23	488.23	600.00				
Liberty Power Limited	1,505.20	1,505.20	1,505.20	713.89	648.52		443.58	443.58
GAS DIRECTLY SOLD TO								
<u>WAPDA'S GUDDU POWER STATION</u>								
SUI FIELD (917 BTU)	488.23	488.23	488.23	600.00		613.00		
KANDKOT FIELD (866 BTU)	488.23	488.23	488.23	600.00		613.00		
MARI FIELD (754 BTU)	488.23	488.23	488.23	600.00		613.00	613.00	400.00
SARA /SURI FIELDS								
Foundation Power Company	488.23	488.23	488.23	600.00		613.00	613.00	400.00

Source : Directorate General of Gas.

TABLE 14.6

GAS SALE PRICES

Sectors	w.e.f 27-09-18	w.e.f 01-01-2019		* w.e.f 01-07-2019		* w.e.f 01-07-2019
1. DOMESTIC			1. DOMESTIC		1. DOMESTIC	
Upto 50 M^3 per month	121		Upto 50 M^3 per month	121	Upto 0.5 hm3 per month	121
Upto 100 M^3 per month	127		Upto 100 M^3 per month	300	Upto 1 hm3 per month	300
Upto 200 M^3 per month	264		Upto 200 M^3 per month	553	Upto 2 hm3 per month	553
Upto 300 M^3 per month	275		Upto 300 M^3 per month	738	Upto 3 hm3 per month	738
Upto 400 M^3 per month	780		Upto 400 M^3 per month	1107	Upto 4 hm3 per month	1107
Upto 500 M^3 per month	1460		Above 400 M^3 per month	1460	Above 4 hm3 per month	1460
Over 500 M^3 per month	1460					
2. Bulk Consumers	780			780	2. Bulk Consumers	780
3. Special Commercial (Roti Tanoor)		revert back on 14-12-2018			3. Special Commercial (Roti Tanoor)	
Upto 50 M^3 per month	121				Upto 0.5 hm3 per month	110
Upto 100 M^3 per month	127	Upto 1 hm3 = 110	Upto 100 M^3 per month	110	Upto 1 hm3 per month	110
Upto 200 M^3 per month	264				Upto 2 hm3 per month	220
Upto 300 M^3 per month	275	Upto 3 hm3 = 220	Upto 300 M^3 per month	220	Upto 3 hm3 per month	220
Upto 400 M^3 per month	780				Over 3 hm3 per month	700
Over 400 M^3 per month	980	Above 3 hm3 = 700	Over 400 M^3 per month	700		
4. Commercial	980			1283	4. Commercial	1283
5. Ice Factories	980			1283	5. Ice Factories	1283
6. Textile (Including Jute), carpets, leather, sports and surgical goods					6.General Indusries	1054
	600			786		
7 Industrial	780			1021	7. Export Oriented (General Industrial)	819
8. Captive Power	780			1021	8. Export Orinted (Captive)	852
9. Compressed Natural Gas(CNG)	980			1283	8. Capitive Power (General Industry)	1087
10. Cement	975			1277	CNG Region-I	1371
					CNG Region-II	1350
					Cement	1277
11. Fertilizer Companies					11. Fertilizer Companies	
On SNGPL's System					On SNGPL's System	
(a) For Feed Stock					(a) For Feed Stock	
i. Pak American Fertilizer Limited.	185			300	i. Pak American Fertilizer Limited.	302
ii. Dawood Hercules Chemical Limited	185			300	ii. Dawood Hercules Chemical Limited	302
iii. Pak Arab Fertilizer Limited	185			300	iii. Pak Arab Fertilizer Limited	302
iv. Pak China Fertilizer Limited	185			300	iv. Pak China Fertilizer Limited	302
v. Hazara Phosphate Fertilizer Plant Limited				300	v. Hazara Phosphate Fertilizer Plant Limited	302
	185					
vi. FFC Jordan Fertilizer						
vii. ENGRO Fertilizer Limited	US$ 0.70			US$ 0.70	vii. ENGRO Fertilizer Limited	US$ 0.70
On SSGCL's System						
Fauji Fertilizer Bin Qasim Limited	185			300	On SSGCL's System	
FFBQL - additional 10 MMCFD feed stock						
					(i) a) Fauji Fertilizer Bin Qasim Limited	302
(b) For Fuel - All Fertilizer Companies	780			1021	(b) For Fuel - All Fertilizer Companies	1023
On MARI's SYSTEM					On MARI's SYSTEM	
(a) For Feed Stock					(a) For Feed Stock	
i. Engro Fertilizer Company Limited	185			300	i. Engro Fertilizer Company Limited	302
ii. Fauji Fertilizer Company Limited (Goth					ii. Fauji Fertilizer Company Limited	302
Machi/Mirpur Mathelo)	185			300	(Goth Machi/Mirpur Mathelo)	
iii. Fatima Fertilizer Company Limited	US$ 0.70			US$ 0.70	iii. Fatima Fertilizer Company Limited	US$ 0.70
iv. Fatima Fertilizer Company Limited,					iv. Foundation Power Company (Dharki)	
Mirpur Mathelo, District Gholki					Limited	857
(b) For Fuel	780			1021	(b) For Fuel	1023
12. Power Station (WAPDA's and KESCS's					12. Power Station (WAPDA's and KESCS's	
i. WAPDA & KESC Power Station	629			824	i. WAPDA & KESC Power Station	857
ii. WAPDA's Gas Turbine Power Station					ii. WAPDA's Gas Turbine Power Station	
Nishatabad, Faislabad	629			824	Nishatabad, Faislabad	857
iii. Liberty Power Limited	1005.19	1283.47		1283.47		
13. Independent Power Producers	629			824	13. Independent Power Producers	857
14. On MARI's System						
(a) For Feed Stock						
i. Engro Fertilizer Company Limited	185			300		
ii. Fauji Fertilzer Company Limited (Goth						
Machi/Mirpur Mathelo)	185			300		
iii. Fatima Fertilizer Company Limited	US$ 0.70			US$ 0.70		
iv. Fatima Fertilizer Company Limited,						
Mirpur Mathelo, District Gholki						
(b) For Fuel	780			1021		
15. RAW Gas Sold to WAPDA's						
GUDDU Power Station						
i. Sui Field (917 BTU) and Kanhkot (866						
BTU)-PPL	629			824		
ii. Mari (754)-MGCL	629			824		
iii. Foundation Power Company (Dharki)						
Limited	629			824		
iv. Sara/Suri Fields-Tullow						

*: Effective till to date

Source : Directorate General of Gas.

WEIGHTS AND MEASURES

RUPEES

One Lakh	=One hundred thousand	=100,000
Ten Lakh	=One million	=1,000,000
One Crore	=Ten million	=10,000,000
One Billion	=One thousand million	
One Trillion	=One thousand billion	

CURRENCY EQUIVALENT

Prior to 1972

One Rupee = US$ 0.21 One US$ = Rs. 4.76

With effect from 8th January, 1982, Rupee is floating against Dollar and is linked to a basket of currencies.

WEIGHTS

One Gram	=0.035 Ounce	=0.0857 Tola	
One Pound	=16 ounces	=453.592 grams	
One Kilogram	=1000 grams	=1.07 seers	=2.205 pounds
One Metric tonne	=1000 Kilograms	=0.9842 ton	=26.792 Maunds
One Maund	=37.3242 Kilograms		
One Tonne	=2240 pounds	=1.016 metric tonnes	
One cotton bale	=375 Ibs.	=170.2 kg	
One bushel	=0.73 mds	=27.25 kg	

LENGTH

One yard	=3 feet =36 inches	=0.914 metre
One mile	=1760 yards	=1.609 kilometres
One sq. yard	=0.83613 sq. metres	
One sq. metre	=1.196 sq. yards	
One Acre	=4840 sq. yards	=0.4049 hectare
One Hectare	=2.47 Acres	

VOLUME

One cubic metre =35.315 cubic feet

LIQUID MEASURE

One barrel =36 gallons (imperial) =163.656 litres

YEAR

Fiscal/Trade/Agriculture Year in Pakistan starts from 1st July and ends on 30th June every year

CROPPING SEASONS

Kharif – Crop sowing from April to June and harvested during October-December

Rabi – Crops sowing from October to December and harvested during April-May

ABBREVIATIONS

A & P	Assessment & Processing
ACD	Additional Custom Duty
ADB	Asian Development Bank
ADP	Annual Development Programmes
ADS	Assets Declaration Scheme
AECHs	Atomic Energy Cancer Hospitals
AEDB	Alternative Energy Development Board
AEPAM	Academy of Educational Planning & Management
AGHA	Agha Steel Industries
AIDS	Acquired Immunodeficiency Syndrome
AIIB	Asian Infrastructure Investment Bank
AJK	Azad Jammu & Kashmir
AMA	Asaan Mobile Account
APCMA	All Pakistan Cement Manufacturer Association
APTTCA	Afghanistan-Pakistan Transit Trade Coordination Authority
ARE	Alternative Renewable Energy
ASER	Annual Status of Education Report
ATL	Active Taxpayer List
AUM	Assets Under Management
B2C	Business-to-Consumer
BB	Branchless Banking
BHUs	Basic Health Units
BINO	Bahawalpur Institute of Nuclear Oncology
BISP	Benazir Income Support Program
BMEC	Baluchistan Mineral Exploration Company Limited
BMR	Balancing, Modernization and Replacement
BMRL	Baluchistan Minerals Resource Company Limited
BOT	Built-Operate-Transfer
CAD	Current Account Deficit
CAGR	Compound Annual Growth Rate
CAN	Calcium Ammonium Nitrate
CAR	Capital Adequacy Ratio
CBU	Completely Built Up
CCI	Council of Common Interests
CCOE	Cabinet Committee on Energy
CCTs	Conditional Cash Transfers
CDNS	Central Directorate of National Savings
CFAO	Chief Finance and Accounts Officer
CFIs	Commercial Financial Institutions
CGPM	Clean Green Pakistan Movement
CIA	Chief Internal Auditor
CiC	Currency in Circulation
CIIE	China International Import Expo
CKD	Completely Knocked Down
CKO	Centralized Know Your Customer Organization
CM & TSA	Cash Management and Treasury Single Account
CMI	Census of Manufacturing Industries
CMS	Complaint Management System

COPHCL	China Overseas Ports Holding Company Limited
CPEC	China Pakistan Economic Corridor
CPFTA	China-Pakistan Free Trade Agreement
CPI	Consumer Price Index
CPPA	Central Power Purchasing Agency
CRC	Corporate Restructuring Company
CRMs	Complaint Resolution Mechanisms
CRVS	Civil Registration and Vital Statistics
CSC	Consumer Support Center
CSR	Corporate Social Responsibility
DAP	Diammonium phosphate
DCCI	Dhaka Chamber of Commerce and Industry
DPB	Domestic Private Bank
DR	Disaster Recovery
DSSI	Debt Services Suspension Initiative
ECC	Economic Coordination Committee
ECE	Early Childhood Education
EDCF	Economic Development Cooperation Fund
EDI	Electronic Data Interchange
EFS	Export Finance Scheme
EFS	Exports Finance Scheme
EMDEs	Emerging Markets and Developing Economies
EOBI	Employees Old-Age Benefits Institution
EPI	Expanded Programme for Immunization
ERC	Ehsaas Registration Centers
ESWs	Ehsaas Saving Wallets
EU	Europe Union
EV	Electric Vehicle
FAO	Food and Agriculture Organization
FASTER	Fully Automated Sales Tax e-Refund
FATF	Financial Action Task Force
FBR	Federal Board of Revenue
FCA	Federal Committee on Agriculture
FCVA	Foreign Currency Value Account
FDI	Foreign Direct Investment
FED	Federal Excise Duty
FRSU	Floating Re-gasification Storage Units
FX	Foreign Exchange
FXs	Foreign Exchange
GCF	Green Climate Fund
GCISC	Global Change Impact Studies Centre
GDP	Gross Domestic Product
GEM	Growth Enterprise Market
GER	Gross Enrolment Rate
GI	Geographical Indication
GIDC	Gas Infrastructure Development Cess
GIS	Geographical Information System
GLOFs	Glacial Lake Outburst Floods
G-MSS	Government's Mark-Up Subsidy Scheme
GMTN	Global Medium-Term Note
GNI	Gross National Income

GSP	Geological Survey of Pakistan
GST	General Sales Tax
HCV	Heavy Commercial Vehicle
HDI	Human Development Index
HEC	Higher Education Commission
HEDP	Higher Education Development Programme
HEIs:	Higher Education Institutes
HIV	Human Immunodeficiency Virus
I & P	Investigation & Prosecution Unit
IBB	Islamic Banking Branches
IBI	Islamic Banking Industry
ICAC	International Cotton Advisory Committee
ICTs	Information and Communication Technologies
IFA	Individual Financial Assistance
IFIs	International Financial Institutions
IFL	Interest Free Loan
IGCEP	Indicative Generation Capacity Expansion Plan
IMR	Infant mortality rate
INMOL	Institute of Nuclear Medicine & Oncology Lahore
IPOs	Initial Public Offerings
IREN	Inland Revenue Enforcement Network
ITeS	Information Technology enabled Services
ITU	International Telecommunications Union
JHPIEGO	Johns Hopkins Program for International Education in Gynecology and Obstetrics
JP&VCCs	Job Placement and Vocational Counseling Centres
JPCs	Job Placement Centres
JPHLEPD	Japan-Pakistan High Level Economic Policy Dialogue
KANUPP	Karachi Nuclear Power Plant
KPEC	Khyber Pass Economic Corridor
LCV	Light Commercial Vehicles
LEAs	Law Enforcement Agencies
LEG	Labour Expert Group
LHW	Lady Health Workers
LLITN	Long Lasting Insecticide Treated Nets
LMA	Limited Mandate Accounts
LMC	Lubricant Marketing Company
LPG	Liquefied Petroleum Gas
LSM	Large Scale Manufacturing
LTFF	Long Term Finance Facility
LTFF	Long Term Financing Facility
MDAS	Ministries, Divisions, Attached Departments, Sub-Ordinate Offices
MDM	Mobile Device Manufacturing
MFBs	Micro-Finance Banks
MFIs	Microfinance Institutions
MMCFD	Million Cubic Feet per day
MMF	Man Made Fiber
MNFS&R	Ministry of National Food Security and Research
MOU	Memorandum Of Understanding
MSCI	Morgan Stanley Capital International
NAP	National Adaptation Plan
NAVTTC	National Vocational and Technical Training Commission

NBFCs	Non-Bank Finance Companies
NCC	National Coordination Committee
NCDs	Non-Communicable Diseases
NCSP	National Cyber Security Policy
NDA	Net Domestic Assets
NDC	National Data Center
NDCs	Nationally Determined Contributions
NER	Net Enrolment Rate
NFA	Net Foreign Assets
NFC	National Finance Commission
NFIS	National Financial Inclusion Strategy
NFNE	Non Food and No Energy
NHA	National Highway Authority
NID	National Immunization Day
NM&O	Nuclear Medicine &Oncology
NMDC	National Minerals Data Center
NNS	National Nutrition Survey
NOU	National Ozone Unit
NP	Nitrophosphate
NPA	Non-Performing Assets
NPGI	National Poverty Graduation Initiative
NPK	Nitrogen, Phosphorus, And Potassium
NPLs	Non-Performing Loans
NPMC	National Price Monitoring Committee
NPPs	Nuclear Power Plants
NRPs	Non-Resident Pakistanis
NRV Account	Non-Resident Pakistani Rupee Value Account
NRVA	NRP Rupee Value Account
NSER	National Socio-Economic Registry
NSS	National Savings Schemes
NSS	National Skill Strategy
NVQF	National Vocational Qualification Framework
NYDF	National Youth Development Framework
OECD	Organization for Economic Cooperation and Development
OFC	Optic Fiber Cable
PAEC	Pakistan Atomic Energy Commission
Pak-EPA	Pakistan Environmental Protection Agency
PAMA	Pakistan Automotive Manufacturer Association
PARC	Pakistan Agriculture Research Council
PASSCO	Pakistan Agriculture Storage & Services Corporation Ltd
PASSD	Poverty Alleviation and Social Safety Division
PCM	Professional Clearing Member
PCMS	Payment Complaint Management System
PCRCL	Pakistan Corporate Restructuring Company Limited
PF	Proliferation Financing
PFL	Floating rate PIBS
PFM	Public Finance Management
PHEIC	Public Health Emergency of International Concern
PIBs	Pakistan Investment Bonds
PITE	Provincial Institutes of Teacher Education
PMDC	Pakistan Mineral Development Corporation

PMEX	Pakistan Mercantile Exchange Limited
PMKJ-YES	Prime Minister's Kamyab Jawan Youth Entrepreneurships Scheme
PMN	Pakistan Microfinance Network
PNSC	Pakistan National Shipping Corporation
POC	Pakistan Origin Card
PODB	Pakistan Oilseed Development Board
POs	Partner Organizations
POS	Point of Sales
PPCBL	Punjab Provincial Cooperative Bank Limited
PPIB	Private Power and Infrastructure Board
PPP	Public-Private Partnership
PPR	Programme for Poverty Reduction
PR	Pakistan Railways
PSDP	Public Sector Development program
PSEs	Public Sector Enterprises
PSIC	Pakistan Standard Industrial Classification
PSLM	Pakistan Social and Living Standards Measurement
PSX	Pakistan Stock Exchange
PTL	Panther Tyres Limited
QEC	Quality Enhancement Cell
QIM	Quantum Index of Manufacturing
RAMS	Risk based Audit Management System
RAS	Regulatory Approval System
RBOD	Right Bank Outfall Drain
RBS	Risk Based Supervision
RD	Regulatory Duty
RDA	Roshan Digital Accounts
REER	Real Effective Exchange Rate
REITs	Real Estate Investment Trusts
RFCC	Refinance Facility for Combating COVID-19
RFCD	Resident Foreign Currency Deposits
RFI	Rapid Financing Instrument
RHCs	Rural Health Clinics
RLNG	Re-gasified Liquefied Natural Gas
RSPs	Rural Support Programmes
RYE	Revitalizing Youth Enterprise
SBP	State Bank of Pakistan
SBTS	Safe Blood Transfusion Services
SDGs	Sustainable Development Goals
SECP	Security and Exchange Commission of Pakistan
SKD	Semi Knocked Down
SMEDA	Small and Medium Enterprises Development Authority
SNC	Single National Curriculum
SOP	Sulphate of Potash
SOPs	Standard Operating Procedures
SPI	Sensitive Price Indicator
SRCLs	Schools for Rehabilitation of Child Labour
SSM	Small Scale Manufacturing
SSP	Single Super Phosphate
STPs	Software Technology Parks
STSC	Short-Term Savings Certificates

SWIT	Saylani Welfare International Trust
TBTTP	Ten Billion Tree Tsunami Programme
TCO	Textiles Commissioner's Organization
TDAP	Trade Development Authority of Pakistan
TERF	Temporary Economic Refinance Facility
THQs	Tehsil Headquarters
TOMCL	The Organic Meat Company
TPLT	TPL Trakker
TPSP	Third Party Service Provider
TSA	Treasury Single Account
TVET	Technical & Vocational Education and Training
TY	Tax year
UAN	Universal Account Number
UIN	Unique Identification Number
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNHCR	United Nation High Commission for Refugees
US	United States
USF	Universal Service Fund
USSD	Unstructured Supplementary Service Data
VPS	Voluntary Pension System
WADR	Weighted Average Deposit Rate
WALR	Weighted Average Lending Rate
WASH	Water, Sanitation and Hygiene
WDI	World Development Indicators
WeBOC	Web Based One Customs
WECs	Women Empowerment Centres
WHO	World Health Organization
WPI	Wholesale Price Index
WWF	Workers Welfare Fund
YoY	Year on Year
ZTBL	Zarai Taraqiati Bank Limited

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