Pakistan
Economic Survey

2019-20

FINANCE DIVISION
GOVERNMENT OF PAKISTAN

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PAKISTAN ECONOMIC SURVEY 2019-20

Economic Adviser's Wing, Finance Division
Government of Pakistan, Islamabad

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CONTENTS

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FOREWORD

Government's swift and decisive policy actions since the start of the current fiscal year including resource mobilization, completion of IMF program, adopting the austerity measures, and monetary policies helped in stabilizing the economy. These measures helped the economy to reverse large external and internal imbalances. Significant improvement in external accounts was made as the current account and trade deficit witnessed a substantial contraction. Foreign reserves steadily improved. There was an increase in FDI. The credit rating profile also improved. Fiscal performance remained strong during the first three-quarters of outgoing fiscal year, on the back of consolidation efforts and targeted reforms.

COVID-19 has pushed the global economies towards a recession. Pakistan has also been affected by the unprecedented health and economic shocks caused by the outbreak of Coronavirus. During the current fiscal year, Pakistan's economy has undergone a sharp contraction as growth is recorded at -0.4 percent. To mitigate the socio-economic impact of the pandemic, the government announced a stimulus package of Rs 1.24 trillion, and offered further relief measures through the State Bank. Policy rate was also cut by 5.25 percent to 8.0 percent. The monetary and fiscal policy interventions have been made to restore the economic activity in this difficult time and to reduce negative effects on poverty and unemployment.

Cognizant of the extended duration and uncertainty of the COVID-19 worldwide, the government has chalked out sector-specific policy interventions and structural reforms to cope with the situation. Government is constantly monitoring the international and domestic conditions to ensure stabilization to stir growth in this challenging environment.

The Pakistan Economic Survey 2019-20 is a detailed account of Pakistan's economic performance during the outgoing fiscal year based on the latest available data of FY2020.

I wish to commend the team including the Finance Secretary Mr. Naveed Kamran Baloch, the Economic Adviser Dr. Imtiaz Ahmad and his team for the timely completion of this insightful document. I am sure the Survey will serve as a document of useful information for policymakers, development partners, researchers, academia, and citizens.

Dr. Abdul Hafeez Shaikh
Adviser to the PM on Finance and Revenue

Islamabad, the 11th June 2020

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PREFACE

The stabilization measures yielded a notable improvement and the economy started moving progressively along the adjustment path during the first eight months of FY2020. The macroeconomic stability gained during the period however was challenged by the COVID-19 pandemic thus making the fiscal year toughest in the history of Pakistan's economy. The effects of global lockdown penetrated into the domestic economy through a decline in Pakistan's trade that adversely affected tax collection efforts. The Government's stimulus package and cut in policy rate at the time of distress provided a stimulus to mitigate the adverse impact of COVID-19.

This year's Economic Survey takes a closer look of the situation to enable readers to know how the economy was progressing and what impediments stood in its path. It provides a comprehensive analysis of Pakistan's economic performance during the first nine to ten months of the outgoing fiscal year. Following the previous practice, the Survey has been presented in two parts. The first part analyzes the performance of various sectors while the second part contains the time series data pertaining to all sectors of Pakistan's economy.

The Survey contains assorted information stemming from numerous organizations for which their contributions merit appreciation and acknowledgement. I would like to thank the federal ministries, including Planning Commission, SBP, PBS, FBR, HEC, NIPS, NHA and provincial governments for providing updated and accurate data. The completion of the survey could not have been possible without their timely support.

I am also indebted to my team, their staff members, HRM Wing and Debt office for their valuable support and hard work that enabled timely completion of the work. I am also thankful to the Adviser to the Prime Minister on Finance & Revenue Dr. Abdul Hafeez Shaikh, and the Secretary Finance Division Mr. Naveed Kamran Baloch for their continuous guidance to complete the Economic Survey 2019-20.

I would like to thank Mr. Kiyoshi Taniguchi (ADB), Dr. Aamer Irshad (FAO), Mr. Ahsan Ali Mangi (Govt. of Sindh), Dr. Nasir Iqbal, Dr. Khalid Mahmood and Dr. Naseem Faraz (PIDE), Dr. Mukhtar Ahmad (Ex-ED NIPS) for providing valuable inputs to improve the quality of the document. Continuous engagement, discussion and advice from the senior officers of the Finance Division especially Mr. Mohsin Mushtaq Chandna, Dr. Kamran Ali Afzal, Dr. Arshad Mahmood, Dr. Ahmad Mujtaba Memon, Dr. Muhammad Sohail Rajput, Mr. Muhammad Tanvir Butt and Dr. Nawaz Ahmad was immensely fruitful for the overall improvement of the national document.

I am hopeful that the Survey will provide very useful data and information on the economy of Pakistan. I would really appreciate any suggestion for the improvement of the document for next year.

Dr. ImtiazAhmad
Economic Adviser

Islamabad, the 11th June 2020

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OVERVIEW OF THE ECONOMY

Global Economic Review

The world changed dramatically during the fiscal year FY2020; an attempt to amend Hong Kong's extradition law triggered the worst crisis in the Asia's biggest financial center since its handover to China in 1997. In August 2019, Indian government abolished decades-old laws that gave autonomy to the Indian-held Kashmir, leading to a suspension of trade between the two rival nuclear states: India and Pakistan. United Kingdom's exit from EU, which was mutually agreed, changed EU forever, also deepening the Euro crisis. Trade war between the US and China, which started in July 2018, rumbled on in FY2020 and oil prices crashed drastically on the back of increased supplies and lowering demands due to the global economic slowdown.

While the world players were trying to balance of above disruptions, a novel virus, (COVID-19), emerged in Wuhan, China, and WHO on March 11 declared COVID-19 a pandemic. Since then, the virus has engulfed the entire world, disrupting the supply chains and paralyzing the continents. The pandemic is not only inflicting unprecedented damage to human lives but it has also taken a heavy toll on global economic activity. In particular, various necessary measures to control the spread has brought much of the global economic activity to a halt. Consequently, countries are now facing multiple crises—a health crisis, a financial crisis, and a collapse in commodity prices.

On one hand, the pandemic has put the whole world in a Lockdown and changed the dynamics of ongoing and future economic activities, while on the other, the pandemic wiped out any mentionable economic performance of any economy. "**The Lockdown",** is shaping up into the worst crisis since **The Great Depression of 1930s**.

The economic impact of COVID-19 depends on the pathway of the pandemic, the effectiveness of containment measures, the magnitude of supply disruptions, the impact of tightening in global financial market conditions, changes in spending patterns, behavioral changes and unstable commodity prices. The World Economic Outlook (April, 2020) projects global growth to contract sharply by -3 percent in 2020 and the loss to global GDP over 2020 and 2021 could be around 9 trillion dollars due to the pandemic crisis. The global growth is projected to rebound to 5.8 percent in 2021. However, growth outcomes will be depending on the course pandemic will chart and therefore they have the potential to be much worse. Above forecasts are based on the assumption that the pandemic will peak during the second quarter of 2020 and fade in the second half of the year, with business closures and other containment measures gradually being relaxed.

In the advanced economies, most of the countries are experiencing widespread outbreaks and responding with stringent containment measures. As a result, their growth is being projected at negative 6.1 percent in 2020. A sharp contraction in economic growth is expected in countries like United States, Japan, United Kingdom, Germany, France, Italy and Spain. Within emerging markets and developing economies, the growth rate is projected to contract by negative 1.0 percent in 2020. Excluding China, the growth rate for the group is expected to be negative 2.2 percent. The economic growth in Emerging Asia is projected to be positive one percent in 2020: more than 5 percentage points below its average in the previous decade. Within the region, India and Indonesia are expected to witness a modest growth in 2020, while Pakistan is projected to experience contraction in growth during 2020.

Pakistan Economic Review

The fundamental weaknesses of Pakistani economy: low tax to GDP ratio, poor savings rate and minimal export growth with negligible value addition etc. were further attenuated by misaligned economic policies like loose monetary policy and overvalued exchange rate which have made it difficult to control twin deficits; the fiscal and the current account. This, in the short term, fueled demand and short-term growth, but has gradually eroded macroeconomic buffers, increased public debt and depleted international reserves. Moving along this path was unsustainable as it was moving the country towards ever slowing growth and eventual default.

The shift in economic policy undertaken by the present government, through its policy of adjustments and structural reforms, has changed the course entailing readjustment in the fiscal and monetary policies. The stabilization process gained momentum with the commencement of the IMF’s 39-months Extended Fund Facility (EFF) arrangement program in July 2019. The stabilization measures implemented to reduce the twin deficits had a profound impact on economic activity during the year.

As the new fiscal year FY2020 began, the economy started to witness a remarkable turnaround which confirmed that the Government has taken appropriate policy actions to address the macroeconomic imbalances. The stabilization efforts paid off in terms of sustained adjustment in current account deficit and continued fiscal prudence. For the first time in many years, the current account deficit posted a surplus in October, FY2019. While primary balance continued to remain in surplus during the current fiscal year. During July-March, FY2020, fiscal deficit has been reduced to 4.0 percent of GDP, while current account deficit reduced by 71 percent during July-April, FY2020. In addition stable exchange rate, healthy growth in FDI (126.8 percent), improved ranking in World Bank’s ease of doing business index, and ‘Stable’’ credit outlook to B3 from ‘Negative’ by Moody’s, reaffirmed the successful policies of Government in stabilizing the economy and laying a foundation for robust growth.

Nevertheless, the government remained cognizant of painful impact of these stabilization measures in terms of economic slowdown, rising inflation, low pace of job opportunities and resultantly its impact on the lowest income groups of the society. In the wake of these challenges, the government initiated reforms in key sectors of the economy with bringing improvement in the real sector growth through inclusive growth in agriculture, industrial and services sectors.

To control the price hike, the government made efforts through ensuring smooth supply of commodities, checking hoarding, smuggling and undue profiteering. Further, vigilant monitoring of prices both at federal and provincial level was ensured. In addition, to check inflationary impact, borrowing from SBP has been discontinued and restriction has been imposed on supplementary grants to control aggregate demand and ease out inflationary pressures. The emphasis has been on price control through different policy, administrative and relief measures.

To cushion the impact of needed stabilization policies on the poor, targeted poverty reduction interventions have been made through Ehsaas program, BISP, SehatSahulat program and expanding coverage of Waseela-e-Taleem program etc.

Job creation is one of the key objectives of economic reform agenda of the Government for which National Agriculture Emergency Program, "KamyabJawan Program (low cost loans to youth for business)", "Naya Pakistan Housing Program" to construct 5 million houses in 5 years and Ten Billion Tree Tsunami have been launched, which have the potential to create 1.5 to 2 million jobs by December, 2020. PSDP allocation has also been increased from Rs 561.7 billion to Rs 701 billion in FY2020 stimulating private manufacturing and construction sector.

Above Government policy actions and implementation of comprehensive economic reform agenda helped the economy in averting the otherwise imminent balance of payments crises and subsequently all macro-economic indicators moved towards stabilization. However, as the economy was transitioning from stabilization to growth, the outbreak of Coronavirus (COVID-19) during the second half of current fiscal year brought multifaceted challenges for Pakistan to preserve the economic gains achieved as a result of various efforts to improve the fundamentals of the economy.

Similar to the entire world, Pakistan's economy has also been affected due to COVID-19 outbreak through various channels like decline in domestic as well as global demand, down turn in tourism and business travel, Trade and production linkages and Supply disruptions etc. The rapid spread of the COVID-19 virus since February 2020 has brought economic activity to a near-halt. However, magnitude of economic losses will depend on intensity and duration of COVID-19.

As the economy has been subjected to demand and supply shocks, the outgoing fiscal year 2020 has witnessed a contraction in economic activity. The provisional GDP growth rate for FY2020 is estimated at negative 0.38 percent on the basis of 2.67, -2.64 and -0.59 percent growth in agricultural, industrial and services sectors respectively. For FY2020, the negative performance of both Industry and Services overshadowed the growth in the agriculture sector. With the objective of reducing the propagation of COVID-19, social distancing was implemented which resulted in lockdown which severely affected activity in contact-intensive businesses. Thus, the negative impact of COVID-19 was so pronounced that the services sector posted negative growth of 0.59 percent.

To invigorate the growth, the government announced Rs 1.24 trillion relief package. The SBP has also taken various steps including reduction in interest rate to 8 percent, refinancing schemes for medical centers and various incentives for export-oriented industries etc.

There has been considerable support from the international lenders. The IMF has given a one-year relief to Pakistan amid the pandemic and a US$1.386 billion were given under the Rapid Financing Instrument to address the economic impact of the COVID-19. Aid packages from Asian Development and the World Bank, along with inclusion by G-20 in their debt relief program, will enable the economy to greatly make up for the projected loss.

As the economy slowly reopens, it is expected that the adverse impact of COVID-19 will be bottoming out. However, the framework for recovery will depend on various factors like extent of adverse impact on various sectors, duration as well as severity of lockdowns and the associated risks. The outlook therefore carries challenges due to uncertainties associated with it. However, fiscal stimulus package of Rs 1.24 trillion announced by the Government along with measures taken by State Bank of Pakistan for providing liquidity support to households and businesses will counteract the current economic downturn and provide much needed relief to the population in need.

EXECUTIVE SUMMARY

Growth and Investment

Although, provisional GDP growth rate for FY2020 is estimated at negative 0.38 percent, however, macroeconomic stabilization measures undertaken by the government over the past year resulted in significant reduction in Saving-Investment Gap which was mainly driven by reduction in trade deficit and increase in workers' remittances. It is also mentionable that fiscal deficit remained contained in first three quarters of FY2020.

Historically, Private Consumption had significantly contributed in Pakistan's economic growth. The pattern was likely to continue, however, due to COVID-19, private consumption suffered significantly. In percentage of GDP, it dropped to 78.5 percent in FY2020 compared to 82.9 percent in FY2019. Private Investment as a percentage of GDP dropped to 9.98 percent from 10.29 percent in FY2019 while Public Investment (including General Government investment) has shown improvement as it remained 3.8 percent compared to 3.7 percent last year. However, there was 13.2 percent growth in Public Investment (including General Government investment) during FY2020, while it declined by 21.6 percent last year.

The economy of Pakistan like other economies has a diverse structure with three main sectors -agriculture, industry and services. The agriculture sector, as mentioned earlier, grew by 2.67 percent. The crops sector has witnessed positive growth of 2.98 percent during FY2020 mainly due to positive growth of 2.90 percent in important crops.

According to Pakistan Bureau of Statistics, fourth quarter has been estimated by keeping in view the lockdown situation faced by the industrial sector due to COVID-19. Significant impact has been observed in the manufacturing sector, particularly Large-Scale manufacturing and Small-Scale Manufacturing. The provisional growth in industrial sector has been estimated at -2.64 percent mainly due to a negative growth of 8.82 percent in mining and quarrying sector and decline of 7.78 percent in large-scale manufacturing sector. Due to lock down situation in the country, the growth estimates of Small-Scale Industry for FY2020 are 1.52 percent.

Similar to the industrial sector, services sector of the economy has also witnessed significant impact of the lock down situation in the country due to COVID-19, particularly in Wholesale and Retail Trade and Transport Sectors. The services sector has declined provisionally at 0.59 percent mainly due to 3.42 percent decline in Wholesale and Retail Trade sector and 7.13 percent decline in Transport, Storage and Communication sectors. Finance and insurance sector witnessed a slight increase of 0.79 percent. The Housing Services, General Government Services and Other private services have contributed positively at 4.02, 3.92 and 5.39 percent respectively.

Agriculture

The agriculture sector recorded strong growth of 2.67 percent, considerably higher than 0.58 percent growth achieved in last year. Regarding "Kharif" crops, Rice production increased by 2.9 percent to 7.410 million tonnes and Maize production by 6.0 percent to 7.236 million tonnes while Cotton production declined by 6.9 percent to 9.178 million bales and sugarcane production by 0.4 percent to 66.880 million tonnes. Wheat is the most important crop of "Rabi", which showed growth of 2.5 percent to reach 24.946 million tonnes.

Other crops showed growth of 4.57 percent mainly due to increase in production of pulses, oilseeds and vegetables. Cotton ginning declined by 4.61 percent due to decrease in production of cotton crop. Thus, the crops sector experienced a remarkable growth of 2.98 percent due to increase in growth of important crops by 2.90 percent.

Livestock Sector achieved the growth of 2.58 percent. The Fishing sector grew by 0.60 percent, while Forestry sector increased by 2.29 percent.

During 2019-20, the total availability of water for the Kharif crops 2019 reached 65.2 million MAF showing an increase of 9.4 percent over 59.6 MAF of Kharif 2018. During Rabi season 2019-20, the total water availability reached 29.2 MAF, showing an increase of 17.7 percent over Rabi 2018-19 and 19.8 percent less than the normal availability of 36.4 MAF.

Fertilizers production during FY2020 (July-March) increased by 5.8 percent over the same period last year on the back of additional supply of gas for fertilizers. The fertilizer import decreased by 20.7 percent. During FY2020 (July-March), there was an uptick in agriculture credit disbursement, the banks have disbursed Rs 912.2 billion higher by 13.3 percent than the disbursement of Rs 804.9 billion made during the same period last year.

Manufacturing and Mining

The Large-Scale Manufacturing (LSM) declined by 5.4 percent during July-March FY2020 as compared to 2.34 percent decline during the same period last year. There are number of factors which contributed to negative growth of LSM. Pak rupee depreciated by 3.9 percent during July-March FY2020 which increased the cost structure of industries in general and for those relying on imported raw materials in particular. Furthermore, policy rate was kept high to contain inflation which discouraged investment. Subdued demand further hampered the overall production and performance of the industry. Certain sector-specific issues also contributed to the decline in LSM. Automobile sector alone accounted for major portion of contraction in LSM. Its prices witnessed multiple upward revisions due to PKR depreciation which held the potential buyers from making booking and purchases. Upward adjustment in electricity prices dented domestic steel producers' margins.

The Mining and Quarrying sector showed negative growth of 8.82 percent during FY2020 as against 3.19 percent decline 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. Minerals that witnessed negative growth are Coal 6.34 percent, Natural gas 6.36 percent, Crude Oil 10.55 percent, Chromite 54.5 percent, Magnesite 55.9 percent, Lime Stone 14.71 percent, Marble 3.62 percent and Iron Ore 32.73 percent. However, Barytes, Quartz, Ocher and Dolomite posted a positive growth of 241.6 percent, 130.8 percent, 68.8 percent and 16.27 percent, respectively.

Fiscal Development

The fiscal outcomes remained strong during the first nine months of current fiscal year after sharp deterioration in FY2019. Government's stringent fiscal strategy to improve the revenues along with expenditure rationalization helped in improving all fiscal indicators. Particularly, the imbalances on fiscal side reverted to the path of fiscal discipline and fiscal consolidation.

The fiscal deficit has substantially reduced to 4.0 percent of GDP during July-March, FY2020 against 5.1 percent of GDP in the comparable period last year. Similarly, a remarkable turnaround is visible in primary balance, which posted a surplus of Rs 194 billion during July-March, FY2020 against the deficit of Rs 463 billion. Overall, the improvement in fiscal account is largely attributed to higher provincial surplus and sharp rise in non-tax revenues.

FBR tax collection grew by 10.8 percent to Rs 3,300.6 billion during July-April, FY2020 against Rs 2,980.0 billion in the comparable period last year. Various policy measures such as charging sales tax on more items at retail price under 3rd Schedule, reinstatement of taxes on telecom services, an upward revision of tax rates on various salary slabs, an upward revision in the federal excise duty (FED) rates and end of preferential treatment for certain sectors provided impetus to tax collection were taken during FY 2020.

Non-tax revenues grew sharply during July-March, FY2020 on the back of SBP profit and rise in receipt of telecom licenses renewal fees. It stood at Rs 1,095.6 billion during July-March, FY2020 against Rs 421.6 billion in the same period of FY2019. Thus, total revenues grew by 30.9 percent during July-March, FY2020 against 0.04 percent growth in the comparable period of FY2019.

Total expenditures grew by 15.8 percent during July-March, FY2020 over the same period last year. Within total, current expenditure posted 16.9 percent growth in nine months of current fiscal on account of higher mark-up payments, grants for social spending and expenditures on social protection. Similarly, PSDP spending witnessed a significant rise both at federal and provincial levels. Overall PSDP expenditures grew by 24.9 percent during July-March, FY2020 over previous year.

Fiscal position till March, 2020 indicated improved fiscal performance, however, the COVID-19 pandemic has brought significant challenges for the economy; in particular, fiscal accounts are expected to come under significant pressure. At present, the government is increasing the expenditures on public health and strengthening social safety net programs, along with introducing various other measures to lessen the impact of the COVID-19 on economy. Similarly, achieving revenue targets of both tax and non-tax segments would be challenging due to disruption in economic activity. The short term economic impact of COVID-19 is expected to be significant creating large fiscal and external financing needs.

Money and Credit

In order to absorb the inflationary pressure and to contain an overheated economy through domestic demand, SBP increased the policy rate by 100 bps to 13.25 percent in the beginning of the fiscal year 2020. However, SBP has reversed its monetary policy stance due to improved outlook for inflation on the back of decreasing domestic food prices, sharp fall in global oil prices and decline in demand pressures due to COVID-19. It reduced the policy rate by cumulative 525 bps to 8 percent in four consecutive decisions between March 17^{th} and May 15^{th}.

In addition, SBP has introduced number of measures and some concessional refinance schemes to address both the demand and supply side conditions for businesses such as Temporary Economic Refinance Facility, Refinance Facility for Combating COVID-19 and Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns. These measures are aimed at facilitating the businesses to remain afloat during the crisis times.

Broad money has increased to Rs 1,481.3 billion during 01 Jul-24 Apr, FY2020 showing a sharp expansion in the Net Foreign Assets (NFA) of the banking system which reached to Rs 893.7 billion. Credit to private sector contained to Rs 304.7 billion during 01 Jul-24 Apr, FY2020 as compared to the expansion of Rs 581 billion in the corresponding period due to slowdown in economic activities.

Under the IMF's Extended Fund Facility (EFF) program, the government had committed not to borrow from the SBP to finance its deficit and most of the demand has been met by scheduled banks. For budgetary support, government has borrowed Rs 1,023.91 billion during 01 Jul-24 Apr, FY2020 against the borrowing of Rs 990.87 billion last year. Government has retired Rs 736.47 billion to SBP against the borrowing of Rs 3,204.72 billion in last year. On contrary, Government has borrowed Rs 1,760.38 billion from scheduled banks against the retirement of Rs 2,213.85 billion last year.

Capital Markets & Corporate Sector

Capital markets help to channelize savings to the most productive investments. In FY2020, Pakistan's capital markets faced challenges on multiple fronts. High inflation, austerity measures, oil price crash and COVID-19 pandemic jolted the capital market. As a result, Pakistan's benchmark KSE-100 index recorded a modest growth of 0.61 percent in the first ten months of FY2020.

The index kicked-off with 33,901.58 points on July 1st, and reached the year's peak of 43218.67 points on January 13th, 2020. After the COVID-19 outbreak, capital began flowing out of the Pakistan stock market and the index plunged to 27228.8 points and market capitalization closed at Rs 5380.17 billion on March 25th. However, the Government's stimulus package provided relief to investors as KSE-100 index gained 6877.84 points (↑25.25 percent) since March 25th and index closed at 34111.64 points on April 30th. Similarly, Market Capitalization increased by Rs 991.54 billion (↑18.4 percent) since March 25th and closed at Rs 6376.71 billion on April 30th.

SECP took a number of measures to facilitate the market and to absorb the prevailing shocks. The duration of index-based market halts has been increased from 45 minutes to 60 minutes; securities brokers have been allowed to activate and operate the Disaster Recovery terminals for trading purposes during normal operations of PSX. SECP has also notified Corporate Rehabilitation Regulations, 2019 and Corporate Restructuring Companies Rules, 2019.

Inflation

To correct the macroeconomic imbalances, Government made difficult decisions of upward adjustment in overdue gas and electricity prices, market-based exchange rate adjustments etc. Furthermore increase in commodity prices in international market also pushed up the domestic prices. During first seven months of CFY, inflationary pressures were observed and headline inflation rose to 14.6 percent in January 2020.

The inflation rate started easing out due to government policies after January and for the period July-April FY2020 recorded at 11.2 percent against 6.5 percent during the same period last year. The other inflationary indicators like Sensitive Price Indicator (SPI) recorded at 14.3 percent against 4.2 percent over the same period last year. Wholesale Price Index (WPI) recorded at 12.2 percent during Jul-April FY2020 compared to 16.2 percent same period last year.

The government is making all out efforts to ensure smooth supply of essential items and is also committed to taking strict actions against anti-competitive practices. Economic Stimulus Package, Ehsas Emergency Relief Programme, Subsidies to USC and reduction in petroleum prices, etc., will provide multidimensional positive impacts to all segments of society especially poor families. All these measures helped in contracting the CPI to single digit which fell to 8.5 percent in April 2020. This was third successive month showing decline in inflation, whereas it dropped more than 6 percent in last three months.

Trade and Payments

Exports during July-April, 2019-20 remained $ 19.7 billion compared to $ 20.1 billion during July-March, 2018-19, posting a decline of 2.4 percent. A sharp decline in REER due to market based exchange rate and the government's initiative to provide cheaper electricity to the textile sector have enhanced the competitiveness of the Pakistani products in the global market. The total imports during July-April FY2020 declined to $ 36.1 billion as compared to $ 40.3 billion same period last year, thus registered a decline of 16.9 percent.

During Jul-April FY2020, remittances increased to $ 18.8 billion as compared to $ 17.8 billion during same period last year, with a growth of 5.5 percent. During July-March FY2020, current account deficit (CAD) reduced by 73.1 percent to US$ 2.8 billion (1.1 percent of GDP) against US$ 10.3 billion last year (3.7 percent of GDP). The significant reduction in CAD reflected mainly the impact of macroeconomic stabilization measures taken by the government.

Pakistan's total liquid foreign exchange reserves increased to US$ 17.1 billion by end March 2020, up by US$ 2.6 billion over end-June 2019. The improvement in the Foreign Exchange reserves led to 3.6 percent appreciation of Pak rupee against US dollar during Jul-February FY2020.

The COVID-19 pandemic has generated both demand and supply shocks across the global economy and has posed significant challenges for exports to increase further in coming months. Pakistan, as net oil importer, would benefit from the decline in global oil prices in terms of reduced import bill and contraction in CAD. Despite adverse impact of pandemic on economy the overall external account liquidity has actually improved due to decline in oil and other international commodity prices.

Public Debt

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.

Total public debt was recorded at Rs 35,207 billion at end March 2020 compared with Rs 32,708 billion at end June 2019, registering an increase of Rs 2,499 billion during first nine month of current fiscal year while Federal Government borrowing for financing of its deficit was Rs 2,080 billion. This differential is mainly attributable to depreciation of Pak Rupee, increase in cash balances of the Federal Government and difference between face value (which is used for recording of debt) and the realized value (which is recorded as budgetary receipt) of PIBs issued during the period.

Public debt portfolio witnessed various positive developments during the ongoing fiscal year. Most of the net domestic debt raised was through medium-to-long-term government securities (Pakistan Investment Bonds) and National Saving Schemes. The cost of borrowing through long term government bonds declined. No new borrowing was made from SBP during ongoing fiscal year. To diversify investor base in government securities and capitalize liquidity available with Islamic Financial Institutions, government has started issuance of 5-Year Floating Rate Sukuk. All of the net external debt raised during first nine months of current fiscal year was from multilateral and bilateral sources on concessional terms.

Domestic debt was recorded at Rs 22,478 billion at end March 2020. Domestic borrowing operations remained quite successful during ongoing fiscal year despite challenging macroeconomic situation. External public debt stock reached US$ 76.5 billion (Rs 12,729 billion), witnessing an increase of US$ 3.0 billion during first nine months of current fiscal year. Interest expense is expected to remain significantly less than the budgeted amount in 2019-20 owing to re-profiling of short-term debt into long-term debt and sharp decline in cost of borrowing in longer tenor.

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) availing maximum available concessional external financing from bilateral and multilateral development partners to benefit from concessional terms and conditions.

Government also aims to bring and maintain its Debt-to-GDP and Debt Service-to-Revenue ratios to sustainable levels through combination of greater revenue mobilization, rationalization of current expenditure and efficient/productive utilization of debt.

Education

Government has formulated National Education Policy Framework to overcome multiple challenges facing the education sector that includes: decreasing out of school children and increasing school completion; achieving uniformity in education standards; improving the quality of education; and enhancing access to and relevance of skills training.

According to PSLM Survey 2018-19, the literacy rate of the population (10 years and above) is 60 percent as compared to 58 percent in 2015-16. Province wise analysis suggests that Punjab leads with 64 percent followed by Sindh and Khyber Pakhtunkhwa (Excluding Merged Areas) with 57 percent, Khyber Pakhtunkhwa (Including Merged Areas) with 55 percent and Balochistan with 40 percent.

Public Expenditure on education was estimated at 2.3 percent of GDP in 2018-19, as compared to 2.4 percent in 2017-18. The education-related expenditure increased by 4.7 percent (to Rs 868.0 billion) in 2018-19 as compared to last fiscal year .

The Federal PSDP 2019-20 allocated an amount of Rs 4.8 billion for 11 on-going and 21 new development projects under Ministry of Federal Education & Professional Training. An amount of Rs 1.1 billion had also been allocated for 8 on-going & new education related projects being handled by Finance, Defence, Interior and Kashmir Affairs & Gilgit Baltistan Division.

During Fiscal Year 2019-20, the government has allocated Rs 29.047 billion to HEC for implementation of 138 development projects (128 ongoing & 10 new projects) of Public Sector Universities/ Higher Education Institutions. During July-March, FY2020 an amount of Rs 22.738 billion (around 80 percent of the total allocation) has been authorized to HEC for meeting expenditure against ongoing projects activities.

The present government is making efforts to introduce Single National Curriculum all over the country. The phase-I of Single National Curriculum for class 1 to 5 has been developed and its implementation would be completed by March 2021. Similarly, the phase-II of Single National Curriculum for class 6 to 8 would be ready by March 2021 and implemented by March 2022, while phase-III curriculum for class 9 to 12 would be ready by March 2022 and enforced by March 2023.

Health and Nutrition

Access to good health can contribute positively to the economic and social development of a country. Good nutrition has a direct impact on overall health and quality of life. According to the National Nutrition Survey (NNS) 2018 of Pakistan; 40 percent under five children are stunted and another 29 percent are underweight. NNS further revealed that almost 18 percent (38 million) of our population is severely food insecure. The economic costs of malnutrition are very high and persistent in terms of loss of GDP which is 3 percent ($7.6 billion) every year in Pakistan.

Government is keen for increasing health spending to fight against fatal diseases like malaria, tuberculosis, HIV/Aids, diabetes, cancer, heart diseases etc. Cumulative health expenditures by federal and provincial governments during FY2019 increased to Rs 421.8 billion from Rs 416.5 billion last year showing a growth of 1.3 percent. As a percent of GDP, it is 1.1 percent. Various programs and projects have been supported by the Government through PSDP during FY2020 in fulfillment of the Global commitment of Sustainable Development Goals (SDG) agenda to improve the health status of the people and to reduce the burden of communicable and Non-Communicable Diseases. During FY2020, PSDP allocations of Rs 24 billion were made for 62 health sector projects and Rs 11.5 million were released up to 10-04-2020.

The COVID-19 pandemic was confirmed to have reached Pakistan on 26th February 2020, when first patient in Karachi tested positive upon returning from Iran. Cognizant of the situation, the government has constituted a high-level National Coordination Committee (NCC) that evaluates the evolving situation on day to day basis to prevent the spread of pandemic. A Command and Control Center has also been established to ensure effective coordination among the federal and provincial governments to control COVID-19. Due to timely measures taken by the government in collaboration with the provinces, the outbreak has so far been prevented from getting worse. Present government is committed to improve the health care facilities and provision of good nutrition for effectively utilizing the human potential of the country.

Population, Labour Force, and Employment

Pakistan is the fifth most populated country in the world. According to the National Institute for Population Studies, population projected for 2019 is 211.17 million. Hence, population density stands at 265 per Km.

Presently, population composition of the country is skewed towards working age population. 61.4 percent of population is falling in the age group 15-64 while 12.1 percent of population is between the ages of 0-4 years and 22.1 percent is between 5-14 years. If this demographic dividend is harnessed and equipped with desired skills to meet domestic and international market requirements, the youth bulge would yield increased industrial productivity and higher foreign remittances. The government, being well aware, is stringently focusing on various employment generation programs for youth.

Employment is considered as key mechanism through which the benefits of the growth can be trickled down to the vulnerable segments of the society. With population growth rate of 2.4 percent, a large number of young labor force is adding every year. According to Labour Force Survey 2017-18 the total labour force was 65.5 million, while unemployment rate is 5.8 percent. According to that survey, the highest unemployment (11.56 percent) was prevalent among the age 20-24 indicating youth unemployment.

According to the preliminary estimates conducted by Pakistan Institute of Development Economics (PIDE), the COVID-19 pandemic can have adverse impact on employment generation during the last quarter of 2019-20. In case of limited restrictions, about 1.4 million jobs will be lost, under moderate restrictions employment loss could reach to 12.3 million and 18.53 million people will be unemployed in case of a complete shutdown .

Pakistan‘s youth bulge has tremendous energy and talent and the government is making sincere efforts to provide them ample opportunities to harness their potential. Accordingly, Kamyab Jawan Program and Hunermand Jawan Programme (Skills for All) launched by the government is helping the youth to enhance their skills which will, thus, play a pivotal role in the socio-economic reconstruction of the society.

Transport and Communication

Pakistan's Highway network comprises of 39 national highways, motorways, expressways and strategic roads. The existing portfolio of National Highway Authority (NHA) consists of 40 on-going projects with an allocation of Rs 117,514.836 million in PSDP 2019-20. Pakistan ranks at 22nd position worldwide for the size of its road network as per road length of 263,775 Km. The country is likely to improve its ranking significantly with the construction of new mega projects under the China Pakistan Economic Corridor.

Pakistan Civil Aviation Authority (PCAA) has been spending substantial amount on undertaking various projects all over the country. PIAC has managed recovery of B-777, A 320 and ATR grounded for last 13-22 months using own resources without funding from GoP. Profitable routes have also been started which include: Sialkot- Paris – Barcelona, Peshawar- Sharjah, Peshawar-Al-Ain and Multan-Sharjah.

During FY2020 (July-February), gross earnings of Pakistan Railways grew by 8.4 percent and amounted to Rs 36,916.85 million against Rs 34,066.12 million during the same period last year.

PNSC Group has managed to achieve 6 percent increased profit of Rs 1,411 million for July 2019-March 2020 as against Rs 1,332 million in the corresponding period last year. Cumulatively, Group achieved a turnover of Rs 9,621 million as compared to Rs 7,859 million for the corresponding period last year.

As per Ministry of IT & Telecom, 07 million SIM Cards and 10,000 Banking Cards are being imported in Pakistan every month. There has been a consistent growth in IT & IT enabled Services (ITeS) remittances over the last 5 years, with a compound annual growth rate of 19.5 percent, the highest growth rate in comparison with all other industries, and the highest in the region. Pakistan's IT&ITeS exports have crossed $4.1 billion during FY2019 with export remittances nearing $1 billion. Micro enterprises, independent consultants and freelancers have contributed an estimated $500 million in IT&ITeS exports, whereas annual domestic revenue exceeds $1billion. IT&ITeS export remittances have surged to US$ 550.503 million at a growth rate of 24.71 percent during July-December 2019, in comparison to US$441.435 million during the same period last year.

During July 2015 to Dec-2019, telecom sector has attracted over US$ 1.5 billion FDI Inflow, whereas a total of US$ 8.5 billion have been invested by telecom players in Pakistan since 2002. During the first two quarters of the FY2020, telecom sector contributed Rs 142 billion to the national exchequer. Annual revenues from telecom sector have reached an estimated Rs 551.9 billion during FY2019, up from Rs 440 billion last year, registering an annual growth of 12.9 percent. Revenues from telecom sector have reached an estimated Rs 132.3 billion in the first quarter of FY2020. Pakistan Electronic Media Regulatory Authority (PEMRA) has issued 254 Licenses for FM Radio and 4,062 Cable TV Licenses. PEMRA collected advance tax from license issuances and their renewal and has deposited over Rs 1.0 billion in national exchequer.

Energy

The consumption of petroleum products in Pakistan is 19.68 million tons per annum against the supply of 11.59 million tons per annum from local refineries, while rest of the 8.09 Million tons per annum is being imported. Refineries in Pakistan are old version except PARCO and produce more than 40 percent of Furnace Oil, the lowest price value product.

The total supply of LPG during July - March 2019-20 was 739,785 Metric Ton. Currently, there are 11 LPG producers and 200 LPG marketing companies operating in the country having more than 7,000 authorized LPG distributors. During July-March 2019-20, an investment of Rs 3.72 billion approximately has been made in LPG infrastructure. LPG accounts for only 1.2 percent of the total primary energy supply in the country due to supply constraints and higher price of LPG in relation to competing fuels like natural gas, wood etc. The current size of LPG market is around 1,061,447 MT/Annum. Around 76 percent of the LPG consumed is met with Local Production in Pakistan, whereas the rest is imported.

Pakistan produces around 4 Billion Cubic Feet Per Day (Bcfd) of indigenous natural gas**.** Pakistan has an extensive gas network of over 12,971 Km Transmission 139,827 KM Distribution and 37,058 Services gas pipelines to cater the requirement of more than 9.6 million consumers across the country. Pakistan Atomic Energy Commission supplied about 7,143 million units of electricity to the national grid during 1st July 2019 to 31st March 2020.

The volume of import cargo during July-December 2019 stood at 21.878 million ton, as against the 20.125 million ton handled during corresponding period last year, showing an increase of 8.7 percent. The major non-containerized imports were Coal, LNG, POL, Chemicals, Palm oil and Grain. The Coal imports were the largest imported cargo which represented over 34 percent of total imported cargo.

Government is focusing on exploiting the abundant potential of wind, solar and other Alternate Renewable Energy resources for power generation whilst benefiting with the declining prices of RE technologies through optimum mode of development.

Social Protection

Pakistan is committed to alleviate poverty as per SDGs targets. In the wake of COVID-19, the government approved a relief package of Rs 144 billion to provide immediate cash relief of Rs 12,000 to 12 million poor families under Ehsaas. BISP budgetary allocation has also been increased from Rs 102 billion in FY2016 to Rs 180 billion in FY2020 to support unconditional cash transfer to the poorest segments of the society. Number of beneficiaries now stands at 4.5 million who are being paid through biometric based payment solution developed by BISP.

Unconditional Cash Transfer Programme is now improved and strengthened as Kafaalat Programme, through which monthly cash stipends of Rs 2000 will be given to at least 7.0 million most deserving and poorest women all over the country. At first, 4.2 million women of BISP beneficiaries have been included in Kafalat program and further approximately 3.0 million deserving women will be added this year and total number of beneficiaries will increase to 7.0 million by the end of 2020. Pakistan Poverty Alleviation Fund since April 2000 to March, 2020 has disbursed Rs 224.64 billion to its Partner Organizations in 144 districts across the country.

Pakistan Bait-ul-Mal (PBM) is providing assistance to destitute, widows, orphans and other needy persons irrespective of their gender, caste, creed and religion through its establishment at the district level. During July to March FY2020, PBM has disbursed an amount of Rs 2.705 billion through its core projects/Schemes.

Workers Welfare Fund during July-March, FY2020 utilized Rs 2,426.31 million on 35,594 scholarship cases while Rs 432.27 million have been disbursed as Marriage Grant (@100,000/- which benefitted 4,323 workers' families. WWF has also disbursed Rs 476.00 million as Death Grant (@500,000/-) to 952 cases of mishaps of workers all over the country. In addition to other programme Zakat, Employees Old Age Benefits (EOBI) and Microfinance Institutions are contributing in alleviating poverty from the country.

Climate Change

Pakistan has been consistently ranked as one of the most affected countries by climate change. The population is facing natural hazard challenges like floods, droughts, and cyclones. The policy makers, scientists, developers, engineers and many others around the world are using geographic information system technology to better understand this complex situation and offer tangible solutions in different climate change scenarios.

To improve the forest cover the government has countrywide launched Ten Billion Tree Tsunami Programme to combat the adverse effects of global warning. This umbrella project covers all the provinces including AJK and GB with provincial budgetary share. All segments of society such as students, youth, and farmers have been actively involved in this mega afforestation activity.

Government has also launched the Eco-system Restoration Initiative for facilitating transition towards environmentally resilient Pakistan by main streaming adaptation and mitigation through ecologically targeted initiatives that includes afforestation, biodiversity conservation and enhancing policy environment etc.

Way forward

The Coronavirus outbreak is a human tragedy, affecting hundreds of thousands of people globally. It is also having a growing adverse impact on the global economy including Pakistan. In the current situation the government has dual challenge; to contain the spread of the COVID-19 pandemic and to mitigate the socio-economic losses to protect the most vulnerable. This is the first time in hundred years that the world is facing a rapidly spreading fatal virus for which there is no authentic prevention /treatment to overcome the pandemic. A cure is the only sure way to move forward, but "until such medical interventions become available, no country is safe from the pandemic".

Global value chains have been disrupted. Stock and commodity prices are falling around the world. Long term bond yields are heading south in fear of global recession. Airlines and tourism businesses are fearing massive losses. Most of these businesses are SMEs, there will be loss of employment and small business owners will face reduced liquidity. Many businesses face problem in managing cash flows. Strategic interventions in specific industries are being undertaken to safeguard the common man and accelerate economic activities.

Under the current crisis top priority of the government is to protect the vulnerable segments of the society. Therefore, prime focus areas of the government are health, social safety, industry, farming, trade etc. The government is constantly monitoring the COVID-19 situation in the country and accordingly taking all out measures to mitigate its adverse effects on the economy and general public.

Chapter 1

GROWTH AND INVESTMENT

COVID-19 is having a devastating impact on Pakistan's economy; however, to ascertain the true extent, it is important to take stock of economic performance of Pre-COVID-19, essentially for two reasons; to explore economic outcomes in relation to the policy environment adopted and second, what trajectory of economic recovery we expect post COVID-19 and will it take the "V shape" for recovery as most of the economic experts claim. The COVID-19 was declared a pandemic by WHO on March 11, 2020. The first case of the novel Coronavirus in Pakistan was confirmed on February 26, 2020. On March 13, the government started to move towards the closure of certain economic and social activities. Both the national and international economic scenarios have flagged by then. Thus, for true description of the performance of the economy, we need to compare the performance of economy pre COVID-19 and Post COVID-19.

Pre-COVID-19, FY2020 showed dedicated efforts of the government for addressing structural issues that caused macroeconomic imbalances, the result of which was also seen in the latest macro-economic indicators. The government not only took some immediate steps on the fiscal, monetary and exchange rate side for stabilization but also implemented long-run measures for sustainable and inclusive growth in the future. Economic reforms program and implementation was acknowledged by the IFIs. In December 2019, a successful IMF review was completed, declaring that Pakistan's program was on track and bearing fruit. IMF was of the view that decisive policy implementation by the Pakistani authorities is helping to preserve economic stability which would put the economy on the path of sustainable growth. Empirical literature shows, stabilization is considered as a pre-step towards long-run sustainable growth. International rating agencies S & P and Fitch appreciated government efforts and predicted Stable Outlook while Moody's Investor Services upgraded Pakistan's sovereign outlook to Stable, mainly due to improvement in the balance of payments dynamics hence supported policy adjustments.

The pre-COVID-19 economic recovery was also supported by macroeconomic indicators. On the external side, the decline in current account deficit, buildup of foreign reserves, stable exchange rate, etc., were the gains of prudent policy measures. From July-Apr FY2020, Current Account Deficit reduced by 70.8 percent to $ 3.3 billion (1.5 percent of GDP) against $ 11.4 billion (4.8 percent of GDP) in the corresponding period last year. It was mainly due to a 29.5 percent contraction in the trade deficit and 5.5 percent growth in workers' remittances. On the capital account side, FDI is considered as a means of complementing domestic investment, and to get external benefits, FDI is mostly dependent on the country's ease of doing business. Pakistan was among 'top ten best improvers' in World Bank's Ease of Doing Business Index 2020, jumping up 28 places on the index and clinching the 108th position, out of total 190 economies. This helped in attracting foreign investors, during Jul-March FY2020 where Foreign direct investment increased by 137.3 percent and reached $ 2.1 billion as compared to $ 0.9 billion last year. Government plans to improve the policy environment further besides working on "ease of doing business" to attract more potential FDI.

On the fiscal side, there were significant improvements in all major fiscal indicators and the trend continued till March 2020, implying that the fiscal consolidation was on track. During July-March, FY2020, fiscal deficit reduced to 4.0 percent of GDP against the deficit of 5.1 percent in the same period of FY2019. Primary balance has witnessed a remarkable turnaround as it has posted a surplus of Rs 193.5 billion during July-March, FY2020 against the deficit of Rs 463.3 billion last year. Improved performance is largely attributable to a significant increase in provincial surplus and non-tax revenues. On the flip side, although the FBR tax collection remained lower than the target, however, 13.3 percent growth was recorded during July-March FY2020 as compared to the same period last year. The FBR's less than target revenue collection is still defendable as it occurred mainly due to significant contraction in imports thereby decreasing collection of customs duties and other taxes at the import stage by a significant amount.

Stock market performance is a reflection of the state of the economy. After witnessing a dip in the first quarter of FY2020, the KSE-100 index was on a recovery path. The index closed at 40,735 on 31st December by gaining 6,739 points in the first six months of CFY. The bullish trend can be attributed to various factors like improvement in ease of doing business ranking, timely release of PSDP funds, stable exchange rate, and improvement both in political outlook and macro indicators. It is worth mentioning that in December 2019, the overall business confidence[1] turned positive (after remaining in the negative zone for the last four waves (surveys) to 52 from 48 in October 2019, which implied that pessimistic views of the business community about the economy were improving.

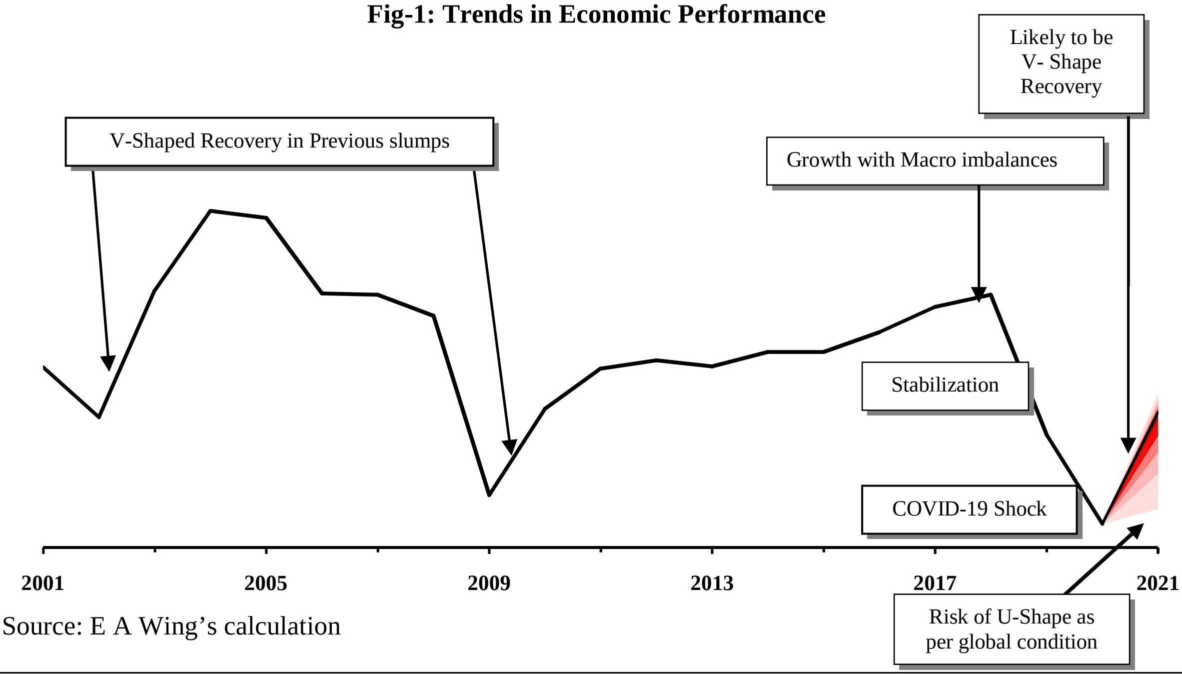
Inflation remained worrisome area as moving towards market value-based exchange rate adjustments and energy prices adjustments led to a rising trend on YoY basis even till January 2020. The government vigilantly took not only policy and administrative measures to decelerate inflation but also provided relief measures to facilitate consumers. The government ensured smooth supply especially for food items and legalized punishment and fine imposition against hoarding. The efforts of government started materializing with decline in national CPI in February 2020.

In brief, the economy of Pakistan was moving towards stabilization. Business confidence was recovering and prices have started settling down, twin deficits were under control and economy was gradually moving towards sustainable growth when the shock of the COVID-19 outbreak hit the economy. And suddenly, the whole paradigm of Pakistan's economy changed in most unexpected ways, which no one could have anticipated. COVID-19 challenged the political, social, economic, and financial structures of the whole world including developing countries like Pakistan. Data shows (Fig.1) that Pakistan's

[1]SBP is conducting Business Confidence Survey in collaboration with Institute of Business Administration which is considered as leading indicator for economic activity as these surveys are particularly suitable for monitoring and forecasting the short term changes in the economy.

economy bounces back quickly after recessions and there is a strong likelihood of a fast V-type recovery given the strong and timely policy measures taken by the Government. Further with temporary shutdown, it is expected that will be no or little loss of real capacity. Thus, keeping in view the productive, economic and financial structures of the economy, it is expected that both consumer and business confidence will recover soon.

Fig-1: Trends in Economic Performance



Source: E A Wing's calculation

COVID-19: The Global Perspective

The COVID-19 has been termed as a severe acute respiratory syndrome. The outbreak originated in Wuhan, Hubei, China, in December 2019 and spread throughout the globe, affecting 213 countries and territories by this time. Till the writing of this report, about 5 million individuals have tested positive worldwide, and around 323,000 have died. In many countries, the infection curve has still not flattened. From December 2019 till May 2020, the world has changed dramatically. COVID-19 became a real disaster as it has caused tragic loss of large number of human lives. Considering its impact on public health, almost all countries implemented necessary quarantines and social distancing practices to contain the pandemic. Thus, the world has been put in an Extensive Lockdown, never seen before in history. The magnitude and speed of collapse in the normal social and economic activities that has followed is unlike anything experienced in our lifetimes. Thus, by this time, a medical crisis has turned into an economic crisis.

In reaction to COVID-19 outbreak, all major economies reacted with flight cancellations, panic buying, and strict quarantine measures. Thus, the immediate effect of lockdown was essentially stopping activities in contact-intensive businesses like restaurants, gyms, hotels, etc. A negative supply shock happened due to disruption in supply chains globally. But this supply shock is of a special nature as it affected different sectors asymmetrically. From a spending perspective, consumers redirected their spending towards substitutes for the goods and services. However, it is argued that if the majority of consumers start decreasing their overall spending, recession can spread widely. Thus, a demand-driven recession can be expected if there is a massive fall in spending or there is a persistent drop in productivity, growth expectations for the future will be greatly compromised.

Thus, IFIs as well as rating agencies have downgraded their global growth forecasts. On the other hand, based on epidemiological predictions in April 2020, the IMF has predicted a V-Shaped recovery in 2021 on the back of the structures which are still in place and it is considered a temporary halt in economic activities. Table-1 presents the comparison of the forecast made by IMF in Oct 2019 (Pre COVID-19) and in April 2020 (COVID-19)

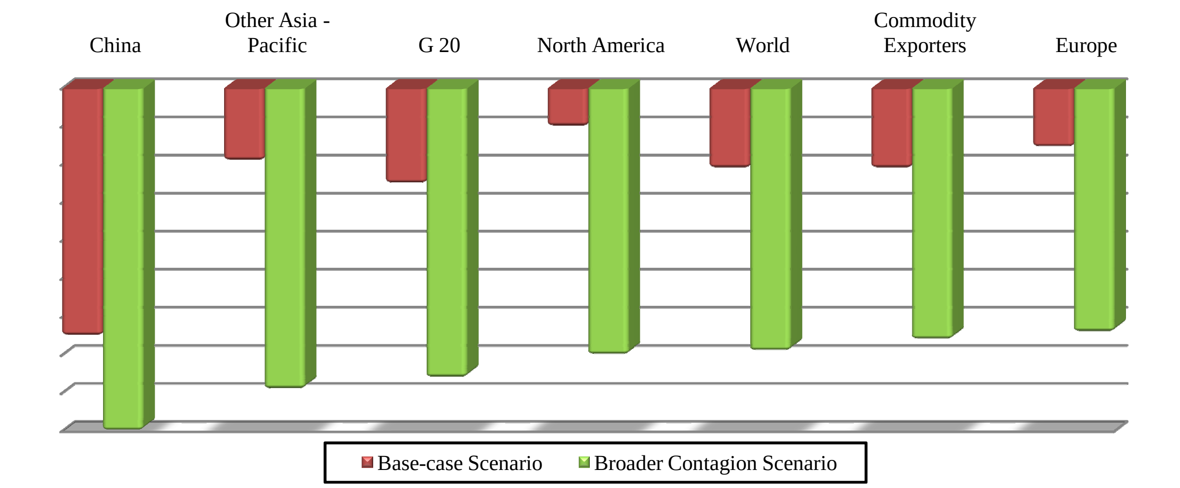
Table-1: World Economic Outlook Growth Projection

Real GDP Growth Rates (%)	WEO, Oct 2019			WEO, April 2020			
	Pre-COVID-19			COVID-19			
Group / Country Name	**2019**	**2020**	**Expectation**	**2019**	**2020**	**2021**	**Expectation**
World	3.0	3.4		2.9	-3.0	5.8	
Euro area	1.2	1.4		1.2	-7.5	4.7	
United States	2.4	2.1		2.3	-5.9	4.7	
Japan	0.9	0.5		0.7	-5.2	3	
Other Advanced Economies	1.5	1.8		1.6	-5.2	4.4	
Emerging Market and Developing Economies	3.9	4.6		3.7	-1	6.6	
ASEAN							
Indonesia	5.0	5.1		5.0	0.5	8.2	
Thailand	2.9	3.0		2.4	-6.7	6.1	
Malaysia	4.5	4.4		4.3	-1.7	9.0	
Philippines	5.7	6.2		5.9	0.6	7.6	
SOUTH ASIA							
India	6.1	7.0		4.2	1.9	7.4	
Bangladesh	7.8	7.4		7.9	2.0	9.5	
Sri Lanka	2.7	3.5		2.3	-0.5	4.2	
Pakistan	3.3	2.4		3.3	-1.5	2	
MIDDLE EAST							
Saudi Arabia	0.2	2.2		0.3	-2.3	2.9	
Kuwait	0.6	3.1		0.7	-1.1	3.4	
Islamic Republic of Iran	-9.5	0.0		-7.6	-6.0	3.1	
United Arab Emirates	1.6	2.5		1.3	-3.5	3.3	
Turkey	0.2	3.0		0.9	-5.0	5.0	
AFRICA							
Morocco	2.7	3.7		2.2	-3.7	4.8	
South Africa	0.7	1.1		0.2	-5.8	4	
Kenya	5.6	6.0		5.6	1.0	6.1	
Tanzania	5.2	5.7		6.3	2.0	4.6	

Source: International Monetary Fund, World Economic Outlook Database, Oct 2019 & April 2020

However, major uncertainties still surround almost every aspect. Starting from the uncertainties of prevalence and the capacity of healthcare systems to meet this extraordinary challenge. There is also uncertainty about the duration and effectiveness of social distancing, market lockdowns, and other mitigation and containment strategies. Keeping this in view, IMF is expecting that the global economic outlook will worsen compared to its forecasts made in April 2020. According to the United Nations Conference on Trade and Development press released in March 2020, "COVID-19" shock will cause a recession in some countries and depress global annual growth this year to below 2.5 percent, the recessionary threshold for the world economy. OECD Interim Economic Assessment indicates that growth prospects are very uncertain and with the recent marked deterioration in global financial conditions and heightened uncertainty, this will depress global GDP growth (Fig-2)

Fig-2: Change in GDP growth



Source: OECD Interim Economic Assessment, Coronavirus: The world economy at risk, 2 March 2020

On May 15, 2020, the Asian Development Bank (ADB) released the report which highlighted that the global economy could suffer between $5.8 trillion and $8.8 trillion in losses—equivalent to 6.4 percent to 9.7 percent of global GDP—as a result of the COVID-19 pandemic.

Governments and central banks around the world are showing clear intentions of doing everything possible to mitigate adverse economic effects. The immediate concern of economic policy is to protect the livelihood of the people working in sectors which were significantly immediately affected by lockdown. But there is no doubt, that COVID-19 will raise unemployment and poverty regardless of the policy responses. As an example, in the US, the unemployment rate stood at 3.5 percent in February 2020, lowest rate in the past 67 years, the latest figures of the Bureau of Labor Statistics USA showed it has risen to 14.7 percent in the span of few months, the highest since the Great Depression. A recent fall in oil prices will further add pressure on global growth and may lead to more people losing jobs in oil-producing countries as well. The UN's work agency warns that hundreds of millions of people could be left without work due to the impact of COVID-19. Thus, the growth in the global remittances flows is expected to fall.

In the context of Pakistan, COVID-19 may have a double-edged impact; through the trade channel and through the remittances. Remittances may fall significantly due to lay-offs of Pakistani workers abroad due to economic slowdown internationally. Although there was a 1 percent increase in workers remittances on a YoY basis in April 2020 and for July-April FY2020, there is a 5.5 percent growth compared to the same period last year. But there is not only a risk of decrease in workers' remittances in the future but also more challenging will be the influx of returning migrant workers due to job losses. Similar to global conditions, within Pakistan increase in unemployment is inevitable. According to the report prepared by Sub-committee of the National Coordination Committee for COVID-19 on Economic Analysis, 72 percent of Pakistan's non-agriculture workforce is engaged in the informal sector, with no social security or insurance cover and it may take a major hit. The estimated size of informal employment in non-agriculture sector is around 27 million, with only food, pharmaceuticals, and few services still functional, these employees will be worst affected. As out of 27 million, around 86 percent are engaged in wholesale and retail trade, transport, construction, manufacturing, hotels & restaurants sector which are severely crippled due to the lockdown situation. According to HIES 2015-16, Pakistan has 1.93 average earners per household. With, these breadwinners of their household out of job or at risk of losing one and with an average household size of 6.7 persons, total affected people will be over 81 million people out of a total population of 220 million, through this channel only.

World trade has dipped into negative territory only three times between WWII to 2008. However, in 2008, the steepest drop in world trade was observed since the Great Depression. There is no doubt that global trade is facilitated through worldwide transport networks and historically these were also responsible for the transmission of diseases. Thus, recognizing transportation being an important vector of transmission, the sector was one of the first to face significant restrictions due to COVID-19 hit. The restrictions have been extended to seaborne transportation also, which carries 80 percent of world merchandise trade. These disruptions will damage vital supply chains and add to further disruptions that the manufacturing sector is already experiencing. Thus, the outlook for international trade is becoming bleak. Further due to the closure of businesses, the depressed demand for fresh imports is also a major reason besides less transportation of goods. Due to COVID-19, the 2020 trade collapse will be big, sudden, synchronized, and broad. In 2008, there was a demand-side shock but now on top of that, we have massive, supply-side shocks across most sectors of major economies. Taking just the US, China, Japan, Germany, Britain, France, and Italy, the stricken economies account for 60 percent of world 'supply and demand' and 65 percent of world manufacturing. Global supply chain disruption has further exacerbated the economic woes across the globe.

Pakistan also started experiencing this trade shock. According to Pakistan Bureau of Statistics, exports remained $ 957 million in April 2020 which in dollar terms has declined by 54 percent compared to April 2019 and declined by 47 percent compared to March 2020. Likewise, imports also declined by 32 percent compared to April 2019 and declined by 3 percent compared to March 2020. The decline of import bill is related to fall in international oil prices, however, a decrease in capital goods, which constitute a major portion in imports, will add to disruptions in the supply chain of manufacturing both for exports and domestic production. If the situation persists, then, there is a high risk of a substantial reduction in trade volumes in the coming months.

The most important and massive uncertainty created by COVID-19 is regarding global capital flows. Within fifteen days, the United Nations Conference on Trade and Development (UNCTAD) revised its forecasts about the effects of COVID-19 on global FDI flows. On March 8, 2020, there was a conservative drop from -5 to -15 percent but on March 26, 2020, expected a contraction from -30 to -40 percent in global FDI.

In Pakistan, FDI volume has persisted between $ 2 – 2.5 billion for the last several years. Realizing the importance of FDI, the government had made all efforts to attract FDI. Till March 2020, data on FDI was encouraging. During Jul-March FY2020, Foreign direct investment increased by 137.3 percent and reached $ 2.1 billion compared to $ 0.9 billion last year. However, the risk of drying up of foreign investment hangs heavy but with the silver lining that the measures taken by the government to attract foreign investment and providing a business-friendly environment especially in SEZs may help in building foreign investors' confidence. Further, Pakistan has also made significant strides on “Ease of Doing Business” which would also bring in the positive results. Having said that, still, the policy environment needs to improve for realizing these goals.

Global financial markets were the first to indicate the adverse impact of COVID-19. Further, in comparison with other contagious outbreaks since 1985 (like Ebola, SARS, H1N1), COVID-19 hit the stock market the hardest. It also put immense pressure on Pakistan’s financial markets. Between February 26th (the date when first COVID-19 case was reported in Pakistan) and March 25th, Pakistan’s KSE-100 index benchmark dived 30.33 percent and Rs 1,913.89 billion were wiped out of the Market Capitalization. Rupee depreciated by 7.5 percent against a strengthened dollar between February 26 (Rs 154.25=1$) and Mar 31 (Rs 166.71=1$), which severely constrained spending power. In the debt market, foreign investors took out over US$ 1.7 billion from T-bill investments in March 2020.

To facilitate the capital markets, the SECP introduced a number of measures (for e.g. increasing the duration of index-based market halts etc.). These measures, along with government’s stimulus package and 525 basis points cut in the SBP’s policy rate, helped the stock market to regain most of its lost value.

On 21st May, 2020, KSE-100 closed at 33,836.6 (up by 24.2 percent compared to March 25th value) and market capitalization closed at Rs 6,471.6 billion, gaining Rs 1,091.4 billion since March 25th.

The stock market has shown stability in April & May. In May 2020, the KSE-100 index oscillated around 34000 points and is predicted to improve further in the coming months. The exchange rate has also stabilized and it is expected that Pakistan’s stock and debt market will witness an inflow of foreign investments, again.

Affected countries, both developed and developing, have taken swift fiscal measures for dampening the shock to the most exposed households and businesses, including cash transfers, wage subsidies, tax relief, and extension or postponements of debt servicing payments. These fiscal measures are largely, targeted to the most vulnerable sectors of the economy, and are designed to be temporary.

Policy Response in Pakistan

To prevent the negative supply shock on the economy triggered by the COVID-19 and severely affecting employment and productivity, drastic policy interventions for both monetary and fiscal policies were needed. On the fiscal side, the government announced a fiscal stimulus package of Rs 1.24 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. Further, the policy rate was cut by 525 basis point in total till May 15, 2020, bringing it down to 8 percent from a peak of more than 13 percent.

Box-I: Fiscal & Monetary Stimulus

Following the lockdown in several economic activities, workers and small business suffered from severe income losses. This resulted in both supply side and consequently fall in aggregate demand as well. Both monetary and fiscal policies response were needed to mitigate this economic fallout and to support economic system as a whole.

Fiscal Stimulus

The government undertook immediate measures as soon as the threats of pandemic became evident. The main aim was a speedy response while remaining flexible and being prepared for adjustments.

- On 24th March, the Prime Minister announced a fiscal stimulus package of Rs 1.24 trillion (around $8 billion) for emergency response, relief to citizens, and support to businesses and economy. This historic relief package was subsequently supplemented by a package for construction sector with the aim to boost business activity to generate employment.
- For emergency health response, Rs 75 billion were made available for procurement of medical supplies, equipment, incentives to medical workers and provision of quarantine facilities. In addition, the government established a Rs 100 billion emergency fund to cater for any eventuality. Taxes were also waived on import of related medical supplies. Withholding taxes and custom duties were waived on certain food items and reduced on food items supplied through Utility Stores Corporation.
- As the pandemic is projected to result in increased unemployment due to either closure of businesses or reduced business activity, Rs 200 billion are earmarked for daily wage workers and employees who have lost their jobs. A registration portal has been developed to screen laid off workers and employees. In addition, Rs 12000 are being distributed to around 12 million families all over Pakistan through *Ehsaas* program. For this purpose, Rs 150 billion (Rs 144 billion for Ehsaas Emergency Cash Program & Rs 6 billion for Panagahs) have been provided. As on 03-06-2020, Rs 117.0 billion have been disbursed to 9.6 million beneficiaries under Ehsaas Emergency Cash Program.
- To provide relief to general public, prices of petrol were reduced. This is an ongoing policy initiative under which the government will continue to pass on reduction in international oil prices to the general public. Rs 70 billion have been provided for this purpose.
- As unemployment and poverty are seen to increase due to the pandemic, the government provided a support package to lower prices of essential food items available through Utility Stores. Every day consumable items are now available at a much cheaper rate than in the markets.
- In order to support low income families, the government announced relief in payment of electricity and gas bills. All low-income electricity and gas consumers have been allowed to pay their bills after three months. Rs 100 billion have been earmarked for this purpose.
- To facilitate farmers, the government announced immediate procurement of wheat at prescribed support prices. Rs 280 billion have been provided for this purpose. Procurement of wheat across Pakistan is on-going and its target of 8.2 million tons will soon be met.
- Exporters in the country faced financial issues due to tax-refund claims. The government has released Rs 20 billion against duty drawback of taxes and drawback of local taxes and levies to exporters. In addition,

Rs 70 billion of tax refunds through Federal Board of Revenue have been cleared.

- For small and medium sized businesses and industries, which are most hit by the pandemic, the government announced a package in the last week of April 2020 that included payment of electricity bills. Small businesses having a commercial connection of less than five kilowatt and industrial consumers less than 70 kilowatts can benefit from the initiative, under which the government will pay electricity bills for the months of May, June and, July. Besides, some 3.5 million people running small businesses i.e. tailor shops, small markets, and industrial units will take advantage of this initiative. Rs 100 billion have been allocated for this purpose.

Monetary Stimulus

The recent MPC held on May 15, 2020, highlighted challenges for monetary policy due to disruption of economic activity. Policy rate was reduced further 100 basis points to 8 percent. Besides this there are other relief packages announced by SBP as well.

- In order to support sustainable economic growth especially in the backdrop of challenges being faced by the industry in post-pandemic scenario, SBP has issued **"Temporary Economic Refinance Facility" (TERF)**. All sectors except power sector can avail financing under this facility at a concessionary rate of 7 percent p.a. up to 10 years. Financing can be availed for purchase of new imported and locally manufactured plant & machinery with maximum loan limit of Rs 5 billion per project.
- SBP has launched a **Refinance Facility for Combating COVID-19 (RFCC)** for hospitals & medical centers to develop their capacity for the treatment of infected patients of COVID 19. All hospitals and medical centers registered with respective provincial/federal agencies/commissions engaged in controlling and eradication of COVID-19 will be eligible to avail up to Rs 500 million financing under the facility. Facility will be available at a concessionary rate of 3 percent per annum for 5 years including grace period of up to 6 months. This facility can be used for purchase of imported and locally manufactured medical equipment and creation of isolation wards.
- Moreover, SBP has launched temporary **Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of the Business Concerns**. Concessional loans at 5 percent per annum will be available to finance 3 months of wages i.e. April to June 2020. Loan tenor is 2 years including six months grace period. The banks have been asked to give preference to businesses that are labor intensive and affected by Corona virus.
- **Regulatory Measures in the wake of COVID-19 Pandemic:** Given the pivotal role of financial sector in providing services to the general public and particularly the businesses, SBP after consultation with stakeholders has instructed banks to take specific measures to provide their services seamlessly taking due care of reducing the risk exposure amid Corona virus. These measures aim at reducing the need for visiting bank branches or the ATMs and to promote use of Digital Payment Services such as internet banking, mobile phone banking etc. These measures include:
    a. **Waiving Charges for Online Fund Transfers**
    b. **Efficient Clearing of Cheques**
    c. **Strengthening Cyber Resilience of Financial Institutions**
- SBP has reduced the capital conservation buffer by 100 basis points to 1.5 percent;
- It has increased the regulatory limit on extension of credit to SMEs by 44 percent from Rs 125 million to Rs 180 million;
- Relaxation of the debt burden ratio for consumer loans from 50 percent to 60 percent will accommodate almost 2.3 million individuals;
- Allowing banks to defer clients' payment of principal on loan obligations by one year; and
- Relaxation of regulatory criteria for restructured/rescheduled loans for borrowers who require relief beyond the extension of principal repayment for one year
- Margin call requirement of 30 percent vis-a-vis banks' financing against listed shares has been

significantly reduced to 10 percent

- Banks/DFIs have been advised to suspend the dividend distribution for the next two quarters which will further increase the resilience of banking sector and improve their ability to provide much needed credit support to the real economy.

As the new fiscal year FY2020 began, the economy started to witness a remarkable turnaround that confirmed that the government had taken appropriate policy action to address the macroeconomic imbalances. However, like the whole world, since March 2020, Pakistan's economy started being affected due to COVID-19 outbreak through various channels like declines in domestic & global demand. Thus, the downturn in economic activities started in March has overshadowed the better performance occurred in the first three quarters of FY2020

Saving – Investment Gap

Historically, saving - investment gap always led to "borrowed growth" as it was consumption-driven growth. Such growth is not sustainable and macro-imbalances recur. The government from its start had taken strict measures to reduce the gap. Table-2 describes the structure of Savings and Investment along with Consumption (As Percent of GDP).

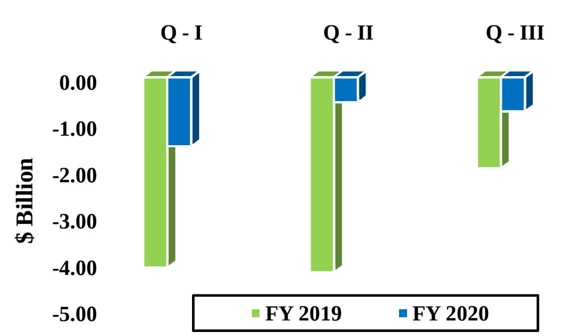
Table 2: Structure of Savings and Investment (As Percent of GDP)

Sectors	2015-16	2016-17	2017-18	2018-19	2019-20
As percent of GDP(mp)			F	R	P
Total Consumption	91.3	93.2	93.8	94.6	91.6
- Private Consumption Expenditure	80.0	81.9	82.0	82.9	78.5
- General Government Expenditure	11.3	11.3	11.7	11.7	13.1
Total Investment	15.7	16.2	17.3	15.6	15.4
Gross Fixed Capital Formation	14.1	14.6	15.7	14.0	13.8
- Private	10.3	10.1	10.5	10.3	10.0
- Public including General Public	3.8	4.5	5.2	3.7	3.8
Change in Inventories	1.6	1.6	1.6	1.6	1.6
National Saving	13.9	12.0	11.3	10.8	13.9
Domestic Saving	7.8	6.5	5.9	4.1	6.8
Foreign Saving	1.7	4.1	6.1	4.8	1.5

Source: EA Wing Calculation, based on PBS data

The decrease in Foreign Saving implies that the impact of the removal of the artificial but costly stability in exchange rates and implementation of the market value-based exchange rate regime became successful. Current Account Deficit was brought down to $ 13.4 billion in FY2019 from $ 19.2 billion in FY2018 and the trend continued in FY2020 as well. Quarter-wise performance is shown in Fig-3.

Fig-3: Quarter-wise performance of Saving-Investment Gap



Source: State Bank of Pakistan

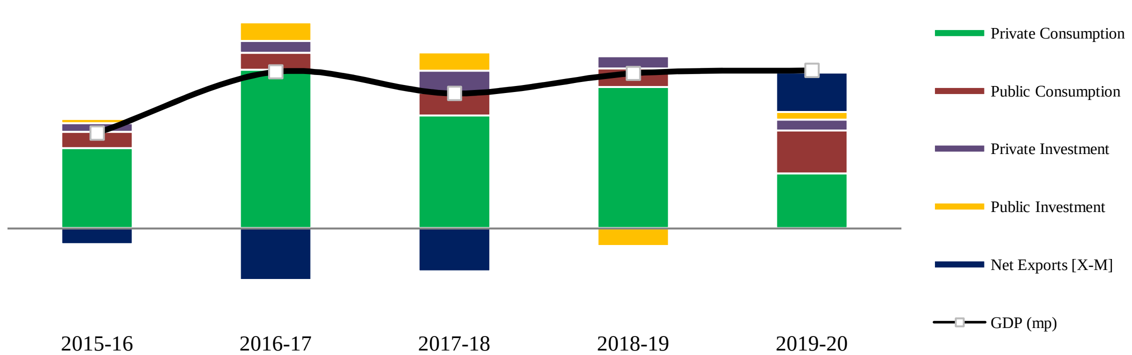
Thus, macroeconomic stabilization measures undertaken by the government over the past year resulted in a significant reduction in Saving-Investment Gap which was mainly driven by a reduction in the trade deficit and an increase in workers ‘remittances. A change in any part of the saving and investment identity suggests that if the government budget deficit changes, then either private savings, private investment in physical capital, or the trade balance—or some combination of the three—must change as well. Therefore, it is argued that rising budget deficit may result in a rise in the trade deficit. It is mentionable that owing to government better public finance management the fiscal deficit remained contained in the first three-quarters of FY2020. The fiscal deficit has substantially reduced to 4 percent of GDP during July-March FY2020 compare 5.1 percent of GDP in the same period last year.

Aggregate Demand Analysis

Historically, Private Consumption has significantly contributed to Pakistan's economic growth. In FY2020, nominal private consumption grew by 4.1 percent, compared to 9.9 percent growth in nominal GDP. In percentage of GDP private consumption declined from 82.9 percent in FY2019 to 78.5 percent in FY2020. This was the result of both the stabilization policy and the lockdown. One of the objectives of the stabilization policy was to bring domestic expenditures in line with domestic income creation. The reduction of the share of private consumption has allowed reducing significantly the negative share of net exports, which contributed to the drastic reduction in the trade deficit. This pattern was even enhanced by the lockdown. The reason being that in Pakistan 72 percent of non-agriculture the workforce is engaged in the informal sector. Thus, informal employment is around 27 million. Out of 27 million, around 86 percent are engaged in wholesale and retail trade, transport, construction, manufacturing, hotels & restaurants sector. Air and rail transport remained completely shut. Only food, pharmaceuticals, and a few other services remained functional. Still, the majority of daily wagers suffered.

The government realizing the significance of loss to the vulnerable made provision of cash transfers to the vulnerable section of the society. Rs 200 billion were earmarked for daily wage workers and employees who have lost their jobs. It is expected that the fiscal stimulus package of Rs 1.24 trillion (around $8 billion) will provide relief to citizens, and support the businesses. Further, the relief package for the construction sector will also boost business activity and will generate employment. Government consumption supported GDP growth. Its share in GDP increased to 13.1 percent in FY2020, up from 11.7 percent in the previous year. Figure-4 represent the component-wise point contribution to GDP (MP) growth.

Fig-4: Component-wise Point Contribution to GDP (MP) growth



Source: Pakistan Bureau of Statistics

The trend structure of point contribution of determinants to GDP growth is presented in the Table-3.

Table-3: Point Contribution of Determinants to GDP growth

Flows (Point Contribution)	2015-16	2016-17	2017-18	2018-19	2019-20
			F	R	P
Private Consumption	5.01	9.91	7.05	8.84	3.43
Public Consumption	1.01	1.07	1.43	1.16	2.69
Total Consumption [C]	**6.02**	**10.98**	**8.48**	**10.00**	**6.12**
Gross Fixed Investment	0.82	1.89	2.52	-0.37	1.16
Private Investment	0.56	0.73	1.38	0.75	0.67
Public Investment	0.26	1.15	1.14	-1.12	0.49
Changes in Stock	0.10	0.16	0.14	0.16	0.16
Total Investment [I]	**0.91**	**2.05**	**2.66**	**-0.22**	**1.32**
Exports (Goods & Services) [X]	-0.91	-0.08	1.47	2.13	0.41
Imports (Goods & Services) [M]	0.07	3.16	4.17	2.22	-2.04
Net Exports [X-M]	**-0.99**	**-3.24**	**-2.70**	**-0.09**	**2.45**
Aggregate Demand [C + I + X]	**6.02**	**12.95**	**12.61**	**11.91**	**7.85**
Domestic Demand [C + I]	**6.94**	**13.03**	**11.14**	**9.78**	**7.44**
GDP (mp)	**5.95**	**9.79**	**8.44**	**9.69**	**9.89**

Source: Pakistan Bureau of Statistics

Last year, removing artificial stability in the interest rate and exchange rates for implementing stabilization measures, made contraction to public and private investments. The same trend was seen this year as well. In FY2020, Private Investment as a percentage of GDP dropped to 9.98 percent from 10.29 percent in FY2019 while Public including General Government investment shown improvement as it remained 3.8 percent compared to 3.7 percent last year. In value terms Public including General Government investment grew by 13.2 percent in FY2020, slightly higher than the nominal GDP growth.

According to Pakistan Bureau of Statistics, provisional estimates of Gross Fixed Capital Formation (GFCF) stands at Rs 5,761.0 billion in FY2020 and has increased by 8.3 percent compared to FY2019. In the private sector, during FY2020, GFCF is estimated at Rs 4,162.6 billion as against Rs 3,908.3 billion of FY2019 with an increase of 6.5 percent. There was a decline of 10.9 percent in the Public Sector investments as it is estimated at Rs 458.1 billion against Rs 514.2 billion during FY2019, while, the overall provisional GFCF in the General Government Services for the year FY2020 has been estimated at Rs 1,140.3 billion with increase of 27 percent over the revised estimates of Rs 897.8 billion during FY2019.

In the private sector, the estimates of GFCF in agriculture the sector stands at Rs 1,258.2 billion as against Rs 1,164.5 billion in FY2019 with an increase of 8.0 percent because of an increase in imported agriculture machinery and value of stock in the livestock sub-sector while the GFCF in mining and quarrying industry during FY2020 has been estimated at Rs 55.1 billion as against Rs 35.1 billion in FY2019 registering a growth of 56.8 percent.

According to Pakistan Bureau of Statistics, the GFCF for private large scale manufacturing sector for the year FY2020 is estimated at Rs 569.4 billion against Rs 599.5 billion during FY2019 showing a negative growth of 5.0 percent based on data available from all sources

The conservative reporting of provisional capital formation by private companies in the main the reason behind this decline.

There was an increase of 6.3 percent in GFCF in Electricity Generation & Distribution and Gas Distribution sector in FY2020 compared to FY2019 mainly because of higher expenditure reported by IPPs, while GFCF in construction industry, wholesale & retail trade industry and Transport & Communication sector posted a growth of 20.6 percent, 7.1 and 5.0 percent respectively.

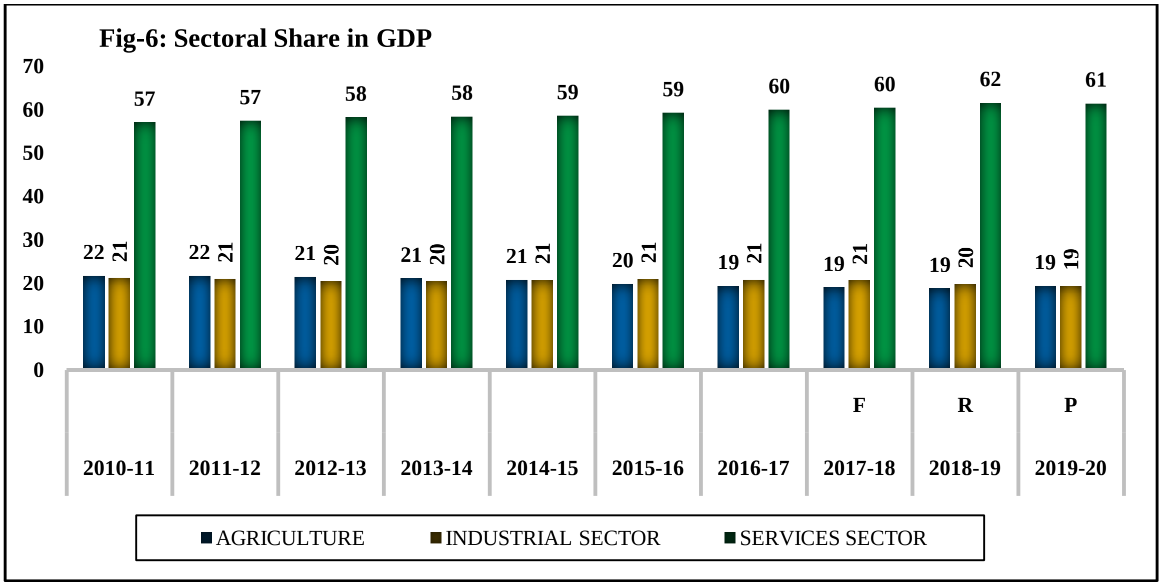
Regarding, Public Sector Enterprises major positive contributors are Manufacturing (from Rs 1.8 billion in 2018-19 to 9.2 billion in 2019-20 owing to Pak Arab Refinery), Construction (40.9 percent), Transport & Communication (increased from Rs 66.8 billion in 2018-19 to 144.5 2019-20 due to higher investment in Post Offices & PTCL, Port Qasim, Civil Aviation, and Highway Authorities) and Finance & Insurance (increased by 37.4 percent from Rs 7.8 billion in 2018-19 to 10.7 billion. in 2019-20 due to E0BI). However, the negative contribution i.e. 34.6 percent has been observed in Electricity Generation & Distribution and Gas Distribution, which has declined from Rs 418.5 billion to Rs 273.7 billion mainly because of WAPDA and Companies (From Rs 391 .5 to 241.3 billion). The GFCF related expenditures in Railways have also declined by 66.7 percent from Rs 14.6 billion to Rs 4.9 billion in FY2020 as compared to FY2019.

Although, estimates of GFCF in the General Government sector are based on budgetary data of federal, provincial, and district governments. The budgeted data is used in the first year of reporting which is subject to changes on the basis of actual and reconciled expenditure by various tiers of government in the subsequent year. GFCF related expenditure for the Federal government has been estimated at Rs 381.4 billion with growth of 7.8 percent over the previous year's estimates of Rs 353.7 billion. Similarly, GFCF related expenditure by Provincial Governments has increased by 32.1 percent from Rs 463.9 billion to Rs 613.0 billion due to an increase in development outlays of Punjab (from Rs 155.5 billion to Rs 209.4 billion), Sindh (from Rs 176.5 billion to Rs 265.0 billion) and Balochistan (from Rs 42.5 billion to Rs 50.6 billion). The estimated development expenditures of Khyber Pakhtunkhwa has declined from Rs 89.4 billion to Rs 88.0 billion (a negative growth of 1.6 percent). Moreover, expenditure on GFCF incurred by district governments has increased by 82.1 percent from Rs 80.2 billion to Rs 146.0 billion. Specifically, provisional GFCF by Tehsil Municipal Administration (TMAs) has doubled from Rs 51.2 billion to Rs 102.5 billion.

Regarding Net Exports, during FY2020, there was a 4.0 percent growth in exports of goods and services while 10.1 percent decline in imports of goods and services as recorded in expenditure on the gross national product at current prices measured in rupees. Thus, there is an improvement of 24 percent in Net Exports as these were recorded negative Rs 2.9 trillion in FY2020, compared to negative Rs 3.9 trillion last year. The main reason is that along with macroeconomic stabilization measures, the import demand for a wide range of non-energy and energy products were significantly curtailed. Further, quantum-led import declines were observed across all product categories and were complemented by lower international prices of most of Pakistan’s principal import commodities.

Sectoral Growth Analysis – Production Side

The provisional GDP growth rate for FY2020 is estimated at a negative growth of 0.38 percent (positive 2.67, negative 2.64 and negative 0.59 percent growth in agricultural, industrial, and services sectors respectively). For FY2020, the negative performance of both Industry and Services overshadowed the growth in the Agriculture which contributed 0.50 percentage points in overall GDP growth (still it has 19.31 percent share in GDP). The share of Industry and Services in GDP for FY2020 remained 19.29 and 61.40 percent respectively. Figure-5 describes the pattern of sectoral share in real GDP.



The positive contribution was almost equally reversed by Industry which contributed to GDP by negative 0.52 percentage points. These are mainly due to the COVID-19 a pandemic devastating blow to a low economic base country like Pakistan.

With the objective of reducing the propagation of COVID-19, social distancing was implemented which resulted in lockdown essentially to stop activity in contact-intensive businesses. Thus, spending on restaurant meals, travel, retail, personal services, fuel, and entertainment exhibit pronounced decreases. The negative impact of COVID-19 was so pronounced that the Services posted a negative growth of 0.59 percent. Thus, its contribution to GDP remained a negative 0.36 percentage point, which implies that Services also significantly affected by COVID-19. Table-4 shows sectoral point contribution in GDP

Table 4: Sectoral Point Contribution in GDP

	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P
A. AGRICULTURE	0.03	0.43	0.77	0.11	0.50
B. INDUSTRIAL SECTOR	1.18	0.95	0.96	-0.47	-0.52
COMMODITY PRODUCING SECTOR (A+B)	1.21	1.38	1.73	-0.36	-0.02
C. SERVICES SECTOR	3.35	3.83	3.81	2.27	-0.36
GDP (fc)	4.56	5.22	5.53	1.91	-0.38

Source: Pakistan Bureau of Statistics

Agricultural Sector: There was no significant impact of COVID-19 on the Agriculture sector. The agriculture sector grew by 2.67 percent.

Positive growth of 2.90 percent in important crops was observed due to an increase in production of wheat, rice, and maize at 2.45 percent, 2.89 percent, and 6.01 percent, respectively. While cotton and sugarcane posted negative growth of 6.92 percent and 0.44 percent respectively. Other crops have shown growth of 4.57 percent mainly because of an increase in the production of pulses, oilseeds, and vegetables. Cotton ginning has declined by 4.61 percent due to a decrease in the production of the cotton crops while the Livestock sector has shown a growth of 2.58 percent. The growth in forestry and Fishing remained 2.29 and 0.60 percent respectively.

Industrial Sector: According to the Pakistan Bureau of Statistics, for FY2020, the industrial sector has been estimated in the light of COVID-19 followed by the partial lockdown of economic activities in the country. Fourth-quarter has been estimated by keeping in view the lockdown situation faced by the industrial sector. Industries were directly contacted to provide the annual estimates of FY2020 by incorporating the impact of COVID-19. A significant impact has been observed in the manufacturing sector, particularly Large-Scale manufacturing and Small-Scale Manufacturing. The provisional growth in the industrial sector has been estimated at a negative 2.64 percent.

The mining and quarrying sector has witnessed a negative growth of 8.82 percent mainly due to natural gas (-6.36 percent), Crude Oil (-10.55 percent) and coal (-6.34 percent) sectors.

The large-scale manufacturing sector has shown the decline of 7.78 percent which is estimated primarily by QIM data (from July 2019 to March 2020) which shows a decline of 5.40 percent. The major decline has been observed in Textile (-2.57 percent), Food, Beverage & Tobacco (-2.33 percent), Coke & Petroleum Products (-17.46 percent), Pharmaceuticals (-5.38 percent), Chemicals (-2.30 percent), Automobiles (-36.50 percent), Iron & Steel products (-7.96 percent), Electronics (-13.54 percent), Engineering Products (-7.05 percent) and Wood Products (-22.11 percent). The increase has been witnessed in Fertilizer (5.81 percent), Leather products (4.96 percent), Rubber products (4.31 percent), Paper & Board (4.23 percent) and Non-metallic mineral products (1.82 percent). The annual estimates of large scale have been estimated on the basis of QIM data for the July-March FY2020. Industry-wise annual estimates have been prepared to keep in view that whether the industry remained functional throughout the year or remained closed for some period in the last quarter of FY2020.

Pakistan Bureau of Statistics has been estimating small scale industry performance on the basis of fixed growth of 8.2 percent since 2005-06. However, while estimating the value addition of small-scale industry in FY2020, this fixed growth has not been used. The detailed industry-wise analysis was conducted and annual estimates have been compiled keeping in view whether the industry remained open throughout the year or remained closed for some period. Due to this special treatment, because of COVID-19 and lockdown situation in the country, the estimates of Small-Scale Industry for FY2020 were reduced to 1.52 percent instead of 8.20 percent.

Electricity and gas sub-sector have grown by 17.70 percent mainly due to the positive growth of Gross Value addition by WAPDA & Companies, however, the performance of the gas sector remained subdued.

The construction activity has increased by 8.06 percent mainly due to an increase in general government expenditure for FY2020.

Services Sector: Similar to the industrial sector, this sector of the economy also witnessed a significant impact of the lockdown the situation in the country due to COVID-19, particularly in Wholesale and Retail Trade and Transport Sectors. The services sector has declined provisionally at 0.59 percent.

Wholesale and Retail Trade sector declined by 3.42 percent. It is dependent on the output of agriculture, manufacturing, and imports. The decline in industry and imported products have pulled growth of this sector downwards overshadowing the positive contribution of agriculture.

Transport, Storage and Communication sector also registered a decline of 7.13 percent due to continuous ban on Railways, Air transport and Road transport particularly public transport during the last two months. There was 45.74 percent decline in Railways and 6.49 percent decline in Air transport while Road Transport declined by 9.58 percent.

Finance and insurance sector witnessed a slight increase of 0.79 percent. Central banking has increased by 1.96 percent and scheduled banks by 0.22 percent and the insurance activities decreased by 2.59 percent.

The Housing Services has contributed positively at 4.02 percent. The General Government Services has grown by 3.92 percent. It is mainly driven by the increase in salaries of Federal, Provincial, and District governments.

Other private services, which is composed of various distinct activities such as computer-related activities, education, health & social work, NGOs, etc. has contributed positively to 5.39 percent.

Way Forward

As economies reopen with expectations that the adverse impact of COVID-19 is bottoming out, there is an on-going debate over the shape of the Recovery. Investors have fears about decline in economic growth and business profits due to a decrease in demand. Further, still, restriction on imports in many countries may dampen demand for Pakistan's exports. Capital flight is also expected with prevailing uncertainty and vulnerabilities, thus putting pressure on the exchange rate. The economic outlook is not very clear as well as doesn't seem promising, however, the fiscal stimulus package of Rs 1.24 trillion along with measures taken by State Bank of Pakistan for providing liquidity support to households and businesses will counteract the current economic downturn. IMFs Rapid Financing Instrument (RFI) amounting to $ 1.386 billion to counter the economic impacts of this novel outbreak will also support government's efforts to mitigate the economic shock, the facility will be used to address declining international reserves and increase social sector spending. Additionally, concessionary lending by IFIs; the World Bank and Asian Development Bank will provide much needed support to the government during this crisis time and help Government of Pakistan to weather the COVID-19 Challenge with minimum affects.

AGRICULTURE

Agriculture is still the largest sector of the economy of Pakistan in terms of labour participation and as such livelihood of the majority of the population directly or indirectly depends on it. However, during the last few decades, its contribution to GDP has gradually decreased to 19.3 percent however there is a lot of potential in the sector to increase its share in GDP through increased productivity utilization of latest agricultural technologies. Being the sector engaging the largest workforce and providing raw material to most manufacturing sector, its development not only contributes towards achieving poverty alleviation but can also uplift socio-economic structure of a major segment of the population. During FY2020, the performance of agriculture sector improved over the last year and it also performed better than other sectors. However, the challenges due to climate change, pest attacks, shortage of water etc., kept agriculture production far less than the potential. One key issue related to agriculture is that the farmers have limited direct access to the market due to which the role of middleman remains crucial. And farmers normally do not receive fair market price of their produce. In terms of potential, agriculture sector has the capacity to not only produce for the domestic population but to have surplus production for exports, which can ensure food security as well as contribute towards foreign exchange earnings.

Realising the potential of agriculture and taking cognizance of the challenges/issues related to agriculture, the present government has introduced "Prime Minister Agriculture Emergency Programme" worth Rs 277 billion to revolutionize the agriculture and livestock sectors. The objectives of the programme include improvements in water availability, soil conservation and shrimp farming. In addition, the programme also includes establishing new agriculture markets which will protect farmers from the exploitation of middlemen. The programme's vision is "food secure Pakistan, based on modern and efficient food production and distribution systems, can best contribute towards global stability and peace".

The recent pandemic COVID-19 poses extraordinary challenges for almost all sectors of the economy of Pakistan. The need for maintaining food security and livelihoods has also gained more importance. The cereal markets are expected to remain balanced and comfortable despite uncertainties over the impact of COVID-19. As logistical issues may pose challenges to food supply it is important to take measures for boosting agriculture production which will contribute in mitigating the socio-economic impact of COVID-19.

Agriculture Performance during FY2020

Pakistan has two cropping seasons."Kharif", the first sowing season, starts from April to

June and is harvested from October to December. Rice, sugarcane, cotton, maize, moong, mash, bajra and jowar are “Kharif" crops.

″Rabi″, the second sowing season, begins from October to December and is harvested from April to May. Wheat, gram, lentil (masoor), tobacco, rapeseed, barley and mustard are "Rabi" crops. Pakistan’s agricultural productivity is dependent upon the timely availability of water.

Performance of “Kharif” crops; Rice production increased by 2.9 percent to 7.410 million tonnes and Maize production by 6.0 percent to 7.236 million tonnes while Cotton production declined by 6.9 percent to 9.178 million bales and Sugarcane production declined by 0.4 percent to 66.880 million tonnes.

Wheat is the most important crop of “Rabi”, which showed growth of 2.5 percent and reached to 24.946 million tonnes. Other crops having a share of 11.53 percent in agriculture value addition and 2.23 percent in GDP, showed growth of 4.57 percent mainly due to increase in production of pulses, oilseeds and vegetables. Cotton ginning declined by 4.61 percent due to decrease in production of cotton crop.

Thus, the crops sector, overall, experienced a growth of 2.98 percent due to increase in growth of important crops by 2.90 percent mainly due to sufficient availability of inputs (adequate water, certified seeds, pesticides, and an uptick in credit disbursement) despite lower fertilizer off-take.

Livestock having share of 60.56 percent in agriculture and 11.69 percent in GDP achieved the growth at 2.58 percent. The Fishing sector having share of 2.06 percent in agriculture value addition (and 0.40 percent in GDP), grew by 0.60 percent, while Forestry sector having share of 2.13 percent in agriculture (and 0.41 percent in GDP) grew by 2.29 percent.

Thus, the performance of Agriculture during 2019-20 remained remarkable. On the aggregate, the sector recorded strong growth of 2.67 percent considerably higher than 0.58 percent growth achieved last year. (Table 2.1)

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

Sector	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020(P)
Agriculture	**2.50**	**2.13**	**0.15**	**2.18**	**4.00**	**0.58**	**2.67**
Crops	2.64	0.16	-5.27	1.22	4.69	-4.96	2.98
i) Important Crops	7.22	-1.62	-5.86	2.60	3.56	-7.68	2.90
ii) Other Crops	-5.71	2.51	0.40	-2.51	6.26	2.59	4.57
iii) Cotton Ginning	-1.33	7.24	-22.12	5.58	8.80	-12.74	-4.61
Livestock	2.48	3.99	3.36	2.99	3.70	3.82	2.58
Forestry	1.88	-12.45	14.31	-2.33	2.58	7.87	2.29
Fishing	0.98	5.75	3.25	1.23	1.62	0.80	0.60

P: Provisional
Source: Pakistan Bureau of Statistics

During 2019-20, the total availability of water for the Kharif crops 2019 reached to 65.2 million acre feet (MAF) showing an increase of 9.4 percent over 59.6 MAF of Kharif 2018 while it remained less by 2.8 percent against the average system usage of 67.1 MAF. During Rabi season 2019-20, the total water availability reached to 29.2 MAF, showing an increase of 17.7 percent over Rabi 2018-19 and 19.8 percent less than the normal availability of 36.4 MAF. (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	-
2010-11	53.4	34.6	88.0	-15.0
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

Source: Indus River System Authority

I. Crop Situation

The important crops (wheat, rice, sugarcane, maize and cotton) account for 21.73 percent in the value addition of agriculture sector and 4.20 percent in GDP. The other crops account for 11.53 percent in the value addition of agriculture sector and 2.23 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
2013-14	12,769	67,460	6,798	4,944	25,979
	(-2.0)	(5.8)	(22.8)	(17.2)	(7.3)
2014-15	13,960	62,826	7,003	4,937	25,086
	(9.3)	(-6.9)	(3.0)	(-0.1)	(-3.4)
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 (P)	9,178	66,880	7,410	7,236	24,946
	(-6.9)	(-0.4)	(2.9)	(6.0)	(2.5)

P: Provisional (July-March), Figures in parentheses are growth/decline rates

Source: Pakistan Bureau of Statistics

a) Important Crops

i) Cotton

Being a major cash crop of Pakistan, cotton is considered the backbone of the economy. It contributes about 0.8 percent to GDP and 4.1 percent of total value addition in agriculture. During 2019-20, cotton crop was sown on an area of 2,527 thousand hectares, which increased by 6.5 percent over last year's area (2,373 thousand hectares). Cotton production is estimated at around 9.178 million bales, which is lower by 6.9 percent over the last year's production of 9.861 million bales (see Table 2.4 and Figure 2.1). Even though the overall area increased over last year, the overall performance remained below due to unfavourable weather and low water availability during important stages of plant development along with pest attacks.

Fig-2.1: Cotton Production (000 bales)

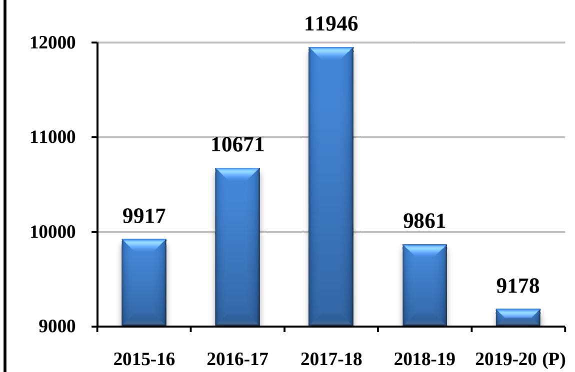


Table 2.4: Area, Production and Yield of Cotton

Year	Area		Production		Yield	
	(000 Hectare)	% Change	(000 Bales)	% Change	(Kgs/Hec)	% Change
2015-16	2,902	-	9,917	-	582	-
2016-17	2,489	-14.2	10,671	7.6	730	25.3
2017-18	2,700	8.5	11,946	11.9	753	3.1
2018-19	2,373	-12.1	9,861	-17.5	707	-6.1
2019-20(P)	2,527	6.5	9,178	-6.9	618	-12.6

P: Provisional (July-March)

Source: Pakistan Bureau of Statistics

ii) Sugarcane

Sugarcane is a high value cash crop that has significance for sugar and sugar related industries in Pakistan. It contributes about 0.6 percent to GDP and 2.9 percent of total value addition in agriculture. During 2019-20, sugarcane production decreased by 0.4 percent to 66.880 million tonnes as compared to 67.174 million tonnes of last year. The output may depict the pattern of area under cultivation i.e 1,040 thousand hectares compared to 1,102 thousand hectares, a decline of 5.6 percent, with improved yields compared to 2018-19. The area, production and yield of sugarcane during the last five years are given in Table 2.5 and Figure 2.2.

Fig 2.2: Sugarcane Production (000 Tonnes)

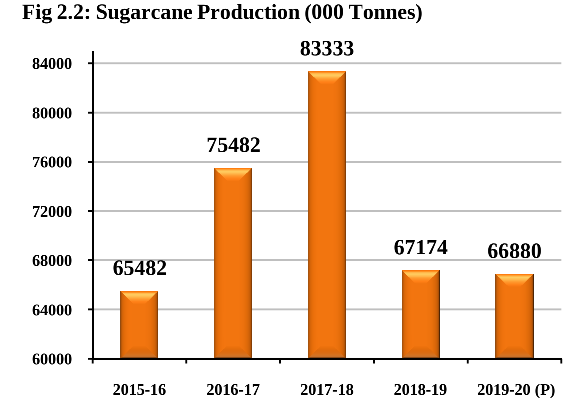


Table 2.5: Area, Production and Yield of Sugarcane

Year	Area		Production		Yield	
	(000 Hectare)	% Change	(000 Tonnes)	% Change	(Kgs/Hec.)	% Change
2015-16	1,131	-	65,482	-	57,897	-
2016-17	1,218	7.7	75,482	15.3	61,972	7.0
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 (P)	1,040	-5.6	66,880	-0.4	64,308	5.5

P: Provisional (July-March)
Source: Pakistan Bureau of Statistics

iii) Rice

Being a main food as well as cash crop, rice holds an important place in the agriculture of Pakistan. After wheat, it is the second main staple food crop and second major exportable commodity after cotton. It contributes about 3.1 percent of value added in agriculture and 0.6 percent in GDP. During 2019-20, rice cropped area of 3,034 million hectares increased by 8.0 percent compared to 2,810 thousand hectares of last year. The production increased by 2.9 percent to 7.410 million tonnes against 7.202 million tonnes of last year due to an increase in area under the crop, driven in part by higher domestic prices and availability of inputs on subsidized rates.The area, production and yield of rice last five years are shown in Table 2.6 and Figure 2.3.

Fig 2.3: Rice Production (000 Tonnes)

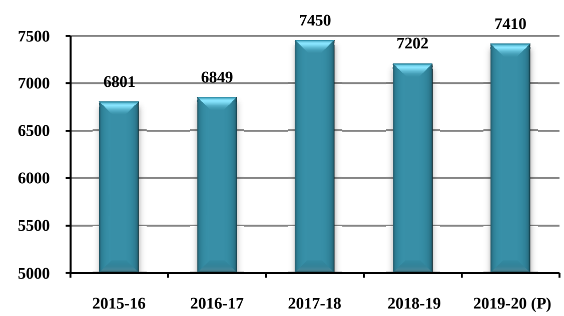


Table 2.6: Area, Production and Yield of Rice

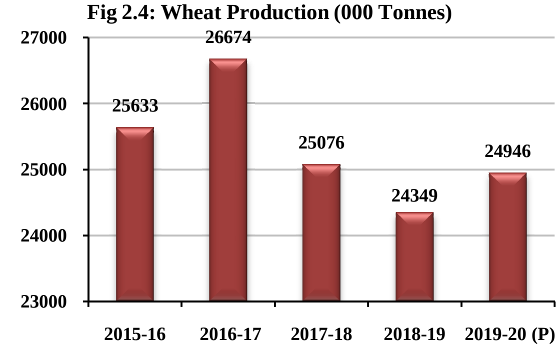
Year	Area		Production		Yield	
	(000 Hectare)	% Change	(000 Tonnes)	% Change	(Kgs/Hec.)	% Change
2015-16	2,739	-	6,801	-	2,483	-
2016-17	2,724	-0.5	6,849	0.7	2,514	1.2
2017-18	2,901	6.5	7,450	8.8	2,568	2.1
2018-19	2,810	-3.1	7,202	-3.3	2,563	-0.2
2019-20(P)	3,034	8.0	7,410	2.9	2,442	-4.7

P: Provisional (July-March)
Source: Pakistan Bureau of Statistics

iv) Wheat

Wheat accounts for 8.7 percent to value addition in agriculture and 1.7 percent to GDP. Wheat crop production increased by 2.5 percent to 24.946 million tonnes over last year's production of 24.349 million tonnes. The area under cultivation increased by 1.7 percent to 8,825 thousand hectares over last year's area (8,678 thousand hectares). The production increased due to increase in

Fig 2.4: Wheat Production (000 Tonnes)



cultivated area, healthy grain formation and better crop yield. The position over the last five years is given in Table 2.7 and Figure 2.4.

Table 2.7: Area, Production and Yield of Wheat

Year	Area		Production		Yield	
	(000 Hectares)	% Change	(000 Tonnes)	% Change	(Kgs /Hec.)	% Change
2015-16	9,224	-	25,633	-	2,779	-
2016-17	8,972	-2.7	26,674	4.1	2,973	7.0
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(P)	8,825	1.7	24,946	2.5	2,827	0.7

P: Provisional (July-March)
Source: Pakistan Bureau of Statistics

v) Maize

In Pakistan, after wheat and rice, Maize is the third important cereal crop. It contributes 2.9 percent to value addition in agriculture and 0.6 percent to GDP. During 2019-20, maize was cultivated on 1,413 thousand hectares and recorded an increase of 2.9 percent over last year's 1,374 thousand hectares. Its production increased by 6.0 percent to 7.236 million tonnes compared to last year's production of 6.826 million tonnes. The production increased due to increase in area and availability of improved variety of seed as well as better economic returns. The position is presented in Table 2.8 and Figure 2.5.

Fig 2.5: Maize Production (000 Tonnes)

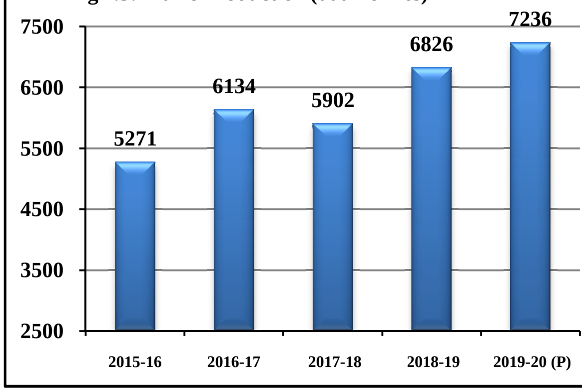


Table 2.8: Area, Production and Yield of Maize

Year	Area		Production		Yield	
	(000 Hectares)	% Change	(000 Tonnes)	% Change	(Kgs /Hec.)	% Change
2015-16	1,191	-	5,271	-	4,426	-
2016-17	1,348	13.2	6,134	16.4	4,550	2.8
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 (P)	1,413	2.9	7,236	6.0	5,121	3.1

P: Provisional (July-March)
Source: Pakistan Bureau of Statistics

b) Other Crops

During 2019-20, gram production increased by 21.9 percent to 545 thousand tonnes on account of higher yield due to favourable weather condition prevalent at the time of sowing. The production of Bajra and Tobacco increased by 9.7 percent and 5.8 percent, respectively. The production of Jawar decreased by 19.5 percent to 120 thousand tonnes. The production of Barley and Rapeseed & Mustard remained same. 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	2018-19		2019-20 (P)		% Change in production over Last year
	Area (000 Hectares)	Production (000 Tonnes)	Area (000 Hectares)	Production (000 Tonnes)	
Bajra	456	350	522	384	9.7
Jowar	241	149	199	120	-19.5
Gram	943	447	940	545	21.9
Barley	57	55	53	55	0.0
Rapeseed & Mustard	237	302	349	302	0.0
Tobacco	45	104	47	110	5.8

P: Provisional (July-March)

Source: Pakistan Bureau of Statistics

During 2019-20, the production of Chillies and Moong increased by 34.5 percent and 12.6 percent, respectively compared to production of last year. However, the production of pulse Mash, Potato and Onion decreased by 5.8 percent, 5.3 percent and 1.0 percent, respectively compared to last year's production. The production of Masoor remained the same of last year's production. The area and production of other crops are given in Table 2.10.

Table 2.10: Area and Production of Other Crops					
Crops	2018-19		2019-20(P)		% Change in production over Last year
	Area (000 Hectares)	Production (000 Tonnes)	Area (000 Hectares)	Production (000 Tonnes)	
Masoor	12.9	6.0	10.4	6.0	0.0
Moong	163.2	117.8	186.7	132.7	12.6
Mash	14.1	6.9	13.9	6.5	-5.8
Potato	195.7	4,869.3	188.6	4,609.6	-5.3
Onion	148.3	2,079.6	146.1	2,058.2	-1.0
Chillies	47.3	101.7	57.8	136.8	34.5

P: Provisional (July-March)

Source: Pakistan Bureau of Statistics

i) Oilseeds

During FY2020 (July-March), 2.748 million tonnes edible oil of value Rs 321.535 billion ($ 2.046 billion) was imported. Local production of edible oil during 2019-20 (July-March) is estimated at 0.507 million tonnes. Total availability of edible oil from all sources is provisionally estimated at 3.255 million tonnes. The area and production of oilseed crops are given in Table 2.11.

Table 2.11: Area and Production of Major Oilseed Crops						
Crops	2018-19			2019-20 (Jul-Mar) (P)		
	Area	Production		Area	Production	
	(000 Acres)	Seed (000 Tonnes)	Oil (000 Tonnes)	(000 Acres)	Seed (000 Tonnes)	Oil (000 Tonnes)
Cottonseed	5,864	2,516	302	6,210	2,412	289
Rapeseed-Mustard	586	337	108	860	458	147
Sunflower	257	133	51	219	105	40
Canola	67	41	16	128	81	31
Total	**6,774**	**3,027**	**477**	**7,417**	**3,056**	**507**

P: Provisional

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

Ministry of National Food Security & Research (MNFS&R) has launched a mega project “National Oilseed Enhancement Programme” with a total cost of Rs 10.964 billion for five years under the National Agriculture Emergency Programme. The main objective of this project is to boost the adoption of oilseed crops. Under this project a subsidy of Rs 5,000 per acre for sowing seed/inputs and 50 percent on the purchase of oilseed machineries is being provided to oilseed growers.

Box Item-I: Desert Locust Situation in Pakistan

The unusual wider spread of desert locust during start of 2020 in main crop production areas of Pakistan pushed the government of Pakistan to declare national emergency against Desert Locust on January 31, 2020. This year (2020) Desert Locust spread is worst in 25 years in areas of concerns **i)** Horn of Africa, **ii)** Southwest Asia and Red Sea. This situation represents an unprecedented threat to food security and livelihoods, therefore, a Locust Emergency Level 3 has been declared within FAO to coordinate and ensure support to vulnerable countries.

Locust outbreak in Pakistan (towards last part of 2019 and start of 2020) turned serious and agriculture losses were reported to main crop production areas in Balochistan, Punjab and Sindh provinces. According to the initial assessment damage to over 115 thousand hectares of crops including wheat, oil seed crops, cotton, gram, fruits and vegetables, besides grazing field losses. Even some crop losses were also reported in Khyber Pakhtunkhwa. The quantum of detailed damage assessment may take some time and efforts are underway to agree on an assessment (including humanitarian aspect also) in collaboration with stakeholders.

The situation in **Iran** and **Yemen** is becoming increasingly worrisome. Swarms laid eggs along 900 km of coast in southwest **Iran** that are hatching and hopper bands are forming. The widespread heavy rains that fell in late March 2020 will allow another generation of breeding and a further increase in locusts during May 2020, which will extend to Balochistan, Pakistan. Resultantly, there will be more band and swarm formation in Pakistan. This Desert Locust evolving situation would require a strong surveillance and control operation especially in the aftermath of corona virus COVID-19 spread and precarious security environment in the regional countries. Therefore, government of Pakistan and FAO (TCPF, DIFID, South Korean support and FAO-China SSC) has mobilized resources in order to counter the emerging/imminent Desert locust challenge. The overall surveyed and treated area details are summarized as follow:

- Total Area Surveyed (ha): 1,500,000
- Total Area Treated (ha): 390,000
- Area Treated by Vehicle (ha): 363,400
- Area Treated by Aircraft (ha): 26,600

Source: Food and Agriculture Organization of the United Nations (UN FAO)

II. Farm Inputs

i) Fertilizer

Fertilizer along with irrigation water and quality seed plays an important role in raising the productivity of crops. About 52 percent of fertilizer is used in Rabi season while 48 percent in Kharif season when cotton, rice, maize and sugarcane are planted.

The domestic production of fertilizers during FY2020 (July-March) increased by 5.8 percent over the same period of last year, the increase in domestic production of fertilizer is primarily due to the supply of additional gas for the fertilizers. However, the supply of imported fertilizer decreased by 20.7 percent. Therefore, the total availability of fertilizer decreased by 0.28 percent during the prescribed period. Total offtake of fertilizer nutrients witnessed decrease by 2.6 percent. Nitrogen offtake decreased by 2.4 percent, phosphate offtake decreased by 2.6 percent and potash offtake also decreased by 14.5 percent during FY2020 (July-March).The price of urea increased by 11.5 percent and DAP by 3.1 percent. Gas Infrastructure Development Cess (GIDC) has been reduced to Rs 5/MMBTU which has resulted in a decrease in the cost of urea by Rs 398 per bag with effect from 28th January, 2020. Following are different types of subsidies provided by the government during FY2020.

- 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 976 per bag)
- Subsidy on imported urea (Rs 1,194 per bag)
- Cash subsidy by Government of Punjab for phosphate and potash fertilizer (Rs 500 per bag of DAP)

The total availability of urea during Kharif 2019 was 3,501 thousand tonnes comprising of 135 thousand tonnes of opening inventory and 3,265 thousand tonnes of domestic production (Table 2.12). Urea offtake was about 3,023 thousand tonnes, leaving an inventory of 470 thousand tonnes for Rabi 2019-20. The availability of DAP was 1,375 thousand tonnes comprising of 599 thousand tonnes of opening inventory, 331 thousand tonnes of imported supplies, and 445 thousand tonnes of local production. DAP offtake was 974 thousand tonnes leaving an inventory of 406 thousand tonnes for the upcoming Rabi 2019-20.

Rabi 2019-20 started with an opening balance of 470 thousand tonnes of urea (Table 2.12). Domestic production during Rabi 2019-20 is estimated at around 2,994 thousand tonnes. Urea offtake during current Rabi 2019-20 was 2,867 thousand tonnes, against 3,464 thousand tonnes of total availability, leaving a closing balance of 580 thousand tonnes for next season. DAP availability during Rabi 2019-20 was 1,579 thousand tonnes, which includes 406 thousand tonnes of opening inventory, 849 thousand tonnes of imported supplies and domestic production of 324 thousand tonnes. The offtake of DAP during Rabi season is projected at about 1,094 thousand tonnes, leaving a balance of 487 thousand tonnes for next season.

Table 2.12: Fertilizer Supply Demand Situation (000 Tonnes)

Description	Kharif (Apr-Sep) 2019		Rabi (Oct-Mar) 2019-20		Kharif (Apr-Sep) 2020*	
	Urea	DAP	Urea	DAP	Urea	DAP
Opening stock	135	599	470	406	580	487
Imported supplies	101	331	0	849	0	87
Domestic Production	3265	445	2994	324	2823	420
Total Availability	3501	1375	3464	1579	3403	994
Offtake/Demand	3023	974	2867	1094	3048	956
Write on/off	-8	5	-17	2	0	0
Closing stock	470	406	580	487	355	38

*: It is assumed that Fatimafert and Agritech will remain closed for whole Kharif season
Source: National Fertilizer Development Center

The total availability of urea during Kharif 2020 will be about 3,403 thousand tonnes comprising of 580 thousand tonnes of opening balance and 2,823 thousand tonnes of domestic production (Table 2.12). Urea offtake is expected to be around 3,048 thousand tonnes, reflecting a closing balance of 355 thousand tonnes. The total availability of DAP will be 994 thousand tonnes against the expected offtake of 956 thousand tonnes. Supply demand gap will be filled through imported supplies by the private sector.

ii) Improved Seed

Seed is the basic input for agriculture sector and has an imperative role in enhancing agriculture productivity. The world has now focused on the use of certified seed for enhancing agriculture productivity owning to its better profitability coupled with the application of internationally acceptable quality parameters. In order to improve the availability of quality seed to farmers the importance of provision of certified seed needs to be emphasized and the services of this sector need to be revitalized in accordance to the requirements of local and international challenges.

Federal Seed Certification & Registration Department (FSC&RD) is an attached department of MNFS&R having the mandate of assuring quality of seed through seed certification and variety registration. FSC&RD is a third-party regulatory department which provides seed certification services as and when requested by public and private seed agencies and has annual plan for field crop inspection and seed testing. In order to ensure improved seed certification services, FSC&RD administration is working on various aspects for strengthening of field offices, international collaboration; new initiatives for further development (Gilgit Baltistan Project, Establishment of Plant Breeder's Rights Registry).

The area, seed requirement and seed availability during 2019-20 (July-March), are given in Table 2.13.

Table 2.13: Area, Seed Requirement and Seed Availability

Crop	Sowing Area* (000 Ha)	Total Seed Requirement (MT)	Seed Availability (Metric Tonnes)			
			Public	Private	Imported	Total (Loc+Imp)
Wheat**	9,160	1,131,260	5,887	42,458	-	48,345
Cotton	2,895	57,205	89	21,755	-	21,844
Paddy	2,879	42,393	2,915	59,288	5,755	67,958
Maize	1,328	32,794	195	3,074	12,006	15,275
Pulses	1,185	42,674	504	2,313	-	2,817
Oilseeds	830	10,790	356	429	755	1,540
Vegetables	280	8,400	-	35	2,792	2,827
Fodders	2,038	61,140	10	4,270	19,590	23,870
Potato	465	1,163,500	-	-	5,211	5,211
Total	**21,060**	**2,550,156**	**9,956**	**133,622**	**46,109**	**189,687**

*:Area has been decided by the Federal Committee on Agriculture, MNFS&R
**: Seed testing is in progress and is very slow due to corona pandemic. The expected yield of wheat seed is 48,345 MT.
Source: Federal Seed Certification & Registration Department

iii) Mechanization

Accelerated farm mechanization is an important element to accelerate the growth in agriculture sector. The main constraint in increasing agricultural productivity includes non-availability of quality tractors and other agricultural machinery at the right time and at affordable prices to the farmer community.

The domestic tractor industry has played a significant role in fulfilling the requirements of tractors to farmers. The number of operational tractors in the country is around 612,000 resulting in per acre horsepower (HP) availability of around 0.09 against the required power of 1.4 HP per acre. During 2019-20 (July-March), total tractors production was 23,137 compared to the 37,457 produced last year for similar period. The major reasons of the decline in production of tractors are low sales because of filer conditions for purchaser, low farmers' liquidity position because of low production of the cotton crop, changing market dynamics/demand, and situation arising of COVID-19 pandemic lockdown.The prices and production of locally manufactured tractors are given in Table 2.14.

Table 2.14: Prices and Production of Locally Manufactured Tractors 2019-20 (July-March)

Tractors Model – Horse Power (HP)	Basic Price (Rs)	GST @ 05%	Total Price (Rs)	Actual Production (in Nos.)	Actual Sale (in Nos.)
M/s Al-Ghazi Tractors Limited					
480-S (55 HP)	810,350	42,650	853,000	2,278	2,310
480-S (55 HP) Hydrostatic Power Steering	831,250	43,750	875,000	725	817
480-S (55 HP) Hydrostatic Power Steering (Sindh Version)	854,050	44,950	899,000	432	406
Ghazi (65 HP)	928,150	48,850	977,000	3,191	3,252
Ghazi-WDB (65 HP)	935,750	49,250	985,000	74	78
640 (75 HP)	1,223,600	64,400	1,288,000	1,309	1,377
640-WDB (75 HP)	1,233,100	64,900	1,298,000	33	40
640-S (85 HP)	1,246,400	65,600	1,312,000	78	84
640-S WDB (85 HP)	1,249,250	65,750	1,315,000	18	20
Dabung (85HP)	1,253,050	65,950	1,319,000	287	293
NH 70-56 (85 HP)	1,676,750	88,250	1,765,000	34	34
NH TD-95 (98 HP) (Imported)	2,438,334	128,333	2,566,667	-	22
Total				**8,459**	**8,733**
M/s Millat Tractors Limited					
MF 240 (50 HP)	855,000	42,750	897,750	4,889	4,903
MF 350 Plus (50 HP) Hydrostatic Power Steering	912,600	45,630	958,230	12	10
MF 260 (60 HP)	980,000	49,000	1,029,000	3,104	3,087
MF 360 (60 HP) Hydrostatic Power Steering	1,012,000	50,600	1,062,600	297	278
MF 375 (75 HP)	1,292,000	64,600	1,356,600	1,192	1,198
MF 385 (85 HP)	1,360,000	68,000	1,428,000	4,730	4,737
MF 375-4WD (75 HP)	1,734,000	86,700	1,820,700	3	-
MF 375-4WD (85 HP)	1,875,000	93,750	1,968,750	451	399
Total				**14,678**	**14,612**
Grand Total				**23,137**	**23,345**

Source: Tractor Manufacturers, Federal Water Management Cell

iv) Irrigation

During the monsoon season (July-September) 2019, the actual rainfall was recorded at 140.4 mm showing a meagre decrease of 0.4 percent against the normal average rainfall of 140.9 mm. During the post-monsoon season (October-December) 2019, the normal average rainfall was 26.4 mm, while the actual rainfall recorded was 56.3 mm showing an increase of 113.1 percent. During the winter season (January-March) 2020, the normal average rainfall was 74.3 mm, the actual rainfall recorded was 123.0 mm showing an increase of 65.5 percent. Rainfall recorded during the monsoon, post monsoon and winter is given in Table 2.15.

Table 2.15: Rainfall* Recorded During 2019-20 (in Millimetres)

	Monsoon Rainfall (Jul-Sep) 2019	Post Monsoon Rainfall (Oct-Dec) 2019	Winter Rainfall (Jan-Mar) 2020
Normal**	140.9	26.4	74.3
Actual	140.4	56.3	123.0
Shortage (-)/excess (+)	-0.5	+29.9	+48.7
% Shortage (-)/excess (+)	-0.4	+113.1	+65.5

*:Area Weighted,**:Long Period Average (1961-2010)

Source: Pakistan Meteorological Department

Canal water withdrawals increased by 9 percent during Kharif (April-September) 2019 to 65.23 MAF compared to 59.62 MAF during the same period last year. During Rabi (October-March) 2019-20, it witnessed an increase of 18 percent to 29.20 MAF compared to 24.76 MAF during the same period 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) 2018	Kharif (Apr-Sep) 2019	% Change in Kharif 2019 Over 2018	Rabi (Oct-Mar) 2018-19	Rabi (Oct-Mar) 2019-20	% Change in Rabi 2019-20 Over 2018-19
Punjab	29.19	34.42	18	13.25	14.67	11
Sindh	27.75	28.04	1	10.10	12.92	28
Balochistan	1.69	1.87	11	0.97	1.24	29
Khyber Pakhtunkhwa	0.99	0.91	-8	0.45	0.36	-19
Total	**59.62**	**65.23**	**9**	**24.76**	**29.20**	**18**

Source: Indus River System Authority

Agriculture sector has the largest water consumption, so efficient use of water is an important requirement for its sustainable growth. In this regard, National Water Policy (NWP) aims to promote solar pumping in the areas bearing shallow aquifers and to ensure sustainable use of water in cultivation of crops. Subsidies are also being offered to install solar pumps, where viable. Since Irrigation and agriculture are provincial subjects in the post 18th Constitutional Amendment scenario, provinces are being encouraged to take initiatives on their own, in accordance with NWP.

Major goals of National Water Policy 2018 are summarized as under:

- Reduction of 33 percent in conveyance losses through watercourses lining
- Increase storage capacity by adding 10 MAF live storage
- 20 percent increase in water use efficiency by introducing modern irrigation techniques
- Refurbishment of irrigation infrastructure

- Real-time monitoring of water distribution for transparent water accounting and
- Development of a unified authentic database to have reliable water resources assessment

During the FY2020, an amount of Rs 70.384 billion were allocated for the water sector's development projects/programmes (including Mohmand Rs 15.000 billion and Diamer Basha Dam Rs 16.000 billion). Out of this, about Rs 47.00 billion have been released, it is expected that the entire water sector's allocation will be utilized by June, 2020.

Key Achievements of FY2020

- Initial/preparatory works for the construction of Diamer Bhasha Dam and Mohmand Damis in progress
- Operationalization of Kachhi Canal (Phase-I) in Balochistan & Rainee Canal in Sindh. About 40,000 acres of command area for Kachhi canal has been developed
- Initiation of about 30 new schemes of small dams/recharge/check having a cost of about Rs 28.60 billion with an allocation of Rs 2.74 billion in Balochistan
- More than 45 percent works completed on Kurram Tangi Dam (Phase-I) in North Waziristan tribal district
- To save the water losses of the existing irrigation system, Rs 532 million would be utilized for lining and improvement of small canals & minors in Punjab, Sindh and Khyber Pakhtunkhwa
- Concept Clearance has been accorded for the formulation of "National Flood Protection Plan IV" to protect infrastructure, flood embankments, spurs, flood forecasting & warning system in Pakistan
- In Balochistan, Sindh, Punjab and Khyber Pakhtunkhwa about Rs 22.771 billion are utilized during FY2020 on the construction of medium/small/delay action dams and recharge dams. Province-wise detail is as under:

a)	Punjab	Rs 2,912 million (Ghabir & Papin dam).
b)	Sindh	Rs 2,813 million (Darawat & Nai Gaj, Small dams in Kohistan and Nagarparkar areas of Sindh).
c)	Khyber Pakhtunkhwa	Rs 4,306 million (Kurram Tangi, Kundal/Sanam dam, Baran dam & 20 small dam in Nowshera, Karak, Swabi, Haripur & Kohat Districts.
d)	Balochistan	Rs 8,867 million (Naulong, Garuk Dam, Bathozai, Construction of 100 small dams (Package-II & III), Basol, Mangi dam & many small dams in different Districts).

- Rs 2,821 million will be utilized for the completion of RBOD-I & III Projects to protect & reclaim waterlogged & salt affected Irrigated land and Manchar Lake.

Physical progress of major on-going projects is 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.)	ECNEC approved Dam part of the project on 14-11-2018 (out of Rs 479 billion, an amount of Rs 237 billion will be federal grant, Rs 144 billion commercial financing and Rs 98 billion WAPDA equity). Initial Work in Progress.
Gomal Zam Dam	Khyber Pakhtunkhwa	20,626	0.892 MAF	191,139 Acres (17.4 MW Power Gen.)	Completed & Operational. Out of 191,139 acres CCA about 110,000 acres have been developed (58%) uptill now.
Kachhi Canal (Phase-I)	Balochistan	80,352	-	72,000 Acres	Phase-I completed. Out of 102,000 acres CCA about 40,000 acres have been developed (40%) of Dera Bugti district of Balochistan.
Darawat Dam	Sindh	9,300	89,192 (Acre Ft)	25,000 Acres (0.30 MW Power Gen.)	Physically completed. Command Area Development needs to be expedited by the Govt of Sindh.
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.
Kurram Tangi 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.)	45% 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 Rs 28,465 million approved by ECNEC on 26-03-2020.
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.)	Phase-I ECNEC approved on 30-06-018 at a Total cost of Rs 309.558 billion (Dam part+ Power cost). Initial works in progress.
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	-		95% completed
RBOD-II	Sindh	61,985	-		72% completed
RBOD-III	Balochistan	10,804	-		98% completed

Source: Ministry of Planning, Development & Special Initiatives

During FY2020, following projects have been launched under Prime Minister's Agriculture Emergency Programme to "Conserve and Increase Productivity of Water":

a) **National Programme for Improvement of Watercourses in Pakistan-Phase-II:** The programme envisages lining of upto 50 percent of the total length of 62,210 water courses (reconstruction, additional lining, and new) inclusive of 14,932 Water Storage Tanks. This also includes the provision of 11,610 Laser Land Levelers on a 50 percent cost sharing basis (government's share to be capped at Rs 250,000 per beneficiary). Total project cost is Rs 110.812 million over a period of 05 years. Project will be implemented in the provinces of Punjab, Khyber Pakhtunkhwa, Balochistan including Gilgit-Baltistan (GB), Azad Jammu and Kashmir (AJK) and Islamabad Capital Territory (ICT). The key objectives are:

- Social mobilization through capacity building of Water User's Associations/ Farmer Organizations
- Minimization of conveyance and field application losses
- Reduction in waterlogging 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

The work on improvement of 2,934 watercourses (inclusive of 395 water storage tanks) has been initiated whereas work on the improvement of 1,301 watercourses (inclusive of 207 water storage tanks) has so far been completed. Additionally, 1,200 units of laser land levelers have been distributed amongst the beneficiaries.

b) **National Programme for Enhancing Command Area in Barani Areas of Pakistan** was approved by ECNEC on 26th March, 2020 at a cost of Rs 25.345 billion. The project will be implemented in all provinces including GB, AJK and ICT over a period of 05 years. The key project outputs are:

- Construction of **2,664** farm ponds for storing rainwater from various sources
- Installation of **2,664** solar pumping systems on farm ponds for the operation of high efficiency irrigation systems
- Development of **4,156** dug wells for developing of the water source to promote irrigated agriculture
- Installation of **4,106** solar pumping systems at dug wells for the operation of high efficiency irrigation systems (in addition 50 Hydro Ram Pumps will be installed in GB to lift water from the river)
- Development/improvement of **2,432** watercourses carrying water from various sources for enhancing water conveyance efficiency at farm level
- Provision of **1,106** Laser Land Levelers to the farmers/service providers. Rough Land Levelling will also be done on **34,000** acres in Khyber Pakhtunkhwa
- Provision of fruit plants, oilseeds/pulses crops and fodder/forage/range on **45,518**, **112,189** and **81,676** acres, respectively, in command area of small/mini dams to ensure irrigated agriculture

c) Project "**Water Conservation in Barani Areas of Khyber Pakhtunkhwa"** was developed at a cost of Rs 14.178 billion over a period of 05 years.

iv) Agricultural Credit

Agricultural Credit Advisory Committee (ACAC) set the indicative agricultural credit disbursement targets of Rs 1,350 billion for FY2020 which is 15 percent higher than the last year's disbursement of Rs 1174.0 billion. Currently, 49 agriculture lending institutions are providing agricultural loans to the farming community, which include five major commercial banks, two specialized banks (ZTBL & PPCBL), 14 domestic private banks, five Islamic Banks, 11 Microfinance Banks and 12 Microfinance Institutions/Rural Support Programmes (MFIs/RSPs).

The total annual agriculture credit target has been further assigned amongst different banks. An amount of Rs 705 billion has been assigned to the five major commercial banks, Rs 253.6 billion to 14 domestic private banks, Rs 100 billion to ZTBL, Rs 13 billion to Punjab Provincial Cooperative Bank and Rs 55 billion to five Islamic Banks. Amongst the microfinance institutes the disbursement target of Rs 184 billion has been assigned to 11 Microfinance Banks and Rs 39.4 billion to 12 MFIs/RSPs for the current FY2020.

During FY2020 (July-March), the banks have disbursed Rs 912.2 billion which is 67.6 percent of the overall annual target and 13.3 percent higher than the disbursement of Rs 804.9 billion made during the same period of last year. Similarly, the outstanding portfolio of agriculture loans have increased by Rs 42.2 billion i.e. from Rs 529.9 billion to Rs 572.1 billion or 7.9 percent at the end March 2020 as compared to the same period of last year. In terms of outreach, the numbers of outstanding borrowers have reached to 3.85 million in March 2020. The comparative disbursements of agriculture lending banks/institutions against their annual indicative targets are appended in Table 2.18:

Table 2.18: Agricultural Credit Targets and Disbursement (Rs billion)

Banks	Target FY2020	FY2020 (July-March)		Target FY2019	FY2019 (July-March)		% Change over the Period
		Disbursed	Achieved (%)		Disbursed	Achieved (%)	
5 Major Commercial Banks	705.0	515.2	73.1	651.0	450.0	69.1	14.5
ZTBL	100.0	52.5	52.5	100.0	45.1	45.1	16.4
PPCBL	13.0	6.4	48.8	13.0	5.5	41.9	16.4
DPBs (14)	253.6	169.3	66.8	245.0	143.3	58.5	18.2
Islamic Banks (5)	55.0	31.0	56.3	50.0	22.4	44.7	38.5
MFBs (11)	184.0	115.2	62.6	156.0	114.7	73.5	0.4
MFIs/RSPs	39.4	22.6	57.5	35.0	24.0	68.8	-5.9
Total	**1,350.0**	**912.2**	**67.6**	**1,250**	**804.9**	**64.4**	**13.3**

Source: State Bank of Pakistan

Box Item-II:

i) Credit Disbursement to Farm & Non-Farm Sectors

While reviewing the sector wise agriculture disbursement performance, farm/crop sector credit received Rs 459.6 billion or 50.4 percent of the total disbursement with 17.2 percent growth during FY2020 (July-March). Similarly, Rs 452.6 billion or 49.6 percent disbursed to the non-farm non-crop sector with incremental growth of 9.6 percent during the period under review. The distribution of disbursement under various land holding/size of farms categories are shown in Table 2.19:

Table 2.19 : Disbursement to Farm & Non-Farm Sectors					(Rs billion)
Sector (Land Holding/Farm size)		FY2020 (July-March)		FY2019 (July-March)	
		Disbursement	% Share within Total	Disbursement	% Share within Total
A	**Farm Credit**	**459.6**	**50.4**	**392.0**	**48.7**
1	Subsistence Holding	138.3	15.2	128.1	15.9
2	Economic Holding	53.5	5.9	52.5	6.5
3	Above Economic Holding	267.8	29.4	211.4	26.3
B	**Non-Farm Credit**	**452.6**	**49.6**	**412.9**	**51.3**
1	Small Farms	118.8	13.0	118.8	14.8
2	Large Farms	333.8	36.6	294.1	36.5
	Total (A+B)	**912.2**	**100.0**	**804.9**	**100.0**

ii) Credit Disbursement Sector & Purpose wise

In terms of sectoral and purpose wise performance of agriculture credit sector, the production loans of farm sector grew by 17.0 percent, and development loans increased by 20.7 percent during FY2020 (July-March). However, the livestock/dairy & meat sector witnessed 12.4 percent growth and the poultry sector recorded 78.9 percent growth during the period under review. The sector wise/purpose wise agriculture credit disbursements showed in Table 2.20:

Table 2.20 : Disbursement Sector & Purpose wise					(Rs billion)
Sector& Purpose		FY2020 (July-March)		FY2019 (July-March)	
		Disbursement	% Share within sector	Disbursement	% Share within sector
A	**Farm Sector**	**459.6**	**50.4**	**392.1**	**48.7**
1	Production Loans	430.9	93.8	368.3	93.9
2	Development Loans	28.7	6.2	23.8	6.1
B	**Non-Farm Sector**	**452.6**	**49.6**	**412.9**	**51.3**
1	Livestock Dairy & Meat	236.7	52.3	210.6	51.0
2	Poultry	177.9	39.3	99.4	24.1
3	Fisheries	4.1	0.9	2.9	0.7
4	Forestry	0.01	0.003	0.04	0.01
5	Others	33.9	7.5	99.9	24.0
	Total (A+B)	**912.2**	**100.0**	**804.9**	**100.0**

Source: State Bank of Pakistan

SBP's Initiatives for the Promotion of Agriculture Financing

SBP in collaboration with government, banks, and other stakeholders has taken a number of policy and regulatory initiatives for the promotion of agricultural financing in the country. In order to mitigate the negative impact of COVID-19 pandemic situation and to strengthen the agriculture sector the banks are allowed to give the relaxation upon the written request of the borrowers. Defer repayment of principal loan amount by one year; provided that the borrowers will continue to service the mark-up amount as per agreed terms & conditions. Rescheduled/restructuring of facilities of such borrowers who are unable to service the mark-up amount or need deferment exceeding one year. If the rescheduling/restructuring is done within 90 days of the loans being past due, such financing facility will continue to be treated as regular. Some of the major initiatives taken by SBP in collaboration with government are as under:

- Revision in Indicative Credit Limits and Eligible Items for Agriculture Financing

- Crop Loan Insurance Scheme
- Livestock Insurance Scheme for Borrowers
- Electronic Warehouse Receipt Financing
- Government of Punjab E-Credit Scheme
- Adoption of Automation of Land Record for Agriculture Financing
- Implementation of Credit Guarantee Scheme for Small and Marginalized Farmers
- Workshops/Trainings/Capacity & Awareness Building

Box Item-III: Impact of COVID-19 on Food Security and Food Supply Chain

Like many other countries across the globe, COVID-19 pandemic has also spread in Pakistan. However, the COVID-19 emergency came at a time when economy of Pakistan was already in stabilization mode. According to FAO, food security will be second most important area of concern after health if COVID-19 emergency is extended beyond a certain limit in Pakistan.

According to COVID-19 Emergency in Pakistan, Pakistan is already home to around 53 million poor people (a quarter of Pakistan's population) who live below the national poverty line, where as around 84 million people (around two-fifth of the population) are multi-dimensionally poor. Similarly, food insecurity is also very high and between 20-30 percent population (40 to 62 million people) is food insecure Pakistan. Given the scale of this emergency, while the situation is still evolving, there is strong likelihood that number of poor and food insecure people will rise, especially in cities and those areas which already had high incidence of poverty and prevalence of food insecurity. The most affected will be poor and most vulnerable segments of society, daily laborers in agriculture and non-agriculture sectors, small scale farmers/livestock holders, small and medium businesses and already vulnerable population living in the vulnerable districts.

Despite the good intention of the government to not disrupt the food and agriculture supply chain, the lockdown and restrictions on movements of goods and people, and logistics issues are impacting the supply/availability, demand and prices of food items, and agriculture/livestock inputs and the transportation costs. The livelihoods and incomes of the farmers and livestock holders generated through sale of crops and livestock produce, and of those associated with agriculture and food related business have been adversely affected. Particularly, the current lockdown and restrictions on movements of goods and people are adversely impacting the livelihoods and incomes of those engaged in informal sector and are in vulnerable employment, particularly small farmers and livestock holders, own account workers and daily wagers in all sectors. Small-scale farmers' income generating opportunities have suffered a lot due to less sale of their produce, high transportation cost, and loss of income from other sources. Farmers are experiencing difficulties in transporting fresh produce to local and urban markets. Incomes of the agriculture and non-agriculture workers, suppliers of livestock products, and middle men engaged in agri-based activities in the fruits, vegetables and livestock markets have also been reduced either due to closure of the markets or less market activities currently taking place in several parts of the country.

The restrictions on movements has affected the livestock sector adversely which has 60.6 percent share in agriculture GDP and 11.7 percent in overall GDP. The poultry sector is the hardest hit by COVID-19 response and demand and prices of poultry has reduced considerably. Both supply and demand for livestock products (meat, milk, eggs) has reduced due to reduction in demand, and logistics issues/movement restrictions.

In order to mitigate the negative impact of COVID-19 on overall economy, the government has announced economic relief and stimulus package of Rs 1.24 trillion which will also strengthen the agriculture sector. Moreover, even in the lockdown livestock products, food, fruits and vegetables items were allowed to continue their supply.

Source: Food and Agriculture Organization of the United Nations (UN FAO)

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 the forestry having meager share of 2.1 percent in agriculture, it provide foundations of life on earth through ecological functions, regulates the climate and water resources and serves as habitat for plants and animals.

To meet the domestic needs and to improve the forest cover, the federal government has launched Ten Billion Tree Tsunami Programme by replicating the Billion Tree Afforestation Project (BTAP) implemented by Government of Khyber Pakhtunkhwa. The project aims at, inter alia, combating the effects of global warming. This is an umbrella project covering all the provinces including AJK and GB with provincial budgetary share. All segments of society such as students, youth, and farmers are strongly involved in the afforestation activities.

IV. Livestock and Poultry

a) Livestock

Livestock over the years has emerged as the largest sub-sector in agriculture. It is a source of foreign exchange earnings and contributes about 3.1 percent in total exports. More than 8 million rural families are engaged in livestock production and deriving more than 35-40 percent of their income from this sector. The government has now focused this sector for economic growth, food security and poverty alleviation in the country.

The overall livestock development strategy revolves 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 of trade and economic importance. The objective is to exploit the livestock sector and its potential for economic growth, food security and rural socio-economic uplift.

Over the years, livestock as subsector has surpassed the crop subsector as the biggest contributor to value addition in agriculture. Presently it contributes 60.6 percent to the overall agriculture and 11.7 percent to the GDP during 2019-20. Gross value addition of livestock has increased from Rs 1,430 billion (2018-19) to Rs 1,466 billion (2019-20), showing an increase of 2.5 percent over the same period of last year.

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	2017-18[1]	2018-19[1]	2019-20[1]
Cattle	46.1	47.8	49.6
Buffalo	38.8	40.0	41.2
Sheep	30.5	30.9	31.2
Goat	74.1	76.1	78.2
Camels	1.1	1.1	1.1
Horses	0.4	0.4	0.4
Asses	5.3	5.4	5.5
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	2017-18[1]	2018-19[1]	2019-20[1]
Milk (Gross Production)	**57,890**	**59,759**	**61,690**
Cow	20,903	21,691	22,508
Buffalo	35,136	36,180	37,256
Sheep[2]	40	40	41
Goat	915	940	965
Camel[2]	896	908	920
Milk (Human Consumption)[3]	**46,682**	**48,185**	**49,737**
Cow	16,722	17,353	18,007
Buffalo	28,109	28,944	29,805
Sheep	40	40	41
Goat	915	940	965
Camel	896	908	920
Meat[4]	**4,262**	**4,478**	**4,708**
Beef	2,155	2,227	2,303
Mutton	717	732	748
Poultry meat	1,391	1,518	1,657

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	2017-18[1]	2018-19[1]	2019-20[1]
Eggs	Million Nos.	18,037	19,052	20,133
Hides	**000 Nos.**	**16,974**	**17,547**	**18,139**
Cattle	000 Nos.	8,734	9,063	9,405
Buffalo	000 Nos.	8,131	8,373	8,622
Camels	000 Nos.	109	111	112
Skins	**000 Nos.**	**56,805**	**58,116**	**59,460**
Sheep Skin	000 Nos.	11,532	11,669	11,807
Goat Skin	000 Nos.	28,560	29,334	30,129
Fancy Skin	000 Nos.	16,712	17,113	17,524
Lamb skin	000 Nos.	3,425	3,466	3,507
Kid skin	000 Nos.	13,287	13,647	14,017
Wool	000 Tonnes	46.2	46.8	47.3
Hair	000 Tonnes	27.9	28.6	29.4
Edible Offal's	000 Tonnes	416	428	440
Blood	000 Tonnes	69.5	71.3	73.1
Casings	000 Nos.	57,387	58,712	60,069
Guts	000 Nos.	18,048	18,654	19,280
Horns & Hooves	000 Tonnes	60.6	62.4	64.3
Bones	000 Tonnes	904.9	932.5	961.0

Table: 2.23 Estimated Livestock Products Production				
Species	**Units**	**2017-18[1]**	**2018-19[1]**	**2019-20[1]**
Fats	000 Tonnes	287.3	295.8	304.5
Dung	000 Tonnes	1,282	1,322	1,362
Urine	000 Tonnes	390	401	413
Head & Trotters	000 Tonnes	259.6	267.0	274.6
Ducks, Drakes & Ducklings	Million Nos.	0.42	0.40	0.38

[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 vibrant subsector of the livestock sector. The current investment in Poultry Industry is more than Rs 700 billion. This industry is progressing at an impressive growth rate of 8 percent per annum over last few years. Pakistan has become the 11th largest poultry producer in the world with the production of 1,163 million broilers annually. This sector provides employment (direct/indirect) to over 1.5 million people.

Poultry today has been a balancing force to keep a check on the prices of mutton and beef. Poultry meat contributes 35 percent to 1,657 thousand tonnes of the total meat production of 4,708 thousand tonnes in the country. Poultry meat production showed a growth rate of 9.1 percent whereas egg production showed a growth of 5.6 percent to 20.0 billion Nos. during 2019-20 as compared to previous year. The transformation of poultry production in the controlled shed system is making a tremendous difference of quantity and quality of poultry production. There are now over 6,500 controlled environment poultry sheds in the country which indicates that poultry sector is moving in the direction of modernization and using advance technology.

The Poultry Development Strategy revolves around disease control; hi-tech poultry production in intensive poultry; processing and value addition; improving poultry husbandry practices and development. Government of Pakistan has always been supportive to poultry industry in providing the most enabling environment for its growth.

Poultry Development Policy visions sustainable supply of wholesome poultry meat; eggs and value added products to the local and international markets. It aimed at facilitating private sector-led development for sustainable poultry production. The strategy revolves around supporting the private sector through regulatory measures.

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**	**2017-18[1]**	**2018-19[1]**	**2019-20[1]**
Domestic Poultry	**Million Nos.**	**87.16**	**88.49**	**89.84**
Cocks	Million Nos.	11.86	12.18	12.51
Hens	Million Nos.	42.39	43.15	43.93
Chicken	Million Nos.	32.91	33.16	33.40
Eggs[2]	Million Nos.	4,239	4,315	4,393
Meat	000 Tonnes	119.89	122.28	124.72

Table 2.24: Estimated Domestic/Rural & Commercial Poultry

Type	Units	2017-18[1]	2018-19[1]	2019-20[1]
Duck, Drake & Duckling	**Million Nos.**	**0.42**	**0.40**	**0.38**
Eggs[2]	Million Nos.	18.70	17.93	17.18
Meat	000 Tonnes	0.57	0.54	0.52
Commercial Poultry	**Million Nos.**	**1,122.29**	**1,232.33**	**1,353.24**
Layers	Million Nos.	52.25	55.91	59.82
Broilers	Million Nos.	1,057.65	1,163.42	1,279.76
Breeding Stock	Million Nos.	12.39	13.01	13.66
Day Old Chicks	Million Nos.	1,104.72	1,215.19	1,336.71
Eggs[2]	Million Nos.	13,779	14,719	15,723
Meat	000 Tonnes	1,270.69	1,395.02	1,531.60
Total Poultry				
Day Old Chicks	Million Nos.	1,138	1,248	1,370
Poultry Birds	Million Nos.	1,210	1,321	1,443
Eggs	Million Nos.	18,037	19,052	20,133
Poultry Meat	000 Tonnes	1,391	1,518	1,657

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

The present government under Prime Minister's Agriculture Emergency Programme developed a project "Backyard Poultry Programme" worth Rs 329.13 million over a period of four years. The key objectives identified are:

- Opportunity for the landless farmer, mostly women
- Small flock sizes in traditional sheds
- Feed on household/organic waste
- Free range requiring minimal input
- Source of eggs and meat for the poor; nutritional support
- Poverty alleviation through supplemental income from poultry products

Government Policy Measures

MNFS&R under the 18th Constitutional Amendment continued regulatory measures that included allowing import of high yielding dairy cattle breeds of Holstein-Friesian and Jersey; genetic material of these breeds (semen and embryos) for the genetic improvement of indigenous low producing dairy animals; allowing import of high quality feed stuff/micro ingredients for improving the nutritional quality of animals & poultry feed and allowing import of dairy, meat and poultry processing machinery/equipment at concessional tariff/duty in order to encourage and promote the establishment of value added industry in the country.

The government has provided necessary facilitation for the export of meat and meat products. A total of 53.4 thousand tonnes of meat and meat products were exported during 2019-20 (July-March) that fetched Rs 29.9 billion from the thirty five export oriented registered slaughter houses in the private sector. The export of other livestock by-products such as animal casings, bones, horns, hooves, gelatin etc was also facilitated. The efforts continued for market access with the relevant authorities in China, South Africa, Jordan and Indonesia using diplomatic channels for export of various meat and meat products.

The government has also allowed the import of 654.5 thousand doses of superior quality semen and 7,200 high yielding exotic dairy cattle of Holstein-Friesian and Jersey breeds during 2019-20 (July-March). The policy objective of these permissions is the genetic improvement of indigenous dairy animals in terms of per unit productivity. The imported dairy cows added approximately 61 million tonnes of milk per annum in the commercial milk chain/system.

In order to promote the corporate dairy sector, import of calf milk replacer & cattle feed premixes has been allowed at concessional tariffs. During 2019-20 (July-March), 220.2 metric tonnes of calf milk replacer & 120.6 metric tonnes of cattle feed premix has been imported for feeding to our dairy herd.

During 2019-20 (July-March), the Animal Quarantine Department (AQD) provided quarantine services and issued 36,853 health certificates for export of live animals, mutton, beef, eggs, and other livestock products having a value of $ 337.162 million. The AQD generated non-tax revenue of Rs 132.162 million during same year as certificate/laboratory examination fee of animal and animal products have been charged on their exports.

MNFS&R collaborated with international (Office International des Epizooties OIE, Food and Agriculture Organization FAO) and regional organizations (SAARC,ECO, APHCA and EU) for Human Resource Development and capacity building of national and provincial livestock institutions for diagnosis and control of animal diseases. Inter Provincial Coordination is being done to Control Foot & Mouth Disease (FMD) and Peste des Petitis (PPR) disease in the country. Pakistan has been progressing on OIE FMD freedom pathway and moved to stage 02 of the 06 stage pathways. A National FMD Control Programme at a cost of Rs 822.20 million for the period of six years has been approved by the competent forums to sustain and continue project activities related to the FMD during subsequent years. This will help in improving the animal health status of the country regarding Transboundary Animal Diseases (TADs), which are a technical barrier in the international trade of our livestock and livestock products. FAO Pakistan will implement this project under Unilateral Trust Fund (UTF) Agreement.

Moreover, to attract further investment in the dairy sector, protect small dairy farmers and corporate dairy sector besides discouraging import and to mitigate use of synthetic milk and recipe products/tea whiteners, a regulatory duty to the tune of 25 percent has been imposed on import of Skimmed Milk Powder (SMP) and Whey Powder (WP). Now the existing duty on import of powdered milk is 45 percent (import duty 20 percent and regulatory duty 25 percent).

Impact of COVID-19 on Livestock Sector

Besides human loss, COVID-19 pandemic posed a negative impact on Pakistan's economy. By the side of demand and supply chains the pandemic affected all sectors of the economy including livestock. The lockdown has not only struck the domestic demand for livestock commodities, but has also generated supply and demand issues for exports. This situation has negatively impacted the livelihoods of farmers and other players along the entire value chain of the livestock commodities and they are facing challenges in repaying their outstanding loans.

V. Fisheries

Fisheries is a sub-sector of agriculture and plays an important role in the national economy. It also contributes towards food security of the country as it reduces the existing pressure on demand for mutton, beef and poultry. The fishery is considered to be a source of livelihood for the coastal inhabitants and a source of export earnings. Apart from marine fisheries, inland fisheries (based in rivers, lakes, ponds, dams, etc.) is also a vital economic activity throughout the country. Fisheries share in GDP (0.4 percent) although very little but it adds substantially to the national income through export earnings.

During 2019-20 (July-March), total marine and inland fish production was estimated at 701,726 metric tonnes out of which 474,025 metric tonnes were from marine waters and the remaining catch from inland waters. Whereas the fish production for the period 2018-19 (July-March) was estimated to be 639,527 metric tonnes in which 426,261 metric tonnes were from marine and the remaining was produced by the inland fishery sector. The total production of fish & fishery products has increased by 9.7 percent whereas marine and inland increased by 11.2 percent and 6.8 percent, respectively.

During the year 2019-20 (July-March), a total quantity of 133,226 metric tonnes of fish and fishery products valued $ 317.307 million (Rs 49,528 million) were exported. Pakistan's major buyers are China, Thailand, Malaysia, Middle East, Sri Lanka, Japan, etc. Whereas the export during 2018-19 (July-March) was 129,704 metric tonnes of fish and fishery products earning $ 293.895 million (Rs 39,246 million). The export of fish & fishery products has increased by 2.7 percent in quantity term whereas in value terms it increased by 8.0 percent and in rupee terms it increased by 26.2 percent during 2019-20 (July-March).

Export of fish and fishery products to the European Union (EU) countries: Since the resumption of export to the EU countries different consignments of fish, cuttlefish, and shrimps sent from one company to the EU have been successfully cleared after 100 percent laboratory analysis at EU border. To further enhance seafood export to EU countries, six more processing plants are in pipeline and their cases for approval is under process with EU authorities. Export of seafood to EU countries is given in Table 2.25:

Table 2.25: Export of Fish and Fishery Products to European Union (EU) 2019-20 (P)

Commodity / Country	Fish		Cuttlefish		Shrimp		Total	
	Quantity (MT)	Value $ (000)	Quantity (MT)	Value $ (000)	Quantity (MT)	Value $ (000)	Quantity (MT)	Value $ (000)
Belgium	105	289	101	192	145	326	351	807
Netherlands	92	197	-	-	162	377	254	574
Spain	101	204	240	963	-	-	341	1,167
Italy	116	275	-	-	-	-	116	275
UK	135	1,025	-	-	132	763	267	1,788
Total	**549**	**1,990**	**341**	**1,155**	**439**	**1,466**	**1,329**	**4,611**

P: July-March
Source: Marine Fisheries Department

The government of Pakistan has taken various steps to improve the fisheries sector and its exports. In this context a number of initiatives both at micro and macro level are being taken by federal and provincial fisheries departments which consist of *inter alia* strengthening of extension services, introduction of new fishing methodologies, development of value added products, enhancement of per capita consumption of fish, upgradation of socio-economic conditions of the fishermen's community & review of Deep Sea Fishing Policy 2018.

Conclusion:

The government has introduced "Prime Minister's Agriculture Emergency Programme" for the next 5 years. The programme aims to increase agricultural productivity, value addition, reduce dependence on imports and improve lives of farming community. This will also ensure food security in the country and increase the hard-earned income of the farmers. The development of agriculture sector will further provide stimulus to agro-based industries and overall growth of the economy. Blessed with the fertile land and hard working farmer community we can enhance the agricultural productivity to ensure smooth supply of essential food items during the COVID-19.

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Chapter 3

MANUFACTURING AND MINING

3.1 Introduction

Manufacturing sector is the driver of economic growth due to its forward and backward linkages with other sectors of economy. This sector provides employment opportunities to about 16.1 percent of the total labor force while its share in GDP is around 13-14 percent.

Manufacturing sector has three sub-sectors: Large Scale Manufacturing (LSM), Small Scale Manufacturing (SSM) and Slaughtering. The performance of Large-Scale Manufacturing is based on Index derived from the Census of Manufacturing Industries (CMI) conducted in 2005-06 which does not capture latest information including new areas and sectors, however the new Census of Manufacturing Industries (CMI) for 2015-16 is now complete and will be published by this year and will be used from next fiscal year for more comprehensive and accurate coverage of LSM in the country. 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. Pakistan Bureau of Statistics has completed the census of SSM for 2015-16 and methodology for estimating the value addition of Slaughtering which will be published in the next fiscal year.

LSM has 78 percent share in Manufacturing and 9.5 percent in GDP whereas Small Scale Manufacturing accounts for 15.2 percent share in manufacturing and 2.04 percent share in GDP. Slaughtering has 6.9 percent share in manufacturing and 0.94 percent share in GDP.

FY2019 has proved to be a hard year for LSM as it recorded negative growth of -2.28 percent. LSM sector was not able to withstand constrained economic environment triggered by exchange rate depreciation and contractionary monetary and fiscal policies.

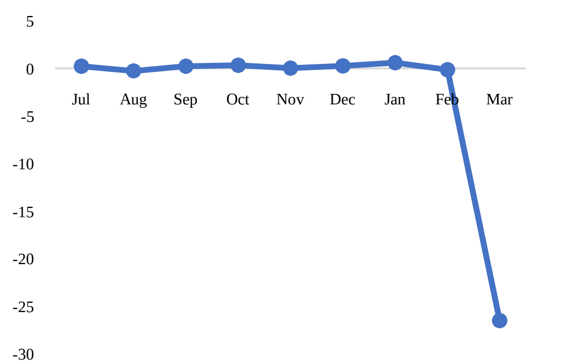
The distress continued during the whole current fiscal year, the LSM growth plunged to -5.4 percent during July-March FY2020 compared to -2.34 percent during last fiscal year. The major contributing sub-sectors such as Textile and Food, Beverages & Tobacco have experienced negative growth. Other sub-sectors such as Iron & Steel Products, Coke & Petroleum Products and Automobile growth have also turned negative during the period which dampened the overall growth of LSM. Year-on-year (YoY), LSM dived by -22.9 percent in March 2020 as compared to -7.35 percent decline in March 2019.

3.1.1 Monthly Analysis of LSM

Month on month LSM behavior has exhibited random trajectory. Textile, the item with the heaviest weight, observed moderate growth up till Feb 2020 and witnessed a hefty decline in

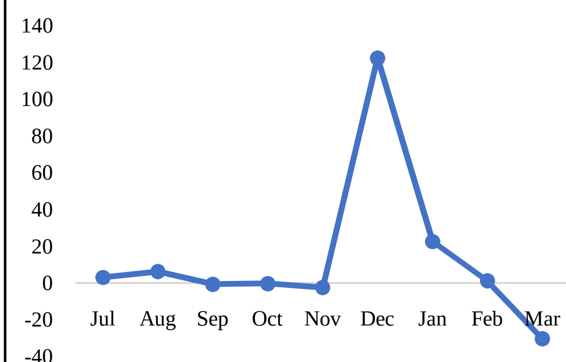
Mar 2020 due to supply disruptions. Second heavy weight item Food, Beverages & Tobacco witnessed a tremendous growth of 122 percent in Dec 2019 on account of sugar production. Coke & Petroleum products observed a major slump in Feb 2020, a 33 percent decline. Demand and supply bottlenecks have adversely hit the petroleum industry. Automobile, Non-metallic Mineral Products and Electronics have also showed mixed growth. Fertilizers, after a consecutive decline, have started showing some signs of recovery from Feb 2020. All manufacturing sectors except Fertilizers, have witnessed decline in Mar 2020 in the wake of business closures due to COVID-19 crisis.

Fig: 3.1 Textile MOM Growth % FY20 (Weight 20.9)



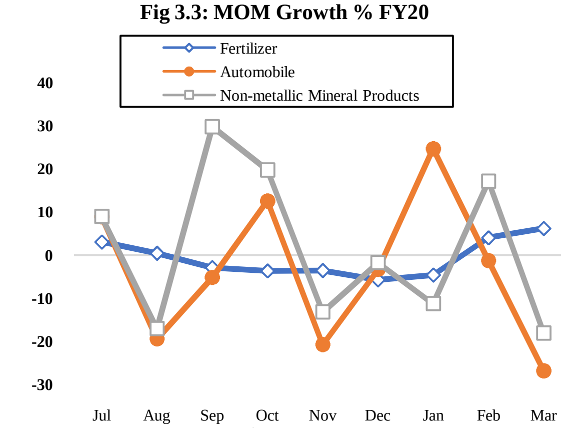
Source: Pakistan Bureau of Statistics

Fig: 3.2 Food, Beverages and Tobacco MOM Growth % FY20 (Weight 12.3)



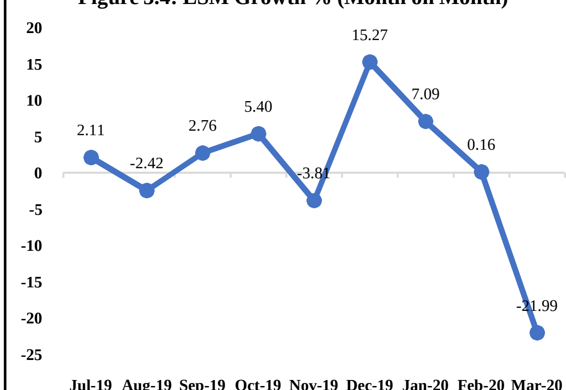
Source: Pakistan Bureau of Statistics

Fig 3.3: MOM Growth % FY20



Source: Pakistan Bureau of Statistics

Figure 3.4: LSM Growth % (Month on Month)



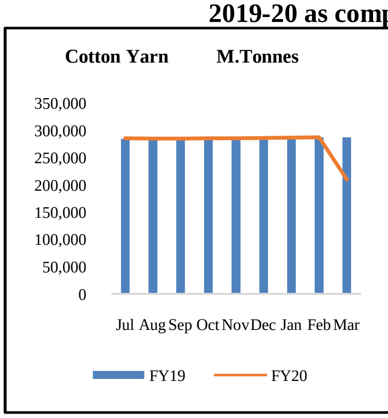
Source: Pakistan Bureau of Statistics

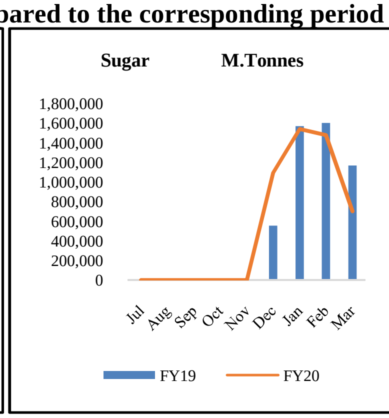
Average MoM growth of LSM stood at 0.5 percent for the first nine months of FY2020. LSM posted 2.11 percent growth in July 2019 primarily due to 8.9 percent growth in Non-metallic Mineral Products, Automobile 8.9 percent, Food Beverages & Tobacco 3.0 percent and Fertilizer 3.1 percent. However, growth dampened to -2.42 percent in August due to -0.3 percent fall in Textile, -17.0 fall in Non-metallic Mineral Products, -19.4 percent in Automobile and -2.3 percent decline in Iron & Steel. In September 2019, pace picked up and growth of 2.76 percent was recorded due to 2.2 percent increase in Coke & Petroleum Products, 29.8 percent in Non-metallic Mineral Products and 0.2 percent in Textile. A sharp increase of 5.4 percent was observed in October 2019 on account of 19.7 percent growth in

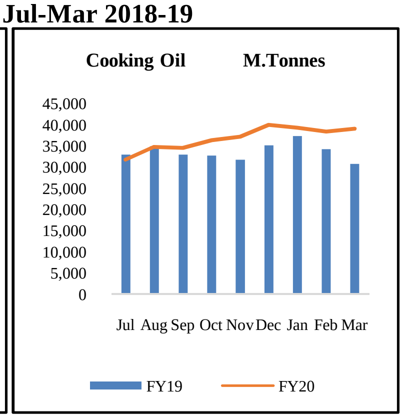
Non-metallic Mineral Products, Automobile 12.6 percent and Electronics 20.0 percent. November 2019 again witnessed a negative growth of -3.81 percent mainly due to -2.5 percent decline in Food Beverages & Tobacco, Non-metallic Mineral Products -13.2 percent, Automobile -20.7 percent, Fertilizers -3.6 percent and Electronics -8.8 percent. However, a steep increase of 15.27 percent has been observed in December 2019. This is highly attributed to sugar production which rose sharply owing to favorable weather conditions (which were conducive for extraction of high sucrose content from the raw material), as well as timely start of the crushing season as compared to last year. Further, jeeps and cars also grew by 20.6 percent. Impact of the sugar however moderated in January 2020 and growth reached at 7.09 percent. This can be attributed to 22.5 percent growth in Food Beverages and Tobacco, Automobile 24.7 percent and 23.6 percent Electronics. February 2020 witnessed a moderate growth of 0.16 percent on account of growth in Food, Beverages & Tobacco and Non-metallic Mineral Products by 1.2 and 17.2 percent, respectively. Fertilizers grew by 4.0 percent. LSM growth nosedived by -21.9 percent in March 2020 due to closure of business activities in the wake of COVID-19 outbreak. Textile and Food, Beverages & Tobacco, the main sectors of LSM, dipped by -26.5 and -30.3, respectively.

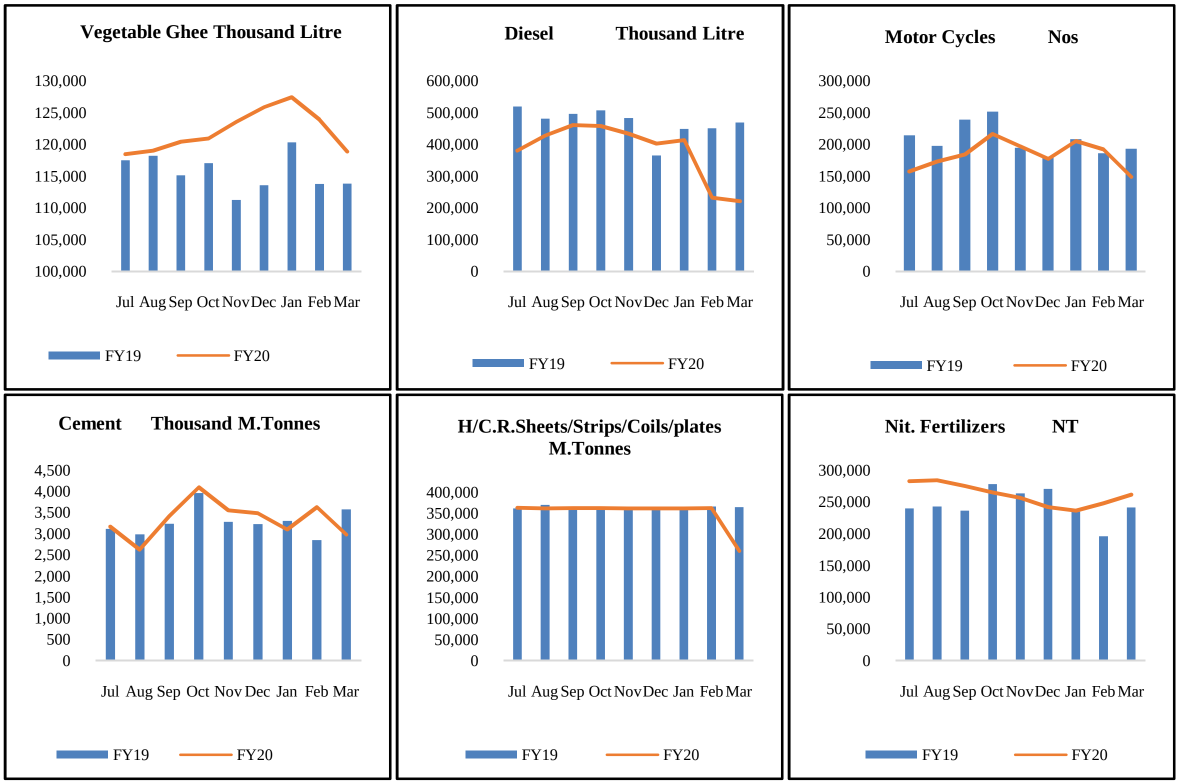
During FY2020, required fiscal and monetary adjustments, such as flexible exchange rate and austerity drive, were adopted to stabilize the economy. Nevertheless, external imbalances were eased to some extent but some short-term repercussions had to be confronted domestically, specifically by industrial sector. Pak rupee depreciated by 3.9 percent during Jul-Mar FY2020 which increased the cost structure of industries in general, and particularly for those relying on imported raw materials. Further, policy rate was kept high to contain inflation which on the other hand discouraged investment. Subdued demand further hampered the overall production and performance of the industry. Certain sector-specific issues also contributed to the decline in LSM. Automobile sector alone accounted for major portion of contraction in LSM. Its prices witnessed multiple upward revisions due to PKR depreciation which held the potential buyers refrained from making booking and purchases. The shift in power generation away from furnace oil has reduced the fuel's demand and affected the coke & petroleum industry output. Upward adjustment in electricity prices dented domestic steel producers' margins.

Box-I: Monthly Production trends of major Large-Scale Manufacturing (LSM) items during Jul-Mar 2019-20 as compared to the corresponding period Jul-Mar 2018-19









Source: Pakistan Bureau of Statistics

3.1.2 Group Wise Analysis of LSM

Group wise growth of LSM during the period of Jul-Mar FY2020 versus Jul-Mar FY2019 is given in the following Table 3.1.

Table 3.1: Group wise growth of LSM for the Period of Jul-Mar 2019-20 Vs Jul-Mar 2018-19

S#	Groups	Weights	% Change (July-Mar)	
			2018-19	2019-20
1	Textile	20.915	-0.17	-2.57
2	Food, Beverages & Tobacco	12.370	-3.59	-2.33
3	Coke & Petroleum Products	5.514	-6.0	-17.46
4	Pharmaceuticals	3.620	-8.66	-5.38
5	Chemicals	1.717	-4.10	-2.30
6	Automobiles	4.613	-7.56	-36.50
7	Iron & Steel Products	5.392	-11.0	-7.96
8	Fertilizers	4.441	4.50	5.81
9	Electronics	1.963	39.9	-13.54
10	Leather Products	0.859	-0.04	4.96
11	Paper & Board	2.314	-2.48	4.23
12	Engineering Products	0.400	9.90	-7.05
13	Rubber Products	0.262	3.74	4.31
14	Non-Metallic Mineral Products	5.364	-4.93	1.82
15	Wood Products	0.588	-8.24	-22.11

Source: Pakistan Bureau of Statistics

Textile sector has the highest weight of 20.91 in Quantum Index Manufacturing (QIM) thus having a significant impact on overall performance of LSM. Textile production declined by -2.57 percent during Jul-Mar FY2020 against -0.17 percent in the same period last year. Major slump came from -2.96 percent decline in cotton yarn and -2.81 percent decline in cotton cloth, both having a combined weight of 20.15 in textile sector. However, exports of textile grew by 4.24 percent during the period under review. The mismatch between the LSM and export data sets is a welcome boost for the industry as it shows industry is regaining competitiveness after exchange rate adjustment. Further, the textile export data is relatively encouraging on account of its wide-ranging coverage than the LSM data as in addition to cotton yarn and fabrics, it also includes the higher value-added items like hosiery, knitwear, towels and readymade garments.

Food Beverages and Tobacco has the second highest weight of 12.37 in QIM. During Jul-Mar FY2020 this sector decreased by -2.33 percent as compared to -3.59 percent dip during the same period last year. This is mainly due to decline in sugar and cigarettes production by -1.7 and -31.4 percent, respectively. The primary reason of cigarettes decline is the significant jump in Federal Excise Duty (FED) and continued competition from counterfeits and smuggled alternatives. Although, sugar witnessed a sharp increase during Dec-Jan FY2020 due to favorable weather yet seasonality factor was linked. Therefore, this trend could not continue in subsequent months. However, cooking oil, vegetable ghee and wheat & grain milling grew by 9.38, 5.54 and 28.9 percent, respectively.

Coke and Petroleum industry registered a double-digit contraction of -17.46 percent during Jul-Mar FY2020 as compared to -6.0 percent decline last year. Petroleum industry has adversely affected from both demand and supply side. On supply front, shift in power generation away from furnace oil has reduced the fuel’s demand. While demand remained subdued due to higher end-consumer prices and reduction in commercial activities. Diesel and furnace oil production decreased by -18.8 percent and -17.5 percent respectively. Improvement in electricity supplies from coal and hydel power stations also reduced the demand for furnace oil and diesel.

Pace of contraction diminished in Pharmaceuticals and it registered -5.38 percent decline during Jul-Mar FY2020 as compared to -8.66 percent decline in the corresponding period. Similarly, Chemicals declined by -2.3 percent during Jul-Mar FY2020 as compared to -4.1 percent last year.

Automobile sector witnessed a steep decline of -36.5 percent during Jul-Mar FY2020 as compared to -7.56 percent fall in corresponding period. Major contributor to this dip is the passenger car segment due to its weight in LSM index. During the period under review, car production declined by -47.9 percent. While jeep production contracted by -42.7 percent, buses -28.8, trucks -45.7, LCVs -46.1, tractor -37.9 and motor cycles -11.6 percent. The factors which impacted this sector remained currency depreciation, policy rate hikes, increase in FED from 2.5 percent to 7.5 percent against different vehicle categories and

Additional Customs Duty (ACD) from 2 percent to 4 percent and 7 percent against tariff lines of 16 percent and 20 percent and above respectively.

The pace of contraction of Iron & Steel production slowed down during Jul-Mar FY2020 as it declined by -7.96 percent as compared to -11.0 percent in the same period last year. The decline was more visible in Billets/Ingots which fell by -13.04 percent indicating the subdued construction activities mainly due to high financing cost. H/C.R.Sheets/ Strips/Coils/plates having the highest weight in iron & steel products declined by -4.15 percent. Low automobile production, upward adjustment in electricity prices, lower housing investment by public and private sector and rupee depreciation further dampened steel industry.

Fertilizers recorded a growth of 5.81 percent during Jul-Mar FY2020 mainly on account of Nitrogenous Fertilizers which recorded a growth of 6.7 percent. The impetus came from small as well as large urea producers, who scaled up their operations.

The Electronics exhibited lackluster performance during Jul-Mar FY2020 and dipped by -13.54 percent as compared to 39.9 percent growth in corresponding period. Electric motors, bearing the highest weight in this segment, have so far been responsible for overall electronics growth. During the period under review, electric motors dived by -13.42 percent and dragged down the whole electronics industry. The slowdown in electric motor segments can be attributed to subdued demand for the water extraction pumps. Increased electricity tariffs and rupee depreciation adversely affected the production. High cost of borrowing further dampened the consumer demand for durables.

Non-metallic Mineral Products surged by 1.82 percent during Jul-Mar FY2020 as compared to -4.93 percent decline in corresponding period. This was mainly driven by a 1.74 percent jump in cement production. Total local dispatches during Jul-Mar FY2020 increased to 30.588 Mt from 29.461 Mt last year.

Paper and Board production increased by 4.23 percent during Jul-Mar FY2020 as compared to -2.48 decline in corresponding period. Rubber Products increased by 4.31 percent during Jul-Mar FY2020 as compared to 3.74 percent growth in the same period last year. Wood Products declined by -22.11 percent during Jul-Mar FY2020 as compared to -8.24 percent dip in corresponding period.

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 (Jul-Mar) 2019-20	% Point Contribution (Jul-Mar) 2019-20
				2018-19	2019-20		
1	Cotton Yarn	(tonnes)	12.9646	2,574,700	2,498,515	-2.96	-0.51
2	Cotton Cloth	(000 sq.m.)	7.1858	785,200	763,115	-2.81	-0.23
3	Sugar	(tonnes)	3.5445	4,898,869	4,816,448	-1.68	-0.13
4	Tea Blended	(tonnes)	0.38	120,127	98,189	-18.26	-0.17

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

S#	Items	Unit	Weights	July-March 2018-19	July-March 2019-20	% Change (Jul-Mar) 2019-20	% Point Contribution (Jul-Mar) 2019-20
5	Cooking Oil	(tonnes)	2.23	302,944	331,366	9.38	0.32
6	Vegetable Ghee	(tonnes)	1.14	1,040,630	1,098,324	5.54	0.07
7	Cigarettes	(Million No)	2.13	48,931	33,540	-31.45	-0.66
8	Deep Freezers	(Nos.)	0.1622	93,981	72,819	-22.52	-0.02
9	Refrigerators	(Nos.)	0.2394	806,269	672,659	-16.57	-0.05
10	Phosphate Fertilizer	(N tonnes)	0.3996	463,787	455,513	-1.78	-0.01
11	Nitrogenous Fertilizer	(N tonnes)	4.0411	2,204,632	2,352,979	6.73	0.32
12	Cement	(000 tonnes)	5.299	29,535	30,049	1.74	0.19
13	Jeep & Cars	(Nos.)	2.8183	175,863	91,918	-47.73	-1.89
14	Upper Leather	(000 sq.m.)	0.3924	20,427	19,641	-3.85	-0.02
15	Liquids/Syrups	(000 Litres)	1.1361	78,697	68,672	-12.74	-0.14
16	Tablets	(000 Nos.)	1.9143	21,114,883	20,649,378	-2.20	-0.08
17	Petroleum products	(000 Litres)	5.4096	11,414,582	9,421,835	-17.46	0.00

Source: Pakistan Bureau of Statistics (PBS)

3.1.3 Steps to Boost Industrialization in FY2020

The government has announced a special package for construction sector. Package includes amnesty scheme, tax exemptions and Rs 30 billion subsidy for Naya Pakistan. This will jack up the construction industries, specially cement, and shall also generate employment. A stimulus package has also been introduced to support businesses and stimulate the economy. According to the package, export-oriented industries would be given Rs 100 billion worth of tax refunds as well as deferment of interest payments. Government is providing a series of subsidies and incentives to industrial sector. These include subsidies to industry for electricity and gas, export development package. Under an agreement, the zero-rated industries, including textiles, would be provided electricity at an all-inclusive rate of 7.5 cents per unit (kWh) and gas at $6.5 per unit (mmBtu) until June 30 this year. PSDP release process is simplified to fund various uplift projects including Industries and Production Division. Under CPEC, project of Allama Iqbal Industrial Zone Faisalabad has been inaugurated. It is expected to attract investment in automobiles, value-added textiles, engineering, pharmaceuticals, food processing, chemicals, construction materials and packaging sectors. Hyundai has started a joint venture with Nishat Groups in Faisalabad. This plant is the new production home for Hyundai's first 'Make in Pakistan' product, the Porter H-100 Pickup. China and Pakistan joint venture has launched a locally assembled 800cc passenger vehicle having annual production capacity of 15,000 units. These rapidly developing ventures with many infrastructure projects especially under China Pakistan Economic Corridor will help to boost the automobile sector as well as push up the construction related allied industries. Moreover, ECC has approved Rs 50.7 billion package to provide indirect cash flow support to the Small and Medium Enterprises (SMEs) through pre-paid electricity bills for May-July FY2020. This package named "ChotaKarobar-o-SannatImadadi Package" will benefit around 3.5 million small businesses.

Box-II: Measures taken by State Bank of Pakistan (SBP) to boost Manufacturing amid COVID-19 Pandemic

Supporting businesses to retain their workers and employees and prevent layoffs

- With a view to facilitate businesses to retain their employees and prevent layoffs, State Bank has introduced a temporary Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns.
- The financing under the Scheme is available for existing and new borrowers of banks and DFIs for payment of wages and salaries of all types of workers and employees (like the permanent, contractual, daily wagers as well as outsourced workers) for the months April-June, 2020.
- The financing rate under the Scheme is 5 percent p.a for borrowers who are not tax payers and 3 percent for borrowers who are on active tax payers list. The repayment of financing will be in equal quarterly installments with first repayment falling due in April 2021.

Facilitating New Investment

- SBP has announced a 'Temporary Economic Refinance Facility (TERF)' and its Shariah compliant version to stimulate new investment in manufacturing. This scheme will help counter any possible delays in the setting up of new projects that investors were planning prior to the Coronavirus outbreak.
- All manufacturing industries, with the exception of power sector where SBP has another refinance facility for renewable energy, are eligible to avail financing under the scheme.
- The financing under this Scheme is available against letters of credit (LC) to be opened by end-March 2021 for purchase of new imported and locally manufactured plant & machinery for setting of new projects.
- The maximum financing per project is Rs 5 billion with maximum repayment tenor of 10 years including grace period up to 2 years. The end user rate under the Scheme is 7 percent p.a.

Relaxations on financing under SBP's Refinance Schemes

- In case of deferral of principal or restructuring / rescheduling of financing of borrowers under SBP's long term refinance Schemes, State Bank has allowed banks/ DFIs to extend repayment period for an additional one year over the maximum tenor available under these schemes.
- *Export Finance Scheme (EFS):* SBP has reduced the performance requirement under EFS from twice to one-and-a-half times that will be effective for current year as well as for FY2021. State Bank has also extended existing export performance period of one year by another 6 months. This extended period will also be used for setting new limits for FY2021, allowing higher limits to exporters. The shipment period has also been extended by 06 months.
- *Long term Financing Facility:* The eligibility requirement for availing financing has been reduced from exports of worth 50 percent, or USD 5 million to 40 percent or USD4 million, whichever is lower, for all the borrowings during the period January 01, 2020 to September 30, 2020. In case of exporters opting for projected exports criteria, State Bank has extended export performance period from maximum period of 04 years to 05 years.

Source: State Bank of Pakistan

3.2 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. The 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 59 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)

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Jul-Mar)
Cotton & Cotton Textiles	13139	12168	12205	13220	13031	10151
Synthetic Textiles	330.584	287.894	187.587	309.563	297.809	261.172
Sub-Total Textiles	**13469.584**	**12455.89**	**12392.587**	**13529.563**	**13328.809**	**10412.172**
Wool & Woolen Textiles	119.448	97.68	78.506	75.852	67.265	48.685
Total Textiles	**13589.032**	**12553.57**	**12471.09**	**13605.415**	**13396.074**	**10460.8**
Pakistan`s Total Exports	23667.3	20786.5	20422.236	23212	22979.325	17450.735
Textile as %age of Export	57.41	60.39	61.06	58.57	58.30	59.94

Source: Ministry of Textile

3.2.1 Ancillary Textile Industry

The ancillary textile industry includes cotton spinning, cotton cloth, cotton yarn, cotton fabric, fabric processing, home textiles, towels, hosiery and 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 198801 rotors installed and 11.338 million spindles and 126583 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 due to the poor technology and scarcity of quality yarn. Looms installed in cotton textile mills are 9,084 and looms worked were 6,384. Moreover, Production of cloth in mill sector is reported whereas in non-mills sector is not reported and therefore is based on estimation. The production of cotton cloth has declined by 6.08 percent while the exports in term of quantity decreased by 9.4 percent whereas in value term decreased by 2.9 percent.

Table 3.4: Production and Export of Clothing Sector

Production	Jul-Mar 2019-20	Jul-Mar 2018-19	% Change
Mill Sector (000. Sq. Mtrs.)	737,940	785,200	-6.02
Non Mill Sector (000. Sq. Mtrs.)	5,728,782	6,100,150	-6.08
Total	6,466,722	6,885,350	-6.08
Cotton Cloth Exports			
Quantity (M.SqMtr.)	1923.102	2122.959	-9.41
Value (M.US$)	1548.176	1595.882	-2.99

Source: Ministry of Textile

iii. Textile Made-Up Sector

Being value added segment of textile industry made-up sector comprises different sub groups 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 FY2020 is presented in Table 3.5.

Table 3.5: Export of Textile Made-Ups

	(July-Mar) 2019-20	(July-Mar) 2018-19	% Change
Hosiery Knitwear			
Quantity (M.Doz)	96.837	89.530	8.16
Value (M.US$)	2299.869	2154.562	6.74
Readymade Garments			
Quantity (M.Doz)	42.785	38.742	10.44
Value (M.US$)	2170.517	1955.778	10.97
Towels			
Quantity (M Kgs)	144.854	141.991	2.02
Value (M.US$)	591.527	588.100	0.58
Tents/Canvas			
Quantity (M Kgs)	27.953	24.106	15.96
Value (M.US$)	72.216	68.277	5.77
Bed Wears			
Quantity (000 MT)	337.056	312.324	7.92
Value (M.US$)	1761.552	1719.376	2.45
Other Made up			
Value (M.US$)	491.884	518.981	-5.22

Source: Ministry of Textile

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

	Jul-Mar 2019-20	Jul-Mar 2018-19	% Change
Quantity (M.Doz)	96.837	89.530	8.16
Value (M.US$)	2299.869	2154.562	6.74

Source: Ministry of Textile

v. Readymade Garment Industry

Readymade garment industry has emerged as one of the important small-scale industries in Pakistan. Its products have large 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. It mainly uses locally produced raw

Table 3.7: Export of Readymade Garments

	Jul-Mar 2019-20	Jul-Mar 2018-19	% Change
Quantity (M.Doz)	42.785	38.742	10.44
Value (M.US$)	2170.517	1955.778	10.97

Source: Ministry of Textile

materials. Most of the machines used by this industry are imported or locally made/assembled. Exports increased from 38.7 million dozen to 42.7 million dozen in various types of readymade garments worth US$ 1955.7 million during Jul-Mar FY2019 as compared to US$ 2170.5 million during Jul-Mar FY2020, thus showing an increase of 10.97 percent in terms of value and 10.44 percent in term of quantity.

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 has all the time depended on export outlets. The existing towels manufacturing factories are upgraded to produce higher value towels. Export performance of towel sector during the period is given in Table 3.8.

Table 3.8: Export Performance of Towel sector

	Jul-Mar 2019-20	Jul-Mar 2018-19	% Change
Quantity (M Kgs)	144.854	141.991	2.02
Value (M.US$)	591.527	588.100	0.58

Source: Ministry of Textile

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. The 60 percent of its production is exported while 40 percent is locally consumed. In term of quantity during Jul-Mar FY2020 it was recorded at 27.9 million Kgs as compared to 24.1 million Kgs during the same period last year thus showing increase of 15.96 percent. In value term it increased by 5.77 percent.

Table 3.9: Export Performance of Tent and Canvas Sector

	Jul-Mar 2019-20	Jul-Mar 2018-19	% Change
Quantity (M.Kgs)	27.953	24.106	15.96
Value (M.US$)	72.216	68.277	5.77

Source: Ministry of Textile

viii. Textile Made-Up Sector

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. Artificial silk resembles silk but costs less to produce, with capacity in country about 9000 looms.

Table 3.10: Export Performance of Synthetic Textile Fabrics

	Jul-Mar 2019-20	Jul-Mar 2018-19	% Change
Quantity (Th.Sq.Mtrs)	360.576	276.823	30.26
Value (M.US$)	261.172	220.459	18.47

Source: Ministry of Textile

During July-Mar FY2020, synthetic textile fabrics worth $ 360.57 million were exported as compared to $ 276.82 million during the same period which is showing an increase of 30.26 percent. In Quantity term the exports of synthetic increased by 18.47 percent.

ix. Woolen Industry

The main products manufactured by the Woolen Industry are carpets and rugs. The exports of carpets during the period July-Mar FY2020 is given in the Table 3.11.

Table 3.11: Exports of Carpets and Rugs (Woolen)

	Jul-Mar 2019-20	Jul-Mar 2018-19	% Change
Quantity (Th.Sq.Mtr)	1.260	1.183	6.51
Value (M.US$)	48.685	50.686	-3.95

Source: Ministry of Textile

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

	Jul-Mar 2019-20	Jul-Mar 2018-19	% Change
Total No. of Units	10	10	0%
Spindles Installed	25060	24712	1.41
Spindles Worked	21541	17616	22.28
Looms Installed	1102	1072	2.80
Looms Worked	922	736	25.27

Source: Ministry of Textile

The production of the Jute goods during Jul-Mar FY2020 remained at 31,093 metric tons and last year it was 32,818 metric tons, showing a decline of 5.25 percent.

3.3 Other Industries

3.3.1 Automobile Industry

Automobile sector has remained in distress for the second consecutive year with a massive fall during Jul-Mar FY2020. The last year began with imposition of ban on non-filers accompanied with escalating exchange rate which kept the industry in turmoil. Resultantly the year ended with massive fall in production and the sales. The current year has also witnessed new taxes like Federal Excise Duty (FED), Additional Custom Duty (ACD) and minimum value addition tax, while the exchange rate also kept escalating. Besides, industrial fall continued to grip the automobile sector with uncertainty and the sector has almost reduced to half during the period.

There has been fall all over the local auto industry during the current financial year especially in Mar 2020. The fall was even in case of two/three wheelers where typically sustainable demand always exists for being low cost products and most preferable mode of transport for the masses in general. Even the introduction of the two new variants this year (Suzuki Alto and Toyota Yaris) by the passenger car sector could not sustain the demand in passenger car sector.

In case of passenger cars, the sales plunged most, by 70.8 percent in the month of March FY2020 to 5796 units compared to 19897 units in March FY2019. This was perhaps due to general lock down due to corona virus pandemic. The lockdown situation is likely to continue in coming months, making the woes of the industry much worse. During Jul-Mar FY2020 production and sales of passenger cars dropped by 47.9 and 46.8 percent, respectively.

There was fall in heavy commercial vehicle (HCV) sector too. In case of trucks and buses the production during Jul-Mar FY2020 dropped by 45.7 percent and 28.8 percent respectively. The non-filers policy may not have impacted here; but the work at certain government projects had halted, so are the supplies of trucks and the respective payments, resulting disruption of the chain of events at the trucking industry.

During Jul-Mar FY2020 the farm tractor sector continued to decline with production and the sales plunged by 37.9 and 37.7 percent, respectively. The sales during the period were only 23506 units against 37742 units sold in the corresponding period. This decline is attributed to increase in the prices of agricultural inputs, absence of support subsidies and halting of government tractor schemes for the farmers, which added to their woes thus badly impacting the bookings of Farm Tractors.

The two/three wheelers sector also failed to show any growth; it rather dropped off production and the sales by 12.3 percent during Jul-Mar FY2020. Still, this sector offers most preferred and economical 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 below shows previous year's comparative position of production figures in auto industry (PAMA members) and for the July-March FY2020.

Table 3.13: Production of Automobiles

Category	Installed Capacity	No. of Units		
		2019-20 (Jul-Mar)	2018-19 (Jul-Mar)	% change
CAR	240,000	88,628	170,118	-47.9
LCV	43,900	10,523	19,536	-46.1
JEEP	5,000	3,290	5,745	-42.7
BUS	5,000	462	649	-28.8
TRUCK	28,500	2,732	5,027	-45.7
TRACTOR	100,000	23,266	37,457	-37.9
2/3 WHEELERS	2,500,000	1,177,296	1,342,185	-12.3

Source: Pakistan Automotive Manufacturer Association (PAMA)

Pakistan's first ever National Electric Vehicle Policy (NEVP) 2019 has been approved by cabinet in November 2019. 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.

3.3.2 Fertilizer Industry

Fertilizer is an important and costly input responsible for 30 to 50 percent increase in the crop productivity. The overall aim 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 departments. There are ten 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 9,228 thousand tonnes per annum. Total production during first nine months (July-March) of the current fiscal year was 6067 thousand tonnes which was 5.3 percent more as compared to the corresponding period of the last year. This increase in production is attributed to the additional supply of gas to Engro Fertilizer Limited. Urea is main fertilizer having 75.8 percent share in production capacity. Installed production capacity of 6408 thousand tonnes per annum is enough to meet local demand but due to gas curtailment for fertilizer sector, high price of LNG and rupee depreciation has resulted in production of urea at 93 percent capacity during 2018-19. Consequently, domestic demand has to be met through imported supplies during peak demand time of crop growing season. About 101 thousand tonnes of urea was imported in July 2019 during current fiscal year.

Nutrient offtake during Jul-Mar FY2020 was 3407 thousand tonnes which was 2.6 per cent less than the corresponding period of the previous year. Nitrogen and Phosphate offtake was 2490 and 878 thousand tonnes respectively whereas Potash offtake was 39 thousand tonnes. Offtake of Nitrogen during first nine months of current fiscal year decreased by 2.4 percent while offtake of Phosphate and Potash decreased by 2.6 and 14.5 percent respectively as compared to corresponding time frame of the last year.

Urea and DAP offtake during first nine months of current fiscal year was 4331 thousand tonnes and 1633 thousand tonnes respectively. Urea offtake decreased by 2.5 percent while DAP offtake decreased by 6.4 percent as compared to the same time frame of the last year.

3.3.3 Cement Industry

Pakistan's cement industry has posted a healthy growth during the first nine months of current fiscal year July-March FY2020. Cement sector performance has backed by the increased exports mainly clinker which went up by 100 percent during the period. Domestic demand for cement has picked up the pace as government increased the development expenditures and improved remittances inflow may also have uplifted private construction activities.

COVID-19, as expected, had its impact on domestic consumption of cement industry that declined by 16.7 percent in March 2020. Exports also grew at lowest pace of 5.27 percent as the global markets are equally under pressure due to the same reason. Total dispatches (local and exports) in March 2020 declined by 14.25 percent to 3.721 Mt from 4.340 Mt in March 2019. The pressure was heavier from the domestic market where the uptake was reduced 3.214 Mt in March 2020 from 3.858 Mt in March 2019. Exports though inched up from 0.482 Mt in March 2019 to 0.507 Mt in March 2020.

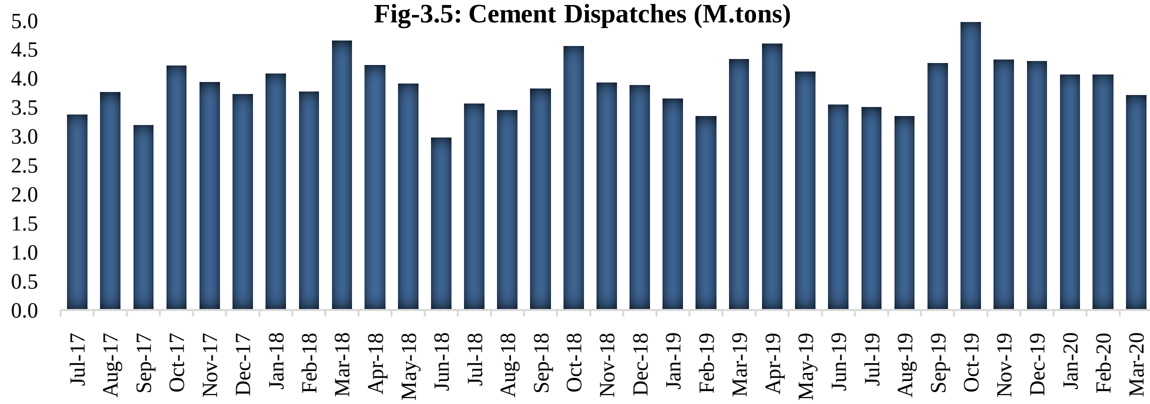
Northern Region

Domestic consumption in the northern part of the country declined by 10.48 percent as it was only 2.749 Mt in March 2020 when compared with 3.071 Mt in same month last year. Exports from northern mills also declined by 18.9 percent and reached to 0.107 Mt in March 2020 from 0.132 Mt in March 2019.

Southern Region

Domestic dispatches from mills in the southern part of the country reduced by 41 percent and reached to 0.464 Mt in March 2020 as compared to 0.787 Mt in March 2019. While exports from the region increased by 14.3 percent, from 0.351 Mt in March 2019 to 0.401 Mt in March 2020.

Fig-3.5: Cement Dispatches (M.tons)



Source: All Pakistan Cement Manufacturer Association

Cumulative Dispatches

Total local dispatches during Jul-Mar FY2020 increased by 3.83 percent to 30.588 Mt from 29.461 Mt. Total exports rose to 6.446 Mt (25.63 percent increase) during Jul-Mar FY2020 from 5.131 Mt during the same period last year. The growth in local sales was entirely driven by the northern region while the south contributed to export performance. According to the APCMA, local dispatches from the north increased by 12.09 percent while southern region showed a decline of 26.8 percent during Jul-Mar FY2020. Export scenario is altogether opposite to local sale. Exports from the south increased by 44.19 percent while northern region came up with 3.70 percent decline during the period.

Cumulative dispatches (local & exports) posted a growth of 7.06 percent and reached to 37.035 Mt during Jul-Mar FY2020 as compared to 34.592 Mt in the corresponding period.

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

Years	Production Capacity	Capacity Utilization (%)	Local Dispatches	Exports	Total Dispatches
2006-2007	30.50	79.23	21.03	3.23	24.26
2007-2008	37.68	80.14	22.58	7.72	30.30
2008-2009	42.28	74.05	20.33	10.98	31.31
2009-2010	45.34	75.46	23.57	10.65	34.22
2010-2011	42.37	74.17	22.00	9.43	31.43
2011-2012	44.64	72.83	23.95	8.57	32.52
2012-2013	44.64	74.89	25.06	8.37	33.43
2013-2014	44.64	76.79	26.15	8.14	34.28
2014-2015	45.62	77.60	28.20	7.20	35.40
2015-2016	45.62	85.21	33.00	5.87	38.87
2016-2017	46.39	86.90	35.65	4.66	40.32
2017-2018	59.36	77.32	41.15	4.75	45.89
2018-2019	59.65	78.48	40.34	6.54	46.88
July-Mar					
2018-19	57.13	80.71	29.46	5.13	34.59
2019-20	63.63	77.60	30.58	6.44	37.04

Source: All Pakistan Cement Manufacturers Association (APCMA)

The government has introduced an incentive package for the construction industry in April 2020 which is expected to help increase local cement consumption. Package includes amnesty scheme, tax exemptions and Rs 30 billion subsidy for Naya Pakistan. Further, Construction sector has been given the industry status.

3.4 Small and Medium Enterprises

Small and Medium Enterprises Development Authority (SMEDA), the apex SME development organization of the Government of Pakistan, has an all-encompassing mandate of fostering growth of the SME sector. SMEDA's broad portfolio of services includes; 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. Salient activities/ achievements of SMEDA during Jul-Mar FY2020 are given in Table 3.15 below:

Table 3.15: SMEDA Over the Counter (OTC) Services (July 2019 – March 2020)

Sr. No.	Initiatives	Jul-Mar FY2020
1.	SME Facilitation	5,564
2.	Pre-feasibility Studies Development (New & Updated)	35
3.	Investment Facilitation (RS Million)	301.92
4.	Business Plans	5
5.	Training Programs	298
9.	Theme Specific Helpdesks	85
6.	OTC Products & Guide	18
8.	Cluster / District Profiles (New and Updated), Diagnostic / Value Chain Studies	11
10.	SMEDA Web Portal (Download Statistics)	118,649
11	SME Observer	1
12	SMEDA Newsletter	3

National SME Policy

The current government assigns high priority to SME development and creation of a conducive business environment for SMEs across Pakistan. In order to create a facilitative economic environment where SMEs can exploit emerging opportunities in the local and global market, draft National SME Policy has been developed by SMEDA.

Draft National SME Policy specifically focuses on job creation, export enhancement and increased contribution of SMEs to Pakistan's Economy. The Policy shall address core SME development issues, including; Access to Finance, Business Development Services (HR Development, Technology, Marketing, Market Access, Standards and Certifications, etc.), simplification & rationalization of taxation regime and reduction in cost of doing business. Other areas include IT, E-commerce, Women Entrepreneurship, Dairy and Livestock sector, etc. to promote growth through a sectoral approach. A cohesive strategic framework for business facilitation across the public sector institutional infrastructure, both federal & provincial, has also been developed to support holistic implementation of the Policy, under the principle of ease of doing business. Currently, the draft National SME Policy has been submitted to the Ministry of Industries & Production for review and subsequent submission to the Federal Cabinet for approval.

National Business Development Programme for SMEs (NBDP)

NBDP has been developed, for providing SME start-up support & business improvement through practical, on-ground services to SMEs. The project shall be instrumental in establishing new enterprises and building the capacity of existing enterprises through provision of Business Development Services (BDS), such as; marketing, technology, incubation, research & development and organizational development services. The program envisages to facilitate 314,901 SMEs, over a period of five years. The total cost of project is Rs 1954.978 million out of which an allocation of Rs 250 million has been made for FY2020.

In February 2020, SMEDA launched its Organizational Development (OD) Grants Program. OD Grant up to Rs 500,000 will be provided to support 150 SMEs. SMEDA's largest capacity building initiative comprising of 3,800 training programs during 5 years across Pakistan including Federal Capital, AJK & GB has also been launched under NBDP. A total of 15,000 SMEs will be targeted through this initiative in FY2020. In the current year, to date, **228 training programs have been conducted with 90,70 Participants**. Programs include Business Startup and Management, HR, Sales, Marketing, Regulatory / Legal Requirement and Soft Skills for effective business operation management. Furthermore, **76 theme specific programs / helpdesks with 1,240 participants** have also been held and 06 Over the Counter (OTC) Documents have been developed.

SME Development Projects under Public Sector Development Programme (PSDP)

SMEDA, during Jul-Mar FY2020 has initiated following PSDP funded projects:

a. **Product Development Center for Composites Based Sports Goods, Sialkot:** The project will serve as a Common Facility Center for manufacturing of composite sports goods i.e. Hockey sticks, Baseball and Cricket bats, Billiard Ques, Rackets, & Fishing Tackle & Golf sticks (10,800 products per annum). It is being undertaken to prepare and support local industry to aggressively enter the international market of composite-based sports goods. The total cost of project is Rs 487.97 million out of which an allocation of Rs 100 million has been made for FY2020.

b. **Fruit Dehydration Unit, Swat:** Fruit dehydration facility for processing fruits and vegetables is a Common Facility Center that will replace existing hazardous and obsolete sun drying practices with modern dehydration and packaging methods as per international standards. The total cost of the project is Rs 59.94 million out of which an allocation of Rs 25.89 million has been made for FY2020. The facility will have positive impact on reducing post-harvest losses that are estimated at 35 percent of total production of fruits and vegetables.

c. **SME Business Facilitation Center (SMEBFC), Multan:** The objective of SMEBFC is to facilitate SMEs through SMEDA services within the region. The total cost of project is Rs 59.89 million out of which an allocation of Rs 29.89 million is made for FY2020. SMEBFC will provide following services to SMEs:

- Information dissemination
- Delivery of need based training programmes for SMEs

- Identification of region-specific investment opportunities
- Over the Counter (OTC) products development

d. **Business Skill Development Centers for Women at Dera Ismail Khan:** The establishment of Business Skill Development Center will promote an entrepreneurial culture amongst women in Dera Ismail Khan. The total project cost is Rs 59.49 million out of which an allocation of Rs 15 million has been made for FY2020. Following services will be offered through BSDC:

- Development of Display Centers
- Development of Exhibition Centers
- Engagement of Business Development Services (e.g. accountants, lawyers, product developers)
- Help Desks for advisory Services

Special Projects with International Development Partners

a. SMEDA Industrial Support Programme:

SMEDA collaborates with international development organizations such as Japan International Cooperation Agency (JICA), German International Cooperation (GIZ), Training and Development Centers of the Bavarian Employers Association (bfz), Germany and local experts to extend support to the local industries. Technical assistance is provided to SMEs in order to enhance competitiveness by improving productivity, quality and energy efficiency. Details of facilitation and support provided during the period are given below:

- Under the SMEDA-JICA Auto Parts Project, technical support was extended to 28 auto part manufacturers in Lahore and Karachi.
- Baseline Energy audits were conducted in 06 SMEs from auto parts sector and Sports goods sector. Follow up visits of 9 companies were also conducted for Improving Production Efficiencies
- Conducted Occupational Health & Safety assessment of 02 production units along with layouts comprising of safety equipment installations.
- Provided technical assistance in implementation of Japanese productivity and quality tools like 5s/5T to 15 SME units.
- Organized 16 training programs and workshops the areas of energy efficiency, productivity, quality, 5S/5T, total productive maintenance, etc.

b. Economic Cooperation & Development Forum (ECDF) under FATA Economic Revitalization Programme (FERP) – UNDP Funded Project

Economic Cooperation & Development Forum (ECDF) platform has been set-up to discuss challenges and opportunities to accelerate economic growth in the Newly Merged Districts (NMDs). The forum comprises 50 experts from public sector, think tanks, donors, civil society organizations, academia, banks, chambers and private sector. ECDF has developed and submitted proposals for development of mineral sector to the Khyber Pakhtunkhwa government for economic development of NMDs. Other initiatives include; extension of Khyber Pakhtunkhwa Mineral Governance Act 2017, introduction of mineral specific magistracy system, digitalization of mine leases allotment process and declaring the ownership of Khyber Pakhtunkhwa Government on mineral resources in the NMDs.

c. Small Business Interventions to Support Development of Clusters through CFCs-UNDP

In order to develop clusters by establishing Common Facility Centers (CFCs), SMEDA and UNDP are jointly implementing Small Business Interventions Project. Under the project, 11 CFCs (7 in Khyber Pakhtunkhwa and 4 in Sindh) will be established. During the period, following 11 Proposals have been developed and submitted to UNDP for funding:

- Compartmentalized Cold Storage (100 MT), Mirpurkhas, Sindh
- Fruit Processing and Ripening Facility at Karachi, Sindh
- Onion Dehydration & Frying Processing Facility at Karachi, Sindh
- Garments Stitching Unit, Mithi- Sindh
- Peanut Processing Facility- Peshawar, Khyber Pakhtunkhwa
- Installation of Computer Numerical Control (CNC) Router Machine for wood carving, Peshawar, Khyber Pakhtunkhwa
- Fruits, Vegetables and Meat Dehydration Unit Chitral, Khyber Pakhtunkhwa
- Maize Silage Processing CFC at Mardan, Khyber Pakhtunkhwa
- Honey Processing CFC, Tarnab, Khyber Pakhtunkhwa
- Maize Silage Processing CFC at Domail, Bannu Khyber Pakhtunkhwa
- Women Owned Reefer Van for Trout Fish, Swat, Khyber Pakhtunkhwa

Cluster Development Based Mineral Transformation Plan/ Vision 2025

SMEDA was awarded a contract for a project titled ‘Feasibility/ Research Study on Cluster Development Based Mineral Transformation Plan/ Vision 2025’ by the Planning Commission. The project entails an extensive study of 20 mineral clusters of Pakistan. Through the project, the government intends to develop new mineral clusters besides improving the efficiency of existing ones throughout the value chain i.e. supply-chain development, market intelligence, attraction of foreign direct investment & improved processing. During the period, 05 Value Chain studies, 14 Cluster studies, and project proposals for Gypsum value addition & Advanced Granite Processing Unit, Mansehra were developed.

3.5 Slaughtering

Slaughtering has 6.9 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. Export opportunities of meat from Pakistan are rising in the wake of continuously rising demand in the global market. Middle East and Gulf markets have great potential for Halal meat suppliers. Pakistan has exported US$ 233 million worth of meat during Jul-Mar FY2020 as compared to US$ 156.4 million during the same period last year, reflecting a 48.9 percent increase.

3.6 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 8.82 percent during Jul-Feb FY2020 as against 3.19 percent decline last year.

3.6.1 Minerals

The mineral potential of Pakistan is widely recognized to be excellent as out of 92 known minerals 52 are commercially exploited in Pakistan. It includes coal, copper, gold, chromite, mineral salt, bauxite and several other minerals. Despite of all the endowments mineral sector is exhibiting insipid performance and its contribution to GDP remained at 2.51 percent. 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 Jul-Feb FY2020, Barytes, Quartz, Ocher and Dolomite posted a positive growth of 241.6 percent, 130.8 percent, 68.8 percent and 16.27 percent, respectively. However, some witnessed negative growth during the period under review such as Coal 6.34 percent, Natural gas 6.36 percent, Crude Oil 10.55 percent, Chromite 54.5 percent, Magnesite 55.9 percent, Lime Stone 14.71 percent, Marble 3.62 percent and Iron Ore 32.73 percent. (Table 3.16).

Table 3.16: Extraction of Principal Minerals

Minerals	Unit of Quantity	2017-18	2018-19	2019-20	%Change FY2020/FY2019
Coal	M.T	4477555	5371865	5031135	-6.34
Natural Gas	MMCFT	1458934	1436542	1345129	-6.36
Crude Oil	JSB(000)	32557	32495	29068	-10.55
Chromite	M.T	97420	143936	65489	-54.50
Magnesite	M.T	23596	41477	18628	-55.09
Dolomite	M.T	488825	366775	426448	16.27
Gypsum	M.T	2475893	2265131	1616750	-28.62
Lime Stone	M.T	70818725	67649059	57697651	-14.71
Rock Salt	M.T	3653746	3796634	2613031	-31.18
Sulphur	M.T	22040	20715	20715	0.00
Barytes	M.T	88847	10725	36643	241.66
Iron Ore	M.T	677206	626646	421532	-32.73
Soap Stone	M.T	141504	167148	157148	-5.98
Marble	M.T	8813025	7990473	7700855	-3.62
Bauxite	M.T	145189	94149	67721	-28.07
Quartz	M.T	125014	116473	268846	130.82
Ocher	M.T	75939	81946	138384	68.87

Source: Pakistan Bureau of Statistics (PBS)

Punjab

Mines & Minerals Department is responsible for exploration, exploitation and investment promotion of mineral endowments in Punjab. It grants and regulates the leases of all minerals except oil, gas & radioactive minerals. Directorate General of Mines & Minerals has contributed a handsome amount Rs 30 billion as non-tax revenue during last five years.

<u>Major Initiatives during Jul-Mar FY2020</u>

- To promote investment and to boost the trust of investors, the department has lifted ban on grant / renewal of mining concession to cement sector after almost 5 years. Currently around 26 applications are being processed for grant of mining concessions of cement raw material.

- To bring transparency and efficiency in grant of mining concessions the Department has taken initiative for development of Web-GIS Based Mining Management Information System. The relevant HR for development of this system is recruited by the department and they are currently working on the development of this system. The objectives of this system are:

Table 3.17: Mineral Production Data

MINERALS	Jul-Feb FY2019 (M tonnes)
Arg Clay LSM	3,600,517
Bauxite	51,447
Coal	621,886
China Clay	6,029
Fireclay	620,597
Fuller Earth	400
Gypsum	425,669
Gypsum LSM	258,135
Iron Ore	176,252
Lime Stone	7,736,681
Lime Stone LSM	13,976,490
Rock Salt	1,160,595
Rock Salt LSM	699,355
Silica Sand	447,941
Silica Sand LSM	29,198

Source: Director General Mines and Minerals, Punjab

  - Once completed and operational, it will readily provide access to the public to geographic location of mining concessions; their grant details; production etc.
  - It will also include application management system for maintaining and filing of online application for grant of mining concessions.
  - The potential mining and geological information will be published through this system for attraction of potential investors.

- To encourage the investors in small scale mining and to remove confusion for current concessionaires, the department has also taken initiative for lifting of ban on grant / renewal of coal mining concessions. The process for lifting the ban is in final stages.

Khyber Pakhtunkhwa

The Director General Mines & Minerals is a provincial department responsible for development of mineral sector. It has two divisions namely Licensing Division and Exploration Promotion Division.

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. Mines Rescue Safety and Training Centre is playing an important role in providing technical hands, so far more than 7500 workers have been professionally trained.

The Centre has arranged 104 training programs for the persons from workers to managerial position in the mines. The Centre is planning to impart training to more than five hundred workers up to June 2020. Based on the exploration done so far, excellent prospects of other valuable deposits exist. The production data of mineral in respect of Khyber Pakhtunkhwa is given in the table 3.18:

Table 3.18: Mineral Production Data

MINERALS	Jul-Dec FY2020 (M. tonnes)
Barytes	1335
Bauxite	5806
Coal	308631
Dolomite	187600
Granite	102559
Gypsum	342597
Iron ore	5292
Lime stone	10612115
Marble	1806867
Rock salt	100874
Slate Stone	301505
Shale Clay	1096847

Source: Mines and Minerals, Khyber Pakhtunkhwa

<u>Major Initiatives during Jul-Mar FY2020</u>

- Amendment Bill regarding Khyber Pakhtunkhwa Mines and Minerals Act, 2017 has been approved by the provincial assembly and special provision has been incorporated for Erstwhile FATA.
- Ban of erstwhile FATA application has been lifted.
- An ADP scheme "Establishment of Mining Cadastral system in Khyber Pakhtunkhwa" is in process.
- Total No. 1646 applications for different Mineral Titles have been processed in 2019.

Sindh

The province of Sindh has large quantities of minerals. In all there are 24 minerals which are being mined at present. Among these, Sindh has large quantities of coal and granite reserves. The granite area which was inaccessible has now been connected with Karachi by a network of roads and other facilities like Rest House etc. It is also proposed that a Granite Park will be established at Nagarparkar. Karunjhar range of mountains in Nagarparkar has huge reserves of granite and other rock types of extractable thickness which has the potential to compete the international market. It spreads over vast area and its estimated reserves are around 10 billion tons. The Directorate of Mines & Mineral Development, Sindh is sponsoring a scheme for study through consultant "Feasibility Study of Granite Deposits in Tharparkar, Sindh". Previously leases were granted in haphazard manner without any policy. The department has now 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 year 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.

Sindh has large coal reserves of the country. It is estimated around 185 billion tons of coal in Lakhra, East of Indus and Thar. At present percentage of coal in energy is negligible. The department is in the process of assessment and exploitation studies of these coal reserves and intends to set up Power Houses / Projects running on this coal. Department intends to have 30 percent energy produce on coal by year 2030.

The Mines & Mineral Development Department, has already established Geo-data Centre with official web portal which will provide all the necessary information to the General Public as well as Investors/Stake holders. This carries with mineral based information and online granted leases database along withprovision of information regarding the granted areas in the Sindh.

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 the blessing of 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.

Nature has gifted Balochistan with vast natural resources. Efforts are being made for scientific exploration and exploitation of these 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. Nine large scale licenses and more than 1450 concessions of various minerals have been granted to different private/public-sector small-scale Mining companies.

Balochistan province has large deposits of Limestone, Gypsum and Coal (raw material for cement manufacturing) and investment opportunities for installation of cement factories are available. Seven applications for grant of exploration and Mining Lease are under process for cement raw material in Director General of Mines & Minerals office Quetta. After completion of study reports the Licenses will be granted. The Geological Survey of Pakistan (GSP) has planned the mapping of 50 top sheets of the ‘outcrop area’ of Balochistan for identification of minerals at a cost of Rs 127.595 million during a three-year period. The project has been submitted to the quarters concerned for its incorporation in the Public Sector Development Programme (PSDP 2020-2021).

3.7 Conclusion

LSM has exhibited a mix pace of performance during FY2020. The policy measures taken to stabilize the economy in FY2019 still continued its impact in FY2020. In addition, expensive industrial inputs, implementation of stabilization and revenue measures and lower domestic demand remained the key reasons behind this subdued performance. However, when slight improvement was started to be seen in export-oriented sectors and construction allied industries i.e. cement, thus a gradual economic recovery was expected but unfortunately recent COVID-19 crisis has brought economic activity to a near-halt, both domestically and globally. Textile and Apparel, a heavy weight sector, is highly exposed to this crisis due to its labor-intensity. Still, uncertainty regarding pandemic, global economic downturn and dismal domestic demand has escalated the downside risks for the manufacturing sector. Nevertheless, the government measures taken to boost economy are expected to bring positive impact on manufacturing.

Mining and Quarrying posted subdued performance during FY2020. Nevertheless, considering its huge potential, government is committed to make this sector as one of the most profitable and rapidly growing sector of the economy.

Chapter 4

FISCAL DEVELOPMENT

Fiscal policy has a significant role in creating an equitable distribution of income and wealth in society. Particularly, better fiscal management helps mobilize domestic savings and increase the efficiency of resource allocation. Consequently, it paves the way for achieving macroeconomic stability along with promoting more sustainable and inclusive growth.

Historically, whenever Pakistan's economy has witnessed higher growth, it was unsustainable because it created macroeconomic imbalances. The growth was largely driven by consumption-led spending as opposed to investment. The non-productive nature of this growth caused higher external and fiscal imbalances. Consequently, it has seriously undermined the growth prospects. Furthermore, structural weaknesses like weak tax administration, a difficult business environment, low tax to GDP ratio and insufficient resources further aggravated the situation.

In 2018, the economy was at a critical juncture due to rising debt and liabilities, high current account and fiscal deficit, depleting foreign exchange reserves and circular debt. In particular, persistently high fiscal deficit due to income-expenditure mismatch resulted in an unsustainable level of public debt, which in turn, became the major source of macroeconomic imbalance. In the wake of these challenges, the government introduced adjustment and demand management policies to ensure economic and financial stability and to improve the growth prospects. Similarly, Pakistan entered into 39-months Extended Fund Facility with IMF for the $ 6.0 billion to support the government's reform program.

These measures helped in handling macroeconomic imbalances, particularly, the constraints on the fiscal side were put on the path of fiscal discipline and fiscal consolidation. During the first nine months of the current fiscal year, all major fiscal indicators have witnessed a marked improvement owing to government's stringent fiscal strategy to improve the revenues through comprehensive tax measures and administrative reforms along with expenditure rationalization. The persistence of these measures would be supportive in addressing a large primary deficit to ensure debt sustainability over the medium term. Further, with the promulgation of the Public Finance Management Act 2019, budgetary management is being strengthened and it will encourage fiscal discipline and transparency, going forward.

During the first nine months of the current fiscal year, the performances of fiscal indicators suggest that fiscal consolidation is on track. Overall fiscal deficit reduced to 4.0 percent of GDP against 5.1 percent of GDP recorded in the same period last year while primary balance posted a surplus of Rs 194 billion during July-March, FY2020 against the deficit of Rs 463 billion during the comparable period of FY2019. Total revenues grew by 30.9

percent during July-March, FY2020 against 0.04 percent growth during the same period of FY2019, on account of a substantial rise in both tax and non-tax revenues. Similarly, on the expenditure side, PSDP spending witnessed a significant rise both at federal and provincial levels. Overall PSDP expenditure grew by 24.9 percent during July-March, FY2020 over the previous year.

However, the outbreak of Coronavirus (COVID-19) has negatively affected the near-term outlook. It has brought significant challenges for the economy by squeezing the economic gains achieved during the ongoing fiscal year. In particular, fiscal accounts are expected to come under tremendous pressure.

On one hand, the Government is focused on increasing the expenditures on public health and strengthening social safety net programs, while on the other, it intends to mitigate the impact of the COVID-19 on the economy. In doing so, the budget will therefore temporarily deviate from initial targets. On the revenue side, achieving targets of both tax and non-tax would be challenging owing to disruption in economic activity, manifested through both demand and supply shocks. The budget deficit is expected to exceed the target set for FY2020.

Nevertheless, the Government has acted in a timely and well-calibrated manner to lessen the detrimental effects of COVID-19. It has taken appropriate measures to support the economy through fiscal and monetary policies. On the fiscal side, a comprehensive fiscal stimulus package has been initiated in order to accommodate the expenditures required to mitigate the impact of the COVID-19 shock. The package has created stress on fiscal flows, however, the impact may become severe if the pandemic lasts for a longer time period. State Bank of Pakistan has responded timely through appropriate monetary policy response. The measures have been aimed at a reduction in the policy rate and introduction of various ways to improve the liquidity of, particularly small-scale businesses. It has introduced various other temporary and time- bound actions which will ensure monetary stability and functionality of the financial system in the wake of COVID-19 crisis.

In order to meet the financing requirement for these expenditures, additional resources have also been mobilized through various international financial institutions including IMF, World Bank, ADB etc. The government is constantly monitoring the situation in the country and accordingly additional measures are being deployed to meet the emerging requirements.

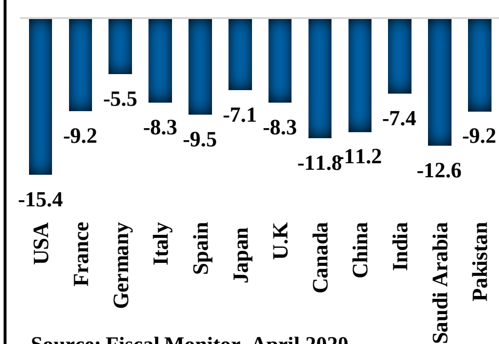
Box-I: Impact of COVID-19 on Public Finances

The COVID-19 pandemic has not only caused severe damage to human lives but it has also taken a toll on global economic activity. Various necessary safety measures have brought much of the global economic activity to a halt. IMF has projected the global economy to contract sharply by –3 percent in 2020, much worse than during the 2008–09 financial crises. With the decline in global output, revenues are expected to reduce even more sharply.

To date, various policy measures have been taken worldwide in this regard to mitigate the health and economic effect of the COVID-19 outbreak. However, in response to these measures, fiscal balances in 2020 are expected to deteriorate significantly in almost all countries, particularly, a substantial widening is expected in the United States, China and several European and Asian economies. While for Pakistan, the fiscal deficit is projected to increase by 9.2 percent of GDP in 2020.

By increasing expenditures on monitoring, containment and mitigation, countries are allocating more fiscal resources to the health sector. Moreover, to lessen the economic impact of COVID-19, countries are providing additional fiscal resources to other sectors of the economy. On the expenditure side, measures include extended unemployment benefits, government-funded paid sick leave, wage subsidies, targeted transfers to affected households and firms, and support to hard-hit sectors such as tourism, hospitality services, and travel. On the revenue side, measures include temporary deferral of corporate and personal income tax payments and social security contributions ranging from three months to one year, as well as temporary tax relief or exemptions, including on medical goods and services, for affected sectors and vulnerable firms and households.

Fig: 4.1- General Government Overall Balance (% of GDP)



Source: Fiscal Monitor, April.2020.

In order to finance these additional fiscal measures, governments strategy around the world includes reprioritizing budget items; using emergency funds or buffers; frontloading existing spending plans, external aid or grants and undertaking additional borrowing.

Source: Fiscal Monitor - April 2020. IMF

Fiscal Performance (July-June, FY2019)

A brief review of major fiscal indicators during FY2019 indicate a sharp deterioration as overall fiscal deficit increased to 9.1 percent of GDP owing to the unprecedented decline in revenue collection and a significant rise in current expenditures. Earlier, a significantly higher level of fiscal deficit was recorded at 8.8 percent in FY2012 followed by 8.2 percent in FY2013.

Total revenues remained below the revised target of 14.5 percent of GDP and stood at 12.9 percent of GDP during FY2019. Although both tax and non-tax revenues recorded a significant decline, however, non-tax revenues reduced substantially to 1.1 percent of GDP against 2.2 percent of GDP recorded in the preceding year. The decline in non-tax revenue largely stemmed from a sharp reduction in SBP profit and mark-up payments (PSE &others). On the other hand, non-tax revenues witnessed higher growth in royalties on gas and oil, discount retained on crude oil and other levies owing to increase in rupee value of crude oil. However, a sharp decline in revenues from both SBP profit and mark-up (PSE & others) offset the impact of an increase in collection within energy-related components.

Total tax revenue collection stood at 11.8 percent of GDP, of which, FBR tax collection recorded at 10.1 percent of GDP during FY2019. The slowdown in tax collection was primarily attributed to decline in the sales tax rate on major petroleum products, suspension of the withholding tax on mobile phone top-ups, decline in PSDP expenditures, import compression and reduced rate on salary income.

On the expenditure side, despite a sharp decline in development spending, a significant rise in current expenditure kept total expenditures at a higher level. Development expenditures and net lending reduced from 4.7 percent of GDP in FY2018 to 3.2 percent of GDP in FY2019. With the increase of 18.7 percent of GDP in current expenditures, total spending stood at 22.0 percent of GDP during FY2019. Consequently, with widening revenue-expenditure gap, fiscal deficit reached 9.1 percent of GDP during FY2019 against 6.5 percent of GDP recorded in FY2018.

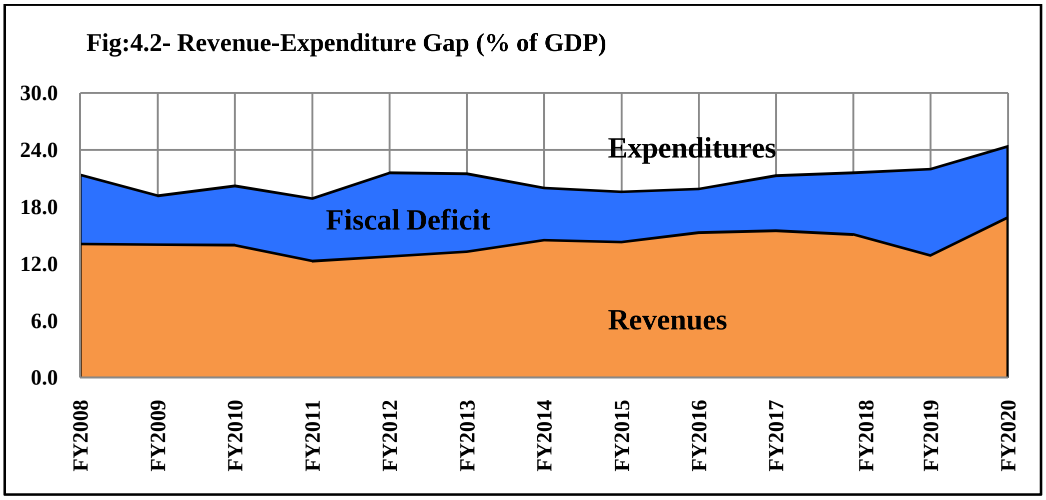


Table: 4.1 Fiscal Indicators as Percent of GDP

Year	Overall Fiscal Deficit	Expenditure			Revenue		
		Total	Current	Development[/1]	Total	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*	9.1	22.0	18.7	3.2	12.9	11.8	1.1
FY2020 B.E	7.5	24.4	20.5	3.9	16.9	14.6	2.3

[/1] including net lending, * on the basis of revised GDP numbers, B.E: Budget Estimates
Source: Budget Wing. Ministry of Finance

Similarly, the fiscal year 2019 witnessed a deterioration in primary and revenue balances which highlighted growing debt pressure and limited fiscal space for critical development expenditures. During FY2019, primary balance posted a deficit of Rs 1,353.8 billion (-3.6 % of GDP) against the deficit of Rs 760.5 billion (-2.2 % of GDP) in FY2018. Likewise, revenue deficit stood at Rs 2,203.3 billion (-5.8% of GDP) in FY2019 against the deficit of Rs 626.3 billion (-1.8% of GDP) in FY2018.

According to provincial fiscal operations, all the four provinces posted a combined surplus of Rs 190.0 billion in FY2019 against the deficit of Rs 17.5 billion in FY2018. However, Punjab generated a significantly higher surplus of Rs 122.3 billion followed by Sindh (Rs 42.1 billion).

Review of Public Expenditures

The efficient utilization of public expenditures for priority areas is at the forefront of the government's reform agenda. The aspiration is to support higher inclusive and sustainable economic growth. However, the legacy of inefficient fiscal management has posed multiple challenges for the present government in allocating sufficient resources for priority areas. Particularly, higher interest payments, untargeted subsidies and loss-making SOEs added to the rigidity of current expenditures.

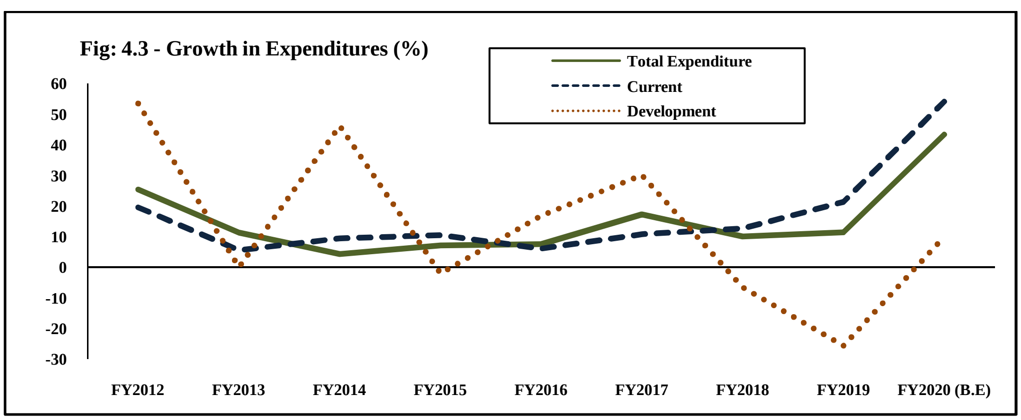
Table 4.2: Trends in Components of Expenditure (As % of GDP)

Year	Total Expenditure	Current Expenditure	Mark-up Payments	Defence	Development Expenditure*	Non Interest Non-Defence Exp	Fiscal Deficit	Revenue Balance	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
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	22.0	18.7	5.5	3.0	3.1	13.5	9.1	-5.8	-3.6
FY2020 B.E	24.4	20.5	6.6	2.6	4.0	15.2	7.5	-3.6	-0.9

* excluding net lending

Source : Budget Wing, Ministry of Finance and EA Wing's Calculations

During FY2019, total expenditures grew by 11.4 percent to Rs 8,345.6 billion (22.0 percent of GDP) against Rs 7,488.4 billion (21.6 percent of GDP) in FY2018. Despite a decline in development expenditures during FY2019, accelerated growth in current expenditures attributed to a sharp rise in growth of total expenditures. Overall, current expenditure contributed 85.1 percent in total expenditures during FY2019 against the share of 78.2 percent witnessed in FY2018. During FY2020, the share was budgeted to decline to 84 percent.



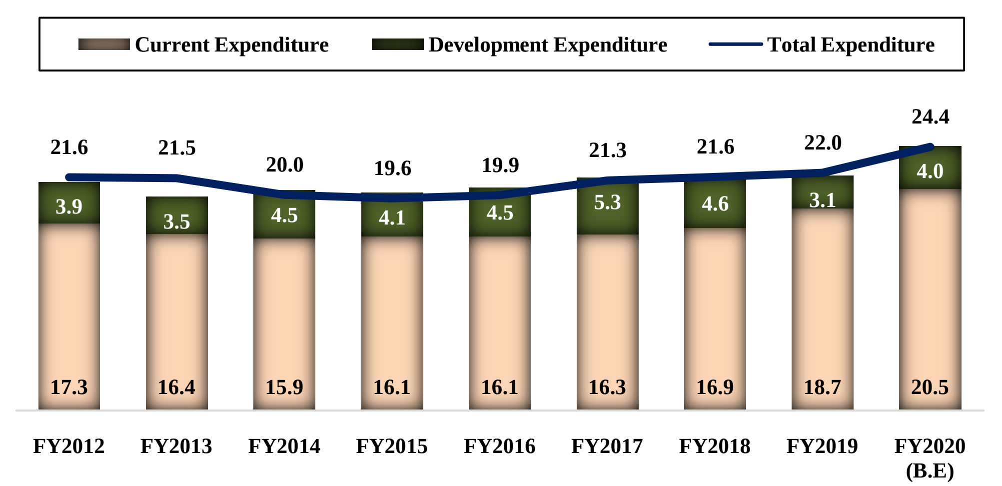
Current expenditures grew by 21.3 percent to Rs 7,104 billion (18.7 percent of GDP) in FY2019 against Rs 5,854.3 billion (16.9 percent of GDP) in FY2018. Major contribution in current expenditures came from higher mark-up payments which grew by 39.4 percent owing to a rise in domestic interest rates. In absolute term, it increased to Rs 2,091 billion in FY2019 against Rs 1499.9 billion during FY2018. Share of mark-up payments in total and current expenditures increased to 25.1 and 29.4 percent, respectively during FY2019 against 20.0 percent and 25.6 percent, respectively in FY2018.

Another major component within current expenditures is defence related expenditure which grew by 11.3 percent to Rs 1,146.8 billion in FY2019 against Rs 1,030.4 billion in FY2018. Defence expenditures contributed 13.7 and 16.1 percent share in total and current expenditures, respectively, in FY2019 against the share of 13.8 and 17.6 percent, respectively during FY2018.

Regarding current subsidies, it has witnessed a sharp rise in FY2019 in both absolute and growth terms. It increased from Rs 114.2 billion in FY2018 to Rs 195.3 billion during FY2019, thus grew by 71.1 percent. Its contribution within current expenditures increased to 2.7 percent in FY2019 from 2.0 percent recorded in FY2018. A significant rise in subsidy was largely attributed to higher energy-related subsidies due to power generation.

Within current expenditures, other components also recorded a sharp rise during FY2019. For instance, Superannuation Allowances & pension (17.7 percent), Grants (other than Provinces) (15.2 percent), Other General Public Services (45.9 percent), Public Orders and Safety affairs (37.6 percent), Economic affairs (24.7 percent) and Social protection (18.4 percent).

Fig:4.4- Expenditures % of GDP



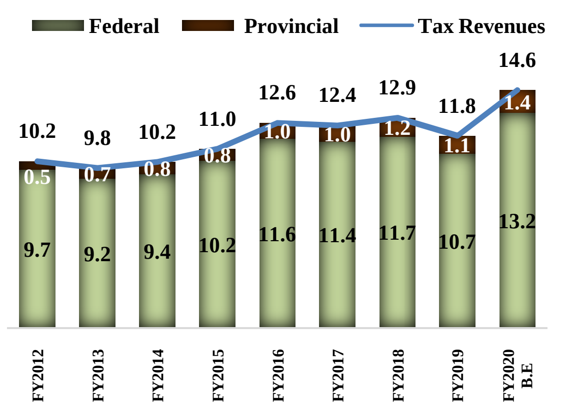
Contrary to the rise in current expenditures, development expenditures and net lending reduced by 24.8 percent to stand at Rs 1,219.2 billion against Rs 1,621.7 billion in FY2018. The decline was largely attributed to a sharp reduction in PSDP spending both at the federal and provincial level. PSDP spending stood at Rs 1,008.2 billion in FY2019 against Rs 1,456.2 billion, thus reduced by 30.8 percent. Federal PSDP declined to Rs 502.1 billion

(Net excluding development grants to provinces), while provincial stood at Rs 506.2 billion during FY2019 against Rs 576.1 billion and Rs 880.1 billion respectively during FY2018.

Structure of Tax Revenues

Pakistan's tax structure is characterized by the narrow tax base, massive tax evasion, a large number of concessions and exemptions, regressive tax regime, reliance on indirect taxes and tax administration challenges. The combined effect of these challenges has resulted in the low tax-to-GDP ratio over the years.

Fig:4.5- Tax Revenues % of GDP



During FY2019, overall tax revenues reduced to 11.8 percent of GDP. Within total tax collection, FBR which collects a substantial portion of tax revenues witnessed a sharp decline in its collection. It reduced to Rs 3,828.5 billion (revised) in FY2019 against the collection of Rs 3,843.8 billion (revised) in FY2018, thus posted a negative growth of 0.4 percent. While in terms of GDP, it reduced to 10.1 percent during FY2019 as compared to 11.1 percent of GDP in FY2018. Weak tax collection is largely attributed to a slowdown in economic growth, low tax rates on major petroleum products, suspension of withholding tax collection on mobile top-ups, import compression, reduced government spending and a reduced rate on salary income.

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
			[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]

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
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 BE	5,555.0	12.6	2,081.9	1,000.5	2,107.7	364.8	3,473.1
			[37.5]	{28.8}	{60.7}	{10.5}	[62.5]

[]as % of total taxes, {} as % of indirect taxes
Source: Federal Board of Revenue

Within FBR tax collection, direct taxes declined by 5.9 percent in FY2019. Similarly, sales tax collection reduced by 1.8 percent owing to the sharp decline in the GST rate on Petroleum Products on both import and domestic stages, reduced GST on natural gas and import compression. However, customs duty and FED posted a healthy growth of 12.7 percent and 11.6 percent respectively.

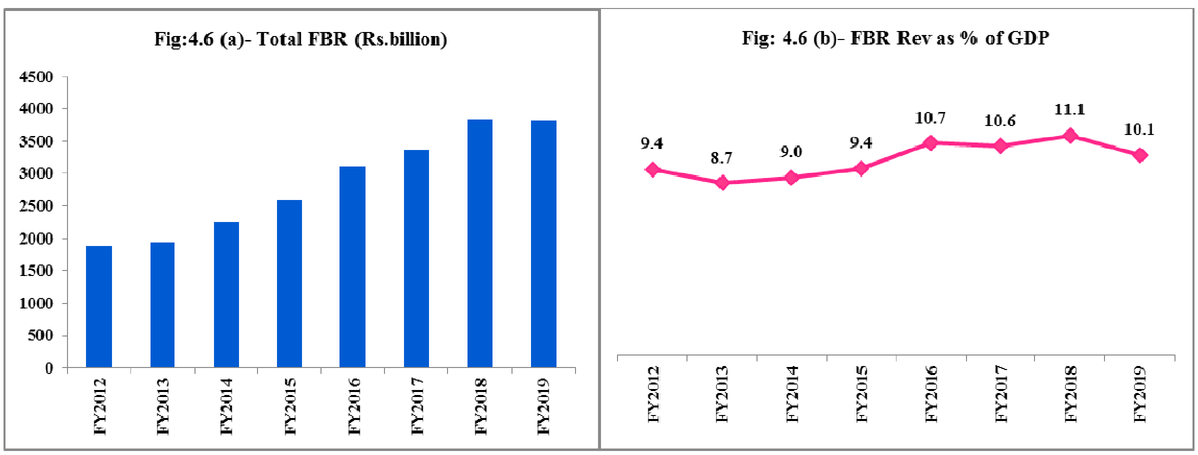


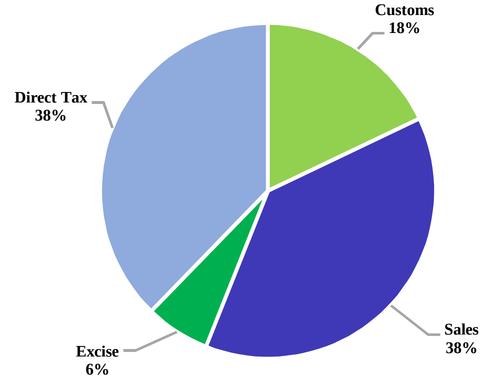
Fig:4.6 (a)- Total FBR (Rs.billion)
Fig: 4.6 (b)- FBR Rev as % of GDP

In terms of share within total FBR tax collection, Sales tax remained the major revenue source with a higher contribution of 38.1 percent followed by the direct taxes with 37.8 percent. Similarly, the share of customs stood at 17.9 percent while FED contribution in total FBR tax collection reached 6.2 percent during FY2019. It implies that the tax structure of Pakistan over the years still remains heavily dependent on indirect taxes.

Currently, the contribution of indirect taxes is 62.2 percent in total FBR tax collection which has reduced from 68.5 percent in FY2006. On the other hand, the contribution of direct taxes has increased steadily over the years on account of various reforms/initiatives undertaken in the past like introduction of USAS, the promulgation of Income Tax Ordinance, 2001. As a result of these initiatives, the emphasis has shifted to voluntary compliance, automation of entire business processes and reduction of corporate tax rates from a peak of 49 percent to 29 percent in the tax year 2019.

The share of sales tax has witnessed a gradual decline over the years due to shifting of services to the provincial governments like telecommunication, banking and insurance services which were the major source of revenue of sales tax. Similarly, the contribution of customs duty in total FBR collection has come down from 45.7 percent in FY1991 to around 18 percent in FY2019. The decline in share is attributed to a gradual decline in maximum statutory rates of customs duty from 125 percent in FY1988 to 20 percent in FY2020.

Fig:4.7- Share of Direct and Indirect Taxes in Total FBR Collection (FY2019)



Historically, FED has been an important source of FBR revenues, however, it has witnessed a declining trend over the years and now it is limited to only a few commodities like cigarettes, cement, beverages, international travel etc. The contribution of FED in the total collection has dropped from 20 percent in FY1991 to 6 percent during FY2019.

The present government is focused on introducing a tax structure that is not only capable to generate sufficient revenues to meet government's need, but also embodies fairness and equity in taxation, reduces the burden of high taxes that distorts economic incentives, improve tax enforcement and promotes efficient and responsive tax administration. In this regard, various reforms / special initiatives and steps have been envisioned by FBR, aligned with progress in the sectoral policies for the facilitation of taxpayers. These initiatives are intended to give fruitful results in the form of better revenue collection in line with efforts to facilitate the taxpayers for the best outcome (Box-II).

Box-II: Major Initiatives Taken by FBR

A. Automation of Business Processes

For simplification/ automation of registration of sales tax and income tax, a mobile app has been launched for online registration. However, biometric verification has been outsourced to NADRA to avoid any contact between a tax collector and taxpayer. In addition, 'Tax Assan' App has also been launched which cater for filing of simple returns.

B. Income Tax Enforcement Measures

I. Withholding Taxes

- Special WH Tax Management Plan
- Taxpayer Education/Awareness Outreach Initiative
- Focused & Risk Based WH Taxes Monitoring

II. Broadening of Tax Base (BTB) Initiatives

i. Data obtained from DISCOs and Gas Companies for broadening of the tax base
   - Data of more than 3.5 million industrial and commercial users gathered
   - Informal letters issued to all such consumers for registration
   - In the first phase notices to industrial consumers issued for registration

ii. To develop a 360-degree view of tax payers, data sources like banks, vehicles and real estate transactions have been captured and a Data Bank developed.

iii. Number of tax filers has reached to around 2.7 million, which is a record high in the history of FBR for the tax year 2018.

C. Registration of Persons for Sales tax

Industrial and commercial data of DISCOs have been obtained which are being utilized for registration of those traders who have obtained commercial or industrial connections but are not registered for sales tax.

D. Sales Tax (Enforcement Measures)

i. Point of Sales (POS): Development of a mobile app for customers to get cash back on Sales Invoices
ii. Track & Trace System for Specified Goods (i.e., Tobacco, Cement, Sugar, Beverages and Fertilizers)
iii. Establishment of Port Teams for Third Schedule items
iv. Joint Anti-smuggling field intelligence exercise
v. Inland Revenue Enforcement Network (IREN)
   – Establishment of IREN to check smuggling and counterfeit products and counterfeit products in tobacco, electronics, Cosmetics and beverages.

Other Initiatives

i. Plaza Mapping at Lahore, Karachi and Islamabad
ii. Launch of Device Identification, Registration and Blocking System (DIRBS) to control smuggling of mobile devices
iii. Discouraging imports of luxurious goods through additional Regulatory Duties (RDs)
iv. Forensic audit in Sugar, Tobacco and Steel Industries to address leakages and tax evasion and in these industries

Under Customs Implementation Plan, the following are the priority initiatives

i. More contribution / collection through realizing stuck-up revenue through administrative measures like Auctions, Recovery, litigation disposal etc
ii. Enhance Effectiveness of the Risk Management Process/ Establishment of National Targeting Centre to prevent loss of revenue through mis-declarations in values, quantities, & description
iii. Strengthening of Post Clearance Audit Organization and Function to ensure that consignments cleared through Green channel are scrutinized and possible evasions/short payments are recovered
iv. Design, Develop and Roll Out of WeBOC-global for ease of doing business and promote bonafide imports

Besides above listed steps / initiatives, the government has also launched a five year reform program by obtaining a loan from the World Bank which includes:

i. Transformation of Business Model
ii. Organizational capacity building by HR system improvement
iii. Simplification of laws and procedures
iv. Taxpayer facilitation through behavioral change

Source: Federal Board of Revenue (FBR)

Fiscal Performance (July-March, FY2020)

The fiscal performance during the first nine months of the current fiscal year has remained strong. With the continuous efforts to ensure fiscal discipline, the government has successfully reduced the fiscal deficit to 4.0 percent of GDP during July-March, FY2020 against the deficit of 5.1 percent in the comparable period of FY2019. Similarly, primary balance posted a surplus of Rs 193.5 billion (0.5 percent of GDP) during July-March, FY2020 against the deficit of Rs 463.3 billion (-1.2 percent of GDP) last year. The improvement in the fiscal account is largely attributed to higher provincial surplus and a sharp rise in non-tax revenues. Overall, total revenues posted an impressive growth that outpaced the rise in expenditures.

Table 4.4: Consolidated Revenue & Expenditure of the Government

	FY2020 B.E	July-March (Rs Billion)		Growth
		FY2020	FY2019	FY2020
A. Total Revenue	7,458.0	4,689.9	3,583.7	30.9
% of GDP	16.9	11.2	9.4	
a) Tax Revenue	6,431.0	3,594.3	3,162.1	13.7
% of GDP	14.6	8.6	8.3	
Federal	5,822.0	3,273.1	2,874.4	13.9
of which FBR Revenues	5,555.0	3,044.3	2,704.5	12.6
other Federal	267.0	228.8	169.9	34.7
Provincial Tax Revenue	609.0	321.2	287.7	11.6
b) Non-Tax Revenue	1,027.0	1,095.6	421.6	159.9
% of GDP	2.3	2.6	1.1	
B. Total Expenditure	10,740.0	6,376.1	5,506.2	15.8
% of GDP	24.4	15.3	14.5	
a) Current Expenditure	9,025.0	5,611.6	4,798.4	16.9
% of GDP	20.5	13.4	12.6	
Federal	6,096.0	3,887.7	3,180.9	22.2
Mark-up Payments	2,891.0	1,879.7	1,459.2	28.8
% of GDP	6.6	4.5	3.8	
Defence	1,153.0	802.4	774.7	3.6
% of GDP	2.6	1.9	2.0	
Provincial	2,929.0	1,723.9	1,617.4	6.6
b) Development Expenditure & net lending	1,715.0	781.4	684.2	14.2
% of GDP	3.9	1.9	1.8	
PSDP	1,662.0	722.5	578.5	24.9
Other Development	80.0	29.2	77.4	-62.2
c) Net Lending	-27.0	29.7	28.3	4.9
e) Statistical discrepancy	0.0	-16.9	23.7	
C. Overall Fiscal Deficit	-3,282.0	-1,686.2	-1,922.5	-12.3
As % of GDP	-7.5	-4.0*	-5.1**	
Financing of Fiscal Deficit	3,282.0	1,686.2	1,922.5	-12.3
i) External Sources	1,829.0	682.4	524.5	30.1
ii) Domestic	1,453.0	1,003.8	1,398.0	-28.2
- Bank	484.0	601.8	787.7	-23.6
- Non-Bank	819.0	402.0	610.4	-34.1
Privatization Proceeds	150.0	0.0	0.0	
GDP at Market Prices	44,003	41,727	37,972	9.9

*On the basis of provisional GDP
**On the basis of revised GDP
Source: Budget Wing, Finance Division

According to the consolidated fiscal operations, revenue collection grew by 30.9 percent during July-March, FY2020 in contrast with 0.04 percent growth in the same period of FY2019 despite a slowdown in economic activity and import compression. In absolute terms, total revenues stood at Rs 4,689.9 billion (11.2 percent of GDP) during July-March, FY2020 against Rs 3,583.7 billion (9.4 percent of GDP) in the same period of FY2019. Both tax and non-tax revenues have performed better in boosting overall revenue collection.

Tax revenues increased to Rs 3,594.3 billion during the first nine months of the current fiscal year against Rs 3,162.1 billion in the comparable period last year, posting a growth of 13.7 percent. Tax revenues picked up in response to various policy measures implemented at the start of FY 2020. Out of total tax collection, federal and provincial tax revenues increased by 13.9 percent and 11.6 percent respectively during July-March, FY2020. Within total federal tax collection, FBR accumulated Rs 3,044.3 billion (7.3 percent of GDP) during July-March, FY2020 against Rs 2,704.5 billion (7.1 percent of GDP) in the same period of FY2019, posting a growth of 12.6 percent.

Non-tax revenues witnessed a strong recovery during July-March, FY2020 against the decline of 16.7 percent in the comparable period of last year. In absolute term, it amounted to Rs 1,095.6 billion during July-March, FY2020 against Rs 421.6 billion in the same period of FY2019. The major source of this rebound was a substantial rise in receipt of outstanding telecom licenses renewal fees and SBP profit. The breakup shows that out of the total, Rs 635.5 billion were accumulated as SBP profit followed by Rs 113.2 billion from PTA profit, Rs 70.0 billion under mark-up (PSEs & others), Rs 65.6 billion from royalties on oil/gas and Rs 26.6 billion as a dividend.

On the expenditure side, total expenditures incurred during July-March, FY2020 grew by 15.8 percent to Rs 6,376.1 billion (15.3 percent of GDP) as compared with Rs 5,506.2 billion (14.5 percent of GDP) in the comparable period of FY2019. Within the total, current expenditure remained the major source of increase with 16.9 percent growth in nine months of the current fiscal year. In absolute terms, it increased to Rs 5,611.6 billion during July-March, FY2020 against Rs 4,798.4 billion in the comparable period of last year. The increase in current expenditure is primarily attributed to higher mark-up payments, grants for social spending and expenditures on social protection.

It is worth mentioning that there has been a substantial rise in the grants during the current fiscal year as these increased by more than 50 percent to stand at Rs 363.1 billion against Rs 227.1 billion in the comparable period last year. Higher social spending reveals the government's commitment to improve the living standards of people apart from providing them with basic necessities of life.

On the other hand, the mark-up payments on both domestic and foreign debt consumed Rs 1,879.7 billion during July-March, FY2020 against Rs 1,459.2 billion in the comparable period of last year, thus grew by 28.8 percent. Increase in mark-up payments has been observed mainly on domestic debt as a result of higher interest rates and re-profiling of domestic debt.

Further breakup of current expenditures shows that defence expenditures grew by 3.6 percent to reach Rs 802.4 billion in the first nine months of the current fiscal year against Rs 774.7 billion in the same period of FY2019.

During July-March, FY2020, subsidies amounted to Rs 169.5 billion against Rs 96.8 billion in the same period of FY2019, registering a growth of 75 percent. The break-up shows that Rs 133.9 billion has been provided for inter-Disco tariff differentials and Rs 8.5 billion to WAPDA (receivables from FATA). Similarly, Rs 11.7 billion subsidy has been released to the LNG sector for providing gas to the industry on lower rates. Most importantly, against the budgeted amount of Rs 2.5 billion to Utility Stores Corporations (USC) for Ramazan package, the government has provided an amount of Rs 10 billion subsidy during the first nine months of the current fiscal year.

Development expenditure (excluding net lending) grew by 14.6 percent during July-March, FY2020 and stood at Rs 751.7 billion against Rs 655.9 billion in the same period last year. The sharp rise has been realized across both federal and provincial levels. In particular, PSDP expenditures grew by 24.9 percent during July-March, FY2020 in contrast to a sharp decline observed during the same period last year. In absolute term, PSDP expenditures escalated to Rs 722.5 billion in the first nine months of the current fiscal year against Rs 578.5 billion in the comparable period last year.

Within PSDP, provincial development expenditures witnessed a remarkable performance by posting a growth of 38.4 percent and amounted to Rs 382.0 billion during July-March, FY2020 against Rs 276.0 billion in the comparable period last year. Similarly, federal PSDP grew by 12.6 percent to stand at Rs 340.5 billion as compared with Rs 302.4 billion in the same period of FY2019.

In order to finance the fiscal deficit, domestic and external resources generated Rs 1,003.8 billion and Rs 682.4 billion respectively during July- March, FY2020. Of domestic sources, financing from bank stood at Rs 601.8 billion and from non-bank amounted to Rs 402.0 billion during the period under review.

Detailed analysis reaffirms this fact that overall, fiscal accounts have registered a significant improvement during the first nine months of the current fiscal year. However, the outbreak of COVID-19 has brought a plethora of challenges to further improve the fiscal indicators. The government has taken swift actions to control the spread of the virus along with introducing an economic stimulus package. The aspiration is to increase health expenditures, strengthening social safety net programs and supporting economic activity.

Nevertheless, in doing so, major risks have emerged towards the end of the current fiscal year such as expected revenue shortfall and a sharp rise in expenditures due to higher subsidies and grants. Consequently, the short term economic impact of COVID-19 is expected to be significant, creating large fiscal and external financing needs.

FBR Tax Collection (July-April, FY2020)

FBR tax collection has witnessed a remarkable turnaround during the current fiscal year after posting negative growth of 0.4 percent in FY2019. The overall FBR tax collection grew by 10.8 percent to Rs 3,300.6 billion during July-April, FY2020 against Rs 2,980.0 billion in the comparable period last year. Within the total, the domestic component of tax revenue collected by the FBR grew by 14.7 percent to stand at Rs 2,777.7 billion in first ten months of the current fiscal year against Rs 2,421.1 billion in the comparable period last year.

The rise in tax collection is attributed to various policy initiatives implemented at the start of FY2020 such as charging sales tax on more items at the retail price under 3rd Schedule, reinstatement of taxes on telecom services and an upward revision of tax rates on various salary slabs. In addition, an upward revision in the federal excise duty (FED) rates and the abolishment of the zero-rating regime on five export-oriented sectors provided further impetus to FBR tax collection.

Tax wise details are presented in the following table:

Table 4.5: FBR Tax Revenues (Rs Billion)

Revenue Heads	FY2019	July-April		% Change
	Actual	FY2019	FY2020*	
A. DIRECT TAXES				
Gross		1,147.8	1,285.3	12.0
Refund/Rebate		76.1	62.1	
Net	1,445.5	**1,071.7**	**1,223.2**	14.1
B. INDIRECT TAXES				
Gross		1,944.2	2,165.8	11.4
Refund/Rebate		35.9	88.4	
Net	2,383.0	**1,908.3**	**2,077.4**	8.9
B.1 SALES TAX				
Gross		1,186.5	1,424.8	20.1
Refund/Rebate		21.2	76.4	
Net	1,459.2	**1,165.3**	**1,348.4**	15.7
B.2 FEDERAL EXCISE				
Gross		184.0	206.1	12.0
Refund/Rebate		0.0	0.0	
Net	238.2	**184.0**	**206.1**	12.0
B.3 CUSTOM				
Gross		573.7	534.8	-6.8
Refund/Rebate		14.7	12.0	
Net	685.6	**558.9**	**522.8**	-6.5
TOTAL TAX COLLECTION				
Gross		3,092.0	3,451.0	11.6
Refund/Rebate		112.0	150.5	
Net	3,828.5	**2,980.0**	**3,300.6**	10.8

*: Provisional
Source: Federal Board of Revenue

I. Direct Taxes

The net collection of direct taxes has registered a growth of 14.1 percent during the first ten months of FY2020. The net collection has increased from Rs 1,071.7 billion to Rs 1,223.2 billion. The bulk of the tax revenues of direct taxes is realized from income tax. The major contributors of income tax are withholding tax, voluntary payments and collection on demand.

II. Indirect Taxes

The gross and net collections of indirect taxes have witnessed a growth of 11.4 percent and 8.9 percent respectively. It is accounted for 62.9 percent of the total FBR tax revenues.

i. Sales Tax

Within indirect taxes, net collection of sales tax increased by 15.7 percent. The gross and net sales tax collection during July-April, FY2020 has been Rs 1,424.8 billion and Rs 1,348.4 billion respectively, showing a growth of 20.1 percent and 15.7 percent respectively. In fact, around 55.0 percent of total sales tax was contributed by a sales tax on import during July-April, FY2020, while the rest was contributed by the domestic sector.

ii. Federal Excise Duty

The collection of federal excise duties (FED) during July-April, FY2020 has recorded 12.0 percent growth. The net collection has stood at Rs 206.1 billion during July-April, FY2020 as against Rs 184.0 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 negative growth of 6.8 percent and 6.5 percent in gross and net revenues respectively. The net collection has decreased from Rs 558.9 billion during July-April, FY2019 to Rs 522.8 billion during July-April, FY2020. 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 Tax Collection

COVID-19 pandemic has casted a significant impact on revenue collection efforts of FBR. During the first eight months of FY2020, FBR recorded total revenue collection of Rs 2,738 billion with a growth rate of 17.5 percent over last fiscal year. FBR was able to achieve 91.4 percent of its (first revised) target for the period. However, after the outbreak of COVID-19 pandemic, an average negative growth rate of 13.4 percent was recorded during March 2020 and April 2020 as compared to last year as well as compared to the projected collection. The situation is likely to exacerbate further during the month of May and slight recovery is expected in the last month of the financial year because of usual lumped government spending.

Assessment of the full impact of COVID-19 on FBR's tax collection merits analysis of the various expected and projected revenue figures prior to the time of crisis emergence. FBR's target which stood at Rs 4,807 billion was revised downwards to Rs 3,908 billion keeping in view the economic slowdown consequent to the pandemic. The aforementioned revision had thus forecasted a revenue loss of Rs 899 billion. Nevertheless, the actual shortfall is expected to be higher than what has been projected.

The Federal Government has recently announced an incentive package for the construction sector, fulfilling the longstanding demand of builders and developers for fixed income tax and declaration of the construction sector as an industry. The package would not only revive the construction industry but also serve as a catalyst to enhance business activity in forty different economic sectors. Furthermore, FBR is also striving for simplification of laws and procedures to reduce the cost of doing business and lower administrative burden.

The total impact of COVID-19 pandemic is yet to be determined. The dynamic and challenging nature of the crisis necessitates an equally dynamic and vigorous strategy that is capable of being evolved in response to the demands made on it.

Provincial Budget

Total expenditures of all provinces are expected to increase by 23.8 percent, to stand at Rs 4,090 billion in FY2020 against the revised estimates of Rs 3,302.5 billion in FY2019. Within the total, current expenditures are budgeted to rise by 12.7 percent to Rs 2,952.7 billion in FY2020 against the revised estimates of Rs 2,619 billion during FY2019. On the other hand, development expenditures are expected to remain at Rs 1,137.3 billion in FY2020 against the revised estimates of Rs 683.5 billion in FY2019, reflecting a growth of 66.4 percent. The share of current and development expenditures in total expenditures is expected to remain at 72 percent and 28 percent respectively during FY2020.

Table 4.6: Overview of Provincial Budgets Rs Billion

Items	Punjab		Sindh		Khyber Pakhtunkhwa		Balochistan		Total	
	FY2019 RE	FY2020 BE	FY2019 RE	FY2020 BE	FY2019 RE	FY2020 BE	FY2019 RE	FY2020 BE	FY2019 RE	FY2020 BE
A. Tax Revenue	**1,406.5**	**1,898.9**	**789.7**	**1,027.6**	**398.8**	**540.7**	**232.5**	**295.9**	**2,827.5**	**3,763.1**
Provincial Taxes	209.0	295.0	221.5	266.5	19.8	33.0	8.4	14.7	**458.7**	**609.2**
GST on Services (transferred by Federal Govt)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	**0.0**	**0.0**
Share in Federal Taxes	1,197.5	1,603.9	568.2	761.1	379.0	507.7	224.1	281.2	**2,368.8**	**3,153.9**
B. Non-Tax Revenue	**47.2**	**58.3**	**67.3**	**76.1**	**39.9**	**46.0**	**18.1**	**33.2**	**172.5**	**213.6**
C. All Others	**42.2**	**-29.7**	**66.3**	**21.8**	**60.7**	**202.1**	**5.8**	**3.5**	**175.0**	**197.7**
Total Revenues (A+B+C)	**1,495.9**	**1,927.5**	**923.3**	**1,125.5**	**499.4**	**788.8**	**256.4**	**332.6**	**3,175.0**	**4,174.4**
a) Current Expenditure	**1,225.0**	**1,298.8**	**751.8**	**870.2**	**411.8**	**526.3**	**230.4**	**257.4**	**2,619.0**	**2,952.7**
b) Development Expenditure	**227.9**	**350.0**	**230.9**	**360.2**	**175.6**	**319.0**	**49.1**	**108.1**	**683.5**	**1,137.3**
Total Exp (a+b)	**1,452.9**	**1,648.8**	**982.7**	**1,230.4**	**587.4**	**845.3**	**279.5**	**365.5**	**3,302.5**	**4,090.0**

Source: Provincial Finance Wing, Finance Division.

Overall provincial revenue receipts are estimated to increase by 31.5 percent to reach Rs 4,174.4 billion in FY2020 as compared to the revised estimates of Rs 3,175.0 billion during FY2019. Tax revenues accounting for 90 percent of total provincial revenues are expected to remain at Rs 3,763.1 billion in FY2020 which are 33.1 percent higher than last year's revised estimates. Whereas, non-tax revenues are budgeted to be at Rs 213.6 billion during FY2020 which are 23.8 percent higher than the revised estimates of Rs 172.5 billion in FY2019.

Allocation of Revenues between Federal Government and Provinces

According to the distribution of resources structured by the 7th NFC Award, the net transfers to provinces are Rs 3,410.7 billion in the budget estimates FY2020 indicating an increase of 32.8 percent over revised estimates in FY2019.

Table 4.7: Transfers to Provinces (NET)									Rs billion
	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 R.E	FY2020 B.E
Divisible Pool	1,063.1	1,117.5	1,287.4	1,476.6	1,751.5	1,996.3	2,230.1	2,368.8	3,153.8
Straight Transfer	145.6	103.5	124.4	97.4	100.4	125.1	86.0	93.8	100.8
GST on services	-	83.7	1.5	0.7	0.1				
Special Grants/ Subventions	53.9	61.2	53.8	33.7	32.6	23.4	26.5	28.1	96.5
Project Aid	47.8	71.3	85.2	61.9	60.2	77.9	133.1	114.0	112.4
Program Loans	4.6	4.2	59.1	18.1	29.6	15.9	26.5	52.8	50.7
Japanese Grant	0.1	0.0	0.0	0.0		0.0	0.0	4.5	0.0
Total Transfer to Province	**1,315.0**	**1,441.5**	**1,611.5**	**1,688.4**	**1,974.3**	**2,238.5**	**2,502.2**	**2,662.0**	**3,514.2**
Interest Payment	12.9	14.8	14.1	13.3	9.8	13.6	16.2	22.9	24.1
Loan Repayment	36.1	32.1	38.7	38.6	47.8	17.3	55.1	71.4	79.4
Transfer to Province(Net)	**1,266.0**	**1,394.5**	**1,558.8**	**1,636.6**	**1,916.8**	**2,177.6**	**2,430.9**	**2,567.7**	**3,410.7**

Source: Various issues of Budget in Brief.

The provincial share in federal taxes and straight transfers to provinces are budgeted to increase by 32.2 percent to reach Rs 3,255 billion during FY2020 against the revised estimates of Rs 2,463 billion in FY2019.

Provincial Fiscal Operations

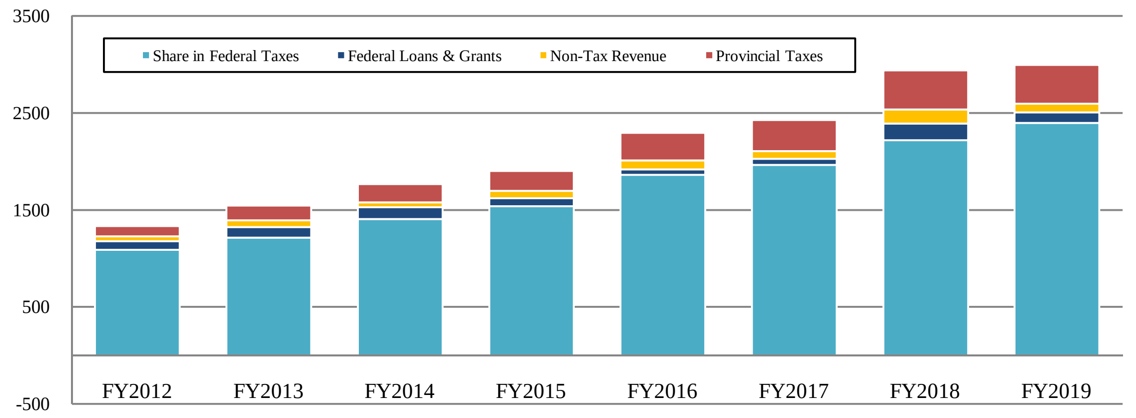
During FY2019, total revenues of provinces grew by 2.0 percent to Rs 2,995.9 billion against Rs 2,938.5 billion in FY2018. The slowdown in revenue growth stemmed from weak growth in the provincial taxes, the decline in non-tax revenues and federal loans and grants.

Table 4.8: Overview of Provincial Fiscal Operations										Rs billion
Items	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	Jul-Mar	
									FY2019	FY2020
Tax Revenue	**1,197.1**	**1,365.7**	**1,596.2**	**1,744.5**	**2,145.4**	**2,287.6**	**2,618.8**	**2,799.6**	**2,066.9**	**2,252.8**
Provincial Taxes	107.2	150.7	190.0	205.8	283.3	321.8	401.4	401.8	287.7	321.2
Share in Federal Taxes	1,089.9	1,215.0	1,406.3	1,538.7	1,862.2	1,965.8	2,217.4	2,397.8	1,779.1	1931.6
Non-Tax Revenue	**48.0**	**71.3**	**49.4**	**75.6**	**93.3**	**79.5**	**146.7**	**86.3**	**65.3**	**79.6**
All Others	**88.9**	**107.4**	**121.8**	**82.3**	**55.1**	**61.2**	**173.0**	**110.0**	**66.1**	**134.9**
Total Revenues	**1,334.0**	**1,544.4**	**1,767.4**	**1,902.4**	**2,293.9**	**2,428.2**	**2,938.5**	**2,995.9**	**2,198.3**	**2,467.4**
Current Expenditure	980.6	1,110.0	1,187.4	1,400.1	1,559.8	1,739.3	2,080.7	2,350.8	1,630.0	1741.8
Development Expenditure (PSDP)	375.4	371.5	430.5	498.8	592.4	852.2	880.1	506.2	276.0	382.0
Total Exp	**1,356.1**	**1,481.6**	**1,617.9**	**1,898.9**	**2,152.2**	**2,591.5**	**2,960.9**	**2,857.0**	**1,906.0**	**2,123.8**

Source: Fiscal Operations (various issues), Budget Wing

Provincial taxes witnessed a marginal growth of 0.1 percent to reach Rs 401.8 billion in FY2019 compared to Rs 401.4 billion in FY2018. Within provincial taxes, the collection from property taxes, stamp duty, excise duties and other sources grew by 26.6 percent, 12.2 percent, 8.4 percent and 14.2 percent, respectively. In contrast, the collection from General Sales Tax on Services (GSTS) posted a sharp decline of 9.4 percent, which more than offset the healthy collection from other components under provincial taxes.

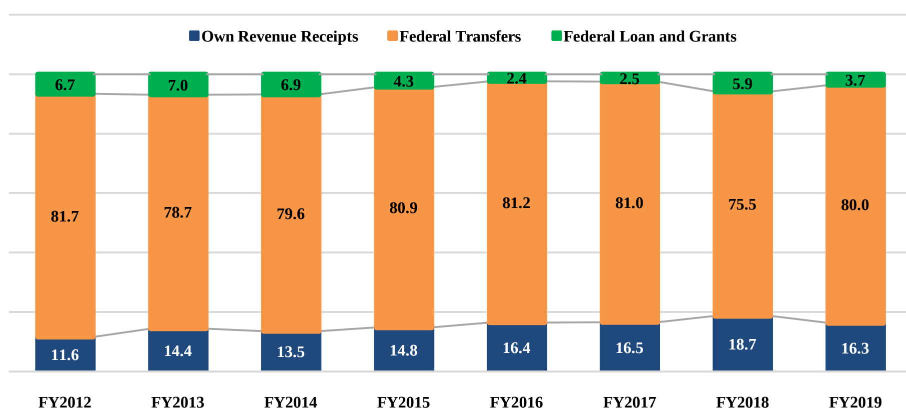
Fig: 4.8- Composition of Provincial Revenues (Rs billion)



On the other hand, the federal government was able to transfer 8.1 percent more funds to the provinces from the divisible pool. In absolute terms, it increased to Rs 2,397.8 billion in FY2019 against Rs 2,217.4 billion during FY2018. Non-tax revenues witnessed a sharp decline of 41.2 percent to stand at Rs 86.3 billion during FY2019 as compared to Rs 146.7 billion in FY2018. The major factor responsible for significant decline in non-tax revenue was the reduction in profit from hydroelectricity which stood at Rs 21.1 billion during FY2019 against Rs 61.3 billion recorded in FY2018.

The share of federal transfers stood at 80 percent while provincial own revenue receipts (tax and non-tax) contributed 16.3 percent in total revenues during FY2019.

Fig: 4.9- Contribution in Total Revenues



The growth in provincial expenditures witnessed a significant decline during FY2019 which was largely attributable to a sharp decline in development spending and sluggish growth in current expenditures as compared to the preceding year. Total provincial expenditures stood at Rs 2,857.0 billion during FY2019 against Rs 2,960.9 billion in the comparable period of FY2018, thus posting a decline of 3.5 percent. Within total expenditures, current expenditures grew by 13 percent to stand at Rs 2,350.8 billion in FY2019 against Rs 2,080.7 billion during FY2018. While development expenditures reduced significantly by 42.5 percent to Rs 506.8 billion during FY2019 as compared to Rs 880.1 billion in FY2018.

The provinces posted a cumulative surplus of Rs 190.0 billion during FY2019 against the deficit of Rs 17.5 billion in FY2018. Punjab posted a record surplus of Rs 122.3 billion followed by Sindh (Rs 42.1 billion), Balochistan (Rs 19.1 billion) and KP (Rs 6.6 billion).

Performance during July-March, FY2020

Fiscal consolidation efforts followed by the provinces have paid off in terms of posting a higher surplus. All the four provinces generated a cumulative surplus of Rs 394.1 billion during July-March, FY2020 against the surplus of Rs 291.6 billion in the same period of FY2019. Punjab and Balochistan contributed the most to this surplus with Rs 122.6 billion and Rs 106.3 billion respectively.

The higher surplus was achieved on the back of healthy growth in total revenues that grew by 12.2 percent to reach Rs 2,467.4 billion as compared with Rs 2,198.3 billion in the comparable period last year. Despite a significant part of provincial revenues stemmed from the federal side in the form of provincial share and federal loans and transfers, provincial own revenues receipts (provincial taxes and non-tax) have also performed better in nine months of the current fiscal year.

Out of total revenues, tax revenues grew by 9 percent to Rs 2,252.8 billion during July-March, FY2020 against Rs 2,066.9 billion in the same period of FY2019. Within tax revenues, federal transfers grew by 8.6 percent, while provincial taxes increased by 11.6 percent. Under provincial taxes, collection from property taxes and the general sales tax on services (GSTS) grew by 23.9 percent and 19.7 percent respectively. In particular, GSTS remained one of the major revenue spinners as it posted positive growth during July-March, FY2020 against the decline of 4.7 percent last year. In contrast, the collections from excise duty and motor vehicle taxes decreased in response to lower growth in the production of cars and motorcycles during the period under review.

Non-tax revenues witnessed a sharp rise during the first nine months of the current fiscal year against the decline recorded in the comparable period last year. It grew by 21.9 percent to Rs 79.6 billion during July-March, FY2020 against Rs 65.3 billion in the comparable period last year. The increase in non-tax revenue has been realized on account of profits from hydroelectricity and irrigation.

Consequently, with the significant rise in provincial taxes and non-tax revenues, the provincial own revenue collection grew sharply by 13.5 percent during July-March, FY2020 against the decline of 13.2 percent in the comparable period of FY2019.

On the other hand, total provincial expenditures grew by 11.4 percent during July-March, FY2020 and stood at Rs 2,123.8 billion against Rs 1,906.0 billion in the same period last year. The rise in expenditures has been observed on the back of a significant rise in development spending during the current fiscal year.

Development expenditure grew by 38.4 percent during July- March, FY2020 against the negative growth of 52.2 percent recorded in the same period last year. In absolute terms, development expenditures stood at Rs 382.0 billion during July-March, FY2020 as compared with Rs 276.0 billion in the comparable period of FY2019. A significant part of the development expenditure has been allocated to economic affairs, mainly to construction and transport, agriculture and food.

Conversely, current expenditures witnessed a slow growth and increased by 6.9 percent during the first nine months of current fiscal year relative to 13.8 percent growth recorded in the same period of last year. In absolute terms, it increased to Rs 1,741.8 billion against Rs 1,630.0 billion last year.

Public Financial Management Reforms in the Federal Government

In FY2020, Government of Pakistan continued its agenda for reforms in Public Financial Management (PFM). In this regard, a major breakthrough is the promulgation of the Public Finance Management Act, 2019. This piece of legislation was long overdue as Article 79 of the constitution of Islamic Republic of Pakistan makes it mandatory to manage public finances through an Act of Parliament.

The Act envisages strengthening management of public finances with the view to improving definition and implementation of fiscal policy for better macroeconomic management, to clarify institutional responsibilities related to financial management, and to strengthen budgetary management. Major thematic areas of the Act include efficient maintenance of public resources/ assets to optimize utilization, effective cash management and precise cash forecasting and institutional integration of concerned public entities to mitigate risks associated with fiscal performance and debt management. The Act also envisages to incorporate international best practices in public accounting to reduce discrepancies in financial records, in making performance-based budgeting, and to enhance transparency in budget making hence increasing the role of Parliament in oversight and accountability of economic decision making.

To implement the PFM Act, 2019 in letter and spirit, the government has notified a Cash Management and Treasury Single Account (TSA) Policy, 2019-29. This policy provides the framework for operationalization of cash consolidation to facilitate federal government to utilize idle cash held outside public coffers.

In order to make PFM reforms a holistic exercise, various other initiatives have already been taken which include the gradual introduction of high-end information technology (IT) to automate Public Procurements with an end-to-end integration with *e*-Payment system, completely shifting the mode of transaction for payments of pays and pensions of Government employees from manual to Direct Credit Scheme (DCS), alignment of human resource data of health and education sectors with respective financial data in an IT- enabled ecosystem, the introduction of Management Information System (MIS) for auditing health and education sectors, development of Open Public Finance Data Portal for increased citizen access to key fiscal information on health and education sectors, and inclusion of provincial governments in PFM reforms through providing performance grants against the achievement of numerous fiscal performance indicators. Finance Division is leading the implementation of the aforementioned PFM reforms' initiatives, and it is expected to be completed by the end of FY2021.

Conclusion

With the government's stringent fiscal strategy, the imbalances in fiscal accounts reverted to the path of fiscal discipline and fiscal consolidation. Efforts to improve the revenues through comprehensive tax measures and administrative reforms along with expenditure rationalization paid off in terms of a significant decline in the fiscal deficit. The government has successfully brought down the fiscal deficit to 4.0 percent of GDP during July-March, FY2020 against 5.1 percent of GDP in the comparable period last year. Similarly, the primary balance posted a surplus of Rs 194 billion during July-March, FY2020 against the deficit of Rs 463 billion.

However, the COVID-19 pandemic has altered the near-term outlook. It has brought significant challenges for the economy; in particular, fiscal accounts, which have continued to improve substantially, are expected to come under significant pressure. At present, the government is increasing the expenditures on public health and strengthening social safety net programs, along with introducing various other measures to lessen the impact of the COVID-19 on the economy. Resultantly, the budget will therefore temporarily deviate from the initial target. Similarly, achieving revenue targets of both tax and non-tax segments would be challenging due to disruption in economic activity. Hence, the budget deficit is expected to exceed the target set for FY2020.

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Chapter 5

MONEY AND CREDIT

A sound and efficient financial system plays a vital role in economic growth and development of the country. In fact, it helps to convert savings into investment. It provides a secure platform for carrying out economic transactions and helps in a smooth and quick transmission of changes in monetary policy stance to the real economy. On the other hand, an underdeveloped financial system not only disrupts financial intermediation but can also undermine the efficacy of monetary policy, intensifies capital flight and pressures on exchange rate, and prolongs economic downturn.

The COVID-19 pandemic has triggered an unprecedented human and health crisis. In an attempt to contain the spread of the virus, necessary measures, including lockdowns and social distancing, have restricted the economic activity, which in turn, may have implications for financial stability. In the wake of COVID-19 outbreak, market volatility spiked and borrowing costs have soared, particularly in risky credit markets. Emerging and frontier markets have witnessed the sharpest portfolio flow reversal on record. Consequently, it has increased the risk that borrower's inability to service their debts would put pressure on banks, leading to strains on credit markets.

Thus, within three months, the 2020 outlook has shifted from the expected growth of more than 3 percent globally to a sharp contraction of negative 3 percent, much worse than the output loss seen during the 2008-09 global financial crisis.[1]An extended period of disruption in the financial market may lead to a credit crunch for non-financial borrowers, further intensifying the economic downturn.

Weakening economic activity and increased downside risks buffeted by the outbreak of COVID-19 have prompted the countries across the globe to take swift actions. In this regard, central banks globally have taken bold and decisive actions by easing monetary policy and using unconventional monetary policy tools, including assets purchases and providing liquidity to the financial system in an effort to lean against the tightening in financial conditions and maintain the flow of credit to the economy. Policy rates are now near zero in many advanced economies.

Before the outbreak of COVID-19, there were signs of recovery in Pakistan's economy primarily reflecting the cumulative effect of stabilization and regulatory measures taken during the current financial year. Inflation has started to fall after reaching its peak in January 2020. This improvement is now subject to risks arising from the global and the domestic spread of COVID-19.

[1] World Economic Outlook IMF, April 2020

State Bank of Pakistan (SBP) has introduced various measures to mitigate the adverse effect on public and economy. The focus is on reducing the impact of COVID-19 on economic growth and employment and ensuring the stability of the banking and payment system.

Monetary Policy Stance

The SBP adopted tight policy stance throughout FY2019 in order to contain the demand pressures and anchor inflation expectations. The policy rate was increased by cumulative 575 bps in six decisions taken during the year. At the start of current fiscal year, SBP raised the policy rate by 100 bps to 13.25 percent in July FY2020, keeping in view the high inflationary pressures from exchange rate depreciation and the expected increase in short-term inflation due to adjustments in utility prices and other measures announced in Budget FY2020. The policy rate remained unchanged at 13.25 percent in subsequent monetary policy meetings held in September, November and January.

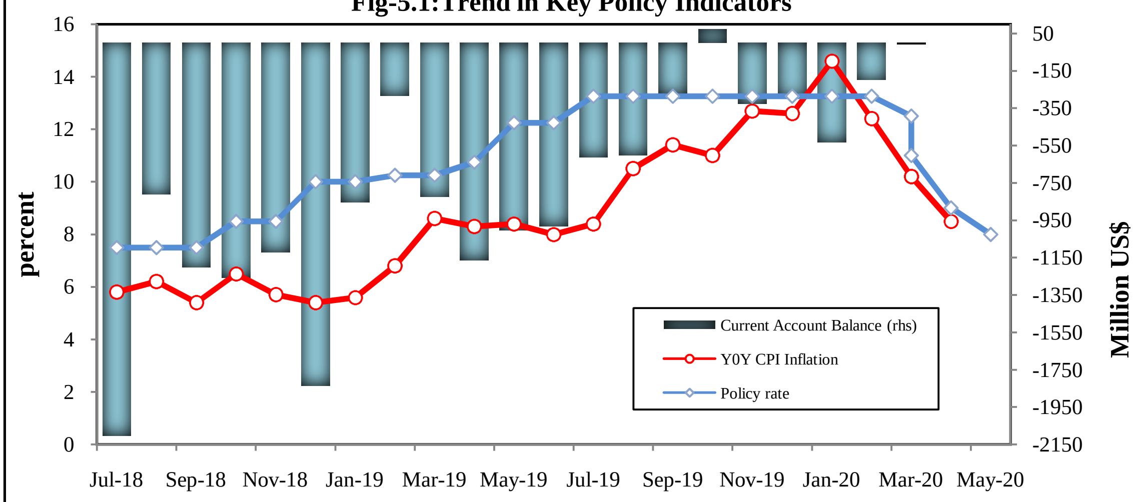
Table-5.1: Policy Rate

w.e.f	Policy rate
Jan-15	8.5
Mar-15	8.0
May-15	6.5
Sep-15	6.0
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
17th Mar-20	12.50
24th Mar-20	11.00
16th Apr-20	9.00
15th May-20 till date	8.00

Source: State Bank of Pakistan

With the outbreak of COVID-19, which changed global and domestic economic landscape, SBP has changed its policy stance in March 2020 when Monetary Policy Committee (MPC) in its meeting held on 17th March 2020 decided to reduce policy rate from 13.25 to 12.50 percent. The decision primarily based on the expectations of lower inflation in near future in the backdrop of deceleration in domestic food prices, sharp fall in global oil prices and sustained improvements in the current account.

Fig-5.1:Trend in Key Policy Indicators



The COVID-19 pandemic caused a slowdown in economic activity and increased uncertainty about the future. So, in order to mitigate likely impact of Coronavirus on economy, MPC cut policy rate by 150 bps to 11 percent during the same month. The worsening outlook for global and domestic scenario convinced MPC to cut the policy rate in April 2020 by a further 200 bps to 9 percent. However, SBP has further reduced the policy rate by 100 bps to 8 percent in light of improved inflation outlook in May 2020. A cumulative cut in policy rate by 525 bps in two months is expected to provide cushion to growth and employment, and support for recovery as pandemic subsides.

Other Measures by State Bank of Pakistan to fight COVID-19

Amid the growing concerns of COVID–19 pandemic related to the safety of the public, economic impact, and financial stability, SBP has taken a number of regulatory relief measures. Following are the salient features:

i. To support the workers and employees, a temporary Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns has been announced under which:
   a) Loans to businesses that commit to not lay off workers for the next three months will be available to finance 3 months of wages from April to June 2020.
   b) The SBP will finance up to 100 percent of wages and salaries of businesses with an average 3- month wage bill of up to Rs 500 million or 75 percent of 3 months wage bill, whichever is higher with maximum financing of Rs 1 billion.
   c) The end rate that will be charged from the borrowers will be up to 5 percent p.a. Tax filers would be eligible for 2 percent subsidy and will be charged an interest rate of 3 percent.

ii. For manufacturing, SBP announced a 'Temporary Economic Refinance Facility (TERF)' and its Shariah compliant version to stimulate new investment. Under this scheme:
   a. The SBP will refinance banks to provide financing at maximum per project to Rs 5 billion with end-user rate of 7 percent p.a. for 10 years for setting up of new industrial units;
   b. All manufacturing industries, with the exception of power sector where SBP has another refinance facility for renewable energy, are eligible to avail financing under the scheme.

iii. For export-oriented industries and manufacturing concerns SBP has extended the facility for import of raw material, spare parts and machinery.

iv. To support the health sector SBP has announced a 'Refinance Facility for Combating COVID-19 (RFCC)', under which:
   a. SBP will refinance banks to provide financing at a maximum end-user rate of 3 percent for 5 years for the purchase of equipment to detect, contain and treat the Coronavirus;
   b. Allowed financing against existing equipment and purchase of refurbished equipment for creating special facility/isolation ward to deal with COVID-19;
   c. Maximum coverage of 60 percent of civil works for setting up separate /isolation

facility has also been enhanced to 100 percent;

d. Allowed to make Import Advance Payment and Import on Open Account, without any limit, for the import of medical equipment, medicines and other ancillary items;

e. Enhanced financing limit of a single hospital/ medical center under its RFCC from Rs 200 million to Rs 500 million.

v. To facilitate exporters and importers

a. The SBP has reduced the performance requirement from twice to one-and-a-half times to get cheaper credit;

b. extension in time period by 6 months to meet performance requirements;

c. extension in time period to ship goods from six to twelve months;

d. relaxation in conditions for Long Term Financing Facility from 50 percent, or USD 5 million, to 40 percent or USD 4 million for all the borrowings under LTTF during the period January 01, 2020 to September 30, 2020;

e. SBP has also allowed banks to enhance the time period for realization of exports proceeds from existing requirement of 180 days to 270 days on a case-by-case basis where the delay is related to COVID-19 and for import of goods from existing requirement of 120 days to 210 days;

f. Limits on advance payments for imports increased from USD 10,000/ to USD 25,000/.

vi. The SBP has reduced the capital conservation buffer by 100 basis points to 1.5 percent;

vii. Increased the regulatory limit on extension of credit to SMEs by 44 percent from Rs 125 million to Rs 180 million;

viii. Relaxation of the debt burden ratio for consumer loans from 50 percent to 60 percent which will accommodate almost 2.3 million individuals;

ix. Allowing banks to defer clients' payment of principal on loan obligations by one year;

x. Relaxation of regulatory criteria for restructured/rescheduled loans for borrowers who require relief beyond the extension of principal repayment for one year.

xi. Margin call requirement of 30 percent vis-à-vis banks' financing against listed shares has been significantly reduced to 10 percent

xii. Banks/DFIs have been advised to suspend the dividend distribution for the next two quarters, which will further increase the resilience of banking sector and improve their ability to provide much needed credit support to the real economy.

xiii. Announced temporary regulatory measures to maintain banking system soundness and sustain economic activity. Following are the salient features of the measures being taken;

a. Waived all charges on fund transfers through online banking channels such as Inter Bank Fund Transfer (IBFT) and SBP's Real Time Gross Settlement System for customers.

b. Efficient Clearing of Cheques through (i) Direct Cheque Deposit Facility under which a crossed cheque may be presented by payee/beneficiary directly into paying/drawee bank and, (ii) to collect cheque from registered addresses of their customers upon their request (iii) drop box facility to drop cheques installed in selected branches.

c. Strengthening Cyber Resilience of Financial Institutions: SBP advised financial institution that; (i) only authorized users of shill access internal IT resources (ii) to ensure that their cyber security policies cater to risks of spying, interception, and modification (iii) to establish dedicated Cyber Threat Intelligence Units (CTI-U) and Emergency Response Teams (ERTs) to minimize and control the damage resulting from cyber security incidents (iv) caution in handling emails with suspicious/work-related subject line, attachment, or hyperlink.

xiv. In order to minimize the risk of COVID-19 spread due to biometric verifications and physical interactions of public at agent locations, SBP has advised following measures to Authorized Financial Institutions(AFIs):

a. Extended deadline for Biometric Verification of Level - 1 accounts till September 30, 2020 to enable customers to open and use BB platform for financial services.

b. Allowed Authorized Financial Institutions (AFIs) to introduce Biometric Verification through smart phone applications after complying with NADRA's security standards.

c. Encouraged AFIs to use digital channels for agent on-boarding with an objective of increasing financial services access points.

Recent Monetary and Credit Developments

Broad money expanded by Rs 1,481.3 billion during 01 Jul-24 Apr, FY2020 compared with Rs 540.6 billion last year. This higher money growth was due to a sharp expansion in the NFA of the banking system, specifically of the SBP. Net Foreign Assets (NFA) point contribution has increased to 5 percent during the period under review compared with the negative growth of 5.6 percent in the same period last year. NDA point contribution stood at 3.3 percent reflecting government spending to fight against the COVID-19 spread and provide relief to the population. Thus, overall money supply grew by 8.3 percent during the period under review.

Table-5.2: Profile of Monetary Indicators Rs Billion

	FY2019 (Stocks) R	24-Apr-20	26-Apr-19
Net Foreign Assets(NFA)	-1,507.1	893.7	-890.4
Net Domestic Assets(NDA)	19,305.6	587.6	1,431.0
Net Government Borrowing	12,336.7	911.7	825.9
Borrowing for budgetary support	11,596.5	1,023.9	990.9
From SBP	6,691.9	-736.5	3,204.7
From Scheduled banks	4,904.6	1,760.4	-2,213.9
Credit to Private Sector (R)	6,666.5	304.7	581.0
Credit to PSEs	1,394.2	-10.6	312.1
Broad Money	17,798.5	1,481.3	540.6
Reserve Money	6,573.4	549.1	488.0
Growth in M2 (%)	11.3	8.3	3.4
Reserve Money Growth (%)	19.9	8.4	8.9

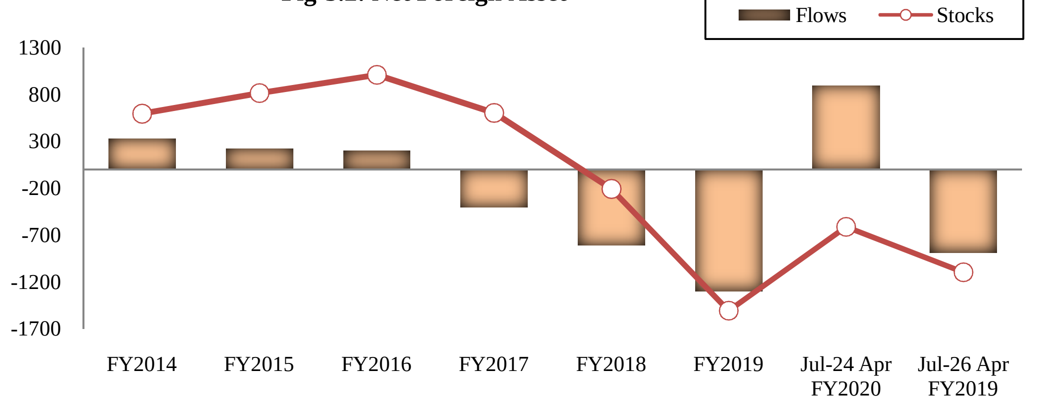
R: Revised
Source: Weekly Profile of Monetary Aggregates, State Bank of Pakistan

Reserve money grew by 8.4 percent (Rs 549.1 billion) during 01 Jul-24 Apr, FY2020 as compared to 8.9 percent (Rs 488 billion) during the comparable period last year. The increase in reserve money has been observed on account of a substantial rise in SBP's NFA. The NFA of SBP increased by Rs 902.7 billion during 01 Jul – 24 Apr, FY2020 against a sharp contraction of Rs 743.8 billion in the same period last year. On the other hand, NDA of SBP declined by Rs 353.7 billion against the increase of Rs 1,231.8 billion during the corresponding period last year as government has discontinued its borrowing from SBP.

Within broad money, the NFA of the banking sector expanded by Rs 893.7 billion during 01 July-24 Apr, FY2020 against the contraction of Rs 890.4 billion in the same period last year. The increase in NFA reflects the improvement in the country's external account (relatively high remittances inflows, higher foreign investment, and increase in loan disbursements from the IMF Extended Fund Facility (EFF), activation of the Saudi oil facility, and other commitments of support from multilateral and bilateral partners). While the expansion in net domestic assets remained moderate and stood at Rs 587.6 billion against the expansion of Rs 1,431 billion in the corresponding period last year. The growth in NDA decelerated due to low growth in credit to private sector (PSC) and net retirement of credit to public sector enterprises (PSEs), reflecting the economic slowdown.

During FY2020, broad money (M2) witnessed an expansion of Rs 1,481.3 billion (8.3 percent) during 01 July-24 Apr, FY2020 against the increase of Rs 540.6 billion (3.4 percent) in the comparable period last year. The expansion during FY2020 so far has been driven by a substantial rise in NFA, whereas NDA of the banking system showed deceleration.

Fig-5.2: Net Foreign Asset



Credit to private sector (CPS) flows stood at Rs 693.5 billion during FY2019 against Rs 775.5 billion last year. CPS stood at Rs 304.7 billion during 01 Jul-24 Apr, FY2020 as compared to the expansion of Rs 581 billion in the corresponding period. As a part of stabilization measures, SBP initially increased the policy rate to contain the demand pressure and to improve inflation outlook. Consequently, slowdown in economic activities and high cost of borrowing triggered a decrease in credit demand.

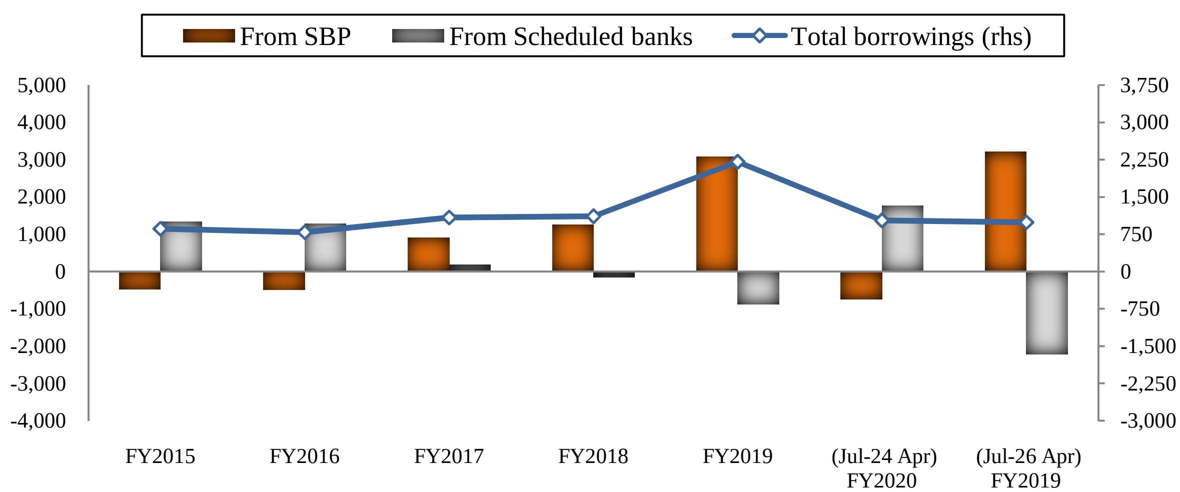
During 01 Jul-24 Apr FY2020, Credit to Public Sector Enterprises (PSEs) witnessed a retirement of Rs 10.6 billion against the borrowing of Rs 312.1 billion during the same period of last year.

Government Bank Borrowing

The government has borrowed Rs 1,023.9 billion for budgetary support during 01 Jul-24 Apr, FY2020 compared to Rs 990.9 billion in the same period last year. Increased availability of funding from external and non-bank sources led to lower net budgetary requirement from banking system till February 2020. An abrupt increase in budgetary borrowing has been observed since the outbreak of the epidemic, which affected government revenues and required emergency spending.

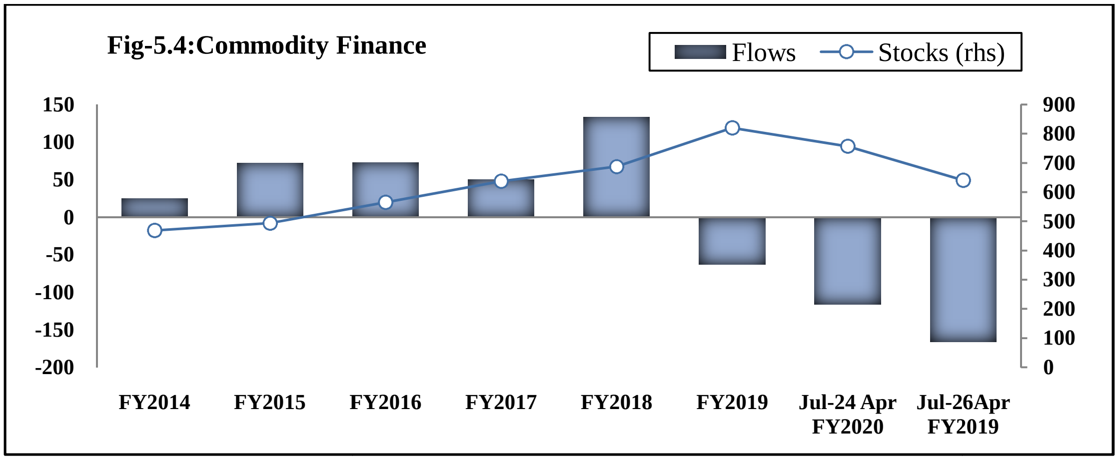
As the government had committed not to borrow from the SBP to finance its deficit under IMF's Extended Fund Facility (EFF) program, most of the financing need was met through scheduled banks. Government has borrowed Rs 1,760.4 billion from scheduled banks, as opposed to net retirement of Rs 2,213.9 billion in the corresponding period. On the other hand, Rs 736.5 billion was retired to the SBP, compared to borrowing of Rs 3,204.7 billion in the same period last year. Net government sector borrowing thus remained at Rs 911.7 billion during the period under review compared with Rs 825.9 billion last year.

Fig-5.3: Government Borrowings (Flows) (Rs billion)



Commodity Finance

Commodity finance refers to advances provided to government, public sector corporations or private sector for the procurement of commodities such as cotton, rice, wheat, sugar, fertilizer, etc. The outstanding stock of commodity finance shows a negative growth of 7.7 percent in FY2019 and reached to Rs 756.4 billion against Rs 819.7 billion last year. In terms of flows, commodity finance witnessed a net retirement of Rs 63.3 billion in FY2019 as compared to an increase of Rs 133.2 billion last year. These retirements mainly reflected the ease in cash flow of wheat procuring agencies, which were able to pay back Rs 73.1 billion to the banking system during FY2019.



Loans for commodity finance observed a net retirement of Rs 116.5 billion during 01 Jul-24 Apr, FY2020 as compared with the net retirement of Rs 166.7 billion in the corresponding period last year. The outstanding stock of commodity financing stood at Rs 639.9 billion as on 24 Apr, FY2020 as compared to Rs 652.9 billion in the same period last year.

During Jul-Mar, FY2020, loans for wheat financing recorded a net retirement of Rs 109.4 billion compared to the retirement of Rs 174.1 billion in the corresponding period of last year. The outstanding stock of wheat decreased to Rs 544.8 billion compared to Rs 553.2 billion in the same period of last year.

The fertilizer financing observed a net retirement of Rs 3.3 billion during Jul-Mar, FY2020 compared to the borrowing of Rs 5.1 billion in the corresponding period of last year. Whereas, financing for sugar sector shows the borrowing of Rs 6.2 billion against the borrowing of Rs 2.7 billion in the same period of last year. Rice financing also observed net retirement of Rs 0.84 billion during the period under review as compared to the borrowing of Rs 0.08 billion last year. Retirement of wheat is one of the major contributors of net contraction in loans for commodity finance, others are fertilizer and rice.

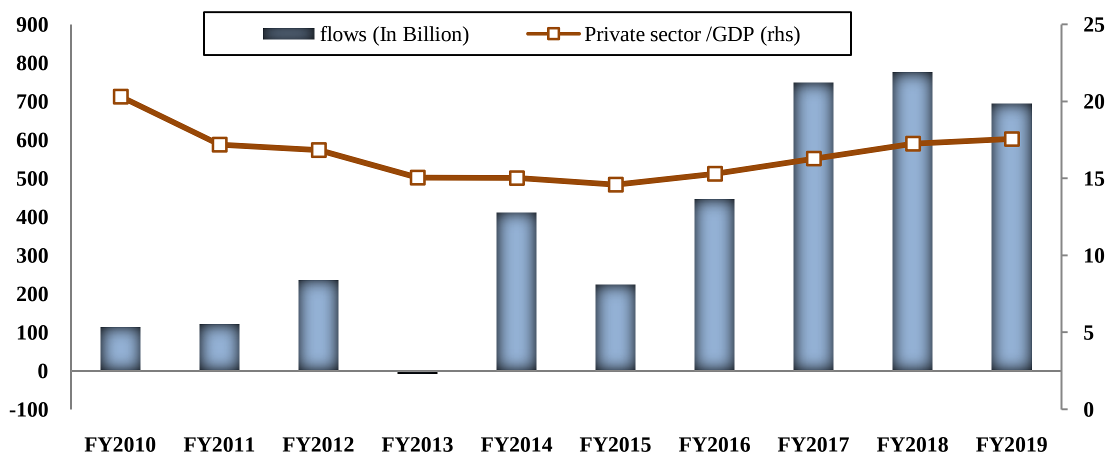
Credit to Private Sector[2]

Private sector credit remained subdued and reached to Rs 693.5 billion in FY2019 compared with Rs 775.5 billion in FY2018. Decrease in credit demand was primarily due to the slow economic activities in the industrial sector and decline in imports.

The growth in private sector credit (PSC) decelerated, reflecting the slowdown in domestic economic activities along with the higher cost of borrowing and lately due to suspended production activities amid COVID-19 lockdown which resulted in a halt in repayments. The overall credit to private sector witnessed an expansion of Rs 304.7 billion during 01 Jul – 24 Apr FY2020, which is substantially lower than the net expansion of Rs 581 billion in the corresponding period of FY2019. On average, it has posted a growth of 4.6 percent against the growth of 9.7 percent in the previous year. On Year-on-Year (YoY) basis, it has shown a growth of 6.4 percent as on 24th April, FY2020.

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

Fig-5.5: Credit to Private Sector



Sectoral Analysis

Table: 5.3 - Credit to Private Sector* — Rs Billion

Sectors	End Month Stocks				Jul-Mar (Flows)		Average (Jul-Mar) Growth Rates	
	June-18	March-19	June-19	March-20	FY2019	FY2020	FY2019	FY2020
Overall Credit (1 to 5)	**5,481.9**	**6,069.8**	**6,086.6**	**6,291.9**	**587.8**	**205.3**	**10.7**	**3.4**
1. Loans to Private Sector Business	**4,594.7**	**5,149.4**	**5,173.5**	**5,360.8**	**554.7**	**187.3**	**12.1**	**3.6**
A. Agriculture	305.5	295.8	301.5	286.3	-9.7	-15.2	-3.2	-5.0
B. Mining and Quarrying	42.7	55.3	68.0	75.9	12.6	7.9	29.4	11.7
C. Manufacturing	2,707.6	3,159.6	3,128.9	3,366.6	452.0	237.7	16.7	7.6
D. Textiles	807.0	980.8	919.6	1,111.1	173.9	191.5	21.5	20.8
E. Electricity, gas and water supply	399.5	458.7	484.0	531.4	59.1	47.4	14.8	9.8
F. Construction	164.4	152.6	153.7	124.3	-11.8	-29.4	-7.1	-19.1
G. Commerce and Trade	377.0	434.1	477.3	433.8	57.1	-43.5	15.2	-9.1
H. Transport, storage and Communications	234.2	230.9	106.6	118.8	-3.2	12.2	-1.4	11.4
I. Other private business n.e.c	45.0	49.9	69.2	50.4	5.0	-18.8	11.0	-27.2
2. Trust Funds and NPOs	**19.3**	**18.0**	**18.5**	**18.4**	**-1.3**	**-0.1**	**-6.7**	**-0.5**
3. Personal	**606.2**	**655.7**	**674.3**	**708.1**	**49.5**	**33.8**	**8.2**	**5.0**
4. Others	**4.0**	**5.0**	**3.2**	**1.5**	**1.0**	**-1.7**	**24.5**	**-53.2**
5. Investment in Security & Shares of Private Sector	**257.7**	**241.6**	**217.2**	**203.2**	**-16.0**	**-14.0**	**-6.2**	**-6.5**

* The sector-wise data for FY2019 and FY2020 may not be fully comparable, as the flows for H1-FY2019 are based on ISIC 3.1 whereas the flows for H1-FY2020 are based on ISIC 4.0 classification.

Source: State Bank of Pakistan

Due to the slowdown in the economic activity, overall credit remained subdued at 3.4 percent and stood at Rs 205.3 billion during Jul-Mar FY2020. Private Sector Businesses (PSBs), received 91.3 percent of overall credit and amounted to Rs 187.3 billion during the period under review. Sectors which posted the higher credit expansion include Mining and Quarrying (11.7 percent) followed by Transport, Storage and Communication (11.4 percent), Electricity, Gas and Water Supply (9.8 percent) and Manufacturing (7.6 percent) of which, Textiles (20.8 percent).

Table 5.4: Loans* to Private Sector Businesses** Billion Rupees

Description	Total credit		Working capital		Fixed investment		Trade financing	
	(Jul-Mar) FY2019	(Jul-Mar) FY2020	(Jul-Mar) FY2019	(Jul-Mar) FY2020	(Jul-Mar) FY2019	(Jul-Mar) FY2020	(Jul-Mar) FY2019	(Jul-Mar) FY2020
Total loans to private businesses	554.7	187.3	369.0	28.8	83.1	(5.2)	102.5	163.8
of which								
1) Manufacturing	452.0	237.7	290.8	42.9	51.6	19.1	109.6	175.7
Textiles	173.9	191.5	101.8	42.3	19.0	26.2	53.1	123.0
Chemicals	21.1	(7.4)	16.0	(14.5)	(0.1)	1.3	5.1	5.7
Paper and paper products	1.1	(10.7)	0.8	(7.0)	0.1	(3.1)	0.2	(0.7)
Rice processing	41.4	19.1	30.4	8.4	0.1	0.2	11.0	10.5
Sugar	34.9	49.4	9.0	48.7	14.1	(3.4)	11.9	4.1
Rubber and plastic products	3.9	1.8	2.2	(1.7)	(2.3)	(0.7)	3.9	4.2
2) Electricity, gas & water supply	59.1	47.4	15.8	45.6	48.2	3.8	(5.0)	(2.0)
3) Transport, storage &Communications	(3.2)	12.2	8.7	19.0	(16.7)	(6.9)	4.8	0.1
4) Construction	(11.8)	(29.4)	9.2	(18.5)	(20.7)	(9.6)	(0.3)	(1.3)
5) Real estate activities	22.1	2.7	12.6	3.5	9.6	(0.8)	(0.1)	-
6) Agriculture	(9.7)	(15.2)	(1.5)	(6.6)	(9.2)	(7.7)	1.0	(1.0)
7) Mining and Querying	12.6	7.9	7.7	(0.1)	5.6	4.7	(0.7)	3.3

* Loans include advances plus bills purchased & discounted excluding foreign bills.
** The sector-wise data for FY2019 and FY2020 may not be fully comparable, as the flows for H1-FY2019 are based on ISIC 3.1 whereas the flows for H1-FY2020 are based on ISIC 4.0 classification.

Source: State Bank of Pakistan

By type of finance, there was a deceleration in both the working capital and fixed investment due to slowdown in the economic activity. Working capital, which was already lower due to weak demand, was further depressed recently due to shut down in production (in result of lock down) and reached to Rs 28.8 billion during Jul-Mar FY2020.

Strong credit demand for working capital stemmed from manufacturing sector of which major contributors are textiles (Rs 42.3 billion), and sugar (Rs 48.7 billion). Among non-manufacturing businesses, short-term borrowing by the power sector was noteworthy. Another notable increase was recorded in the transport sector, whose working capital borrowing rose by Rs 19 billion during Jul-Mar, FY2020. This mainly represents borrowing by a deep sea port operator that is modernizing its operations.

Demand for fixed investment loans witnessed a contraction of Rs 5.2 billion during Jul-Mar FY2020 as several sectors (mainly power and chemicals) preferred to use their own sources (deposits) to offset their long-term borrowing in an attempt to reduce the high cost of borrowing.

Despite the slowdown in credit to private sector businesses, some sector specific developments contributed positively. For example, cement and textile sectors have been performing well so far on account of recovery in domestic sales and higher exports. Moreover, the outlook seems favorable as government has allowed construction sector to carry out their activities despite the COVID-19 pandemic to support the employment for daily wage earners.

In addition, the SBP has introduced a number of measures and some concessional refinance schemes to address both the demand and supply side conditions for businesses such as Temporary Economic Refinance Facility (TERF), Refinance Facility for Combating COVID-19 (RFCC) and Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns. All these measures are aimed at facilitating the businesses to remain afloat during the crisis times. On the demand side, a cumulative reduction of 525 bps in the policy rate is expected to address the high cost of borrowing issue.

Table-5.5: Consumer Financing Rs Billion

	July-March (Flows)		**Growth (%)***	
Description	**FY2019**	**FY2020**	**FY2019**	**FY2020**
Consumer Financing	43.0	15.5	9.0	2.9
1) For house building	8.3	-5.6	10.0	-6.1
2) For transport i.e. purchase of car	17.7	3.2	9.1	1.5
3) Credit cards	4.0	2.4	10.6	5.5
4) Consumers durable	3.2	1.1	116.9	17.1
5) Personal loans	9.8	14.4	6.1	7.9
6) Other	1.5	-0.2	19.7	-19.8

*Growth is calculated on the basis of Stocks.

Source: State Bank of Pakistan

During Jul-Mar FY2020 demand for consumer financing credit remained subdued at Rs 15.5 billion (growth of 2.9 percent) compared to Rs 43 billion (growth of 9 percent) in the same period of last year. Consumers perceived current fiscal year to be challenging to spend for house building, consumer durable, auto financing and others as overall consumer confidence remained weak with the rising inflation. Consumer financing for transport, credit cards and household durable items decelerated to Rs 3.2 billion, Rs 2.4 billion, Rs 1.1 billion respectively during the period under review. The decline in consumer credit is the obvious outcome of the demand management policies being followed in the period under review.

Consumer financing for house building and other shows a negative growth of 6.1 percent and 19.8 percent respectively. To promote and develop housing finance in Pakistan, SBP has undertaken following initiatives:

- The regulatory relaxations allowed in the area of low-cost housing finance include removal of general reserve requirement, increase in loan to value ratio, lowering of risk weights, exemption from exposure limit on real estate etc.
- To facilitate availability of long-term affordable funding for housing to special segments of society e.g. Widows, Transgender, special persons, SBP shall provide refinance against subsidized low cost housing financing by banks/DFIs (conventional and Islamic).
- Assigned targets for overall housing finance portfolio to banks and targets for low cost housing for special segments to both banks and HBFCL.
- Bank/DFI’s exposure in housing finance was excluded from calculating the real estate exposure limit (i.e., 10 percent of the aggregate of advances and investments excluding investments in Government securities).

Monetary Liabilities

Monetary Liabilities includes currency in circulation, demand deposits, time deposits and resident's foreign currency deposits. Money supply shows expansion of 8.3 percent during 01 Jul-24 Apr, FY2020 compared to 3.38 percent corresponding period last year. On YoY basis, it posted a growth of 16.6 percent as on 24th April, 2020.

Currency in Circulation (CiC)

During 01 Jul-24 Apr, FY2020, CiC has witnessed an expansion of Rs 980.3 billion (growth of 19.8 percent) against Rs 389.5 billion (growth of 8.9 percent) comparable period of last year. Currency-to-M2 ratio has increased to 30.8 percent as on 24th April, 2020 against 28.9 percent in the same period last year. The sharp expansion in CiC during the period under review has been observed on account of increase in transactional demand due to higher inflation, and government's measures towards documentation of informal economy. However, the rise in CiC is almost doubled after February 2020, due to lockdown across the country as people are holding cash to meet ends. In addition, cash disbursement under Ehsaas program also attributed to the rise in CiC.

Table 5.6: Monetary Aggregates Rs Million

Items	End June		24 April	
	FY2018	**FY2019**	**FY2019**	**FY2020**
A. Currency in Circulation	4,387,829	4,950,039	4,777,296	5,930,358
Deposit of which:				
B. Other Deposits with SBP	26,963	33,636	34,102	34,981
C. Total Demand &Time Deposits incl. RFCDs	11,582,372	12,814,820	11,726,348	13,314,462
of which RFCDs	829,355	1,109,780	944,686	1,065,250
Monetary Assets Stock (M2) A+B+C	15,997,162	17,798,494	16,537,744	19,279,799
Memorandum Items				
Currency/Money Ratio	27.4	27.8	28.9	30.8
Other Deposits/Money ratio	0.2	0.2	0.2	0.2
Total Deposits/Money ratio	72.4	72	70.9	69.1
RFCD/Money ratio	5.2	6.2	5.7	5.5
Income Velocity of Money	2.3	2.3	_	_

Source: State Bank of Pakistan

Deposits

Bank deposits (including demand, time and Resident Foreign Currency Deposits (RFCD)) surged to Rs 499.6 billion (growth of 3.9 percent) during the period 01 Jul-24 Apr, FY2020 as compared to Rs 144 billion (growth of 1.2 percent) in the corresponding period last year. Both demand and time deposits increased and reached to Rs 167.7 billion and Rs 376.4 billion respectively during the period under review. High returns offered on term deposits and recent reduction in interest rates on National Saving Scheme (NSS) instruments may have contributed to expansion in time deposits. On the contrary, RFCDs shows contraction of Rs 44.5 billion a reflection of gradual appreciation of PKR from end-Jun 2019, which lowered incentive for savings in foreign currency. Another possible reason could be the lower need of foreign currency deposits due to travel restrictions and low trading activities.

Monetary Management

During first quarter of CFY the interbank market observed a stint of liquidity drains as banks 'participation in government securities auctions has increased heavily amid deposit withdrawals. However, net retirement by private sector, PSEs and the government's commodity procurement agencies and net injections by the SBP in the interbank market provided relief to the strain resulting to increase in net injections to Rs 1.34 trillion compared with Rs 1.04 trillion during the same period last year.[3]

Table 5.7: Average Outstanding Open Market Operations[1] Rs Billion

	FY2017	FY2018	FY2019	FY2020*
Full Year	**1,045.8**	**1,228.7**	**(23.8)**	**3.14**
Q1	1,094.0	1,440.9	1,035.2	1,337.7
Q2	861.3	1,530.5	(257.6)	912.8
Q3	961.1	1,123.5	(641.2)	892.4
Q4	1,267.2	813.1	(247.4)	-

[1]: The data does not include the impact of outright OMOs. *: Updated upto End-March 2018
Note: (+) amount means net Injections. (-) amount means net mop-up.
Source: State Bank of Pakistan

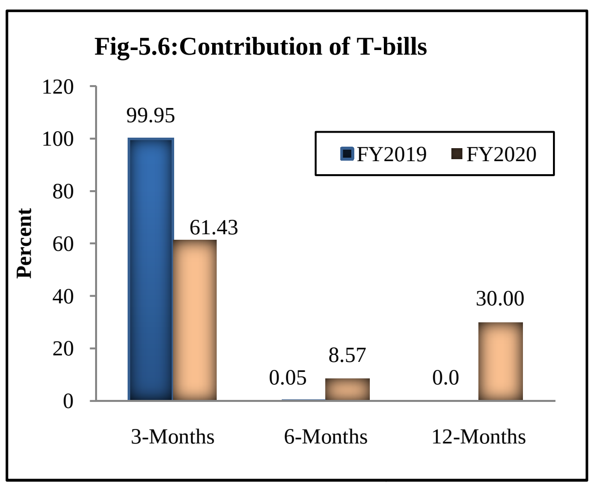
In the second and third quarter, outstanding OMO injections remained lower (Rs 912.8 billion and Rs 892.4 billion respectively) as compared to the preceding quarter. This may be attributed to the limited SBP's activity in the interbank market and net retirements by the government to scheduled banks and SBP's foreign exchange purchases[4].

Table 5.8: Market Treasury bills Auctions Rs Million

	Jul-Jun			Jul-Mar					
	FY2019			Offered		Accepted		W.A.Rate*	
	Offered	Accepted	W.A Rate*	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020
3-Months	23,757,544	18,866,489	9.8	14,960,868	12,790,718	13,802,533	8,122,054	8.7	12.5
6-Months	120,484	8,928	10.3	111,444	2,420,952	6,527	1,133,167	9.2	12.6
12-Months	29,073	500	13.2	8,870	11,467,044	0	3,966,446	0.0	12.4
Total	**23,907,101**	**18,875,917**		**15,081,182**	**26,678,714**	**13,809,060**	**13,221,667**		

*Average of maximum and minimum rates
Source: State Bank of Pakistan

Market offered the total amount of Rs 26,678.714 billion for T-Bills during Jul-Mar, FY2020 against Rs 15,081.182 billion in the comparable period last year. During current fiscal year, the government has raised Rs 13,221.7 billion (49.6 percent of the offered amount) in the T-bill's auction compared to last year accepted amount of Rs 13,809.06 billion. A clear shift in banks' behavior has been observed during the auctions in the current fiscal year. During Jul-Mar FY2020, around 61.43 percent of outstanding T-bills comprised of 3 months,



[3]First quarterly Report, FY2020 SBP
[4]Second quarterly Report, FY2020 SBP

whereas the share of 12 months rose to 30 percent (0.0 percent last year) followed by 8.6 percent in 06-months.

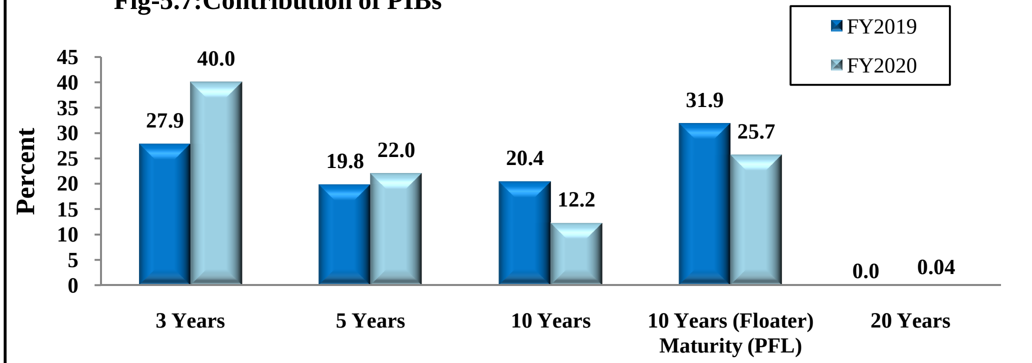
Table 5.9: Pakistan Investment Bonds Auctions Rs Million

PIBs	July-June			Jul-Mar				W.A Rate	
	Offered	Accepted	W.A Rate	Offered		Accepted			
	FY2019			FY2019	FY2020	FY2019	FY2020	FY2019	FY2020
3 Years	976,869	418,859	12.8	520,617	1,872,240	180,322	900,059	12.1	12.8
5 Years	653,189	199,680	11.5	268,914	1,467,540	128,451	494,899	11.0	12.4
10 Years	815,509	253,195	13.3	328,538	1,145,149	132,237	275,183	13.0	12.1
10 Years (Floater) Maturity (PFL)*	706,324	311,776	11.1	477,574	1,233,051	206,434	577,292	Benchmark + 70 bps	14.3
15 Years	0	-	-	-	-	-	-	-	-
20 Years	5,000	-	-	5,000	15,259	-	1,000	-	-
30 Years	0	-	-	-	-	-	-	-	-
Total	**3,156,891**	**1,183,510**		**1,600,643**	**5,733,238**	**647,443**	**2,248,432**		

*: The benchmark for coupon rate is defined in clause 'B' of DMMD Circular No. 9 dated May 07, 2018.
Note: Accepted amount include non-competitive bids as well as short sell accommodation.
Source: State Bank of Pakistan

Market offered a total amount of Rs 5.7 trillion during Jul-Mar, FY2020 under PIB auctions as compared to Rs 1.6 trillion in the same period last year. However, fixed rate PIBs accepted amount stood at Rs 1,671.1 billion against the offered amount of Rs 4,500.2 billion. Heavy investment of fixed rate PIBs witnessed in 3 years as it contributed 53.9 percent of the accepted amount followed by 29.6 percent in 5 years, 16.5 percent in 10 years and 0.1 percent in 20 years. Meanwhile, accepted floating rate PIBs amounted to Rs 577.3 billion under 10 years maturity, 46.8 percent of offered amount. Just like T-bills, the acceptances remained on the lower side, which constrained the liquidity of the long-term bonds in the secondary market[5].

Fig-5.7:Contribution of PIBs



Source: State Bank of Pakistan

Weighted Average Lending Rate (WALR) on gross disbursements also increased from 10.7 percent in March, 2019 to 13.8 percent in Jan 2020 (highest in the current fiscal year), making difficult for private sector to viably meet their liquidity needs through bank borrowings. However, in the month of March 2020 WALR decreases to 12.7 percent. Similarly, Weighted Average Deposit Rate (WADR) offered on fresh deposits also increased from 6.5 percent in March, 2019 to 7.8 percent in Jan, 2020, then eventually

[5]Second quarterly Report, FY2020 SBP

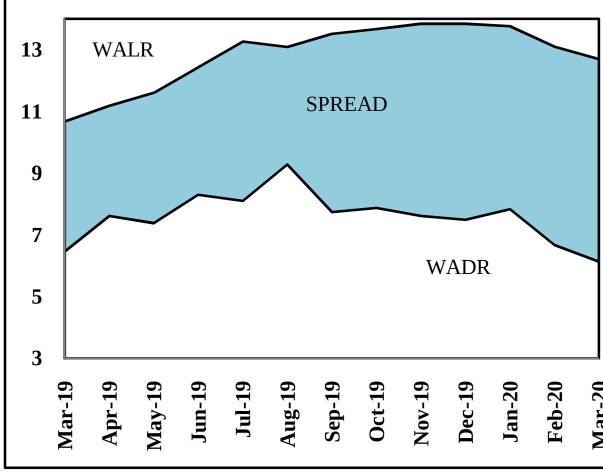
declined to 6.1 percent in March 2020. Resultantly, banking spread which generally refers to the cost of channeling funds through intermediaries and is the difference between the lending and deposit rates increased to 6.6 percent in March 2020 from 4.2 percent in March 2019.

Table-5.10: Lending & Deposit Rates (W.A)

	LR	DR	Spread
Mar-19	10.7	6.5	4.2
Apr-19	11.2	7.6	3.6
May-19	11.6	7.4	4.2
Jun-19	12.4	8.3	4.1
Jul-19	13.3	8.1	5.2
Aug-19	13.1	9.3	3.8
Sep-19	13.5	7.7	5.8
Oct-19	13.7	7.9	5.8
Nov-19	13.8	7.6	6.2
Dec-19	13.8	7.5	6.4
Jan-20	13.8	7.8	5.9
Feb-20	13.1	6.7	6.4
Mar-20	12.7	6.1	6.6

Source: State Bank of Pakistan

Fig-5.8: Lending & Deposit Rates



Financial Sector

Despite the challenges, the banking sector performed reasonably well during CY19. The assets base of the banking sector witnessed a YoY growth of 11.7 percent, higher than the growth of 7.3 percent in CY18. With 13.0 percent (YoY) growth, investments contributed more than 40 percent in the asset expansion during CY19. On the other hand, advances (net) exhibited a modest growth of 3.7 percent as compared to 22.2 percent in CY18. The moderation in advances was due to the sluggish economic activity resulting from the stabilization measures adopted to contain macroeconomic vulnerabilities. The deceleration in advances was broad-based and a visible lower financing demand was observed in textiles, chemicals and pharmaceuticals, and cement sectors. Further, sugar and energy sector observed deleveraging. There was higher uptake of loans by Automobiles (to finance plant operations) and Electronics and Electrical Appliances (to finance import of raw materials).

The profitability of the banking sector rebounded as after-tax profit surged by 14.8 percent in CY19 against the decline of 5.6 percent in CY18. The banking sector remained resilient with Capital Adequacy Ratio (CAR) at 17.0 percent well above the local and international minimum benchmarks of 12.5 percent and 10.5 percent, respectively.

Table 5.11: Highlights of the Banking Sector Industry

	CY15	CY16	CY17	CY18	CY19
Key Variables (Rs billion)					
Total Assets	14,143	15,831	18,342	19,682	21,991
Investments (net)	6,881	7,509	8,729	7,914	8,939
Advances (net)	4,816	5,499	6,512	7,955	8,249
Deposits	10,389	11,798	13,012	14,254	15,953
Equity	1,323	1,353	1,381	1,406	1,658

Table 5.11: Highlights of the Banking Sector Industry

	CY15	CY16	CY17	CY18	CY19
Profit Before Tax (ytd)	329	314	267	243	304
Profit After Tax (ytd)	199	190	158	149	171
Non-Performing Loans	605	605	593	680	761
Non-Performing Loans (net)	91	90	76	110	141
Key FSIs (Percent)					
NPLs to Loans (Gross)	11.4	10.1	8.4	8.0	8.6
Net NPLs to Net Loans	1.9	1.6	1.2	1.4	1.7
Net NPLs to Capital	7.7	7.3	5.8	7.8	8.9
Provision to NPL	84.9	85.0	87.2	83.8	81.4
ROA (Before Tax)	2.5	2.1	1.6	1.3	1.5
Capital Adequacy Ratio (all banks)	17.3	16.2	15.8	16.2	17
Advances to Deposit Ratio	46.4	46.6	50.1	55.8	51.7

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

Source: State Bank of Pakistan

Financial Development

Financial development has shown to be one of the most robust determinants of economic growth. Many countries have undertaken institutional reforms to build a market-oriented financial system in the hope that transition towards market economy will improve productivity, Pakistan is no exception. For the purpose, SBP has undertaken several regulatory and policy measures (detail has been discussed in Box-2) to make the financial sector more compatible and sounder.

Financial development (i.e. financial depth) is measured by macroeconomic variables such as domestic credit to the private sector as a percentage of GDP, money supply measures, and stock market indicators. In table 5.12, financial depth is measured by M2/GDP ratio. The ratio has shown an increasing trend since FY2011 from 36.6 to 46.9 in FY2019, indicating more developed and efficient financial sector in results of SBP's financial reforms. The trend is continued in current fiscal year as the ratio has increased to 46.2 percent during 01 Jul-24 Apr fiscal year 2020 against 43.6 percent in the comparable period last year.

Table 5.12: 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	46.9
24th April	
2018-19	43.6
2019-20	46.2

Source: EA Wing Calculation, Finance Division

Box-2: Financial Reforms

The robust performance of the banking sector and its financial soundness was contributed by various regulatory and policy reforms undertaken by SBP. Briefly, the key policy reforms are highlighted as below.

Strengthening of Regulatory and Supervisory Environment

SBP, has developed a comprehensive set of reforms to enhance supervision and resilience of the banking system.

Regulatory Reforms

- To further align Anti Money laundering (AML) and Combating the Financing of Terrorism (CFT) with requirements embodied in Financial Action Task Force (FATF) following measures were taken:
  - SBP updated the guidelines to enhance the understanding of Targeted Financial Sanctions (TFS) regimes for Terrorism Financing and Proliferation Financing.
  - SBP introduced "Framework for Managing Risks of Trade Based Money Laundering and Terrorist Financing". Pakistan is among leading countries that have issued Trade Based Money Laundering (TBML) Framework since it is an emerging phenomenon and is important for control of FX leakages perspective.[6]
  - The AML/CFT instructions for Exchange Companies (ECs), both category A and B were revised comprehensively to align with FATF recommendations. In this regard, various guidelines for ECs related to Fit and Proper Criteria, Risk Based Approach (RBA) and Compliance of Government of Pakistan's Notifications issued under United Nations Security Council (UNSC) Resolutions were issued.
- SBP issued revised Framework for Risk Management in Outsourcing Arrangements by Financial Institutions (FIs) to address operational risk by updating the sections pertaining to Group Outsourcing, IT Outsourcing and governance of customers' confidential information. SBP continues to strengthen corporate Governance framework for banks. During the year, SBP advised banks to formulate a comprehensive and transparent remuneration policy for the Chairman and other Directors. Further, along with other features, maximum limits were introduced on Directors' remunerations.
- Following improvements have been made in the foreign exchange regime:
  - To promote ease of doing business in Pakistan, the registration of foreign borrowings/loans and the acquisition of services from abroad by the residents, have been delegated to Authorized Dealers subject to applicable rules and regulations.
  - To facilitate the manufacturing sector and importers cum exporters, Authorized Dealers were allowed to affect advance payment up to USD 25,000, or equivalent thereof, per invoice on behalf of manufacturing concerns and importers cum exporters for import of their own use only.
  - SBP re-launched incentive scheme to promote marketing of product and services related to home remittances, in order to encourage home remittances through formal channels.
  - In order to further facilitate freelancers and pensioners, SBP enhanced the limits for Business to Customer (B2C) and Customer to Business (C2B) transactions through home remittance channel. As per revised instructions, limits for Freelancers have been revised from USD 1,500 to USD 25,000 per individual per month, and pension payments have been increased from Rs 250,000 to USD 2,500 per individual per month.

Supervisory Reforms

- To bring more transparency and strengthen market discipline, SBP has decided to publicly disclose significant enforcement actions through its website.
- SBP has developed a comprehensive inspection framework for Payment Services Providers/Payment System Operators (PSO/PSPs) and Electronic Money Institutions (EMIs) to improve supervision effectiveness and identification of risks.
- The key supervisory initiative underway at SBP is the transition towards 'Risk Based Supervisory (RBS) Framework.[7]
- SBP has effectively engaged banks through written/ verbal follow-ups and supervisory meetings to ensure AML/CFT compliance, monitoring of biometric verification status and other supervisory concerns.

Reinforcing Measures for Financial Stability and Systemic Risk Assessment

- The SBP in coordination with the Ministry of Finance and Securities and Exchange Commission of Pakistan is in the process of formulating and implementing a comprehensive and well-structured Macro

[6] EPD Circular Letter No. 13 of 2019

[7] RBS is a forward-looking approach where the supervisor assesses various business areas of the financial institution, and the associated quality of management and internal controls to identify critical risk areas to direct supervisory attention towards them. The framework has been developed in collaboration with Toronto Centre's (TC), which is expected to conclude by December 2020.

prudential Framework in Pakistan and the work is in the final stages of operationalizing the overarching National Financial Stability Council (NFSC).[8]

- The Deposit Protection Corporation (DPC) has advised all the member banks to appropriately install or update their information systems including software(s)/ database(s) for maintaining a comprehensive depositor-wise database. Additionally, in order to benefit from international collaborations and the rich experience of banking resolution and deposit protection strategies around the globe, Deposit Protection Corporation became an active member of the International Deposit Insurer Association (IADI) in 2019.[9]

Broadening of Financial Net

The developments made on the financial inclusion front during FY2020 are as under:

National Financial Inclusion Strategy (NFIS)

- **NFIS Extended Action Plan 2023:**

  The PM Office has committed to create NFIS transformation office to ensure 100 percent digitization of government payments, along with the commitment to provide necessary support to provincial governments to complete the digital transformation. Moreover, SBP is continuing to serve as NFIS Secretariat.

- **Implementation progress:**

  - **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 platform for accessing and usage of digital financial services from anywhere, at any time.[10]
  - **Micro Payment Gateway (MPG):** SBP, with the assistance of Bill & Melinda Gates Foundation and Karandaaz Pakistan is implementing a state of the art faster payment system known as Micro Payment Gateway (MPG), with the objectives of further developing digital financial services, reducing reliance on cash, and driving financial inclusion in Pakistan.
  - **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 through identified pillars and specific measures, to bring a shift towards women friendly business practices. The policy is currently under consultation process with domestic and international stakeholders, and defines SBP's commitment to promote women's financial inclusion in the country.

- **Progress on Financial Literacy Initiatives**

  In order to enhance the financial education and awareness among the low-income segment population, SBP has taken following initiatives:

  - SBP launched the "National Financial Literacy Program (NFLP)" in 2017. Until February 29, 2020, an accumulated number of 18,508 programs have been conducted by participating banks against the target of 22,080 programs. Furthermore, 551,788 beneficiaries have been imparted financial education against the target of 552,000.
  - SBP, in collaboration with National Institute of Banking and Finance (NIBAF), initiated the roll-out of National Financial Literacy Program for Youth (NFLP-Y). It is a 5-year program, to be implemented in 45 districts to train 1.6 million children, adolescent and youth by March 2023. Among them, 1 million people would benefit through classroom sessions while 0.6 million students would be trained through digital learning platform.

Source: State Bank of Pakistan

Islamic Banking

Assets of Islamic banking Industry (IBI) has grown by 23.5 percent and reached to Rs 3,284

[8] The NFSC will be a joint forum of SBP, Securities & Exchange Commission of Pakistan (SECP) and Ministry of Finance (MoF) to address financial stability related concerns.
[9] The Association promotes cooperation on and carries out research and development work in the fields of deposit protection, financial stability and crises management and facilitate technical assistance on the relevant subjects.
[10] The pilot phase of the scheme, commenced in September 2019, has been completed and after meeting the licensing and procedural requirements, commercial launch of the scheme is expected shortly.

billion in CY19 against Rs 2,658 billion (growth of 17 percent) in CY18. Apart from this, deposits of IBI increased by 20.4 percent and reached to Rs 2,652 billion in CY19 against Rs 2,203 billion (16.9 growth) in CY18. Market share of Islamic Banking assets and deposits in the overall banking industry was registered at 14.9 percent and 16.6 percent, respectively in CY19 against 13.5 and 15.5 percent, respectively in last year.

Table 5.13: Islamic Banking Industry

	CY15	CY16	CY17	CY18	CY19
Total Assets (Rs Billion)	1,610	1,853	2,272	2,658	3,284
Total Deposits (Rs billion)	1,375	1,573	1,885	2,203	2,652
Share in Banks' Assets(Percent)	11.4	11.7	12.4	13.5	14.9
Share in Banks' Deposits (Percent)	13.2	13.3	14.5	15.5	16.6

Source: State Bank of Pakistan

In terms of number of providers, 22 Islamic Banking Institutions (IBIs) (5 full-fledged Islamic banks, 17 conventional are providing an array of Shariah compliant products and services through their network of 3,226 branches spread across 120 districts of the country. During CY19, 375 branches were added to branch network of Islamic banking industry. Further, Islamic Banking branches operated by conventional banks were recorded at 1,373 by end December, 2019.

Investments (net) of IBI upsurge by Rs 2 billion (0.34 percent) during the period under review and recorded at Rs 597 billion by end December, 2019 compared to Rs 595 billion in the previous quarter. Financing and related assets (net) of IBI witnessed expansion of Rs 77 billion (5 percent) during the last quarter of CY19 and stood at Rs 1,623 billion. Of which full-fledged IBs and IBBs of conventional banks registered growth of 4.2 and 6 percent, respectively, for financing and other related assets.

Table 5.14: Financing Products by Islamic banks

Mode of Financing	CY15	CY16	CY17	CY18	CY19
Murabaha	24.5	15.8	13.2	13.6	12.9
Ijara	6.6	6.8	6.4	6.2	5.7
Musharaka	14	15.6	22	19.9	19.8
Mudaraba	0	0	0	0	0
Diminishing Muskaraka	31.7	34.7	30.7	33.3	34.1
Salam	5.3	4.4	2.8	2.4	2.6
Istisna	8.6	8.4	8.2	9.1	9.5
Qarz/Qarz-e-Hasna	0.0	0.02	0.1	0.0	0.0
Others	9.3	14.3	16.7	15.5	15.4
Total	100	100	100	100	100

Source: State Bank of Pakistan

Profit before tax of IBI was recorded at Rs 66 billion by end December, 2019 against Rs 34 billion in the same period of 2018. Profitability ratios like return on assets and return on equity (before tax) were recorded at 2.2 percent and 34.4 percent, respectively by end December, 2019 compared to 1.4 and 22.3 percent, respectively during the same period last year.

In terms of mode wise financing breakup, the share of Diminishing Musharaka remained top in overall financing of IBI followed by Musharaka and Murabaha.

Microfinance

SBP continued to take additional measures besides implementation of ongoing initiatives aimed at enhancing financial inclusion. Moreover, regulatory guidance was also provided to Microfinance Banks (MFBs) in a number of areas.

As of December 2019, the microfinance industry players operated through 4,036 branches spread in 138 districts across the country. Although, industry's retail network decreased marginally owing to increased security and administrative requirements set out by the SECP for NB-MFCs. The performance of the microfinance industry has shown in the table which depicts increasing trend in number of borrowers and number of branches over the period.

Table 5.15: Microfinance Industry Indicators

Indicators	Dec-18	Dec-19	Growth
Number of Branches	6,936,554	7,249,943	4.5
Total No. of Borrowers	274,707	305,753	11.3
Gross loan portfolio (Rs in millions)	4,239	4,036	-4.8
Avg. Loan Balance (Rs)	55,173	47,228	-14.4

Source: State Bank of Pakistan

Table 5.16: Microfinance Banking Indicators Rs Million

Indicators	Mar-19	Mar-20	Growth
No. of Branches	1,087	1,212	11
Number of Borrowers	3,371,695	3,713,374	10
Gross Loan Portfolio	201,268	219,345	9
Deposits	236,021	239,641	2
Number of Depositors	36,111,999	45,800,637	27
Equity	48,443	47,398	-2
Assets	325,221	373,650	15
Borrowings	19,949	26,342	32
NPLs	3%	6%	-

Source: State Bank of Pakistan

As 3rd quarter of FY2020 ended, MFBs were successfully operating through a network of over 1,212 retail outlets. During the period, the combined asset base of MFBs, registered a YoY growth of 15 percent (or Rs 48.4 billion) increasing to Rs 373.6 billion. Similarly, gross loan portfolio of MFBs registered a growth of 9 percent to reach Rs 219.3 billion, as compared to Rs 201.3 billion in the corresponding period last year.

MFBs continued to provide relief to adversely influenced borrowers in eight districts declared as calamity affected by the Government of Sindh namely Tharparkar, Umer Kot, Sanghar, Thatta, Jamshoro, Dadu, Badin and Kamber Shahdad Kot, microfinance banks were advised to undertake all possible measures in line with Prudential Regulation R – 9: 'Rescheduling/ Restructuring of Loans'. As of December 2019 MFBs collectively provided relief of Rs 686 million to 12,892 borrowers in terms of restructuring and rescheduling of loans.

Branchless Banking (BB) Performance

During FY2020, all key indicators of branchless banking exhibited an encouraging growth. As of Dec 2019, 13 branchless banking players were providing basic financial services throughout the country. Performance of the BB has shown in the table below.

Table 5.17: Performance of BB Indicators

Indicators	Mar-19	Mar-20	Growth (%)
Number of Agents	408,980	434,192	6.2
Number of Accounts	51,809,393	48,345,517	-6.7
Deposits (Rs Million)	30,263	31,935	5.5
No. of Transaction (in Thousands)	842,267	1,092,977	29.8
Value of Transactions (Rs Million)	2,980,743	3,646,457	22.3

Source: State Bank of Pakistan

Initiatives for Promotion of Branchless Banking (BB)

In order to enhance the outreach of Branchless Banking operations for achieving the objective of financial inclusion and strengthening the controls related to Money Laundering (ML)/ Terrorist Financing (TF) risks, SBP issued revised Branchless Banking (BB) Regulations for Financial Institutions. The Framework emphasized the prerequisites of Simplified Due Diligence of BB Operations. Other key improvements in the Framework include:

- Gradually phasing out of Person-to-Person (P2P) transfer by June 30, 2020
- Biometric Verification is made mandatory for all Level 1 account
- Complete Biometric verification of all legacy BB accounts
- Enhance monthly limit of BB level 1 account to Rs 200,000/- per month

Conclusion

Proactive Fiscal and Monetary policies have stabilized the economy as the year progressed. Current account deficit, foreign exchange reserves, and primary budget balance witnessed significant improvement in FY2020. Initially, the SBP increased the policy rate to absorb the inflationary pressure in July, FY2020. The move resulted in lower credit demand from the private sector, which slowed down the economic activities. While domestic production and retail trade were adversely affected by the stabilization efforts, they received a major blow when the businesses were shut down amid lockdown to control the COVID-19.

The pandemic caused slowdown in economic activity and increased uncertainty about the future. However, as the inflationary pressures eased because of the declining oil prices and falling demand due to pandemic, the SBP cut the policy rate by cumulative 525 bps to 8 percent in two month. The SBP has also introduced various other measures to lessen the impact on public and economy. It is expected that these measures will invigorate the economy.

Chapter 6

CAPITAL MARKETS AND CORPORATE SECTOR

Capital markets mobilize domestic savings and channel them efficiently to the most productive investments. They play an important role in economic development as they facilitate growth in the real sector by giving producers of goods and services, and the entities tasked with infrastructure development, access to long-term financing. Developed capital markets are, therefore, essential for economic growth and prosperity.

The increasing integration of global capital markets has made it easier for companies to access global capital. Access to world capital markets expands investors' opportunities for portfolio diversification. For recipient country, access to world capital markets allows countries to borrow to smooth consumption in the face of adverse shocks. However, it has been recognized that the risk of abrupt reversals in capital flows in the context of highly open capital account may represent a significant cost.

Pakistan holds its position in the MSCI[1] Emerging Market (EM). At least three companies must have a market capitalization of $1.5 billion and $766 million float market capitalization in order to be classified in an EMs. Pakistan currently has three constituents in MSCI Emerging market: Habib Bank, Oil and Gas Development Company and MCB Bank Ltd. A single deletion from among the three would result into downgrading Pakistan to the Frontier Market Index.

In the first quarter of FY2020, Pakistan and the IMF agreed on a $6 billion 39-Month Extended Fund Facility (EFF) arrangement for Pakistan to reduce economic vulnerabilities and generate balanced growth. The government took austerity measures and the State Bank of Pakistan (SBP) adopted a double-digit policy rate. The stabilization programme slowed down the growth and investment. The high interest rate attracted foreign investors and capital began flowing in to the Pakistan’s debt market. However, COVID-19 pandemic and declining oil prices jolted the capital markets. In the face of uncertainty, foreign investors sought shelter in the safe assets, selling their stocks and cashing in their bonds from emerging markets, including from Pakistan. The government, SBP, and Securities and Exchange Commission of Pakistan (SECP) took a number of measures that restored investor’s confidence. These measures will be discussed later in this chapter.

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 FY2020. 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.

[1] Morgan Stanley Capital International

I – Equity Market

Equity Market, usually known as a stock market, is the marketplace where public can invest, buy and sell shares of the companies listed. Equity market gives companies access to capital and investors a slice of ownership in a company with the potential to realize gains based on its future performance. Equity market determines the health of an economy to some extent.

Global equity markets:

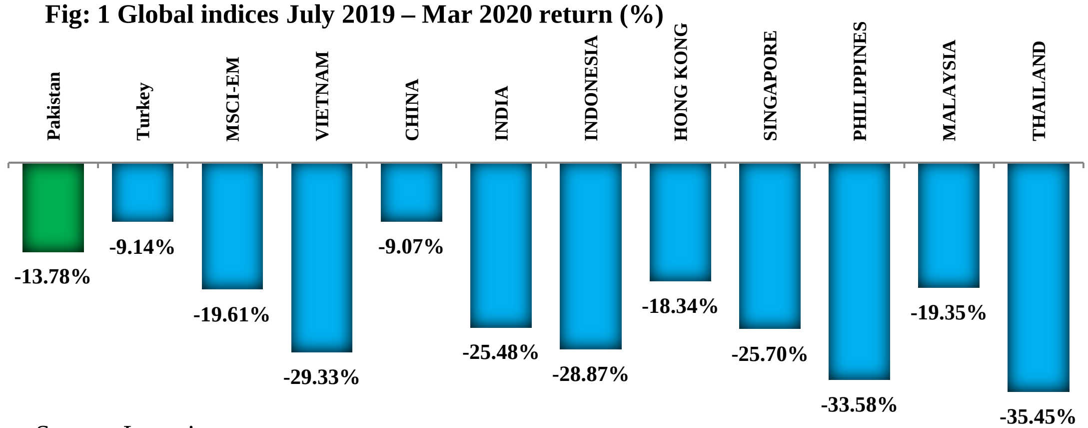
During FY2020, on global front, protests in Hong Kong, trade war between United States and China, departure of United Kingdom from European Union, tensions between the United States and Iran, falling oil prices because of a standoff between Saudi Arabia and Russia, and COVID-19 pandemic drove the investors' emotions. Facing uncertainties on multiple fronts, almost all major global indices registered a negative growth in the first nine months of FY2020.

Table 6.1: World Indices (Jul 2019 – Mar 2020)

Country	Index	Index opening on 01.07.19 (points)	Index closing on 31.03.20 (points)	Percent change
Pakistan	KSE 100 Index	33,901.58	29,231.63	-13.78%
Turkey	BIST 100 Index	98,662.85	89,643.71	-9.14%
MSCI-EM	MSCI Emerging Market Index	1,055.71	848.71	-19.61%
Vietnam	VN30 Index	864.24	610.76	-29.33%
China	Shanghai Composite	3,024.62	2,750.30	-9.07%
India	Sensex	39,543.73	29,468.49	-25.48%
Indonesia	JCI Index	6,381.18	4,538.93	-28.87%
Hong Kong	Hang Seng	28,904.04	23,603.48	-18.34%
Singapore	STI Index	3,339.58	2,481.23	-25.70%
Philippines	PSEi Index	8,011.47	5,321.23	-33.58%
Malaysia	KLCI Index	1,674.91	1,350.89	-19.35%
Thailand	SET Index	1,744.13	1,125.86	-35.45%

Source: Investing.com

Fig: 1 Global indices July 2019 – Mar 2020 return (%)



Source: Investing.com

Pakistan's equity market (Developments during FY2020):

The fiscal year 2019-20 started with the stabilization programme of the IMF. The austerity measures and the SBP's double digit policy rate hurt the investors' confidence in the first quarter of FY2020. After the initial dip, the KSE-100 index exhibited an upward trend as exchange rate stabilized and the economy was on a path to recovery. The index opened at 33,901.58 points on July 1st, reaching the year's peak of 43,218.67 points on January 13th, 2020. However, as the COVID-19 was engulfing the world, capital began flowing out of the Pakistan's stock market.

Box item-I: Measures taken in the wake of COVID-19

In order to facilitate capital market operations in the wake of COVID-19 pandemic, the SECP introduced a number of measures to address challenges being faced by the capital markets participants. These are as follows:

(i) To curtail blank selling in the stock market, which aggravated market decline, Blank Sale transactions in Deliverable Futures Market (DFM) were allowed only on Uptick or Zero-Plus Tick for DFM April 2020 contract in 36 securities.

(ii) The duration of index-based market halts was increased from 45 minutes to 60 minutes to provide cooling-off period to the investors and to give sufficient time to intermediaries to deposit mark to market (**MtM**) margins, considering prevailing lockdowns across the country.

(iii) Statutory regulatory orders (SROs) ensured the effectiveness of their Business Continuity Plans (BCPs) to deal with any crisis situation with particular emphasis on remote uninterrupted access to the capital market. The securities brokers were allowed to activate and operate the Disaster Recovery (DR) terminals for trading purposes during normal operations of the PSX.

(iv) To facilitate securities brokers in meeting any shortfall in deposit requirements against Base Minimum Capital, the SECP provided relaxation to the extent of marking to market of Margin Eligible Securities for a period of 60 days.

(v) The requirement of performing biometric verification at the time of opening of a new investor account was relaxed due to limited physical mobility and social distancing requirements. The same was allowed to be performed within 90 days of the opening of account.

(vi) To ease operational difficulties for securities brokers, alternate mode for call order recording was specified to enable compliance while ensuring work from home arrangements.

(vii) Extension was granted in the timeline for completion of system audit of securities brokers in view of lockdowns across the country limiting physical mobility of auditors and staff of securities brokers

Between February 26th (the date when first COVID-19 case was reported in Pakistan) and March 31st, Pakistan's KSE-100 index benchmark dived 23.75 percent and Rs 1,582.06 billion were wiped out of the market capitalization. Rupee depreciated by 8 percent against a strengthened dollar between Feb 26 and Mar 31, which severely constrained the spending power. However, in late March, government announced a fiscal stimulus package of Rs 1.24 trillion and the State Bank of Pakistan cut the policy rate by 425 basis points to 9 percent to make up for the projected loss. On April 30th, 2020, KSE-100 closed at 34111.64, (up by 16.7 percent since March 31st) and market capitalization closed at Rs 6376.71 billion, gaining Rs 755.77 billion since March 31st. The KSE-100 index exhibited a modest growth of 0.61 percent in the first ten months of the CFY, whereas market capitalization lost Rs 510.58 billion during the Jul-April FY2020 period.

The low turnover in the first quarter of FY2020 and in February indicates Investors were unwilling to put their money at risk by acquiring the shares of a company with low share turnover.

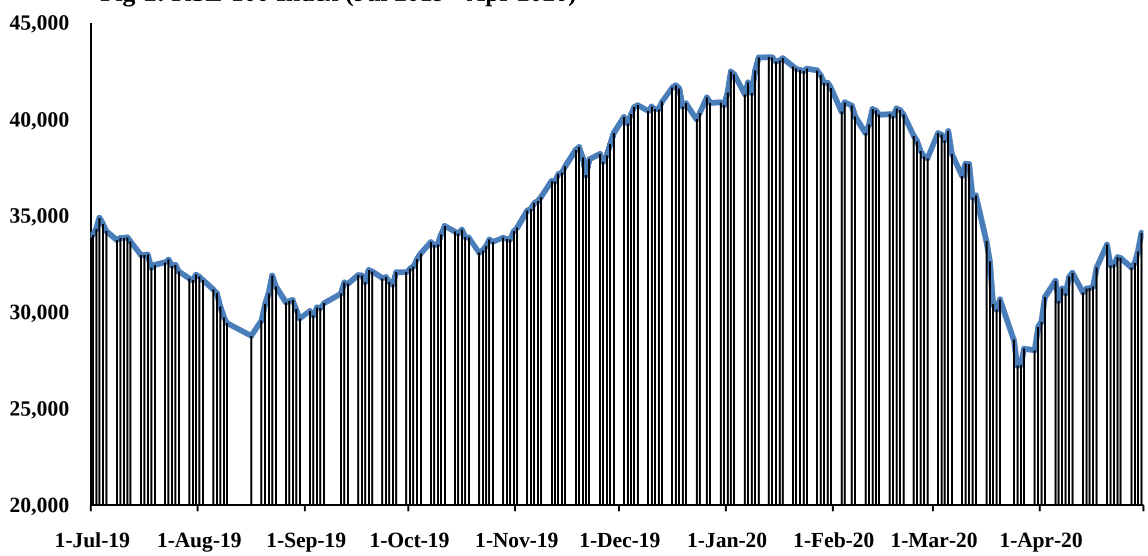
Table 6.2: Month-wise performance of KSE-100 Index

Months	2018 – 2019			Months	2019 – 2020		
	KSE 100 index	Market Capitalization (Rs Billion)	Turnover in shares (Billions)		KSE 100 index	Market Capitalization (Rs Billion)	Turnover in shares (Billions)
Jul-18	42,712.43	8,749.52	3.75	**Jul-19**	31,938.48	6,384.30	1.76
Aug-18	41,742.24	8,677.98	3.6	**Aug-19**	29,672.12	6,082.04	2.03
Sep-18	40,998.59	8,402.82	2.49	**Sep-19**	32,078.85	6,406.55	2.18
Oct-18	41,649.36	8,321.42	5.03	**Oct-19**	34,203.68	6,690.04	4.37
Nov-18	40,496.03	8,067.33	4.16	**Nov-19**	39,287.65	7,511.97	6.40
Dec-18	37,066.67	7,692.79	2.71	**Dec-19**	40,735.08	7,811.81	6.45
Jan-19	40,799.52	8,124.08	3.24	**Jan-20**	41,630.93	7,851.16	5.68
Feb-19	39,054.60	7,817.67	2.92	**Feb-20**	37,983.62	7,094.67	2.91
Mar-19	38,649.34	7,868.61	2.53	**Mar-20**	29,231.63	5,620.94	4.71
Apr-19	36,784.44	7,505.31	3.29	**Apr-20**	34,111.64	6,376.72	4.60
May-19	35,974.79	7,240.44	2.77	**May-20**			
Jun-19	33,901.58	6,887.30	2.57	**Jun-20**			

Source: Pakistan stock exchange (PSX)

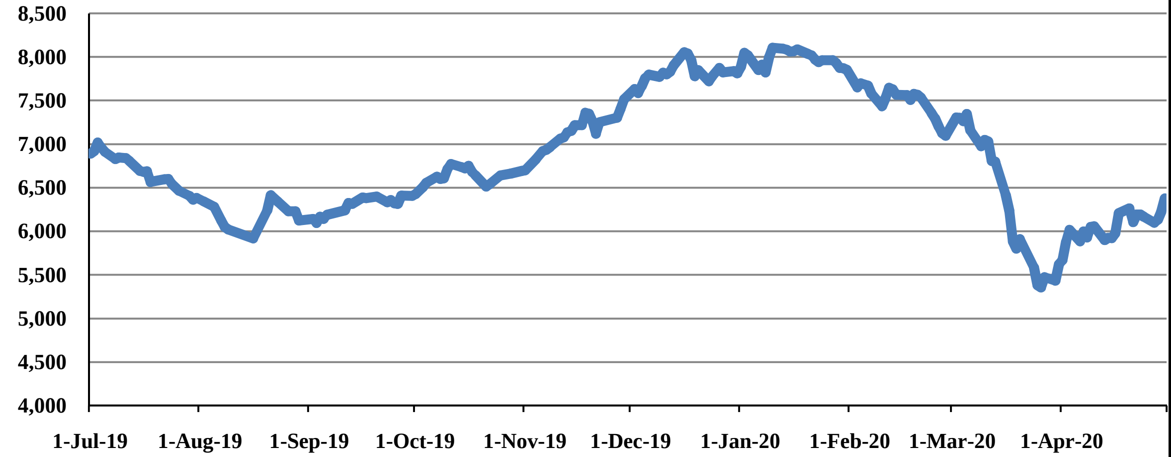
Despite the double digit policy rate, the upward trajectory depicted in the Figures 1 & 2 (from mid-October to January) can be attributed to timely release of PSDP funds, stable exchange rate; and improvement in macro indicators (trade balance, foreign direct investment, remittances). The freefall because of COVID-19 outbreak and subsequent recovery is clearly visible in the figures below:

Fig-2: KSE-100 Index (Jul 2019 - Apr 2020)



Source: Pakistan Stock Exchange

Fig-3: Pakistan Stock Exchange Market Capitalization July 2019-Apr 2020



The total funds mobilized between July 2019 and March 2020 in the national stock exchange amounted to Rs 250,020 million, as compared to Rs 22,350 million in the corresponding period last year. The significant difference is due debt amount issued, which is Rs 230,624 million during Jul-Mar FY2020 period as compared to Rs 14,000 million in the same period in FY2019.

Around $ 130 million worth of securities were offloaded by foreign investors which were absorbed by domestic investors.

Table 6.3: Local investors' portfolio investment (LIPI) during Jul-Mar FY 2020

	GROSS BUY (Million)	GROSS SELL (Million)	NET BUY / (SELL) (Rs Million)	NET BUY / (SELL) ($ Million)
Individuals	1,172,641.18	-1,149,832.84	22,808.34	144.36
Companies	92,210.62	-91,369.40	841.22	5.87
Banks / DFI	84,189.08	-91,563.65	-7,374.56	-48.03
NBFC	3,560.03	-3,166.66	393.36	2.58
Mutual Funds	116,849.46	-130,417.01	-13,567.55	-85.10
Other Organization	24,150.24	-20,202.79	3,947.45	25.09
Broker Proprietary Trading	364,698.28	-366,001.61	-1,303.32	-8.57
Insurance Companies	61,944.72	-47,340.79	14,603.92	94.0
Lipi Net	1,920,243.65	-1,899,894.78	20,348.87	130.22

Source: Pakistan Stock Exchange

The average daily trading value (T+2)[2] from July 2019 – March 2020 was Rs 7.13 billion and the average daily turnover was 194.08 million shares. The average daily trading value in futures was Rs 3.4 billion and the trading volume was 87.01 million shares. No new company was listed with the PSX during July-Mar 2019-20, as compared to two companies in the FY2019. It implies that companies didn't want to take a risk by issuing an IPO[3] during uncertain economic times.

[2] T+2 is a shorthand for *trade date plus two days* indicating when securities transactions must be settled.
[3] Initial public offering

Table 6.4: Profile of Pakistan Stock Exchange

	2015-16	2016-17	2017-18	2018-19	2019-20 (till 31.03.20)
Total No. of Listed Companies	559	560	558	544	530
Total Listed Capital - Rs in Million	1,289,081	1,317,220	1,297,375	1,340,270	1,387,439
Total Market Capitalization - Rs in Million	7,588,472.20	9,522,358	8,665,045	6,887,301	5,620,941
New Companies Listed during the year	4	5	6	2	0
Average Daily Shares Volume – (Shares in Million) (YTD)	221	363	187	164	194
Total Volume traded - (Million) (YTD)	55,430.30	88,599	46,532	39,943	52,843

Source: Pakistan stock exchange

Market Capitalization of each sector at Pakistan Stock Exchange as of 31st March, 2020:

During July-March FY2020, a total of Rs 1,266.36 billion was wiped out from the market capitalization of the PSX. Below is the detail of each sector:

Table 6.5: Market capitalization of each sector:

Sectors	Number of listed companies	Market cap on 01/07/2019 (Rs Million)	Market cap on 03/31/2020 (Rs Million)	Percent Change
Automobile assembler	13	247,717.08	186,203.69	-24.8%
Automobile parts & accessories	09	47,103.45	38,707.71	-17.8%
Cable & electrical goods	07	25,203.75	20,757.59	-17.6%
Cement	22	306,192.39	317,594.18	3.7%
Chemical	27	273,461.23	264,209.75	-3.4%
Close - end mutual fund	06	5,158.51	3,253.83	-36.9%
Commercial banks	20	1,284,983.50	1,013,621.54	-21.1%
Engineering	19	56,935.49	57,344.73	0.7%
Fertilizer	06	440,313.20	417,033.98	-5.3%
Food & personal care products	24	537,140.29	550,206.71	2.4%
Glass & ceramics	11	35,787.19	31,710,.45	-11.4%
Insurance	29	136,743.45	127,078.49	-7.1%
Inv. banks / inv. cos. / securities cos.	30	90,597.53	85,656.43	-5.5%
Jute	02	123.30	123.30	0.0%
Leasing companies	30	4,927.25	4,283.22	-13.1%
Leather & tanneries	05	18,281.82	23,614.76	29.2%
Miscellaneous	09	62,375.12	59,833.89	-4.1%
Modarabas	30	12,432.58	11,435.56	-8.0%
Oil & gas exploration companies	04	1,130,640.63	719,825.77	-36.3%
Oil & gas marketing companies	09	194,363.60	141,425.31	-27.2%
Paper & board	10	45,307.66	41,388.57	-8.6%
Pharmaceuticals	12	174,445.35	202,829.98	16.3%
Power generation & distribution	17	304,047.13	230,391.06	-24.2%
Refinery	04	56,227.64	45,001.38	-20.0%
Sugar & allied industries	29	57,022.22	64,451.37	13.0%
Synthetic & rayon	11	35,754.10	42,842.45	19.8%
Technology & communication	12	73,508.90	62,772.74	-14.6%
Textile composite	58	242,099.65	191,154.87	-21.0%
Textile spinning	69	41,875.0	40,515.72	-3.2%
Textile weaving	11	2,466.84	2,648.63	7.4%

Table 6.5: Market capitalization of each sector:				
Sectors	**Number of listed companies**	**Market cap on 01/07/2019 (Rs Million)**	**Market cap on 03/31/2020 (Rs Million)**	**Percent Change**
Tobacco	03	860,224.66	534,128.93	-37.9%
Transport	05	52,916.36	58,203.81	10.0%
Vanaspati & allied industries	06	6,854.94	6,445.37	-6.0%
Woollen	02	1,453.76	1,518.40	4.4%
Real estate investment trust	01	22,615.02	22,726.21	0.5%
Exchange traded funds	02	N/A	0.39	N/A
Total		**6,887,300.78**	**5,620,940.91**	**-18.4%**

Source: Pakistan stock exchange

Performance of selected Blue Chips:

Profit after tax, Earnings per Share (EPS), and Price earning ration (P/E) with necessary details of some of the selected companies are given in the following table:

Table 6.6: Performance of Selected Blue Chips

Symbol	Name	Shares Outstanding (Million)	Price	Market Cap Rs Million	Profit After Tax (Rs Million)	EPS	P/E
PAKT	Pak Tobacco	255.49	1,654.98	422,837.11	12,889.22	50.45	32.81
OGDC	Oil & Gas Dev.	4,300.92	76.99	331,128.47	118,385.78	27.53	2.80
NESTLE	Nestle Pakistan	45.34	6,700.00	303,841.99	7,354.46	162.17	41.31
PPL	Pak Petroleum	2,720.96	71.81	195,392.67	61,632.36	22.65	3.17
MCB	MCB Bank Ltd	1,185.06	149.28	176,905.75	23,976.83	20.23	7.38
ENGRO	Engro Corp	576.16	266.90	153,777.96	14,303.31	24.83	10.75
HBL	Habib Bank	1,466.85	103.23	151,423.18	15,064.18	10.27	10.05
UBL	United Bank	1,224.17	100.81	123,409.55	19,133.77	15.63	6.45
LUCK	Lucky Cement	323.37	370.70	119,875.11	10,490.22	32.44	11.43
MARI	Mari Petroleum	133.40	891.10	118,874.96	24,327.08	182.36	4.89
FFC	Fauji Fert.	1,272.23	93.01	118,330.87	17,110.49	13.45	6.92
COLG	Colgate Palm	57.54	2,049.00	117,911.59	3,510.80	61.01	33.59
PMPK	Philip Morris Pak.	61.58	1,795.11	110,543.48	-1,979.99	-32.15	-55.83
HUBC	Hub Power Co.	1,297.15	68.27	88,556.73	8,036.98	6.20	11.02
MEBL	Meezan Bank	1,286.11	65.09	83,713.0	15,232.07	11.84	5.50
ABL	Allied Bank Ltd	1,145.07	71.12	81,437.65	14,112.91	12.32	5.77
KEL	K-Electric Ltd.	27,615.19	2.83	78,150.99	17,273.61	0.63	4.52
EFERT	Engro Fert.	1,335.29	57.66	76,993.36	14,303.31	10.71	5.38
POL	Pak Oilfields	283.85	262.21	74,429.64	16,871.70	59.44	4.41
SCBPL	St.Chart.Bank	3,871.58	18.84	72,940.66	16,017.44	4.14	4.55

Source: Pakistan stock exchange

Debt markets:

Debt market is the market where debt instruments are traded. It provides an additional avenue to the corporate sector to raise funds. Due to high interest rates and appreciation in

Pakistani rupee in terms of US dollar, international investors found Pakistan's debt market an attractive investment. However, after COVID-19 pandemic, money started flowing out of the Pakistan's debt market. The investors took out over $ 1.7 billion from T-bill investments in the month of March 2020.

During July-March FY2020, no debt instrument was publicly placed while fifteen debt securities were privately placed. Their break-up is given below:

Table 6.7: Debt securities

Sr. No.	Type of Security	No. of Issues	Amount (Rs in billions)
i.	Privately Placed Commercial Papers*	7	37.6
ii.	Privately Placed Term Finance Certificates**	3	19.37
iii.	Privately Placed Sukuk **	5	19.20
	Total	**15**	**76.17**

* : by (i) K-Electric Limited (Rs 8.00 billion), (ii) K-Electric Limited (Rs 9.5 billion), (iii) The Hub Power Company Limited (Rs 5.0 billion),(iv) TPL Corporation Limited (Rs 1.1 billion), (v) K-Electric Limited (Rs 4.3 billion, (vi) K-Electric Limited (Rs 4.3 billion) and (vii) K-Electric Limited (Rs 5.4 billion)
** : by (i) Habib Bank Limited (Rs 12.37 billion), (ii) Askari Bank Limited (Rs 6 billion) and (iii) Pakistan Mortgage Refinance Company Limited (Rs 1 billion):
*** : by (i) The Hub Power Company Limited (Rs 4.5 billion), (ii) The Hub Power Company Limited (Rs 7.0 billion); (iii) Pak Elektron Limited (Rs 1.2 billion), (iv) Masood Textile Mills Limited (Rs 2.5 billion) and (v) Meezan Bank Limited (Rs 4 billion);
Source: Securities and Exchange Commission of Pakistan

Outstanding debt issues:

As of March 31, 2020, 106 corporate debt securities were outstanding with an amount of Rs 651.68 billion, comprising following categories:

Table 6.8: Corporate debt securities (outstanding)

Sr. No.	Name of security	No. of issues	Amount outstanding (Rs in billion)
i.	Sukuk	46	484.76
ii.	Privately Placed Term Finance Certificates (PP-TFCs) and listed on OTC	43	116.99
iii.	Listed Term Finance Certificates (L-TFCs)	13	34.71
iv.	Privately Placed Commercial Papers	4	15.22
	Total	**106**	**651.68**

Source: Securities and Exchange Commission of Pakistan

National Saving Schemes:

The achievements made by the Central Directorate for National Savings (CDNS) in the first nine months and initiatives in the pipeline are as under:

Achievements of Annual Targets:-

The CDNS, being the foremost institution providing the avenue to general public to park their savings, has been able to not only achieve the targets assigned but also surpassed the targets by a big margin. As of 31.03.2020, the CDNS has achieved 124 percent of the gross and 61 percent of proportionate targets.

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 6.9: Product basket of the National Savings Scheme

S.No	Name of Scheme	Rate of Return (per annum)	Maturity Period	Tax Status
1	Defence Savings Certificates	8.54%	10 Years	Taxable
2	Special Savings Certificates/Accounts	8.10% (Average)	3 Years	Taxable
3	Regular Income Certificates	8.28%	5 Years	Taxable
4	Savings Account	7.00%	Running Account	Taxable
5	Pensioners' Benefit Account	10.32%	10 Years	Tax exempt
6	Bahbood Savings Certificates	10.32%	10 Years	Tax exempt
7	Shuhada Family Welfare Account	10.32%	10 Years	Tax exempt
8	National Prize Bonds (Bearer)	10.00%	Perpetual	Taxable
9	Premium Prize Bonds (Registered) *	7.80%	Perpetual	Taxable
10	Short Term Savings Certificates (STSC)			
	STSC 3 Months	7.80%	3 Months	Taxable
	STSC 6 Months	7.50%	6 Months	Taxable
	STSC 12 Months	6.95%	12 Months	Taxable

*Effective from 10.03.2020)
Source: Central Directorate of National Savings

Scheme wise net investment is as under:

Table 6.10: National Savings Schemes (net investment) (Rs Million)

	Name of Scheme	2015-16	2016-17	2017-18	2018-19	2019-20
1	Defence Savings Certificates	8,053.00	16,620.00	10,743.61	57,171.04	92,892.98
2	National Deposit Scheme	(0.26)	(0.69)	0.05	(0.03)	(0.01)
3	Khaas Deposit Scheme	(2.00)	(51.43)	(0.19)	(0.04)	(0.05)
4	Special Savings Certificates (Registered)	(1,932.80)	(39,344.59)	(51,180.06)	31,842.49	1,125.51
5	Special Savings Certificates (Bearer)	-	(0.75)	(0.55)	-	(0.01)
6	Regular Income Certificates	(16,223.03)	(20,950.65)	8,726.28	142,088.06	71,637.74
7	Bahbood Savings Certificates	63,761.07	57,432.10	45,395.28	119,573.11	77,553.90
8	Pensioners' Benefit Account	20,645.05	18,716.71	21,504.37	43,367.37	31,186.23
9	Savings Accounts	3,807.69	4,684.42	3,412.99	(166.22)	1,327.42
10	Special Savings Accounts	30,924.10	65,246.58	59,939.19	(132,393.53)	36,478.24
11	Mahana Amdani Accounts	(63.01)	(55.20)	(46.70)	(73.84)	(72.67)
12	Prize Bonds	123,901.93	97,791.58	101,575.66	40,432.08	(168,505.04)
13	National Savings Bonds	-	-	-	-	(137.00)
14	Short Term Savings Certificates	157.88	2,077.37	560.55	761.00	5,879.62

Table 6.10: National Savings Schemes (net investment) (Rs Million)

	Name of Scheme	2015-16	2016-17	2017-18	2018-19	2019-20
15	Premium Prize Bonds (Registered)	-	2,921.72	2,323.20	2,819.96	11,542.76
16	Postal Life Insurance	-	2,529.79	875.45	1,248.42	(541.08)
17	Shuhda Welfare Accounts				42.14	26.85
	Grand Total	233,029.61	207,616.95	203,829.13	306,712.00	160,395.40

Source: Central Directorate of National Savings

Initiatives in the Pipeline:

1) Sharia product of National Savings
2) Overseas Pakistanis Savings Certificates ("OPSCs")
3) Launch of Rs 100,000 Premium Prize Bond (Registered)
4) Scripless issuance and introduction of registered prize bonds amongst all denominations of Bearer Bonds
5) Debit Card Launch & Membership of 1-Link System
6) Automation/Computerization of remaining NSCs

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 a 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.

Performance of PMEX: During the period 1st July 2019 to 31st March 2020, 2.091 million various commodity futures contracts including gold, crude oil, US equity indices and FX pairs worth Rs 1.75 trillion were traded on the PMEX.

IV- Non Banking Finance Companies

Mutual Funds: As of 29th February 2020, assets under management (AUM) of the mutual funds stood at Rs 724.39 billion. Money Market Funds dominated the industry with the largest share i.e. 35.63 percent of the mutual fund industry, followed by equity funds comprising 28.09 percent and income funds having an industry share of 24.38 percent.

Investment Advisory: 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 29th February 2020, the total discretionary/non-discretionary portfolios held by all of the NBFCs were of Rs 230.39 billion Major highlights of the mutual fund industry are stated below:

Table 6.11: Mutual fund industry

Description	Total number of Entities	Total Assets (Rs in billion)
Asset management / Investment advisory companies	23	39.07
Mutual Funds / Plans	305	724.39
Discretionary / non-discretionary portfolio	-	230.40
Total size of the industry	-	993.85

Source: Securities and Exchange Commission of Pakistan

Box item-II : The NBFC Reforms and Developmental Activities

The SECP has taken following initiatives to facilitate growth of the mutual fund industry and to safeguard the investor's interest:

- Approval granted for the launch of Pakistan's first two Exchange-Traded Funds (ETFs).
- Detailed guidelines issued for assessing suitability and standard risk categorization of collective investment schemes (CIS) to curb mis-selling of mutual fund products to the investors.
- Equity oriented schemes allowed to lend up to a certain percentage of net assets through Securities Lending and Borrowing (SLB).
- Investments allowed in units of Exchange-Traded Funds by equity-oriented mutual funds.
- Equity-oriented mutual funds allowed to invest in exchange-traded equity future contracts.
- Investment limit for single equity CIS increased to thirty percent from ten percent through amendments to Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018.
- Reduction in regulatory fees (formation, licensing and registration of CIS, Private Funds and REIT Schemes) applicable on NBFCs issued on 31st March 2020.
- Amendments in the NBFC & NE Regulations 2008 and removal of regulatory pricing caps for AMCs.
- Approval of a new category of Credit Guarantee Company as an NBFC that will issue guarantees for infrastructure projects.
- Approval for incorporation of the first NBFC that will solely focus on financing for SMEs.
- Approval granted for formation of the NBFC that will provide invoice discounting facilities to SMEs.
- Exposure limits for micro-financing enhanced: for housing and micro enterprise loan amount increased from Rs 500,000 to Rs 1.5 million, whereas for individual loan amount increased from Rs 200,000 to Rs 500,000.
- In the wake of COVID-19 pandemic, the maximum period of borrowing by mutual funds for redemption purposes has been extended from existing 90 days to 365 days.

Private Equity and Venture Capital Funds Management Services:

As on 29th February 2020 the number of NBFCs licensed by the Commission to undertake the business of private equity and venture capital fund management services stood at four. These NBFCs successfully launched five private equity and venture capital funds, and the combined size of these five private funds stands at Rs 6,779 million.

Voluntary Pension Schemes: The assets under management (AUM) of the voluntary pension industry currently stand at Rs 30.15 billion as of 29th February 2020.

Table 6.12: Voluntary pension schemes

Description	Status as of 29th February, 2020
Total assets of pension industry (Rs in billion)	30.15
Total number of pension funds	19
Total number of pension fund managers	10

Source: Securities and Exchange Commission of Pakistan

Lending NBFCs: Lending NBFCs includes leasing companies, investment finance companies, housing finance companies, discount houses and non-bank microfinance companies. Highlights of each category are as under:

Table 6.13: List of lending NBFCs

S.No	Lending NBFC	No. of companies	Growth in sector size in the first nine months of FY2020 (%)	Asset size as of 29th Feb, 2020 (Rs Billion)
1	Leasing Companies	7	3.96	10.55
2	Investment Banks	12	3.52	65.41
3	Non-Bank Microfinance Companies	25	5.68	123.35
4	Real Estate Investment Trusts (REITs):	1 (Dolmen city REIT)	-	49.23
5	Modarabas	38	-	52.5

Source: Securities and Exchange Commission of Pakistan

V- Corporate Sector

Measures for e-Governance

Unified Online Company Registration System: In the first half of FY2019, the SECP completed integration of its eServices with the Federal Board of Revenue (FBR) and the Employees Old Age Benefits Institution (EOBI) at the Federal level and with Business Registration portals of Punjab and Sindh at the Provincial level. Consequently, the SECP's eServices have become a One Stop Shop (OSS) for registration of a company with the SECP, FBR, EOBI, Punjab Employees Social Security Institution (PESSI), Sindh Employees Social Security Institute (SESSI), Excise & Taxation Department and Labor Department of Punjab and Excise, Taxation & Narcotics Control Department and Labor Department of Sindh.

Box item-III

This landmark achievement has been recognized in the World Bank Doing Business Report 2020, improving Pakistan's ranking in "Starting a Business" indicator by 58 points from 130 last year to 72 this year. Moving forward, the SECP plans to extend OSS facility to Khyber Pakhtunkhwa and Baluchistan on the same pattern.

Integration with FMU: The SECP took the initiative by conducting "Pilot" project of linking the SECP's database (CRCS) with the Anti Money Laundering software (goAML). The SECP is the first institution to establish such data connectivity with the FMU.

Company incorporation trend: During first nine months of FY2020, 13,875 new companies were incorporated with the SECP. As compared to the corresponding period of the last financial year, it represents a growth of 27 percent. Around 97 percent companies were incorporated through the online process.

Establishment of Secured Transactions Registry for unincorporated entities: An electronic Secured Transactions Registry (STR) is required to be established under the Financial Institutions (Secured Transactions) Act, 2016 (STA) for registration of security interest over movable assets by unincorporated entities. Federal Government has delegated the functions of the STR to the SECP. The creation of a secured transaction registry will facilitate small borrowers from SME and agriculture sector to secure credit from financial institutions against their movable assets including receivables, intellectual property, inventory, agricultural produce, petroleum or minerals, motor vehicles, etc.

Box item-IV: Regulatory Relief to Corporate Sector to dilute impact of COVID-19 Pandemic:

To facilitate companies and businesses in dealing with the current crisis, the SECP has relaxed the regulatory deadlines under Companies Act. These measures include:

i. A general extension of 30 days has been granted to companies, having FY ended on December 31, 2019, for holding their Annual General Meeting and laying of financial statements before members for approval.

ii. Companies have been directed to modify their usual planning for General Meetings and consider provision of video link facilities, webinar or other electronic means.

iii. Companies can circulate notices of general meetings and annual reports to members, by post or electronically.

iv. Extension of 30 days has been granted to all companies in filing of statutory returns due on or after March 24, 2020 without any additional fee or penal action.

v. Extension of 30 days has been granted to all companies in filing of first quarterly accounts for the quarter ended on March 31, 2020.

vi. In order to hold meetings of the BODs, companies have been advised to prioritize public safety, while ensuring corporate compliance, and all underlying circumstances shall be given due consideration by the SECP while enforcing regulatory compliance.

vii. Companies are encouraged to make a necessary arrangement for the use of technology and related applications in order to enable them to work from home to meet the regulatory compliance.

viii. Companies have been advised to direct their CSR activities towards prevention, detection and cure of COVID-19 and ensure effective contingency planning and business continuity, while mitigating health risk to employees, customers and communities.

ix. All companies have been allowed relief from the requirements contained in IFRS 9 (IAS 39, IFRS for SMEs and AFRS for SSEs) which require recording of fair value adjustments of equity instruments held as FVPL (Fair Value through Profit or Loss) in the Statement of Profit or Loss, from March 31, 2020 till June 30, 2020.

Box item-V: Rules and Regulations:

(1) Corporate Rehabilitation Regulations, 2019

The SECP notified the Corporate Rehabilitation Regulations, 2019 in terms of section 41 of the Corporate Rehabilitation Act, 2018 (CRA). The CRA provides a framework for rehabilitation and re-organization of distressed corporate entities and their businesses**.**

(2) Corporate Restructuring Companies Rules, 2019

Corporate Restructuring Companies Rules, 2019 is notified to provide licensing procedure for corporate restructuring companies in terms of section 15 of the Corporate Restructuring Companies Act, 2016.

(3) Draft Financial Institutions (Secured Transactions) Rules, 2019

To give effect to the Secured Transaction Registry required to be established under the Financial Institutions (Secured Transactions) Act, 2016, draft Financial Institutions (Secured Transactions Registry) Rules, 2019 have been submitted for approval of the Federal Government.

(4) Panel of Provisional Managers and Official Liquidators Regulations, 2019

The regulations came into force vide SRO 1352(I)/2019 dated November 11, 2019, and provide eligibility criteria for inclusion in the panel of provisional managers and official liquidators.

(5) Amendments to the Listed Companies (Buy-Back of Shares) Regulations, 2019

The SECP amended the listed Companies (Buy Back of Shares) Regulations, 2019. Pursuant to the amendments, listed companies can buy-back their own shares after expiry of the six months from the last issue of further share.

(6) Amendments to the Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018

The SECP amended the Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018 and the transition period has been increased from one year to 3 years, so that investments by the provident funds or other contributory funds, which are beyond the investment limits specified in these regulations are reduced gradually and brought in conformity with parameters of these regulations.

(7) Listed Companies (Code of Corporate Governance) Regulations, 2019

To facilitate businesses, the SECP revamped the corporate governance regulatory regime with a shift from, "Mandatory" to "Comply or Explain" approach.

(8) Companies (Further Issue of Shares) Regulations, 2020

The SECP has revamped the Companies (Further issue of Shares) Regulations, 2018 and the Companies (Further Issue of Shares) Regulations, 2020 have been notified. The revised framework is more focused and certain conditions that were creating an extra burden on the issuers have been removed, such as

(i) Restricting more than one right issues in six months;

(ii) Statement by the Board regarding compliance of all requirements;

(iii) Requirement of declaration by the board of directors;

(iv) Requirement for preparation of the financial projections; and

(v) Conditions for issuance of ESOS have been simplified

(9) Amendments to fourth and fifth schedules of the Companies Act, 2017

The SECP on July 29, 2019 notified certain amendments in fourth and fifth schedules of the Companies Act, 2017. The amendments were aimed to reduce the excessive disclosure burden and to remove impediments in compliance with laws by the corporate sector.)

VI- Islamic Finance Industry

From July 2019 to March 2020, one company obtained the certificate of Shariah compliance under Shariah Governance Regulations, 2018 and also a Shariah compliance certificate for issuance of listed sukuk has been issued to the company. Moreover, a total of Nine Shariah Advisors have been registered with the SECP, including two private limited companies for providing Shariah advisory services.

Shariah Advisory Committee: The SECP constituted Shariah Advisory Committee (SAC), under section 11A of the Securities and Exchange Commission of Pakistan Act, 1997. The committee has taken over the mandate of Shariah Advisory Board constituted in 2015.

Shariah compliant ETF: The Shariah Advisory Committee of the SECP has approved the Shariah Compliant Exchange Traded Fund (ETF) product subject to certain conditions.

PMEX commodity Murabaha: The Shariah Advisory Committee has reviewed and approved the PMEX commodity Murabaha transactions at the PMEX platform with an underlying high speed diesel (HSD) commodity subject to the compliance of Shariah principles and observance of law of the land and fulfillment of certain conditions.

VII- Insurance Sector

The insurance sector in Pakistan comprises of nine life insurers (including two family takaful operators), forty non-life insurers (including three general takaful operators), and one state- owned national reinsurer. Major achievements in the insurance sector from July 2019 to March 2020 are as follows:

Regulatory Sandbox Guidelines, 2019: To promote innovation in financial sector and encourage startups, the SECP has issued the Regulatory Sandbox Guidelines, 2019. This is Pakistan's first regulatory sandbox in the financial services industry. The guidelines are aimed at reducing regulatory obligations.

Centralized Insurance Repository for Life Insurers: In order to ensure collaboration between life insurance industry and Central Depository Company (CDC), the Centralized Insurance Repository has been launched, enabling holding of details of life insurance/ family takaful polices issued by the insurers in dematerialized form.

Guidelines on Cyber-security Framework for Insurance Sector, 2020: The SECP has issued Guidelines on Cyber-security Framework for Insurance Sector, 2020 which stipulates various risk management measures to ensure safe and robust information technology systems of insurance companies, data protection and confidentiality of private data to maintain the confidence of policyholders in the insurance sector.

General Takaful Accounting Regulations, 2019: The SECP notified the General Takaful Accounting Regulations, 2019 through S.R.O. 1416(I)/2019 dated 20th November, 2019. The regulations provide the principles based on which accounting and reporting of general takaful business of general takaful operators and window general takaful operators shall be made.

Financial Reporting Requirement for Family Window Takaful Operations: The SECP has introduced financial reporting requirements for life insurance companies carrying on window takaful operations under the Takaful Rules, 2012 through Circular no. 15 of 2019 dated 18th November, 2019. The requirements are aimed at increasing transparency and clarity regarding the takaful operation of the family takaful operators.

Ease of doing business (EODB) – Policy Advocacy with Revenue Authorities for Exemption of Sales Tax from Health and Life Insurance: The SECP has taken up the issue of imposition of sales tax on life and health insurance with the provincial revenue authorities with the aim to create conducive and business friendly environment for the insurance industry in Pakistan.

Reduction in Cost of Doing Business: With an aim to improve ease of doing business and to facilitate the insurance industry, the SECP reduced the fees applicable on insurance companies and insurance brokers vide S.R.O 1226(I)/ 2019 dated 15th October, 2019.

Implementation of Motor Third Party Liability Insurance Scheme to Compensate the Victims of Road Accidents: Motor Third Party Liability insurance offers insurance protection against death and bodily injury to the victims of the road traffic accidents or their legal heirs. The law provides compensatory remedy for all such accident victims as provisions contained in the saved Chapter VIII of the Motor Vehicles Act, 1939 make it compulsory for all the motor vehicles owners to have the motor third party liability insurance cover. The Insurance Division had put forward a proposal to amend the Motor

Vehicles Act, 1939 for smooth implementation of the Motor Third Party Liability Insurance Scheme to compensate the road accident victims. The proposed amendments are under process and will be effective soon.

EODB – Simplification of Life Insurance Product Submission Regime Applicable on Life Insurance Companies. With the aim of bringing efficiencies in the processing of life insurance product submission, the SECP has notified simplified submission requirements for standardized products of the life insurers vide S.R.O 234(I)/2020.

VII - Capital Market Reforms and Developmental Activities

1. Introduction of Circuit Breaker and Market Halts

The SECP has implemented phased expansion of applicable circuit breakers on individual scrips from existing 5 percent to 7.5 percent for improving price discovery and enabling easy exit from the market for the investors. Further, the SECP has introduced market halts in the stock market whereby movement of 5 percent in KSE-30 index either way would trigger temporary suspension of trading at stock exchange to prevent irrational price fluctuations and to give the market a cooling-off period and provide facility to brokers to deposit their margins.

2. Introduction of Standardized Scale of Brokerage Commission

A minimum brokerage commission of 3 paisa/share or 0.15 percent of traded value, whichever is higher, has been made effective along with a maximum allowable commission rate of 2.5 percent of traded value. Implementation of commission scale by the SECP is aimed at ensuring quality of brokerage services provided by securities brokers.

3. Launch of Exchange-Traded Funds (ETFs)

The ETF regulations aim to provide maximum facilitation to fund managers and market makers through streamlined regulatory requirements based on international benchmarks. after the introduction of requisite governing structure, the PSX successfully launched 2 ETFs on 24th March 2020, thus providing a new, low cost and well-diversified investment avenue for the investors.

4. Launch of Murabaha Share Financing

In order to promote Shariah complaint financing and encourage liquidity in the capital market, the SECP approved regulatory framework for Murabaha Share Financing (MSF) which will pave the way towards realizing the untapped potential of Shariah complaint segment. The MFS regulatory framework will enable National Clearing Company of Pakistan Limited (NCCPL) to launch platform which will cater to the needs of investors willing to avail Shariah compliant modes to finance their transactions.

5. Introduction of New Brokerage Regime

In order to enhance security of investor assets with the securities brokers, regulatory framework for a new broker regime has been introduced involving categorization of securities brokers according to their financial resources and governance standards. Under the revised regime, only securities brokers having requisite net worth, corporate governance & compliance standards and rating requirements shall retain custody of investor assets. Moreover, small sized brokerage houses shall retain limited custody of assets and accordingly would be subjected to reduced regulatory requirements.

6. Revamping Margin Financing (MF) Product

The SECP approved amendments in the NCCPL Regulations to remove practical difficulties and introduce reforms in margin financing system. The brokers were allowed, where they may extend financing to their customers by executing bilateral financing agreements with banks, to pledge 75 percent margin financed securities by broker extending financing from their own resources in favor of the NCCPL to meet margin requirement against exposure in ready market subject to fulfillment of additional conditions of net worth, credit rating and statutory auditors. The additional conditions include net worth of more than Rs 250 million, minimum credit rating i.e. long term (A-) or short term (A2) rating and having statutory auditor of Category 'A' from the SBP Panel of Auditors.

7. Rationalization of Fee Structure of Frontline Regulators

The SECP has reduced market costs and rationalized fee structures of the Pakistan Stock Exchange (PSX), Central Depository Company (CDC) and the NCCPL for maximum facilitation of the market participants.

8. Safeguarding Investors' Interests

The SECP made necessary regulatory amendments in the PSX regulations to streamline claim verification process in case of defaulted brokers, by including mandatory requirement to engage independent expert and completion of process within prescribed time. Further, regulations governing customer compensation fund have been amended to rationalize disbursement limits for enhancing investor protection. The SECP has also withdrawn discretionary trading option of Pakistan Mercantile Exchange Limited (PMEX) brokers in order to safeguard investors' interests.

9. Wider Investor Outreach and Investor Facilitation

In order to enhance investor outreach, the SECP has implemented a framework to enable online account opening. Further, to increase the retail base, a simplified account opening process has been introduced for low risk investors whereby maximum limit of Sahulat Account has been enhanced from Rs 500,000 to Rs 800,000. Practical issues of market participants in meeting Know Your Customer (KYC) requirements relating to the launch of Centralized Know Your Customer Organization (CKO) have also been addressed through requisite amendments in the regulations.

Further, a simplified non-trading Investor Account has been introduced for sales/income tax refund bonds, IPO facilitation account and mandatory induction of private/public unlisted company shares in the CDS.

10. Measures to improve liquidity

In order to enhance trading capacity of market participants and improve liquidity, the SECP has approved amendments in the NCCPL Regulations for discontinuing 10 percent additional margins being collected from brokers and 10 percent additional haircuts being applied by the NCCPL on margin eligible securities. Furthermore, slabs of liquidity margins have been revised which would now be applicable only on large exposures of brokers. In addition, the security deposit requirements have been reduced and the pool of eligible collateral against margin requirements has also been increased.

11. Deliverable Futures Market (DFM) segment

Various measures were taken to enhance activity in the DFM segment such as permitting release of 50 percent MtM profit in Deliverable Futures Contract (DFC) market on T+l basis and inclusion of closeout mechanism for managing risk. Further, the PSX Regulations were approved for Blank Selling in DFM to address practical difficulties being faced by the market participants.

12. Ease of doing business

Following measures have been taken to enhance ease of doing business: -

- Reporting mechanism in the Deliverable Futures segment has been improved to resolve practical issues of market participants.
- Simplification in the listing requirements and reduced documentation
- Inclusion of more financial institutions as clearing members in the NCCPL
- Increase in the pool of eligible collateral for risk management by the NCCPL
- Improved disclosure requirements specially for related party transactions
- Removal of requirement to place quarterly financial statements on website by brokers
- Requirement to submit specific pledge authority to the bank in the case of each pledge transaction has been relaxed upon request of market participants and replaced with one-time pledge authorization and submission of declaration by the broker to the respective pledge on a fortnightly basis.
- Requirements for opening of branches by securities brokers have been rationalized.

13. Development of primary capital market

Following measures have been taken for development of primary capital market

- Introduction of Growth Enterprise Market at the PSX for facilitating companies that do not meet the prescribed criteria for regular listing at the PSX but are aspiring to raise funds through capital markets.
- Amendment in the Public Offering Regulations, 2017 to simplify the process and promote capital formation.
- Implementation of the second phase of Centralized e-IPO system whereby the TREC holders/ Brokers would be allowed to submit application on the behalf of their clients in an IPO.
- Notification of Rating and Investment Information Inc., Japan, as an internationally recognized foreign credit rating institution, under regulation 4(g) of the Credit Rating Companies Regulations, 2016 for the purpose of entering into joint venture or technical collaboration arrangement with any credit rating company in Pakistan.
- For bringing ease in doing business, following steps have been taken:
  - Processing timelines have been improved and the PSX is now required to process approval within 10 working days for publicly placed debt backed by GOP’s debt servicing guarantee and within 15 working days for listing of equity securities and

publicly placed debt securities not guaranteed by GOP.

- Abolishing the requirement of Information Memorandum in case of listing of privately placed debt security with instrument rating of A and above and for debt backed by debt servicing guarantee from GOP;
- Additionally, no credit rating shall be required for debt listing backed by debt servicing guarantee from GOP.
- Relaxing the requirement of audited accounts to be included in the prospectus from older than 6-months to 8-months.

Conclusion:

During FY2020, the capital markets witnessed wide fluctuations. In the stock market, the KSE-100 index reached the year's highest point in January, plunged in February and March, but surged again in April. The debt market witnessed an outflow after the COVID-19 pandemic hit the world. Globally, the demand is slowing down and the world economy is entering recession. Pakistan's stock market has so far shown resilience to global shocks.

Stability on the macroeconomic front is crucial for capital markets. An environment of low and stable inflation, moderate external borrowing needs, and sustainable fiscal management all contribute to lowering the cost of capital market finance. These factors also facilitate steady growth and reduce uncertainty, which encourages investment and demand for external finance.

The government is gradually easing the lockdown to invigorate the economy. However, much will depend on the epidemiological data. If the cases of COVID-19 rise exponentially, capital markets may face a challenging time.

Chapter 7

INFLATION

Introduction:

Stable inflation is always associated with better growth and development outcomes. Price stability not only reduces uncertainty but also provides multi-dimensional positive impacts on social, economic, and psychological spheres of all segments of the society, especially poor families.

Prior to the COVID-19 outbreak, the government was making efforts to stabilize the inflationary pressure that originated from requisite adjustment policies. Thus, the spike in inflation which appeared due to energy tariff adjustments and the adoption of market-based exchange rate was flattened out mainly due to the government initiatives taken for price stability. Therefore, the average CPI inflation was projected to decelerate by the end of the current fiscal year.

The emergence of COVID-19 and social distancing strategies to control this pandemic have affected demand and supply across the globe. State Bank of Pakistan (SBP) was maintaining double-digit interest rate to control inflation; it has now sharply cut the policy rate by 525 basis points to 8 percent. The easing of the policy rate is aimed at supporting economic activity in the wake of COVID-19 amid a fall in inflation outlook.

During first seven months of the current fiscal year, inflationary pressures persisted. The headline inflation rose by 14.6 percent in January 2020, compared to 5.6 percent in the same month last year, primarily because of a steep surge in food inflation. This trend was attributed to a number of factors such as temporary supply disruptions in perishables and higher transportation costs. Another reason is the change in weather patterns; all the seasons in 2019 have faced some shift from the usual time which caused losses in the minor crops thereby increasing the reliance on imported foodstuff.

For price stability, the government pursued a combination of policy measures such as curtailing current expenditures, improving agricultural productivity, fostering investment for stimulating output, and ensuring adequate availability of consumer goods. The government also remained vigilant on the market situation for smooth supply of commodities. For relief to the common man, the government provided a major subsidy to the Utility Stores Corporation (USC). Thus, essential commodities such as wheat flour, sugar, pulses and cooking oil/ ghee were sold to consumers at subsidized prices by Utility Stores Corporation (USC). All these measures helped in contracting the CPI-national to single-digit which fell to 8.5 percent in April 2020. This was the third successive month showing a decline in inflation, whereas it dropped more than 6 percent in the last three months.

Recently, the COVID-19 outbreak has negatively affected the whole economy especially daily wagers and the poor. The government planned accordingly and is efficiently utilizing all available resources to combat this pandemic, thus performing better than many financially stable countries. The government announced an economic relief and stimulus package of approximately Rs 1.24 trillion, the highest ever in history, to support the poor and help the local industry to offset the negative impact of the coronavirus outbreak in the country.

Most importantly, to further facilitate the public, the government reduced the prices of various petroleum products ranging from Rs 15 to Rs 30 on May 1, 2020. Earlier, the petroleum products prices were decreased by up to Rs 7 per liter for the month of March and subsequently Rs 15 per liter in April. The reduction in petroleum prices in March and April further decelerated the inflation rate as evident from the data of April.

7.2 Consumer Price Index:

The headline inflation measured by the Consumer Price Index (CPI) is recorded at 11.22 percent during Jul-Apr FY2020 as against 6.51 percent during the same period last year. 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 34.7 percent against the decline of 7.1 percent during the same period. Inflation in Non-perishable food items is recorded at 12.4 percent against 5.5 percent during last year. The significant rise in FED on Cigarettes put upward pressure on the Alcoholic Beverages & Tobacco which recorded at 21.9 percent during Jul-Apr FY2020 as against 10.7 percent the same period last year. The Housing, Water, Electricity, Gas & other Fuel are recorded at 7.1 percent during Jul-Apr FY2020 as against 8.2 percent during the same period last year. It has a weight of 23.6 percent, thus any untoward movement directly affects the vulnerable segment of the society. CPI movements by major groups are given below in Table 7.1.

Table 7.1: Composition of CPI-National Inflation (Jul-Apr)

Commodity	Weights	% Change On Average Basis	
		2018-19(Jul-Apr)	2019-20(Jul-Apr)
CPI National	**100.0**	6.5	11.2
Food & Non-alcoholic Beverages	34.6	3.5	15.9
i) Non- perishable Food Items	29.6	5.5	12.4
ii) Perishable Food Items	5.0	-7.1	34.7
Alcoholic Beverages& Tobacco	1.0	10.7	21.9
Restaurant & Hotels	6.9	5.5	7.0
Clothing &Foot wear	8.6	6.4	9.5
Housing, Water, Electricity .Gas& other Fuel	23.6	8.2	7.1
Furnishing &Household Equipment Maintenance	4.1	7.2	10.6
Health	2.8	6.5	11.7
Transport	5.9	15.7	15.0
Communication	2.2	2.3	3.8
Recreation & culture	1.6	6.5	6.8
Education	3.8	9.4	6.0
Miscellaneous	4.9	7.9	11.9

Source: Pakistan Bureau of Statistics

Box 7.1: Comparison of Base Years for CPI

With the introduction of rural markets in the new base, PBS is collecting prices from both rural and urban markets to compute CPI. The following table compares the coverage of both bases i.e. old (2007-08) and new (2015-16).

Description	Base Year 2015-16	Base Year 2007-08
Urban		
No. of Cities	35	40
No. of Markets	68	76
No. of Items	356	487
No. of Commodities	94	89
No. of Groups	12	12
Rural		
No. of Rural Areas	27	Nil
No. of Markets	27	Nil
No. of Items	244	Nil
Classification	Classification of Individual Consumption on Purpose (COICOP)	

SALIENT FEATURES OF THE NEW BASE

Salient features of the new base (2015-16) are as under

a) **Introduction of Rural Consumer Price Index (RCPI) for the first time in the history of the country.** The old base CPI was urban biased, and was criticized for not including rural markets. The new base CPI includes Urban as well as Rural markets of the country.

b) **Introduction of National Consumer Price Index along with Urban Consumer Price Index and Rural Price Index**. In the new base, Rural Consumer Price Index (RCPI), Urban Consumer Price Index (UCPI) and National CPI will be published against a single number of CPI under the old base.

c) **Introduction of Population weights based on recent Population Census, 2017**. In the old methodology, equal weights were assigned to large and small cities. In the new base, population weights are introduced, thus cities will get weights, according to their population size.

d) **Computation of Indices based on Weighted Geometric Mean.** In the new base, Geometric Mean (G.M) is used instead of Arithmetic Mean (A.M) as per international practice.

e) **Introduction of consumption quintiles instead of income quintiles**. In the old methodology, the income quintiles were used. In new base, the consumption quintiles are introduced to capture the actual consumption pattern of the households.

f) **Introduction of consumer weighted approach to compute Gas prices.** PBS was criticized for giving equal weights (20%) to each of five price slabs (in old base) to compute combined Gas price. In the new base, slab wise consumer weights are introduced to calculate the quintile and combined Gas prices.

g) **Rationalization of Electricity Prices and introduction of consumer weighted approach to compute prices**. The earlier methodology was using only slab wise electricity rates without taking in to account the taxes, surcharges and Fuel Price Adjustment (FPA). In the new base, taxes and fuel price adjustments have been included to determine the electricity prices. Slab wise consumer weights are also introduced for calculation of quintile and combined prices.

h) **Electronic data collection (Android Based) for the first time in the history of PBS.** PBS decided to introduce end to end electronic transformation of data with no human intervention. Hence, with the inception of new base year 2015-16, Pakistan Bureau of Statistics has been collecting the retail and wholesale prices since July 2016 and computing the following five indices on monthly/weekly basis:

   i. **Urban** – Consumer Price Index (UCPI)
   ii. **Rural –** Consumer Price Index (RCPI)
   iii. **National –** Consumer Price Index (NCPI)
   iv. **Core-** Non Food Non Energy
   v. **Wholesale** Price Index (WPI)
   vi. **Sensitive** Price Indicator (SPI)

The old base CPI was urban biased as rural markets were not covered. In the new base, the introduction of rural markets allows us to analyze price changes in both rural and urban areas for capturing the full picture of the price trends in the economy. The CPI on new base (2015-16) comprises of Urban and Rural CPI. Urban CPI covers 35 cities and 356 consumer items. The Rural CPI covers 27 rural centers and 244 consumer items. In the new base year, the national CPI for 12 major groups is also computed by taking a weighted average of Urban CPI and Rural CPI.

The table given below presents the other inflationary indicators (CPI-Urban and CPI-Rural) which are also following the same pattern during the last three months.

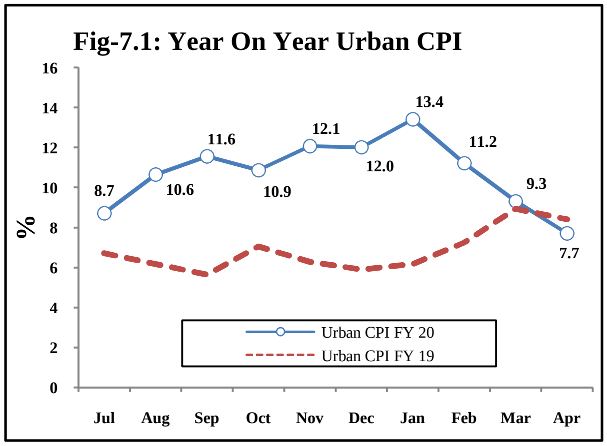
Table 7.2: CPI, Food and Non-Food Inflation (%)

Months	CPI-National	Urban			Rural		
		CPI	Food	Non Food	CPI	Food	Non Food
Jul-19	8.4	8.7	7.9	9.2	7.9	9.3	6.7
Aug-19	10.5	10.6	11.9	9.9	10.3	12.6	8.4
Sep-19	11.4	11.6	15.0	9.7	11.1	15.0	8.0
Oct-19	11.0	10.9	13.7	9.3	11.3	14.6	8.7
Nov-19	12.7	12.1	16.6	9.6	13.6	19.3	9.0
Dec-19	12.6	12.0	16.7	9.5	13.6	19.7	8.8
Jan-20	14.6	13.4	19.5	10.2	16.3	23.8	10.5
Feb-20	12.4	11.2	15.2	9.1	14.2	19.7	9.8
Mar-20	10.2	9.3	13.0	7.3	11.7	15.5	8.5
Apr-20	8.5	7.7	10.4	6.2	9.8	12.9	7.4

Source: Pakistan Bureau of Statistics

CPI inflation-Urban increased by 7.7 percent on Year on Year basis in April 2020 as compared to an increase of 9.3 percent in the previous month and 8.4 percent in April 2019. The Urban Food and Non-Food inflation recorded at 10.4 percent and 6.2 percent as compared to 13.0 percent and 7.3 percent respectively in the previous month.

During the period Jul-Apr FY2020, CPI-urban recorded at 10.7 percent as against 6.9 percent during the same period last year.



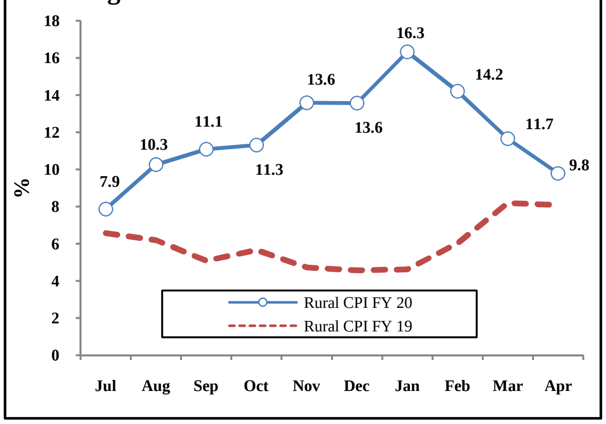
In urban areas, the following items recorded increase in prices during April 2020 as against April 2019: Pulse moong (101.1 percent), Potatoes (92.26 percent), Pulse mash (67.89 percent), Pulse masoor (47.67 percent), Eggs (44.16 percent), Onions (40.72 percent), Gur (33.75 percent), Pulse gram (31.22 percent), Beans (29.92 percent), Besan (29.01 percent), Sugar (27.80 percent), Vegetable ghee (26.31 percent), Cooking oil (22.21 percent), Wheat (16.76 percent), Wheat flour (14.82 percent), Meat (13.75 percent), Gram whole (12.52 percent), Tea (9.54 percent), Gas charges (54.84 percent), Construction input items (16.6 percent), Motor vehicles (13.59 percent), Drugs and medicines (13.03 percent), Footwear (11.49 percent) and Motor vehicle accessories (11.25 percent).

On the other hand, items that registered price declines in urban areas were Tomatoes (55.44 percent), Chicken (28.76 percent), Fish (2.52 percent), Electricity charges (5.88 percent) and Liquefied Hydrocarbons (2.34 percent).

CPI inflation-rural increased by 9.8 percent on a year-on-year basis in April 2020 as compared to an increase of 11.7 percent in the previous month and 8.1 percent in April 2019. The Rural Food and Non-Food inflation recorded at 12.9 percent and 7.4 percent as compared to 15.5 percent and 8.5 percent respectively in the previous month.

During the period Jul-Apr FY2020, CPI-rural recorded at 12.0 percent as against 6.0 percent during the same period last year.

Fig-7.2: Year On Year Rural CPI



In rural areas, commodities that recorded increase in prices during April 2020 over April 2019 were: Potatoes (103.48 percent), Pulse Moong (94.41 percent), Pulse Mash (56.15 percent), Pulse Masoor (45.11 percent), Onions (38.93 percent), Beans (34.48 percent), Vegetable ghee (29.47 percent), Eggs (29.26 percent), Pulse Gram (28.54 percent), Gur (27.05 percent), Cooking oil (26.84 percent), Sugar (24.54 percent), Wheat (21.88 percent), Besan (20.92 percent), Wheat Flour (18.13 percent), Rice (12.75 percent), Doctor Clinic Fee (18.37 percent) and Readymade Garments (10.65 percent). The items recording declines in their prices are Tomatoes (56.28 percent), Chicken (28.5 percent), Fish (0.02 percent) and Electricity Charges (5.88 percent).

7.3: Core Inflation

Non-food non-energy (NFNE) inflation is calculated by excluding the food group and energy items (Petrol, diesel, CNG, electricity, and natural gas) from the CPI basket. The State Bank of Pakistan (SBP) also uses core inflation while formulating its monetary policy. Thus the effect of monetary policy on prices is reflected on core inflation with lag effect.

The inflationary pressures in core inflation receded during the start of second-quarter whereas rural inflation depicted a slightly increasing trend. This signifies that the macroeconomic stabilization measures i.e. increase in interest rates, fiscal consolidation and realignment of the exchange rate with fundamentals have proved largely effective.

The gradual build-up of domestic demand is evident from rising Core inflation for Urban and Rural, recording at 7.8 percent and 8.7 percent respectively during Jul-Apr FY2020 as compared to 7.2 percent and 6.8 percent during the same period last year.

Due to the continuous increase in Clothing & Footwear and healthcare costs, core inflation remained higher on average compared to the same period last year. Table 7.3 shows the core inflation trend year-on-year basis.

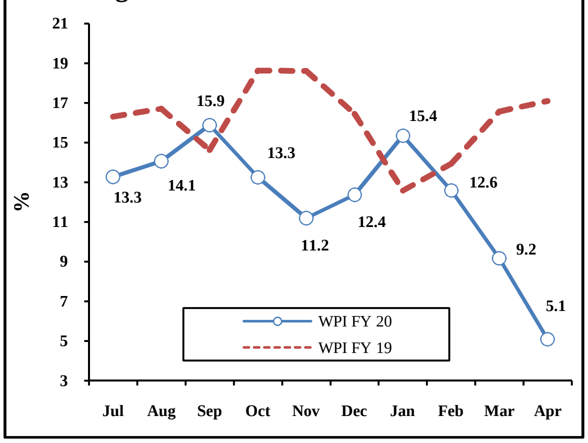
Table 7.3: Core Inflation												(%)
Months		**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**Jul-Apr**
2018-19	Urban	6.7	6.7	7.0	7.5	7.7	7.8	7.1	7.1	7.2	7.0	**7.2**
	Rural	6.8	6.7	6.7	6.7	7.1	7.4	6.6	6.4	6.5	6.8	**6.8**
2019-20	Urban	8.2	8.5	8.4	7.7	7.5	7.5	7.9	8.0	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**

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. Their prices are influenced immediately by trend in import prices and local production. The items have been divided into five groups.

Fig-7.3: WPI movment Year on Year



During the current Fiscal year, WPI is moving towards a downward trajectory since January 2020 which augurs well for other inflationary indicators in the coming months. The Year on Year (YoY) WPI for April 2020 is recorded at 5.1 percent against 9.2 percent in the previous month and 17.1 percent in the same month last year. The index on period average basis during Jul-Apr FY2020 has been recorded at 12.2 percent as against 16.2 percent during the same period last year.

Further categorization of the index into 5 constituent groups reveals the highest inflationary pressure in the Ore & mineral group showing an increase of 30.1 percent as against 25.3 percent during the same period last year. The other transportable goods recorded at 5.5 percent as against a massive increase of 30.0 percent the same period last year which overall drag the WPI index during FY2020. The group-wise comparison is given in Table below.

Table 7.4: Wholesale Price Index (WPI)			(%)
Commodity	**Weights**	**On Average Basis**	
		Jul-Apr 2018-19	**Jul-Apr 2019-20**
General(WPI)	**100.0**	16.2	12.2
Agriculture Forestry & Fishery Products	25.8	9.5	11.4
Ores & Minerals, electricity, gas & water	12.0	25.3	30.1
Food Products, Beverages & Tobacco, Textiles, Apparel & Leather Products	31.1	10.1	10.6
i) Food Products and Bev.& Tobacco	20.1	7.3	12.9
ii) Textiles & Apparel	10.3	15.5	7.3
iii) Leather Products	0.7	6.3	5.0
Other Transportable Goods Except Metal Products, Machinery & Equipments	22.4	30.0	5.5
Metal Products, Machinery & Equipment	8.7	9.0	13.9

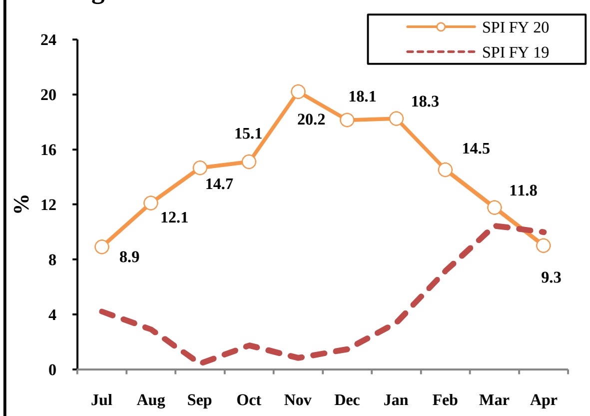
Source: Pakistan Bureau of Statistics

7.5: Sensitive Price Indicator

Sensitive Price Indicator (SPI) is computed on weekly basis to assess the price movements of essential commodities at a shorter interval of time so as to review the price situation in the country. SPI comprises of 51 essential items and the prices are being 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 FY2020 remained volatile as presented in the graph given below.

Fig-7.4: SPI Year on Year



The annualized increase in SPI during Jul-Apr FY2020 was recorded at 14.3 percent against 4.2 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 (+) 7.8 percent.

Table 7.5: Change in prices of major food items of SPI (%)

Description	Units	Weights (Combined)	% Change Apr-20/ Apr-19	Contributions
Wheat Flour Bag	20 Kg	4.0	14.4	0.6
Rice Basmati Broken (Average Quality)	1 Kg	1.3	6.7	0.1
Rice IRRI-6/9 (Sindh/Punjab)	1 Kg	0.2	13.8	0.0
Bread plain (Small Size)	Each	0.6	20.7	0.1
Beef with Bone (Average Quality)	1 Kg	3.4	10.3	0.3
Mutton (Average Quality)	1 Kg	2.4	11.0	0.3
Chicken Farm Broiler (Live)	1 Kg	3.9	-26.4	-1.0
Milk fresh (Un-boiled)	1 Ltr	18.4	4.2	0.8
Curd (Dahi) Loose	1 Kg	1.8	5.4	0.1
Powdered Milk NIDO 390 gm Polybag	Each	0.4	14.9	0.1
Eggs Hen (Farm)	1 Doz	1.4	31.2	0.4
Mustard Oil (Average Quality)	1 Kg	0.0	13.7	0.0
Cooking Oil DALDA or Other Similar Brand (SN), 5 Litre Tin	Each	3.1	21.9	0.7
Vegetable Ghee DALDA/HABIB 2.5 kg Tin	Each	1.5	28.3	0.4
Vegetable Ghee DALDA/HABIB or Other superior Quality 1 kg Pouch	Each	1.5	29.4	0.4
Bananas (Kela) Local	1 Doz	0.9	0.7	0.0
Pulse Masoor (Washed)	1 Kg	0.5	41.6	0.2
Pulse Moong (Washed)	1 Kg	0.5	92.1	0.4
Pulse Mash (Washed)	1 Kg	0.3	61.7	0.2

Table 7.5: Change in prices of major food items of SPI (%)

Description	Units	Weights (Combined)	% Change Apr-20/ Apr-19	Contributions
Pulse Gram	1 Kg	0.5	28.7	0.1
Potatoes	1 Kg	2.1	117.5	2.5
Onions	1 Kg	1.7	20.9	0.4
Tomatoes	1 Kg	1.4	-54.5	-0.8
Sugar Refined	1 Kg	3.2	24.3	0.8
Gur (Average Quality)	1 Kg	0.1	29.8	0.0
Salt Powdered (NATIONAL/SHAN) 800 gm	Each	0.2	3.6	0.0
Chilies Powder NATIONAL 200 gm Packet	Each	0.8	5.7	0.0
Garlic (Lehsun)	1 Kg	0.6	53.9	0.3
Tea Lipton Yellow Label 190 gm Packet	Each	2.4	9.2	0.2
Total		**59.0**		**7.8**

Source: Pakistan Bureau of Statistics

7.6: Global International Prices

Oil futures prices plunged below zero for the first time in history in April 2020, as the Coronavirus pandemic caused global demand to collapse and buyers were not willing to take delivery of crude because of lack of storage place. The settlement price for WTI crude contracted on 20-04-2020 was -$40.0 amid concerns about storage and a slump in global demand due to the Coronavirus pandemic. Now the brent crude is being traded around $38 per barrel.

Table 7.6: International Prices of Major Commodities

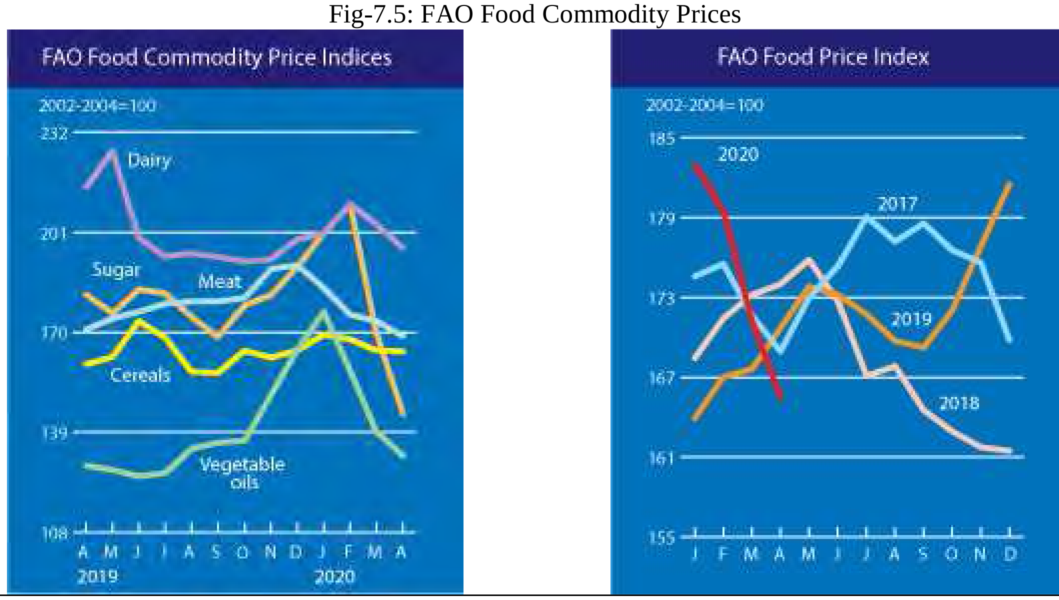
Months	Sugar ($/Mton)	Palm Oil ($/Mton)	Soyabean oil ($/Mton)	Crude oil ($/Brl)	Wheat ($/Mton)	Rice ($/Mton)	Tea ($/Mton)	DAP ($/Mton)	Urea ($/Mton)
Apr-19	280.0	588.0	734.0	71.2	199.5	391.3	2650.0	323.8	247.5
May-19	270.0	563.0	743.0	70.5	199.5	386.8	2730.0	313.4	247.5
Jun-19	280.0	552.0	743.0	63.3	206.1	394.2	2570.0	314.9	247.5
Jul-19	280.0	544.0	748.0	64.0	196.2	391.7	2640.0	314.9	247.5
Aug-19	270.0	586.0	793.0	59.3	181.1	407.5	2630.0	292.9	262.5
Sep-19	260.0	580.0	779.0	62.3	189.6	401.7	2540.0	285.8	237.5
Oct-19	280.0	591.0	771.0	59.4	199.5	397.0	2580.0	277.4	237.0
Nov-19	280.0	683.0	775.0	62.7	203.2	394.8	2600.0	248.0	224.5
Dec-19	300.0	770.0	834.0	65.9	210.9	400.9	2570.0	238.2	217.5
Jan-20	310.0	810.0	876.0	63.6	224.5	426.0	2510.0	264.9	215.4
Feb-20	330.0	729.0	800.0	55.0	215.3	426.5	2350.0	279.4	214.4
Mar-20	260.0	635.0	748.0	33.0	209.1	469.6	2190.0	276.2	231.1
Apr-20	230.0	609.0	680.0	23.3	219.0	543.7	2190.0	282.0	235.0
% Change									
Apr-20/Jul-19	-17.9	11.9	-9.1	-63.6	11.6	38.8	-17.0	-10.4	-5.1
Apr-20/Apr-19	-17.9	3.6	-7.4	-67.3	9.8	38.9	-17.4	-12.9	-5.1
Apr-20/Mar-20	-11.5	-4.1	-9.1	-29.4	4.7	15.8	0.0	2.1	1.7

Source: Commodities Price Pink Sheet, WB

The Palm oil and Soybean oil prices are recorded at $ 609/MT and $ 680/MT respectively in April 2020 showing a decline of 4.1 percent and 9.1 percent over March 2020. Keeping the present scenario, Malaysia has directed palm plantations to continue operations even as the country shuts businesses to prevent the spread of the coronavirus, ensuring steady supplies of the tropical oil to global markets.

The sharp decline in FAO Food Price Index in April marked the third consecutive monthly fall largely driven by COVID-19 pandemic-demand contractions. While the latest fall in prices was most pronounced for vegetable oils and sugar, the other sub-indices also registered lower values in April.

Fig-7.5: FAO Food Commodity Prices



The export prices of all the major cereals, except rice and wheat, fell for the third consecutive month. Despite large global supplies, combined with generally favorable crop prospects, rise in wheat prices reflecting strong demand. The international maize prices registered a further decline in April, pressured by not only large supplies but also much weaker demand especially from the biofuel sector stemming from a plunge in crude oil prices. By contrast, international rice prices extended their upward trend into a fourth straight month, reaching their highest level since June 2018.

The vegetable oil prices continued to decline in April mainly stemmed from fall in palm oil prices (for the second consecutive month) which was fuelled primarily by uncertainties over the impact of the COVID-19 pandemic on global demand. Soya and rapeseed oil prices were also affected by higher than expected crushing in the USA and eroding demand for biodiesel in the EU.

Global import demand for Skim Milk Powder and Whole Milk Powder dampened considerably, mainly due to disruptions in dairy supply chains with the imposition of containment measures to control the spread of COVID-19.

The significant monthly dip in international sugar prices was largely caused by the fallout from the COVID-19, as confinement measures imposed by several countries curtailed demand from out-of-home consumption. In addition, the steep fall in crude oil prices exerted further downward pressure on sugar markets, as lower energy prices tend to boost the production of sugar instead of ethanol. This is notably the case in Brazil, the world's largest sugar exporter.

7.7: Government Steps to control Inflation

Policy Measures

- ECC allowed import of 0.3 million tons of wheat to decrease the local wheat price and to meet the domestic requirement. In order to control its prices, the ECC approved waiving 60 percent regulatory duty and 7 percent withholding taxes on wheat import.
- ECC banned sugar export in an attempt to regulate the surging prices.
- The government has discontinued borrowing from the State Bank of Pakistan which has an inflationary impact. Government has retired Rs 552 billion (Jul-8th May, FY2020) as compared to the borrowing of Rs 4,967 billion in the same period last year.
- To contain fiscal deficit, there is a complete restriction on supplementary grants to ease out inflationary pressures.
- SBP raised the policy rate by cumulative 750 bps to 13.25 percent from January 2018 till July 2019 but considering the uncertainty due to the Coronavirus and improving inflationary outlook, the MPC has cut the policy rate by a cumulative 525 bps in two months to 8 percent.

Administrative Measures

- Prices monitoring Cell in the Ministry of National Food Security is monitoring price hikes of essential food items.
- The government is expanding the network of Sasta Bazaars and Utility Store outlets for provision of smooth supply of daily use items.
- The Competition Commission of Pakistan (CCP) is taking effective measures to control Cartelization and undue Profiteering.

Relief Measures

- The ECC approved a Rs 50 billion technical supplementary grant for the Utility Store Corporation (USC) announced under the PM's relief package.
- To facilitate customers, a subsidy of Rs 226.5 billion has been allocated in the budget for customers who use less than 300 units of electricity in a month and expenditure of Rs 186.5 billion has been made up till 19th May, FY2020.
- Out of Rs 24 billion allocated for the gas subsidy, expenditure of Rs 15.5 billion has been made up till 19th May, FY2020.
- To minimize the negative impact of COVID-19, the government is making the best efforts to provide relief to consumers in energy prices and other essential items. The government announced the relief package of almost Rs 1.24 trillion. Some of the salient features of the package are:

- A sum of Rs 200 billion has been allocated for labors across the country. To support vulnerable families, Rs 150 billion is reserved for the monthly stipend which has increased from Rs 2000 to Rs 3000 per month for the next four months for 9.2 million families.
- The Panagahs (shelter) for jobless and poor has been extended to provide meals and shelter for unemployed.
- Subsidy of Rs 50 billion to USC to ensure the availability of essential items.
- For wheat procurement, Rs 280 billion has been set aside.
- People will also be able to pay electricity and gas bills in instalments whose electricity consumption is up to 300 units and the gas bill is up to Rs 2000. The facility covered 75 percent of power consumers and 81 percent of gas consumers.
- Other measures include tax relaxation on imports of pulses, duty waive off on import of palm oil, and reduced petroleum levy on POL products.

7.8: Conclusion

The recent COVID-19 outbreak has weakened demand putting downward pressure on commodity prices but there is also a risk of supply disruption. Thus, falling international commodity prices especially crude oil will help ease inflationary pressures; however supply disruption and hoarding to push prices up. The government is making all efforts in maintaining a smooth supply. The government is also committed to take strict action against hoarding thus the risk of price hike has been considerably reduced. Inflation is therefore expected to remain at 10.7 percent, below the earlier projection of 11.8 percent and is expected to further scale down to single digit in FY2021. The Government is utilizing all resources to provide maximum relief to the public. Economic Stimulus Package, Ehsas Emergency Relief Programme, incentive package for SMEs and reduction in petroleum prices etc., will provide multidimensional positive impacts to all segments of society especially poor families.

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Chapter 8

TRADE AND PAYMENTS

Pakistan's external sector remained under pressure for a long time. Exports were on a downward trajectory, while imports increased significantly. The main reasons associated with declining exports were currency overvaluation, domestic energy crises, global market contraction, declining international commodity prices, competitiveness crises especially between Pakistan and major export competitors. In FY2019, thus the government has embarked on a journey towards stability and sustainable inclusive growth through various structural and policy adjustments including implementation of a market-based flexible exchange rate regime. There was considerable improvement in key economic indicators till third quarter of FY2020 and economic recovery was expected by the end of FY2020. The policy adjustments were started to reap benefits in the form of decline in current account deficit, buildup foreign reserves, stable exchange rate etc. During July-March FY2020, current account deficit reduced by 73.1 percent to US$ 2.8 bn (1.1 percent of GDP) against US$ 10.3 bn last year (3.7 percent of GDP) mainly due to reduction in trade deficit by 31.0 percent to US$ 14.7 bn (US$ 21.3 bn last year).

However, the COVID-19 outbreak generated both demand and supply shocks reverberating across the global economy and it became an unprecedented challenge having severe impact on social and business activity.The world went into a lockdown which is leading to worst economic recession. To contain the spread of Corona virus, quarantines and social distancing have been adopted which affects many sectors such as travel, hospitality, entertainment and tourism. Supply chain is dislocated due to closure of workplace. The domestic disruption has spill over effect on trading partners through trade and global value chain linkages, apart from that historically low global oil prices and declining commodity prices adding to overall macroeconomic effects.

World Economic Outlook April 2020, has forecasted that the global economy to decline sharply by 3 percent due to COVID-19; worse than 2008-09 financial crisis. With the anticipation of fading pandemic in the second half of 2020 due to normalized economic activity, the global economy is projected to grow by 5.8 percent in 2021. However, with prevailing global condition, there is risk of worsening of economic outlook.

Global economy is highly integrated through tourism, trade and remittances. According to WTO, world merchandise trade due to COVID-19 is expected to decline by 13 to 32 percent in 2020. During 2020 trade volume is expected to decrease by double digits in nearly all regions, depending on the duration of the outbreak and effectiveness of policy response. Trade in services is also expected to be affected adversely due to restriction on transport and travel on account of the pandemic. Due to ongoing trade tensions and slowing economic growth, merchandise trade fell by 0.1 percent in 2019.

The manufacturing activity in China has been severely affected due to pandemic: disrupting supply chains which are creating a gap in their exports, provides an opportunity for Pakistani exporters to timely capitalize the situation. Due to global economic slowdown, the global oil prices declined at historical low level, created an opportunity for the Pakistan to reduce its import bill and current account deficit along with deceleration in inflation.

On the other hand, the outbreak of Coronavirus in Europe, North America and GCC may have an adverse impact on Pakistan's exports as International Financial Institutes (IFIs) have started forecasting a slowdown in global growth during 2020. Under a moderate scenario of contained global impact of COVID-19, the exports may have minimal repercussion on Pakistan economic growth in FY2020 as exports form a relatively smaller portion of the GDP in Pakistan as compared to emerging economies. Meanwhile, remittances from major destinations may decline temporarily in the coming months passing some downward impact on domestic consumption.

Exports

Exports remained on a downward trajectory due to multiple factors over the previous years, however, the present government made all efforts to put exports on a rising path. The government realized the fact that the country's future lies in the export-led growth strategy. Main mentionable steps are:

- Market -based exchange rate.
- Extension in PM's Export Package for 3 years.
- Refunds to exporters and industrialists
- Tariff rationalization on inputs
- Export refinancing scheme.

Before COVID-19, export performance was satisfactory in terms of both products and destination diversification. In terms of product diversification, surgical goods and medical instruments recorded a growth of 8.3 percent during July-March FY2020, while, in terms of destination diversification, the Ministry of Commerce has initiated to explore new markets, especially in Africa. Thus there was a 10 percent increase in exports to Africa till July-February FY2020. Pakistan has the basic infrastructure to tap the growing demand in the medical devices industry, diversification and inter-sectoral up gradation in products and to increase participation in the GVCs.

Thus, till Feb 2020, Pakistan's exports were performing better than most of its competitors despite the challenging external environment. During July-February FY2020, exports reached US$ 15.6 billion compared to US$ 15.1 billion last year, thus registered a growth of 3.6 percent. However, due to COVID-19, exports declined by 15 percent in March 2020 compared to Feb 2020 while according to PBS, in April 2020, exports remained only US$ 957 million, thus showing 47 percent decline compared to March 2020. On year on year basis exports declined by 54.2 percent in April 2020 to US$ 957 million as compared to US$ 2089 million in same period last year. Thus, exports during July-April, FY2020 reached US$ 18.4 billion compared to US$ 19.2 billion during same period last year, showing a decline of 3.9 percent.

A sharp decline in REER due to market-based exchange rate and the government's initiative to provide cheaper electricity to the textile sector have enhanced the competitiveness of the Pakistani products vis-à-vis its competitors in the global market. Moreover, FBR expedited refunds claims of major exporting sectors, which alleviated liquidity constraints of exporters thereby augmenting their capability to export more. During ongoing financial year rice, readymade garment and knitwear were major contributors to export growth, with higher quantum offsetting the lower price effects. On the other hand, exports of the POL group, tanned leather, chemicals and cement were major drags on the overall growth. Power subsidy provided to export sector in January 2019, when government had announced 7.5 cents/KWh flat power tariff led to the increased value addition and improved export performance of this sector.

Due to the COVID-19 Pakistan's exporters are facing declining demand in overseas markets and difficulties in executing existing orders. The exports target for current financial year was set at $26.2 billion for FY2020, which seems difficult to be achieved. As the exports declined on a month on month by 47.2 percent in April 2020 to US $ 957 million as compared to US$ 1814 million in March 2020. To support exporters State bank of Pakistan maintained Export Finance Scheme (EFS) Rate at 3.0 percent and Long-Term Finance Facility (LTFF) at 6.0 percent. Per project, the LTFF limit has been enhanced to Rs 5 billion. SBP enhanced the existing limits of exports related soft loans and allowed manufacturing sector an advance payment of up to US $ 10,000 for import of raw materials and spare parts. Banks are allowed to make advance payment up to 50 percent of the value of imports against LCs. The total subsidized credit to exporters outstanding under both schemes (EFS and LTFF) is approximately Rs 660 billion. Reduced the performance requirement for availing credit under EFS, from twice to one and a half times of borrowed fund, that will be effective for the current as well as FY2021. Further extension in time period to meet performance requirements by 6 months to end December 2020. Extension in time period to ship goods from six to twelve months. The limit for Long Term Financing Facility (LTFF) has been reduced to 40 percent or US$4 million from 50 percent or US$ 5 million of the total sales to become eligible during the period January 01, 2020 to September 30, 2020.

SBP has also allowed banks to enhance the time period for realization of exports proceeds from existing requirement of 180 days to 270 days on a case to case basis where the delay is related to COVID-19. This would help exporters to provide ample time to their buyers for making payments. Exporters can directly dispatch the shipping documents of their exports' consignment to their foreign buyers without any limit subject to the condition that exporter's export over-dues are less than one percent and the exporter has exports of at least US$ 5 million during the previous three years.

Merchandised Exports

The disaggregated data on exports available till March 2020 may have not captured COVID-19 completely due to the fact that lockdown was announced in last week of March. It is the reason that during July-March, FY2020, exports reached US$ 17.4 billion from US$

17.1 billion during July-March, FY2019, posted a growth of 2.2 percent compared to 0.1 percent witnessed during same period in FY2019 over FY2018.

During current fiscal year food group and textile group have performed very well on the account of government policies.

Table 8.1: Structure of Exports

Particulars		Units	July-March Values in $Million			July-March Quantity		
			2018-19	2019-20 (P)	% Change	2018-19	2019-20 (P)	% Change in Quantity
Total			17071.1	17443.3	2.2			
A.	**Food Group**		3348.1	3396	1.4			
	Rice	M.T	1487.9	1,594.0	7.1	2987081	3146014	5.3
	Sugar	M.T	115.1	70.7	-38.6	377679	181447	-51.9
	Fish & Fish Preparation	M.T	293.9	317.3	8.0	129704	133226	2.7
	Fruits	M.T	369.2	379.5	2.8	694855	725199	4.4
	Vegetables	M.T	167.8	257.9	53.7	738657	731974	-0.9
	Wheat	M.T	122	11.4	-90.7	558061	48083	-91.4
	Spices	M.T	68.7	66.8	-2.8	17303	16487	-4.7
	Oil Seeds, Nuts & Kernels	M.T	69.5	27.8	-60.0	48123	20052	-58.3
	Meat & Meat Preparation	M.T	156.4	233.0	49.0	42892	62727	46.2
	Other Food Items		497.6	437.7	-12.0			
B.	**Textile Manufactures**		9989.5	10,412.9	4.2			
	Raw Cotton	M.T	15.7	17.0	8.3	9699	12776	31.7
	Cotton Yarn	M.T	835.7	819.8	-1.9	320128	336437	5.1
	Cotton Cloth	TH.SQM	1595.9	1,548.2	-3.0	2122959	1923102	-9.4
	Knitwear	TH.DOZ	2154.6	2,299.9	6.7	89530	96837	8.2
	Bed wear	M.T	1719.4	1,761.6	2.5	312324	337065	7.9
	Towels	M.T	588.1	591.5	0.6	141991	144854	2.0
	Readymade Garments	TH.DOZ	1955.8	2,170.5	11.0	38742	42785	10.4
	Made-up articles		519	491.9	-5.2			
	Other Textile Manufactures		605.3	712.6	17.7			
C.	**Petroleum Group**		361.7	238.9	-33.9			
	Petroleum Products	M.T	107.1	39.7	-62.9	147326	80147	-45.6
	Petroleum Top Neptha	M.T	47.8	46.5	-2.7	84880	100111	17.9
D.	**Other Manufactures**		2,492.1	2,425.9	-2.7			
	Carpets, Rugs & Mats	TH.SQM	50.7	48.7	-3.9	1183	1260	6.5
	Sports Goods	TH.DOZ	222.9	222.2	-0.3			
	Leather Tanned	TH.DOZ	187.9	151.3	-19.5	16087	13644	-15.2
	Leather Manufactures		358.8	401.0	11.8			
	Surgical Goods. & Med. Inst.		279.8	303.0	8.3			
	Chemical & Pharma. Pro.		841.9	734.5	-12.8			
	Engineering Goods		126.4	140.4	11.1			
	Jewellery		3.8	3.2	-16.5			
	Cement	M.T	221.3	210.1	-5.1	5206393	5586355	7.3
	Guar & Guar Products	M.T	26.6	27.3	2.4	16813	19923	18.5
	All Other Manufactures		198.6	211.6	6.5			
E.	**All Other items**		1,086.5	1,122.2	3.3			

P : Provisional
Source: Pakistan Bureau of Statistics

Analysis of group-wise exports suggests that the food group registered a growth of 1.4 percent during July – March FY2020 compared to the same period last year. Within the food group, rice exports increased by 7.1 percent. The rice export increased both in quantity and value by 5.3 percent and 7.1 percent respectively as Pakistan's share in total rice imports of the EU has been rising consistently ever since the bloc restricted Indian rice imports over excessive use of pesticides. Besides that, the currency movements of the competitor countries provided Pakistan an edge in its established African market.

The Basmati rice exports grew by 33.7 percent in value and 51.8 percent in quantity during July-March FY2020 as compared to the corresponding period last year. Milled basmati rice performed particularly well as quantum exports increased substantially to the major markets in the Middle East, which were collectively responsible for about 59.5 percent of total exports in the period. Moreover, month on month basis in March its export value increased by 20.9 percent and quantity by 21.5 percent.

Husked (brown) rice, which is mostly basmati variety, performed quite well in the European Union—mainly Belgium, Italy, Netherlands, and UK. This rice is further processed by mills to produce white rice that is commonly used in European countries. White (milled) basmati attracts 175 Euro/1000 KG in tariff in European Union against zero percent tariff on brown basmati rice. This also explains the decrease in the share of milled basmati rice exports to the bloc.

The other varieties under rice group witnessed a decline of 3.6 percent in value and 2.5 percent in quantity, compared to the corresponding period last year. In the case of non-basmati, broken rice and other varieties witnessed an increased supply to Africa and some Asian markets such as China, Indonesia, and Kazakhstan.

Export earnings from fruits registered a growth of 2.8 percent in value and 4.4 percent in quantity, while vegetables also witnessed a growth of 53.7 percent in value, however, its quantity declined marginally by 0.9 percent.

Fish & fish preparation subgroup during July-March FY2020 witnessed a growth of 8.0 percent in value and 2.7 percent in quantity, compared to last year. Pakistan's exports of fish frozen to China have increased by 81.5 percent, to US$ 87.6 million during Jul-Mar FY2020 as compared to US$ 48.3 million the same period last year. As USA seafood exports to China have become much costlier due to the US-China trade war, Pakistani exporters might increase their presence in the Chinese market.

Exports of sugar declined to 51.9 percent in quantity and 38.6 percent in value, during July-March FY2020 as compared to the same period last year. The export of spices also declined by 2.8 percent in value and 4.7 percent in quantity during the period.

Meat and meat preparation increased both in value and quantity by 48.9 percent, 46.2 percent, respectively during July – March FY2020 as compared to the corresponding period last year. Month on month in March 2020 it decreased both in quantity by 13.1 percent and value by 14.1 percent.

Textile group, which has around 60 percent share in total exports, witnessed a growth of 4.2 percent during July – March, FY2020 compared to the corresponding period last year. On month on month, the textile group declined by 18.4 percent and reached US $1039.7 million in March, 2020.

There was lower USA quantum apparel demand due to US-China Trade War as the USA applied additional tariffs on Chinese apparel imports from September 2019. Thus, USA buyers switched to low-cost suppliers that included Vietnam, India, and Pakistan. Pakistan was able to capture part of China's market as it experienced higher growth than any of its competitors.

The European Union's apparel imports from Pakistan accelerated from last year, both in value and volume terms, despite the decline in the bloc's overall apparel imports. The weakening of Euro against the US dollar and currencies of major apparel exporters except for the Pak Rupee led to the decline in the EU's apparel imports. The European buyers were attracted by continuously weakening PKR since Q4-FY2018, as unit prices fell only for Pakistan in July-March FY2020 vis-à-vis its competitors. The price effect was further reinforced by duty-free/quota-free access under the GSP Plus agreement. Bangladesh and Pakistan have been able to increase their exports to the bloc as they enjoy preferential trade treatment in trade with the EU.

Value-added exports with a share of 35.7 percent in total exports increased by 6.9 percent in value. Among the value-added exports knitwear exports grew by 8.2 percent in quantity and 6.7 percent in value during Jul-March 2020 as compared to the corresponding period last year. Export earnings of readymade garments show a remarkable growth of 11.0 percent in value and 10.4 percent in quantity during July- March FY2020 compared to same period last year. Higher textile exports came on the back of quantum growth in high value-added products, particularly readymade garments. Bed wear export grew by 2.4 percent in value and 7.9 percent in quantity during July- March FY2020 compared to the same period last year due to higher shipments to the European Union.

Exports of towels increased in both quantity and value by 2.0 and 0.6 percent, respectively during July – March FY2020 as compared to the corresponding period last year. The exports of intermediate commodities like cotton yarn witnessed a decline in value by 1.9 percent whereas quantity improved by 5.1 percent, as dollar receipts were pulled down by lower unit prices, which were in line with the declining prices in the international market during first nine months of the current financial year as compared to the same period last year. Despite a decline in its exports, China's demand for Pakistan's cotton yarn increased as it appeared to shift its yarn demand away from India and towards Pakistan on account of the second phase of the Pak-China FTA.

Cotton cloth export declined both in quantity and value by 9.4 percent and 3.0 percent, respectively, July – March FY2020 as compared to the same period last year. Although Pakistan has the highest share in cotton fabric imports of the European Union (in quantum terms) is on a rising trend over the last few years. The export of raw cotton increased both in quantity and value by 31.7 percent and 8.2 percent during July-March FY2020.

During July – March FY2020 petroleum and coal group's exports posted a decline of 33.9 percent over the corresponding period last year, as import demand from Afghanistan witnessed a fall in response to declining engagement of foreign forces. Moreover, petroleum crude (condensates) exports declined 26.2 percent to US$ 152.7 million during July-March FY2020, as refineries are increasingly using condensate with low-gravity imported crude.

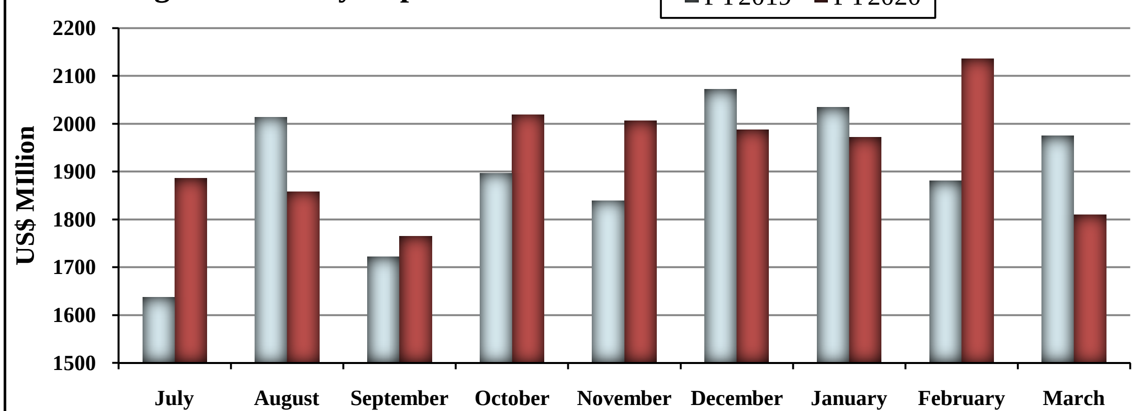
Export of items like leather tanned and gloves etc. could not grow in quantitative terms. In the case of sports goods, major export item football witnessed a growth both in quantity and value by 9.7 percent and 9.1 percent, respectively.

Export of carpets, rugs, and mats registered negative growth in value by 4.0 percent whereas its export quantity increased by 6.5 percent during July- March FY2020 compared to the same period last year. The export of cement witnessed a decline of 5.1 percent in value and its quantity increased by 7.3 percent during the period under review. However, Pakistani cement exports this year have become more diverse in terms of market access compared to last year, when India was the key importer of Pakistani Portland Cement, importing one-fourth of Pakistan's quantum cement exports. However, the overall value of cement was pulled down by low unit prices. Guar and guar products registered growth both in value and quantity by 2.4 percent and 18.5 percent, respectively.

Monthly Exports

The monthly exports for the period July-March FY2020 remained mostly above the corresponding months of last year, averaging US$ 1938 million per month as against an average of US$ 1897 million last year. The introduction of a market-based exchange rate system, despite low unit value a significant increase in exports volume, US-China trade war provide an opportunity in some sectors particularly textile and seafood and increased market shares in key destinations led to increase in exports. The exports fall in March except for the COVID-19 pandemic shows a negative growth of 8.1 percent as exporters are facing declining demand in overseas markets and difficulties in executing existing orders.

Fig: 8.1 Monthly Exports



Concentration of Exports

The composition of Pakistan's exports more or less remained the same during FY2020 compared to previous years showing high concentration in a few items like cotton & cotton manufactures, leather, rice, and a few more items. The first three categories of exports account for 69.2 percent of total exports during July-March FY2020 with cotton & cotton manufacture alone contributing 56.7 percent. Traditionally the contribution of these three categories was 69.1 percent during the same period last year and 73.6 percent during FY2018. The bifurcation of these items in Table 8.2 shows that exports in these few items are the major factor for lower export earnings.

Table 8.2: Pakistan's Major Exports

Commodity	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	July-March	
							2018-19	2019-20 P
Cotton Manufactures	53.1	54.5	55.0	56.5	61.7	56.4	57.8	56.7
Leather**	5.1	4.8	4.9	4.1	4.2	3.7	3.7	3.7
Rice	7.6	8.5	8.8	8.8	7.7	9.0	9.1	8.8
Sub-Total of three Items	**65.8**	**67.8**	**68.7**	**69.4**	**73.6**	**69.1**	**70.6**	**69.2**
Other items	34.2	32.2	31.3	30.6	26.4	30.9	29.4	30.8
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

Year-wise major Pakistan's export destinations are mentioned in Table 8.3 which shows that during July-March, FY2020 period no visible change occurred and our exports are continuously concentrated to the same markets. Efforts are being made to explore new markets specifically in ASEAN and Asian regions having unexplored potential. The Ministry of Commerce has initiated the Look Africa Policy**,** the trade ties between Pakistan and African countries will create jobs, facilitate economic growth, and reduce poverty. The exports to Africa have increased by 10 percent during July-February FY2020 to US$ 1030 million as compared to US$ 937 million last year.

Table 8.3: Major Exports Markets Rs Billion & Percentage Share

Country	2016-17		2017-18		2017-18		July-March			
							2018-19		2019-20 P	
	Rs	% Share	Rs	% Share	Rs	% Share	Rs	% Share	Rs	% Share
USA	361.1	16.9	400.4	15.7	532.8	17.0	384.6	17.0	471	17.3
CHINA	153.8	7.2	185.7	7.3	259.6	8.3	180	8.0	219	8.0
AFGHANISTAN	133.1	6.2	165.2	6.5	176.4	5.6	128.5	5.7	115.6	4.2
UNITED KINGDOM	163.1	7.6	186.7	7.3	226.8	7.3	166.9	7.4	194.7	7.1
GERMANY	125.1	5.9	146.7	5.7	173.4	5.5	125.6	5.5	162.1	5.9
U.A.E	83	3.9	104	4.1	125.8	4.0	77.3	3.4	141.6	5.2
BANGLADESH	65.4	3.1	81	3.2	101.8	3.3	77.8	3.4	91.8	3.4
ITALY	68.6	3.2	84.5	3.3	107.4	3.4	74.3	3.3	92.4	3.4
SPAIN	85.5	4.0	104.5	4.1	126.5	4.0	93.2	4.1	109.2	4.0
FRANCE	38.8	1.8	45.5	1.8	53.9	1.7	39.1	1.7	44.8	1.6
All Other	**860.7**	40.3	**1050.8**	41.1	**1243.8**	39.8	**916.4**	40.4	**1083**	39.7
Total	**2138.2**	100.0	**2555**	100.0	**3128.2**	100.0	**2263.7**	100.0	**2725.2**	100.0

P : Provisional
Source : Pakistan Bureau of Statistics

Bilateral Relation

Pakistan attaches great importance to its trade relations with other trading partners. Engagements of Pakistan with its trading partners in the ongoing financial year are mentioned below:

China-Pakistan

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 the most favorable market access in the Chinese market at par with ASEAN. 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, the inclusion of balance of payment clause and Electronic Data Exchange (EDE) to curb under-invoicing and misdeclaration of goods. The Protocol to amend the CPFTA was signed in April 2019 while the Tariff Reduction Modalities (TRM) have been implemented from 1st January 2020 by both sides.

Second China International Import Expo (CIIE) was held in Shanghai, China, in November 2019. Leading enterprises of Pakistan actively showcased their products during the event. Pakistan will also participate in the 3rd CIIE to be held in November 2020.

Pakistan-Japan

During the 6th Round of Japan-Pakistan High-Level Economic Policy Dialogue, held on 11th July 2019 at Tokyo Japan, Pakistan proposed that as an interim step, a PTA may be concluded to allow Pakistan a level playing field as available to its competitors. Japanese side clarified that, if they were to discuss on possible EPA/FTA, it has to be full-fledged, covering "substantially all the trade", including Trade in Goods, Trade in Services, Investment, Intellectual Property, and E-Commerce. Based on this understanding, both sides shared the willingness to promote discussion to facilitate and further strengthen bilateral trade.

Pakistan-Thailand

Pakistan is Thailand's second-largest trade partner in South Asia and there is a tremendous potential to increase bilateral trade. An inter-sessional video conference on Pak-Thailand Free Trade Agreement (PATHFTA) was held on 7th July 2019 to discuss matters related to PATHFTA. Both countries are in the process of finalization of offer lists on 200 priority items under Pak-Thailand Free Trade Agreement (PATHFTA).

Pakistan-Sri Lanka

Pakistan-Sri Lanka Free Trade Agreement (PSFTA) became operational from 12th June 2005. The Sixth Secretary Commerce Level Technical Talks between Sri Lanka were held on 6th January 2016. During this the meeting talks were held on broadening the scope of FTA by the inclusion of chapters on Services and Investments. Pakistan enjoys a trade surplus with Sri Lanka. Under the PSFTA, a quota of 6000 MT of Basmati rice was allowed to be exported to Sri Lanka from Pakistan on duty-free basis each year. This quota was available only for two varieties, namely, PK 385 and/or Super Kernel grades. However, in December 2019, three new varieties of rice i.e., Super Basmati Rice, 1121 Kainat Rice, PK 198/D 98 Basmati Rice have also been added to the list of Rice having duty free access.

Pakistan-Indonesia

Indonesia-Pakistan PTA (IP-PTA) was signed on 3rd February 2012 and has been operationalized since 1st September, 2013. As a result of detailed negotiations and persistent trade diplomacy, Indonesia agreed to unilaterally provide "zero duty" to Pakistan on the 20 tariff lines. A protocol to give effect to this arrangement was signed during the visit of Indonesian President on 26-27 January 2018. Notification to this effect has also been issued by the Government of Indonesia and the newly granted market access is operational since 1st March 2019

Central Asian Republics

The overall bilateral trade of Pakistan with the Central Asian Republics (CARs) has increased to US$ 86.15 million during July-February FY2020 as compared to the US$ 84.47 million the same period last year. Pakistan's exports to the CARs have increased to US$ 80.32 million during the period under review as compared to US $ 73.08 million last year. Kazakhstan is the largest export market for Pakistan in CARs. In February 2020, Joint Inter-governmental commission meeting was held wherein Kazakhstan agreed to establish a Joint Working Group on Trade and Investment, with Pakistan to remove trade barriers for each other.

Africa

Total bilateral trade between Pakistan and the Middle Eastern region was recorded at US$ 3272.04 million during July- March FY2020. Overall bilateral trade of Pakistan with Africa stood at around $4.2 billion in 2018-19. Ministry of Commerce's Look Africa Policy Initiative exports increased to US$ 1030 million during July-February FY2020 as compared to US$ 937 million same period last year. The total imports have been decreased to $1900 million during July-February FY2020 as compared to US$ 1982 million same period last year.

- **Opening of New Commercial Sections:** Ministry of Commerce has opened six new commercial sections in Africa in line with Look Africa Policy Initiative
- **Pakistan –Egypt Trade Conference:** During Pakistan-Egypt Trade Conference in October 2019 an MoU was signed between the two sides to establish Pak –Egypt Joint Working Group (JWG).
- **Pakistan Africa Trade Development Conference**: Pakistan-Africa Trade Development Conference was held in Nairobi, Kenya in January 2020. During the conference in addition to the Trade Conference, B2B and G2G meetings were held which were attended by Pakistani Head of Missions (HoMs) in Africa, EAC members' delegations, Trade Officers, business community from Pakistan and Africa.

United States

United States of America (USA) is the major destination for Pakistan's exports. The U.S. Generalized System of Preferences (GSP), a program designed to promote economic growth in the developing world, provides preferential duty-free treatment for over 3,500 products from 128 designated beneficiary countries and territories. However, for the 44 Least Developed Countries (LDCs) enhanced market access is provided by allowing an additional 1500 tariff lines for duty-free treatment. On 1st July 2017, the US Government included 134 tariff lines into GSP schemes like travel bags, travel goods related to {HS 42 (two digits)} export interest to Pakistan. The US has renewed GSP Preferential Market Access Program till December 2020.

Europe Union

European Union is Pakistan's largest export partner. This is because Pakistani products have duty free access in all 27-member states of the European Union (EU) on 91 percent tariff lines under EU's "Special Incentive Arrangement for Good Governance and Sustainable

Development", known as GSP+, since 1st January 2014. Recently, the Third Biennial Review of the GSP Plus (2018-2019) successfully concluded in March 2020 and this facility will continue for Pakistan. The Fourth Biennial Review of the GSP Plus (2020-2021) has formally commenced and the next EU Monitoring Mission to Pakistan is expected later this year after the COVID 19 crises have abated. As a result of this arrangement, Pakistan's total trade volume to the EU has increased from US$ 11,960.59 million in 2013-14 to US$ 14,158.29 million in 2018-19.

The exports to the EU reached US$ 5922 million during July-March FY2020 as compared to US$ 5,736 million in the corresponding period last year, with a growth of 3.8 percent. The imports from the EU reached US$ 3,328 million during July-March FY2020 as compared to US$ 3,747 million in the corresponding period last year, with a negative growth of 9 percent.

Eastern Europe:

In December 2019, an Agreement was signed between Pakistan and Russian Federation on the settlement of mutual financial claims and the obligations on operations of the former USSR. Overall, Pakistan's exports to the Eastern European block have witnessed an increase of 5 percent during July-March FY2020 as compared to the same period last year. The government has undertaken the following initiatives for enhancing trade to the region:

- Promotional /marketing activity in the Eastern Europe region is being carried out as part of a strategy to target non-traditional markets.
- Ministry of Commerce is arranging business delegations of textile garments, sports goods, leather goods, and surgical goods from Pakistan in coordination with TDAP.
- To cater to the demands of the Eastern European region, the Ministry of Commerce is carrying out market analysis of potential non-traditional sectors and products.
- To sustain GSP-Plus, Ministry of Commerce, is extensively working to fill the gaps, indicated by the EU monitoring mission in close liaison with Federal Ministries and Provincial Governments.
- The promotion of sports goods exports to the Czech Republic is being carried out.

Box-I: E-Commerce Policy

The Cabinet of Pakistan approved Pakistan's first-ever e-Commerce Policy in October 2019 thereby according to a long due recognition to an important segment of the economy. E-Commerce in Pakistan is at a nascent stage, with modest internet retail sales, despite 161 million cellular subscribers, 70 million 3G/4G subscribers, 72 million broadband subscribers, and total teledensity of 76.56 percent, as of July 2019. However, it is an emerging sector with a noticeable surge in recent past in online vendors, local e-Commerce platforms, and online payment facilities introduced by banks and large cellular companies. According to the State Bank of Pakistan, excluding Cash-on-Delivery (CoD) sales, e-Commerce sales stood at Rs 18.7 billion by the end of June 2018 while the total size of Pakistan's e-Commerce market in 2018 was Rs 99.3 billion. The number of registered e-Commerce merchants has risen by 2.6 times and e-Commerce payments have surged 2.3 times in just twelve months.

Formulation of the e-Commerce policy is a step in fulfilling the Government vision and commitment to effectively promote and encourage businesses, especially Micro Small and Medium enterprise (MSMEs) to go online and foster holistic growth of e-Commerce in Pakistan. The policy covers and provides guidelines on key components for the promotion of e-Commerce including the regulatory environment, financial inclusion, and digitization through payment infrastructure, empowering youth and SMEs, consumer protection, taxation, ICT infrastructure, logistics, data protection, and engagement in multilateral negotiations. Since its approval, the e-commerce policy has made headways in smoothening the e-commerce business environment in the country. For instance, freelancers' remittance limit has been enhanced from US$ 5,000 to US$ 25,000, IT companies and freelancers are now given better exchange rates for dollar in-line with the interbank rate offered to exporters & trade receivable of IT companies will now be used as collateral for loan procurement from commercial banks.

Source: Ministry of Commerce

Box-II: Initiatives in The Pipelines

1. Geographical Indications (Registration and Protection Bill) 2019

Geographical Indications (GIs) identify the products that have a specific geographical origin and possess qualities or reputation attributable to their place of origin. These are generally traditional products that have gained a reputation in the local, national, or international market due to their specific unique qualities. The recognition and protection of these products, through legislation, allows the community of producers to get a fair value of their commodities while preserving their unique identity. A score of Pakistani products has the potential to be protected under a GI regime, including products such as Basmati Rice, Kinnow, Mango, Cutlery, Ajrak, etc.

Ministry of Commerce, and Intellectual Property Organization of Pakistan, drafted the first Geographical Indications (Registration and Protection) Bill, 2019 to provide for the registration and effective protection of the Geographical Indications of the country. The summary of the subject bill was sent to the Cabinet Committee for Disposal of Legislative Cases (CCLC) on 26th July 2019 after approval of the subject has been submitted to the Parliament.

2. National Tariff Policy (NTP)

The National Tariff Policy aims at removing the anomalies in the tariff structure and making it a reflection of trade policy priorities and enhancement of competitiveness through duty-free access to imported raw materials and promotion of investment into efficient industries through a predictable tariff structure, decided through an institutional mechanism (Approved vide Cabinet decision dated 19th November 2019).

3. Domestic Commerce Wing

i. Draft Paper on "Framework for the Development and Facilitation of Domestic Commerce": The Domestic Commerce Wing has drafted the paper on ***"Framework for Development and Facilitation of Domestic Commerce"***, which will be submitted to Domestic Commerce Reforms and Development Committee (DCRDC) for approval. The proposed framework deals with the following areas:

Enterprise Productivity & Modernization

SME Development

Agriculture & Mining

Retail & Wholesale Sector

Local brand Development

Transport & Logistics

Skill Development.

ii. Development of Provincial Strategies on Domestic Commerce: All the provinces and regions including Gilgit-Baltistan and AJK have formulated their respective domestic commerce strategies. These strategies are of high significance as they focus on effectively linking domestic commerce with Pakistan's international trade through the development of commercial governance framework.

Source: Ministry of Commerce

Box-III: Trade Facilitation Agreement (TFA):

'Trade Facilitation' implies the streamlining, harmonizing, and simplifying border procedures to expedite the cross-border movement of goods. In words of the World Customs Organization (WCO), trade facilitation is "*avoidance of unnecessary trade restrictiveness*".

Pakistan ratified TFA on the 27th of October 2015 that provides flexibility to the members in terms of implementation of the provisions of the Agreement. It envisaged that every signatory is required to divide the provisions of the Agreement into three categories, i.e. A, B, and C allowing time for implementation and at the same time assistance to developing and least developed countries for implementation.

Under its Article 10.4, Pakistan has committed to the establishment of a 'National Single Window' (NSW) as a 'Category-C' commitment with an implementation deadline of June 2022. This comes as the government increasingly focuses on enhancing exports and substituting imports to give a boost to domestic production and the overall economy. NSW allows the parties involved in trade and transport to lodge standardized information and documents with a single-entry point to fulfill all import, export, and transit-related regulatory requirements.

In December 2019, the ECC of the Cabinet approved the "Enactment of Pakistan Single Window Bill, 2019". The enactment of the Bill will highly facilitate the businesses in Pakistan. As of now, 42 government agencies are involved in granting approvals for different businesses. Which will be replaced and now through this Single Window, all parties involved in trade and transport can lodge standardized information and documents with a single-entry point to fulfill all import, export and transit-related regulatory requirements.

The Ministry of Commerce also secretariats the National Trade and Transport Facilitation Committee (NTTFC) which supports and coordinates among various government agencies and commercial enterprises that participate in international trade transactions. It also serves as a cross-sectoral secretariat to address trade, transport-related issues, and develop practical solutions.

Source: Ministry of Commerce

Imports

During FY2018, the growth momentum became unsustainable due to macroeconomic imbalances mainly due to high current account deficits. The maintained exchange rate accelerated the domestic demand which led to a massive surge in imports due to high consumption expenditure and government spending. The government started tackling the challenge primarily by managing the aggregate demand and addressing the deep-rooted structural problems. They took difficult decisions in reducing the overvaluation of the exchange rate and aligned it to the market value-based exchange rate adjustments. Further, import tariff was imposed on non-essential items. The present government imposed up to 60 percent regulatory duties on 570 luxury and non-essential imported goods to curtail the rising imports. Thus, during July-Feb FY2020, imports remained US$ 31.5 billion compared to US$ 36.6 billion showing a decline of almost 14 percent. Hence, trade deficit was contracted to 26 percent.

In April 2020 imports declined by 32 percent and remained at US$ 3.2 billion compared to US$ 4.7 billion in April 19. The main reason was suppressed demand for a wide range of energy and non-energy products also evident from falling crude oil prices which became a blessing in disguise for Pakistan. The total imports in July-April FY2020 decreased to US$ 38.0 billion as compared to US$ 45.4 billion the same period last year, thus registered a decline of 16.2 percent the lowest level in four years. Due to depressed industrial demand, there is lower import in quantum complemented with lower international commodity prices especially crude oil, LNG, coal, and metals.

To facilitate importers in the COVID-19 period, SBP has extended the time period for import of goods into Pakistan against advance payment from the existing requirement of 120 days to 210 days. Enhanced the existing limit of US$ 10,000/, or equivalent in other currencies, per invoice allowed to banks to make an advance payment on behalf of manufacturing & industrial concerns and commercial importers for import of raw material, spare parts & machinery to US$ 25,000/. These measures are in continuation of facilitating export-oriented industries and manufacturing concerns in the backdrop of ease of doing business and promoting exports' growth and will further contribute to improving the economic outlook of the country. Allowing Authorized Dealers to effect import advance payment against irrevocable letter of credit up to 100 percent of the value of the letter of credit for import of plant, machinery, spare parts and raw material, etc. Extending the facility allowed to manufacturing & industrial concerns for import of raw materials and spare parts on an open account basis to commercial importers as well.

Till this time, disaggregated Group-wise data on imports is available till March-20. The data shows that all groups like petroleum, transport & agriculture imports, food, machinery, textile & metal, imports recorded a decline during July-March, FY2020. (Table 8.4)

Table 8.4: Structure of Imports

Particulars		Units	July-March Value in $ Million		% Change in Value	July-March Quantity		% Change in Quantity
			2018-19	2019-20 (P)		2018-19	2019-20 (P)	
	Total		40,679.7	34,790.6	-14.5			
A.	**Food Groups**		4,261.4	3,963.3	-7.0			
	Milk & Milk food	M.T	185.8	125.2	-32.6	76819	49802	-35.2
	Wheat Unmilled	M.T	-	-	0.0	-	-	0.0
	Dry Fruits	M.T	33.8	24.1	-28.7	18977	16747	-11.8
	Tea	M.T	445.8	376.2	-15.6	170311	155528	-8.7
	Spices	M.T	111.7	119.4	6.9	96253	103013	7.0
	Edible Oil (Soyabean & Palm)	M.T	1,454.6	1,425.5	-2.0	2413601	2342943	-2.9
	Sugar	M.T	3.0	2.3	-21.0	5910	4510	-23.7
	Pulses	M.T	393.4	428.8	9.0	737551	848472	15.0
	Other Food Items		1,633.4	1,461.8	-10.5			
B.	**Machinery Group**		6,716.0	6,633.2	-1.2			
	Power generating Machines		955.6	925.8	-3.1			
	Office Machines		341.0	287.4	-15.7			
	Textile Machinery		379.5	350.6	-7.6			
	Const. & Mining Machines		177.8	167.9	-5.6			
	Aircrafts, Ships and Boats		222.0	240.7	8.4			
	Agriculture Machinery		101.1	73.2	-27.6			
	Other Machinery Items		2,408.0	1,739.9	-27.7			
C.	**Petroleum Group**		10,614.0	8,900.6	-16.1			
	Petroleum Products	M.T	4,623.0	3,964.7	-14.2	7591057	7896482	4.0
	Petroleum Crude	M.T	3,379.0	2,452.6	-27.4	6563416	5521957	-15.9
D.	**Consumer Durables**		2,844.1	2,406.6	-15.4			
	Road Motor Vehicles		1,810.9	943.4	-47.9			
	Electric Mach. & Appliances		1,321.2	1,750.6	32.5			
E.	**Raw Materials**		5,787.7	5,051.2	-12.7			
	Raw Cotton	M.T	412.4	556.1	34.8	224575	336658	49.9
	Synthetic Fibre	M.T	427.2	339.1	-20.6	214517	227528	6.1
	Silk Yarn (Synth & Arti)	M.T	485.3	429.9	-11.4	220055	210417	-4.4
	Fertilizer Manufactured	M.T	716.0	482.3	-32.6	1709759	1429951	-16.4
	Insecticides	M.T	135.2	108.6	-19.7	21070	18999	-9.8
	Plastic Material	M.T	1,627.9	1,490.2	-8.5	1122987	1199206	6.8
	Iron & steel Scrap	M.T	1,108.9	1,188.2	7.2	3638564	3044891	-16.3
	Iron & steel	M.T	1,657.1	1,159.3	-30.0	2426840	1796710	-26.0
F.	**Telecom**		1,031.1	1,337.8	29.7			
G.	**All Other Items**		14,167.8	11,828.9	-16.5			

P : Provisional
Source : Pakistan Bureau of Statistics

The food group generally constitutes around 12.0 percent of the total import bill. During July-March FY2020, food group witnessed a decrease of 7.0 percent and its import reached US$ 3963.3 million from US$ 4261.3 million during the comparable period last year. The edible oil (Soybeans & Palm) import bill, the heaviest item in the food group, decreased in both quantity and value by 2.9 percent and 2.0 percent. The import bill of pulses surged by 9.0 percent during the period under review mainly due to the low domestic production. (Table: 8.4)

The import of crude oil and petroleum products constitute 25.6 percent of the total import bill of Pakistan. The import of petroleum group declined by 16.1 percent during July-March FY2020 and reached US$ 8900.6 million as compared to the US $ 10614.0 million corresponding period last year, mainly due to historically low global oil prices. Within the petroleum group, the petroleum products declined in value by 14.2 percent, despite an increase in quantity by 4.0 percent. Petroleum crude declined both in quantity and value by 15.9 percent and 27.4 percent during Jul-March FY2020 as compared to the same period last year.

Liquefied Natural Gas imports decreased by 6.7 percent in value and Liquefied Petroleum Gas imports surged by 18.7 percent during July-March FY2020 as compared to the corresponding period last year.

Import of the Machinery group, declined by 1.2 percent and reached US$ 6633.2 million during Jul-March FY2020 as compared to US$ 6716.0 million the same period last year. Within this group, the import bill of textile machinery registered a decrease of 7.6 percent (US$ 350.6 million) during July-March FY2020 against (US$ 379.520 million) the same period last year. Import bill of power generating machinery recorded US$ 925.7 million during July – March FY2020 as compared to $ 955.6 over the same period last year, showing a decrease of 3.1 percent.

A surge of 32.5 percent (US$ 1750.6 million) is witnessed in Electrical machinery & Apparatus during July – March FY2020 over ($1321.2 million) the corresponding period last year due to a rise in imports of heavy-duty electrical transformers (of greater than 10,000 kVA capacity) and related equipment. The higher imports of these products are in line with ongoing work to expand the transmission network in the country, especially by K-Electric in Karachi. According to National Transmission and Dispatch Company (NTDC) work is ongoing on 48 power transmission projects with completion dates ranging from FY2020 to FY2022.

Telecom sector imports within the machinery group, increased by 29.7 percent (US$ 1337.8 million) during first nine months of the current fiscal year compared with US$ 1031.7 million during the corresponding period last year. Mobile phone imports in Pakistan increased by 75.9 percent during July-March FY2020 and reached US$ 979.9 million as compared to US$ 557.2 million same period last year. In December 2018, Pakistan Telecommunication Authority's Device Identification Registration and Blocking System (DIRBS) became effective and efficiently restrict illegal cell phone imports by identifying and blocking non-registered cell phones that were using local SIM cards. For this reason, significant numbers of Mobile phones imports are now diverted to a formal channel from the grey channel, leading to a surge in official import data. The government had abolished a three percent value-added tax on commercial cell phone imports via the FY2019 budget, which slightly reduced the cost of imports.

The transport group imports declined by 42.5 percent and reached US$ 1197.7 million during July-March FY2020 as compared to US$ 2083.2 million the same period last year as auto assemblers after significantly raising prices following the currency adjustment are now faced with slumping domestic sales. The firms responded to the lower consumer demand by cutting their production, which reduced their imports of Completely Knocked Down (CKD) kits and other auto parts. Meanwhile, the regulatory restrictions on car imports under the gift and baggage schemes continued to dent Complete Build Unit (CBU) imports. As a result, overall transport imports fell to a 10-year low. The import of road motor vehicles decreased by 47.9 percent, CKD/SKD decreased by 42.2 percent, buses decreased by 42.4 percent and motor cars decreased by 43.8 percent, during the July-March FY2020 over the corresponding period last.

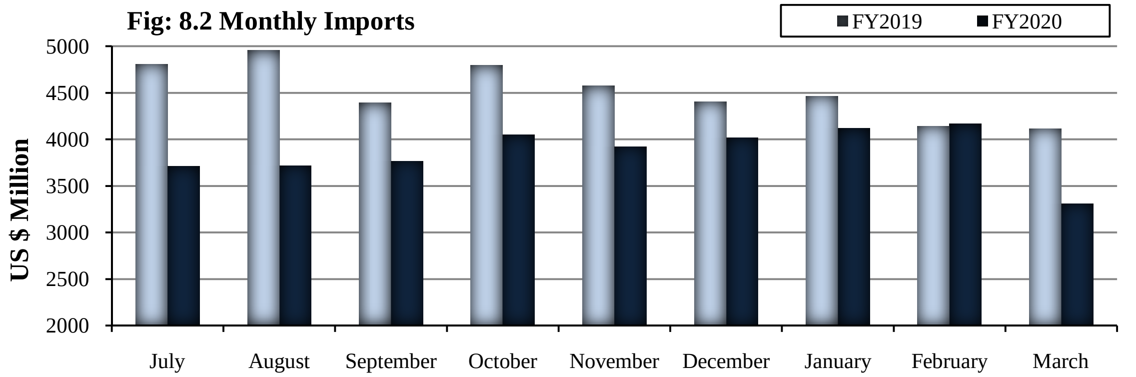
Metal group bill also declined by 18.1 percent during July-March, FY2020 over the same period last year. The spillover of the downtrend in auto production was felt across the steel industry and the import of Iron & steel decreased by 30.0 percent. Finished steel imports were further suppressed after Pakistan imposed anti-dumping duties on some Russian and Canadian steel products into the country in September 2019.

In the textile group, import of raw cotton witnessed an increase both in quantity and value by 50.0 percent and 34.9 percent respectively during July-March FY2020 as compared to the same period last year on account of lower local production of cotton.

Monthly Imports

The monthly imports during July-March FY2020 witnessed a declining trend. Import averaged US$ 3866 million per month. On average the monthly import decreased by the US $ 654 million per month. The monthly imports are in Fig-8.2

Fig: 8.2 Monthly Imports



Direction of Imports

Pakistan 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 decreased from 26 percent in last fiscal year to 24 percent during July-March FY2020. However, the share of imports from UAE has increased by 2 percent during July-March FY2020 as compared to the same period last year. Change in Pakistan‘s import pattern in subsequent years is shown in (Table 8.5)

Table 8.5: Major Import Markets Rs Billion & Percentage Share

Country	2016-17		2017-18		2018-19		July-March 2018-19		July-March 2019-20 P	
	Rs	% Share	Rs	% Share	Rs	% Share	Rs	% Share	Rs	% Share
China	1584.3	28.6	1731.8	25.9	1734.3	23.3	1267.2	23.6	1394.3	25.7
UAE	774.5	14.0	893.3	13.3	1020.1	13.7	759.7	14.1	692.6	12.7
Saudi Arabia	227.7	4.1	356.4	5.3	401.3	5.4	286.2	5.3	241.5	4.4
Kuwait	141.9	2.6	159.7	2.4	185.8	2.5	133.8	2.5	138.7	2.6
Indonesia	240.4	4.3	278.5	4.2	327.3	4.4	245.5	4.6	258	4.7
India	178.2	3.2	207.5	3.1	204.8	2.8	154.8	2.9	53.3	1.0
U.S.A	267.9	4.8	316.4	4.7	368.9	5.0	259.5	4.8	302.9	5.6
Japan	217.4	3.9	266.5	4.0	246.1	3.3	188.0	3.5	134.7	2.5
Germany	114.3	2.1	146.4	2.2	142.6	1.9	105.4	2.0	97.5	1.8
Malaysia	100.2	1.8	132	2.0	145.5	2.0	103.0	1.9	112.8	2.1
All Other	**1692.9**	30.6	**2206.5**	33.0	**2666.5**	35.8	**1868.0**	34.8	**2008.2**	37.0
Total	**5539.7**	100.0	**6695**	100.0	**7443.3**	100.0	**5371.1**	100.0	**5434.5**	100.0

P: Provisional
Source: Pakistan Bureau of Statistics

Balance of Payment

One of the unsustainable macroeconomic imbalances, the government faced high current account deficits leading to a balance of payment crisis. The government aimed to solve the crisis primarily by managing the aggregate demand and addressing the deep-rooted structural problems. To avoid depleting foreign reserves, the government also had made considerable success in mobilizing additional financing from friendly countries in the form of short- to medium-term loans, deferred payment on imported oil, and temporary deposits in the central banks.

The structural and policy adjustments have started reaping benefits in the form of decline in current account deficit, the build-up of foreign reserves, stable exchange rate, etc, thus improving Pakistan's balance of payments not only in FY2019 but its trend continued in FY2020 as well. The implementation of a market-based exchange rate system, along with other demand management policies adopted earlier, resulted in a sharp 73.1 percent decline in the current account deficit to only US$ 2.8 billion (1.1 percent of GDP) during July-March FY2020 against $ 10.3 billion last year (3.7 percent of GDP). The improvement primarily came from imports, which declined by 16.2 percent during the period. The reductions in imports are due to ongoing macroeconomic stabilization measures, lower oil prices, and shift away of power sector from furnace oil-base.

The workers' remittances and exports also recorded some increase despite slowdown in advanced economies and the low unit prices for exports. The quantum of export, however, responded to policy adjustments and witnessed an increase in major export categories. The currency adjustment in the recent past allowed exporters to remain competitive in the challenging global environment. At the same time, remittances continued to grow on the back of higher inflows from the US, the UK, and Saudi Arabia.

At the same time, external financing remained sufficient due to the revival of the multilateral flows and the portfolio investment. These inflows allowed SBP to unwind its net short position in the forward market and re-build its reserves, which reached US$ 10.8 billion by end-March 2020.

Table 8.6: Summary Balance of Payments US $ Million

Items	July-June		July-March	
	2017-18	2018-19	2018-19	2019-20 P
Current Account Balance	-19195	-13434	-10284	-2,768
Trade Balance	-30903	-27612	-21261	-14680
Exports of Goods FOB	24768	24257	18,051	18,256
Imports of Goods FOB	55671	51869	39,312	32,936
Service Balance	-6426	-4970	-3488	-2441
Exports of Services	5851	5966	4,566	4,247
Imports of Services	12277	10936	8,054	6,688
Income Account Balance	-5437	-5610	-3735	-4278
Income: Credit	726	578	466	452
Income: Debit	6163	6188	4,201	4,730
Balance on Secondary Income	23571	24758	18,200	18,631
Of which:				
Workers' Remittances	19914	21740	16,032	16,991

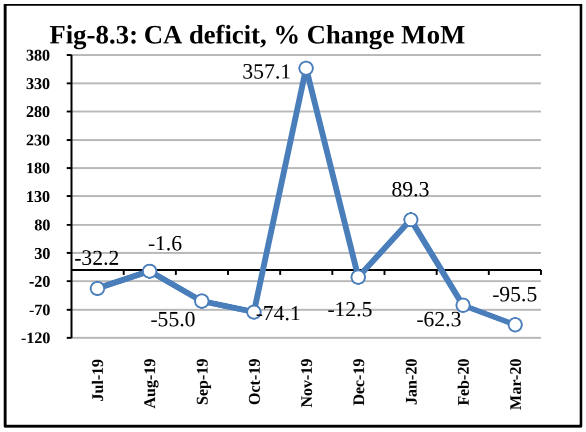
P: Provisional
Source: State Bank of Pakistan

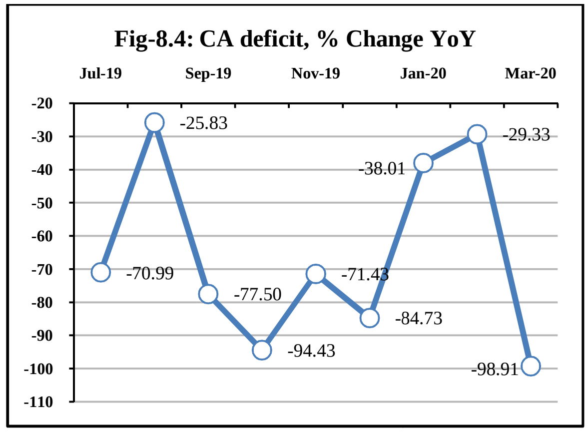
Current Account

Current account deficit leads to Balance of Payment crisis if it cannot be financed from Financial Account. Furthermore, the consequent depletion of foreign exchange reserves leads to depreciation in the value of the domestic currency. During the last 25/26 months, continuous reduction has been seen in the Current Account Deficit mainly due to contraction in a trade deficit. During July-March FY2020, current account deficit reduced by 73.1 percent to US$ 2.8 billion (1.1 percent of GDP) against US$ 10.3 billion last year (3.7 percent of GDP).The significant reduction in the current account deficit mainly reflected the impact of macroeconomic stabilization measures undertaken over the past year, which have significantly curtailed the import demand of a wide range of non-energy and energy products.

On other hand, low international prices suppressed export earnings of many emerging markets, including Pakistan as unit prices of textiles and rice continued to drop. Lower unit values dominated, partially offsetting the impact of significant volumetric growth in several major export products. Furthermore, the slowdown in the global economy also affected export performances of emerging markets (EMs). To overcome these challenges, exporters managed to increase its market share in key destinations, and export volume increased significantly. The trade war provides an opportunity for Pakistani Exporters, as China is shifted away from the US market and along with continued concessionary market access to the EU.

The COVID-19 outbreak has generated both demand and supply shocks across the global economy. It has posed significant challenges for exports to increase further in the coming months. However, the latest data indicates that the external sector continues to improve substantially on account of modest growth in both exports and workers' remittances and a significant reduction in imports. The overall external account liquidity has improved due to the pandemic. Pakistan, as a net oil importer, would benefit from the decline in global oil prices on account of the slowdown in global economy. Apart from deceleration in inflation, this will further reduce the import bill and the current account deficit. On YOY current account is reduced by 99.0 percent to the US $ 9 million in March 2020 as compared to the US $ 823 million the same period last year. On month on month current account reduced by 95.5 percent from the US $ 198 million in February 2020 as against US$ 9 million in March 2020.



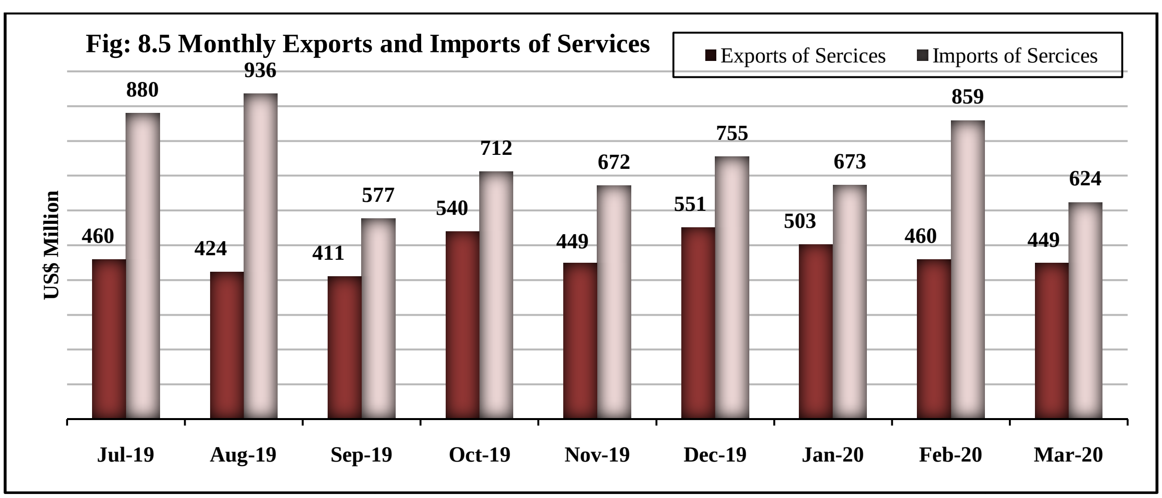


Balance in Trade of Goods and Services

During July-March FY2020, export of goods grew by 1.1 percent to US$ 18.3 billion as compared to US$ 18.0 billion the same period last year. Import of goods declined by 16.2 percent to US$ 32.9 billion during July-March FY2020 as compared to US$ 39.3 billion the same period last year. Consequently, the trade deficit reduced by 30.9 percent to US$ 14.7 billion as compared to US$ 21.2 billion last year

Till FY2018, not only imports of goods surged to a high level but also imports of services were rising. In FY2018, imports of services were US$ 12.3 billion which was brought down to US$ 10.9 billion in FY2019. Transport, Travel, and Other business services were the key components.

COVID-19 causing to lockdown and social distancing will adversely affect some services like education, travel, tourism, and hospitality, while, transport and distribution services may also be affected which are linked to merchandise trade. However, telecom, financial, and computer related services will be least affected as they can be provided online.



The exports of services declined by 7 percent during July-March FY2020 to US$ 4.2 billion as against US$ 4.5 billion the same period last year. The exports of services declined by 16.1 percent on year on year basis to the US $ 455 million in March 2020 amid COVID-19 pandemic as global economy is facing lockdown, and worldwide ban on travel and tourism. Major services exports include telecommunication, computer, and information services US$ 1059 million during July-March FY2020 as compared to US$ 879 million the same period last year. Other business services US$ 1023 million during July-March FY2020, as compared to US$ 1195 million, and declined by 14.3 percent. Government goods& services decreased by 7.5 percent during July-March FY2020 and reached US$ 891 million as compared to US$ 969 million same period last year.

The import of Services declined by 17 percent during July-March FY2020 and is US$ 6.7 billion as compared to US$ 8.0 billion last year. Similarly, imports in services are also hit by ongoing lockdown due to COVID-19 pandemic and declined by 24.7 percent on year on year basis in March 2020 to the US $ 636 million. Imports of services comprised of transport declined by 7.3 percent and reached US$ 2474 million as compared to US$ 2685 million and other business services increased by 13.2 percent and reached US$ 1970 million as compared to US$ 1741 million same period last year. The balance on trade in services reduced by 30 percent and reached the US $ 2.4 billion during July-March FY2020 as compared to US$ 3.5 billion the same period last year.

Fig 8.6 Exports of Services

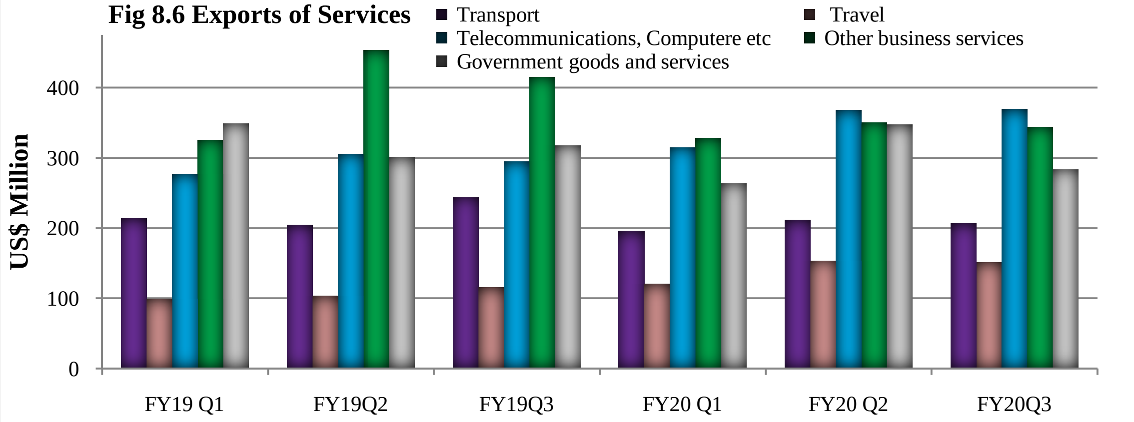
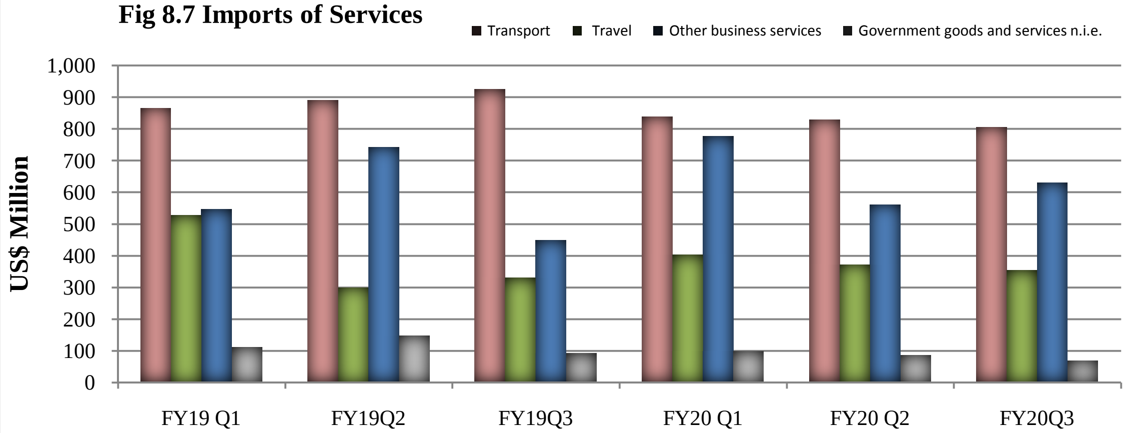


Fig 8.7 Imports of Services



Remittances

Historically growth in remittances has always mitigated some of the impacts of the negative trade balance on the current account. However, in FY2018, the flattening of workers' remittances compounded the current account deficit due to a ballooning trade deficit. The present government took measures (Box-IV) to increase remittances through enhancing outreach, reimbursement of the T.T. Charges Scheme (Free-send Model), and improvements in the payment system. Thus, during FY2019, there was a 9.2 percent increase in workers' remittances which reached US$ 21.7 billion. It was expected that same trend will continue in FY2020. During July-March FY2020, remittances reached US$ 17 billion as compared to US$ 16 billion the same period last year, with a growth of 6.0 percent. On Y-o-Y basis, remittances witnessed a growth of 9.3 percent in March 2020, recorded US$ 1.9 billion as compared to US$ 1.7 billion same period last year.

Due to COVID-19, there is slow growth in the global remittance mainly due to decelerating growth in advanced economies, lower oil prices, and weakening of currencies of some of the source countries against the US dollar.

During July-April FY2020, workers' remittances increased by 5.5 percent to US$ 18.8 billion as compared to US$ 17.8 billion last year. However, on a Y-o-Y basis, remittances witnessed a growth of 1.1 percent in April 2020, recorded US$ 1.79 billion (US$ 1.77 billion last year) may be due to seasonal effect of Ramadan and Eid. On month on month in April 2020, remittances declined by 5.5 percent, recorded US$ 1.77 billion (US$ 1.89 billion last month) as global lockdown, slow global demand and emerging recession especially due to massive decline in oil prices have increased the job risk of a number of Pakistani workers working abroad especially in GCC countries.

During July-April FY2020, the share of remittances from Saudi Arabia remained 23.3 percent (US$ 4377.0 mn), U.A.E 20.8 percent (US$ 3905.9 mn), USA 17.5 percent (US$ 3282.3 mn), U.K 14.8 percent (US$ 2780.7 mn), other GCC countries 9.5 percent (US$ 1779.8 mn), Malaysia 6.6 percent (US$ 1242.3 mn), EU 2.7 percent (US$ 515.2 mn) and other countries 4.8 percent.

Fig 8.8 Worker's Remittances

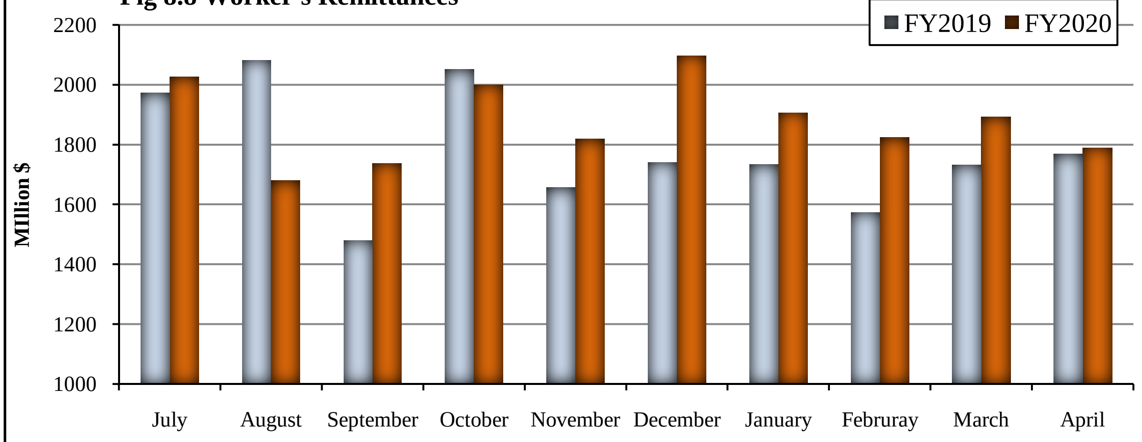


Table 8.7: Country/Region Wise Cash Worker's Remittances

Country/Region	July-April		($ Billions)	
	2018-19	2019-20	% Change	Share
Saudi Arabia	4.2	4.4	4.8	23.3
U.A.E.	3.8	3.9	3.2	20.8
USA	2.7	3.3	21.3	17.5
U.K.	2.8	2.8	0.9	14.8
Other GCC Country	1.7	1.8	3.6	9.5
Malaysia	1.3	1.2	-1.6	6.6
EU Countries	0.5	0.5	6.0	2.7
Others Countries	0.9	0.9	-1.5	4.8
Total	17.8	18.8	5.5	100.0

Source: State Bank of Pakistan

Box-1V: Measures to Increase Remittances

To encourage and facilitate the Overseas Pakistanis to send their remittances through official banking channels, various initiatives have already been taken by the government:

- The prevailing rate of the TT charges scheme (Free-send Model) has been enhanced from SAR 10/- to SAR 20/- for transactions between USD 100-200. It would cost an additional amount of Rs 3 billion to the Government.
- The existing incentive scheme for the marketing of home remittances i.e. PKR 01 against USD 01 of remittance amount beyond 15 percent growth over last year may now be based on tiered growth i.e. Rs 0.50 on 5 percent growth, Rs 0.75 on 10 percent growth and Rs 01 on 15 percent growth. It would cost an additional Rs 600 million to the Government.
- To leverage home remittance customers and encourage them to use banking channels, withholding tax will be exempted from Jul 01,2020 on cash withdrawal or on the issuance of banking instruments/transfers from a domestic bank account to the extent of remittances amount received from abroad in that account in a year. FBR has been requested for amendment in Income Tax ordinance through finance bill.
- A 'National Remittance Loyalty Program' will be launched from September 01,2020 with the collaboration of major commercial banks and government agencies through which various incentives will be given to remitters through mobile apps and cards.
- Technical Supplementary Grant of Rs 9.65 billion to reduce the lag time from 12 to 6 months in reimbursement of T.T charges to banks on home remittances.

Financial Account

Financial Account has critical importance in Balance of Payments for the reason it cannot finance current account deficit, there is pressure on foreign reserve and hence exchange rate. The government made all efforts for increasing inflows, driven by the significant increase in central bank deposits and bilateral flows due to liquidity injections from China, UAE, and Saudi Arabia. Regardless, in FY2019, the financial account remained US$ 11.8 billion compared to US$ 13.6 billion in FY2018, still, financial account in FY2019 can comfortably finance current account deficit. Thus, improving Pakistan's balance of payments position. The same performance of financial account was also expected in FY2020.

Fig 8.9 Monthly Financial Account

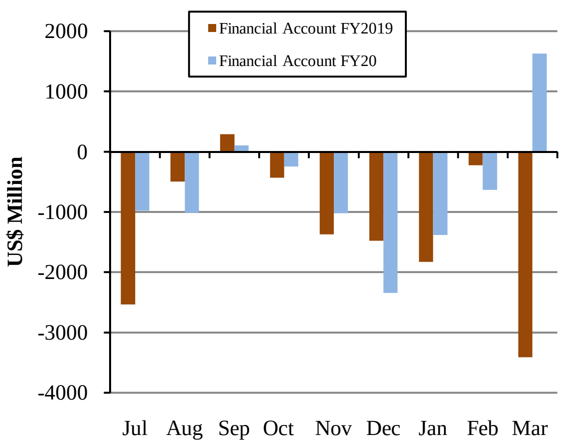
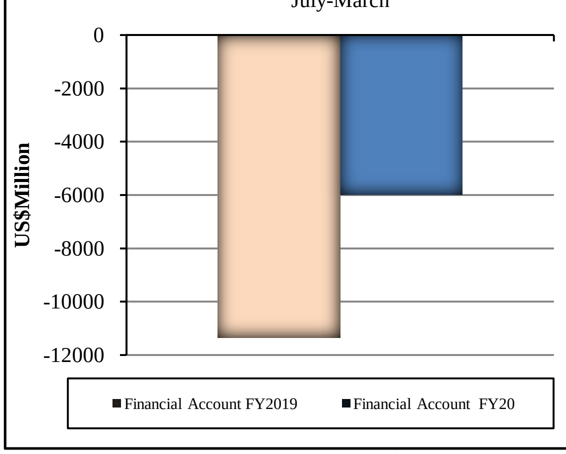


Fig 8.10 Financial Account

July-March



During July-March FY2020, the financial account remained at US$ 6.0 billion, compared to US$ 11.4 billion in corresponding period last year. However, this financial account was enough to finance easily the low current account deficit thus improving balance of payments position during July-March FY2020.

The financial account in July-March FY2020 saw a surge in the portfolio investment in local currency government securities, as foreign investors increased their focus on Debt Securities due to reforms initiated in the exchange rate market and to encash the available risk-adjusted returns in fixed income securities. Besides portfolio investment improvements were noticed in FDI inflows and other investments.

Foreign Direct Investment

Realizing the importance of FDI, the government made all efforts to attract FDI. Thus, Pakistan was among 'top ten best improvers' in World Bank's Ease of Doing Business Index 2020, jumping up 28 places on the index and clinching the 108th position out of total 190 economies. This helped to attract foreign investors. During July-March FY2020, foreign direct investment increased by 137.3 percent and reached US$ 2.1 billion compared to US$ 0.9 billion last year. On YoY basis, FDI increased by 91.7 percent and reached US$ 278.7 million in March FY2020 compared to US$ 145.4 million in the same month last year. The inflows of FDI reached US$ 2.7 billion million during July-March FY2020 compared to US$ 2.1 billion million same period last year, with a growth of 25.6 percent. The outflows of FDI during July-March FY2020 decreased by 55.8 percent and reached US$ 548.5 million compared to US$ 1241.8 million same period last year.

Government has taken different initiatives at the national and international level to attract FDI. The government is providing business friendly environment, especially in SEZs. In this regard, one-time custom duties exemption on plant and machinery has been given, while there is an income tax exemption for 5 years. Pakistan has signed an offshore Gas Pipeline deal with Russia. Saudi Arab has shown its interest to invest in a new oil refinery in Pakistan's growing deep-sea port of Gwadar, which is likely to increase FDI in Pakistan. Pakistan recently signed seven MoUs worth US$ 20 billion with Saudi Arabia.

The major FDI during July-March FY2020 received from China US$ 872 million (40.6 percent of the total FDI) followed by Norway US$ 288.5 million (13.4 percent of the total FDI) and Malta US$ 166.7 million (7.8 percent of the total FDI). The power sector attracts the highest net

FDI of US $ 757.4 million (35.3 percent of total FDI) during July- March FY2020 as against outflow of US$ 353.1 million same period last year. The communication sector received US$ 490.3 million (22.8 percent of total FDI) against an outflow of US$ 141.1 million same period last year. Other sectors such as oil & gas exploration US$ 218.3 million (10.2 percent of total FDI), Financial business received FDI US$ 210.5 million (9.8 percent of total FDI) and Electrical Machinery US$ 143.4 million (6.7 percent of total FDI) during July- March FY2020.

With regard to FDI, the COVID-19 outbreak could cause global foreign direct investment (FDI) to shrink by 5 percent-15 percent, (UNCTAD, March 08, 2020). In the context of Pakistan, the pandemic negative impact on investments will be felt strongly. The ripple effect could cause a major setback to efforts of government around the globe to attract the private investment and to achieve the target of US$ 4.34 bn for the year CFY 2019-20.

Table 8.8: Foreign Investment ($ Million)

	FY2018	FY2019	July-March	
			FY2019	FY2020 P
A. Foreign Private Investment	2539.6	947.2	495.6	2044.6
Foreign Direct Investment	2780.3	1362.4	905.1	2148.3
Inflow	3494.5	2785.2	2146.9	2696.8
Outflow	714.2	1422.8	1241.8	548.5
Portfolio Investment	-240.7	-415.2	-409.5	-103.6
Equity Securities	-240.7	-415.2	-409.5	-103.6
Debt Securities				
B. Foreign Public Investment	2450.5	-1002	-0.7	331.1
Portfolio Investment	2450.5	-1002	-0.7	331.1
Total Foreign Investment (A+B)	4990.1	-54.8	494.9	2375.7

P: Provisional
Source: State Bank of Pakistan

Fig: 8.11 Country-Wise FDI (July-Mar FY2020)

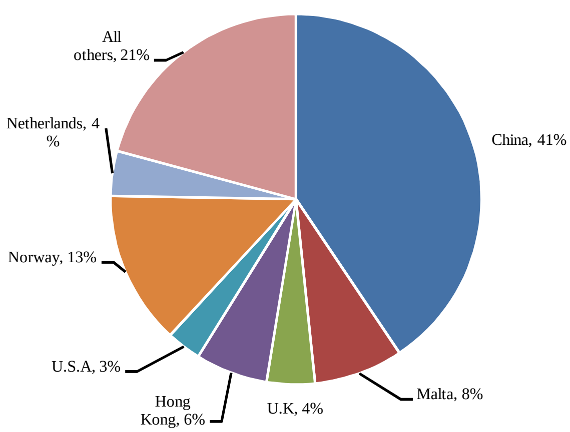
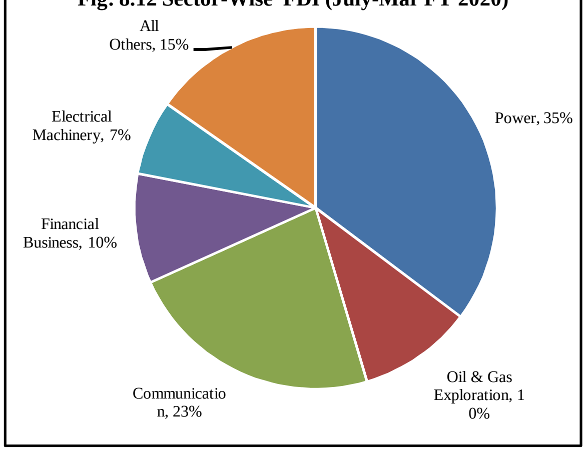


Fig: 8.12 Sector-Wise FDI (July-Mar FY 2020)



Foreign Portfolio Investment

The Foreign portfolio investment during July-March FY2020 reached US$ 227.5 million as against an outflow of US$ 410.2 million the same period last year. There is a risk of high capital outflow, as the major decline in all stock market during these days in ongoing pandemic.

Foreign fund managers invested into the T-bills and PIBs not only in chasing the risk-adjusted returns offered by Pakistan on the government securities but also in response to a sharp improvement in the BoP, the reserves buffers, and particularly reforms initiated in the exchange rate market. Moreover, the country's credit worthiness has improved with the initiation of the EFF program and the successful conclusion of its first review in November 2019. Besides, in December 2019 Moody's upgraded Pakistan's outlook to stable from negative and affirmed the government's local and foreign currency long-term issues and unsecured debt rating at B3. These developments led Pakistan's credit default swap rate to decline significantly and reach 3.4 percent by end-December 2019 from a high of 5.0 percent in August 2019.

Reserves and Exchange rate

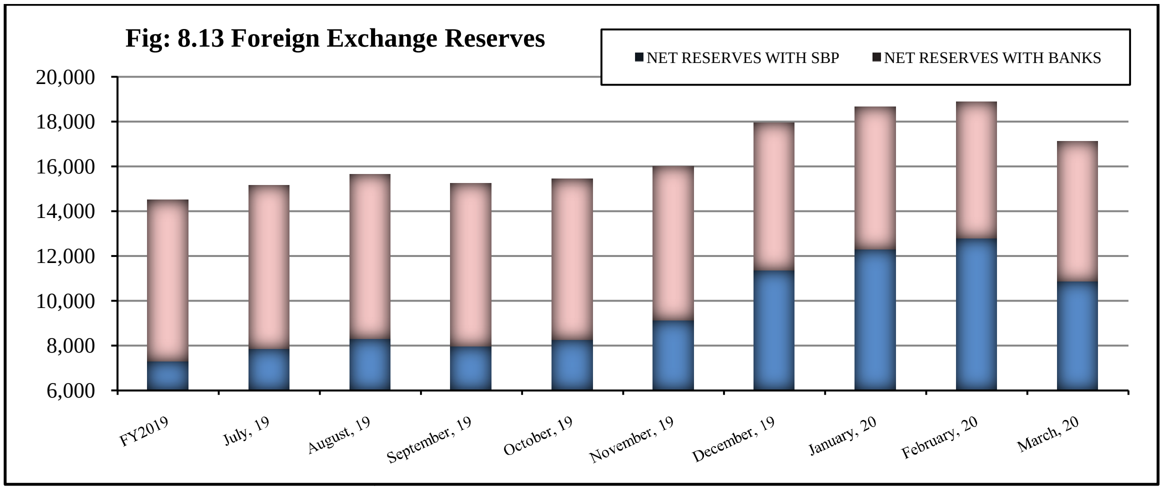
Pakistan's total liquid foreign exchange reserves increased to US$ 17.1 billion by the end of March 2020, up by US$ 2.6 billion over end-June 2019. The breakup of reserves accumulation in March 2020 shows that the SBP's reserves increased by US$ 3.6 billion to the US$ 10.8 billion against depletion of US$ 943.5 million to US $ 6.3 billion in commercial bank's reserves.

While the rise in SBP's liquid reserves seems substantial and an almost equivalent reduction in net forward liabilities suggests that actual reserve accumulation by SBP over this period is much higher. The reserve accumulation during July-March FY2020 was a result of higher official disbursements and sufficient market purchases by the central bank. While IFI loans revived with the inception of the IMF program and allowed better market conditions to SBP for making FX purchases.

The improvement in the Foreign Exchange reserves led to a 3.8 percent appreciation of Pak rupee against the US dollar during July-February FY2020. During FY2020 the PKR started appreciated during July-February, the NEER depreciated in the second and third quarters as against appreciation in the first quarter, as the currencies of other major trading partners appreciated against the US dollar. However, the higher Relative Price Index (RPI) due to higher domestic inflation resulted in REER appreciation in all quarters of FY2020.

However, due to the fallout of COVID -19, the PKR depreciated by 3.9 percent in just one month during July-March FY2020. The movement in PKR-US$ exchange rate in the interbank market is based on foreign exchange demand-supply gap. The market-based adjustment is reflective of the country's overall external Balance of Payments position during the period. Further, compared to nominal ER depreciation, the NEER and REER for March over last month are only 1.9 and 0.98 percent respectively. This reflects the currency and inflation dynamics of Pakistan's major trading partners.

Pakistan has requested special assistance from the multilateral institutions, to counter the pandemic. In this regard, the total of US$ 5 billion of external assistance has been mobilized, out of which IMF has provided US$ 1.4 billion under Rapid Financing Instrument in budgetary support, World Bank has provided US$ 1.79 billion, Asian Development Board (ADB) has provided US$ 1.75 billion, in addition, G20 states have offered debt relief of US$ 1.8 billion. G-20 / Paris Club have offered suspension of principal and interest for over 70 developing countries, including Pakistan.



Conclusion

The improvement in Pakistan's balance of payments that started in FY2019 continued in FY2020 as well. The implementation of the market-based exchange rate system, along with other demand management policies adopted earlier resulted in a sharp 73.1 percent decline in the current account deficit to only US$ 2.8 billion (1.1 percent of GDP) during July-March FY2020 against US$ 10.3 billion last year (3.7 percent of GDP).

The significant reduction in the current account deficit is mainly due to import compression of a wide range of non-energy and energy products.Quantum-led import declines were observed across all product categories and were complemented by lower international prices of most of Pakistan's principal import commodities. Low international prices suppressed export earnings of many emerging markets including Pakistan as unit prices of textiles and rice continued to drop. Lower unit values dominated, partially offsetting the impact of significant volumetric growth several of the major export products.

The COVID-19 outbreak has jolted even the strongest world economies and posed significant challenges for investments and exports to increase further in the coming months. With regard to Pakistan despite the adverse impact of Corona virus on economy the overall external account liquidity has improved due to a decline in oil and other commodity prices on the back of a slowdown in global economies. This will further reduce the import bill and the current account deficit. In light of recent domestic and global developments, the spillover impact of the Coronavirus outbreak on global trade and financial markets is moderate and short-lived. In such a scenario, the export slowdown and market volatility should be contained while the benign growth and inflation impacts of lower global commodity prices would dominate. Under a worst-case scenario, there will be a prolonged and severe phase of weak demand in Pakistan's major exports and remittances may fall significantly due to lay-offs of our workers abroad. The government, cognizant of the COVID-19 challenge, has taken various measures to prevent its outbreak and adopted a semi-lockdown approach with well-established SOPs to move the wheel of the economy in this difficult time.

Chapter 9

PUBLIC DEBT

9.1 Introduction

The primary objective of public debt management is to ensure that the government's 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. 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.

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

- Most of the net domestic debt raised during first nine months of current fiscal year was through medium-to-long-term government securities (Pakistan Investment Bonds) and National Saving Schemes (NSS);
- The cost of borrowing through long term government bonds declined. Importantly, the government was able to borrow via long-terms bonds at rates well below the policy rate of State Bank of Pakistan (SBP). The market’s willingness to lend to the government for long tenors at rates below the policy rate reflects the general confidence in macroeconomic policies of the government;
- In-line with the government’s commitment, no new borrowing was made from SBP during ongoing fiscal year. In fact, there was a net retirement of Rs 286 billion in the outstanding debt obtained from SBP in previous years;
- Government has started re-issuance of 15-years fixed rate Pakistan Investment Bonds (PIBs) with the view of lengthening the maturity profile of domestic debt and provide an additional tenor/option to the investors;
- In order to diversify investor base in government securities and capitalize liquidity available with Islamic Financial Institutions, the government has started issuance of 5-Year Floating Rate Sukuk;
- All of the net external debt raised during first nine months of current fiscal year was from multilateral and bilateral sources on concessional terms.

These above-mentioned trends are expected to continue and the domestic debt profile is projected to improve considerably by the end of the current financial year compared with last year. The proportion of debt held by SBP will decline while the proportion of debt raised through long-term instruments is expected to improve further. Interest expense is expected to remain significantly less than the budgeted amount in 2019-20 owing to re-profiling of short-term debt into long-term debt and sharp decline in cost of borrowing in longer tenors.

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.

Government also aims to bring and maintain its Debt-to-GDP and Debt Service-to-Revenue ratios to sustainable levels through a combination of greater revenue mobilization, rationalization of current expenditure and efficient/productive utilization of debt.

9.2 Public Debt

Fiscal Responsibility and Debt Limitation 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. Whereas, “Total Debt and Liabilities” of the country include “Total Public Debt” (Government Debt) as well as debt of other sectors as presented in the table below:

Table-9.1: Pakistan’s Debt and Liabilities

(Rs in billion)	2015	2016	2017	2018	2019	Mar-20
I. Government Domestic Debt	12,192.5	13,625.9	14,849.2	16,416.3	20,731.8	22,477.7
II. Government External Debt	4,770.0	5,417.6	5,918.7	7,795.8	11,055.1	11,658.1
III. Debt from IMF	417.6	633.1	640.8	740.8	921.0	1,071.3
IV. External Liabilities[1]	377.6	377.1	373.8	622.3	1,710.1	1,642.5
V. Private Sector External Debt	539.2	709.1	1,183.2	1,654.5	2,481.3	2,634.4
VI. PSEs External Debt	252.7	294.0	285.2	324.6	630.6	582.0
VII. PSEs Domestic Debt	458.7	568.1	822.8	1,068.2	1,394.2	1,397.7
VIII. Commodity Operations[2]	564.5	636.6	686.5	819.7	756.4	649.3
IX. Intercompany External Debt from Direct Investor abroad	276.6	315.6	353.9	437.2	542.7	707.5
A. Total Debt and Liabilities (sum I to IX)	**19,849.4**	**22,577.1**	**25,114.2**	**29,879.4**	**40,223.1**	**42,820.3**
C. Total Public Debt (sum I to III)	**17,380.2**	**19,676.6**	**21,408.7**	**24,952.9**	**32,707.9**	**35,207.0**
D. Total Debt of the Government[3]	**15,986.0**	**17,823.2**	**19,635.4**	**23,024.0**	**29,520.7**	**31,452.4**
Memorandum Items						
GDP (current market price)	27,443.0	29,075.6	31,922.3	34,616.3	37,972.3	41,726.7
Government Deposits with the banking system[4]	1,394.1	1,853.5	1,773.3	1,928.9	3,187.2	3,754.6
US Dollar, last day average exchange rates	101.8	104.8	104.9	121.5	163.1	166.4

1 External Liabilities include Central bank deposits, SWAPS, Allocation of Special Drawing Rights (SDR) and non-resident LCY deposits with central bank.
2 Includes borrowings from banks by provincial governments and PSEs for commodity operations.
3 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.
4 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

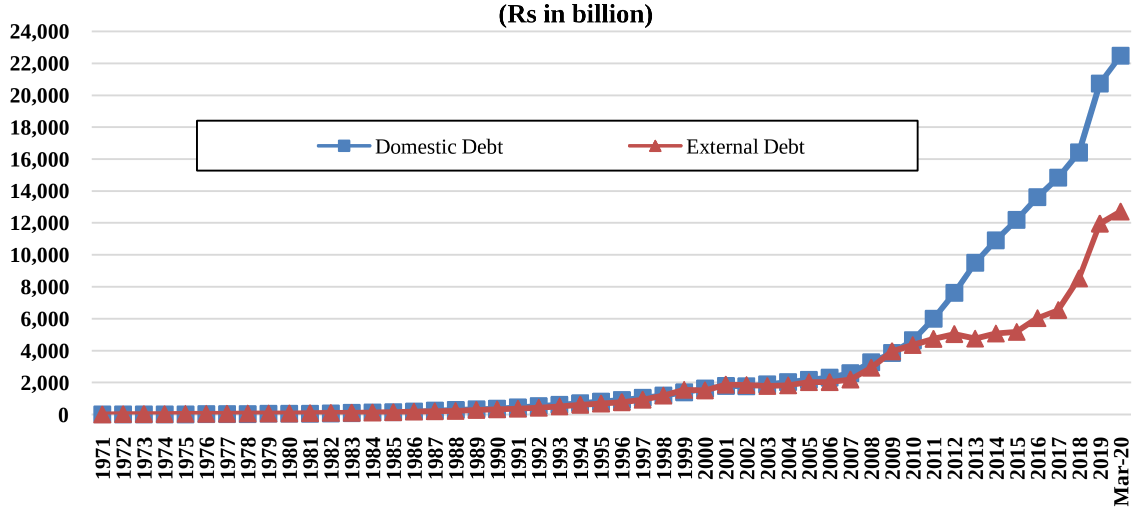
Total public debt was recorded at Rs 35,207 billion at end March 2020 compared with Rs 32,708 billion at end June 2019, registering an increase of Rs 2,499 billion during first nine month of current fiscal year while Federal Government borrowing for financing of its deficit was Rs 2,080 billion during the said period. This differential is mainly attributable to depreciation of Pak Rupee against US Dollar, increase in cash balances of the Federal Government and difference between face value (which is used for recording of debt) and the realized value (which is recorded as budgetary receipt) of PIBs issued during the said period. 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

Year	Domestic Debt	External Debt	Public Debt	Year	Domestic Debt	External Debt	Public Debt	Year	Domestic Debt	External Debt	Public Debt
(Rs in billion)											
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	**Mar-20**	22,478	12,729	35,207
1987	248	209	458	**2004**	2,028	1,839	3,866				

Fig-9.1: Trend in Domestic and External Debt
(Rs in billion)



Contrary to last year, most of the net domestic debt raised during first nine months of current fiscal year was through medium-to-long-term government securities (PIBs) and NSS. Even within short-term floating debt, the government borrowed mostly via 12-Months Treasury Bills (T-bills). Resultantly, the share of 3-months T-bills in total T-bills portfolio reduced to around 28 percent at end March 2020 compared with around 100 percent at end June 2019.

On the external front, all of the net external debt raised during first nine months of current fiscal year was from multilateral and bilateral sources. Accordingly, the share of multilateral and bilateral inched up in external public debt portfolio[1] while share of debt obtained from commercial sources (loans from foreign commercial banks and Eurobonds) relatively declined during first nine months of current fiscal year as compared with last fiscal year.

Government is creating an enabling environment for the overseas Pakistanis to invest in government securities. In this connection, the government is in the process of introducing “Overseas Pakistanis Savings Bills” in both conventional and shariah compliant mode. The key highlights of the Bill are presented in Box-II[2]:

Box-II: Overseas Pakistanis Savings Bills

Eligible Investors

Non-resident individual Pakistani (NRIP) having National Identity Card for Overseas Pakistanis, foreigners having Pakistan Origin Card, members of Overseas Pakistanis Foundation or an employee or official of the Federal Government or a Provincial Government posted abroad that are eligible to open Foreign Currency Account (FCA) and Non-Resident Rupee Account Repatriable (NRAR) as per existing regulations may either individually or jointly purchase the Bill.

Form of Bill

The Bill shall be issued in scrip-less form.

Types of Bill

The Bill shall be issued both in conventional and Shariah compliant mode.

Tenor

The Bill shall be issued for 3-Month, 6-Month and 12-Months tenors.

Currency of the Bill

The Bill shall be issued in both Pakistan Rupee (PKR) and United States Dollar (USD).

Bill issuance

The Bill shall be issued through selected commercial banks.

Online application Form

For purchasing a Bill, the purchaser shall fill an online application form to be available on the web-page of the selected commercial banks.

Premature encashment

Premature encashment shall be allowed, provided that rate of return of the broken period shall be calculated as per rate of return of the nearest shorter tenor Bill. No profit shall be paid in case of encashment before completion of three months.

Rate of Return

Tenor	Rate of Return on USD Denominated Bill (%)	Rate of Return on PKR Denominated Bill (%)
3-Month	5.5	9.5
6-month	6.0	10.0
12-Month	6.5	10.5

[1] Excluding non-resident investment in government domestic securities

[2] For details, National Savings Schemes (Overseas Pakistani Savings Bills) Rules, 2020 is available at the following web-link: http://finance.gov.pk/budget/CDNS_OPS_Bills_2020.pdf

Minimum Investment and Maximum Limit

Limits	USD Denominated Bill	PKR Denominated Bill
Minimum Investment	USD 5000 and integral multiples of USD 500	PKR 100,000 and integral multiples of PKR 10,000
Maximum Limit	No Limit	No Limit

In order to reduce financial risks and diversify investors base, development of debt capital market remains vital. It essentially provides the government with a non-inflationary source of finance, creates a well-balanced financial environment and promotes economic growth. Government is taking various steps to provide an efficient and liquid secondary debt markets to the investors (Box-III).

Box-III: Steps Taken for The Development of Debt Capital Markets

To promote listing of debt securities and bringing efficiency in IPO process for issuance of debt securities, following major amendments in this context have been made in Public Offering Regulatory Framework:

(i) Eligibility criteria for listing of debt securities is revised to enable issuers having operational track record of less than three years and profitable track record of less than two years to raise debt;

(ii) Listing Committee responsible for approval of listing application has been abolished;

(iii) Requirement of audited accounts has been reduced from 5 years to 2 years;

(iv) For listing of privately placed debt securities backed by debt servicing guarantee from Government of Pakistan, the requirement of information memorandum, credit rating, debt securities trustee and market maker is abolished;

(v) For listing of privately placed debt securities by entities having instrument rating of A and above, requirements of information memorandum, debt securities trustee and market maker have been abolished;

(vi) Requirement of credit rating for listing of publicly placed debt securities backed by debt servicing guarantee from the Government of Pakistan has been abolished;

(vii) Allowed audited accounts not older than eight months to be incorporated in the Prospectus.

Future Initiatives with regard to Development of Debt Market

(i) Review of Public Offering Regulations, 2017 with the objective to promote ease of doing business, decrease cost of doing business, enhance liquidity, facilitate State Owned Enterprises (SOEs) to tap capital market for fund raising and introducing regulatory amendments conducive for issuance of local currency bonds in Pakistan by multilateral agencies/supranational;

(ii) Review of Market Making framework with the objective to create liquidity in secondary debt market;

(iii) Introduction of spread discovery mechanism for public offering of debt securities enabling the issuer to discover the spread through competitive process;

(iv) Review of Securities Act, 2015 to make IPO process for issuance of debt securities more efficient and shift towards disclosure-based regime instead of approvals.

Source: Securities and Exchange Commission of Pakistan

9.2.1 Progress on Medium Term Debt Management Strategy (2015/16 - 2018/19)

In accordance with the MTDS (2015/16-2018/19), the government was required to lengthen the maturity profile of its domestic debt portfolio while certain indicative ranges were defined to monitor the risks of total public debt portfolio and ensure its sustainability.

Table-9.3: Public Debt Cost and Risk Indicators*

Risk Indicators		Indicative Ranges (MTDS 2015/16 - 2018/19)	Domestic Debt		External Debt		Public Debt	
			2018	2019	2018	2019	2018	2019
Refinancing Risk	Average Time to Maturity (ATM) - Years	1.5 (minimum) and 2.5 - DD 3.0 (minimum) and 4.5 – PD	1.6	4.2	7.6	7.0	3.6	5.2
	Debt Maturing in 1 Year (% of total)	50% and 65% (maximum) - DD 35% and 50% (maximum) – PD	66.3	36.8	12.4	17.2	48.9	29.9
Interest Rate Risk	Average Time to Re-Fixing (ATR) - Years	1.5 (minimum) and 2.5 - DD 3.0 (minimum) and 4.5 – PD	1.6	1.7	6.6	6.1	3.2	3.2
	Debt Re-Fixing in 1 year (% of total)	50% and 65% (maximum) – DD 40% and 55% (maximum) – PD	66.6	64.9	32.2	36.1	55.5	54.9
	Fixed Rate Debt (% of total)	**	44.3	71.9	72.5	68.3	53.4	70.6
Foreign Currency Risk (FX)	Foreign Currency Debt (% of total debt)	20% (minimum) and 35%					32.2	34.8
	Short Term FX Debt (% of reserves)	**					80.6	158.7

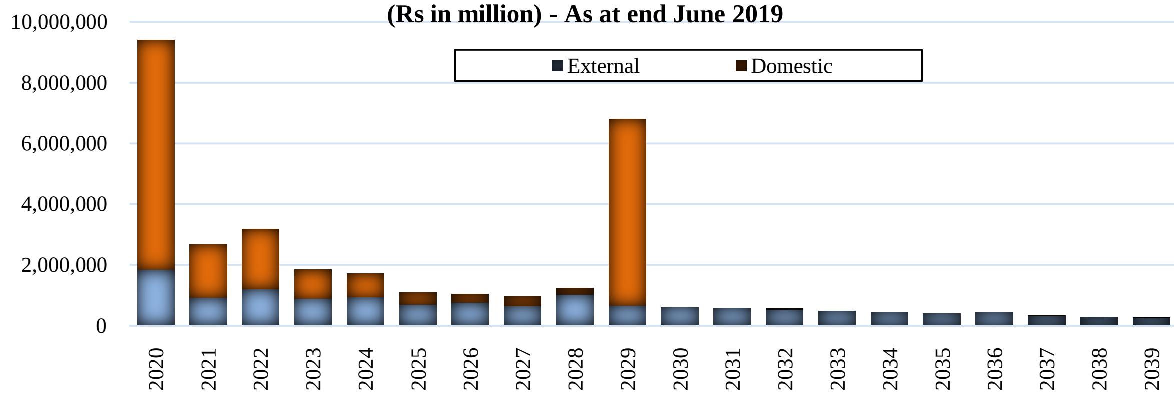
* As per modalities of MTDS (2015/16 - 2018/19), **Not Applicable, PD: Public Debt, DD: Domestic Debt
Source: Debt Policy Coordination Office, Ministry of Finance

As evident from the table above, the government was not in breach of any risk indicator thresholds at end June 2019. One of the notable developments from debt management perspective in 2018-19 was the re-profiling of domestic debt, where government re-profiled the existing stock of SBP borrowing from short term (6 months) to medium to long term (1 to 10 years). The re-profiling took into effect in the month of June 2019 and helped the government in reducing the rollover/refinancing risk of its domestic debt portfolio.

Refinancing Risk

The re-profiling of SBP borrowing helped the government in reducing the refinancing risk of its domestic debt portfolio at end June 2019 as domestic debt maturing in one year reduced to 37 percent compared with 66 percent at end of last fiscal year. Accordingly, average time to maturity of domestic debt portfolio significantly increased to 4.2 years at end June 2019 compared with 1.6 years at end June 2018, which is very close to long-term target set by the government for its domestic debt portfolio. External debt's average time to maturity is already 7 years and government intends to maintain or slightly improve it over medium to long term. The redemption profile of domestic and external debt at end June 2019 is shown in the graph below:

Fig-9.2: Redemption Profile of Total Public Debt (Rs in million) - As at end June 2019



Interest Rate Risk

It is important to note that 70 percent of the re-profiling of SBP borrowing was carried out through floating-rate PIBs. Therefore, the government remained very close to maximum limit set for debt re-fixing/interest rate. Exposure to interest rate risk slightly reduced as percentage of debt re-fixing in one year decreased to around 55 percent at end June 2019 compared with 56 percent at end June 2018. Going forward, government preference is to borrow more through fixed rate instruments to reduce interest rate risk of its public debt portfolio.

Foreign Currency Risk

Short-term external public debt maturities as percentage of official liquid reserves stood at 159 percent at end June 2019 compared with 81 percent at end June 2018. The higher proportion of external public maturities falling within a year compared with the level of official liquid reserves resulted in an increase in this ratio.

Around 35 percent of total public debt stock was denominated in foreign currencies at end June 2019, exposing public debt portfolio to exchange rate risk. Within external debt and adjusted for Special Drawing Rights (SDR)[3], around 98 percent of total external public debt was contracted in 4 major currencies i.e. main exposure of exchange rate risk comes from USD denominated loans (54 percent of external public debt), followed by Japanese Yen (28 percent), Chinese Yuan (8 percent) and Euro (7 percent). Currency wise composition of public debt portfolio at end June 2019 is depicted through the table 9.4.

Table-9.4: Currency Wise Total Public Debt

Currencies	Percentage
Pak Rupee	65.2
US Dollar	20.0
Special Drawing Right	8.9
Japanese Yen	3.9
Euro	1.9
Total	**100.0**

Source: Debt Policy Coordination Office, Ministry of Finance

9.2.2 Dynamics of Public Debt Burden

The analysis of various solvency and liquidity indicators provides clear insight into debt sustainability of the country. The debt burden can be expressed in terms of stock ratio (Debt-to-GDP) or flow ratios (Debt-to-revenue). Although Debt-to-GDP Ratio is the globally recognized primary measure of debt sustainability, debt burden in terms of flow ratios reflects more accurately on repayment capacity of the country.

Table-9.5: Selected Public Debt Indicators (in percentage)

	2015	2016	2017	2018	2019
Revenue Balance / GDP	(1.7)	(0.8)	(0.7)	(1.7)	(5.7)
Primary Balance / GDP	(0.5)	(0.2)	(1.5)	(2.1)	(3.5)
Fiscal Balance / GDP	(5.3)	(4.6)	(5.8)	(6.5)	(9.1)
Gross Public Debt / GDP	63.3	67.7	67.1	72.1	86.1
Total Government Debt / GDP	58.3	61.3	61.5	66.5	77.7
Gross Public Debt / Revenue	442.1	442.5	433.7	477.3	667.4

[3] Loans in SDR are decomposed in relevant currencies available in basket according to their assigned weights.

Table-9.5: Selected Public Debt Indicators (in percentage)

	2015	2016	2017	2018	2019
Total Government Debt / Revenue	406.7	400.8	397.7	440.4	602.3
Debt Service / Revenue	40.4	35.9	38.3	37.3	62.5
Interest Service / Revenue	33.2	28.4	27.3	28.7	42.7
Debt Service / GDP	5.8	5.5	5.9	5.6	8.1

Source: Debt Policy Coordination Office Staff Calculations, Ministry of Finance

Lower revenue collection and rise in current expenditures led to higher fiscal deficit of 9.1 percent of GDP during 2018-19. Similarly, primary deficit[4] and revenue deficit[5] were recorded at 3.5 percent and 5.7 percent of GDP, respectively. The analysis of developments in revenue and current expenditures during 2018-19 reveals following important information:

- Revenue collection at the Federal level remained lower than 2 percent of GDP compared with the projections for 2018-19, out of which around 3⁄4 of the revenue shortfall was due to one-off factors:
  - Delay in renewing telecom licenses; delay in sale of envisaged state assets and weaker than anticipated tax amnesty proceeds contributed around 1 percent of GDP;
  - Shortfall in the transfer of SBP profits contributed an additional 0.5 percent of GDP owing to heavy exchange rate losses incurred by SBP on its external liabilities.
- The current expenditure grew by around 21 percent during 2018-19 mainly due to higher interest payments (up by 39 percent). Apart from rise in domestic interest rates, one-off transaction amounting to Rs 296 billion on account of interest payment against re-profiling of SBP borrowing contributed towards increase in interest payments i.e. re-profiling of SBP borrowing from short-term to medium-to-long term on June 30, 2019 required the government to pay accrued interest amounting to Rs 296 billion to SBP. Since re-profiling of SBP borrowing involved creation of new instruments, accrued interest was required to be paid on existing debt instruments till June 30, 2019 as per accounting policies followed by SBP.

The fiscal position significantly improved during first nine months of current fiscal year. Fiscal deficit was recorded at 4.0 percent of GDP, against 5.1 percent during the same period last year. In particular, the primary surplus of 0.5 percent of GDP was recorded compared with the primary deficit of 1.2 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.

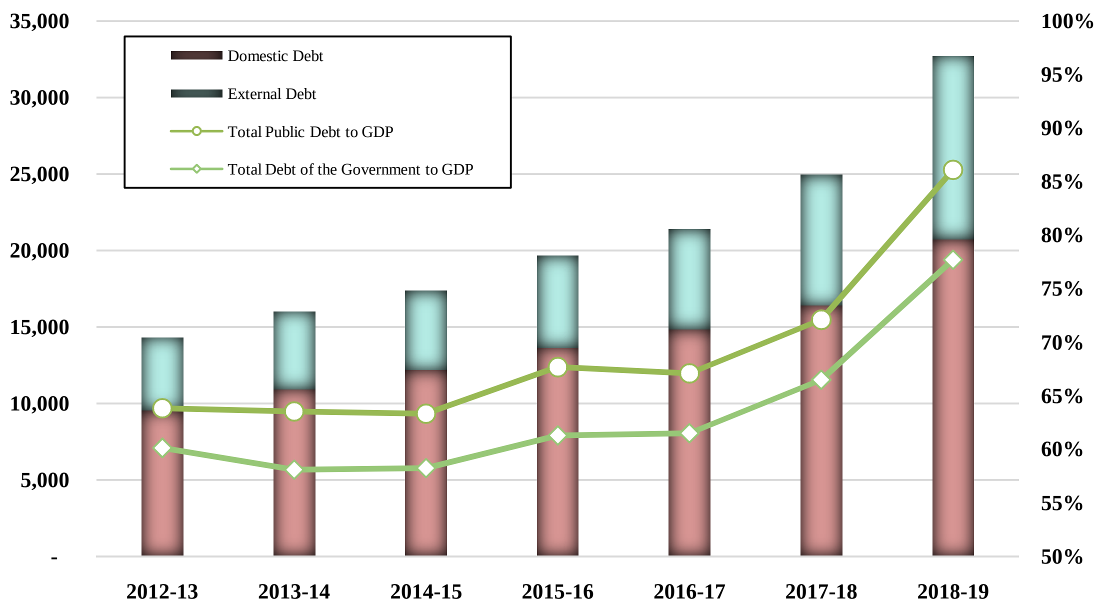
Total Public Debt to GDP ratio reached 72.1 percent while total debt of the government to

[4]Primary balance is the total revenues minus non-interest expenditure or fiscal deficit before interest payments. Primary balance is an indicator of current fiscal efforts since interest payments are predetermined by the size of previous deficits.
[5]Revenue balance is the total revenue minus current expenditure. The persistence of revenue deficit indicates that the government is not only borrowing to finance its development expenditure, but also partially financing its current expenditure.

GDP was 66.5 percent at end of 2017-18. Total public debt and total debt of the government as percentage of GDP stood at 86.1 percent and 77.7 percent respectively at end June 2019, thus, increasing further during 2018-19. Apart from fiscal deficit, unprecedented revaluation loss on account of currency depreciation and build-up of liquidity buffer contributed significantly towards the increase in Debt-to-GDP ratio during 2018-19.

Debt-to-GDP ratio was expected to decline at the end of 2019-20 on the back of fiscal consolidation efforts of the government. However, the COVID-19 shock is expected to result in higher than anticipated Debt-to-GDP ratio mainly due to the sharp decline in growth and the increase in the budget deficit. Nonetheless, given the temporary nature of the ongoing shock, Debt-to-GDP ratio is projected to remain on a clear downward path over the medium term primarily assisted by ongoing fiscal consolidation.

Fig-9.3: Profile of Public Debt
(LHS: Rs in Billion, RHS: Percent of GDP)



Steep rise in domestic interest rate and depreciation of Pak Rupee along with already constrained revenue growth increased the debt-servicing requirements during 2018-19 i.e. interest payments consumed almost 43 percent of total government revenue. During first nine months of current fiscal year, interest expenditures consumed 40 percent of total revenues.

9.2.3 Servicing of Public Debt

Interest servicing was recorded at Rs 1,880 billion during first nine months of current fiscal year against the annual budgeted estimate of Rs 2,891 billion. Domestic interest payments were recorded at Rs 1,646 billion and constituted around 88 percent of total interest servicing during first nine months of current fiscal which is attributable to higher volume of domestic debt in total public debt portfolio.

Table-9.6: Public Debt Servicing (Rs in billion)

	2019-20*			
	Budgeted (2019-20)	**Actual**	**Percent of Revenue**	**Percent of Current Expenditure**
Total External Principal Repayment (A)	**1,203.6**	**818.4**	**17.5**	**14.6**
Servicing of External Debt	359.8	234.1	5.0	4.2
Servicing of Domestic Debt	2,531.7	1,645.6	35.1	29.3
Total Interest Servicing (B)	**2,891.4**	**1,879.7**	**40.1**	**33.5**
Total Servicing of Public Debt (A+B)	**4,095.0**	**2,698.1**	**57.5**	**48.1**

*: July-March

Source: Budget Wing and Debt Policy Coordination Office Staff Calculations, Ministry of Finance

Interest expense is expected to remain significantly less than the budgeted amount in 2019-20 owing to re-profiling of short-term debt into long-term debt and sharp decline in cost of borrowing in longer tenor.

9.3 Domestic Debt

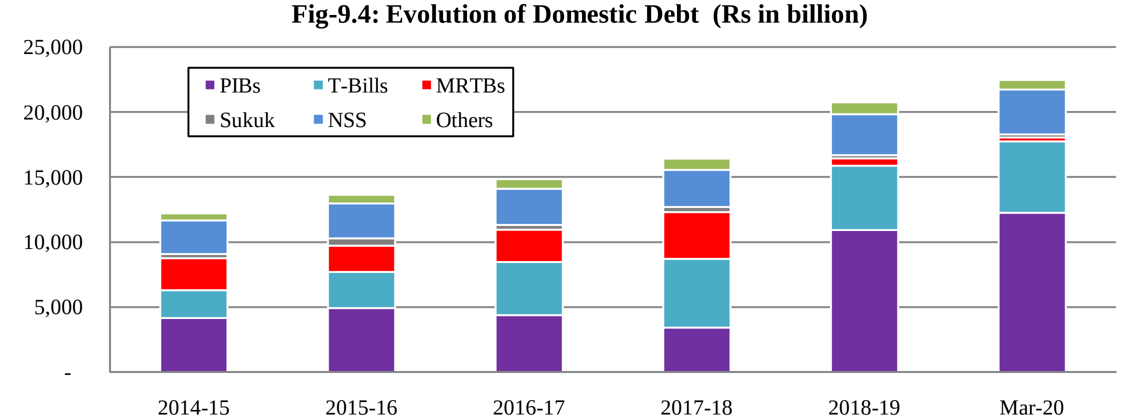
Domestic debt is primarily obtained to finance fiscal deficit while also lending support to Public Sector Development Programme (PSDP). Domestic debt comprises permanent debt (medium and long-term), floating debt (short-term) and unfunded debt (primarily made up of various instruments available under National Savings Schemes).

Government currently issues three broad types of marketable government securities in order to raise domestic debt i.e. T-bills, PIBs and Government Ijara Sukuk (GIS).

- T-bills are considered short-term securities and have maturities of 12 months or less at the time of issuance.
- PIBs are considered longer-term securities and have maturities of more than 12 months at the time of issuance. Government currently issues fixed-rate PIBs with 3-year, 5-year, 10-year, 15-year and 20-year maturities and floating-rate PIBs with 10-year maturity. All of these PIBs pay profit on semi-annual basis.
- Shariah compliant securities program has also been in place since 2008-09, however, it constitutes a small proportion of government domestic securities portfolio.

The instrument-wise composition of domestic debt during last few years is depicted through following graph:

Fig-9.4: Evolution of Domestic Debt (Rs in billion)



9.3.1 Domestic Borrowing Operations

Domestic debt reached Rs 22,478 billion at end March 2020. Domestic borrowing operations remained quite successful during ongoing fiscal year despite a challenging macroeconomic situation as highlighted below:

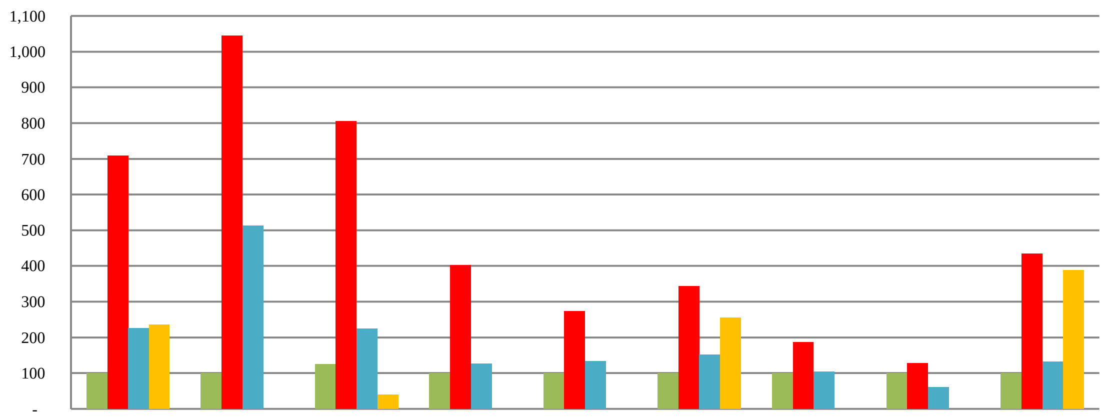
- As part of the government's efforts to adopt fiscal discipline, government is not borrowing from SBP since July 2019. In fact, the government retired a portion of its debt owed to SBP amounting to Rs 286 billion;
- Most of the net domestic debt was raised through medium-to-long-term government securities and NSS;
- The cost of borrowing through long-term government bonds significantly declined. In fact, the government was able to borrow in long tenors at rates well below the policy rate of SBP;
- Government has started re-issuing 15-year fixed rate PIBs to provide additional tenor/option to the investors while also lending support to maturity profile of domestic debt portfolio;
- Government has started issuance of 5-Year Floating Rate Sukuk. Potential benefits of Sukuk include:
  - Taking affirmative action towards the Constitution's goal to eradicate Riba and to the Senate's Resolution No. 393, which inter alia calls on the Government to take steps to abolish Riba;
  - Lowering the cost of financing to the government;
  - Supporting development of Islamic financial industry, including banks, mutual funds and Takaful industry by providing a level playing field to the industry;
  - Providing Shariah compliant investment avenues for individuals and business that make faith-based investments;
  - Lesser speculation as the transactions are backed by tangible asset.
- In case of floating rate PIBs, the government introduced re-opening[6] of existing issue in September 2019 with the objective to increase size, potential liquidity and reduce fragmentation.

9.3.2 Domestic borrowing pattern

Market appetite for government securities remained strong throughout first nine months of current fiscal year. In case of fixed rate PIBs, banks' offers widely surpassed the targets set by the government i.e. healthy participation amounting to Rs 4,328 billion was observed against the target of Rs 925 billion and maturity of Rs 920 billion. Out of this, the government strategically accepted Rs 1,671 billion keeping in view cost risks trade-off. Apart from expectations that interest rates had peaked up at the start of the year, overall improvement in fiscal position and estimates of higher external financing availability fuelled the demand for medium to long tenor government bonds. Due to such a high demand, the government leveraged its position by slashing the cut-off rates by 266 bps, 256 bps and 203 bps for 3 years, 5 years and 10 years PIBs, respectively, during first nine months of 2019-20. Following graphs depict the auction profile of fixed rate PIBs:

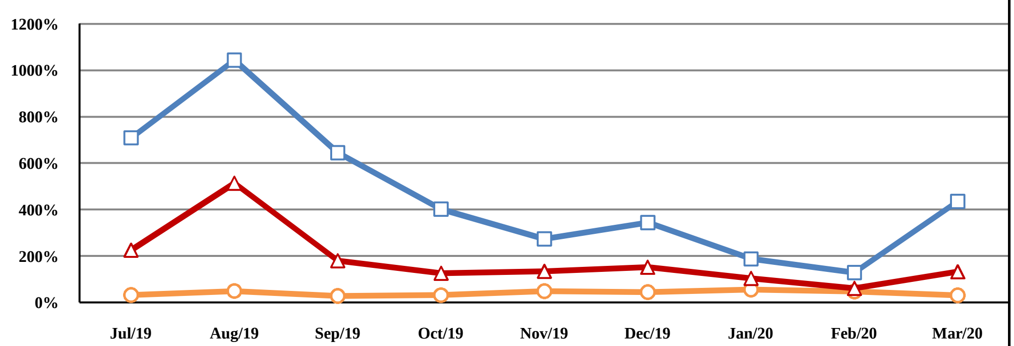
[6] SBP DMMD Circular No 22 of 2019 (http://www.sbp.org.pk/dmmd/2019/C22.htm)

Fig-9.5: PIBs (Fixed Rate) Auction Profile (Rs in billion)



	Jul/19	Aug/19	Sep/19	Oct/19	Nov/19	Dec/19	Jan/20	Feb/20	Mar/20
Target	100	100	125	100	100	100	100	100	100
Participation	709	1,044	806	402	273	343	187	128	435
Acceptance	225	514	225	126	134	151	104	61	132
Maturity	236	-	39	-	-	255	-	-	389

Fig-9.6: PIBs (Fixed Rate) Auction Ratios

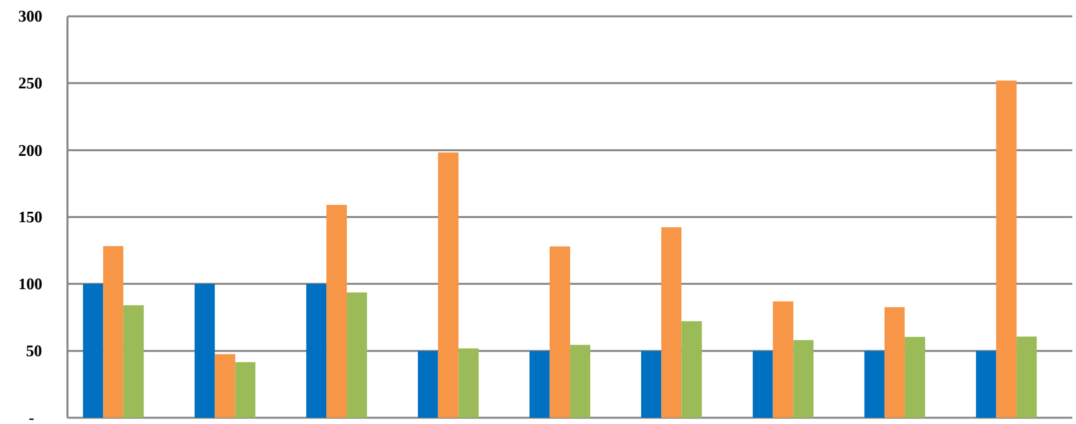


	Jul/19	Aug/19	Sep/19	Oct/19	Nov/19	Dec/19	Jan/20	Feb/20	Mar/20
Bid Coverage	709%	1044%	645%	402%	273%	343%	187%	128%	435%
Acceptance Ratio	32%	49%	28%	31%	49%	44%	56%	47%	30%
Acceptance / Target	225%	514%	180%	126%	134%	151%	104%	61%	132%

Bid Coverage = Auction Participation / Auction Target
Acceptance Ratio = Amount Accepted / Auction Participation
Accpetance / Target = Amount Accepted / Auction Target

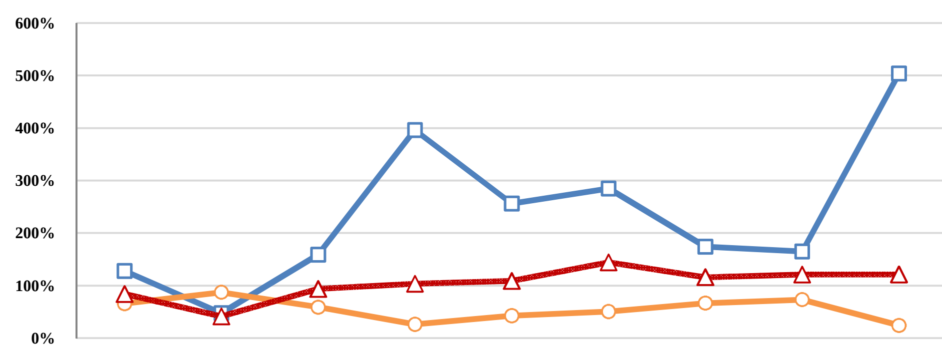
In case of floating rate PIBs, government introduced re-opening of existing issue in September 2019. Total participation of Rs 1,225 billion was witnessed in the auction of floating rate PIBs against the target of Rs 600 billion while government accepted Rs 577 billion during first nine months of 2019-20. In addition to existing 10 years' tenor, government is targeting to introduce tenors of 3 years with quarterly coupon and 5 years with semi-annual coupon payment frequency to attract more diversified investor base. Following graphs depict the auction profile of floating rate PIBs:

Fig-9.7: PIBs (Floating Rate) Auction Profile (Rs in billion)



	Jul/19	Aug/19	Sep/19	Oct/19	Nov/19	Dec/19	Jan/20	Feb/20	Mar/20
Target	100	100	100	50	50	50	50	50	50
Participation	128	48	159	198	128	142	87	83	252
Acceptance	84	42	94	52	55	72	58	61	61
Maturity	-	-	-	-	-	-	-	-	-

Fig-9.8: PIBs (Floating Rate) Auction Ratios



	Jul/19	Aug/19	Sep/19	Oct/19	Nov/19	Dec/19	Jan/20	Feb/20	Mar/20
Bid Coverage	128%	48%	159%	396%	256%	285%	174%	165%	504%
Acceptance Ratio	66%	87%	59%	26%	43%	51%	67%	73%	24%
Acceptance / Target	84%	42%	94%	104%	109%	144%	116%	121%	121%

Bid Coverage = Auction Participation / Auction Target
Acceptance Ratio = Amount Accepted / Auction Participation
Accpetance / Target = Amount Accepted / Auction Target

Until the first auction of August 2019, market bid mostly for the 3 months T-bills. However, this behaviour changed in all the subsequent auctions, and they started bidding heavily in the 12 months T-bills. Resultantly, share of 3-months T-bills in total T-bills portfolio reduced to around 28 percent at end March 2020 compared with around 100 percent at end June 2019 as depicted in the graph below:

Fig-9.9: Tenor Wise Share in Outstanding Treasury Bills

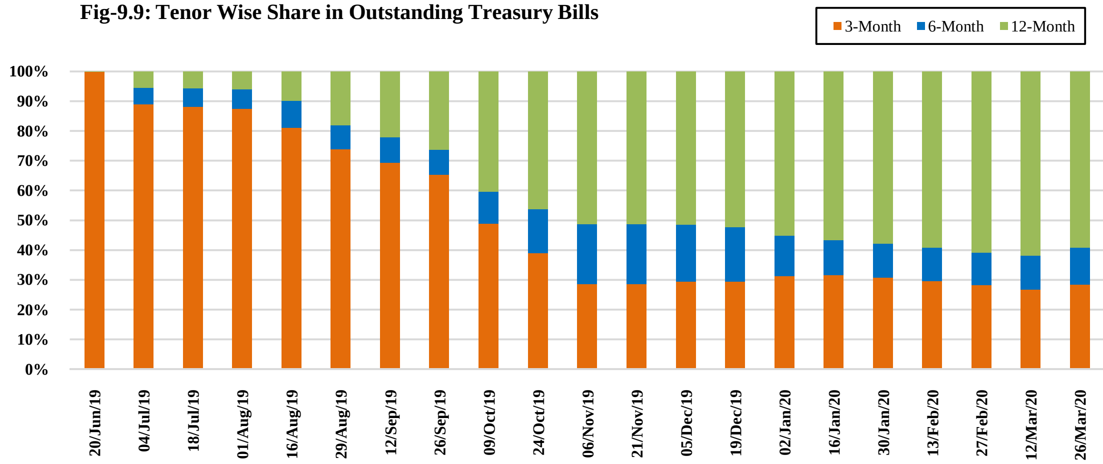
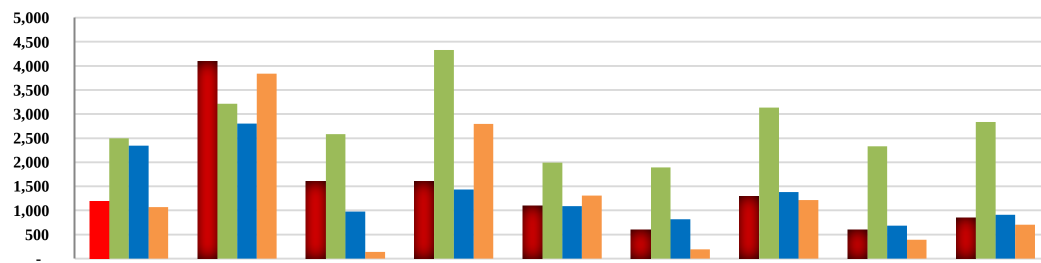
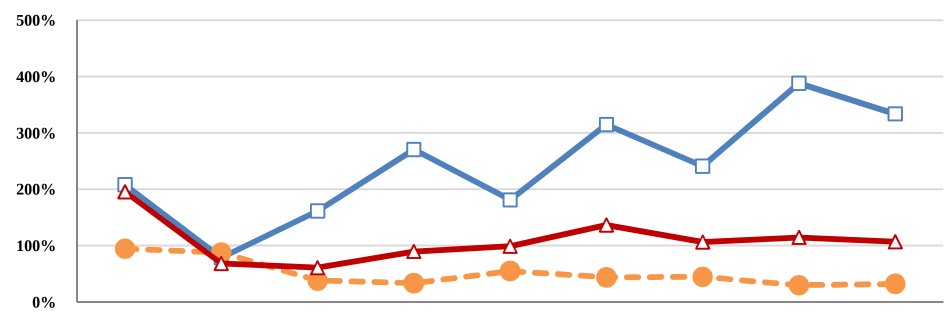


Fig-9.10: Treasury Bills Auction Profile (Rs in billion)



	Jul/19	Aug/19	Sep/19	Oct/19	Nov/19	Dec/19	Jan/20	Feb/20	Mar/20
Target	1,200	4,100	1,600	1,600	1,100	600	1,300	600	850
Participation	2,495	3,213	2,582	4,329	1,992	1,890	3,132	2,329	2,838
Acceptance	2,346	2,805	974	1,433	1,088	820	1,383	687	909
Maturity	1,067	3,836	137	2,798	1,309	194	1,212	391	706

Fig-9.11: Treasury Bills Auction Ratio



	Jul/19	Aug/19	Sep/19	Oct/19	Nov/19	Dec/19	Jan/20	Feb/20	Mar/20
Bid Coverage	208%	78%	161%	271%	181%	315%	241%	388%	334%
Acceptance Ratio	94%	87%	38%	33%	55%	43%	44%	29%	32%
Acceptance / Target	195%	68%	61%	90%	99%	137%	106%	114%	107%

Bid Coverage = Auction Participation / Auction Target
Acceptance Ratio = Amount Accepted / Auction Participation
Accpetance / Target = Amount Accepted / Auction Target

9.3.3 Recent Developments

In the wake of recent economic development (post COVID-19), SBP cut the policy rate commutatively by 525 bps to stand at 8 percent in May 2020. The yields on government securities also reduced significantly which will also facilitate in reducing the borrowing cost in the coming years.

9.3.4 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 PIBs, GIS, Prize Bond etc. PIBs have fixed and semi-annual coupon payment with tenors of 3, 5, 10, 15 and 20 years. Whereas, GIS are medium term Shariah compliant bonds currently issued in 5 years' tenor. Government of Pakistan has also introduced a conventional long-term (10-year maturity) floating-rate PIBs. It has been a very good addition to domestic securities portfolio enabling the government to borrow for a longer period without locking itself into high fixed borrowing cost. This instrument is also useful for investors, who prefer to avoid fluctuations in the market value of their investments.

Permanent debt constituted 59 percent of domestic debt portfolio and recorded at Rs 13,251 billion at end March 2020, representing an increase of Rs 1,164 billion during first nine months of ongoing fiscal year. The bifurcation of this increase reveals that government net mobilization through issuance of PIBs was Rs 1,321 billion[7] while a net retirement amounting to Rs 157 billion was witnessed in Prize Bonds.

II. Floating Debt

Floating debt consists of short-term domestic borrowing instruments i.e. Treasury Bills. Treasury Bills are discounted or zero-coupon instruments issued in 3-months, 6-months and 12-months. In order to meet the short-term financing needs, the government borrows via auction of Treasury Bills, arranged by SBP twice a month.

Floating debt was recorded at Rs 5,771 billion or around 26 percent of total domestic debt portfolio at end March 2020. During first nine months of this fiscal year, the government net mobilization through issuance of T-bills was Rs 556 billion[8]while government retired Rs 286 billion against SBP debt.

III. Unfunded Debt

The stock of unfunded debt stood at Rs 3,455 billion at end March 2020, constituted around 15 percent of total domestic debt portfolio. Unfunded debt recorded net mobilization of Rs 311 billion during first nine months of current fiscal year compared with Rs 228 billion mobilized during the same period last year. Most of the incremental mobilization came from Defence Saving Certificates (Rs 93 billion), Bahbood Savings Certificates (Rs 78 billion) and Regular Income Certificates (Rs 72 billion).

[7] Excluding PIBs held by non-residents amounting to Rs 7 billion which is recorded as external public debt as per the definition/criteria followed by SBP.

[8]Excluding T-bills held by non-residents amounting to Rs 236 billion which is recorded as external public debt as per the definition/criteria followed by SBP.

Over period of time, the government has taken various measures to transform CDNS from merely a retail debt-raising arm of the government to an effective vehicle for financial inclusion and provider of social safety net to the vulnerable sections of the society. In addition, various initiatives are in process which are expected to bring further improvement in CDNS (Box-IV).

Box-IV: Initiative for the Improvement of Central Directorate of National Savings (CDNS)

IT Transformation: Starting from 2002-03, CDNS has gone a long way towards computerization and automation of its processes. Out of its 375 branches, 222 have been computerized. In the last one year, some more milestones have been achieved for transformation of the organization into an Information Technology enabled entity.

Sharia Product of National Savings: CDNS has developed its first Sharia Compliant product called Sarwa Islamic Savings Account ("SISA"). The Draft rules for it have been printed in the Gazette of Pakistan and after approval of the Cabinet Committee for Disposal of Legislative Cases (CCLC) and the Federal Cabinet, the proposed SISA Scheme will be introduced across the country.

Overseas Pakistanis Savings Bills: As discussed in Box-II, CDNS is in the process of launching the "Overseas Pakistanis Savings Bills" which will be issued in both conventional and shariah compliant mode.

Launch of Rs 100,000 Premium Prize Bond (Registered): After successful launch of Rs 40,000/- Premium Prize Bond (Registered), CDNS is in the process of launching another registered prize bond for Rs 100,000/-.

Scripless issuance and introduction of registered Prize Bonds: In collaboration with SBP, CDNS is in the process of introducing registered scripless prize bonds amongst all denominations. The registered prize bonds will be a step towards documentation of the economy while providing facility to the general public.

Debit Card Launch & Membership of 1-Link System: In the near future, National Savings is expected to launch ATM Debit Cards with the support of the Karandaaz Pakistan.

Source: Central Directorate of National Savings

Table-9.7: Outstanding Domestic Debt (Rs in billion)

	2015	2016	2017	2018	2019	Mar-20
Permanent Debt	**5,012.8**	**5,940.6**	**5,533.1**	**4,659.2**	**12,087.0**	**13,251.5**
Market Loans	2.8	2.8	2.8	2.8	2.8	2.8
Government Bonds*	1.3	1.3	1.3	1.3	1.3	1.3
Prize Bonds**	522.5	646.4	747.1	851.0	893.9	736.9
Foreign Exchange Bearer Certificates	0.1	0.1	0.1	0.1	0.1	0.1
Bearer National Fund Bonds	0.0	0.0	0.0	0.0	0.0	0.0
Federal Investment Bonds	0.0	0.0	0.0	0.0	0.0	0.0
Foreign Currency Bearer Certificates	0.0	0.0	0.0	0.0	0.1	0.1
U.S. Dollar Bearer Certificates	0.1	0.1	0.1	0.1	0.1	0.1
Special U.S. Dollar Bonds	4.4	4.5	4.5	5.1	6.7	6.8
Pakistan Investment Bonds (PIBs)***	4,155.2	4,921.4	4,391.8	3,413.3	10,933.2	12,254.5
GOP Ijara Sukuk	326.4	363.9	385.4	385.4	71.0	71.0
Bai-Muajjal of Sukuk	-	-	-	-	177.8	177.8
Floating Debt	**4,609.4**	**5,001.7**	**6,550.9**	**8,889.0**	**5,500.6**	**5,771.4**
Market Treasury Bills***	2,148.9	2,771.4	4,082.0	5,294.8	4,929.6	5,486.3
MTBs for Replenishment	2,460.5	2,017.6	2,468.9	3,594.2	571.0	285.2
Bai Muajjal	0.0	212.6	0.0	0.0	0.0	0.0
Unfunded Debt	**2,570.3**	**2,683.7**	**2,765.3**	**2,868.1**	**3,144.1**	**3,454.7**
Defense Saving Certificates	300.8	308.9	325.5	336.2	393.4	486.3
National Deposit Certificates	0.0	0.0	0.0	0.0	0.0	0.0
Khass Deposit Certificates	0.3	0.3	0.2	0.2	0.2	0.2
Special Savings Certificates (Registered)	474.3	472.4	433.1	381.9	413.7	414.8
Special Savings Certificates (Bearer)	0.3	0.3	0.3	0.3	0.3	0.3
Regular Income Certificates	376.0	359.8	338.8	347.5	489.6	561.3

Table-9.7: Outstanding Domestic Debt (Rs in billion)	2015	2016	2017	2018	2019	Mar-20
Premium Saving Certificates	0.0	0.0	0.0	0.0	0.0	0.0
Bahbood Savings Certificates	628.3	692.1	749.5	794.9	914.5	992.0
Short Term Savings Certificates	1.7	1.9	3.7	4.3	5.1	10.9
Khass Deposit Accounts	0.3	0.3	0.3	0.3	0.3	0.3
Savings Accounts	26.4	30.2	34.9	38.3	38.2	39.5
Special Savings Accounts	392.9	423.8	489.0	549.0	416.6	453.1
Mahana Amdani Accounts	1.8	1.8	1.7	1.7	1.6	1.5
Pensioners' Benefit Account	214.1	234.7	253.4	274.9	318.3	349.5
Shuhadas Family Welfare Account	-	-	-	-	0.0	0.1
National Savings Bonds	0.1	0.1	0.1	0.1	0.1	-
Postal Life Insurance Schemes	67.1	67.1	45.8	46.7	47.9	47.4
GP Fund	85.8	90.0	88.8	91.7	104.3	97.6
Total Domestic Debt	**12,192.5**	**13,625.9**	**14,849.2**	**16,416.3**	**20,731.8**	**22,477.7**

P: Provisional
*Special Government Bond for SLIC have been added into Government Bonds.
**Includes Premium Prize Bonds (Registered).
***Government Securities held by non-residents are deducted from PIB's and T-bills.
Source: State Bank of Pakistan

9.3.5 Secondary Market Activities in the Marketable Government Securities:

During first nine months of 2019-20, the secondary market trading volumes witnessed robust increase supported by higher primary market issuances, peaking of interest rate cycle and declining long-term interest rates. Outright trading volume in the government securities during first nine months of 2019-20 amounted to Rs 28 trillion, against Rs 21 trillion recorded during same period of previous year. Similarly, average daily trading volume showed an uptick to Rs 156 billion per day during first nine months of 2019-20 compared with Rs 113 billion per day during the same period last year.

Table 9.8: Secondary Market Trading Volumes — **Rs in billion**

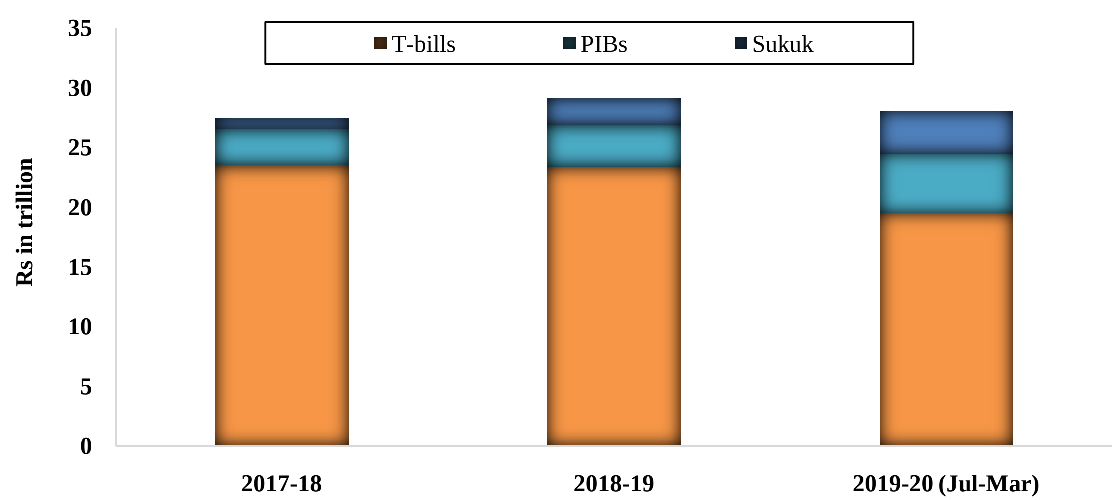
Government Security	2017-18	2018-19	2018-19 (Jul-Mar)	2019-20 (Jul-Mar)
Treasury Bill - 3 Months	20,118	23,330	17,093	12,452
Treasury Bill - 6 Months	3,147	41	34	2,314
Treasury Bill - 12 Months	258	33	33	4,741
Sub Total	**23,523**	**23,404**	**17,160**	**19,507**
Pakistan Investment Bonds - 3 Years	1,062	1,596	1,105	2,713
Pakistan Investment Bonds - 5 Years	1,031	889	626	973
Pakistan Investment Bonds - 10 Years	928	1,017	763	1,266
Pakistan Investment Bonds - 15 Years	10	0.6	1	0.1
Pakistan Investment Bonds - 20 Years	11	0.9	1	9
Sub Total	**3,042**	**3,503**	**2,495**	**4,961**
Government Ijara Sukuk	992	2,202	1,690	3,635
Grand Total	**27,557**	**29,109**	**21,345**	**28,103**
Daily Average volume	**111.6**	**117.8**	**112.9**	**156.1**

Source: State Bank of Pakistan

The increase in secondary market trading volumes is mainly attributed to recovery in trading volumes of longer tenor T-bills (6-Months and 12-months) and 3-Year and 10-Year PIBs. As interest-rate cycle peaked and long-term rates started declining, market participants preferred buying and trading these longer-tenor securities. As a result, a significant trading volume moved from 3-Month into 6-Month and 12-Month T-bills supported by robust primary market T-bills issuances. A security-wise break up of trading volumes indicates that T-bills trading constitute around 70 percent (Rs 20 trillion) of the overall secondary market trading.

Supported by successful PIBs auctions since December 2018, PIBs trading volumes registered strong growth. The PIBs trading increased to Rs 4,961 billion in first nine months of 2019-20 as compared to Rs 2,495 billion in same period of preceding year, registering a strong recovery and nearly doubling compared to preceding year volumes. Data indicates that the banks were net sellers of PIBs to the non-banks.

Fig-9.12: Share of Government Securities in Overall Trade Volume



Regular issuances of floating-rate PIBs in the primary market also led to trading in the secondary market. During first nine months of 2019-20, Rs 906 billion worth of 10-Year floating-rate PIBs were traded. In the first half of the year, Banks preferred to hold the instruments. However, in the third quarter, perhaps as the expectations of fall in interest rates got strengthen, a spike in the secondary market trading volumes was witnessed. Non-banks purchases around Rs 270 billion worth of floating rate PIBs from the secondary market. Trading volumes in GIS more than doubled during the fiscal year. Despite limited outstanding stock of Rs 268 billion at the year start and Rs 197 billion worth of issues maturing during the 9 months, GIS trading volumes increased due to Bai-Muajjal transactions. During the first nine months of 2019-20, GIS outright trading volumes increased to Rs 3,635 billion from Rs 1,690 billion recorded previously.

Repo Market

The repo transaction volumes remained elevated during July-March, 2019-20, registering a 9-Months volume of Rs 27 trillion. Banks rely on repo market to meet their day-to-day liquidity needs. Data indicate that 75 percent of the market volumes are in overnight tenor. The high volumes and increased liquidity in the repo market mean that financial institutions can efficiently meet their temporary liquidity needs through repo deals. Market share of repo transactions in total securities-based transactions declined by 7 percent to 49 percent during July-March, 2019-20.

Table-9.9: Government Securities-Based Transactions

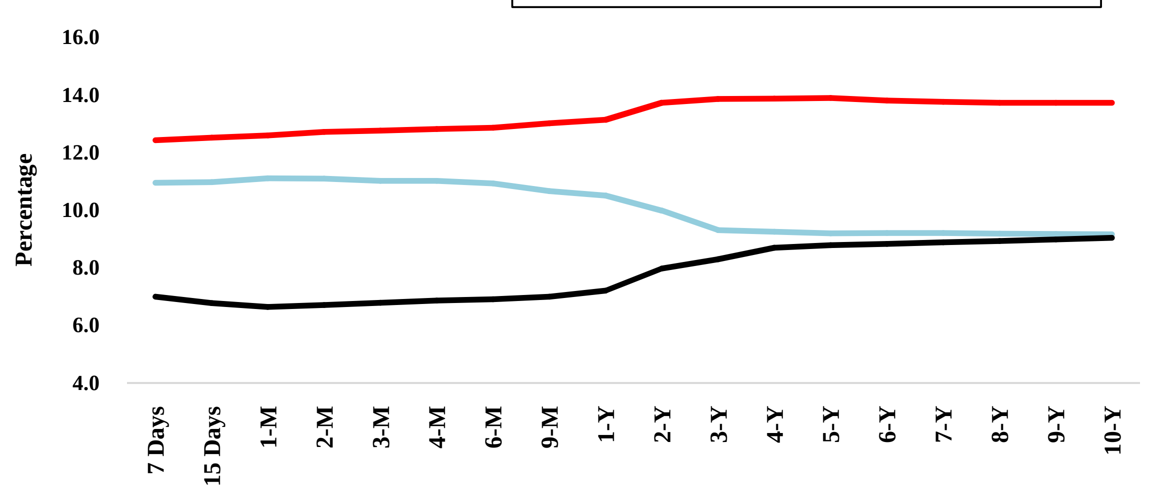
Type	Volumes (Rs in billion)				Market Share (%)			
	2017-18	2018-19	2018-19 (Jul-Mar)	2019-20 (Jul-Mar)	2017-18	2018-19	2018-19 (Jul-Mar)	2019-20 (Jul-Mar)
Repo	26,235	35,879	27,416	27,221	49	55	56	49
Outright	27,557	29,109	21,345	28,103	51	45	44	51
Total	**53,792**	**64,988**	**48,761**	**55,324**	**100**	**100**	**100**	**100**

Source: State Bank of Pakistan

Secondary Market Yield Curve:

At the start of the 2019-20, the yield curve indicated market expectations that interest-rate cycle has peaked and the yields for long-term securities were flat in the range of 13.5 percent to 14.0 percent. During first half of current fiscal year, short-term interest rates edged up as SBP increased the policy rate from 12.25 percent to 13.25 percent in its July monetary policy. Long-term interest rates, however, declined by around 2.5 percent by December 2019 compared to that of end-June 2019, indicating expectations building about interest rate easing in near future. The yield curve stood inverted by December 2019. By end March 2020, long-term interest rates further declined by around 2 percent to around 9.5 percent. The short-term interest rates declined by around 1.35 percent as SBP eased policy rate by cumulative 2.25 percent during March 2020.

Fig-9.13: Yield Curves



9.4 External Debt and Liabilities

External loans are obtained to diversify the borrowing resources, lower cost of borrowing, build foreign exchange reserves, finance large development expenditures (e.g. dams, canals, motorways, transportation projects, power generation projects, etc.), finance social expenditures and to provide general budgetary support. Concessional long-term development loans from bilateral sources and multilateral institutions are particularly attractive because of long repayment periods which are in-line with the long-term economic benefits reaped from the underlying development projects. International borrowing through Eurobond & Commercial banks is also important to establish the credit worthiness of the country in the international markets and to reduce excessive reliance on a few bilateral and multilateral lenders. External borrowing also reduces Government's reliance on domestic market and prevent crowding-out of the private sector in domestic market.

Pakistan's External Debt and Liabilities (EDL) represent debt and liabilities of public as well as the private sector. The part of EDL which falls under government domain is debt which is serviced out of consolidated fund and owed to the International Monetary Fund. While the remaining includes liabilities of central bank, debt of public sector entities, private sector and banks.

EDL reached US$ 110 billion by end March 2020, registering an increase of US$ 3.6 billion during first nine months of 2019-20. The main components of this increase were:

- External public debt stock increased by US$ 3.0 billion. This increase reveals the following:
  - Debt from multilateral and bilateral sources increased by US$ 2.3 billion. These multilateral and bilateral loans are mostly contracted on concessional terms (low cost and longer tenor);
  - The stock of commercial loans/Eurobonds registered a decrease of US$ 0.7 billion;
  - Non-resident investment in government securities was recorded at US$ 1.4 billion. It is important to highlight that Government of Pakistan does not have any currency exposure on these securities as these are denominated in Pak Rupee.
- SBP foreign exchange liabilities decreased by US$ 0.6 billion mainly due to repayment of Qatar deposit;
- PSEs debt decreased by US$ 0.5 billion; and
- External borrowing by the private sector is a healthy sign indicating the private sector's capacity to borrow for local investments. Private sector debt and liabilities increased by US$ 1.7 billion.

Pakistan's external debt is derived from four key sources, with around 48 percent coming from multilateral loans, 32 percent from bilateral loans, 7 percent from Eurobonds/Sukuk and 14 percent from commercial loans[9]. Although borrowing from commercial sources has relatively increased during the last few years, multilateral and bilateral sources still cumulatively constitute 79 percent of external public debt portfolio as of end March 2020. These multilateral and bilateral loans are contracted at concessional terms (low cost and longer tenor) and are primarily utilized to address structural issues and promote reforms in the areas of energy, taxation, business, trade, education and others. The following graph summarizes the component wise break-up of external public debt stock:

[9] Including Non-Resident investments in domestic government securities

Fig-9.14: Source Wise Profile of External Public Debt

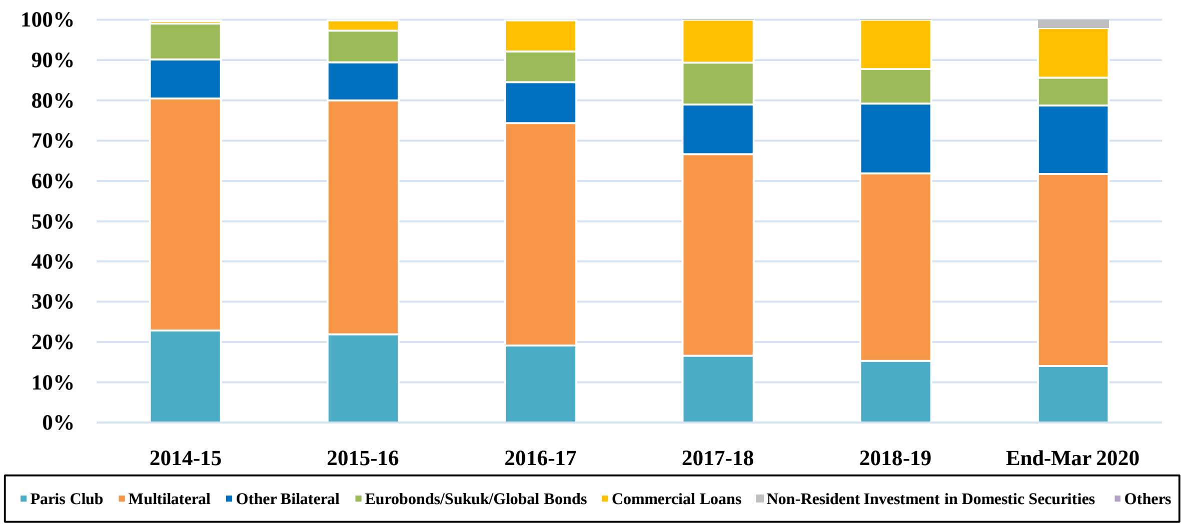


Table-9.10: Pakistan's External Debt and Liabilities

(US$ in million)	2015	2016	2017	2018	2019	Mar-20
A. Public External Debt (1+2)	**50,964**	**57,757**	**62,539**	**70,237**	**73,449**	**76,498**
1. Government External Debt	**46,861**	**51,714**	**56,430**	**64,142**	**67,800**	**70,060**
i) Long term (>1 year)	**45,849**	**50,026**	**55,547**	**62,525**	**66,536**	**67,371**
Paris Club	11,664	12,678	11,973	11,643	11,235	10,786
Multilateral	24,262	26,376	27,605	28,102	27,788	28,860
Other Bilateral	4,941	5,445	6,323	8,674	12,717	13,363
Euro/Sukuk Global Bonds	4,550	4,550	4,800	7,300	6,300	5,300
Military Debt	0	0	0	0	0	0
Commercial Loans/Credits	300	882	4,826	6,806	8,470	8,969
Local Currency Securities (PIBs)	32	35	0	0	0	41
Saudi Fund for Development (SFD)	100	60	20	0	0	0
NBP/BOC deposits/PBC*	0	0	0	0	26	52
ii) Short term (<1 year)	**1,012**	**1,688**	**882**	**1,617**	**1,264**	**2,689**
Multilateral	983	1,112	832	961	778	1,058
Local Currency Securities (T-bills)	29	1	51	0	0	1,346
Commercial Loans/Credits	0	575	0	655	486	286
2. From IMF	**4,103**	**6,043**	**6,109**	**6,095**	**5,648**	**6,438**
i) Federal Government	52	0	0	0	0	1,425
ii) Central Bank	4,051	6,043	6,109	6,095	5,648	5,013
B. Foreign Exchange Liabilities	**3,709**	**3,600**	**3,564**	**5,121**	**10,488**	**9,871**
i) Central Bank Deposits	700	700	700	700	6,200	5,700
ii) Foreign Currency Bonds (NHA / NC)	0	0	0	0	0	0
iii) Other Liabilities (SWAP)	1,612	1,507	1,482	3,022	2,912	2,819
iv) Allocation of SDR	1,390	1,383	1,375	1,390	1,374	1,349
v) Non-resident LCY Deposits with Central Bank	7	10	8	9	1	3
C. Public Sector Enterprises (PSEs)	**2,482**	**2,807**	**2,719**	**2,671**	**4,013**	**3,497**
a. Guaranteed Debt	**970**	**1,265**	**1,214**	**1,384**	**2,800**	**2,639**
Paris Club	0	0	0	0	0	0
Multilateral	19	11	6	5	0	0
Other Bilateral	951	1,254	1,208	1,179	2,600	2,499
Commercial Loans	0	0	0	200	200	140

Table-9.10: Pakistan's External Debt and Liabilities

(US$ in million)	2015	2016	2017	2018	2019	Mar-20
b. Non-Guaranteed debt	**1,512**	**1,541**	**1,505**	**1,287**	**1,213**	**858**
i) Long Term(>1 year)	534	466	403	334	410	519
ii) Short Term (<1 year)	978	1,075	1,102	953	803	340
D. Banks	**2,286**	**2,695**	**4,522**	**4,417**	**4,706**	**4,668**
a. Borrowing	1,334	1,618	3,303	2,967	3,157	2,874
b. Non-resident Deposits (LCY & FCY)	952	1,078	1,220	1,450	1,550	1,794
E. Private Sector	**3,011**	**4,073**	**6,759**	**9,195**	**10,414**	**11,163**
F. Debt Liabilities to Direct Investors - Intercompany Debt	**2,717**	**3,013**	**3,375**	**3,597**	**3,278**	**4,252**
Total External Debt and Liabilities (A+B+C+D+E+F)	**65,170**	**73,945**	**83,477**	**95,237**	**106,349**	**109,949**

P: Provisional

*: Pakistan Banao Certificates (PBC) issued by Government of Pakistan for overseas Pakistanis, effective from 4 February 2019.

Source: State Bank of Pakistan and Debt Policy Coordination Office, Ministry of Finance

9.4.1 Analysis of External Public Debt Inflows and Outflows

Gross external loan disbursements recorded at US$ 8,017 million during first nine months of 2019-20, the details of which are as follows:

- Disbursements from multilateral sources (including IMF) amounted US$ 4,839 million and accounted for 60 percent of the total disbursements, out of which ADB and IMF were the main contributors. The disbursements from IMF were part of ongoing EFF program while inflows from ADB and other International Financial Institutions (IFIs) were largely targeted towards energy, finance and infrastructure development;
- Disbursements from bilateral sources stood at US$ 1,305 million. Out of this total, disbursements from Saudi Arabia and China were US$ 720 million and US$ 460 million, respectively;
- Commercial loans contributed US$ 1,873 million in external public debt disbursements. These commercial loans were primarily obtained for balance of payments support.

In wake of the outbreak of pandemic COVID-19, Pakistan has secured US$ 1,386 million under IMF's Rapid Financing Instrument (RFI) facility in order to counter the negative impacts of the outbreak on the economy by increasing social sector spending. The amount was disbursed in April-2020 and further COVID based external inflows are expected from World Bank and ADB during fourth quarter of current fiscal year.

External public debt repayments were recorded at US$ 5,537 million during first nine months of current fiscal year compared with US$ 4,138 million during the same period last year. Repayment of Eurobonds amounting to US$ 1,000 million and higher repayments to the IMF mainly contributed towards this increase in repayments during the period. Interest payments stood at US$ 1,579 million during first nine months of current fiscal year. The source wise details of external public debt inflows and outflows over last few years are depicted in the table below:

Table-9.11: Source Wise External Public Debt Inflows and Outflows

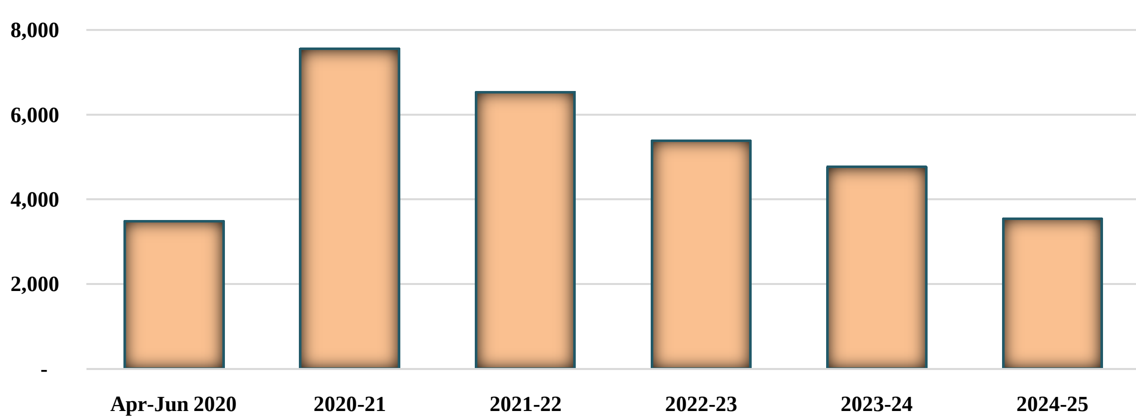
(US$ in million)	2015	2016	2017	2018	2019	2020 (Jul - Mar)
DISBURSEMENTS						
Multilateral	2,824	3,757	3,064	2,813	2,021	3,396
Bilateral	867	1,040	1,941	1,971	4,377	1,305
Bonds	1,000	500	1,000	2,500	-	-
Commercial	150	1,387	4,426	3,716	4,098	1,873
IMF	2,611	2,009	102	-	-	1,443
Total Inflows (A)	**7,452**	**8,693**	**10,533**	**11,000**	**10,496**	**8,017**
REPAYMENTS						
Multilateral	1,181	1,221	1,255	1,317	1,375	1,149
Bilateral	407	440	1,200	793	970	758
Bonds	-	500	750	-	1,000	1,000
Commercial	-	225	489	489	2,097	1,395
IMF	1,226	53	-	86	375	538
Short Term Debt	612	735	1,393	1,486	1,537	697
Others	76	40	40	20	-	-
Total Repayments (B)	**3,500**	**3,213**	**5,127**	**4,190**	**7,355**	**5,537**
Net Inflows (A-B)	**3,952**	**5,480**	**5,406**	**6,809**	**3,140**	**2,480**
INTEREST PAYMENTS						
Multilateral	219	239	295	357	440	345
Bilateral	385	380	441	444	541	465
Bonds	300	354	366	423	503	248
Commercial	9	33	66	260	412	358
IMF	39	51	86	128	144	122
Short Term Government Debt	22	69	58	72	63	41
Others	1	0	0	0	0	-
Total Interest Payments (C)	**975**	**1,127**	**1,313**	**1,684**	**2,103**	**1,579**
Total Debt Servicing (B+C)	**4,475**	**4,340**	**6,440**	**5,874**	**9,458**	**7,116**

Note: Above data excludes disbursements from Pakistan Banao Certificates and non-resident investment in government domestic securities

Source: Economic Affairs Division and State Bank of Pakistan

The projected external public debt repayments based on outstanding at end March 2020 are presented in the graph below:

Fig 9.15: External Public Debt Repayment Projections (US$ in million)



9.4.2 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 gain owing to appreciation of US Dollar against other international currencies reduced the external public debt by around US$ 0.8 billion;
- It is important to note that external public debt recorded an increase of 4 percent in US Dollar terms. However, Pak Rupee depreciated by 2 percent against US Dollar during first nine months of current fiscal year, which led to 6 percent increase in external public debt when reported in Pak Rupee terms.

9.4.3 External Debt Sustainability

A country can achieve debt sustainability if it can meet its current and future debt service obligations in a timely manner and has the capacity to withstand macroeconomic shocks. There are two principal indicators or ratios which assess the external debt sustainability: (i) solvency indicators and (ii) liquidity indicators. Solvency indicator such as external debt-to-GDP ratio shows debt-bearing capacity while liquidity indicators such as external debt servicing to foreign exchange earnings ratio shows debt servicing capacity of the country.

Table-9.12: External Public Debt Sustainability Indicators

(In percent)	2014	2015	2016	2017	2018	2019
ED/FEE (times)	1.0	1.0	1.1	1.2	1.3	1.3
ED/FER (times)	3.6	2.7	2.5	2.9	4.3	5.1
ED/GDP (Percentage)	21.1	18.8	20.7	20.5	22.3	26.3
ED Servicing/FEE (Percentage)	11.7	8.5	8.5	12.4	10.8	17.2

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

External public debt to GDP ratio increased to 26.3 percent at end June 2019 compared with 22.3 percent at end June 2018, depicting increased external debt burden. Apart from increase in external public debt stock, reduction in GDP size in US Dollar terms contributed towards increase in this ratio. At end March 2019, this ratio increased and recorded at 29 percent primarily due to moderate growth in external public debt and further reduction in GDP size in US Dollar terms.

External public debt to foreign exchange reserves ratio increased and recorded at 5.1 times during 2018-19 compared with 4.3 times during 2017-18. Moderate growth in external public debt and depletion of foreign exchange reserves owing to challenging balance of payment situation led to increase in this ratio during 2018-19. This ratio was recorded at 4.5 times at end March 2020 compared with 4.3 times at end March 2019.

Growth in external public debt servicing mainly driven by repayments of Eurobonds and commercial loans outpaced the growth in FEE and accordingly external public debt servicing to foreign exchange earnings ratio increased to 17.2 percent in 2018-19 compared with 10.8 percent in 2017-18. This ratio was recorded at 17 percent during July - March 2020 compared with 14 percent during the same period last year.

Pakistan's External Debt remains on sustainable path, which has also been endorsed by the IMF. The requirement for external borrowing arises mainly due to the need to maintain adequate foreign exchange reserves in the face of a large current account deficit. During the last two financial years, helped by major exchange rate adjustment and adoption of a market-based exchange rate regime, current account deficit has been substantially reduced, thus lowering the need for external borrowing in future.

9.4.4 Development in International Capital Markets

In the second half of 2019 (July - December 2019), Emerging Market ("EM") assets experienced a record surge in new issuances and a significant compression in spreads. From September to October 2019, overall EM Sovereign BB/B credits compressed 78 bps on a yield basis, and this trend continued until the end of December 2019, where the yield represented 141 bps compression versus beginning of July levels. These spread levels, paired with historically-low rates that were pushed down by two additional rate cuts by the Federal Reserve in its September and October 2019 meetings, resulted in record-low all-in funding costs for issuers, triggering a boost in primary issuance volumes. September alone saw US$ 89 billion equivalent in EM bond issuances, contributing to a total US$ 314 billion equivalent in EM supply for the period of July to December 2019.

Continued fund flows into the EM asset class during this time supported record new issuance volumes, as investors "hunted for yield" in the low rate environment. As a result, total fund flows for 2019 stood strongly positive at US$ 33 billion net inflow, compared to a net outflow of US$ 8 billion for 2018.

While Pakistan's outstanding bonds experienced some volatility at the beginning of the July to December 2019 period, they followed the tightening trend of the market, seeing 50 bps tightening from July to December 2019. This tightening was largely supported by Moody's upgrade of outlook from Negative to Stable on 2nd December 2019. From 1st December till the end of the year alone, Pakistan's curve compressed by 41 bps.

The first two months of 2020 continued the key trends of 2019, being characterized by low rates, compressed spreads and robust EM primary activity. Even with US-Iran tensions and initial news of the spread of COVID-19 weighing on equity markets, credit market activity remained robust, with January 2020 the most active month on record for Emerging Markets in terms of primary issuance activity (US$ 114 billion equivalent issued, 1.9 times January 2019). Pakistan's outstanding bonds outperformed the wider EM Sovereign BB/B space, with 73 bps tightening on a yield basis and 44 bps tightening on a spread basis across its curve. It was at the beginning of March that credit markets began to feel the first bouts of COVID-19 induced volatility, as the spread of the virus escalated into a global pandemic affecting production and economic activity.

On the back of this exponential rise, multiple economies geographically far from China (such as Italy) began to introduce lockdowns. Concerned about the impact of these developments on global economic growth, investors began a flight to quality: 10-year US Treasury yields dropped below 1 percent for the first time ever, tightening 53 bps over a week to an all-time historic low of 0.6226 percent on March 9th 2020, primarily on the back of the Fed's surprise emergency rate cut of 50 bps on March 3rd, 2020. With another emergency rate cut (this time of 100 bps) from the Fed on March 16th 2020, the key policy rate was brought to near 0 percent and 10-year US Treasury yields remained compressed until the end of March, ending the month at 0.716 percent.

Credit spreads experienced record widening especially in Emerging Markets: the EMBI+ Index widened 84 bps in the first week of March and reached its highest level since 2009 at 641 bps by 23rd March 2020. EM B/BB Sovereigns saw 4 percent widening on a yield basis through the month of March. Pakistan's own bonds saw 520 bps widening on a spread basis through the month of March, however, only around 4.75 percent widening on a yield basis, given the underlying rates rally.

Oil prices saw an unprecedented fall, as markets became increasingly concerned about how global energy demand would be affected by the shutdown of the world's largest oil importer (China), the subsequent lockdown of other major economies across the world and an increasing level of global travel restrictions. At the same time, OPEC+ countries appeared to be struggling to come to an agreement on production cuts, putting further downward pressure on oil prices: Brent Crude oil prices dropped US$ 29/bbl (-56 percent) in March to US$ 23/bbl, the lowest level since the end of 2001.

As a result of these unfavourable movements across indicators, investors took a risk-off stance leading to substantial outflows from EM funds: the first 3 weeks of March saw US$ 30 billion outflows from EM funds, erasing and surpassing inflows seen earlier this year.

Given the overall risk-off mood and negative fund flows, and despite all-in yields remaining relatively less affected due to the underlying rate rally, EM primary markets were shut for the better part of March: between 5th and 12th March, no transaction was carried out and thereafter only IG-rated EM sovereigns accessed the markets with new issue concessions as high as 75 bps. Total EM issuances (excluding China) for March 2020 came to US$ 12.5 billion, 78 percent down versus March 2019. However, due to the record issuance levels in January and February, YTD volumes of US$ 131 billion for EM (excluding China) were still 9 percent ahead of 2019 YTD.

As investors and issuers began to take confidence in the containment measures implemented by global economies and the fiscal as well as monetary policy measures announced by central banks such as the Fed, market conditions began to improve gradually towards the end of March. Taking advantage of this window of relatively constructive markets, US IG issuers issued US$ 112 billion in the week ending 27th March, making it the largest week on record at the time, and March and Q1 2020 the largest month and quarter on record respectively.

Emerging Market ("EM") Credit

While EM primary markets are still only seeing high-rated sovereigns access the market, new issue concessions are becoming increasingly compressed (44 bps for April's deals) and order books are multiple times oversubscribed (Saudi Arabia's recent US$ 7 billion 3-tranche offering amassed 7.7 times oversubscribed order book).

As market conditions continue to improve and May lockdown removal in key economies likely being a source of further optimism, an increasing variety of issuers may be expected to access primary markets, potentially going down the rating grid and moving towards Corporate and Financial Institutions.

Table-9.13: Pakistan Sovereign Bonds - Secondary Trading Levels

Bond	Ratings			Maturity	Size	Coupon (%)	Price	Yield (%)
	M	S&P	F		($ in million)			
Sukuk	B3	--	B-	Oct-21	1,000	5.50	96.7	8.10
Sukuk	B3	B-	--	Dec-22	1,000	5.62	95.1	7.81
Eurobond	B3	B-	B-	Apr-24	1,000	8.25	100.8	8.00
Eurobond	B3	--	B-	Sep-25	500	8.25	99.7	8.31
Eurobond	B3	B-	--	Dec-27	1,500	6.87	93.8	7.98
Eurobond	B3	B-	B-	Mar-36	300	7.87	92.8	8.71

Source: Bloomberg as of June 03, 2020

9.5 Conclusion

Government is committed to gradually bring the fiscal deficit down to lower levels once exogenous shock created by COVID-19 crisis is contained. Government will continue to implement growth-friendly inclusive policies and structural reforms to boost potential growth while strengthening social safety nets. Furthermore, envisaged medium-term fiscal consolidation will place public debt on firm downward trajectory, while government's efforts to improve maturity structure will enhance public debt sustainability.

Going forward, following are the main priorities with respect to public debt management over the medium term:

- Lengthening of maturity profile of domestic debt by mobilizing financing from medium and longer tenor instruments will remain priority to reduce the re-financing and interest rate risks of domestic debt portfolio;
- Government aims to have a smooth redemption profile of its debt portfolio whereby constant proportion of the debt shall be redeemed each year to reduce the risk of refinancing the debt at a time when market conditions are unfavourable;
- Transparency in domestic securities issuance process will be enhanced by providing clear information on borrowing program to investors and having continuous investor interaction and appropriate consultation;

- Government priority is to borrow through multiple instruments in order to lower its borrowing costs and manage the fiscal risks arising out of the borrowing operations. Lenders/investors, on the other hand, will have more options to choose investments which are closer to their investment horizons, income preferences and risk appetite. It will also help in expanding and diversifying the investor base of government securities, deepening of capital markets and promotion of a saving culture in the country;
- In order to support the budgetary position and promote Islamic banking industry in the country, government intends to issue Sukuks in the domestic capital market on regular basis over the medium-term. Sukuks are expected to be issued at competitive price due to its asset backed structure while attracting diversified investor base, in particular financiers preferring Shariah-compliant investments;
- Government will continue to avail maximum available concessional external financing from bilateral and multilateral development partners to benefit from favorable terms and conditions;
- Government will also diversify its sources of external borrowing, by accessing international capital markets by way of issuing Eurobonds, Pakistan International Sukuk, Panda Bonds etc.

Chapter 10

EDUCATION

Education plays a pivotal role in the creation of skills and human capital, which certainly leads to higher economic growth. The development of human capital is critical for improving productivity through technological innovation that in turn leads to sustained high inclusive economic growth while also helping combat multiple economic challenges. Education promotes a productive and informed workforce and creates opportunities for the socially and economically deprived sections of society.

Pakistan is ranked 152 out of 189 countries in the United Nations Development Programme's (UNDP) Human Development Index (HDI) ranking, according to the Human Development Report, 2019. Unfortunately, Pakistan has not exhibited improvement in key educational indicators, such as literacy rate, gross enrolment ratio, and expenditure on education, as compared to regional countries (Table 10.1). Pakistan's literacy rate 57 percent lags well behind its neighboring countries[1]. The primary school dropout rate is 22.7 percent (3rd highest in the region after Bangladesh and Nepal), which is alarming given it as at the stage of formative learning.

Table: 10.1 Education Indicators

Country	Literacy rate adult %age 15 years and older (2008-18)	Youth %age 15-24 years old		Population with some secondary education %ages 25 years & older (2010-18)	Gross enrolment Ratio (GER) 2013-18				Primary School Dropout rate (2007-2017)	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**			
Iran	85.5	97.9	98.3	69.8	52	108	89	69	4.0	3.8	65
Sri Lanka	91.9	99.1	98.5	82.8	101	102	98	19	1.6	2.8	71
Maldives	98.6	99.4	99.1	47.1	91	102	n/a	14	6.7	4.3	104
India	69.3	81.8	90.0	51.6	14	115	75	28	12.3	3.8	129
Bhutan	57.0	84.5	90.4	12.0	25	93	86	11	11.3	7.1	134
Bangladesh	72.9	94.5	91.5	46.7	40	111	67	18	33.8	1.5	135
Nepal	59.6	80.2	89.9	35.9	86	134	71	12	26.5	5.1	147
Pakistan	57.0	65.5	79.8	37.2	80	96	45	10	22.7	2.8	152
Afghanistan	31.7	32.1	61.9	26.1	n/a	104	55	10	n/a	3.9	170

Source: Human Development Report, 2019 (The latest available report)

[1] Human Development Report, 2019.

The Government Agenda

The government has initiated various efforts to improve access to and quality of education through policy interventions and expenditure allocations. In this regard, the National Education Policy Framework has been formulated to combat the multiple challenges faced by the education sector with the following priority areas:

- Priority 1: Decrease Out of School Children (OOSC) and Increase School Completion: To address OOSC, the government proposed key actions related to i) school infrastructure, ii) finance which comprised removing financial barriers through cash transfers, improving the existing provision of stipends to girls and improving coordination with the finance departments to ensure efficient and timely transfer and utilization of education budget, iii) improving teacher and student knowledge, iv) providing free online education and v) improving access to education in remote areas.
- Priority 2: Achieve Uniformity in Education Standards: To ensure uniform education, the government aims to introduce a uniform education system for all that could ensure equality in quality across the three systems of schooling in Pakistan, i.e., public, private and madrassa[2]. This could be achieved through a selection of a common curriculum framework, streamlining national teaching and learning standards, ensuring a multi-lingual policy, strengthening regulatory bodies to ensure coordination across the different school systems, raising awareness about the quality of government school education through campaigns, reforms and strengthening community action through the dissemination of educational information.
- Priority 3: Improve the Quality of Education: To improve the quality of education, the government focuses on improving teacher management while ensuring the continuous professional development of teachers for the purpose of multi-grade teaching, implementing a meritocracy in the teacher's placement process, ensuring implementation of early childhood education, ensuring the availability of teaching and learning resources and their utilization in schools and increasing access to information about nutrition and stunting for mothers and students.
- Priority 4: Enhance Access to and Relevance of Skills Training: To enhance access to skill training, the government promoted public-private partnerships with industry, including setting up industry-led skills councils, increasing the number of skilled workers in priority areas, strengthening and improving quality and the institutional framework and introducing a national skills information system to ensure better student placement and planning.

Box-I: TeleSchool

Ministry of Federal Education & Professional Training has launched the country's first educational television channel, ***"TeleSchool,"*** with the collaboration of Pakistan Television (PTV) and Allama Iqbal Open University (AIOU) and with additional input from several non-governmental organizations (NGOs). The channel, launched with the slogan 'education at home', is mitigating the academic losses faced by the students amid Corona virus (COVID-19) outbreak and the subsequent closure of educational institutions due to country-wide lockdown.

[2] There are four types of schools in Pakistan: public schools, private schools with the medium of instruction in Urdu or English, religious schools and non-formal education.

The channel also helps the government to reach remote areas that didn't have access to education facilities and infrastructure before. This initiative will also promote education for the OOSC as well as adult literacy.
The TV channel is being aired (through a beam provided by PTV) across the country for online education from grades 1-12.

Description of Educational Institutions and Enrolment Data[3]

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. An increase of 9.9 percent in Pre-Primary enrolment (12.6 million) in 2017-18 over 2016-17 (11.4 million) has been observed, and it is further estimated to increase by 7.1 percent to 13.5 million in 2018-19. (Table 10.2)

ii) Primary Education (Classes I-V)

Nationally, in 2017-18 there were a total of 172.5 thousand functional primary schools with 522.4 thousand corresponding teachers. An increase of 5.7 percent in primary enrolment is witnessed as the total enrolled students increased to 22.9 million in 2017-18 against 21.7 million in 2016-17. However, it is further projected to increase by 4.4 percent to 23.9 million in 2018-19.

iii) Middle Education (Classes VI-VIII)

There were a total of 46.7 thousand middle institutes, with 448.1 thousand employed teachers in the whole country during 2017-18. An increase of 5.2 percent in middle enrolment is observed as the total enrolled students increased to 7.4 million in 2017-18 against 7.0 million in 2016-17, and it is projected to increase by 3.8 percent, i.e., from 7.4 million to 7.6 million in 2018-19.

iv) Secondary/High School Education (Classes IX-X)

During the academic year 2017-18, a total of 31.4 thousand secondary schools were functional, with 563.3 thousand teachers working in the whole country. At the national level, an increase of 7.8 percent in secondary enrolment is observed as the total enrolled students increased to 3.9 million in 2017-18 against 3.6 million in 2016-17. However, it is estimated to increase by 6.6 percent, i.e., from 3.9 million to 4.1 million during 2018-19.

v) Higher Secondary / Inter Colleges (Classes XI-XII)

At the national level, 5.8 thousand higher secondary schools / inter colleges with 123.2 thousand teachers were functional in 2017-18. The overall enrolment of students in higher secondary education witnessed an increase of 5.8 percent in 2017-18. The enrolment registered during 2017-18 was 1.7 million as compared to 1.6 million in 2016-17. For 2018-19, it is projected to increase to 1.8 million.

vi) Technical & Vocational Education

During 2017-18, 3.7 thousand technical and vocational institutes with 18.2 thousand teachers were functional at the national level. A significant increase of 25.6 percent in enrolment was recorded as the total enrolled increased to 0.43 million in 2017-18 against

[3]According to Academy of Educational Planning & Management (AEPAM), the estimated data for enrolment, number of institutions and teachers for the year 2019-20 is not available; however the said data will be available in November, 2020 which will be incorporated in the Statistical Supplement of Pakistan Economic Survey, 2019-20. Therefore the latest available data for the year 2017-18 and 2018-19 is considered for analysis.

0.34 million in 2016-17. However, it is estimated to increase by 8.7 percent, i.e., from 0.43 million to 0.47 million during 2018-19.

vii) Degree Colleges (Classes XIII-XIV)

An enrolment of 0.59 million students is expected during 2018-19 in degree colleges against enrolment of 0.60 million in 2017-18. A total of 1,659 degree colleges with 41,233 teachers were functional during 2017-18. The slight decline in enrollment might be due to preference of students to the professional and vocational courses.

viii) Universities

There were 211 universities with 51.5 thousand teachers in both public and private sectors functional during 2018-19, according to the data received from the Higher Education Commission (HEC). The overall enrolment of students in higher education institutions (universities) increased to 1.86 million in 2018-19 from 1.58 million in 2017-18.

Overall Assessment

The overall education situation based on the key indicators, such as enrolments, number of institutes, and teachers, have shown a slight improvement. The total number of enrolments during 2017-18 was recorded at 51.0 million as compared to 47.6 million during the same period last year, which shows an increase of 7.1 percent. It is estimated to increase to 53.6 million during 2018-19. The number of institutes stood at 262.0 thousand during 2017-18 as compared to 260.1 thousand during last year. However, the number of institutes is estimated to increase to 266.3 thousand in 2018-19.

The number of teachers during 2017-18 was recorded at 1.77 million as compared to 1.73 million during the last year showing an improvement of 2.7 percent. The number of teachers is estimated to increase to 1.83 million during 2018-19.

Fig-10.1: Enrolment at each level

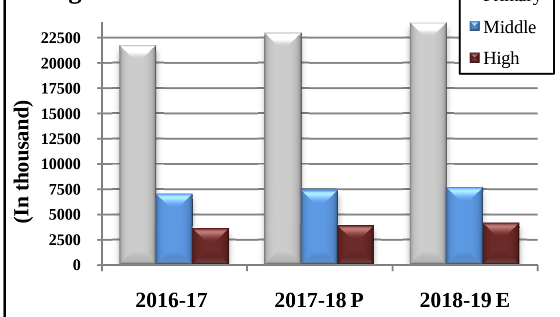


Fig-10.2: Institution at each level

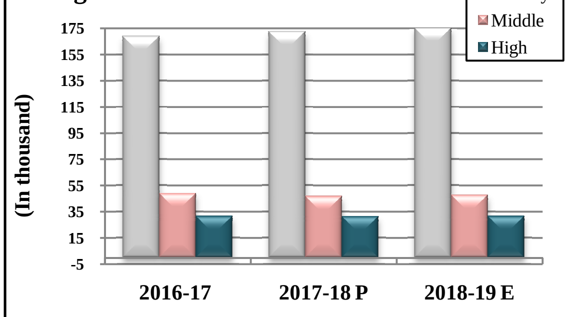


Fig-10.3: Teachers at each level

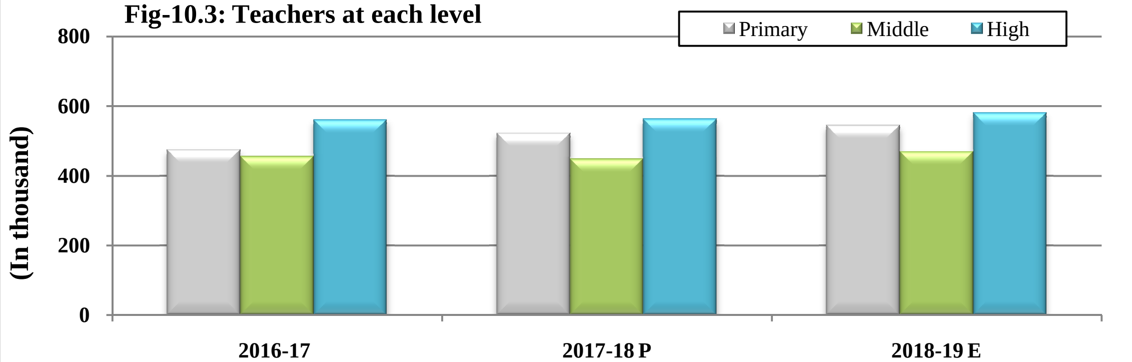


Table 10.2: Number of Mainstream Institutions, Enrolment and Teachers By Level (Thousands)

	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**	13465.4	23942.0	7641.5	4117.9	1757.2	597.6	470.8	1862.8@	53564.5
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**	-	175.3	47.7	31.7	5.9	1.7	3.8	0.211@	266.3
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**	-	545.2	469.2	580.3	121.5	40.0	18.7	51.5@	1828.8

*: Provisional, **: Estimated, ^: Including Pre-Primary, Mosque Schools, BECS and NCHD, @: Provisional Figures provided by HEC.
Source: Ministry of Federal Education & Professional Training, AEPAM, Islamabad

Literacy

According to the Pakistan Social and Living Standards Measurement (PSLM) Survey 2018-19, the literacy rate of the population (10 years and above) is 60 percent as compared to 58 percent in 2015-16. The literacy rate is higher in urban areas (74 percent) than in rural areas (51 percent). Province wise analysis suggests that Punjab has the highest literacy rate, with 64 percent followed by Sindh and Khyber Pakhtunkhwa (Excluding Merged Areas) with 57 percent, Khyber Pakhtunkhwa (Including Merged Areas) with 55 percent and Balochistan with 40 percent (Table 10.3).

Table 10.3: Literacy Rate (10 Years and Above)-Pakistan and Provinces (percent)

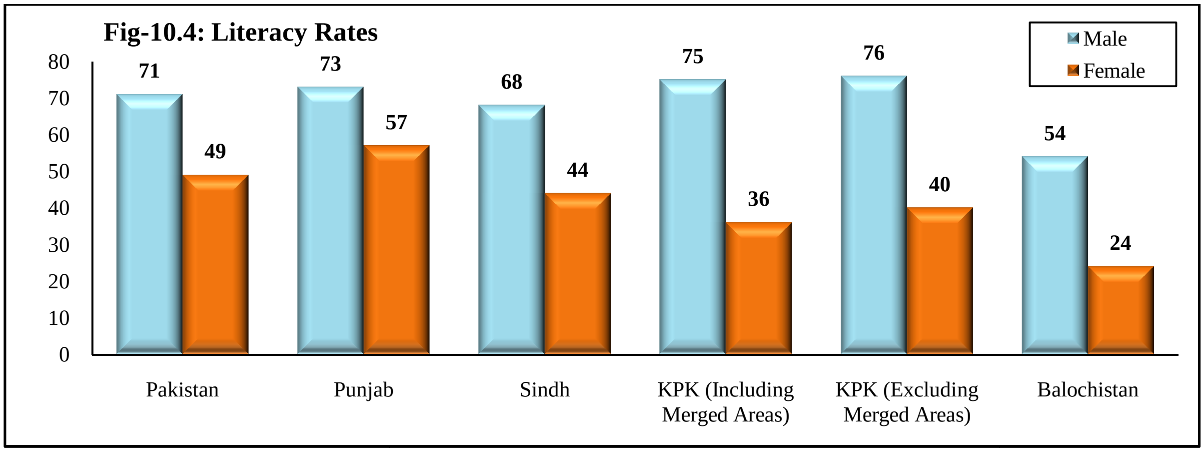
Province/Area	2015-16			2018-19		
	Male	Female	Total	Male	Female	Total
Pakistan	**70**	**48**	**58**	**71**	**49**	**60**
Rural	63	36	49	65	38	51
Urban	81	68	74	80	67	74
Punjab	**72**	**54**	**62**	**73**	**57**	**64**
Rural	66	44	55	67	47	57
Urban	82	73	77	82	73	77
Sindh	**67**	**44**	**55**	**68**	**44**	**57**
Rural	51	19	36	55	21	39
Urban	80	65	73	79	64	72
Khyber Pakhtunkhwa (Including Merged Areas)	**-**	**-**	**-**	**75**	**36**	**55**
Rural	-	-	-	74	33	52
Urban	-	-	-	82	51	66
Khyber Pakhtunkhwa (Excluding Merged Areas)	**72**	**36**	**53**	**76**	**40**	**57**
Rural	70	33	50	81	54	67

Table 10.3: Literacy Rate (10 Years and Above)-Pakistan and Provinces (percent)

Province/Area	2015-16			2018-19		
	Male	Female	Total	Male	Female	Total
Urban	77	52	64	74	37	55
Balochistan	**56**	**24**	**41**	**54**	**24**	**40**
Rural	48	15	33	48	17	34
Urban	76	44	61	70	41	56

Source: Pakistan Social and Living Standards Measurement (PSLM) Survey, 2018-19, Pakistan Bureau of Statistics.

Note: Area of erstwhile FATA is now part of Khyber Pakhtunkhwa and covered the 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.



Primary Enrolment Rates

A. Gross Enrolment Rates

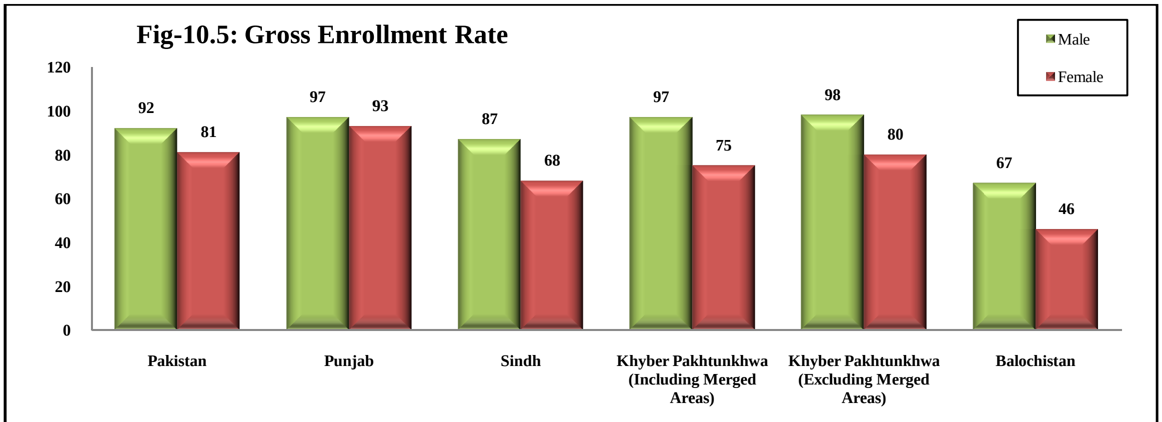
Gross Enrolment Rates (GER) at the primary level excluding Katchi (prep) for the age group 6-10 years at the national level during 2018-19 remained at 87 percent as compared to 2015-16. Province wise data suggests that Punjab showed improvement from 93 percent in 2015-16 to 95 percent in 2018-19, Sindh remained stable with Primary level GER at 78 percent, Khyber Pakhtunkhwa (Excluding Merged Areas) improved to 89 percent in 2018-19 against 88 percent in 2015-16, while Balochistan witnessed a decline from 59 percent in 2015-16 to 57 percent in 2018-19. The details are given in Table 10.4.

Table 10.4: National and Provincial GER (Age 6 -10 years) at Primary Level (Classes1-5) (percent)

Province/Area	2015-16			2018-19		
	Male	Female	Total	Male	Female	Total
Pakistan	**94**	**78**	**87**	**92**	**81**	**87**
Punjab	98	88	93	97	93	95
Sindh	88	67	78	87	68	78
Khyber Pakhtunkhwa (Including Merged Areas)	-	-	-	97	75	86
Khyber Pakhtunkhwa (Excluding Merged Areas)	98	77	88	98	80	89
Balochistan	73	41	59	67	46	57

Source: Pakistan Social and Living Standards Measurement (PSLM) Survey, 2018-19, Pakistan Bureau of Statistics.

Fig-10.5: Gross Enrollment Rate



B. Net Enrolment Rates

Net Enrolment Rates (NER) at the primary level refers to the number of students enrolled in primary schools of age 6 to 10 years divided by the number of children in the same age group for that level of education.

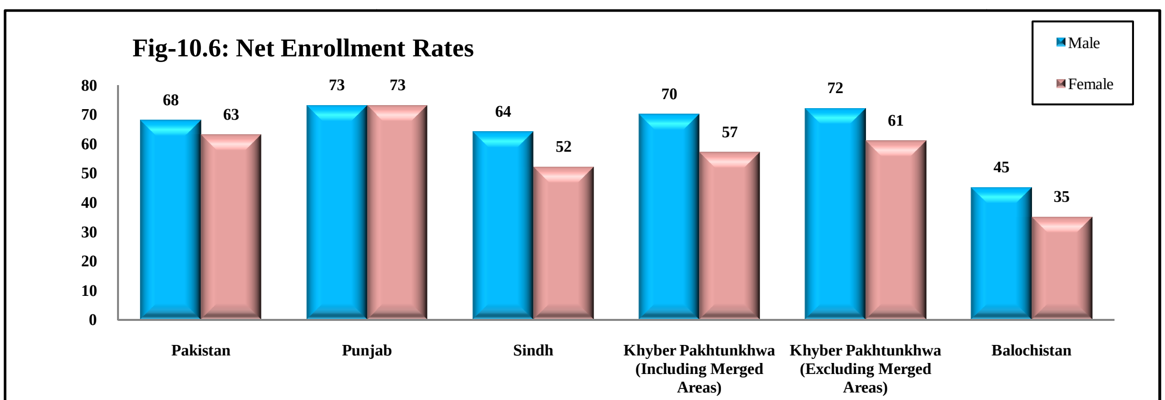
NER at the national level during 2018-19 slightly improved from 65 percent in 2015-16 to 66 percent in 2018-19. Province wise comparison reveals that Punjab witnessed an improvement of 73 percent in 2018-19 as compared to 71 percent in 2015-16. Sindh showed an improvement of 58 percent in 2018-19 as compared to 56 percent in 2015-16, Khyber Pakhtunkhwa (Excluding Merged Areas) witnessed declined from 67 percent in 2015-16 to 66 percent in 2018-19, while Balochistan remained stable with Primary level NER at 40 percent.

Table 10.5: National and Provincial NER (Age 6 -10 years) at Primary Level (Classes 1-5) (percent)

Province/Area	2015-16			2018-19		
	Male	Female	Total	Male	Female	Total
Pakistan	**69**	**60**	**65**	**68**	**63**	**66**
Punjab	73	68	71	73	73	73
Sindh	62	50	56	64	52	58
Khyber Pakhtunkhwa (Including Merged Areas)	-	-	-	70	57	64
Khyber Pakhtunkhwa (Excluding Merged Areas)	74	59	67	72	61	66
Balochistan	48	32	40	45	35	40

Source: Pakistan Social and Living Standards Measurement (PSLM) Survey, 2018-19, Pakistan Bureau of Statistics.

Fig-10.6: Net Enrollment Rates



Expenditure on Education

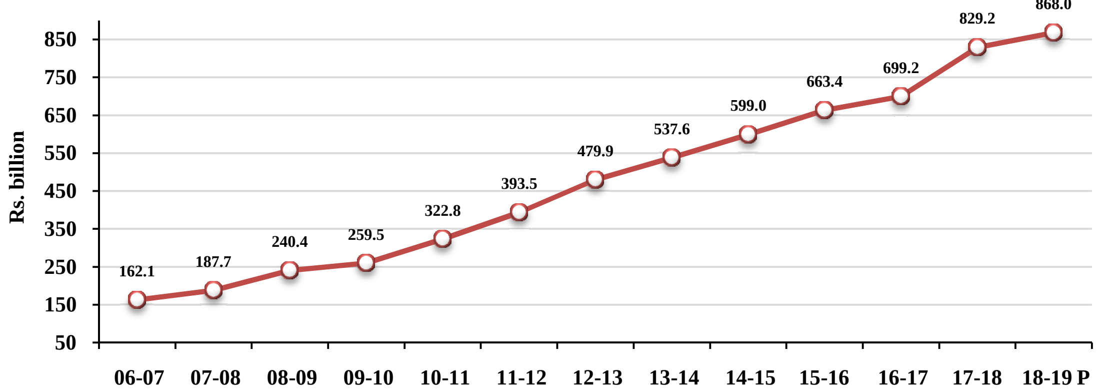
Public expenditure on education was estimated at 2.3 percent of GDP in 2018-19, as compared to 2.4 percent in 2017-18. Expenditure on education has been rising gradually since 2014-15. The education-related expenditure increased by 4.7 percent (to Rs 868.0 billion) in 2018-19 (Table-10.6). The provincial governments are also spending a sizeable amount of their Annual Development Plans (ADPs) on education. Punjab increased its expenditure in 2018-19 to Rs 371.8 billion as compared to Rs 340.8 billion in 2017-18, which shows an increase of 9.1 percent. Expenditure on education in Khyber Pakhtunkhwa has also increased to Rs 152.7 billion, as compared to Rs 142.6 billion last year, which shows an increase of 7.1 percent in 2018-19. Similarly, Balochistan has increased its expenditure from Rs 52.8 billion in 2017-18 to Rs 55.3 billion in 2018-19, which shows a growth of 4.8 percent. A minor decline of 2.1 percent has been observed in Sindh, as expenditure on education stood at Rs 162.6 billion in 2018-19 as compared to Rs 166.0 billion in 2017-18.

Table 10.6: Expenditure on Education **(Rs million)**

Years		Current Expenditure	Development Expenditure	Total Expenditure	As % of GDP
2014-15	Federal	73,729	28,293	102,022	**2.2**
	Punjab	201,882	25,208	227,090	
	Sindh	109,275	7,847	117,122	
	Khyber Pakhtunkhwa	83,205	28,506	111,711	
	Balochistan	32,299	8,803	41,102	
	Pakistan	**500,390**	**98,657**	**599,047**	
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(P)	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**	

P: Provisional
Source: PRSP Budgetary Expenditures, External Finance & Policy Wing, Finance Division, Islamabad

Fig-10.7: Expenditure on Education (Rs billion)



Development Programmes 2019-20

The Federal Public Sector Development Programme (PSDP) 2019-20 has allocated an amount of Rs 4.8 billion for 11 ongoing and 21 new development projects of the Ministry of Federal Education & Professional Training. An amount of Rs 1.07 billion has also been allocated for 8 ongoing and new education-related projects being handled by Finance, Defence, Interior, and Kashmir Affairs & Gilgit Baltistan Division. The implementation of PSDP funded education projects can have a lasting impact on socio-economic development.

The provincial governments have also prioritized improving key indicators including the provision of missing facilities, upgradation of girls and boys primary schools to the middle, high and secondary levels, construction of new boys and girls schools and colleges, provision of scholarship through endowment funds and scholarship schemes, provision of stipends to female students up to Matriculation, improvement of the physical infrastructure, establishment of IT/Science labs in secondary and higher secondary schools, Early Childhood Education (ECE) at Primary level and strengthening of Provincial Institutes of Teacher Education (PITE). All the provinces have allocated budget for the education foundations, and development budget has 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 2019-20, Government of Punjab has allocated an amount of Rs 42.9 billion for 206 ongoing and 108 new development projects for education. This includes Rs 32.0 billion for school education, Rs 7.3 billion for higher education, Rs 1.0 billion for special education, and Rs 2.6 billion for literacy and non-formal education. The total allocated amount is 31 percent higher than the last fiscal year[4].

Sindh

During 2019-20, the Sindh government has allocated Rs 25.7 billion for 287 ongoing and 134 new development projects for education. This includes Rs 17.8 billion for School

[4] The allocated amount doesn't include TVET sector allocation here.

Education & Literacy, Rs 4.0 billion for college education, Rs 0.15 billion for Special Education, Rs 0.72 billion for Sindh TEVTA and Rs 3.0 billion for Universities & Boards.

Khyber Pakhtunkhwa

The government of Khyber Pakhtunkhwa has allocated Rs 15.5 billion in 2019-20 for 97 ongoing and 26 new development projects. It includes Rs 1.4 billion for primary education, Rs 8.1 billion for secondary education, and Rs 5.8 billion for higher education. The allocated amount for education is 21 percent higher than the last year[5].

Balochistan

The Balochistan government has allocated Rs 12.7 billion (11.7 percent of total development budget) for FY2020 for 103 ongoing and 181 new development projects. Out of the total allocation, an amount of Rs 1.4 billion has been allocated for primary education, Rs 3.2 billion for middle education, Rs 3.1 billion for secondary education, Rs 3.4 billion for college education, Rs 0.4 billion for university education, Rs 0.9 billion for general education and 0.2 billion for technical education.

Technical and Vocational Education

NAVTTC

National Vocational & Technical Training Commission (NAVTTC) executed nation-wide targeted skill development programme which is focused on preparing skilled human resource for local & international labour market and primarily for national mega projects like China Pakistan Economic Corridor (CPEC) and other energy-related projects. Since CPEC is expected to generate about 2.5 million jobs for skilled youth, NAVTTC is making allout efforts to produce a competent skilled workforce at par with international standards of the job market in various sectors of the economy, including; Construction, Hospitality Services, and Energy Sectors. More than 200,000 youth have been trained by NAVTTC under its targeted training programmes during 2015 to 2019.

Box-II: Implementation of Prime Minister's "Skills for All Strategy"– Hunarmand Pakistan Programme under Kamyab Jawan Initiative

After assuming office, the present government constituted a Task Force under the Ministry of Federal Education and Professional Training to devise a comprehensive strategy for skill development in the country. NAVTTC spearheaded the proceedings of this initiative, and after thorough deliberations, the Task Force identified eight (08) key areas of interventions to uplift Technical and Vocational Education and Training (TVET) sector in Pakistan as below:

i. Improving governance to remove fragmentation/duplications leading to systemic wastages
ii. Exploring Multi-source Funding to pursue a broad-based reform agenda
iii. Capacity Enhancement to create more and more training opportunities
iv. Quality Assurance to bring the quality of skills at par with national and international requirements
v. Access and equity for providing equal opportunities to such marginalized segments of the society such as females, orphans, special people, youth from less developed areas, etc.

[5] It doesn't include TVET sector allocation here.

vi. Industry Ownership to enhance both relevances of training and youth employability

vii. Skill Development for International Market for increasing foreign remittances

viii. TVET Communication Plan to increase the image of the skill sector.

A comprehensive skill development programme is prepared and being implemented by NAVTTC to implement the above recommendations of the Task Force. Fourteen (14) components/areas of interventions covered under this programme include:

i. Development & Standardization of 200 Technical and Vocational Education and Training (TVET) Qualifications

ii. International Accreditation of 50 Pakistani TVET Institutes and Initiation of Joint Degree Programmes in TVET

iii. Extension of NAVTTC's Job Portal into National Employment Exchange (NEX) Portal and refurbishing & connecting all existing job placement facilities across the country to NEX

iv. Establishing 75 Smart Tech Labs for virtual skill development programmes including distant learning programmes in the TVET sector

v. Establishing 10 countries of destination-specific facilitation centers in 10 major manpower exporting cities across Pakistan

vi. Establishing 70 labs/workshop in **madrassa(s)** to introduce skill development and TVET activities across Pakistan

vii. The skill development programme for 50,000 youth belonging to less developed areas of the country especially Balochistan, GB, AJK and newly merged districts of Khyber Pakhtunkhwa (Ex-FATA), Southern Punjab & Rural Sindh

viii. Skill development training of 50,000 Youth in High-End technologies in reputed Universities of Pakistan and TVET institutes

ix. Apprenticeship training of 20,000 youth in the industry under Apprenticeship Act-2018 (formal & informal apprenticeship)

x. Recognition of Prior Learning (RPL) of 50,000 youth to certify informally acquired skills inside the country and abroad and training of 4,000 Assessors

xi. Establishing the National Accreditation Council, placed at ICT

xii. Accreditation of 2,000 TVET Institutes all across the country

xiii. Transfer of Technology through collaboration with technologically advanced countries for bringing the TVET system in Pakistan at par with international standards and Master Training of 500 TVET Teachers in Technology

xiv. Establishment of 50 Business Incubation Centers to promote self-employment and entrepreneurship in skilled youth.

The duration of this programme is 20 months (Nov, 2019 to June, 2021). It is also expected 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, and private sector, to contribute their parts in bringing Pakistani TVET sector at par with international standards. A Total number of 170,000 skilled and certified workforce will readily be available after the successful implementation of this programme.

The NAVTTC has also taken a number of steps to enhance the quality of technical and vocational training in the country. Some of the prominent initiatives taken by NAVTTC are mentioned as under;

i. National Vocational Qualification Framework (NVQF) has been devised and implemented for the standardization of skill qualifications across the country.

ii. As a quality assurance mechanism in the TVET sector, NAVTTC has introduced a comprehensive accreditation regime in Pakistan. More than 200 TVET institutes and 1,400 training programmes have already been accredited under the programme .

iii. In curriculum development and its standardization at the national level, NAVTTC has developed curriculum for more than 100 trades, in accordance with the latest technological requirements of national and international job markets.

iv. Internationally recognized, Competency-Based Training (CBT) modules have been introduced in the country to replace the traditional model of training. With the introduction of CBT, Pakistan is now able to deliver training in accordance with the internationally demanded and recognized requirements.

v. Special emphasis has been laid on giving a pivotal role to the industry and private sector in TVET sector development in the country. Four Sector Skill Councils (SSCs) have been established in the Construction, Hospitality, Textile, and Renewable Energy sectors.

vi. To further strengthen the industry and private sector role in TVET, Apprenticeship Bill, 1962, has been replaced with the Apprenticeship Act, 2018. The new law has a broader scope and is in line with the latest best practices in the field of apprenticeship.

vii. Pakistan is now a member of the World-Skills which is the collective voice for skills excellence and development in vocational, technological and service-oriented careers around the globe.

viii. A large number of Pakistani youths acquire training through the informal sector, known as the "Ustad-Shagird" system. In the absence of formal certification for their skills, such youth cannot get employment as skilled workers, in both national and international markets. The system of RPL has been launched as a tool to recognize/certify the skills acquired through informal means to enhance employment prospects for such youth.

ix. Training and capacity building of TVET trainers and managers has also been given its due importance. Both in-country and foreign training programmes have been arranged for training and capacity building of TVET trainers and managers

x. For the first time in Pakistan, a National Job Portal has been introduced to link skilled workers with employers. Skill profiles of more than 550,000 youth are available on the National Job Portal. Additionally, NAVTTC has also established Job Placement Centers (JPCs) at Islamabad, Karachi, and Lahore.

Higher Education Commission (HEC)

HEC has been set up to facilitate the higher education institutions (HEIs) to serve as an engine of growth for the socio-economic development of Pakistan. HEC has taken numerous measures to address the key areas of higher education like; substantial expansion in education, human resource development, enhancing the quality of education as well as the research and development practices in the country.

Table: 10.7 Enrollment (Provisional) - Region, Sector, and Gender-wise for the year 2018-19									
Province/ Region	**Public**			**Private**			**Total**		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
ICT	382,221	385,466	767,687	22,563	15,505	38,068	404,784	400,971	805,755
Punjab	201,990	205,739	407,729	88,015	55,319	143,334	290,005	261,058	551,063
Sindh	111,843	70,934	182,777	61,400	31,864	93,264	173,243	102,798	276,041
Khyber Pakhtunkhwa	840,84	30,327	114,411	36,331	9,389	45,720	120,415	39,716	160,131
Balochistan	25,358	10,972	36,330	492	164	656	25,850	11,136	36,986
Azad Jammu & Kashmir	11,795	12,643	24,438	974	1,189	2,163	12,769	13,832	26,601
Gilgit Baltistan	3,118	3,069	6,187	-	-	-	3,118	3,069	6,187
Pakistan	**820,409**	**719,150**	**1,539,559**	**209,775**	**113,430**	**323,205**	**1,030,184**	**832,580**	**1,862,764**

Source: Higher Education Commission

There are a total of 211 public (128) and private (83) sector Higher Education Institutes operating in the country having a total enrolment of 1.863 million approximately with 51,494 faculty members (Ph.D. 16,478, Non-Ph.D. 35,016).

Table: 10.8 Faculty (Provisional) - Region, PhD, Non-PhD in HEIs, 2018-19			
Province/ Region	**PhD Faculty**	**Non-PhD Faculty**	**Total**
ICT	3,503	6,375	9,878
Punjab	6,397	12,134	18,531
Sindh	2,990	9,821	12,811
Khyber Pakhtunkhwa	2,725	4,210	6,935
Balochistan	422	1,452	1,874
Azad Jammu & Kashmir	362	919	1,281
Gilgit Baltistan	79	105	184
Pakistan	**16,478**	**35,016**	**51,494**

Source: Higher Education Commission

Quality of Higher Education

HEC has established five National Accreditation Councils in the areas of Agriculture, Business, Computing, Teacher and Technology Education for the programmes offered by the universities to standardize the quality of education. HEC has also coordinated and established linkages with nine existing professional councils. HEC aims to enhance quality education through strong coordination and collaboration amongst universities and councils, and the focus is to improve the education system through proper assessment and evaluation processes with the cooperation of concerned councils. At present, 1,800 programmes are accredited by the Accreditation Councils, and 200 more programmes are to be accredited in the next financial year 2020-21.

a. Quality Enhancement Cell:

The HEC ensures that all existing and new universities will have a Quality Enhancement Cell (QEC) to implement the standards being set for curricula, faculty, examination, governance, and digital resources. Currently, there are 196 out of 211 universities that have established QECs.

b. Institutional Performance Evaluation

Quality Assurance Agency (QAA) of HEC has been involved in both internal and external reviews of HEIs, since its establishment. Nevertheless, a major step was undertaken by developing standards for Institutional Performance Evaluation (IPE). Initially, four standards were developed for the evaluation of selected HEIs, which were gradually enhanced up to eleven standards. This quality assurance initiative was introduced by QAA as part of its manifesto to safeguard the public interest by encouraging the introduction and implementation of good practices in public and private HEIs for continuous quality improvement in the higher education sector of Pakistan.

Human Resource Development

HEC is investing a substantial amount to bridge the financing gap of obtaining the highest qualifications through the development and recurring projects/programmes of scholarships.

Overseas Scholarships (OS): A total number of **716** scholars proceeded abroad for their Ph.D. studies during 2019-20, whereas **487** scholars provisionally awarded under OS-Phase-III. In addition, 501 scholars were awarded for six (06) month Ph.D. research fellowship abroad under the International Research Support Initiative Programme (IRSIP) during the said period.

Indigenous Scholarships: A total number of **1,975** indigenous scholarships were awarded for Undergraduate, Postgraduate and Ph.D. studies under various schemes during 2019-20.

Need-Based Scholarships: A total number of **2,853** need-based scholarships were awarded during 2019-20, under different need-based programmes. It includes HEC need-based scholarships, USAID, and OGDCL Need-based scholarship programmes.

Ehsaas Undergraduate Scholarships: This initiative launched by the Prime Minister, is the largest ever needs-based undergraduate scholarship programme in the history of Pakistan. Under this programme, every year, 50,000 students from low-income families will be awarded scholarships for 4 to 5-year undergraduate degree programmes. Over four years, 200,000 undergraduate scholarships will be awarded on need and merit basis; 50 percent of awardees will be girls, while 2 percent of awardees will be disabled. It is a four-year programme that commenced in November 2019 for the academic year 2019-20.

Research & Development

The research activities have enhanced in public sector institutions. Streamlined research, generated by strategic academic processes that build strong societies and economies, has now entered a takeoff phase of commercialization. Business and Technology Incubators have been established in universities across the country to promote university-industry collaboration. Universities have initiated various research projects related to agriculture, business, and industrial needs, which have been shared with the related stakeholders and other sections of the society.

In order to sustain the improving trend and to expand the horizon of research activities in HEIs, HEC focused on those research activities that have a direct impact on community well-being and the economy of the country. These are:

i) Rapid Research & Innovation Initiative (RRII): In response to the emergency situation arising globally due to the spread of COVID-19, HEC has made efforts to ensure that the country utilizes the research capacity of its universities to respond to the pandemic timely and effectively. HEC has launched a fast track funding mechanism under RRII to support proposals in applied research, product innovation and commercialization of potential solutions under various priority themes dealing with topics and issues of severe urgency with regard to availability and access to data, facilities or specialized equipment as well as the quick response of research on COVID-19.

ii) Under "National Research Programme for Universities"(NRPU), 544 Projects have been awarded in FY2020, and a total of 381 projects have been completed during this period with a total allocation of Rs 1.45 billion.

iii) Six (06) collaborative research grants jointly submitted by Pakistani and UK faculty will be supported under Innovative & Collaborative Research Grants (ICRG), of up to Rs 50.0 million for each partner by HEC & British Council.

iv) Twenty-Five (25) Travel Grants to Pakistani and UK researchers to establish linkages and strengthen research partnership have been awarded.

v) Under Pak-France and Pak-Turk Research Mobility Programme, review of applications is under process and project to be awarded in the current financial year.

vi) HEC has recently revamped the research grants framework in order to meet projected national requirements as well as to achieve a wider social impact. This has been developed in consultation with the Higher Education Development in Pakistan (HEDP) Project funded by the World Bank. The project aims to strengthen the research capacity and academic excellence of HEIs in Pakistan. HEDP is comprised of a diverse set of research funding opportunities, including Grand Challenge Fund (GCF), Technology Transfer Support Fund (TTSF), and Innovator Seed Fund (ISF). These research portfolios will provide competitive research, innovation, and commercialization grant opportunities.

Planning & Development Division

In FY2020, the government has allocated Rs 29.047 billion to HEC for the implementation of 138 development projects (128 ongoing & 10 new projects) of Public Sector Universities/HEIs.

During July-March, FY2020, an amount of Rs 22.738 billion (around 80% of the total allocation) has been authorized to HEC for meeting expenditure against ongoing projects activities like Construction of New Academic Buildings, Strengthening of ICT Infrastructure, Faculty Development, Procurement of Laboratory Equipment and other approved components. However, the balance amount is to be released in the remaining period of the current financial year.

Education Survey (Annual Status of Education Report, 2019)

Annual Status of Education Report (ASER), 2019, 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. The ASER 10,000 trained volunteer/enumerators surveyed 92,008 households in 4,546 villages across 155 rural districts of Pakistan. Detailed information of 255,266 children aged 3-16 has been collected

(56% male and 44% female), and of these, 202,648 children aged 5-16 years were assessed for language and arithmetic competencies.

Box-III: Summary of Key Findings & Comparison between ASER 2019 and 2018.	
Enrollment (National Rural)	
• **In 2019,** 83% of 6-16-year-old children in rural Pakistan were enrolled in schools (17% of children were out-of-school). Amongst the enrolled, 77% of children were in government schools, and 23% were enrolled in non-state institutions (**21%** private schools, **2%** Madrassa). • Pre-school enrollment (3-5 years) in 2019 increased to **39%**.	• **In 2018,** 83% of 6-16-year-old children in rural Pakistan were enrolled in schools (17% of children were out-of-school). Amongst the enrolled, 77% of children were in government schools, and 23% were enrolled in non-state institutions (**20%** private schools, **3%**Madrassa). • Pre-school enrollment (3-5 years) in 2018 was observed at **37%**.
Quality of Learning (National Rural)	
In 2019, • Percentage of Class 5 students able to read a story in Urdu/Sindhi/Pashto: **59** • Percentage of Class 5 students able to read Class 2 level English sentences: **55** • Percentage of Class 5 students able to do 2-digit division sums: **57** • ASER Rural Survey 2019 highlights, as per past trends that children enrolled in private schools are performing better compared to those studying in government schools.	In 2018, • Percentage of Class 5 students able to read a story in Urdu/Sindhi/Pashto: **56** • Percentage of Class 5 students able to read Class 2 level English sentences: **52** • Percentage of Class 5 students able to do 2-digit division sums: **53**
Mothers' Education	
• ASER, 2019 reveals that the percentage of mothers having completed primary education has increased to **35%.**	• In 2018, **33%** of mothers were completed primary education.
School Facilities (National Rural)	
• Overall, teacher attendance in government schools increased to **89%** in 2019, while attendance in private schools stood at the same **(89%)**. Overall, student attendance in government schools stood at **84%** compared to **90%** in private schools. • In 2019, **33%** of teachers of government schools had a bachelor's degree compared to **40%** of teachers of private schools. Whereas, **47%** of teachers of government schools have a Master's degree as compared to **35%** of teachers of private schools. • In **2019**, **59%** of the surveyed government primary schools had toilets. Similarly, **89%** surveyed private primary schools have toilet facilities. • Government primary schools with drinking water facility: **61%** • Private primary schools with drinking water facility: **93%** • ASER 2019 also collected information on some important civic, social support and technology indicators such as (Government & Private primary schools) cell phone use (66%), SMS use (59%) and WhatsApp use (90%) to communicate pragmatically, and percentage with alternative energy sources (34% overall).	• Overall, teacher attendance in government schools was **87%** compared to **89%** in private schools. Overall, student attendance in government schools was **84%** compared to **88%** in private schools. • In ASER 2018, **36%** of teachers of government schools have a bachelor's degree compared to **42%** of teachers of private schools. Whereas **42%** of teachers of government schools have a Master's degree as compared to **30%** of teachers of private schools. • **58%** of the surveyed government primary schools have toilets in 2018. Similarly, **87%** surveyed private primary schools have toilet facilities. • Government primary schools with drinking water facility: **67%** • Private primary schools with drinking water facility: **89%**

Conclusion

Education plays a leading role in improving the economic condition of the country and is a vital investment for human and economic development. Quality education with access and equity can produce human capital which is essential for improving productivity, economic growth and establishing knowledge-based society. The present government is making efforts to introduce Single National Curriculum with the aim to eliminate the disparity between curriculums, facilities, medium of instruction, and have a fair and equal opportunity for all children to receive a high-quality education. Phase-I of Single National Curriculum (for class 1-5) has been developed, and its implementation would be completed by March 2021. Similarly, phase-II of Single National Curriculum (for class 6-8) would be ready by March 2021 and implemented by March 2022, while the phase-III curriculum (for class 9-12) would be ready by March 2022 and implemented by March 2023.

Similar to many developing countries, Pakistan has not made adequate progress in improving education outcomes. A literacy rate of only 60 percent (40 percent of its population remains unable to read or write) considerably limits opportunities towards acquiring skills and technical knowledge for higher productivity and better-earning levels. Large investments in education access and quality are required to obtain the objective of educated and skilled human resources, along with comprehensive planning, removal of the gender inequalities, and enforcing more accountability in the sector.

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Chapter 11

HEALTH AND NUTRITION

National health security is increasingly threatened in Pakistan due to population growth, rising urbanization, environmental pollution and change in lifestyle of people, among other factors. Access to good health can contribute positively to the economic and social development of a country. Thus, key issues that impact the health status of people ought to be addressed through a diverse set of policy tools. To secure better health outcomes, both short- and long-term measures are the need of the hour. Good nutrition also has a direct impact on the overall health and quality of life. The present government is committed to improving the health care facilities and provision of good nutrition for effectively utilizing the human potential of the country.

The challenges to the health system will be further exacerbated by the direct and indirect impact of the COVID-19 pandemic. The pandemic has posed considerable health risks to an already vulnerable population living in the country with inadequate healthcare infrastructure.

Regional Comparison

Governments adopt various public health programmes in reducing the incidence of disease, disability, effects of aging, and other physical and mental health conditions. World Health Organization (WHO), a United Nations agency, has been actively involved in promoting and protecting healthcare worldwide. The WHO interventions in crisis situations include helping devise response mechanisms to health emergencies. The world has adopted various health initiatives/programmes to fight deadly diseases like malaria, tuberculosis, HIV/Aids, diabetes, cancer, heart diseases, etc. Public health vaccination programmes have made strides in promoting health, including the eradication of smallpox and controlling the spread of Polio around the world. Pakistan is an active global partner for disease prevention, universal immunization, and improvement in health care infrastructure, etc. The country has improved health indicators over the last three years, as exhibited in the regional comparison of health indicators in Table 11.1:

Table: 11.1 Regional Countries Human Development Indicator

Country	Life expectancy at birth, total (years)			Infant Mortality Rate (per 1,000 live births)			Maternal Mortality Rate (Per 100,000)			Under 5 Mortality Rate (Per 1,000)			Population growth (annual %)		
Country Name	**2016**	**2017**	**2018**	**2016**	**2017**	**2018**	**2015**	**2016**	**2017**	**2016**	**2017**	**2018**	**2016**	**2017**	**2018**
Pakistan	66.8	66.9	67.1	60.5	58.8	57.2	154.0	143.0	140.0	73.8	71.5	69.3	2.1	2.1	2.1
India	68.9	69.2	69.4	33.2	31.5	29.9	158.0	150.0	145.0	41.1	38.7	36.6	1.1	1.1	1.0
Bangladesh	71.8	72.1	72.3	28.0	26.5	25.1	200.0	186.0	173.0	33.9	31.9	30.2	1.1	1.1	1.1
Sri Lanka	76.5	76.6	76.8	7.0	6.7	6.4	36.0	36.0	36.0	8.2	7.8	7.4	1.1	1.1	1.0
Nepal	69.8	70.2	70.5	28.7	27.6	26.7	236.0	200.0	186.0	34.8	33.4	32.2	0.9	1.3	1.7
Bhutan	70.8	71.1	71.5	26.5	25.6	24.8	203.0	193.0	183.0	32.0	30.8	29.7	1.2	1.2	1.2
China	76.2	76.5	76.7	8.5	7.9	7.4	30.0	29.0	29.0	9.9	9.2	8.6	0.5	0.6	0.5
Indonesia	71.0	71.3	71.5	22.6	21.9	21.1	192.0	184.0	177.0	26.9	25.9	25.0	1.2	1.2	1.1
Malaysia	75.6	75.8	76.0	6.8	6.7	6.7	30.0	29.0	29.0	8.0	7.9	7.8	1.4	1.4	1.4
Philippines	70.8	71.0	71.1	23.4	22.9	22.5	127.0	124.0	121.0	29.7	29.1	28.4	1.5	1.4	1.4
Thailand	76.4	76.7	76.9	8.6	8.2	7.8	38.0	37.0	37.0	10.0	9.5	9.1	0.4	0.3	0.3

Note: Health-related data is given in a calendar year
Source: World Bank Development Indicators (Year 2020)

Health Status

The Government of Pakistan is fully cognizant that the access to quality healthcare facilities for the general public is of utmost importance. There is a strong impetus for achieving Universal Health Coverage (UHC) through health sector reform initiatives, including population control, expanding health insurance, and strengthening family-based health care in the country. The strategies adopted for the health sector are to translate the government's priority agenda to achieve universal health coverage by 2030. Toward this end, Pakistan became a signatory to the International Health Partnership (IHP+) in 2010 and published the Pakistan National Health Vision 2016-2025, recognizing UHC as a priority area.

Table 11.2: Registered Medical and Paramedical Personnel (in Nos.)

Health Manpower	2012	2013	2014	2015	2016	2017	2018	2019
Doctors	160,880	167,759	175,223	184,711	195,896	208,007	220,829	233,261
Dentists	12,692	13,716	15,106	16,652	18,333	20,463	22,595	24,930
Nurses	82,119	86,183	90,276	94,766	99,228	103,777	108,474	112,123
Midwives	31,503	32,677	33,687	34,668	36,326	38,060	40,272	41,810
Lady Health Visitors	13,678	14,388	15,325	16,448	17,384	18,400	19,910	20,565

Note: Registered Medical and Paramedical Personnel data is given as calendar year
Source: Pakistan Bureau of Statistics

Federal Government is committed to exploring opportunities for increased health spending through Technical Assistance (TA) from World Bank, which will formulate strategies for better access to healthcare and financial risk protection in Pakistan. Pakistan is advancing towards achieving universal birth registration and sensitizing health institutions for recording hospital-based deaths, improving mental health, human security, and social justice through health financing.

Health Expenditure

Cumulative health expenditures by federal and provincial governments in FY2019 increased to Rs 421.8 billion from Rs 416.5 billion last year, showing a growth of 1.3 percent. As % of GDP, it is 1.1 percent. The health expenditure details are as in Table 11.3 and Figure Fig-11.1:

Table 11.3: Federal and Provincial Governments Health Expenditure

Fiscal Years	Public Sector Expenditure (Federal and Provincial) Rs Million			Health Expenditure as % of GDP
	Total Health Expenditures	Development Expenditure	Current Expenditure	
2011-12	134,182	29,898	104,284	0.7
2012-13	161,202	31,781	129,421	0.6
2013-14	201,986	55,904	146,082	0.7
2014-15	231,172	65,213	165,959	0.7
2015-16	267,953	75,249	192,704	0.9
2016-17	328,962	99,005	229,957	1.0
2017-18	416,467	87,434	329,033	1.2
2018-19	421,778	58,624	363,154	1.1

Source: PRSP Expenditures, (EF-Policy Wing), Finance Division

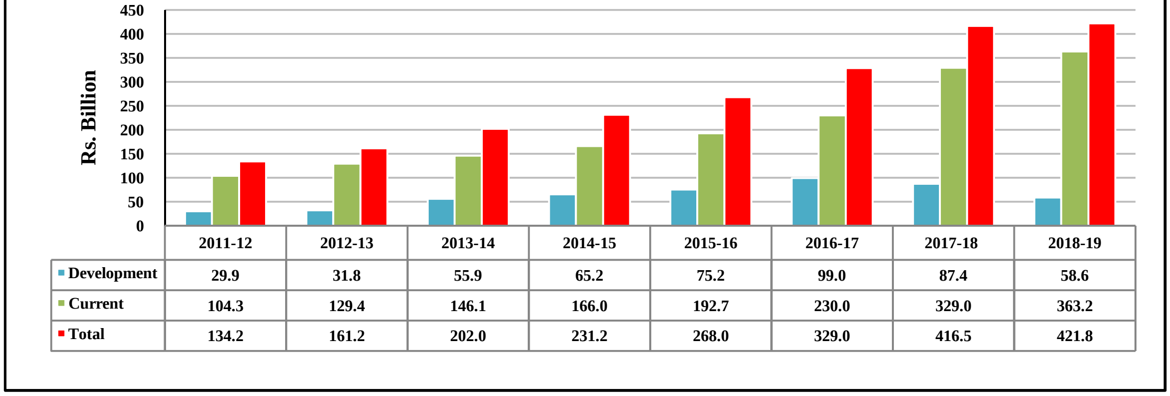


Fig-11.1: Total Public Sector Expenditure on Health

Health Sector Projects of Federal PSDP during FY2020

Government of Pakistan has supported various programmes and projects through Public Sector Development Programme (PSDP) development portfolio during FY2020 in fulfillment of the global commitment of Sustainable Development Goals (SDG) agenda to improve the health status of the people and to reduce the burden of communicable and non-communicable diseases (NCDs). During FY2020, PSDP allocations of Rs 23,975.926 million were made for 62 health sector projects, and Rs 11,483.979 million were released up to 10-04-2020, for enhancing the access and quality of healthcare system. Details are given below in Table-11.4:

Table 11.4: PSDP Portfolio of Health Sector

S.No.	Name of Ministry/Organization	No of Projects	Total Cost	PSDP Allocation	PSDP Releases upto 10-4-2020
1	Ministry of National Health Services Regulations and Coordination (NHSRC)	45	102,990.635	13376.558	6349.000
2	Ministry of Kashmir Affairs & Gilgit Baltistan	04	7975.873	1350.000	1010.000
3	Pakistan Atomic Energy Commission (PAEC)	05	11735.956	2740.584	1918.408
4	Cabinet Division	01	5,301.40	5,301.400	1263.391
5	Federal Education & Professional Training Division	01	21.000	7.000	4.400
6	Finance Division	02	4,199.990	908.199	721.595
7	Interior Division	01	250.890	135.885	135.885
8	Narcotics Control Division	01	245.057	50.000	0.000
9	Planning, Development & Special Initiative Division	01	94.000	25.000	0.000
10	Science & Technology Research Division	01	313.130	81.300	81.300
	Total	**62**	**133,127.931**	**23,975.926**	**11,483.979**

Source: Planning Commission (Health Section)

The true essence of vertical programmes has been devolved to the provinces after the 18th Amendment; however Federal Government fully supports the Provinces /Area Governments in their corresponding health sector programmes. The salient features of PSDP programmes in the health sector are as follows:

i) Devolved Vertical Health Programme

The fate of funding modalities of vertical programmes has been changed as health is a devolved subject since the promulgation of 18th Constitutional Amendments. As per the decision of CDWP on 29-03-2018 that was concurred by ECNEC as well, the federal funding to the vertical programmes financed through PSDP seized to carry on 30th June, 2018. Henceforth, the economic burden of the vertical health programmes will be dealt with respective provincial / area government's development budget unless it is decided otherwise by the Council of Common Interest (CCI). Various projects that still require funding to improve the health status of the population, at the national level are envisaged to be implemented on a co-sharing financing model with respective provincial governments such as Strengthening Nursing and Midwifery sub-sector, Hepatitis C Treatment and Control Programme and, Strengthening Nutrition Initiative.

ii) Sehat Sahulat Programme

Sehat Sahulat Programme (SSP) is a flagship programme of social health protection and a milestone towards attaining UHC, thereby ensuring that the identified under-privileged citizens across the country get access to their entitled medical health care in a swift and dignified manner without any financial obligations. Currently, the programme is covering indoor patient services only but will be extended to cover outdoor patient services in the future. The beneficiaries are selected through a BISP-based survey, which is cross-verified by the National Database and Registration Authority (NADRA) for member's household family tree at threshold criteria of 32 PMT above the poverty line. According to PMU officials, the SSP programme achieved an overall enrollment of 59 percent of households up to December 2019 in the country. Whereas, the programme has almost reached the target of 60 percent enrolment in AJK, GB, and Khyber Pakhtunkhwa's merged districts. The patient satisfaction survey showed 97.5 percent satisfaction rate. Duplication of beneficiaries is avoided between Federal areas (including merged districts) and Khyber Pakhtunkhwa by State Life Insurance Company, the implementing agency.

iii) Dengue control

Federal Ministry, along with provincial Health Departments, is implementing Dengue control measures with the support of WHO another partners. From July to November 2019, more than 45,000 people in Pakistan have been infected with the dengue virus. Ministry of National Health Services Regulations and Coordination (NHSRC) has launched an extensive community awareness campaign targeting more than 28,800 households in the twin cities of Rawalpindi and Islamabad, where dengue cases are most concentrated.

NHSRC has established Dengue Control & Operational Cell at the National Institute of Health (NIH) that is continuously monitoring the disease situation on a daily basis. Extensive social mobilization, community engagement, and vector control activities are being undertaken in all the affected and neighboring areas.

iv) "Ehsaas" Programme and Family Planning and Primary Healthcare Programme (FP&PHC)

Family Planning and Primary Health Care (FP&PHC) programme with intensification through Ehsaas Programme is striving to control population growth. Pakistan has a high total fertility rate (TFR) of 3.8 percent, and the current modern Contraceptive Prevalence Rate (mCPR) is 26 percent. Ministry of NHSRC has revealed that there were still 3.1 million unintended pregnancies in the last year-and-half amid not using modern contraceptive techniques. The Lady Health Workers (LHWs) have been engaged through FP&PHC Programme to support the population control efforts over the last two decades.

The FP&PHC programme so far has recruited more than 100,000 LHWs with services encompassing the health conditions of women and children through improved sanitation, birth spacing, iron supplementation, more extensive vaccination coverage, and through Ante-Natal Coverage (ANC) and Post-Natal Coverage (PNC) of the pregnant women.

v) Expanded Programme for Immunization

Pakistan became the first country in the world to include the vaccine in its compulsory Expanded Programme for Immunization (EPI) programme with the introduction of Typhoid Conjugate Vaccine (TCV) into its routine immunization programme in Sindh from November 2019. The EPI is now providing immunization to children against the Eight (08) Vaccine-Preventable Diseases i.e., childhood tuberculosis, poliomyelitis, diphtheria, Pertussis, neonatal tetanus, measles, hepatitis B and Typhoid. After the launch of the pilot TCV project in Sindh, the achievement was reported to cover 93 percent of the target population (EPI, 2019). Factors that contributed towards a successful campaign beyond effective synergy between the EPI programme and Emergency Operation Center (EOC) include a fully focused political leadership at federal as well as the provincial level and effective oversight by the concerned government officials.

During the last decade, EPI performance has been stagnant, with only 40-60 percent of targeted age children receiving the vaccines appropriately, which has now risen to 60-70 percent in rural but slightly lagging in urban areas. The Government of Pakistan is committed to addressing constraints for improving vaccine coverage through better programme management, monitoring, and evaluation (M&E), upgraded performance in service delivery, logistics control, human resources management (HRM), and financing.

vi) Polio Eradication Initiative (PEI) Programme

Almost 40 million children, including 6.8 million children at schools designated fixed points, were vaccinated during December 2019 through the National Immunization Day (NID) campaign across the country. The number of children missed during the last NID campaign in April 2019 decreased from 1.8 million children to 0.5 million children in December 2019 NID. High levels of political commitment have been demonstrated by the federal government that includes the inauguration of the campaign by the Prime Minister in December 2019. Federal Government is committed to investing Rs 46.8 billion (US $347.22 million) for polio eradication activities during 2019-2021. Vaccine procurement and social mobilization are undertaken by UNICEF, while WHO incurs expenditures on operational activities and environmental surveillance.

vii) Safe Blood Transfusion Services (SBTS) Programme

The government is keen to streamline interventions to prevent and control endemic communicable diseases in the country through blood transfusion by scaling up of SBTS Programme. To address the issue of vacant positions during the last quarter of FY2019, NHSRC advertised the vacant positions of the Programme.

The support provided by the German government through KFW Development Bank to create the new blood transfusion system in Pakistan will improve the country's ongoing health sector reform agenda through bilateral collaboration between the two governments. SBTS project in ICT is recently approved by CDWP besides other ongoing projects of similar nature in all provinces of the country.

viii) Malaria Control Programme

National Strategy for Malaria Control is based on the key result-based monitoring element, which includes early diagnosis and prompt treatment, improved detection and response to epidemics, developing viable partnerships with national and international partners, multiple preventions, focused operational research, and national commitment.

This year, the efforts were made to reduce malaria burden by 60 percent in high and moderate endemic districts and eliminate malaria in low endemic districts. The two highly prevalent parasitic species identified so far are Plasmodium Vivax and Plasmodium Falciparum. Plasmodium Vivax is the major parasite species accounting for more than 80 percent of reported confirmed cases in the country. According to Directorate of Malaria Control, more than 90 percent of disease burden in the country is shared by 56 highly endemic districts, mostly located in Balochistan (17 out of 32 districts), merged areas (7 districts), Sindh (12 districts) and Khyber Pakhtunkhwa (12 districts). Merged districts are the second-highest malaria-affected belt of the country, which accounts for 12-15 percent of total caseload in Pakistan.

ix) Tuberculosis (TB) Control Programme

Pakistan has the fifth-highest burden of TB worldwide. The government declared the occurrence of TB a national emergency and implemented the Directly Observed Treatment Strategy (DOTS) that was followed by the Stop TB Strategy. National TB Control Programme (NTP) has achieved over 85 percent DOTS coverage in the public sector, and in the last five years, the programme has provided care to more than half a million TB Patients in Pakistan. The Programme objectives are to maintain the treatment success rate at 91 percent, to reduce the prevalence of MDR-TB among TB patients by at least 5 percent per year by 2020 and to strengthen programmatic and operational management capacity of the NTP.

x) Human Immunodeficiency Virus (HIV)/ Acquired Immune Deficiency Syndrome (AIDS) Control Programme

Since July 2019, Pakistan has been facing the challenge of HIV/ AIDS outbreak, which rose to over 160,000 positive patients in 2018. Approximately 6,400 died from the HIV/ AIDS disease up till September 2019. After the outbreak of HIV in Larkana, Sindh province of Pakistan has become one of the countries in the WHO Eastern Mediterranean Region where new HIV infections are increasing at an alarming level since 1987. HIV / AIDS 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 of various stakeholders. Pakistan's epidemic is primarily concentrated among Injecting Drugs Users (IDUs) with a national prevalence of 27.2 percent (weighted prevalence of 37.8 percent); Hijrha (Transgender) Sex Worker (HSW) standing at 5.2 percent and 1.6 percent among Male Sex Worker (MSW). However, the prevalence in Female Sex Workers (FSWs) still remains low at 0.6 percent. The programme is technically supported by the UN agencies and Global Fund against AIDS, TB, and Malaria.

xi) Maternal & Child Health (MCH) Programme

The MCH programme is implemented by the federal and provincial departments of health for translating the National Health Vision (2016-2025) with the aim to provide better access and quality to mother and child health and family planning services with the provision of comprehensive Emergency Obstetric and Neonatal Care (EmONC) services in 275 hospitals/health facilities, provision of basic EmONC services in 550 health facilities and family planning services in all health outlets.

Pakistan had shown improvement in the Infant Mortality Rate (IMR) to 62 per one thousand from 66 per one thousand in 2015, but Maternal Mortality Rate (MMR) of 170/100,000 is still very high as compared to other regional countries. The grounds for a legal basis for a safe abortion shall be broadened, and access to safe abortion services improved to reduce the number of clandestine procedures and its negative consequences.

xii) Cancer Treatment Programme

Cancer has been considered one of the deadliest types of NCDs, and the number of cases is rising in the country. Pakistan Atomic Energy Commission's (PAEC) 18 Cancer Hospitals in four provinces are already providing diagnosis and treatment facilities to cancer patients. Recently efforts were made to establish the cancer registry at the national level with the support of other stakeholders at the national and provincial levels.

New Initiatives of the Government of Pakistan during FY2020

i) Reduction in Prevalence of Tobacco Use in Pakistan

NHSRC has chalked out a strategy to enhance efforts to reduce the prevalence of tobacco use in any form in the country by urging all tobacco manufacturers to print new Pictorial Health Warning (PHW) on cigarette packs. Tobacco use is the cause of death of around 160,100 Pakistanis every year. Around 24 million Pakistani adults currently use tobacco in varied forms. The country's youth is being targeted with this strategy of implementing PHW so that replacement smokers could be recruited.

ii) Civil Registration and Vital Statistics

The Civil Registration and Vital Statistics (CRVS) System, in conjunction with other systems, creates a foundation for countrywide administration, building the backbone of inclusive development through improved citizen participation and access to public services. The task of overall coordination for CRVS development has been assigned to the Ministry of Planning, Development, and Special Initiatives (M/o PD&SI). National and Provincial Steering and Coordination Committees are in place, and the Technical Support Unit-CRVS has also been established under M/o PD&SI. A number of steps have been taken besides institutional arrangements ranging from national assessment studies, organization of countrywide advocacy seminars, drafting of a National Policy to revamp and reform CRVS in Pakistan, and initiation of the process for the development of a robust national CRVS Strategic Plan.

iii) Pakistan Science Foundation

Pakistan Science Foundation is playing its role in public welfare by carrying out various scientific activities and programmes. The foundation has carried out various projects during FY2020 in the health sector, which are listed in Table 11.5:

Table 11.5: Health Sector Projects sponsored by Science Foundation

S. No	Project Number	Project Title	Funds Releases (Rs.)
1	PSF/Res/ICPK-KUST/Med (283)	Identification of Risk Factors for Hepatitis C VirusInfectionandHCVGenotypinginHaemophiliacPatientsof KhyberPakhtunkhwa	100,430
2	PSF/Res/C-SZABMU/Med (245)	Identification of Molecular Determinants of Hereditary Deafness	1,048,550
3	PSF/Res/P-CIIT/Med (477)	Label Free, Non Invasive Biometric Sensor for Detecting Oral Cancer	421,932
4	PSF/Res/S-AKU/Med (488)	Analysis of Population-Specific Epitope and Drug-resistance Mutations in HIV-1in Pakistan	162,500
5	PSF/Res/ICPK-1BMS/Med (487)	Status of Iron Balance and Thalassemia Trait in District Peshawar, Khyber Pakhtunkhwa	192,000
		Total	**2,120,249**

Source: Planning Commission (Health Section)

iv) National University of Science and Technology (NUST)

NUST has established a substantial ecosystem of research and innovation in the Health sector. Table 11.6 contains projects that have been initiated by NUST during FY2020.

Table 11.6: Research and Innovation Projects initiated by NUST

S. No	Project Description	Project Cost (Rs. in million)	Status
1	Medical Device Development Centre(MDDC)	331.12	On going
2	24 (Nos.) Various Research Projects	61.19	On going

Source: Planning Commission (Health Section)

v) Pakistan Council of Scientific and Industrial Research (PCSIR)

PCSIR has also contributed through the upgradation of research facilities to strengthen the health sector with projects to develop Herbal Anti-scabies Lotion and ointment for the treatment of topical wounds/ burns. Development of Herbal medicine for Urinary Tract using Opuntia Plant and Gluten-Free Bread for patients of Celiac disease is another significant contribution from PCSIR.

vi) Deworm Islamabad Initiative

The Federal Government of Pakistan was the first to implement mass school-based deworming across Islamabad Capital Territory (ICT) as a pilot in early 2019, treating over 200,000 children. The Government of Pakistan is keen to target the treatment of at least 75 percent of all at-risk school-age children across all 44 identified at-risk districts in Pakistan by 2021.

The second phase of the "Deworm Islamabad Initiative" has been launched at the level of ICT in December 2019. The WHO classifies Pakistan amongst the top-10 highest-burden countries for intestinal worm infestations. In 2016, the first nationwide Soil-Transmitted Helminths (STH) prevalence survey was conducted and revealed that an estimated 17 million school-age children in 44 districts of Pakistan are at risk and warrant annual mass deworming treatment as per WHO treatment guidelines. Worm infestations lead to anemia, malnourishment, and impaired mental and physical development and, thus, pose a serious threat to a child's health, education, and productivity.

Challenge of COVID-19 Outbreak

The pandemic was confirmed to have reached Pakistan on 26 February 2020, when the first patient in Karachi tested positive while returning from Iran. Since then, the pandemic has spread through foreign and domestic transfusion. However, due to timely measures taken by the government in collaboration with provinces, the outbreak has so far been prevented from getting worse. Till June 05, 2020, so far 89,249 confirmed cases with 31,198 recoveries and 1,838 deaths recorded in the country. Sindh has recorded the most 33,536 cases, Punjab 33,144, Khyber Pakhtunkhwa 11,890 and Balochistan 5,582. Based on reported cases, the mortality rate is approximately 2.1 percent. The government is employing available public, community, and private sector capacity to rapidly scale up the health system to prevent the spread of COVID-19.

The government has constituted a high-level National Coordination Committee (NCC) headed by the Prime Minister that evaluates the evolving situation on day to day basis to effectively curb the spread of the virus in the country. The National Disaster Management Authority (NDMA) and NHSRC have leading roles in combating the spread of a pandemic. A Command and Control Center has also been established to ensure effective coordination among the federal and provincial governments to control COVID-19.

The disease outbreak information management system has been strengthened, and a comprehensive hospital information management system has been ensured as the basis for the early detection of outbreaks. Disease surveillance & Response Units (DSRU) has also been strengthened at the district level and collaborated with Emergency Operations Centers (EOC) at the provincial level. Hospitals and laboratories in the major cities have been designated to collect the samples from suspected cases on bio-safety and bio-security standards. Quarantine facilities have been established all over the country to prevent the spread of the pandemic. The availability of relevant supplies, PPEs, and lab agents for safe collection, storage, packing, and transportation of samples from the designated hospitals to the National Reference Lab/ designated is being ensured.

The Government of Punjab declared a health emergency on 12 March 2020 in a Cabinet meeting. A quarantine facility was established in the Dera Ghazi Khan district for the pilgrims returning from Iran. The NIH initiated district level training of high-dependency unit, isolation and quarantine staff across the province on 27 March 2020. The provincial health department has sought Rs 11.00 billion from the Punjab Finance Department for arrangements to contain the spread of the pandemic. Punjab Government declared an initial grant of Rs 236.00 million to the Primary and Secondary Healthcare Department for preventive measures against COVID-19.

The Government of Sindh passed directives to the provincial health department to begin COVID-19 case mapping to contain the outbreak of disease. Orders were also given to improve sampling arrangements, upon which 18 vehicles of the Indus Hospital were dedicated to collecting samples from homes. Pakistan Army helped to setup a 10,000-bed field hospital at Karachi's Expo Centre to isolate and treat confirmed patients. All expenses for its establishment were born by the provincial government of Sindh. The Government of Sindh established an isolation and quarantine centre at the Jinnah Postgraduate Medical College in Karachi, which also provided free tests of suspected cases with results in 8 hours of sample submission.

The Government of Khyber Pakhtunkhwa has appointed at least 1,300 new doctors on contractual basis across the province to help contain the spread of COVID-19. The Khyber Pakhtunkhwa Public Service Commission also approved the recruitment of 635 more doctors to join the province's health force. The provincial government approved Rs 32.00 billion stimulus economic package to provide relief to the masses and the business community amid the Coronavirus crisis. The provincial government had ramped up its testing capacity with 500 new diagnostics kits and distribution of equipment and supplies, including oxygen concentrators, cardiac monitors, infusion pumps, dialysis catheter, among all districts of the province.

Government of Balochistan established a Quarantine Centre at Bolan Medical College Quetta, and 10-bed isolation wards at Quetta's Fatima Jinnah Chest Hospital and Sheikh Zayed Hospital, while a functional laboratory set up in Quetta. Thermal guns and 231 ambulances were made available in bordering districts with Iran and Afghanistan. An emergency response team headed by Director General, Provincial Disaster Management Authority (PDMA), was established. Screening of pilgrims and the business community who entered Pakistan from Iran was commenced while an emergency control room established at the PDMA office.

Provincial Government Achievements in Health Sector

i) Government of Punjab

The special initiatives launched by Government of Punjab since July 2019 to December 2019 include up scaling of the Sehat Insaf Card Programme; doubling the size of the LHW programme; increasing number of 24/7 Basic Health Units (BHUs) and 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 major urban centers of the province. As far as primary and secondary healthcare facilities are concerned, Punjab has 32 District Headquarter Hospitals (DHQs), 9,126 Tehsil Headquarter Hospitals (THQs), 10,316 RHCs and 2,506 BHUs. Punjab Government is managing a number of programmes aimed at controlling different types of diseases, including the Hepatitis Control Programme, Aids Control Programme, Expanded Programme for Immunization, TB Control Programme, IRMNCH, Malaria Control Programme, and Infection Control Programme.

The total allocated budget for development projects for specialized healthcare and medical education for FY2020 is Rs 64,891.26 million. This helped in the smooth and timely implementation of 62 development projects, including 58 ongoing projects, during the current year.

ii) Government of Sindh

Sindh government has allocated Rs 114.14 billion for the health sector in the budget for FY2020. For FY2019, Rs 13.5 billion was allocated for 170 schemes, and by June 3, 2019, Rs 4.61 billion was expended against a release of Rs 8.01 billion. 12 schemes are likely to be completed by June 2019, including a 50 bedded medical and surgical ICU; casualty and OPD departments at the Liaquat University Hospital and Ghulam Muhammad Mahar Medical College Hospital, Sukkur. Sindh Government has strengthened monitoring and surveillance systems, and recruitment of additional 1,733 vaccinators is in the process; TB Control Programme established 350 TB DOTS Clinics; installed 110 machines for rapid diagnosis of TB and drug resistance within two hours, in public sector facilities.

iii) Government of Khyber Pakhtunkhwa

The Health Department of Khyber Pakhtunkhwa has a network of 86 RHCs, 784 BHUs, 525 other Primary Health Centers, and 122 Hospitals, including 11 autonomous tertiary hospitals. The Khyber Pakhtunkhwa Health Sector Strategy outlines key outcomes with strategic actions to implement the agenda and vision of the government. The Health Sector Strategy has been transformed into an operational plan duly aligned with Medium Term Budgetary Framework. Additionally, under the promulgated Health Care Commission Act, 2014, under which the Health Regulatory Authority is being merged into the Health Care Commission; Teaching hospitals converted into Medical Teaching Institutions headed by Board of Governors; Food Safety Authority Act, 2014, promulgated under which an independent Food Safety Authority is being formed; and Human Organ Transplant Authority formed.

The Government of Khyber Pakhtunkhwa has initiated/ executed up-gradation of several BHUs to RHC level in the province from July 2019 to December 2019. Sehat Sahulat Programme has been extended to 69 percent of the population of the province. Provision of free treatment to 4,672 cancer patients, provision of free treatment to 31,868 TB patients, was also supported by projects under health sector reform initiatives in the province. The provision of free insulin to registered diabetic centers of Khyber Pakhtunkhwa was also carried out from July 2019 to December 2019.

iv) Government of Balochistan

The Government of Balochistan is committed to enhancing health infrastructure/facilities across the province. A total number of 62 new schemes have been introduced in the ADP 2019-20, spread over all the sub-sectors of health, namely Primary Health, Curative Health and General Health. The allocations for ongoing schemes are in Table 11.7:

Table 11.7: Allocations of Ongoing Health Schemes in Balochistan

S.No.	Project Title	Allocation(Rs. million)
1	Establishment of Emergency Centers on Main Highways of Balochistan	427
2	Construction of 30 Beded(Bacha Khan Hospital), Quetta	340
3	Construction of One New BHU/RHC in each Tehsil of Balochistan	200
4	Equipment for Trauma Center Khuzdar, BMCH & Sheikh Zayed Hospital	180
5	Strengthening of 16 Potential DHQs 50 Bedded Hospital	200

Source: Planning Commission (Health Section)

Furthermore, in response to COVID-19, isolation wards were established in 10 sensitive districts, including Taftan, Mashkail, Chedgi, and Mand at the border with Iran and Afghanistan. The Balochistan government allocated Rs 200 million to establish isolation wards at the Pakistan-Iran border, while digital equipment is being acquired for the screening of suspected patients.

Nutrition Security

Good nutrition plays an important role in a healthy and prosperous life. Pakistan, along with other developed and under developing countries aresuffering from high rates of malnutrition. According to the National Nutrition Survey (NNS) 2018 of Pakistan, 40 percent ofunder-five children are stunted, 18 percent wasted, and another 29 percent are underweight. Overnutrition in the form of overweight also prevails among children both in rural & urban settings and among women. About 24 percent of the women of reproductive age are overweight, while 14 percent are obese with a high ratio of 17 percent in urban and a lower ratio of 12 percent in rural areas.

The economic costs of malnutrition are high and persistent,with approximately 3 percent ($7.6 billion) of loss of GDP every year in Pakistan. The study shows that this loss is due to low productivity from the poor physique, cognitive development, schooling, and increased health care costs. NNS 2018 revealed that almost 18 percent (38 million) of the country's population is severely food insecure.Moreover, since malnutrition in Pakistan primarily affects women, improving nutrition, and lowering dietary risks would advance gender equality. Reducing dietary risks would also help reduce-out-of-pocket payments on health care, which in turn can help reduce poverty.

Food Availability and Consumption:

i) Food Availability: Pakistanis mainly an agricultural-based economy and produces enough food for its domestic dietary requirements. The trends of food availability of essential food items are assessed per annum by using Food Balance Sheets. During 2019-20, the availability of staple food items has been estimated as adequate and almost remained the same with slightvariationas compared to the previous year 2018-19. The availability of calories through major food commodities is 2,325 in 2019-20 as compared to 2,319 in 2018-19. Details are given in Table 11.8.

Table 11.8: Food Availability (Kg) Per Capita Per Annum

Food Items	2017-18	2018-19	2019-20(P)
Cereals	148.0	145.0	143.0
Pulses	5.3	4.2	5.4
Sugar	28.2	25.0	26.0
Milk(L)	167.6	166.0	164.0
Meat(Beef, Mutton, Chicken)	21.0	21.4	21.3
Fish	3.0	3.8	3.0
Eggs(Dozen)	7.0	5.0	5.0
Edible Oil/Ghee	15.2	10.7	10.4
Calories/Day	2480	**2319**	**2325**

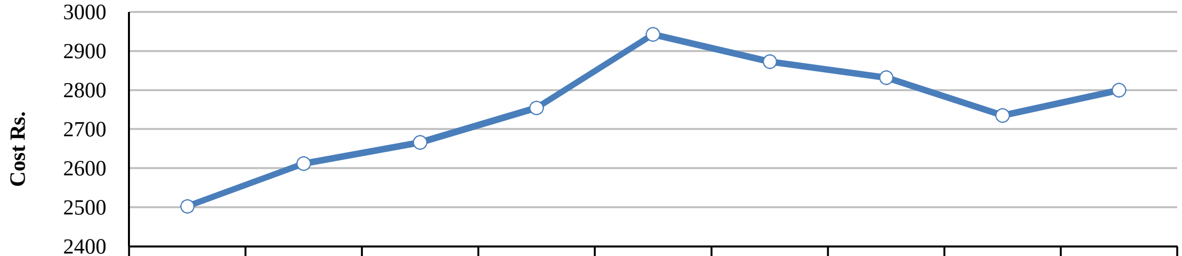
P: Provisional

Source: Pakistan Bureau of Statistic, Planning Commission (Nutrition Section)

ii) Cost of Food Basket: The cost of a minimum food basket providing 2,100 calories and 60gm protein/day is being calculated on a monthly basis by using Consumer Price Index

Data from the Pakistan Bureau of Statistics. The average monthly cost of food basket during FY2020 (Figure 11.2) has been estimated at Rs 2,747 (from July 2019 to March 2020) however; it gradually increased form July 2019 (Rs 2,503) to November 2019 (Rs 2,943) and then decreased gradually by March 2020 (Rs 2,800). It showed an increase of 18 percent from the previous year of Rs 2,370.

Fig-11.2: Cost of Food Basket (Rs.) per capita/month



	July,19	August	September	October	November	December	Januray,20	February	March
Series1	2503	2612	2666	2755	2943	2873	2832	2735	2800

Nutrition Interventions/Activities

Following are the interventions/activities underway to mitigate the nutritional issues at national and provincial levels:

National Initiatives

- Multi-Sectoral National Nutrition Action Plan has been drafted to address all forms of malnutrition through short, medium- and long-term approaches.
- Two high-level bodies/forums constituted, namely: Pakistan National Nutrition Coordination Council (PNNCC) under EHSAAS Programme and National Nutrition Forum (NNF) in Planning Commission. These forums can be used for coordination, review, and resolving all the issues related to nutrition in the country, including resource mobilization.
- National Nutrition Awareness Programme (NNAP) costing Rs 1,050 million has been prepared with the objective of creating nutritional awareness among the population for behavioral changes.
- Pakistan Dietary Guidelines for Better Nutrition (PDGN) has been revisited, and the revised version has been launched along with an e-learning course for guiding masses on adopting healthy dietary behavior and lifestyle.
- Food Composition Table (FCT) has been revised, having updated nutritional information (macro and micro) on raw & cooked foods from 12 agro-ecological zones. The data will be utilized by the researchers for context-specific guidelines to be adopted by the general masses.
- Nutrition Management Information System (NMIS) is going to be established at the national level to mitigate nutrition data gaps (both nutrition-specific and nutrition-sensitive) for policy planning and programming.

- National Guidelines on Adolescent Nutrition and Supplementation have been prepared and launched with the consultation of federal and provincial stakeholders
- Under Scaling Up Nutrition (SUN) Networks following activities were accomplished:
  - Parliamentarian's/Media orientation and training to project malnutrition, its consequences and their role in tackling the issue
  - Academicians and researchers from 41 Universities/Research Instituteswere trained on research methodologies and technical report writing
  - SMEs were trained to play an effective role in enhancing food and nutrition security

Provincial Initiatives

- Stunting Reduction Programme and Nutrition Programme is under implementation for 11 districts of southern Punjab.
- Khyber Pakhtunkhwa Stunting Prevention and Rehabilitation Integrated Nutrition Gain (Khyber Pakhtunkhwa SPRING) was approved for 3 years with a total cost of Rs 2,217 million for 4 districts of Khyber Pakhtunkhwa(Bannu, Tank, DI Khan & Nowshera) and an Integrated Health Project.
- An Accelerated Action Plan(AAP) for Stunting Reduction and Malnutrition in Sindh is being continued
- In Balochistan, the Balochistan Nutrition Programme for Mothers & Children (7 districts), Food for Peace (5 districts), and the targeted Supplementary Feeding Programme (9 districts) is being implemented in the province.

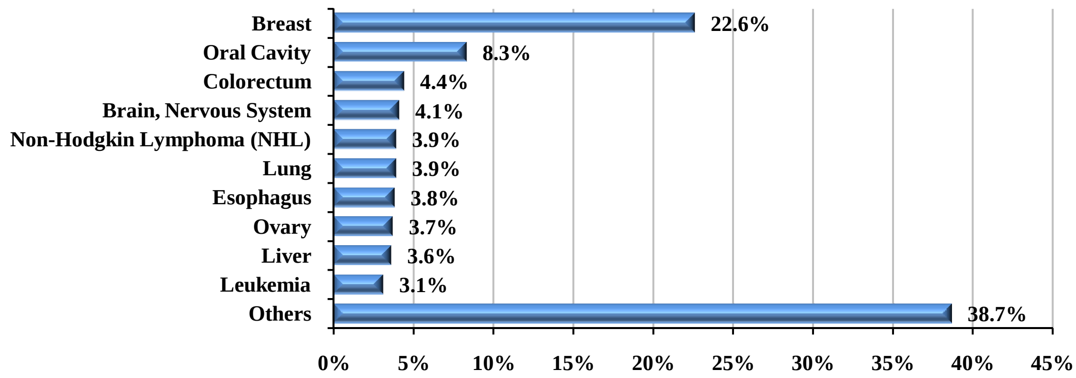
Cancer Treatment Programme:

Pakistan Atomic energy Commission (PAEC) has given high priority to theapplication of nuclear technology in the health sector, especially utilizing radiotherapy in the treatment of cancer. Since the establishment of the first nuclear medical center of PAEC in 1960 at Karachi (at Jinnah Postgraduate Medical Centre), currently, there are 18 operational Atomic Energy Cancer Hospitals (AECHs) dedicated to serving poor cancer patients not only in major cities but also in remote areas like D.I.Khan, Bannu, Swat, Nawabshah, etc. They are diligently working to provide the latest and comprehensive diagnostic and treatment facilities to cancer patients irrespective of the stage of the disease. AECHs are operated by skilled teams of more than 2,500 professionals, including doctors, scientists, engineers, paramedical, technical, and other support staff. Construction of another AECH at Gilgit Baltistan is in progress, which is expected to be operational by mid of 2020 while work has been started for the establishment of three more such centers in Mardan, Azad Jammu and Kashmir, and Balochistan.

Nuclear Medicine &Oncology (NM&O):

Management of cancer patients requires a multidisciplinary approach and is an expensive affair. NM&O Division of PAEC is working on establishing a cancer registry representing data from all 18 AECH. Figure Fig–11.3 reports the top 10 cancers by type in Pakistan.

Fig 11.3: Top Ten Cancers in Population of Pakistan (n=102,022)



It is expectedthat this data will aid in cancer research and help oncologists to determine probable cause and treatment outcome. It can also help health departments to design appropriate cancer prevention & control policy/strategies and further conduct 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:

- Volumetric Modulated Arc Therapy (VMAT) has been started at AECH, Lahore. (INMOL) while a new LINAC is also being purchased.
- Pakistan Atomic Energy Cancer Registry (PAECR) report for the year 2015-17 has been published containing data of over one hundred thousand cancer patients.
- LINAC for AECH, Karachi (KIRAN) has been installed and functioning while the purchase of PET-CT is under process.
- Commissioning of new LINAC installed at AECH, Larkana (LINAR), and Quetta (CENAR) has been completed, and radiotherapy started.
- Gamma camera for AECH, Gilgit (GINOR) has been purchased.
- Five Co-60 radiotherapy machines have been purchased for AECHs Islamabad (NORI), Gilgit (GINOR), Karachi (AEMC), Gujranwala (GINUM) and Larkana (LINAR).
- Provision of teaching and training facilities foraround 500 postgraduate medical students/fellows in fields of nuclear medicine, radiation & mobile breast care clinics for screening.

Special Projects

PAEC is currently working on the following projects:

- Establishment of a new cancer hospital in Gilgit Baltistan by mid of 2020 for which civil work and purchase of equipment is in progress.

- Establishment of cancer hospitals in Azad Jammu and Kashmir, and Mardan where land has been acquired while efforts are being made to establish another cancer hospital in Balochistan.
- Various projects are being carried out in collaboration with Internal Atomic Energy Agency (IAEA) with the aim of transferring technology in developing theranostics in the treatment of cancer through radio-labeled receptor-specific bimolecular conjugates in Pakistan.
- Pakistan Atomic energy Cancer Registry (PAECR) report for FY2018 is also being compiled.
- The indoor ward facility is under-construction at AECH, Jamshoro (NIMRA).
- Construction for the installation of new LINAC at AECH, Abbottabad (INOR) is in the final stages.
- For the upgradation of AECH, Gujranwala (GINUM) that includes the addition of radiotherapy facilities, civil works are completed, and Cobalt-60 has been purchased.
- New LINAC is also being purchased for AECH Multan (MINAR).
- For the upgradation of AECH, Islamabad (NORI) that includes Cyber Kinife and PET CT block, construction of bunkers continues while LINAC and Cobalt-60 teletherapy machine has been purchased.
- Upgradation projects of AECHs Karachi (KIRAN) and Bahawalpur (BINO) and AECH, Lahore (INMOL) are in the plan.

Narcotics Control

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 (national/international, private/public) to ensure their active participation in eradicating drugs. This policy also seeks to promote international cooperation for mutual support and partnership against narcotic drugs.

The main focus under drug supply reduction 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 can effectively assist in disrupting illegal drug trafficking, money laundering, and seizing drug generated assets. Poppy cultivation is being strictly checked to achieve Pakistan’s poppy free status.

a. Drug Supply Reduction Activities

Table 11.9: Narcotics Type and Quantity Seized		
S.No.	**Kind of Narcotics**	**Qty of Drugs Seized (In Kgs/Lits)**
1.	Cases Registered	1102
2.	Persons Arrested	1199
3.	Opium	12946.637
4.	Morphine	8817.3
5.	Heroin	9035.553
6.	Hashish	53295.255
7.	Cocaine	27.747
8.	Amphetamine (Ice)	1534.616
9.	Methamphetamine	176.317
10.	Ecstasy Tabs	2.365
11.	Xanax Tabs	73.956
12.	Al-prazolam Tabs	3.265
13.	Valium Tabs	22.482
14.	Zolpidem Tabs	1.25
15.	Mark Roche-2 Tabs (Clonazepam)	2.15
16.	Acetic Anhydride (AA)	20340.06
17.	Hydrochloric Acid (HCI)	2136
18.	Acetone	20173.5
19.	Poppy Straw	343
20.	Liquor	571
21.	Weed	0.22
22.	Ketamine	270
23.	Suspected Chemical	0.027
24.	Intoxicated Tabs	0.800
25.	Cases Registered	1102

Source: Narcotics Control Division

Table 11.10: Narcotics Prosecution Cases

Convicted Cases	Acquitted Cases	Dormant cases	Total Disposed of Cases	Convicted Persons	Acquitted Persons	Conviction Rate (%)
557	168	202	927	670	314	77%

Source: Narcotics Control Division

Drug Demand Reduction Prong

1. Drug Burning Ceremonies: Students and heads of various institutions from all over the country were invited at drug burning ceremonies held at Karachi, Lahore, Peshawar, Quetta and Islamabad. Details are as in Table 11.11:

Table 11.11: Details on Drug Banning Ceremonies

RDS	Qty (in Kg)	Qty (in MT)	Value in Domestic Market (in Millions)	Value in Intl Market (in Million)
Khyber Pakhtunkhwa	4477.895	4.478	280.009	65.293
North	632.140	0.632	133.281	19.750
Punjab	282984.085	282.984	1613.921	209.849
Sindh	38871.452	38.871	792.865	178.077
Balochistan	175968.922	175.969	6777.036	5493.739
Total	**502934.494**	**502.934**	**9597.112**	**5966.708**

Source: Narcotics Control Division

2. ANF Youth Ambassador Programme. The programme was launched in June 2014 and has the participation ofmore than 5,000 active youth ambassadors from different walks of life. It aims at promoting mass awareness, highlighting emerging trends of drug abuse, especially amongst the youth. It provides a platform for projecting young talent to channelize the role of youth, thus serving humanity and society.

2.1 Awareness Activities

Mass awareness about harmsof drugs amongst students, teachers and various administrative staff is being created while delivering lectures, debates in the schools, colleges & universities.

3. International Cooperation

The Government of Pakistan has taken a number of initiatives to control the spread and trafficking of illicit narcotics. However, Pakistan cannot fight this menace alone; therefore, international cooperation is an important pillar of Pakistan's strategy against drugs. Ministry of Narcotics Control has signed 34 MoUs with different countries.From July 2019 to December 2019, the Ministry of Narcotics Control has issued 1,077 NOCs for import, export, local purchase, utilization, and distribution of various precursor chemicals to different pharmaceutical and industrial firms. Narcotics Control Division has registered 98 firms for various precursor chemicals.The allocations for ongoing schemes are as follows:

4. Developmentand New Projects

A list of narcotics control development projects is listed in Table 11.2, while new projects during FY2020 are listed in Table 11.3.

Table 11.12: Narcotics Control Capital Projects

Sr.	Name of Projects	Duration	Estimated cost (Rs. Million)
a.	Acquisition of Land & Construction of ANF Police Station at Pasni (Completed)	1-7-2017 to 31-12-2019	49.723
b.	Construction of ANF Police Station at Sust (On-going)	1-7-2017 to 30-06-2020	49.816
c.	Construction of Single Men Barrack at Korangi Town Karachi (Completed)	1-7-2017 to 31-12-2019	29.318

Source: Narcotics Control Division

Table 11.13: New Projects during FY2020

Sr.	Name of Projects	Duration	Estimated cost (Rs. Million)
a.	PC-II Construction of MATRC Islamabad	1-7-2019 to 30-06-2020	9.000
b.	Acquisition of Land for ANF Setup at Jiwani	1-7-2019 to 30-06-2020	8.712
c.	Construction of Barrak for ANF Staff at PS Pasni	1-7-2019 to 30-06-2020	16.000

Source: Narcotics Control Division

Conclusion

The COVID-19 pandemic is the biggest public health challenge the world has faced in recent times. No health system in the world can cope with COVID-19 once the rate of spread gets beyond a certain point. The Government of Pakistan is, therefore, constantly monitoring the COVID-19 situation in the country and accordingly taking all possible appropriate measures in collaboration with provincial governments and development partners to mitigate its adverse effects on the economy. The government is also committed to providing efficient, equitable, accessible and affordable health services to the people of Pakistan with the aim to create a productive workforce for the future that could efficiently contribute to the development of the country.

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Chapter 12

POPULATION, LABOUR FORCE AND EMPLOYMENT

Not only population size but its characteristics also play a significant role in the development of a country. Thus, with regards to the growing population in terms of size and age, the capability of country for providing social protection, health care, education and other basic services like housing, sanitation, water, food etc. becomes a challenge. Pakistan is the fifth most populous country in the world. According to the National Institute of Population Studies the estimated population of Pakistan in 2019 is 211.17 million[1]. Hence, population density stands at 265 per Km^2.

The population composition of the country is skewed towards working age population. The population falling in the age group of 15-64 years is 61.4 percent, while 12.1 percent of the population is between the ages of 0-4 years and 22.1 percent is between 5-14 years. If this demographic dividend is harnessed and skills are imparted to youth to meet domestic and international market requirements, it would increase industrial productivity at home and higher remittances from abroad. The Government is therefore focusing on employment generation through skill development.

Employment is considered as a key mechanism through which the benefits of the growth can be distributed to the poor segment of the society. Pakistan has the 9th largest labour force in the world with a population growth rate of 1.94 percent. However, with such growth rate a large number of young labour force is adding every year. According to the Labour Force Survey 2017-18 the total labour force was 65.5 million in Pakistan[2], while unemployment rate is 5.8 percent. According to the survey, the highest unemployment (11.56%) is among the age of 20-24 years, indicating youth unemployment. Cognizant of the fact, the Present Government has thus taken following initiatives to provide employment opportunities especially to the unemployed youth:

Prime Minister's Kamyab Jawan Programme

Prime Minister has launched Kamyab Jawan Youth Entrepreneurship Scheme (PMKJ-YES) in October, 2019. Under this scheme, Rs 100 billion will be disbursed to 140,000 youth entrepreneurs in 5 years, which will create around one million employment opportunities for the youth in Pakistan. Following are the 6 important schemes included in the programme:

- Youth Entrepreneurship Scheme (YES)
- Hunermand Pakistan Programme (Skills for all)

[1] Based on population projection done by NIPS in 2016. National Census was completed in 2017, according to which population was 207.77 million. Notification of Census results will be issued; after approval of the Cabinet and Council of Common Interest (CCI).

[2] Labour Force Survey 2018-19 has been conducted and is in the process of approval.

- Green Youth Movement
- Startup Pakistan
- National Internship
- Jawan Markaz

The Government has launched two of the components under Prime Minister's Kamyab Jawan Programme i.e. Youth Entrepreneurship Programme (YES) and Hunarmand Pakistan (Skills for All). However, the other four components are under process with concerned stakeholders to be launched soon.

Youth Entrepreneurship Scheme (YES)

The main objective of the Youth Entrepreneurship Scheme is to provide subsidized loans to unemployed youth aged 21 to 45 years for establishing a new business or extending existing business. The minimum age limit for IT/e-commerce related business is 18 years. This scheme has a greater focus on women entrepreneurs as 25 percent of loans are allocated for female entrepreneurs. The Government has disbursed Rs 465 million during December-March FY2020 to the youth for various businesses.

Hunermand Pakistan Programme (Skills for all)

The Government has devised a comprehensive strategy for skill development in the country by identifying eight key areas of interventions to uplift Technical & Vocational Education & Training (TVET) sector in Pakistan as per the following;

- Improving governance to remove fragmentation/duplications leading to systemic wastages.
- Exploring multi-source funding to pursue a broad-based reform agenda.
- Capacity enhancement to create more and more training opportunities.
- Quality assurance to bring quality of skills at par with national and international requirements.
- Access and equity by providing equal opportunities to marginalized segments of society such as females, orphans, special people, youth from less developed areas etc.
- Industry ownership to enhance both relevance of training and youth employability.
- Skill development for international market for increasing foreign remittances.
- TVET communication plan to increase the image of skill sector.

The Hunarmand Jawan Programme has been launched in January, 2020 and it would facilitate youth through easy loans, professional capacity-building, start-ups and internships. The Government has allocated Rs 1516 million in 2019-20 for this project. This programme will include the following components:

- International accreditation of 50 Pakistani TVET institutes and initiation of Joint Degree Programmes in TVET.
- Extension of National Vocational Technical Training Commission (NAVTTC)'s job

portal into National Employment Exchange Portal.

- 75 Smart Tech Labs for distant learning.
- Establishment of 10 country specific facilitation centers in 10 major manpower exporting cities across Pakistan.
- Establishing 70 labs / workshop in Madrassa(s) to introduce skill development.
- The skill development programme for 50,000 youth belonging to less developed areas of the country.
- The skill development training of 50,000 youth in high-end technologies in reputed universities of Pakistan and TVET institutes.
- Apprenticeship training of 20,000 youth in industry under Apprenticeship.
- Recognition of Prior Learning (RPL) of 50,000 youth to certify informally acquired skills inside the country and abroad.
- Establishing a National Accreditation Council.
- Accreditation of 2,000 TVET Institutes all across Pakistan.
- Transfer of Technology through collaboration with technologically advanced countries for bringing TVET system in Pakistan at par with international standards Master Training of 500 TVET Teachers in Tech. Advanced Countries and In-Country Training of 2,000 TVET Teachers.
- Establishment of 50 Business Incubation Centers to promote self-employment and entrepreneurship in skilled youth.

Some other prominent initiatives taken by Government are mentioned as under:

- Internationally recognized Competency based training (CBT) modules have been introduced in the country to replace the traditional mode of training.
- Three Sector Skill councils (SSCs) have been established in the Construction, Hospitality and Textile sectors. National Skill Council (NSC) has been established to bring all the stakeholders on board.
- 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.
- The system Recognition of Prior Learning (RPL) has been launched as a tool to recognize/certify the skills acquired through informal/unregulated means.
- National Skills Information System (NSIS) has been established with state of the art technologies.
- For the first time in Pakistan, a National Job Portal has been introduced to link skilled workers with employers. Skill profiles of more than 550,000 youth are available on the National Job Portal. Additionally, NAVTTC has also established Job Placement Centers

(JPCs) at Islamabad, Karachi and Lahore more than 100 Job Placement and Vocational Counseling Centers (JP&VCCs) across the country for the benefit of youth.

Employment Generation in China Pakistan Economic Corridor (CPEC) Programme

Nine Special Economic Zones will be established under CPEC portfolio, which will create tremendous job opportunities and technological transformation.

Priority will also be given to align technical institutions and training with CPEC related trades and demand of SEZ's. The early harvest projects under CPEC have created more than 85,000 direct jobs for Pakistanis.

Skill Development Initiatives

National Vocational Technical Training Commission (NAVTTC) executed nation-wide targeted skill development programme which focused on preparing skilled workforce for the local and international labour market. More than 200,000 youth have been trained by targeted training programmes so far**.**

Interest Free Loan Programme: This is a major component of the Initiative being implemented by Pakistan Poverty Alleviation Fund under the Ehsaas Programme through its 24 partner organizations. Under this Programme Rs 21.4 billion has been disbursed to the borrowers in July-March FY2020.

Overseas Employment

Pakistan is the 2nd largest manpower/labour exporting country of South Asia. Bureau of Emigration and Overseas Employment (BE&OE) has registered more than 11.11 million emigrants for employment abroad.

Table-12.1: Pakistani workers registered for overseas Employment

Countries	**2015**	**2016**	**2017**	**2018**	**2019**
Saudi Arabia.	522,750	462,598	143,363	100,910	332,713
U.A.E.	326,986	295,647	275,436	208,635	211,216
Oman.	47,788	45,085	42,362	27,202	28,391
Qatar.	12,741	9,706	11,592	20,993	19,327
Bahrain.	9,029	8,226	7,919	5,745	8,189
Malaysia.	20,216	10,625	7,174	9,881	11,323
Total	939,510	831,887	487,846	373,366	611,159

Source: Bureau of Emigration and Overseas Employment

During 2019, the Bureau of Emigration & Overseas Employment has registered 625,203 for overseas employment as compared to 382,439 emigrants in 2018 showing an increase of 242,764 people as compared to the last year. It is evident from the table 12.1 that Saudi Arabia (KSA) is the main destination country for Pakistani emigrants where more than 53 percent of emigrants proceeded, followed by UAE (33.78 percent), Oman (4.54 percent), Qatar (3.09 percent), Malaysia (1.81 percent) and Bahrain (1.31 percent).The increase in manpower export in 2019 was positive in terms of remittances which played a vital role to stabilize the economy and containing the current account deficit in the country.

Table 12.2 : Workers Registered for Overseas Employment During the period 2015-2019 Province Wise

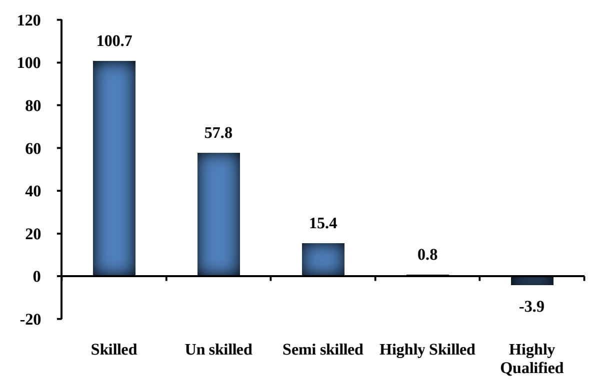
Year	Federal	Punjab	Sindh	Khyber Paktun-khwa	Baloc-histan	Azad Kashmir	N/areas	Tribal area	Total
2015	9,028	478,646	116,935	220,993	7,686	64,586	2,899	45,798	946,571
2016	8,472	446,566	85,326	206,929	6,378	43,093	2,961	39,628	839,353
2017	4,635	261,849	53,590	107,366	4,528	33,318	3,417	27,583	496,286
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

Source: Pakistan Bureau of Emigration and Overseas Employment

The comparison among provinces in Table 12.2 shows that during 2019, the highest number of workers went abroad was 312,439 from Punjab, followed by Khyber Pakhtunkhwa 186,176**.** From Sindh the number of registered workers increased from 41,551 in 2018 to 57,171 in 2019. In other provinces emigration trend is positive except AJK and Northern Areas where minor decline is observed in 2019 as compared to 2018.

During 2019, there has been an increasing trend in all occupational groups except a minor decline in highly qualified and highly skilled workers during 2019. The Number of skilled workers increased from 142,486 in 2018 to 285,932 (101 percent) in 2019. Similarly, there was also an increase of 15 percent in semi-skilled and 57 percent increase was observed in unskilled categories during 2019.

Fig-12.1: Occupation wise Registered Pakistanies



The increasing trend in 2019 was due to the stabilization of Gulf economies and opening up of job opportunities for Pakistani workers especially in Saudi Arabia after the recovery of oil prices and diplomatic efforts of the government.

The Government has also taken the following steps in order to boost the manpower export and to ensure safe emigration:

- Under the directives of Prime Minister of Pakistan, a Task Force has been established to enhance manpower export and facilitation of Overseas Pakistanis.
- In order to enhance the manpower export, Ministry of Overseas Pakistanis &Human Resource Development has signed bilateral agreements/MOUs with Oman, UAE and Japan.
- In order to provide One-window facilitation services to intending emigrants, a project was deployed titled, “Registration of Intending Emigrants via Biometric Verification System linked with NADRA” through which protector registration procedure has been made in minimum possible time.
- Collection of a registration fee, welfare fund and insurance premium on a single deposit

slip and provide emigrants one window facility. The desks are operational at all Protector Offices.

- Qatar selected Pakistan as one of the eight countries for establishment of Qatar Residency Permits in Pakistan. The project covers procedures as finger printing, biometric data processing, medical examination and signing work contracts of expatriates in Pakistan and start job immediately after arrival in Qatar.
- Linkages have been created between Overseas Employment Corporation and NAVTTC for match making of available jobs at the Bureau of Emigration &Overseas Employment official website and data of the trained job seekers maintained by NAVTTC.
- Ministry of OP&HRD is actively working to explore job opportunities for Pakistani workers in non-traditional countries. In this regard, Japan, Germany, Canada, Denmark, Austria, Poland and Romania etc. are the potential countries where diplomatic efforts are underway in order to get the maximum share of jobs for Pakistani workforce.
- The campaign has been launched against illegal Overseas Job Advertisements in close coordination with newspapers, FIA, PTA and other relevant departments.
- Pursuing linkage of Registration Portal with Overseas Employers and Destination countries (Qatar, KSA and UAE).
- Bureau of Emigration &Overseas Employment started uploading foreign jobs on its website to facilitate intending emigrants.
- To retrieve the date of returnee migrants, Bureau of Emigration &Overseas Employment has entered into/signed an MOU with Federal Investigation Agency (FIA) for accessing the data on returning migrants from FIA database.
- Pursuing establishment of 04 New Protectorate Offices (D.G.Khan, Abbottabad, Sukkur, Sialkot)

Women Empowerment and Gender Development

Women constitute 48.4 percent of the country’s population. Empowerment of women and gender equality is at the foremost agenda of the present government. The contribution of the women to the health and productivity of the whole family and community cannot be denied. The wellbeing and provision of enabling environment for equitable gender participation also ensure improved prospects for the next generation. The SDGs recognizing the importance of empowering women sets Goal 5 that is dedicated to “achieve gender equality and empower all women and girls”. The targets of this goal are to end all forms of discrimination; eliminate violence against women and girls in all its manifestations ensure health and reproductive rights: and provide a conducive environment for political, social and economic participation of women.

Government Initiative for Women Empowerment

Following the adoption of the SDGs, the Government initiated dedicated efforts to achieve SDG -5. These efforts began with the collection and reporting of gender-disaggregated data, alongside quota setting for women’s employment in the public sector, and the requirement that women must have at least 33 percent representation on the boards of statutory bodies and public sector organizations. A Gender Management Information System was launched in Punjab, while Sindh developed a Gender Reforms Action Plan (GRAP). Funds were allocated by both provinces for the establishment of Day Care Centers at workplaces.

Federal and provincial governments have taken a strong stance by introducing gender parity such as the establishment of a toll-free BOLO helpline in Punjab, establishment of women-only police station in Khyber Pakhtunkhwa, creation of training and rehabilitation centers in Sindh and across the country. National and Provincial Commission on the Status of Women have been at the forefront of efforts to promote gender equality and women empowerment. The Maternity Benefits Act has been amended at the national and provincial levels. In addition, Domestic Violence and Prevention Act and Protection against Harassment of Women at Workplace Acts have also been promulgated. The federal and provincial governments including other civil society stakeholders and organizations remained engaged in promoting gender equality and women empowerment through awareness raising, seminars, workshops and allocation of resources under provincial Annual Development Programmes.

Following initiatives have been taken to empower the women under the Ehsaas Programme:

Kifalat: To achieve the supplementary objective of women empowerment, BISP provides support exclusively through women under Kifalat. Through this Program around 7 million women will get a bank account, under the Prime Minister's "One Woman One Bank Account" initiative, which will pave the way for their formal interaction and each woman will have a bank account linked to her mobile phone.

National Poverty Graduation Initiative (NPGI). This initiative is being rolled out in over 100 districts and will impact 16.28 million people with 50 percent women. The overarching goal of NPGI is to assist the ultra-poor including women in graduating out of poverty on a sustainable basis while improving their overall food security, nutritional status and resilience to climate change.

- **Undergraduate student scholarships:** Aimed at enhancing access to higher education by awarding 50,000 scholarships of Rs 20 billion to undergraduate students from underprivileged families and areas over the next four years and 50 percent of the scholarships are reserved for female students.
- **Support to the marginalized (Tahafuz Window integration):** Provision of safety nets for the vulnerable to protect against shocks by one-time financial assistance against catastrophic events such as assistance to poor widows and legal aid. The PC-I of the initiative has been approved and services are being put in place for the beneficiaries.
- **Women's centers:** Pakistan Bait-ul-Mal (PBM) is managing 157 Women Empowerment Centers throughout the country for imparting training in various skills to women and to provide them opportunities for suitable employment to alleviate the population living below the poverty line in the country. An MOU has been signed between Pakistan Bait-ul-Mal and Pakistan Poverty Alleviation Fund for grant of soft loans to 13000 passed-out trainees of Centers enabling them to start their own small business and become independent under the umbrella of Ehsaas Programme.

The Government has taken legislative measures to ensure women's rights as a basic human right and provision of opportunities for accomplishment of the commitments envisaged in the International Conventions / Commitments. Enforcement of Women's Property Rights Act, 2020, Zainab Alert, Response & Recovery Act, 2020 and ICT Rights of Persons with Disabilities Act, 2020 has been promulgated for the protection of the rights of women and their disabilities.

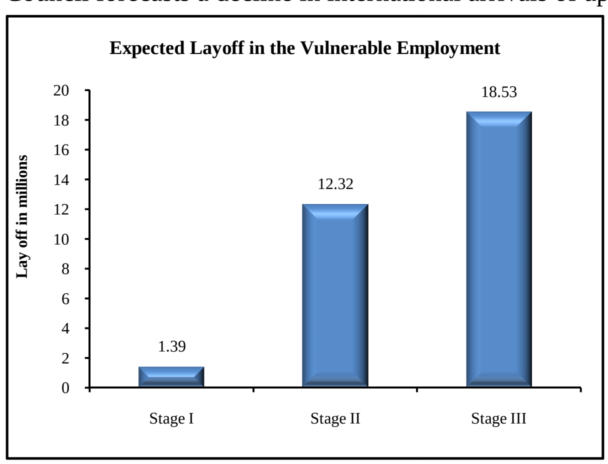
The women empowerment through Human Rights initiatives continued during the year. Funds amounting to Rs 142.9 million allocated in PSDP- 2019-20[3] to five development schemes of Ministry of Human Rights including Implementation of Action Plan for Human Rights in Pakistan, Institutional strengthening of Ministry of Human Rights, Strengthening of Regional Directorates of Human Rights at Lahore, Karachi, Peshawar and Quetta, Establishment of Human Rights Information Management System and Human Rights Awareness Programme.

The Centre for Social Entrepreneurship is providing enhanced entrepreneurial opportunities to the unemployed youth; women led entrepreneurs, start-ups and passing out university students having innovative ideas leading to the solutions of the emerging social issues/problems. The seed money grant is being increased by 1 million for promotion of innovative ideas for job creation.

Box-1: Impact of COVID-19 on Labour and Employment

The outbreak of Coronavirus has its adverse socio-economic effects all over the world. The Pandemic is impacting not only the production of goods and services but also consumption and investment. Disruptions to production, initially in Asia, have now spread to supply chains across the world. All businesses, despite of size, are facing serious challenges, especially those in the aviation, tourism and industries, with a real threat of significant declines in revenue and job losses in specific sectors. Following travel bans, border closures and quarantine measures, many workers cannot move to their places of work or carry out their jobs, which have knock-on effects on incomes, particularly for workers employed in the informal sector. Consumers in many economies are unable or reluctant to purchase goods and services. Companies around the globe due to lockdown and low demand have been adopting layoffs/downsizing of their workers to cut their costs in this difficult time.

Initial ILO estimates indicate a rise in global unemployment between 5.3 million and 24.7 million. Likewise, an initial assessment by the World Trade and Tourism Council forecasts a decline in international arrivals of up to 25 percent in 2020, which would put millions of jobs at risk.



In the current scenario of global economic disruption, the possibility of laying off Pakistani workers by foreign employers can't be overruled.

According to the preliminary estimates conducted by Pakistan Institute of Development Economics (PIDE), the COVID-19 pandemic can have a negative impact on employment in the country in the last quarter of 2019-20. Initial estimates shows that in case of limited restrictions, about 1.4 million jobs will be lost, which are equal to 2.2% of the employed workforce. In monetary terms, the wage losses will translate into Rs 23.6 billion. Under

[3] Public Sector Development Program 2019-20 – Ministry of Planning, Development & Special Initiatives, Government of Pakistan

moderate restrictions employment loss could be up to 12.3 million around 20% of the employed labour force and wage loss will be Rs 209.6 billion. In case of a complete shutdown, it is expected that 18.53 million people or 30% of the labour force will be unemployed with Rs 315.0 billion losses. The initial estimates are shown in the graph:

Strategy to tackle COVID-19 Pandemic impact on Labour and Employment

Prime Minister's Emergency Relief Package

The Federal Cabinet approved Rs 1.24 tillion Prime Minister economic relief package to deal with the Corona virus outbreak and its repercussions in Pakistan. The relief package is aimed at providing financial support to the different sectors of economy affected by the economic slowdown unleashed by the pandemic. The Government has allocated Rs 200 billion for the labour class that is severely hit by the pandemic. To support the industrial sector especially the export sector, it is decided to release tax refunds amounting to Rs 100 billion besides deferring interest payments to strengthen the liquidity position of the enterprises. For the small and medium industry and agriculture sector, another amount of Rs 100 billion is set aside with deferred interest payments. Concessional loans shall be extended to the farmers to bring down the input costs for the farmers.

Provincial Relief Packages

The provincial governments have also announced their respective relief packages to mitigate the adverse impact of the pandemic. The Government of Punjab has announced Rs 10 billion relief package for financial support of 2.5 million families of daily-wage earners. The Government of Khyber Pakhtunkhwa approved Rs 32 billion stimulus economic package to provide relief to the masses and the business community. It includes Rs 11.4 billion, benefiting 1.9 million deserving families and Rs 5 billion exemptions from taxes for business community. The Sindh Government has announced Corona Emergency Ration Package for which Rs 20 million has been allocated for each district of the province to distribute the food items to the daily wagers.

Package for the Construction Industry

The Government has announced Rs 100 billion package for the construction industry to keep the country afloat amid the Corona virus pandemic. The Construction industry considered the backbone of any economy as it provides enormous employment opportunities to skilled and unskilled workers. The Construction sector also provides stimulus to its allied industries and the economy as a whole. Hence Government in collaboration with provinces is making all efforts to generate economic activity in the country by adopting a strategy of smart lockdown with established SOPs

Council of Common Interests (CCI) Recommendations with regard to Population:

Pakistan is subjected to multiple challenges like many other developing countries. The unplanned and uncontrolled Population is also realized as one of the major problems of this country. According to NIPS's projections the estimated population growth and fertility rate are 1.94 per annum and 3.3 children per woman, respectively. Contraceptive Prevalence Rate (CPR) is 34.2 percent and unmet need for family planning is 17 percent. In Pakistan Maternal Mortality 178/100,000 live births, Infant Mortality rate is 59.5/1000 and Under Five Mortality rate is 82/1000. It is very challenging for Pakistan to ensure resource mobilization in an effective manner to control population growth. The population is now a cross-cutting issue and needs to be dealt with a consolidated strategy encompassing social as well as economic factors.

Pakistan sets an ambitious agenda to ensure universal access to family planning services and to increase the contraceptive prevalence rate to 50 percent by FY2025. The Government is fully committed to accomplish Sustainable Development Goals (SDGs) by reducing Maternal Mortality Rate (MMR), Infant Mortality Rate (IMR) and Under Five Mortality Rate (U5MR). Efforts have also been made to ensure universal access to reproductive healthcare services across the country. The CCI has made following recommendations to achieve SDGs related to population and health:

- Establish National & Provincial Task Forces for steering, providing oversight and taking critical decisions to increase the contraceptive prevalence rate, lower fertility rate and reduce population growth rate.
- Ensure universal access to family planning & reproductive healthcare services.
- Federal Government to create a five-year non-lapsable special fund for reducing population growth rate with an annual allocation of Rs 10 billion. The fund shall be set up exclusively from federal resources without any cut from provincial funds.
- Introduce and implement legislation for population growth control.
- Advocate and communicate a national narrative of reducing population growth rate and achieve socio-economic wellbeing for all.
- Introduce curriculum on health, hygiene and population control in the primary, secondary schools, college and universities. Training to be provided to all public & private health care providers on all modern contraceptive methods.
- Ensure Contraceptives Commodity Security.
- Seek support of Ulema.

The recommendations of CCI have been translated into a Draft Action Plan (2019-24) approved by the Federal Task Force under the chair of the President of Pakistan. The action plan helps to evaluate the extent of progress towards international commitments to achieve SDGs related to population and health. The plan for implementation of CCI recommendations aims to:-

i) Increase the present Contraceptive Prevalence Rate of 34% to 50% by 2025 and 60% by 2030.

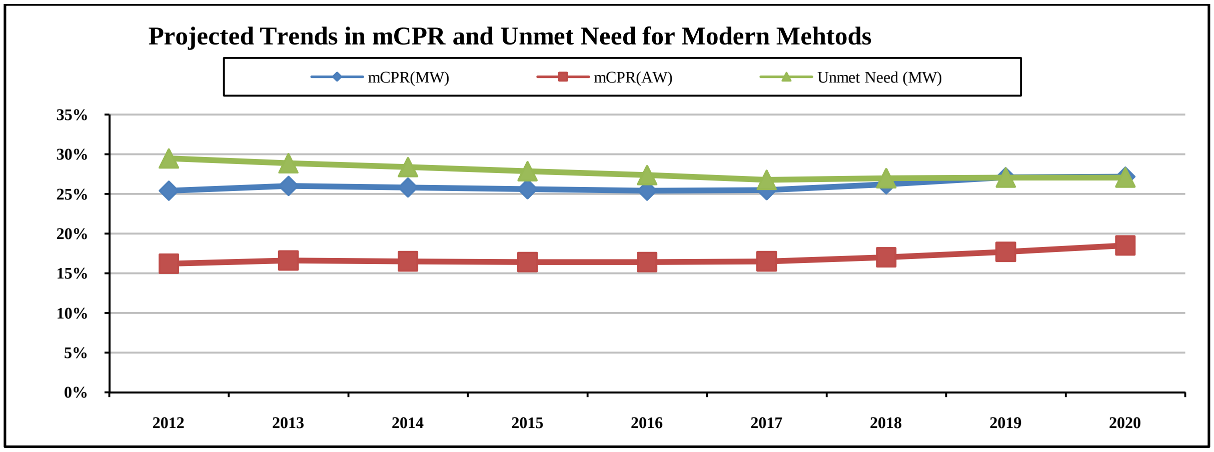
ii) Reduce the present Total Fertility Rate 3.3 births per woman to 2.8 births by 2025 and 2.2 births per woman by 2030.

iii) Lower the present Average Population Growth Rate of 2.4% to 1.5% by 2025, and 1.1% by 2030.

Contraceptive Trends in Pakistan

The table shows that there is an increasing trend in adoption of modern contraceptive methods, which will be helpful in controlling the population growth in future. The following increasing trend in projection is shown uptil 2020:-

	Current Estimate for 2019	Projection to 2020
Additional Users of Modern Contraception	2,115,000	2,748,000
Modern Contraceptive Prevalence Rate (mCPR AW)	17.7%	18.5%
Unmet Need for Modern Contraception (MW)	27.1%	27.1%
Demand Satisfied for Modern Contraception (MW)	50.0%	51.0%



Contraceptives Commodity Security Working Group (CCSWG)

Contraceptives Commodities Security Working Group (CCSWG) has been established to ensure contraceptives availability, timely procurement, pooled distribution, stock assessment, data availability and lending and borrowing of contraceptive commodities.

PSDP Allocation for Population Welfare Programme

The federal Government has allocated Rs 438.60 million for population welfare Programme for GB and AJK and for population resource centre.

Sr. No.	Project	**PSDP Allocation FY2020** (Rs Million)
1	Population Welfare Programme, AJK	145.758
2	Population Welfare Programme, GB	272.843
3	Population Resource Centre	20.000

Source: Ministry of Planning, Development & Special Initiatives

Revision and Updating of Curriculum for RTIs

Regional Training Institutes (RTIs) all over Pakistan are responsible for capacity building and training 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 the World Health Organization (WHO).

Revision and Updating of Training Package for Facility-based Providers

Health care providers play a vital role in delivering high-quality family planning services with respect and dignity to the people in need. Family planning services require the availability of a range of family planning modern methods, existence of logistics system to ensure a sustainable supply of Family Planning commodities, method-specific counseling and trained providers with necessary technical skills to deliver FP service. Ministry of National Health Services, Regulations & Coordination with WHO technical support has updated Training Package on family planning to strengthen the family planning services.

Manual of Standards on Population Welfare

The Government has planned to set baseline minimum level criteria for establishment of Family Welfare Centers (FWCs), Reproductive Health Centers (RHS), Mobile Service Units

(MSU), ToR's for Lady Health Workers and Village based Family Planning Workers and other regulatory mechanism on population. This mechanism will ensure standardization of basic facilities, so that population welfare facilities may be uniformly extended to potential clients.

Population Resource Center

Population Resource Centre for analysis of demographic data and for facilitating evidence guided policy making has been envisioned by the Planning Commission. The centre is proposed to be working in collaboration with concerned stakeholders including Provincial population and health departments, National Institute of Population Studies (NIPS), Pakistan Bureau of Statistics (PBS) and other development partners etc.

Way Forward

Pakistan has been blessed with unprecedented youth human resources. This young population has tremendous energy and talent and the present Government is making sincere efforts to provide them proper avenues for the positive utilization of their energies. Most importantly, Kamyab Jawan Programme launched by the Government is helping the youth to enhance their skills which will play a pivotal role in the socio-economic reconstruction of the society. Besides these, the Government is urged to invest in youth empowerment and education for the development of the country.

TRANSPORT AND COMMUNICATIONS

Amid today's highly competitive and globalized world, effective and efficient transport and the logistic sector is the backbone of an economy, linking economic and urban clusters with domestic and international markets to enhance broader economic performance. By contributing directly to the economy through value-added and capital stock support, it plays an important catalyst role in improving the efficiency and growth of other industries. This mainly occurs because a well-functioning transport and logistic sector can boost economy-wide productivity by improving transport links to reduce travel time and transaction costs for expanded businesses market access. Consequently, businesses are better able to exploit economies of scale, thereby reducing costs and specializing in areas of comparative advantage for more fruitful participation in regional and global economic cooperation and integration initiatives to increase trade and economic opportunities for more rapid growth. Moreover, it can also help spur innovation by encouraging effective networking, knowledge-sharing, and collaboration amongst businesses located across the region and globe. It also reduces poverty for welfare gains as a result of improving poor people's access to economic opportunities, lowering the cost of goods and services they consume, and providing better access to essential infrastructure services. It is unlikely to put Pakistan's economy on a higher, more sustainable, and inclusive growth trajectory without a modern transport and communication system in place. Presently, Pakistan ranks at 22nd position worldwide for 263,775 Km length of its road network (13,000 km of National Highways and Motorways, 93,000 km of provincial highways and rest are District and Rural Roads). The country is likely to improve its ranking significantly with the construction of new economic connectivity projects, especially under the China Pakistan Economic Corridor (CPEC), the Central Asia Regional Economic Cooperation (CAREC) Programme and continuous government programmes.

Air Linkage

Pakistan Civil Aviation Authority and Pakistan International Airlines Corporation

Pakistan Civil Aviation Authority (PCAA) has been spending a substantial amount on various projects, which generates economic activity and employment opportunities across Pakistan. The Authority also contributes in the form of direct and indirect taxes towards the National Exchequer to the tune of Rs 15-20 billion per annum.

On-Going Projects

- Construction of new green field Gwadar International Airport, Gwadar.
- Reconstruction of main runway and re-carpeting of parallel taxiway track at Quetta Airport.

- Re-habilitation of main runway at Faisalabad Airport.
- Provision of night landing facility at Gwadar International Airport.
- Development of socio-economic airports to promote tourism, pursuant to provisions of National Aviation Policy (NAP) 2019.
- Improvement of airports and their infrastructure for better passenger experience.
- Introduction of energy-efficient equipment at all airports to conserve energy.
- Water conservation measures.
- Upgradation of primary and secondary surveillance radars.

Projects in Pipeline

- Expansion of Allama Iqbal International Airport, Lahore
- Expansion of Faisalabad International Airport.
- Expansion of Quetta International Airport terminal building.
- Replacement of passenger boarding bridges at Karachi
- New radar and establishment of Air Traffic Management System at Islamabad Airport.
- Upgradation of facilities at Jinnah International Airport Karachi.
- Land acquisition for Mansehra Airport in Khyber Pakhtunkhwa.

The Prime Minister of Pakistan advised revising NAP to support the aviation and airline industry in Pakistan. The latest NAP 2019 has been approved by the Federal Cabinet on 26th March, 2019.

Salient Features of National Aviation Policy, 2019

Following incentives/ policy guidelines have been provided in National Aviation Policy 2019:

- Reduced cost of doing business: Rationalization of paid-up capital, security deposit, and PCAA charges.
- Ease of doing business: Rationalization of aircraft age, paid-up capital regulations and license/Air Operator Certificate (AOC) regulations.
- Improved facilities: Provision of state of art infrastructure at airports.
- Future growth: To develop maintenance, repair, and overhaul (MROs), aircraft manufacturing, simulators and flight kitchen setup capacities by providing conducive/business-friendly conditions.
- The outcome of NAP 2019: Contribution to economic growth would be ensured through new airlines, job creation, competitive market, better facilities, and foreign direct investment.
- Tourism Promotion and Regional Integration (TPRI) license: TPRI license has been introduced for the 1st time through NAP 2019, and the application form and its prerequisite/conditions of license have also been approved.
- PCAA has endeavored to encourage foreign carriers to conclude mutually beneficial code share agreements with Pakistan International Airline (PIAC).

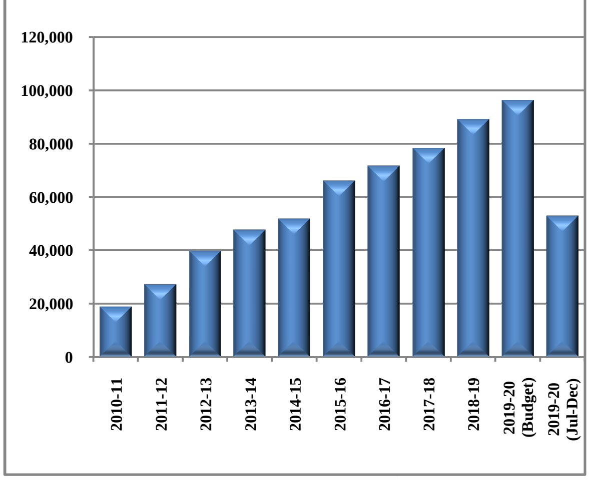
- Any new, as well as additional traffic rights to foreign designated airlines, are being awarded after due consultation with PIAC in order to support our national carrier.
- To promote domestic aviation, aeronautical charges for domestic operators have been waived off effective from May 15, 2019, however, passenger based charges were waived off on June 01, 2019.
- The first TPRl license has been given in line with the vision of the Government of Pakistan to promote tourism and socioeconomic connectivity.
- Many interested potential licensees of TPRl have been given guidance and facilitation to apply and sail through the process.

Table 13.1: Revenue of PCAA

Fiscal Year	Revenue (Rs in Millions)
2010-11	18,897
2011-12	27,178
2012-13	39,724
2013-14	47,584
2014-15	51,778
2015-16	66,088
2016-17	71,552
2017-18	78,301
2018-19	89,145
2019-20 (Budget)	96,347
2019-20(Jul-Dec)	52,916

Source: PCAA

Fig-13.1: Revenue of Pakistan Civil Aviation (Rs million)



Performance of the Pakistan International Airlines Corporation (PIAC)

PIAC follows calendar year for financial and operational matters. The overall performance of PIAC in 2019 is given in Table 13.2 as follows.

Table 13.2: PIAC Performance

Indicators	Units	Year 2016	Year 2017	Year 2018	Year 2019
PIAC Fleet	No. of planes	38	36	32	32
Route	Km	382,057	360,937	332,303	389,725
Available Seat	Million Km	19,196	19,108	18,081	18,372
Passenger Load Factor	Percent	71.6	73.20	77.3	81.3
Revenue Flown	000 Km	79,842	75,207	70,089	70,515
Revenue Hours Flown	Hours	131,838	122,081	110,050	110,640
Revenue Passengers Carried	000 nos.	5,487	5,342	5,203	5,290
Revenue Passengers	Million Km	13,751	13,988	13,975	14,938
Revenue Tonne	Million Km	1,375	1,469	1,472	1,530
Revenue Load Factor	Percent	49.2	55.2	58.4	58.6
Operating Revenue **	Rs Million	89,842	-	100,051	146,097
Operating Expenses **	Rs Million	125,961	-	170,447	160,037
Available Tonne	Million Km	2,798	2,659	2,521	2,610

PIAC financial year is based on calendar year.
**Revenue & Cost is based on provisional/estimated & un-audited accounts
Source: PIAC/Civil Aviation Authority

PIAC has taken measures for its revamping and initiatives for FY2020 are as follows:

1. Recovery of B-777, A 320, and ATR grounded for the last 13-22 months using own resources without funding from the government of Pakistan.
2. Increasing maximum take-off weight limitation on A-320 aircraft, thereby increasing payload carrying capacity.
3. Negotiations with Maintenance Repair and Overhaul (MROs) for rationalization/ reconciliation of payments.
4. Resumption of night operations from Bacha Khan International Airport, Peshawar.
5. Resolution of overflying permission over Iran and Turkmenistan.
6. Successful completion of pending audits and holding of AGMs for years 2017 and 2018 in compliance with Companies Act and compliance requirements of the Securities and Exchange Commission of Pakistan (SECP). Removal of PIAC from SECP's defaulters list.
7. Formulation of five-year Business Plan 2019-2023 after consultation with Finance Division, National Bank of Pakistan, State Bank of Pakistan, Original Equipment Manufacturer (OEM) and International Air Transport Association (IATA) and presentation of the same to the Prime Minister.
8. Induction of two narrow-body aircrafts on dry lease to augment existing fleet, earn more revenue, and meet market demand.
9. Achievement of higher passenger revenues to reduce operational losses.
10. Undertaking Hajj operations using their own fleet rather than acquiring aircraft on lease for this purpose.
11. Starting new profitable routes including: Sialkot-Paris, Sialkot-Barcelona, Peshawar-Sharjah, Peshawar-Al-Ain, and Multan-Sharjah.
12. Discontinuing loss-making routes.
13. Operating additional flights on profitable routes like Dubai, Jeddah and Madina.
14. Terminating ghost employees and employees with fake degrees in accordance with the decision and direction of the Supreme Court of Pakistan.
15. Putting in place a centralized medical center for all PIAC employees leading to cost savings.

Road Linkage

A modernized and well-functioning road network with an integrated transport system ensures regional and global economic connectivity and integration. It reduces business costs for enhancing export competitiveness and trade to uplift socioeconomic growth along with providing passenger mobility gains. Moreover, the said network is surely desired to be environmentally and economically sustainable as well as energy efficient.

ADB has been assisting GoP in achieving efficient road networks by not only constructing projects but also at the policy level. First ever National Transport Policy has been approved by the GoP in February 2019 and being implemented. Ministry of Communications has been assisted in establishing Road Asset Management Working Group and Road Safety Council for better management of assets and bringing the existing to international road safety standards.

Along with National Highways and Motorways (for establishing main corridors), ADB is also assisting Punjab, Khyber Pakhtunkhwa, and Sindh provinces in upgrading Provincial Highways. Institutional development incorporating sustainability is a hallmark of projects being executed.

National Highway Authority (NHA)

The transport sector in general and road infrastructure, in particular, have a profound and enduring effect on the economic growth of Pakistan. NHA is playing a vital role in improving the productivity and competitiveness of businesses, and the quality of travel with an emphasis on safety, apart from creating job opportunities. Pakistan is virtually bisected into two halves by River Indus. The Eastern segment is historically well developed. For better East-West connectivity, numerous bridges have been constructed across river Indus, Jhelum, Chenab, Ravi, and Sutlej. Currently, there are three North-South corridors (N5, N55 and Motorway M1, M2, M4, M5, and M9 whereby M6 is being planned on BoT) with only N55 on the western side of River Indus. A newly planned Western corridor is being executed, which is at different stages of implementation.

Development Programme:

The present NHA network comprises of 39 national highways, motorways, expressways and strategic roads. The existing portfolio of NHA consists of 40 on-going projects with an allocation of Rs 117,514.836 million in PSDP 2019-20 out of which Rs 57,371.916 million is the Foreign Exchange Component (FEC) and Rs 60,142.919 million is the local component.

China Pakistan Economic Corridor:

To ensure smooth and efficient movement of goods and passengers while ensuring safety, NHA is planning and executing Khunjrab to Gwadar connectivity under the China Pakistan Economic Corridor (CPEC). Details are in Table 13.3.

Table 13.3: CPEC Project Details

Sr. No.	Motorway	Length	Status
1	Havelian-Thakot (N-35)	118 km	Completed & Operational
2	Multan-Sukkur		Completed& Operational
3	Hakla (Islamabad) -Yarik (D.I. Khan)	285 km	Under construction
4	Yarik- Zhob (N-50)	235 km	PC-I approved by ECNEC, funding through CPEC is being arranged
5	Zhob- Quetta (N-50)	331 km	Under tendering
6	Hoshab-Awaran	400 km	Under design. PC-I for Hoshab-Awaran (146 km) part-I has been recommended on 16-04-2020.

Source: NHA

Motorways

NHA has already constructed green field segments of Motorway network viz M-1 (Peshawar-Islamabad), M-2 (Islamabad-Lahore), M-3 (Lahore-Abdul-Hakim), M4 (Pindi

Bhattian-Faisalabad-Gojra-Shorkot-Khanewal-Multan), M5 (Multan-Sukkur), E35 (Hassan Abdal-Havelian-Mansehra-Thakot) and M11 (Lahore-Sialkot) boosting economic activities. NHA is now constructing Hakla-Dera Ismail Khan and plans to executed M8 (Hoshab-Awaran-Khuzdar). Public-Private Partnership Authority has approved construction of M6 (Sukkur-Hyderabad) on BoT basis, with details listed in Table 13.4:

Table 13.4 Motorways Project Details

Sr. No.	Motorway	Length (Km)	Status
1	M-1 (Peshawar-Islamabad)	156	Completed
2	M-2 (Islamabad-Lahore)	357	Completed
3	Havelian-Mansehra	39	Completed
4	Hazara Motorway (E-35)	59	Operational
5	Hakla-D.I.Khan	285	Under construction
6	Sialkot-Lahore	91.3	Operational
7	Lahore-Multan (M-3)	230	Completed
8	Faislabad-Gojra (M-4)	58	Completed
9	Gojra-Shorkot (M-4)	62	Completed
10	Shorkot-Khanewal (M-4)	64	Completed
11	KWL-MLN (M-4 Ext.)	56	Completed
12	Sukkur-Multan (M-5)	392	Completed
13	Hyderabad-Sukkur(M-6)	296	PC-1 in process.
14	Karachi-Hyderabad (M-9)	136	Completed
		2362.3	

Source: NHA

Support of Development Partners

Asian Development Bank Assistance:

- Flood Emergency Rehabilitation Project- Phase-I (343 km, Completed).
- Construction of M-4 Gojra – Khanewal Motorway (126 km, Completed).
- Flood Emergency Rehabilitation Project- Phase-II (335 km, Completed).
- Hasan Abdal-Havelian E35 Expressway (59 km, Completed).
- Zhob-Mughalkot N-50 (80 km, Completed).
- QillaSaifullah-WaighumRud N-70 (120 km, Completed).
- Post Flood National Highways Rehabilitation Project (214 Km, on-going)
- CAREC Regional Improvement of Border Services Project (Upgradation of Torkham and Chaman Border Crossing Points, on-going).
- CAREC Corridor Development Investment Programme (Tranche-I):
  - Construction of Additional carriageway Petaro-Sehwan Section of N-55 (128 km, Under construction)
  - Rehabilitation of Peshawar – Dara Adam Khel N-55 (32 km, Under construction).
  - Construction of Additional Carriageway Shikarpur–Ratodero of N-55 (44 km,Under tendering process).
- CAREC Corridor Development Investment Programme (Tranche-II):

- Construction of Additional Carriageway Shikarpur–Rajanpur Section of N-55 (222 km). (PC-1 recommended by Central Development Working Party, CDWP).

- CAREC Corridor Development Investment Programme (Tranche-III):
  - Construction of 4-lane Highway form Rajanpur-Dera Ghazi Khan (121.50 km, recommended by CDWP).
  - Construction of 4-lane Highway Dera Ghazi Khan – Dera Ismail Khan N-55 (315 km PC-1 recommended by CDWP)

- CAREC Corridor Development Investment Programme (Tranche-IV):
  - Rehabilitation of Existing Carriageway Jamshoro-Sehwan Section of N-55 (130 km Planning stage)
  - Rehabilitation of Existing Carriageway Shikarpur–Ratodero of N-55 (44 km Planning Stage)

Islamic Development Bank Assistance:

- Multan– Khanewal Section (57 km) M-4 Extension. (Completed)

Japan Assistance Through Japan International Cooperation Agency (JICA):

- Sehwan–Ratodero Section N-55 (200 km, Completed)
- RakhiGajj–Bewata Section N-70 (34 km, Completed)

Korean Exim Bank Assistance:

- Improvement and widening of Chakdara-Chitral Section (141 km) of N-45. (In procurement stage to appoint a consultant for design and feasibility study).
- Malakand Tunnel (In procurement stage for design consultancy)

United States Grant Through the United States Agency for International Development:

- Quetta-Chaman Section of N-25 (120 km, Completed)
- Peshawar-Torkham Section, including Southern link with N-5. (PC-I is in the process of approval)

Build-Operate-Transfer (BOT) and Public-Private Partnership (PPP) Projects

NHA, through its dedicated efforts, took the lead in the road infrastructure development through private sector participation. NHA successfully attracted private sector investment and has awarded/supported five projects of worth over Rs 90 billion, which include:

- Lahore-Islamabad Motorway (M-2):

Scope: Overlay and modernization (357 km)
Project Cost: Rs 46,007 million
Status: Project successfully completed and operational since August, 2016

- Habibabad Flyover on N-5:

Scope: Construction of flyover on N-5 (1.5 km)
Project Cost: Rs 831 million
Status: Project successfully completed and operational since April, 2015

- Karachi- Hyderabad Motorway (M-9):

Scope: Conversion of the existing 4-lane highway into a 6-lane motorway (136 km)
Status: Completed and opened for traffic.

- Lahore- Sialkot Motorway Project (LSMP):

Scope: Construction of 4-lane motorway (91 km)
Project Cost: Rs 43,847 million
Status: Completed and opened for traffic.

Maritime Linkage

Pakistan National Shipping Corporation (PNSC)

PNSC Group has positively moved towards a considerable growth in the bulk carrier segment, as well as in the liquid cargo segment through its managed vessels. Despite macroeconomic challenges faced by the country, PNSC Group has managed to achieve 6 percent increase in profit of Rs 1,411 million (after-tax from July 2019 to March 2020) compared with Rs 1,332 million in the corresponding period last year. Group earnings per share increased to Rs 10.68 vis-a-vis Rs 10.09 (restated) in the corresponding period last year. Cumulatively, Group achieved a turnover of Rs 9,621 million relative to Rs 7,859 million during the same period last year. This includes substantial growth in tankers segment revenue of 63 percent (from Rs 4,213 million to Rs 6876 million). On the other hand, the bulk carrier segment experienced a decrease of 7 percent (from Rs 1,717 million to Rs 1,609 million).

At present, the PNSC fleet comprises of 11 vessels of various types (05 Bulk carriers, 04 Aframax tankers and 02 LR-1 Clean Product tankers) with a total deadweight capacity of 831,711 metric tonnes, i.e., highest ever carrying capacity since the inception of PNSC. PNSC is currently in the process of inducting one more Aframax tanker into its current fleet before the end of FY2020 to carry more crude oil into the country for meeting rising energy needs. The said induction will raise the number of PNSC's Aframax tankers to five.

Financial Performance:

PNSC has made a profit of Rs 1,530 million during the first nine months of FY2020. The financials of PNSC are in Table 13.5:

Table 13.5: PNSC Financial Performance

Financial Performance	(Rupees in 000)
Revenue	9,621,477
Expenses	(6,454,630)
Gross Profit	3,166,847
Administrative, impairment, Finance Cost &Others	(2,331,640)
Other Income	694,810
Profit before Tax	1,530,017

Source: PNSC

Karachi Port Trust

Karachi Port Trust managed a total cargo and container volume of 34.155 million tonnes during the first nine months (July- March) of FY2020 (Table 13.6). It experienced a 14 percent decline in total cargo and container handling in FY2019 over the previous year. While export cargo and container volume grew by 8 percent in FY2019, imports exhibited a decline of 21 percent over the same period due to government's import compression policies for tackling the large current account deficit.

Table 13.6: 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 (Jul-March)	21,860	12,295	34,155			

Source: KPT

Port Qasim Authority

Port Qasim handled a total cargo volume of 39.185 million tonnes during the first nine months (July- March) of FY2020. Out of 39.185 million tonnes, 33.334 million tonnes were imported while 5.851 million tonnes was exported.

Gwadar Port

Gwadar Port is about 630 km away from Karachi and 120 km from the Iranian border. Gwadar Port is in the process of becoming the Gateway Port for Pakistan and the region and a world-class maritime hub. Gwadar Port, the first deep seaport in the country, is a complement to Karachi Port and Port Qasim in order to stimulate the economic growth of Pakistan in general and Balochistan in particular by better utilizing the available resources of the country. Gwadar Port is also providing an outlet for land-locked energy-rich Central Asian States, Western China and Afghanistan through transit trade and offering trans-shipment facilities. In doing so, the development of both Gwadar City and Gwadar Port will make important contributions to the socio-economic development of the Gwadar district and the province of Balochistan while also contributing considerably to the national economy.

Port Operation and Renovation

Since May 2013, the port's Concessional Rights were transferred to the new operator, viz. China Oversea Ports Holding Company Limited (COPHCL). Since the concessions were handed-over to COPHCL, it has been working on improving port facilities, surrounding environment, and port businesses. It had invested more than $ 40 million for port facilities up-gradation. This is now fully operational and receiving commercial vessels on a regular basis.

Gwadar Port Free Zone

- The construction of Free Zone Phase-I has been completed with all infrastructures, including power, water, road, telecommunication, waste treatment, drainage systems are now in operation. More than 30 enterprises from various sectors, such as banks, insurance, financial leasing, hotels, warehouses, fishery products processing, edible oil processing, pipe, furniture manufacturing, electric vehicle assembly, trade and logistics, have already been registered in Gwadar Port Free Zone.

- Following 03 companies have completed the construction;
  - M/S China Communication Construction Company (Business Center),
  - M/S Linyi Trade City (Exhibition Center), and
  - M/S Yulin Company (Steel Tube Industry).
- Work on the main Free Zone on 2,220 acres of land will be started soon for which China Port Holding Company (COPHC) has completed the master planning and feasibility work.

Gwadar Port and its Share in CPEC

Since 2013-14, Gwadar Port Authority (GPA) has been part of all planning and appraisal processes of the CPEC programme. For the early harvest/prioritized phase of the CPEC, following projects related to Gwadar Port and the Port City of Gwadar have been agreed, which are in different stages of project implementation and approval:-

CPEC Projects "Construction of East Bay Expressway"

The works on this CPEC project, with the help of the People's Republic of China is in full swing. Eastbay Expressway will be completed during the next financial year, which will connect Gwadar Port with hinterland through M-8 and Makran Coastal Highway.

Development and Construction of Port Allied Structures- (GM Business Complex)

A number of port related businesses have started operations in port and surrounding areas. These operating companies need accommodation and office spaces. As well as providing this, GPA has also developed commercial structures, such as bank branches, stevedore services, agency offices, cargo storage sheds, and marine repair workshops to facilitate the investors as well as for revenue generation on 69 acres of land.

Up-gradation of GPA Housing Complex

This project was initiated to upgrade the residential facilities of the officers and employees of the Gwadar Port. Construction of additional residential blocks, GPA House (Chairman's residence), walking track, community center, commercial center, playground, and water supply system, etc., are part of the project along with a renovation of present infrastructure for the fulfillment of the present and future requirements of GPA. This project is in the final stage and will be completed around 90 percent during the current FY2020.

Railways Linkage

Pakistan Railways (PR) is a single major mode of transport in the public sector, contributing to economic growth and providing national integration. Pakistan Railways comprises total of 474 locomotives (458 Diesel Engine and 12 Steam Engines) for 7,791 km length of the route.

During the first eight months of FY2020 (July-February), gross earnings grew by 8.4 percent and amounted to Rs 36,916.85 million compared with Rs 34,066.12 million during the same period last year. During July-February FY2020, the number of carried passengers decreased to 39.4 million against 39.9 million during the corresponding period last year, representing a decline of 1.20 percent. Passenger traffic (km million), freight carried (tonnes million), and freight (tonnes km million) declined by 3.54 percent, 0.56 percent, and 0.07 percent, respectively.

ADB assisted Pakistan Railways to prepare Pakistan Railways Strategic Plan (PRSP), which has been approved by Railways Board. ADB also gave training to PR staff on route optimization bringing efficiency in current operations. PRSP includes suggestions to facilitate PR, achieving its targets of being efficient and profitable. The policy dialogue is still on-going.

The Pakistan Railways has recently submitted a business plan to the Supreme Court of Pakistan, outlining a strategy for turning the railways into a profitable entity. The 121-page report was prepared in connection with a suo-motu case on the losses incurred by the railways. It was informed in the report that 50 percent of its train engines are old and need replacement. Besides, a shortage of the required funds is affecting the repair work of engines. As per the proposed plan, the Pakistan Railways will need to sign international joint venture agreements to become a profitable entity. Passengers will be provided with secure, comfortable, and affordable travel facilities. The Pakistan Railways will require the assistance of other departments to make itself financially stable. It will also need political and financial support and effective monitoring of its governance and the railway's board. The entire railway system will be digitalized, and the private sector needs to be engaged in the process.

Table 13.7: Earning of Pakistan Railway

Fiscal Year	Earning (Rs in million)	% Change
2009-10	21,886	-
2010-11	18,740	-14.4
2011-12	15,444	-17.5
2012-13	18,070.55	17.0
2013-14	22,800.22	26.2
2014-15	31,924	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
(July-Feb)		
2017-18	30,891.16	-
2018-19	34,066.12	10.3
2019-20	36,916.85	8.4

Source: Ministry of Railways

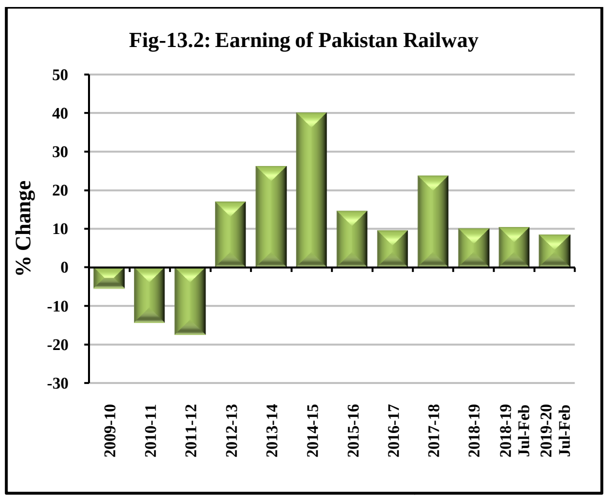


Table 13.8: Passenger and Freight Traffic

Subject	(July-Feb) 2017-18	2018-19	2019-20	%Change
Number of Passenger Carried (million)	35.9	39.9	39.4	-1.20
Passenger Traffic Km (million)	16,753.2	18,745.8	18,083.04	-3.54
Freight carried Tonnes (million)	5.2	5.33	5.30	-0.56
Freight Tonnes Kms (million)	4,887.4	5,269.6	5,266.05	-0.07
Total Working Expenses (Rs million)	34,383.3	34,383.3	41,049.90	19.10
Gross Earning (Rs million)	30,891.2	34,066.1	36,916.85	10.30

Source: Ministry of Railways

Fig-13.3: Passsenger and Freight Traffic

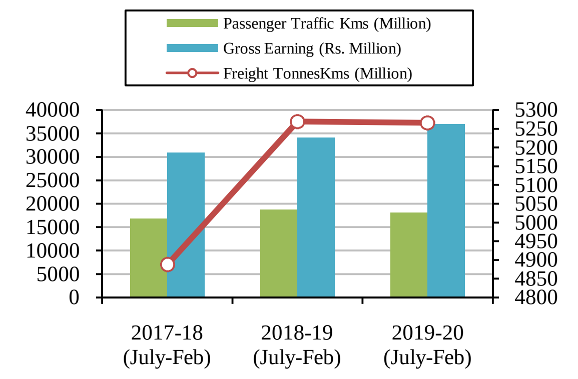


Fig-13.4: Passsenger and Freight Traffic

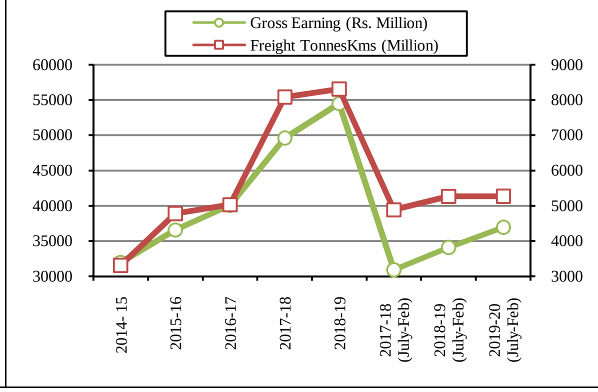
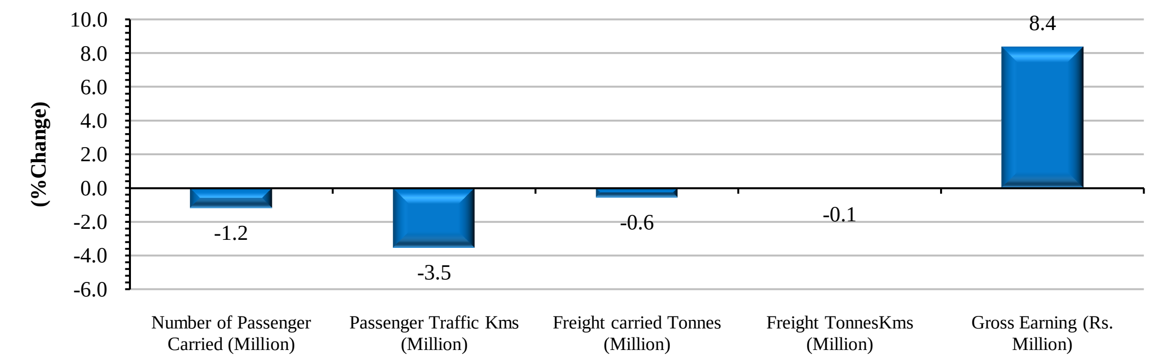


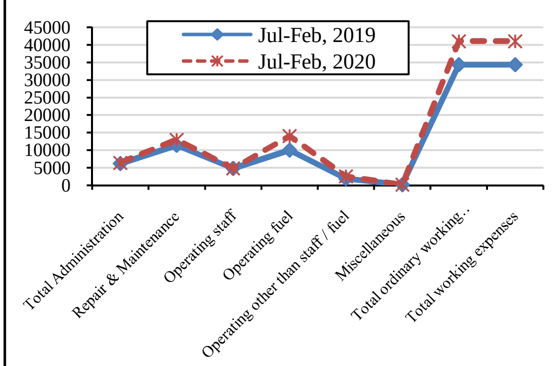
Fig-13.5: Pessenger and Freight Traffic (Jul-Feb)



Total working expenses of the Corporation have increased by 19 percent during July-February FY2020 over the same period last year as depicted in Table 13.9 and Figure Fig-13.6 below.

Table 13.9: Total Working Expenses (Rs million)	Jul-Feb, 2019	Jul-Feb, 2020
Total Administration	6205.7	6412.0
Repair & Maintenance	11347.4	12990.5
Operating staff	4820.7	4837.7
Operating fuel	10014.7	14054.1
Other operating expenses	1848.6	2581.3
Miscellaneous	146.2	174.4
Total working expenses	**34383.3**	**41050.0**
Source: Ministry of Railways		

Fig-13.6: Total Working Expenses (Rs.)



Communication

Information and Communication Technology Sector (ICT)

The dynamically evolving ICTs hold critical importance, as it is one of the key core enabling sectors that facilitates development across all the sectors of an economy, including agriculture, manufacturing, and services for accelerated growth and jobs. The telecommunication industry in Pakistan is open and deregulated, offering level playing field to businesses. The sector was deregulated in 2003 after the promulgation of the deregulation policy. Resultantly, two new cellular mobile licenses were awarded to Telenor and Warid through an open auction. Later on, China Mobile acquired Paktel and started providing mobile cellular services. In addition, multiple Long Distance and International (LDI) and Local Loop licenses were granted to local and international companies. The frequency spectrum was also auctioned to different companies for Wireless Local Loop (WLL) operations.

1. Telecom Sector

A. Policy Interventions

i. Renewal of Cellular MobileLicenses

The Ministry of Information Technology & Telecom, after undertaking extensive stakeholders’ stakeholders' consultations furnished its recommendations for consideration of the Federal Government, keeping in view the requirements set by the Telecommunications Policy 2015 and the provisions of Cellular Mobile licenses issued in 2005. Accordingly, the Federal Government issued a Policy Directive on the Renewal of three Cellular Mobile Licenses in 2019 in the exercise of powers conferred under section 8(2) read with section 22(3) of Pakistan Telecommunication (Re-organization) Act, 1996.

Subsequently, three Cellular Mobile Operators, i.e., Telenor Pakistan, Pakistan Mobile Communication Limited (Jazz) and CM-Pak (Zong) have deposited their partial (50 percent) payments, on account of their respective license renewal fee, amounting to a total of $ 687.8 million equivalent to Rs 107.6 billion. The remaining 50 percent is payable in five equal installments. It is pertinent to note that the license renewal fee of telecom companies collected by the Pakistan Telecommunication Authority (PTA) is a significant source of non-tax revenue for the Federal Government.

ii. Measures for the introduction of 5G in Pakistan

In line with the Policy Directive of the Ministry of Information Technology & Telecom, two Cellular Mobile Operators, i.e., Zong and Jazz, successfully carried out the 5G trials in Pakistan. A 5G Pakistan Plan Committee has been constituted by the Ministry of Information Technology & Telecom, comprising of all stakeholders from the public and private sectors. The Committee is tasked to develop a strategic plan and roadmap for 5G technology in Pakistan, keeping in view the aspects of spectrum management, infrastructure development, review of telecom regulations, and 5G applications/use cases.

iii. National Cyber Security Policy (NCSP):

Cyber Security is one of the highest priority areas of the present government. Through extensive efforts of the Ministry, the 2nd meeting of the Cyber Governance Policy Committee was held on 4th September 2019, under the Chairmanship of the Federal Minister for Information Technology & Telecom, with the participation of all stakeholders. During the meeting, the draft of the Cyber Security/Governance Policy was reviewed. Accordingly, it was decided that the draft may be amended in view of Pakistan's cyber security dynamics and be titled as the NCSP. The stakeholders' consultations are underway for the formulation of Pakistan's first NCSP.

iv. Right of Way (ROW)

A process to formulate ROW Rules has been initiated through stakeholder consultations.

The objective of these consultations is to develop a standard mechanism to resolve the issue of ROW. The first draft was further evaluated and reviewed by the Prime Minister's Task Force on Telecommunication, comprising of prominent experts from the telecom sector. Recently, the Federal Cabinet has nominated and notified the Secretary, Ministry of Information Technology & Telecom as the appropriate Federal Government representative, relating to all federal and provincial authorities.

v. Local Manufacturing of SIMs and Smart Cards

Evidence suggests that approximately 07 million SIM cards and 10,000 banking cards are being imported in Pakistan every month. The current import regime for SIMs and smart cards incentivizes their importation. Moreover, these imported SIMs/smartcards pose security concerns as identified by the concerned authorities. Therefore, a Committee on Local Manufacturing of SIMs/Smart Cards was constituted by the Prime Minister comprising of all relevant stakeholders, keeping in view the cross-sectoral implications, with the Ministry of Information Technology & Telecom as the lead. A report on the matter has been completed and submitted to the Office of the Prime Minister for consideration.

B. Infrastructure Development in Unserved and Underserved Areas of the Country:

Projects are being designed under different categories each of which bridging the gap of necessary services and associated systems to connect the unconnected people in the unserved and underserved areas of the country.

i. Broadband for Sustainable Development (BSD) Programme:

BSD is a flagship programme to establish telecommunication infrastructure that provides coverage of voice and broadband internet services to unserved mauzas across the country. Universal Service Fund (USF) has launched 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 8,000 unserved mauzas throughout the country have been provided with coverage through USF. In the current fiscal year, 366 mauzas have been served by USF under previously running projects. Moreover, Rs 1.3 billion have been disbursed upon completion of different project milestones. Furthermore, USF has signed a contract, worth Rs 90 million, for a new project to provide services in 411 uncovered mauzas of South Waziristan Agency and Tank.

ii. Next Generation(NG)-Broadband for Sustainable Development (BSD) Programme:

The target areas are unserved and underserved mauzas. Approximately, 30 million unserved and underserved people in 46 districts will benefit from this programme in the next 4 years. To date, projects have been launched targeting 45,538 unserved and underserved mauzas having an approximate population of 12 million in 19 districts.

In the current fiscal year, contracts for 8 projects, worth approx. Rs 3.33 billion have been awarded to provide NG-BSD services in the districts of Matiari, Tando Allahyar, Hyderabad, Tando Muhammad Khan, Badin, Sujawal, Bahawalpur, Rahim Yar Khan, Bahawalnagar, Tharparkar, Mirpur Khas, Layyah, and DG Khan. Through this allocation, 5,057 unserved and underserved mauzas containing 9.2 million population is being targeted.

iii. Next Generation BSD Programme for National Highways and Motorways:

This programme targets unserved areas along the national highways and motorways across the country. It is estimated that around 7,700 km of routes are currently unserved. A salient feature of this programme is national roaming, which facilitates commuters to get seamless coverage irrespective of their originally subscribed networks. These will be first of their own kind projects to offer this facility in Pakistan.

In the last fiscal year, 3 contracts were signed to cover 1,795 km of un/underserved road segments along the National Highways N10, N25, N65, N50, and N70. It is expected that more projects under this category will be launched in the next fiscal year. In the current fiscal year, to date, USF has completed the provision of NG-BSD services along 366 km of un/underserved road segments with Rs 0.89 billion disbursements for NG-BSD Projects.

iv. Optic Fiber Cable (OFC) Programme

The USF OFC programme is concentrating on connecting the unserved Tehsil Headquarters (THQs), and major towns' re-route. To date, 7,230 km of OFC has been laid, and 1,234 THQs and towns have been provided with the connectivity. In the current fiscal year, USF has planned to launch its FATA Package-2 targeting OFC connectivity to 40 THQs and towns with the help of 837 km of OFC in the agencies of Bajaur, Mohmand, Khyber, Orakzai, Kurram, Peshawar and Kohat. The programme was initiated in 2007, and to date, USF has covered 552 cities and towns and has established a customer base of more than 780,000 subscribers.

2. Information Technology Sector

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 (PSEB) 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.

IT Exports and Remittances

There has been a consistent growth in IT, and IT-enabled services (ITeS) remittances over the last 5 years, with a compound annual growth rate (CAGR) of 19.5 percent, the highest growth rate vis-a-vis all other industries, and the highest in the region. Pakistan's IT and ITeS exports have crossed $ 4.1 billion during FY2019, with export remittances nearing $1.0 billion. Micro enterprises, independent consultants, and freelancers have contributed an estimated $500 million in IT and ITeS exports, whereas annual domestic revenue exceeds $1.0 billion.

It is pertinent to mention here that IT and ITeS export remittances have surged to $ 887.470 million at a growth rate of 26.24 percent during July-February 2019-20, in comparison to $ 702.990 million during the same period last year. The reported foreign direct investment (FDI) inflow in the ICT sector (IT and Telecom) for the period of July 2019 - March 2020 is $ 605.8 million. Pakistan is the 5th most financially attractive location in the world for offshore services, according to A.T. Kearney's Global Services Location Index. In addition, freelancers and independent consultants are making their own mark in IT-enabled services as Pakistan is ranked as the 4th most popular country for freelancing as per initial data for 2019 of Online Labor Index by Oxford Internet Institute (OII).

3. Infrastructure Development for IT Facilitation

i. Establishment of Information Technology Parks

The Software Technology Parks (STPs) are a major factor in facilitating the IT companies and play a major role in the development of the IT industry. A new state of the art IT Park in Islamabad is being established under financing from Korea Exim Bank through the Economic Development Cooperation Fund (EDCF), with more than 61,000 square meters of covered area. It shall be a G+9 structure with two basements for parking. The total land available for IT Park Islamabad is 14.9 acres located in Chak Shahzad. The estimated cost of this project is $ 88.383 million for which the loan agreement has been signed, and the design phase of the project is now in progress. This project shall be completed and become operational in 2022. In addition to the above, a consortium of Korean consultants has been engaged to conduct a detailed feasibility study of establishing an IT Park in Karachi. The feasibility study is almost complete and project, worth $ 186 million, is expected to be funded through EDCF of Korea Exim Bank.

ii. Establishment of Disaster Recovery Site for National Data Center (NDC) at Lahore

The national-level E-Government platform is running on NDC at National Technology Council (NTC) headquarter in Islamabad, which is compliant to international standards. To further improve the availability and reliability, NTC is establishing a geographically distant disaster recovery site in Lahore to overcome untoward scenarios in the face of natural calamities or national emergencies with a cost of around Rs 600 million, which will be operational in a couple of next months. This data center facility will essentially be a valuable addition to digital infrastructure for the public sector of the country.

4. Legislative Measures for ICTs

The Ministry of Information Technology & Telecom has reinitiated the stalled process of the formulation of the country's first Personal Data Protection Act. In this regard, all comments received from stakeholders have been reviewed and appropriately incorporated. The draft has been updated, keeping in view the challenges, international best practices, and overall impact. The updated draft will be circulated/uploaded on the website for the final round of consultation in the 4th quarter of FY2020.

Peoples Development Programmes

i. Digital Skills Training Programme 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

ii. Capacity Building of the IT Industry

PSEB has assisted quality certification of 05 IT companies at ISO 27001: 2015, 05 at ISO 20000-1, 02 companies on CMMI Level-2, 03 Companies at CMMI Level-3, and 01 companies on CMMI Level-5. Whereas, certification of 10 IT companies is in process on ISO27001/20001/CMMI/L2/L3/L5.

iii. Capacity Building of IT Professionals

PSEB aims to create a highly-skilled resource pool within Pakistani IT industry by training 10,000 IT industry professional and IT graduates to match 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. The project was launched in December 2019, and registration of the applicant is in process.

Solicitation and Funding Activities

Ministry of Information Technology & Telecom has been focusing on 4th industrial wave technologies over the past three years. This includes, but not limited to, the following areas:

1. 3D/4D printing
2. Augmented reality (AR)/virtual reality (VR)
3. Big data/artificial intelligence (AI)
4. Block chain
5. Cloud
6. Neurotech
7. Robotics
8. Shared economy
9. Internet of things
10. Wearables/Implantable

Under the unsolicited stream, applications are accepted throughout the year from aspiring applicants both from academia and industry (especially the startups), thus creating the right balance between pure research and product development. From July to March FY2020, 27 new technology research and development (R&D) and innovative product development projects worth Rs 679 million were submitted that are at various stages of evaluation. These projects span over telecom, health, energy, agriculture, aviation, and education sectors. Some of the technology areas targeted by these projects include AR/VR, AI/Big data, robotics, cloud, and shared economy.

National Grassroots ICT Research Initiative (NGIRI)

The programme is aimed to promote R&D and innovation at the grassroots level by providing financial support to selected final year projects (FYP) of undergraduate students enrolled in ICT related disciplines of public and private sector institutions. NGIRI 2019 was launched on 19th March 2019, and total 2,124 FYP applications were submitted for evaluation. During July - December FY2020, a total of 815 FYP applications of worth Rs 44 million were approved for funding.

Pakistan Telecommunication Authority

PTA continued to support and stimulate innovation for the benefit of the citizens and the economy and introduced new technology such as 5G, which has already been tested and will reshape the social and economic fabric of our society. International Telecommunication Union (ITU) has also recognized PTA efforts by declaring it as the only regulator in South Asia that has reached the 4G level of ITU's ICT regulatory tracker. PTA is also making efforts to be included in G5 level regulators in the world. Some of the major initiatives are highlighted in the following paragraphs.

Device Verification System (DIRBS) on Road to Success

PTA has successfully launched DIRBS in the current fiscal year, and very encouraging results have been witnessed in terms of evaporating grey market, a substantial decrease in illegal/counterfeit devices, a significant drop in snatching/theft of devices and increased revenue to the government. FBR collected revenue of over Rs 28 billion in the first 6 months of FY2020 from mobile import taxes, which is expected to cross Rs 50 billion by the end of the fiscal year as against Rs 22 billion last year showing a potential increase of about 127 percent.

PTA has also facilitated local manufacturing/assembling of mobile devices. Local manufacturing has been kick-started, and Pakistan produced over 11.7 million handsets in 2019, which is 126 percent higher than the previous year. Commercially imported legal handsets for the same period stood at 16.3 million, which is 26 percent higher than the previous year. A total of 1,597,388 individuals have registered their devices during January-March 2020 out of which 666,767 registered through the FBR baggage rule exemption and others 1,378,099 registered after the payment of FBR custom duties. Commercial imports and locally assembled devices have increased tremendously after the launch of DIRBs in January, 2019.

CMOs' license renewal

Three mobile licenses renewals are under process, and companies have already deposited $ 688 million in the national treasury, which is 50 percent of the total amount. This was done as per Government of Pakistan's Policy Directive dated 09 May, 2019 for renewal of the mobile cellular license of three operators, i.e., Telenor, Jazz and CMPak setting per megahertz (MHz) renewal price for frequency spectrum in 900 MHz and 1800 MHz as $ 39.5 million and $ 29.5 million, respectively.

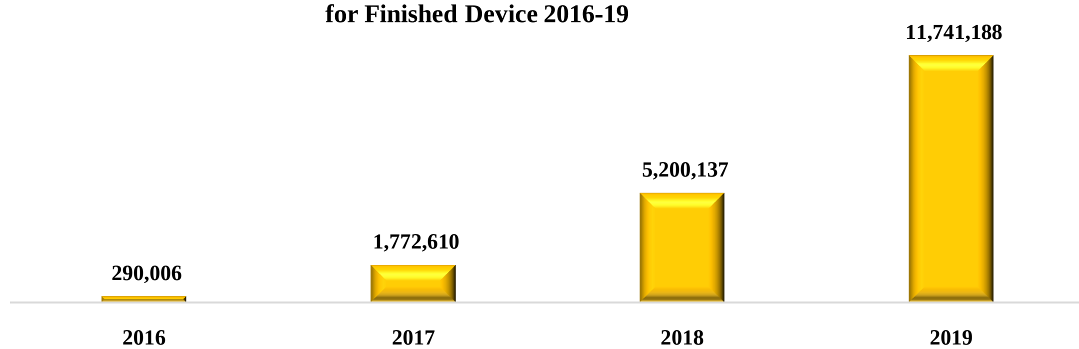
Introduction of 5G technology in Pakistan

5G is the latest technology which is available only in a few countries so far. To meet rising businesses and consumer's demand for faster and more reliable mobile broadband services, PTA has allowed operators to test new technologies such as 5G. This will enhance the productivity and competitiveness of businesses to reshape the socioeconomic fabrics of our society.

Local assembly of mobile handsets

To encourage local assembly, PTA is facilitating Pakistani businesses in setting up mobile handset assembly plants. So far, 31 companies have been given formal permission for local manufacturing and assembly. There were 11.74 million locally assembled devices in 2019 that were registered via PTA's DIRBS. Moreover, locally assembled devices in 2019 showed about a 126 percent increase over the last year, as shown in Fig-13.7. Locally assembled devices included over 70,000 4G phones in 2019. This initiative has created approximately 3,200 jobs and enabled young professionals to gain skills in this highly specialized and growing field.

Fig-13.7: Local assembly via PTA Certificate of Compliance (COC) for Finished Device 2016-19



Raids on Illegal Gateways

In order to curb the menace of illegal Gray Trafficking, PTA along with the Federal Investigation Agency (FIA) carried out successful raids on illegal Voice over Internet Protocols (VoIP) setups at Gujranwala, Karachi, Lahore, Mansehra, Multan, Mirpur AJK, Burewala and Sukkar between November 2019 and February 2020. In all, 45 raids were conducted, and 76 illegal gateways, numerous active SIMs, and other allied equipment, including routers, modems laptop, etc., were confiscated, and further interrogation is currently underway.

Digital Payments

In order to increase digital payments in Pakistan, PTA is facilitating the Asaan Mobile Account (AMA) scheme under the National Financial Inclusion Strategy (NFIS) aimed at bringing the lower-income bracket population into formal financial services. Currently, there are over 1,309 million annual mobile banking transactions with an annual volume of over Rs 4.5 trillion. It is expected that after the launch of the AMA scheme, accounts and transactions will increase by many folds.

Consumer Support Centre (CSC)

To facilitate telecom consumers, PTA launched a CSC with efficient and trained agents on 18th February 2020. The PTA CSC services are available 7 days a week from 9:00 AM–9:00 PM through a dedicated toll-free number: 0800-55055. The aim of the new CSC is to provide ease and facilitation to the public for lodging their complaints pertaining to telecom services. Consumers can register their complaints related to cellular mobile telephony, internet service providers, fixed/wireless telephony, device identification registration and blocking system, and web content reporting, such as blasphemy and pornography.

Pakistan Citizen Portal (PCP)

Prime Minister of Pakistan inaugurated online mobile application for PCP, where people can lodge complaints and concerned departments and offices are bound to respond in the specific timeline to address their complaints. Prime Minister Office is overseeing the progress on these complaints. PTA is also receiving complaints through PCP since 12th November, 2018. To handle these complaints, a dedicated department is available and working to resolve the complaints from the concerned telecom operator/licensee on top priority. The status of complaints is in Table 13.10.

Table 13.10: Complaints received through PCP (12 November 2018 to 31 March, 2020)

Complaints Received	25,882
Complaints Resolved	24,967
Redressal Percent	96.46%

Source: PTA

Telecom Sector Analysis

Telecom sector has emerged as one of the vibrant sectors of Pakistan economy, generating increased revenues, investment, and contributions to the national exchequer. From July 2015 to Feburary 2020, the telecom sector has attracted over $ 1.5 billion FDI inflows, whereas a total of $ 8.5 billion has been invested by telecom players in Pakistan since 2002.

Table 13.11: Telecom Investment $ Million

	2015-16	2016-17	2017-18	2018-19	2019-20 Jul-Feb
FDI (inflow)	377.9	116.4	288.5	235.5	555.6
Telecom Investment	719.0	971.7	792.6	635.3	426.7
Total	1,096.9	1,088.1	1,081.1	870.8	982.3

Source: PTA

Telecom Sector Contribution

The telecom sector is a significant source of revenue generation for the national treasury. During the first two-quarters of the FY2020, the telecom sector contributed Rs 173.22 billion to the national exchequer in terms of taxes, regulatory fees, initial and annual license fees, activation tax, and other charges (Fig-13.8).

Telecom Revenues

The commercial launch of 3G and 4G services has opened new opportunities for revenue generation for mobile operators and has enabled the development of new applications and database services. People of Pakistan are quickly adapting to these new technologies and services. Annual revenues from the telecom sector have reached an estimated Rs 553.8 billion during FY2019, up from Rs 440 billion last year, registering an annual growth of 13.3 percent. Revenues from the telecom sector have reached an estimated Rs 276.5 billion in the first two quarter of FY2020 (Fig-13.9).

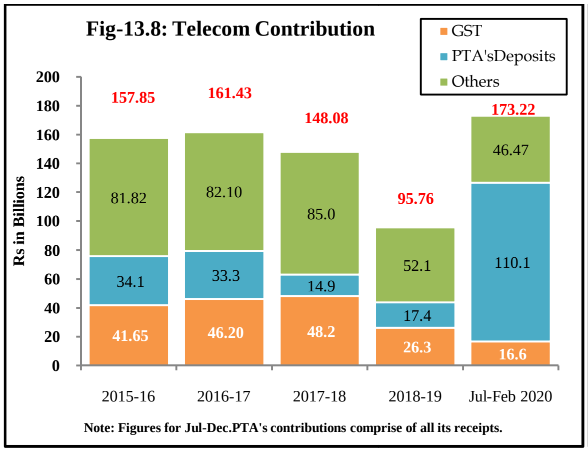


Fig-13.8: Telecom Contribution

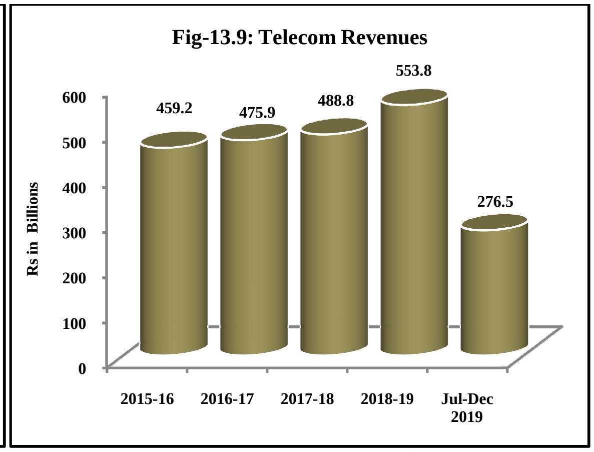


Fig-13.9: Telecom Revenues

Teledensity

Till the end of February 2020, total teledensity in the country reached 80.8 percent, registering a growth of 3.93 percent during July-February FY2020. The cellular mobile segment was the main contributor towards overall growth in teledensity as a fixed local loop (FLL), and WLL segments continued with its declining trend (Fig-13.10).

Cellular Subscribers

Cellular mobile subscribers (number of active SIMs) in Pakistan reached 168.9 million at the end of February 2020 compared to 161 million as of the end of June 2019, depicting the growth of 4.9 percent in eight months (Fig-13.11).

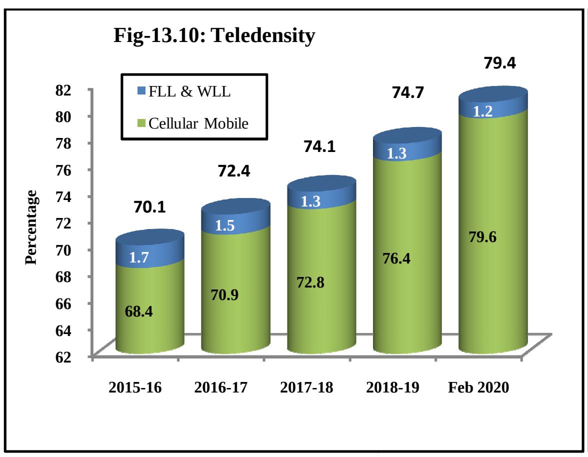


Fig-13.10: Teledensity

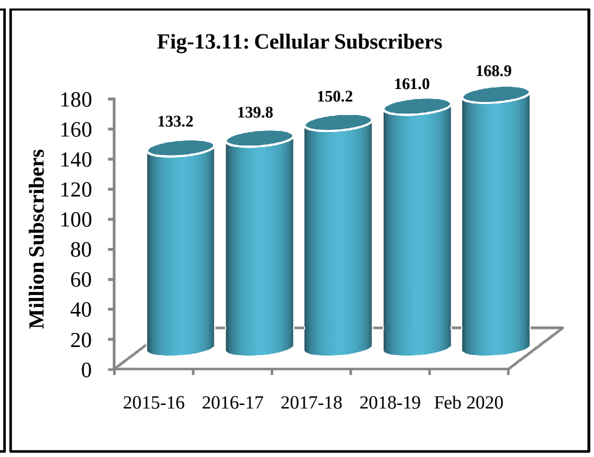


Fig-13.11: Cellular Subscribers

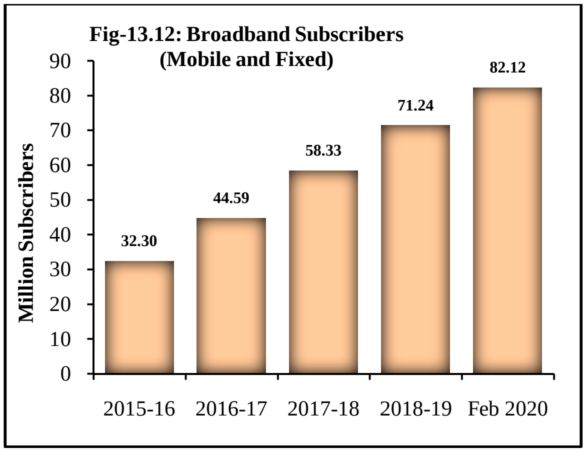
Broadband subscribers

Mobile and fixed broadband subscriber base showed strong growth from July to February FY2020. At the end of February 2020, broadband subscribers stood at 82.2 million as compared to 71.24 million in FY2019 (Fig-13.12).

Local Loop Subscribers

The subscriber base of the local loop segment has reduced to 2.45 million at the end of September 2019 as compared to 2.57 million as of June 2019. Net loss of 0.12 million subscribers has been reported translating into a negative growth of 4.9 percent from July to

September 2019. The closure of WLL connections and the mobile substitution effect has resulted in a gradual decline of the local loop subscriptions, as shown in Fig-13.13.



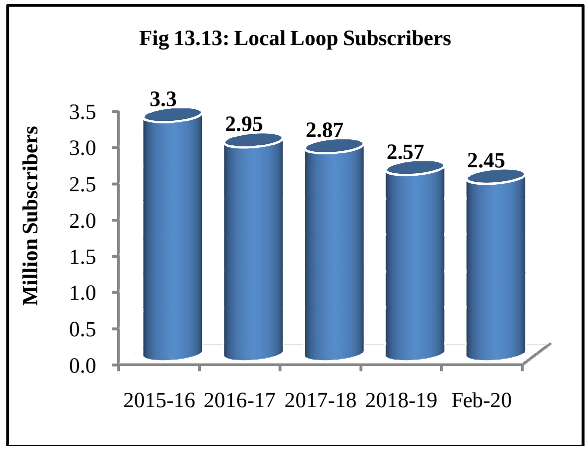


Table 13. 12: Local Loop Subscribers (Nos.)

Financial Year	Telephones (FLL & WLL)	Broadband Connections (Mobile & Fixed)	Mobile Phones
2013-14	5,231,731	3,795,923	139,974,754
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
Feb-2020	2,461,916	80,370,986	168,861,744

Source: PTA

Pakistan Electronic Media Regulatory Authority

Pakistan Electronic Media Regulatory Authority (PEMRA) has been established under PEMRA Ordinance 2002, as amended by the PEMRA (Amendment) Act, 2007. The aim is to facilitate and regulate private electronic media in Pakistan and to improve the standards of information and entertainment for enlarging the choice available to the people of Pakistan, including on the news, current affairs, religious knowledge, art and culture, and 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. It also facilitates the devolution of responsibility and power to the grassroots level by improving the access of the people to mass media at the local and community level. Finally, it ensures accountability, transparency, and good governance by optimization of the free flow of information.

Licensing Status (till March, 2020):

PEMRA issued 254 Licenses for FM Radio; the number was 240 till March 2019. Similarly, PEMRA issued 4,062 Cable TV Licenses; the number was 4,007 till March 2019.

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). Detail of financial contribution by PEMRA in national exchequer in recent years is reported in Table 13.13:

Table 13.13: Financial Contribution by PEMRA (in Rs)

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 (upto Dec-19)	-	3,728,000	3,728,000
Total:	**971,665,557**	**81,560,549**	**1,053,226,106**

Source: PEMRA

Economic Contribution

The growth of the media industry in Pakistan has multiplied rapidly during the last decade, with a cumulative investment of approximately $4-$5 billion. The sector is providing employment to more than 300,000 people. Moreover, new licenses would inject investment of approximately $2-$3 billion.

Pakistan Television Corporation Limited (PTV)

The government of Pakistan kept Rs 200.000 million for the project "Modernization of Camera and Production equipment of PTV."The government of Pakistan has released Rs 160.000 million from July–December against which PTV is importing electronic/IT equipment to upgrade its channels, including PTV-Home, PTV News, and PTV Sports from standard definition technology to high definition technology. The aforementioned equipment is expected to be imported by the last quarter of FY2020. PTV is trying its level best to improve signal quality to terrestrial network in the less developed areas of Pakistan, for which Digital Terrestrial Multimedia Broadcast (DTMB) project, supported by a Chinese grant, is in the pipeline. The number of registered TV sets holders as of 31st January 2020 are 20,528,134.

Pakistan Broadcasting Corporation (PBC)

PBC is one of the most important and effective electronic media, for the projection of government policies and aspirations of the people of Pakistan both at home and abroad. It also counters adverse foreign propaganda and negative perceptions. A budget of Rs 4,422.621 million has been allocated to PBC to meet employee's and operational related expenses for FY2020, and Rs 2,300.159 million was released to PBC from 01.07.2019 to 31.12.2019 for the expenditure of first two-quarters of FY2020.

Pakistan Post Office

Pakistan Post Office is one of the oldest government departments in the subcontinent. In

1947, it began functioning as the Department of Post and Telegraph. In 1962 it was separated from the Telegraph and Telephone and started working as an independent attached department. Pakistan Post is a state department that functions as Pakistan's primary and largest postal operator with 44,000 employees to make secure and timely delivery of mail, money, and material at the doorsteps of the customers at an affordable cost. An autonomous High-Powered Postal Services Management Board has been established through Pakistan Postal Service Management Board Ordinance, 2002.

Pakistan Post's Recent Initiatives

Pakistan Post has recently taken important initiatives to provide the most efficient postal services to the people of Pakistan. The details are as follows:

i. Pakistan Post Mobile Application

Pakistan post launched its own mobile application in December 2018, offering tariffs, postcodes, post office locator complaint registration, track, and trace and pick up facilities.

ii. Pakistan Post E-Shop

Pakistan Post has the capacity and commitment to deliver for online vendors for their cash on delivery products with proof of delivery and prompt reconciliation of their payments. Many international web portal operators have shown their interest in entering into the Pakistani market with the Pakistan Post as their delivery partner. This initiative was launched in February 2019 to capitalize on the fast-growing E-Commerce sector. Pakistan Post created its own web portal to register partners through the launching of Pakistan Post Online E-Shop, which offers partnership for delivery, collection and return services, counter booking, and co-branding in selling products. Pakistan Post has registered 1,770 partners to date.

iii. Pakistan Post's Facebook Page

Pakistan Post is maintaining a Facebook page to receive feedback and suggestions for improvement in postal operations from the public and takes immediate appropriate remedial steps for further improvement.https://www.facebook/pakistan post office

iv. Computerized Pension Payment System

Over 1.7 million pensioners have been drawing pension from Pakistan Post through computerization of Military Pension Payment System, which is available at all Government Post Offices (GPOs). The pensioners are receiving the pension in a convenient environment. Pakistan Post is also disbursing pension to over 49,175 Pakistan Telecommunication Company Limited (PTCL) pensioners every month.

v. Achievements of Saving Bank

Table 13.14: Progress of Saving Bank

S.No.	Description	Number(s)
1	Total Number of Accounts on 31-12-2019	2,174,707
2	Total closing balance on 31-12-2019 (Rs Million)	200,168.718
3	Total commission till 31-12-2019 (Rs Million)	905.936

Source: Pakistan Post

vi. Western Union Money Remittance Business:

During July-December FY2020, Pakistan Post has received foreign remittance amounting to $30.860 million, equivalent to Rs 4,832.505 million.

vii. Benazir Income Support Programme (BISP):

A Complete web-enabled tracking and monitoring system for disbursement of funds for BISP has been evolved that includes continuous processing, monitoring, and reconciliation of the specialized money orders scheme. During July-December FY2020, a total of 71,442 BISP money orders along with funds of Rs 71.442 million were received from BISP authorities with 60 percent MOs out of the aforesaid funds amounting to Rs 42.865 million have been paid.

viii. Achievements in International Postal Services

Pakistan post received more volume of mail than it dispatched for delivery. Thus it always remains net-creditor. Pakistan Post received an amount of Rs 72.407 million during the period from July 2019 to December 2019 on account of terminal dues for the imbalance of international mails received from and dispatched to other countries.

ix. First Micro Finance Banking (FMFB)

Pakistan Post has earned Rs 2.740 million during the period from July-December FY2019 through commission on disbursement/recovery of FMFB loans and services/space provided to the FMFB operators.

x. Joint International Remittance Service with NBP

Five hundred designated post offices across the country are offering foreign exchange disbursement service, and payment is made after biometric verification. During July-December FY2020, 894 remittance payments have been made by designated post offices, and an amount of Rs 58.252 million was paid.

Postal Life Insurance (PLI)

PLI is the brainchild of the Ministry of Finance, and Pakistan Post serves as its agent. However, Director General, Pakistan Post, is exclusively responsible for managing, organizing, and controlling its operations and marketing its various products. PLI is exempted from corporate and income tax. All the money generated is invested in Post Office Insurance Fund controlled by the Ministry of Finance. Pakistan Post gets a return at the prevailing government investment return rates. This policy ensures the security of funds, attractive return, and increased public confidence. The update about PLI for the period from July, 2019 to November, 2019 is given below:-

Fresh Policies:

No. of Fresh Policies Issued	=	7,520
Fresh Premium Income	=	Rs 252.910 million
Sum Assured	=	Rs 3,302.478 million

Inforce Policies:

No. of Policies	=	441,189
Premium Income	=	Rs 3,225.307 million
Sum Assured	=	Rs 80,173.497 million

Philately:

The Commemorative Postage Stamps issued for the period from July 2019 to February 2020 are reported in Table 13.15.

Table 13.15: Commemorative Postage Stamps

1	70th Anniversary of the Commonwealth Organization (1949-2019)	14-08-2019	Rs 20/-
2	Commission on Science & Technology for Sustainable Development in the South (COMSATS)	04-10-2019	Rs 20/-
3	Japan's International Cooperation Towards Pakistan	22-10-2019	Rs 20/-
4	30th Years of the Convention on the Rights of the Child (CRC)	04-11-2019	Rs 20/-
5	550th Birthday Celebrations of Sri Guru Nanak Dev JI (1469-2019)	12-11-2019	Rs 20/-
6	Commemorative Postage Stamp on Golden Jubilee Celebrations of OIC	30-12-2019	Rs 50/-
7	100th Birthday of Shaheed Hakim Muhammad Saeed.	10-10-2020	Rs 20/-
8	Commemorative Postage Stamp on Kashmir Solidarity Day	05-02-2020	Rs 20/-
9	High Level International Conference in Islamabad on 17-18-2020 to 40 years of presence of Afghan Refugees in Pakistan.	17-02-2020	Rs 20/-
10	Issuance of Commemorative Postage Stamp on Mr. Muhammad Ali Under the Stamp Series "Tehreek-e-Pakistan K Mujahid".	18-02-2020	Rs 20/-

Source: Pakistan Post

Number of Post Offices as on February-2020

Summary of rural and urban post offices is provided in Table 13.16:

Table 13.16: Post Offices (Nos)

Urban	Rural	Total
1717	8352	10069

Source: Pakistan Post

Conclusion

Transport and economic activity are inextricably bound together. A well-developed and functioning transport and communication infrastructure improves business's productivity and efficiency by helping them realize agglomeration, economies of scale, economies of scope, and network externalities benefits to stimulate export, investment, and growth for jobs and welfare gains. Transport and communication sectors in Pakistan are extensive, varied, and serve a population of over 211 million people. In recent years, new national highways have been built, with the addition of motorways which have improved trade and logistics within the country. Pakistan's rail network is also undergoing expansion in recent years. Airports and seaports have also been built through foreign and domestic funding. Central Asia is traditional, an economically closed region owing to its geography and lack of developed infrastructure; however, with the development of the economic connectivity and integration projects under the CPEC and the CAREC programme, the region will have greater access to the sea and to the global trade network. Moreover, improved regional connectivity and integration with Central Asian countries, People's Republic of China and other neighboring economies can have a significant positive impact in Pakistan through markets, ideas and people linkages to enhance trade and tourism and attract investments that will create jobs and other opportunities to ultimately drive sustained high inclusive growth in Pakistan.

ENERGY

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 demand supply gap, which needs to be filled up along with improvement in energy-mix for its supply at lower cost. 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 may be attributed to declining natural gas reserves as well as to the introduction of LNG since 2015. The share of renewable has steadily increased over the years (% share, however, in July-April 2020 has declined as compared to same period in 2019). The shares of Hydro and nuclear in energy-mix have also increased in FY2020 as compared to FY 2019. Such historical variability for each energy source in the energy mix of the country has been used to formulate the Integrated Energy Plan. The Integrated Energy Plan will not only help in envisioning the energy demands and respective supply paths of the future but also to formulate evidence based long term policy options.

Global and Regional Perspective

Energy systems around the world are going through rapid transitions that will bring important changes to the way we fuel our cars, heat our homes and power our industries. These trends will have widespread implications for businesses, governments and individuals in the coming decades. A competition is underway among coal, natural gas and renewable to provide economic power and heat to Asia's fast-growing economies. Coal is the incumbent in most developing Asian countries. Renewable, led by China and India are the main competitors to coal in Asia's power sector. Developing Countries in Asia account for over half of the global growth in generation from renewable. Demand for natural gas has also been growing fast as clean fuel of choice for industry. An increase of over 70 percent in Asia's natural gas consumption comes from imports, largely from LNG; however, the competitiveness of this gas in price-sensitive markets remains a key uncertainty. Regionally, primary energy demand in the Asia Pacific region is expected to grow by over 40 percent by 2040, based on the International Energy Agency's central scenario, accounting for two-thirds of the global growth.

Electricity

Pakistan's Generation Capacity and Energy Mix

Share in Electricity Generation

The hydro share in total electricity generation has increased in FY2020 as compared to its share in FY2019. Currently, thermal has the largest share in electricity generation. Gas and RLNG are other cheaper sources. Significant growth of RLNG usage in energy mix has helped in improved supply to various power plants like Bhikki, Haveli Bahadur Shah, Balloki, Halmore, Orient, Rousch, KAPCO, Saif and Sapphire. Moreover, RLNG is also being supplied to fertilizer plants, industrial and transport sectors. The comparison of share of different sources of electricity generation is given below:

Table 14.1: Share in Electricity Generation (GWH)

	2019 (Jul-Apr)	2020 (Jul-Apr)	% Share 2019 (Jul-Apr)	% Share 2020 (Jul-Apr)
Hydroelectric	24931	27270	25.8	30.9
Thermal	61003	51629	63.0	58.4
Nuclear	2903	7049	3.0	8.2
Renewable	7955	2057	8.2	2.4
Total	96792	96382	100	100

Source: Ministry of Energy, (Power Division)

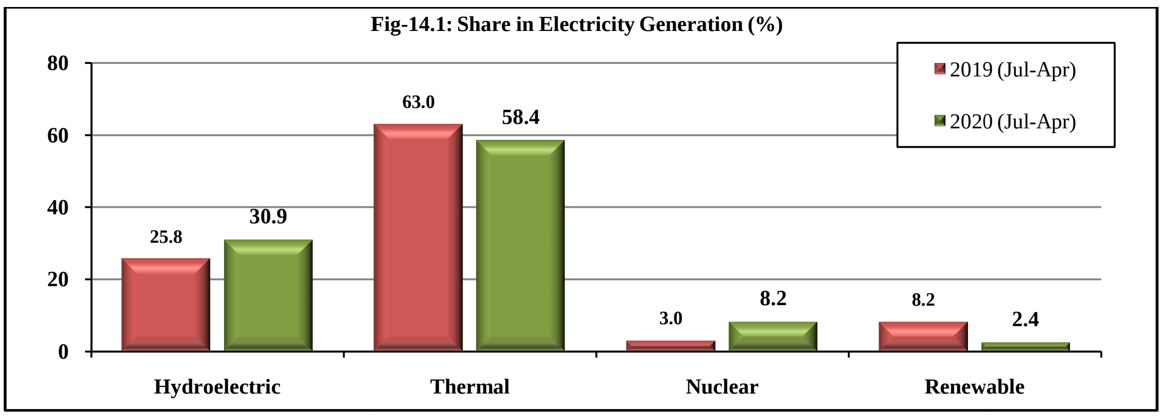
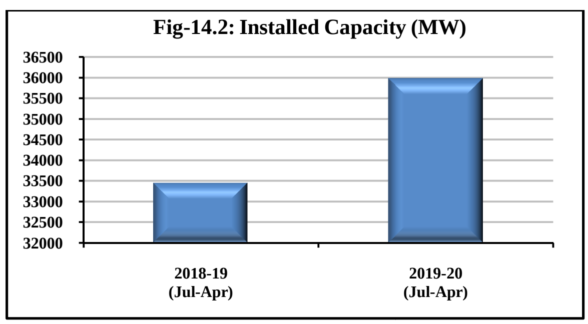


Table 14.2: Installed Capacity

Installed Capacity (MW)	2018-19 (Jul-Apr)	2019-20 (Jul-Apr)
	33,452	35,972

Source: Ministry of Energy, (Power Division)

Till April, FY2020, installed capacity of electricity has reached to 35,972 MW, which was 33,452 MW in April 2019, posting a growth of 7.5 percent



Electricity Consumption

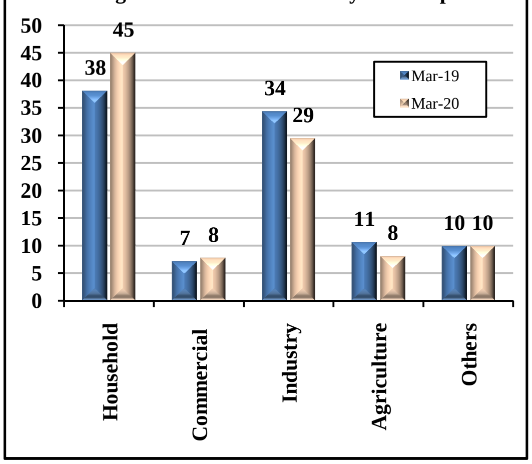
Regarding consumption pattern, there is no significant change in the consumption pattern of electricity. However, during July-April FY2020, the share of agriculture in electricity consumption has been decreasing which may be attributed to improved rain pattern for major crops. The share of Household in electricity consumption has increased. The comparison between consumption patterns of electricity during March 2020 with corresponding period last year is shown below:

Table 14.3: Share in Electricity Consumption				
Description/ Sectors	UNITS SOLD (MWH)	UNITS SOLD (MWH)	% Share	% Share
	Mar-19	Mar-20	Mar-19	Mar-20
Household	2,180,190	2,296,190	38.07	44.90
Commercial	407,580	394,915	7.12	7.72
Industry	1,966,390	1,505,957	34.34	29.45
Agriculture	606,180	411,257	10.58	8.04
Others	566,700	505,245	9.90	9.88
Grand Total	5,727,040	5,113,567	100.00	100.00

Oil Sector

The consumption of petroleum products (energy products) in Pakistan is 19.68 million tonnes/annum against the supply of 11.59 million tonnes per annum from local refineries, while rest of the 8.09 million tonnes/annum is being imported.

Fig-14.3: Share in Electricity Consumption



Oil prices have crashed and lost over 60 percent of its values in last few months owing largely to non-agreement between OPEC and non-OPEC major crude producers on cutting world production and the sharp decline in demand due to closing down on industries, tourism and service sectors across the world due to COVID-19 pandemic. For the first time in history, the settlement price for WTI crude on 20-04-2020 was negative $40.0; however international bench mark i.e. Brent crude plunged to 22 $/barrel and recovered to 30 $/barrel during 2nd week of May 2020.

The Government of Pakistan has shared the benefits of lower petroleum with the population by reducing petroleum prices frequently in the recent past; the government has reduced the prices of various petroleum products ranging from Rs 15 to Rs 30 on May 1, 2020. Earlier, the petroleum products prices were decreased by Rs 7 per liter for the month of March and subsequently, Rs 15 per liter in April. Pakistan imports $15-$16 billion worth of oil annually and in the current scenario, the Government can save up to $8-$9 billion. If the government passes 50 to 60 percent of the benefit of the drop in oil rates to the public, it may generate sizable economic stimulus.

The total refining capacity of the country is 19.37 million tonnes; however, the same is not being fully utilized on account of financial as well as technical problems. On financial side, the present Government after taking over, made concerted efforts to clear the circular debt, however, the same continued to rise. The government is engaged with IMF and World Bank to address it appropriately, to ease down the liquidity problem.

On the other side, most of the refineries in Pakistan are old version except PARCO. Such refineries produce more than 40 percent of Furnace Oil (FO), which is the lowest price value product. A refinery producing large quantities of FO is generally a money loser or has squeezed margins based on the pure crude/product price differential.

The Petrol consumption in the country is 7.6 million tonnes/annum, out of which 30 percent is being catered from local refineries and rest is being imported to meet the National Demand. Similarly, the consumption of Diesel is around 7.3 million tonnes/annum. The local production can meet 65 percent of the total demand, while rest is being imported.

At refining side, five refineries namely; PARCO, NRL, PRL, APL and Byco are operating in the country. Byco leads with major share in installed capacity by 38 percent followed by PARCO and NRL by 23 percent, 15 percent respectively. Whereas, APL and PRL possess 13 percent and 11 percent share respectively in domestic installed capacity.

Table 14.4: Detail of Oil Refineries

S. No.	Name of Refinery	Capacity	Area
1.	Pak Arab Refinery Limited (MCR)	100,000 bbl/d	Multan
2.	Attock Refinery Limited (ARL)	53,400bbl/d	Rawalpindi
3.	Byco Petroleum Pakistan Ltd (Byco)	150,000bbl/d	Hub Balochistan
4.	National Refinery Limited (NRL)	64,000bbl/d	Karachi
5.	Pakistan Refinery Limited (PRL)	50,000bbl/d	Karachi

There are thirty Oil Marketing Companies (OMCs), in the Country, major are; Pakistan State Oil Company Limited (PSOCL), Shell Pakistan Limited (SPL), Total Parco Pakistan Limited (TPPL), Attock Petroleum Limited (APL), Gas & Oil Pakistan Private Limited (GOPPL) and Hascol Storage Limited (HPL, Among these OMCs, PSO leads with an overall market share of 42.5 percent, followed by APL with 10.9 percent, TPPL 10.3 percent, HPL 9.8 percent and SPL 8.3 percent.

OMCs receive, store, distribute / market the petroleum products in the Country by utilizing their supply arrangements and infrastructure, comprising of OMC's Installations, Storage Depots, Oil Pipelines and Retail Outlets, etc. The bulk of 19.68 million tonnes of petroleum products required by the Pakistan's market is transported by Road (around 74 percent), Oil pipelines (24.4 percent) and Railways (1.5 percent). The OMCs (i.e. PSO, SPL and TPPL) hold equity partnerships in the White Oil Pipeline (WOP), which provides the strategic infrastructure to transport petroleum products from Karachi to the Up-Country locations. WOP has a transportation capacity of 12 million tonnes / annum.

There are around 8567 OMC's Retail Outlets in the Country. PSO has the largest share of around 3,487 Retail Outlets, Moreover, the OMCs are managing a fleet of more than 12,000 tank lorries for the movement / supply of the petroleum products.

Gas Sector

Natural Gas is a clean, safe, efficient and environment friendly fuel. Its indigenous supplies contribute about 38 percent in total primary energy supply mix of the country. Pakistan produces around four (4) Billion Cubic Feet Per Day (Bcfd) of indigenous natural gas against an unconstrained demand of over six (6) Bcfd. To meet the shortfall, the GoP has initiated the import of LNG. Pakistan has an extensive gas network of over 12,971 Km Transmission 139,827 KM Distribution and 37,058 Services gas pipelines to cater the requirement of more than 9.6 million consumers across the country. Government of

Pakistan is pursuing its 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 Storage and Re-gasification Unit (FRSU) to Re-gasified Liquefied Natural Gas (RLNG) is 1200 MMCFD and accordingly RLNG is being imported to mitigate gas demand-supply shortfall.

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. It an emerging sector of energy in Pakistan and OGRA is empowered to regulate the LPG sector under the OGRA Ordinance, 2002 and LPG (Production & Distribution) Rules, 2001 w.e.f. 15th March, 2003. The total supply of LPG during July-March 2019-20 was 739,785 Metric Ton. Currently, there are 11 LPG producers and 200 LPG marketing companies operating in the country having more than 7,000 authorized LPG 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 2019-20, one (01) operational license of LPG Storage Terminal, three (03) licenses for construction of LPG Air-Mix plant, thirty-five (35) licenses for construction of LPG Storage & Filling plants and eighteen (18) licenses for operation of LPG Storage & Filling plants were issued. In addition, OGRA has also issued three (03) licenses for construction of LPG Auto Refueling stations and three (03) operational licenses for LPG auto refueling stations 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. LPG sector has also provided jobs to hundreds of unemployed people. During July-March 2019-20, an investment of Rs 3.72 billion approximately has been made in LPG infrastructure.

Around 76 percent of the LPG consumed is met with Local Production in Pakistan, whereas the rest is imported. Refineries, Gas Producing Fields and Imports are three main sources of LPG supply in the Country. LPG is gradually becoming popular domestic fuel among people who live in far-flung areas and where natural gas infrastructure does not exist. Currently, LPG accounts for about 1.2 percent of the total primary energy supply in the country. This low share of LPG in the total energy mix is mainly due to supply constraints and the higher price of LPG in relation to competing fuels like natural gas, wood etc.

The current size of LPG market is around 1,061,447 MT/Annum. It is primarily meant to supply for the domestic fuel requirement especially in natural gas starved areas and in peak times in the urban territories. The use of LPG as domestic fuel shall deter deforestation in hilly areas and shall provide a comparatively healthier and hygienically safe alternative to the common citizens. GoP has taken a policy decision to allow use of LPG in the automotive sector to share the burden with conventional auto fuels. Subsequently, OGRA has laid down an elaborated regulatory framework for supply of LPG to the vehicles.

From 2008 onwards, OGRA started registration of LPG equipment manufacturing companies for the purpose to eradicate substandard manufacturing, sale and use of LPG equipments. Till March 2020, OGRA has pre-qualified 52 LPG equipment manufacturing companies as authorized manufacturer of LPG equipment.

Table 14.5: LPG Regional/Sectoral Consumption during FY2019 &FY2020

Sectors/ Regions	2018-19				2019-20			
	Domestic	Commercial	Industrial	Total	Domestic	Commercial	Industrial	Total
Federal Capital Area	10,712	9,469	8,533	28,714	6,289	7,181	2,551	16,021
Punjab	212,360	257,090	149,502	618,952	158,421	234,523	66,082	459,026
Sindh	25,607	47,148	30,117	102,872	18,749	41,601	20,936	81,286
Khyber Pakhtunkhwa	72,874	24,220	7,127	104,221	46,944	24,286	1,764	72,995
Balochistan	12,047	13,200	4,434	29,681	5,738	10,520	6,306	22,564
Northern Area	45,449	37,798	0	83,247	34,088	9,380	0	43,468
FATA	26,195	9,690	0	35,885	19,055	6,939	93	26,087
AJK	40,253	16,753	870	57,876	33,494	14,088	560	48,142
Annual (Ton)	**445,496**	**415,368**	**200,583**	**1,061,447**	**322,779**	**348,518**	**98,292**	**769,589**
Daily (Ton)	**1,221**	**1,138**	**550**	**2,908**	**1,174**	**1,267**	**357**	**2,799**

(Source: LPG Marketing Companies Reports)

Fig-14.4: Sectoral Consumption of LPG (M.Tons)

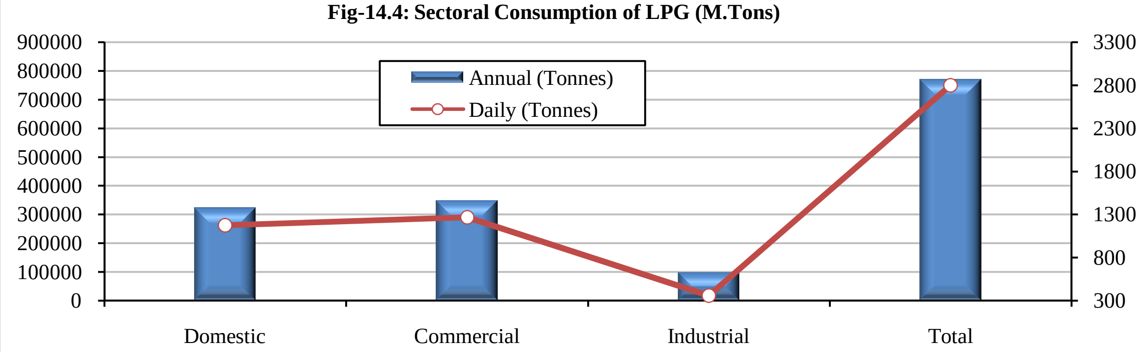
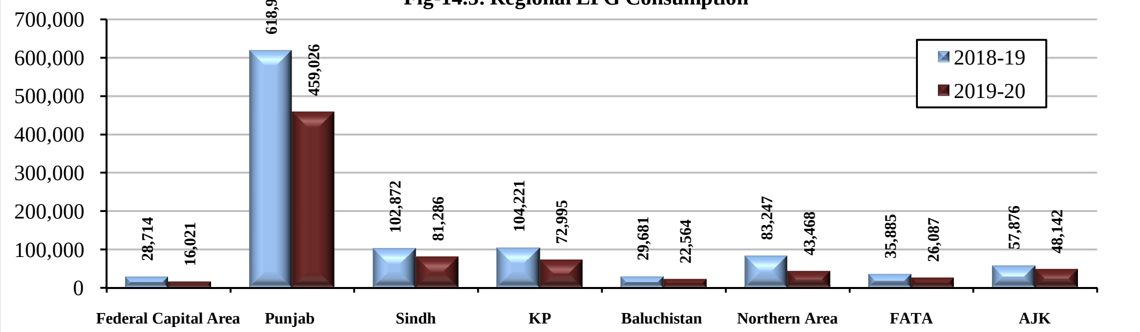


Fig-14.5: Regional LPG Consumption



Currently, LPG supplies are being met through three sources: refineries, gas producing fields and imports. The actual supply from refineries/producing fields is presented in following table and the respective share of each supply source in the total country-wide supply is shown in figure below.

Table 14.6: LPG Supply during FY2019 & FY2020

Sectors	2018-19		2019-20	
	Annual (Ton)	Daily (Ton)	Annual (Ton)	Daily (Ton)
Attock Refinery Limited	2,846	8	3,118	11
Pakistan Refinery Limited	16,065	44	10,355	38
National Refinery Limited	8,613	24	5,113	19

Table 14.6: LPG Supply during FY2019 & FY2020

Sectors	2018-19		2019-20	
	Annual (Ton)	Daily (Ton)	Annual (Ton)	Daily (Ton)
Pak Arab Refinery Company	120,773	331	74,579	271
Byco Petroleum	53,025	145	31,347	114
Refineries Sub Total	**201,322**	**552**	**124,512**	**453**
OGDCL	267,181	732	171,778	625
UEPL (Naimat Basal) formerly BP	24,400	67	9,185	33
OPI (Ratna, Ex-Meyal)	2,168	6		
JJVL	26,609	73	39,670	144
POL (Mayal-Pindhori)	15,920	44	10,462	38
PPL	94,324	258	64,629	235
MOL Pakistan	176,507	484	137,049	498
Fields Sub Total	607,108	1,663	432,773	1,574
Total Production (M.T)	808,431	2,215	557,285	2,026
LPG Import (M.T)	252,467	692	197,842	719
Total Production + Import (M.T)	**1,060,897**	**2,907**	**755,127**	**2,746**

Source: LPG monthly production reports of producers

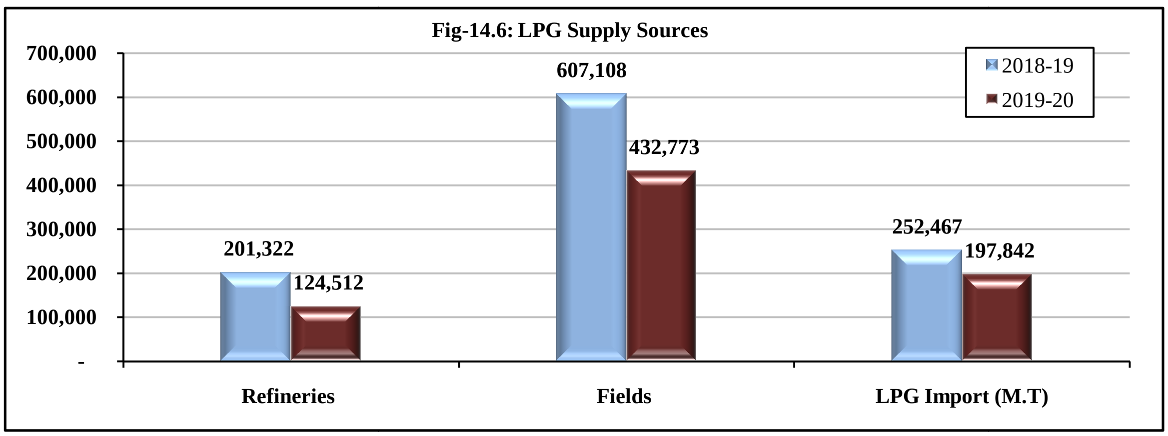


Table 14.7 Status of all LNG projects

Tabeer Energy (Private) Limited **TEPL**	• Provisional License timelines extended till August 2020. • With respect to the application for Construction License by TEPL, in house review has been done by OGRA. TEPL has submitted response to the shortcomings identified by OGRA and Pre-qualified consultants have been asked to submit financial bids for evaluation of construction license application.
Energas Terminal (Pvt.) Limited	• Company has been granted extension in Provisional License to file application for Construction License during last quarter of FY2020.
PGP Consortium Limited **PGPCL**	• The LNG terminal is operational and no application is pending w.r.t instant project. Compliance of License Conditions is regularly sought from the company.

Source: OGRA

Table 14.8: LNG Terminals in Pakistan:

S #	Company Name	Company Location	Terminal Location
1	SSGC LPG(Pvt.) Limited	SSGC GTI Building, Karachi, Terminal, Opposite Safari Park, Main University Road, Karachi.	Port Qasim
2	ENGRO Vopak Limited	4th Floor, Office Number 05, Dolmen City, HC# 03, Block 04, Scheme 05, Clifton, Karachi.	Port Qasim
3	Al-Qasim Gas (Pvt.) Limited	Office No. 04, 1st Floor, Safdar Mansion, Fazl-e-Haq Road, Blue Area, Islamabad.	Gwadar Port

Source: OGRA

Nuclear Energy

Pakistan Atomic Energy Commission (PAEC) is the sole department in Pakistan engaged in electricity generation using nuclear technology. There are five nuclear power plants operating on two sites in the country, one unit namely, Karachi Nuclear Power Plant (KANUPP) at Karachi and four units of Chashma Nuclear Power Plants (C-I, C-2, C-3 & C-4) at Chashma (Mianwali District of Punjab Province). The gross capacity of these five nuclear power plants is 1430 MW that supplied about 7,143 million units of electricity to the national grid during 1st July 2019 to 31st March 2020.

KANUPP, the oldest of the lot has surpassed its design life of 30 years and has, in fact, completed 48 years of safe and successful operation. The four units of Chashma are amongst the best performing electricity generating plants in the country, in terms of endurance and availability. Some performance parameters of these plants are presented in following table:

Table 14.9: PAEC's Performance Parameters

Plant	Capacity (MW)		Electricity sent to Grid (Million KWH)	
	Gross	Net	1st July 2019 to 31st March 2020	Lifetime upto 31st March 2020
KANUPP	100	90	119	14,649
C-1	325	300	1,391	39,160
C-2	325	300	1,966	20,192
C-3	340	315	1,643	7,951
C-4	340	315	2,024	5,907
Total	**1430**	**1320**	**7,143**	**87,859**

Source: PAEC

Two more units with a total output of 2200 MW are currently under construction near the KANUPP site in Karachi, the Karachi Nuclear Power Plants (K-2 and K-3). First concrete of K-2 was poured on the 20th of August 2015 and that of K-3 on the 31st of May 2016. Construction of K-2/K-3 is on full swing and is in its final stages with more than half of civil work already in place. Functional tests of different modules of K-2 are expected to start from March 2020 and the plant is likely to connect to the grid by the end of year. 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. A contract for its construction has been signed with China and extensive studies for site evaluation are currently underway.

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 2200 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 being investigated and acquired for development.

Ample technical and engineering infrastructure is already in place to support both the existing and the under construction nuclear power plants. Skilled manpower 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.

Coal

Massive energy resource in shape of coal exists in the country and further exploration in different areas is in progress but only a fraction of it is being utilized. In coming years, local coal use should be promoted to achieve larger contribution. Many coal mining and power generation projects are in process of development in Thar coal field. Imported coal power plants may also be required to consider mixing with Thar Coal. Spontaneous combustion is a potential problem for long distance transportation and long-term storage, and thus restricts Thar coal usage. A number of plants on imported coal have now started functioning like one in Sahiwal, two in port Qasim and one plant on indigenous coal has also started operations in Thar.

The volume of import cargo during July-December 2019 stood at 21.878 million tonnes, as against the 20.125 million tonnes handled during corresponding period last year, showing an increase of 8.7 percent. The major non-containerized imports were Coal, LNG, POL, Chemicals, Palm oil and Grain. The Coal imports were the largest imported cargo which represented over 34 percent of total import cargo.

Renewable/ Clean Energy

The Government of Pakistan is emphasizing on utilization of indigenous and environmentally clean energy generation resources. 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 a conducive environment for the sustainable growth of the clean energy sector in Pakistan in order to harness the potential of indigenous renewable energy resources.

Renewable Sector
Alternative Energy Development Board

The development of Alternative and Renewable Energy (ARE) Sector was initiated under a phased, evolutionary approach constituting a strategic policy implementation roadmap under Policy for Development of Renewable Energy for Power Generation, 2006 (RE Policy 2006). The aim was to increase the deployment of alternate renewable energy ARE technologies (ARETs) in Pakistan. The Government of Pakistan is proactively pursuing the exploitation and utilization of its indigenous power generation resources as a part of its vision in order to achieve strategic objectives of energy security, decreasing dependence on imported fuels and providing sustainable energy supplies for economic growth. The development of renewable energy based power generation projects is being pursued on IPP mode through private sector investors. ARE promises a higher proportion of the national energy supply mix and helps ensure universal and affordable access to electricity in all regions of the country.

Several ARE projects, initiated under the RE Policy 2006, were not able to proceed with their development due to restrictions imposed vide decisions taken by CCOE dated 12th December, 2017. Under the vision of the current Government to exploit clean energy resources and increase the share of ARE in the energy mix, the CCOE vide its decisions in case No. CCE-12/04/2019(V) dated February 27, 2019 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: 22 projects of 1199.3 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: 104 projects of more than 6000 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.

In compliance of the CCOE's decision, AEDB has actively been facilitating the said projects as per the criterion set by the CCOE. Twelve (12) wind power projects with a cumulative capacity of 610 MW have been facilitated to successfully achieve Financial Closing in November, 2019.

AEDB is also in process of formulation of RFP package for carrying out competitive bidding for projects falling under category-III. AEDB carried out consultative workshops on 27th and 29th November, 2019 on the draft RFP package for seeking inputs from all relevant stakeholders. The RFP package is under submission to NEPRA for approval.

New Alternative & Renewable Energy Policy

A new Alternative & Renewable Energy Policy (ARE Policy 2019) has been formulated consequent to expiry of RE Policy 2006 in March, 2018. 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 affordability of electricity, energy security, 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 new 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.
- ARE Policy 2019 envisages development of large scale ARE projects in all parts of the country through active participation of the provinces.
- Provinces are also part of the Steering Committee envisaged in the policy that will be carrying out the planning of ARE induction. Provincial energy departments will be carrying out competitive bidding process as per the annual ARE procurement plan approved by the AEDB Board 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 RE projects specifically wind and solar power projects will be developed through competitive bidding.

ARE Utilization & Distribution

Apart from large scale RE projects, the Government of Pakistan is also encouraging utilization of renewable energy technology at consumer ends across domestic, commercial and industrial sectors. Moreover, off-grid RE applications for village electrification requirements are also being promoted. Different activities under the following initiatives were carried out during the FY2020;

i. Net-Metering

In order to maximize the utilization of ARE technologies, NEPRA had announced NEPRA (Alternative & Renewable Energy) Distributed Generation and Net Metering Regulations, 2015 on September 1, 2015. These regulations provide the framework for implementing net-metering installations using solar and wind generation of up to 1 MW capacity. The first net-metering system of 1 MW capacity was installed at the Parliament House, Islamabad which has opened the door for net-metering based systems in all parts of the country.

During the period of July 2019 to March, 2020 more than 2300 new licenses were issued by NEPRA for net-metering based installation of approx. 34 MW. As of March, 2020 more than 4125 solar installations with a cumulative capacity exceeding 75 MW have been approved by NEPRA for net-metering.

ii. IFC Lighting Pakistan

AEDB with the support of IFC completed a four year program for creating awareness and bringing private sector investment in remote villages in Pakistan. The program successfully introduced IFC Global Standard products in off-grid villages in Sind Gilgit-Baltistan and Punjab. The program was aimed to address the lighting needs of consumers and give access to low-cost, high-quality, safe, reliable, and cleaner lighting products.

iii. RBF Off-Grid Electrification Pilot Project

AEDB undertook a pilot Result Based Financing (RBF) off-grid electrification initiative.

The project was executed in remote areas of Sindh and Punjab. The project resulted in inviting private sector companies to develop their businesses-cum-supply chain for off-grid solar solutions in the remote villages. The pilot project was completed in December 2019, which is expected to lead to full fledge programme in next year.

Initiatives Taken by AEDB for Development of ARE Sector

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 assisted State Bank of Pakistan in revision of SBP's Financing Scheme for Renewable Energy in order to make financing available for broader consumer categories and swift implementation. The facility has been extended till June, 2022. So far, six commercial banks namely JS Bank, Bank of Khyber, Habib Bank, Faysal Bank, Meezan Bank and Bank Alfalah already have announced their products under the SBP facility.

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. AEDB assisted Ministry of Science & Technology and Ministry of Commerce on development of mechanism for enforcement of the solar quality standards through announcement of SRO 604(I)/2019 requiring pre-shipment inspection (PSI) of solar panels and related equipment consignments imported into the country.

iv. AEDB engaged World Bank for developing strategy for implementation of new ARE Policy 2019 and undertaking competitive bidding for renewable power generation including localization of the manufacturing technology and advanced R&D.

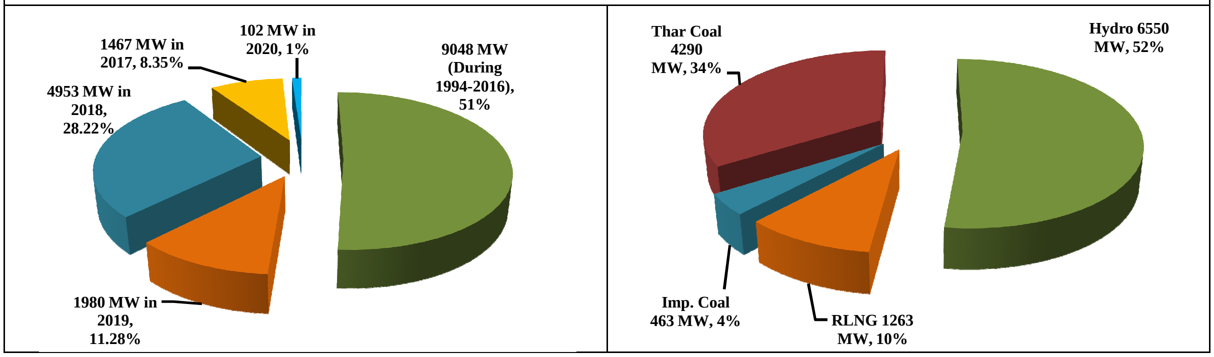
v. Continued collaboration with UNIDO in promoting biomass technologies, cluster development for promotion of biomass in industries, energy management practices in industries, mapping potential for utilizing renewable energy applications in major export oriented industries and imparting trainings to energy managers.

vi. AEDB collaborated with World Wind Energy Association (WWEA) in organizing a two-day Pakistan Renewable Energy Summit in September, 2019. AEDB invited policy makers, national and international experts, investors, developers, manufacturers and other stakeholders to enlighten them with global renewable power developments and potential for future growth in Pakistan.

Private Power and Infrastructure Board (PPIB)

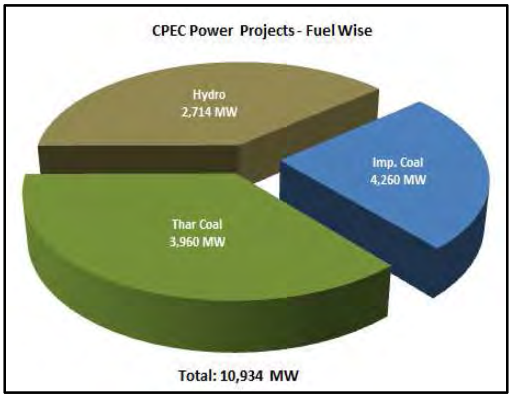
PPIB acts as a one-window facilitator/one- stop organization on behalf of GoP to promote, encourage, facilitate and safeguard private investment in power sector. PPIB was able to attract leading national as well as international investors and lenders to invest in country's power sector and has successfully managed to induct 40 independent power projects (IPPs) totaling 17,550 MW with cumulative investment outlay of around $ 20 billion.

Fig-14.7: Capacity Additions by PPIB 17,550 MW



During 2017-20, nine IPPs of more than 8,500 MW have already been commissioned out of the target of 16,600 MW by 2022. Overall all, eleven IPPs of 9,000 MW have been commissioned through PPIB since 2013 till-date of which around 7,000 MW have been added during 2018-19. Additionally, Matiari-Lahore Transmission Line Project is also being processed by PPIB which is set to come online by March 2021.

In addition to commissioned IPPs, PPIB is handling a diversified portfolio of twenty- six (26) hydro, coal & R-LNG based power generation projects of more than 12,500 MW and an HVDC Transmission Line Project covering the distance of around 900 kilometers between Matiari (Sindh) and Lahore (Punjab).



PPIB as frontline institution of the GoP in implementing majority chunk of energy portfolio under the flagship CPEC program has so far delivered significant results. The portfolio of CPEC based projects comprises of three (3) hydropower projects of 2,714, nine (9) coal based project of 8,220 MW, of which (4) coal based projects of 4,620 MW have been commissioned which include Pakistan's first Thar coal based 660 MW Engro Power generation project. Similarly, another three Thar coal based projects of 1,980 MW and two hydropower projects of 1,590 MW are at advance stages of development and lined-up to be completed during 2020-2022. From the overall portfolio of 12 power generation projects of 10,934 MW under CPEC, so far, four projects of 4,620 MW have already been commissioned which signifies that 42 percent of the CPEC energy program has successfully been implemented by PPIB.

Conclusion

The supply side bottlenecks in energy sector have adversely affected the economy of the country in the last decade and half. To ensure smooth delivery of energy services, efficient projects are being incorporated to the supply side. Although the added capacity in recent years has helped in easing the bottlenecks at generation side, yet the transmission and distribution side inefficiencies have hampered the sustained delivery of energy services. Moreover, the higher energy prices have also increased the cost of doing business.

Chapter 15

SOCIAL PROTECTION

The social protection system refers to designing and implementing targeted social and economic policies aimed at reducing poverty and income inequality by providing relief to the most vulnerable and marginalized sections of the society. Social protection aims to enhance the capacity of poor and vulnerable people to manage economic and social risks, such as unemployment, exclusion, sickness, disability, and old age.

According to World Bank's recent estimates, 10 percent of the world's population or 734 million people lived on less than $1.90 a day. In the wake of COVID-19, World Bank estimates that 40 million to 60 million additional people will fall into extreme poverty (under $1.90/day) in 2020, compared to 2019, depending on assumptions on the magnitude of the economic shocks. Under the pandemic, the global situation of poverty may become worse due to job loss, rising prices, disruptions in supply chains, loss of remittances, education, and health services, etc.

In Pakistan, owing to the government's welfare orientation and commitment towards the achievement of Sustainable Development Goals (SDGs), social protection has gained high priority, and the government is determined to prepare and implement all-inclusive social protection policies that have transparent and manageable targeting system. In the post-devolution scenario, both federal and provincial governments are jointly working towards the achievement of optimal social protection and minimum social exclusion.

Pakistan's multi-sectoral poverty reduction strategy encompasses targeted interventions, such as the Benazir Income Support Programme (BISP), alongside private philanthropy and improved access to microfinance. Key social safety initiatives include Pakistan Bait-ul-Mal, Zakat, and Ushr programmes, Employees Old-Age Benefits Institution (EOBI), the Worker's Welfare Funds (WWF) and provincial Employees' Social Security Institutions.

Pakistan is committed to poverty alleviation in line with the SDGs target Goal-1 "No Poverty" in all its manifestations everywhere by 2030. According to the Planning Commission, the poverty headcount ratio was 24.3 percent by estimating the poverty line for this period as Rs 3,250.28 per adult equivalent per month, which represented around 50 million people living below the national poverty line in 2015-16. The national poverty headcount ratio at $1.90 a day (2011 purchasing power parity, % of the population) showing a declining trend from 6.1 percent in 2013-14 to 3.9 percent in 2015-16. The COVID-19 is expected to have a negative impact on the Pakistan's economy, and the number of people living below the poverty line may rise from the existing figure of 50 to 60 million.

The present government has taken following initiatives to reduce poverty, provide income security, and to increase the population's access to social protection:

- Creation of a dedicated **Poverty Alleviation & Social Safety Division** to synergize the efforts of various organizations working for poverty alleviation and social protection in public and private sectors;
- Launch of **Ehsaas Programme** which, *inter alia*, includes inflation-adjusted BISP / *Ehsaas Kafaalat* cash transfers, asset ownership programme for graduation out of poverty, access to finance for the youth, graduate and undergraduate scholarships for the poor and needy students;
- Introduction of a **Relief Package of Rs 144 billion**, in the backdrop of COVID-19, to provide immediate cash relief of Rs 12,000 per household for four months to almost 12 million poor families under Ehsaas Programme;
- **Re-orienting PSDP** to include pro-poor and less-developed areas focused on projects;
- Expanding coverage of Prime Minister's Health Insurance scheme by launching the first phase of the countrywide **Sehat-Insaf Card Scheme** to provide free medical treatment to approximately 80 million people;
- Finalization of the **National Nutrition Programme** in order to upscale nutrition and ensure food security;
- Launch of ***Ehsaas-Saylani Langar*** **Scheme**, with an aim to reduce hunger and provide hygienic food to the poor, under the government's *Ehsaas* Programme;
- Construction of **'*Panagahs*'** in major cities to provide shelter to the homeless;
- **Extension of Conditional Cash Transfer (CCT) Programme (*Waseela-e-Taleem*)** to another 50 districts during 2020 which involves a cash transfer of Rs 750 and Rs 1000 per quarter to boys and girls respectively;
- Capitalizing on **Tele-health and Tele-education Facilities** to expand health and education coverage. The government has already launched these initiatives at the pilot stage, which will be further scaled up at the national level.

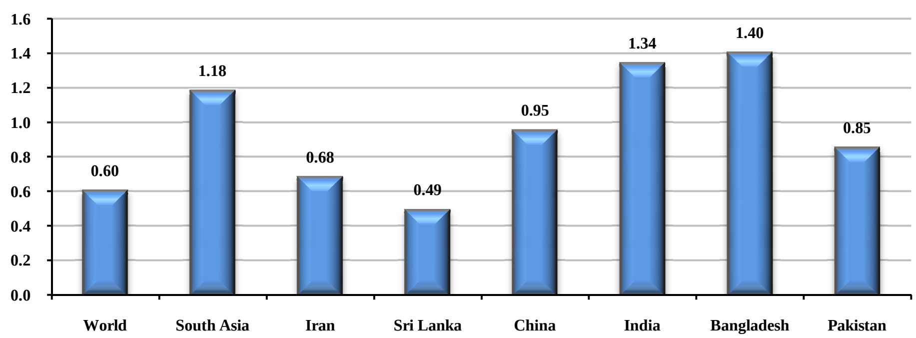
To accelerate the efforts to alleviate poverty, the present government has focused on Human Development on its three basic dimensions; a long and healthy life, access to knowledge, and a decent standard of living. According to UNDP Human Development Report 2019, Pakistan's ranking in the global Human Development Index (HDI) slightly declined to 152 in 2018 from 150 in 2017, out of 189 countries based on Health (life expectancy at birth), Education (Expected years of schooling) and Gross National Income (GNI) per capita. Pakistan's HDI value is 0.560 out of 1 as against South Asia's average HDI value of 0.642 and the world's average HDI value of 0.731. Overall, Pakistan has shown some progress in human development indicators over the previous years. However, this progress is very less when compared to other countries in South Asia as given in the Table 15.1 below:

Table-15.1: Human Development Index and its Components

Country/ Region	HDI Rank	Human Development Index (HDI) Value (2018)	Average Annual HDI Growth (%) [2010-2018]	Life Expectancy at Birth	Expected Years of Schooling	Mean Years of Schooling	Gross National Income (GNI) per capita (2011 PPP $)	Multidimensional Poverty Index
				SDG-3	SDG-4.3	SDG-4.6	SDG-8.5	Headcount (%)
World	**-**	**0.731**	**0.60**	**72.6**	**12.7**	**8.4**	**15,745**	**23.1**
South Asia	**-**	**0.642**	**1.18**	**69.7**	**11.8**	**6.5**	**6,794**	**31.0**
Iran	65	0.797	0.68	76.5	14.7	10.0	18,166	-
Sri Lanka	71	0.780	0.49	76.8	14.0	11.1	11,611	-
China	85	0.758	0.95	76.7	13.9	7.9	16,127	4.5
India	129	0.647	1.34	69.4	12.3	6.5	6,829	27.9
Bangladesh	135	0.614	1.40	72.3	11.2	6.1	4,057	41.7
Pakistan	**152**	**0.560**	**0.85**	**67.1**	**8.5**	**5.2**	**5,190**	**38.3**

Source: UNDP Human Development Report-2019

Fig-15.1: Average Annual HDI growth rate during 2010-2018 (percent)



Box-1: Regional Poverty Comparison

According to the World Bank's latest Poverty Head Count data, if income per adult in Pakistan is taken as $ 1.90 per day, then 3.9 percent of the population falls below the poverty line as per 2015 population estimates. But if the poverty line is raised to $ 3.20 per day in line with international standards for middle-income countries, then 34.7 percent of the population falls below the poverty line, and if the poverty line is raised to $ 5.50 per day, then 75.4 percent of the population falls below the poverty line. The position of poverty in Pakistan is better than India and Bangladesh, but Sri Lanka, China, and Iran are in a better position than Pakistan.

Countries	Population below National Poverty lines (%)	Population below $ 1.90 a day (%)	Population below $ 3.20 a day (%)	Population below $ 5.50 a day (%)
Pakistan (2015)	24.3*	3.9	34.7	75.4
China (2016)	1.7**	0.5	5.4	23.9
Bangladesh (2016)	24.3	14.8	52.9	84.5
India (2011)	21.9	21.2	60.4	86.8
Sri Lanka (2016)	4.1	0.8	10.1	40.4
Iran (2017)	-	0.3	2.3	10.9

*: For FY2016, **: For FY2018

Source: The World Bank, World Development Indicators, 2020

In Pakistan, Planning Commission employs Cost of Basic Needs approach (CBN) for poverty estimation, which was estimated to be Rs 3250.3 per adult per month. According to this methodology, 24.3 percent of the population is below the poverty line. However, Poverty headcount will rise depending upon the aggregate consumption of households in the post-COVID-19 scenarios estimated by the Sub-committee on National Coordination Committee (NCC) on COVID-19 on Economic Analysis headed by Planning Commission.

Scenario-I	Scenario-II
If household's consumption goes down by 5 percent, poverty headcount will rise from existing 24.3 percent to 29 percent, and that will lead to around 10 million people falling below the poverty line.	If a household's consumption goes down by 10 percent, poverty headcount could rise from 24.3 percent to 33.5 percent

During pandemic and post-crisis periods, short-term income losses will be offset by an unprecedented rise in social safety nets. The government has extended outreach of its cash transfers to 12 million households from the existing 5 million. It means the government has extended its support to 78 million people, which is more than 32 percent of the population. This will be the largest cash transfer in this region in terms of coverage. The lockdowns, though partial, have repercussions on employment and, it is expected that due to partial lockdown, 12.6 million workers may lose their jobs.

Tracking the Pro-Poor Expenditures

Expenditure on pro-poor sectors in 2016-17 stood at 9.5 percent of GDP, 9.2 percent of GDP in 2017-18, while slightly dropped to 8.0 percent of GDP in 2018-19 as shown in Table 15.2 below**:**

Table-15.2: PRSP Budgetary Expenditures by Sector (Rs million)

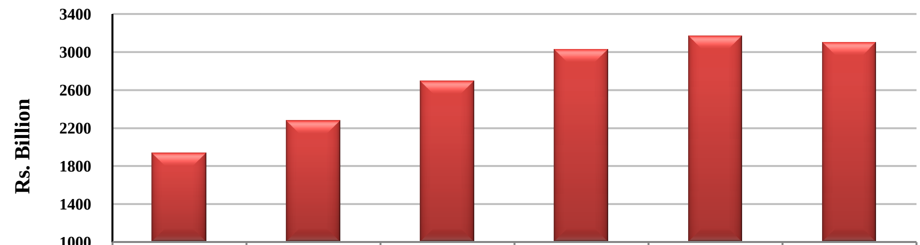
Sectors	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19***
Roads, Highways & Bridges	190,984	397,506	526,356	452,463	400,623
Environment / Water Supply and Sanitation	54,093	63,554	72,031	77,932	45,186
Education	599,047	663,356	699,222	829,152	868,022
Health	231,172	267,953	328,962	416,467	421,778
Population Planning	13,943	10,894	20,338	20,451	14,328
Social Security & Welfare**	155,725	173,532	259,455	257,534	173,443
Natural Calamities & Other Disasters	40,525	59,204	27,461	19,062	20,933
Agriculture	199,903	239,019	258,396	277,867	256,697
Land Reclamation	5,184	4,601	2,558	2,730	2,538
Rural Development	29,122	37,419	30,934	42,127	11,958
Subsidies	459,325	437,087	403,139	327,767	387,092
Low Cost Housing	581	460	422	349	704
Justice Administration	26,041	33,255	41,926	53,461	65,937
Law and Order	268,983	306,738	356,217	390,556	430,063
Total	2,274,628	2,694,578	3,027,417	3,167,918	3,099,302
Total as% age of GDP (2005-06 base)	**8.3**	**9.3**	**9.5**	**9.2**	**8.0**

*: Provisional

**: Social Security & Welfare includes the expenditure of BISP, SDGs, and PBM.

Source: External Finance Policy Wing, Ministry of Finance

Fig-15.2: Pro-Poor Expenditures



	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Rs. billion	1934.18	2274.63	2694.58	3027.42	3167.92	3099.30

Social Safety Programmes

Recognizing the need to protect the poor and the vulnerable, the government is carrying out several social safety net programmes. The following social safety nets are the major initiatives to reinforce the government's efforts to reduce the adverse effects of poverty on the poor:

I. Benazir Income Support Programme (BISP): The BISP is a federal unconditional cash transfer programme for the poorest segments of the society. Due to its importance for the current government, the budgetary allocation has been increased from Rs 102 billion in FY2016 to Rs 180 billion in FY2020. The number of beneficiaries now stands at 4.5 million families. The BISP is following the path of automation, and almost 100 percent of beneficiaries are being paid through a biometric-based payment solution developed by the BISP. The new payment solution has been designed in line with the Prime Minister's vision of financial inclusion of poor women through one woman-one account as envisaged under the government's flagship Ehsaas Programme. It will enhance choices for the beneficiaries under Kafalat to collect cash grants through biometric verification at branchless banking retailers, an enhanced network of biometric enabled ATMs, campsites in remote areas, and biometric-enabled bank branches.

Unconditional Cash Transfer (UCT) Programme

The UCT Programme has been improved and strengthened as the Kafalat Programme, through which monthly cash stipend of Rs 2,000 will be given to at least 7.0 million most deserving and poorest women all over the country. At first, 4.2 million women of the BISP beneficiaries have been included in the Kafalat programme, and further, approximately 3.0 million deserving women will be added this year, and the total number of beneficiaries is expected to reach up to 7.0 million under this programme by the end of 2020. The programme will be launched in 3 phases, and in each district, a 5-stage process will take place through which deserving people will be able to seek government’s support by registering themselves at desks or through a website.

Box-II: EHSAAS Emergency Cash Programme for Vulnerable/ Affected Families due to COVID-19 Pandemic

The government has launched "Ehsaas Emergency Cash Programme," the biggest cash distribution programme in the history of Pakistan, with a total allocation of Rs 144 billion to provide immediate cash relief of Rs 12,000 to 12 million families of daily wage earners, whose livelihood has been severely affected by the pandemic. Emergency intervention is targeting the following categories of families:

i. Special cash assistance of Rs 1,000 per month for four months to the currently enrolled 4.5 million Kafalat beneficiary families, in addition to the regular cash transfer of Rs 2,000 per month;

ii. Emergency cash assistance of Rs 3,000 per month per family for four months to an additional 4 million families to be identified from the databases of NSER 2010-11 and 2019-20;

iii. Emergency cash assistance of Rs 3,000 per month per family for four months to 3.5 million more families to be identified through provincial governments/district administration.

The above three types of assistance are being provided for a period of four months (March-June, 2020). Families falling within Category (i) above are regular beneficiaries of the Ehsaas Kafalat Programme. The families within Category (ii) are being identified from the BISP database by using a higher eligibility/PMT threshold within the national poverty line. Families in Category (iii) will be identified by the Provincial Governments through their district administrations. Province/Region wise share of the families referred at (ii) & (iii) is based on population share of the Province/Region.

The number of families in categories (ii) and (iii) may be adjusted to remain within a total of 7.5 million. One benefit per family will be provided. For the additional 7.5 million families, first preference would be given to every married man with valid CNIC. If no such male is available, then ever married woman of the same family with valid CNIC will be a recipient of the emergency cash assistance.

In order to implement the decision of the Federal Government and to address the challenges stated above, the following strategies have been designed and are being implemented:

a) In respect of families falling in Category- (iii), the NADRA has developed a web-based portal/application accessible to the office of each Deputy Commissioner except Province of Punjab, where only the Provincial Focal Person received access to the Portal. They have been issued a user name and passwords to login.

b) After due diligence i.e., confirming the need, data of each potential beneficiary will be uploaded on the application by designated users.

c) Thereafter, data analytics/cleansing and verifications will be applied by NADRA, and consolidated data will be forwarded to BISP-MIS by NADRA.

d) The BISP will share the data with Partner Banks for disbursement to the eligible beneficiaries, using a biometric verification system (BVS).

e) Besides expanding the current cash points, the disbursement of cash to the beneficiaries is being made through multiple campsites established by the concerned district administration.

f) Protocols for management of the aforementioned cash disbursement campsites, along with safety and hygiene measures by the district administration, have been shared with Provincial/Regional Governments.

g) An SMS service was also launched whereby citizens can send their CNIC and get a response about their eligibility status for cash assistance as well as register themselves for emergency cash relief.

Disbursements have been started in all three Categories. As of 03-06-2020, Rs 117.5 billion have been disbursed to 9.7 million beneficiaries.

BISP Financial Progress:

BISP's targeting performance falls in the top five social safety nets in the world. Since its inception, BISP has managed to disburse an amount of Rs 944.74 billion to UCT and conditional cash grants. The conditional cash transfer (CCT) grants include the ongoing Waseela-e-Taleem (WeT) programme and discontinued Waseela-e-Sehat, Waseela-e-Haq, and Waseela-e-Rozgar programmes. The information on CCT and UCT grants are reflected in table 15.3 and figures Fig-15.3 and Fig-15.4 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*	214.10	2.70	195.00	197.70	9.10
Total	**1,001.81**	**31.39**	**913.36**	**944.74**	-

*Till 31st May, 2020

Source: Benazir Income Support Programme (BISP)

Fig-15.3: Yearly Number of Beneficiaries

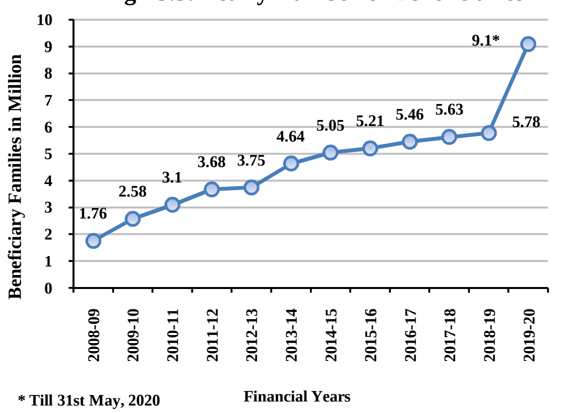
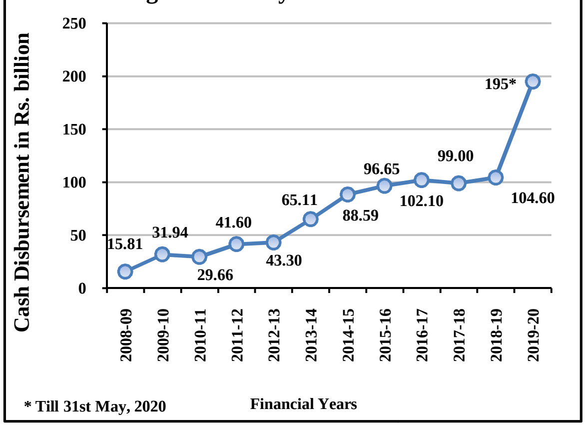


Fig-15.4: Yearly Cash Grants



CCT (Waseela-e-Taleem):BISP is currently implementing the CCT programme linked with primary education in 50 districts of the country. BISP has plans to further expand the programme coverage in additional 50 districts of the county in 2020. The overall objective of this programme is to incentivize primary education through regular cash transfers and to encourage investment in human capital development.

Under this programme, top-up of Rs 750/- per quarter is distributed to the beneficiary children enrolled in primary education conditional upon 70 percent attendance compliance. To promote girls' enrollment and to eliminate gender gap, cash grant for girls has been revised upwards to Rs 1,000/- per quarter from FY2020. BISP has so far disbursed Rs 12 billion in CCT intervention to 3.1 million children of the beneficiary families. BISP is optimistic about expanding the CCT on education intervention in all districts of the country to cover all the out of school children of BISP beneficiary families in the next 3-5 years.

CCT (Health and Nutrition):BISP has designed a CCT intervention to accelerate the take up of health and nutrition services amongst its beneficiaries. The programme will be piloted in 9 districts of the country to test the feasibility of implementation design in the first phase. One district each will be selected from four provinces, and one district each will be selected from AJK erstwhile FATA, and three districts will be selected from GB. The programme will cover around 122,000 beneficiaries over a period of three years.

The targeted population of the programme would be pregnant and lactating mothers along with their children of less than 23 months age, from amongst the BISP beneficiaries. Along with the BISP's regular cash transfers, the mothers will be paid Rs 1,500 for baby boy and Rs 2,000 for baby girl as an incentive, if she successfully meets all the conditions. The facilitation centers will be established at existing district and tehsil headquarters hospitals. In this regard, the BISP is in the process of signing the MoUs with provincial health departments.

BISP's Engagement with Development Partners

i) World Bank: BISP has successfully concluded a $60 million "Pakistan Social Safety Net Technical Assistance Project (PSSN)" provided by the International Development Association (IDA). The TA project supported the design of poverty scorecard and first-ever comprehensive survey of the poor households. The BISP received additional financing of $150 million for the project to launch a Co-responsibility Cash Transfer programme for the primary education of children of the BISP beneficiaries. The project is aimed at increasing the coverage of beneficiary families through the delivery of cash grants and also co-responsibility cash attached to Disbursement Linked Indicators (DLIs) for primary education. BISP has successfully achieved all 19 DLIs under the World Bank's PSSN project.

A new project titled "Pakistan National Social Protection Programme (NSPP)"was launched on 28th April 2017, having a total amount of US$ 100 million, and it will end on June 30 2021. The main objective of this project is to strengthen BISP's service delivery, to enhance the human capital of the poor and increase their access to complementary services. The funds under this project are released after fulfillment of benchmarks/targets under the DLI regime. BISP had received an amount of $ 43 million as of December 2019.

ii) Department for International Development (DFID): The DFID is supporting BISP to expand its cash transfers to eligible beneficiaries. Under Pakistan National Cash Transfer Programme (PNCTP), the DFID provided up to £ 300.3 million over a period of eight years from 2012 to 2020, which has been further extended till March 2021. Almost £279 million was on account of results-based "non-budget support financial aid "to support expansion and systems strengthening of UCT and the CCT programmes. The overall performance rating of the programme was marked as "A". Most of the milestones have either been met or exceeded expectations. Moreover, almost £21.3 million worth technical assistance was aimed at strengthening the BISP systems and supporting dialogue on poverty reduction and policy reforms to enhance social protection.

The DFID grant was made available through a total of 18 DLIs, all of which have been met within the agreed timelines. The timely achievement of DLIs reflects the synergy between the BISP and its development partners. DFID also agreed with the BISP on a new framework of 11 DLIs, amounting to £98.4 million to be achieved by March 2021. These DLIs relate to usage of new NSER data for UCT disbursements, ensuring the availability of dashboard for stakeholders to access the NSER data, implementation of Biometric Verification System (BVS), capacity building of tehsil offices, expansion of CCTs for primary education and increasing the number of BISP Beneficiaries Committees (BBCs) in the union councils.

iii) Asian Development Bank (ADB): The BISP and ADB had signed a project titled "Social Protection Development Project (SPDP)" amounting to $ 395 million (approx.) for concessional lending from the ADB's Ordinary Capital Resource (OCR) in November 2013 till end June 2020, which became effective as on 24th June 2014. The SPDP helped to strengthen, inter-alia, financial management, and internal controls of the programme resulting in improved efficiency of the expenditures. The financing of the cash transfer component (UCT), which was 84 percent of the loan portfolio, has been utilized efficiently. ADB supported the enrolment and financing of about 16 percent of the total eligible beneficiaries receiving quarterly cash grants. In order to implement the pilot graduation programme, the closing date of the ongoing project has been extended upto 30th June 2022.

As the existing project comes to an end in 2022, the need was felt by the government to have fiscal space to continue disbursing the UCT stipend to eligible beneficiaries in the wake of hike in fuel and food expenditure, to strengthen financial management and control systems and to establish a hub for policy research to support evidence-based policymaking. Additional financing will set the direction for the next phase of ADB engagement. Additional financing loan of $ 200.00 million has been signed on 11th October, 2019. The loan is effective since 28th November, 2019. It will gradually be internalized during a period of 3 years and will eventually be funded by the GOP. A Policy Research Unit being set up under the additional financing will be supported under the project for 3 years and will eventually be funded and sustained by the Government of Pakistan.

Moreover, ADB approved a $500 million policy-based loan in 2019 to support the Government to address structural issues obstructing Pakistan's export competitiveness and bring livelihood opportunities to the people of Pakistan for poverty reduction. Similarly, ADB has also approved a $300 million emergency assistance loan to strengthen Pakistan's public health response to COVID-19 pandemic and help meet the basic needs of most vulnerable and poor segments of society.

Future Goals of the BISP

- A new social protection programme, namely "Tahafuz" will be executed through the BISP. Tahafaz is aimed at protecting vulnerable people against shocks and natural calamities. This will involve one-time financial assistance to protect against catastrophic events. Through Tahafaz, financial assistance is to be provided to poor widows, who do not have any earning child. Legal aid will also be provided to poor women through Tahafaz.
- Expanding CCTs for primary education to all districts by 2022 in a phased manner from the existing coverage of 50 districts.
- The CCT Programme for Nutrition and Immunization to be piloted in 9 districts in 2020 and to be evaluated for expansion.

II. Pakistan Poverty Alleviation Fund (PPAF): PPAF is a flagship poverty reduction strategy of the country. The funding provided to PPAF is dedicated to micro credit, enterprise development, community-based infrastructure and energy projects, livelihood enhancement and protection, social mobilization, and capacity building institutional assistance for the partner organizations of the PPAF.

Since its inception in April 2000 till March 2020, PPAF has disbursed an amount of approximately Rs 224.64 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 of the loans to women and 80 percent financing extended to the rural areas.

Following are the key achievements under the PPAF:

i) 38,300 health, education, water, and infrastructure projects completed;

ii) 440,000 credit groups and 134,500 community organizations formed;

iii) 1,141,500 individuals received managerial training events;

iv) 124,700 productive assets transferred to ultra and vulnerable poor households (49 percent women);

v) Over 1,168,000 interest-free loans (55 percent women beneficiaries) disbursed through Interest-Free Loan (IFL) Programme;

vi) 26,000 individuals including women and youth trained;

vii) Enterprise development under Waseela-e-Haq National &Waseela-e-Haq Sindh programme of the BISP facilitated in establishing their successful ventures;

viii) 30,800 persons with disabilities rehabilitated.

The PPAF under Ehsaas Programme

The present government has launched the National Poverty Graduation Initiative (NPGI) under the flagship Poverty Alleviation Programme 'Ehsaas' organized by the PPAF. This programme is aimed at providing relief to the ultra and vulnerable poor segments of society through interest-free loans, vocational and skills training, and asset transfer. Key components of the initiative include (i) Asset Transfers,(ii) Vocational and Skills Training, and (iii) Interest-Free Loans (IFL).

Under the NPGI, following two major programmes are being implemented by the PPAF:

A. National Poverty Graduation Programme (NPGP): This programme is a GoP and IFAD funded initiative worth USD 150 million (GoP USD 50 Million and IFAD USD 100 Million)to be implemented over a period of six years in 375 union councils of 23 districts across the country in order to assist the ultra-poor in graduating out of poverty on a sustainable basis. The programme aims at transferring livelihood assets and training to 176,877 ultra-poor and vulnerable households.

The programme is at an initial stage of implementation. So far, the PPAF has signed agreements with 5 POs to implement the programme in 338 union councils to transfer tangible assets to 147,489 households and intangible assets (technical and vocational training) to 16,388 households in 20 districts of Punjab, Sindh and Khyber Pakhtunkhwa Provinces. However, the programme has made substantial progress in these three provinces till March 2020 and has transferred 9,704 tangible assets to the identified households as per set criteria. The categories of these assets include livestock, enterprises, transportation and construction material, etc.

B. Interest-Free Loan (IFL) Programme: The IFL is one of the major components of the initiative being implemented by the PPAF through its 24 POs. The range of interest-free loans is Rs 20,000 – Rs 75,000. As many as 3.8 million interest-free loans will be provided (80,000 loans a month) for the next 4 years to 2.28 million households.

Under the initiative, a total of 636,292 loans (46 percent loans to women) have been disbursed to the borrowers, while cumulative disbursement under Ehsaas has reached to Rs 21,196.62 million. Overall, 1,100 loan centers/branches have been established in about 100 districts by 24 implementing partners across the country. Against the target of 80,000 IFL per month, the PPAF has achieved more than 100 percent targets within the last 6 months. The detail of physical progress of IFL programme during July-March, FY2020 is given below:

S.No.	Particulars	Cumulative (July-March FY2020)		
		Men	Women	Total
1	Number of Loans Disbursed to borrowers	343,397	292,895	636,292
2	Amount disbursed to borrowers (Rs million)	12,103.17	9,039.45	21,196.62
3	Number of Loan Centres	1,100		

Financial Progress of the PPAF

During July-March, FY2020, the PPAF managed to disburse an amount of Rs 2,469 million to its POs under its core interventions administered under various PPAF supported programmes as shown in table-15.4 below:

Table-15.4: PPAF Disbursement by Operating Units/Special Initiatives (Rs million)

Sr. #	Programmes Components	Amount Disbursed
1	Institutional Development/Social Mobilization (ID/SM)	75
2	Livelihood Enhancement and Protection (LEP)	2,043
3	Water and Infrastructure (W & I)	285
4	Education, Health and Nutrition (EHN)	66
	Total	**2,469**

Source: Pakistan Poverty Alleviation Fund, Islamabad.

During the same period, a total of 3,636 community institutions were formed, and 1,317 community and PO staff members were trained (48 percent women) under Institutional Development and Social Mobilization component. Similarly, under Livelihood Enhancement and Protection (LEP) component, 4,027 individuals received skills/entrepreneurial training (57 percent women) and 10,615 productive assets were transferred to ultra, and vulnerable poor (92 percent women), 74 Water and Infrastructure sub-projects were completed benefitting 41,240 persons (50 percent women). Under the health and education component, 9 educational facilities were supported during the reporting period, and 1,607 new students (44 percent girls) were enrolled, and 198,597 consultation visits by patients (60 percent women and girls) were treated under various ailments. 636,292 IFLs (46 percent women) were disbursed through the IFL scheme.

Overall, these projects and interventions benefitted around 893,695 poor and marginalized populations which also includes 50 percent women beneficiaries during the reporting period. Major achievements of the PPAF are presented in the table below:

Table-15.5: Major Achievements by Operating Units of PPAF (Numbers)

Programme Components	Physical Progress
Institutional Development and Social Mobilization	
▪ Community Institutions Formed	3,636
▪ Community and PO staff trainees (48% women)	1,317
Livelihoods Enhancement and Protection	
▪ Individuals received skills/entrepreneurial training (57% women)	4,027
▪ Productive assets transferred to ultra and vulnerable poor (92% women)	10,615
Water and Infrastructure Sub-projects	
▪ Sub-project completed	74
▪ Sub-projects beneficiaries (50% women)	41,240
Education	
▪ Educational facilities supported	9
▪ New students enrolled in programme schools (44% girls)	1,607
Health	
▪ Consultation visits by patients treated under programme health facilities (46% women & girls)	198,597
Interest-Free Loans Scheme	
▪ Number of Interest-Free Loans (46% women)	636,292

Source: Pakistan Poverty Alleviation Fund, Islamabad.

Other Key Initiatives during FY2020

In addition to the above, following that key achievements were made by the organization during the reporting period:

- National Disaster Risk Management Fund (NDRMF) has awarded PPAF a programme for building resilience to disaster and climate change. The total outlay of the project is around Rs 825 million, in which 70 percent share is a grant from the NDRMF (Rs 575.112 million), while PPAF's share of 30 percent is Rs 248.71 million. This project will increase the institutional and physical capacity of local communities to reduce the socioeconomic and fiscal impacts of natural hazards and climate change. This programme will be implemented in 16 Union Councils of 8 districts, including Nasirabad, Swabi, Shangla, Multan, Jamshoro, Naushero Feorze, Skardu, and Dadu. The project is designed to benefit around 400,000 people.
- The PPAF, in collaboration with Agha Khan Rural Support Programme and German Development Bank (KfW), successfully installed 306 kW hydropower plant in Gazen, Chitral providing renewable energy to hundreds of households. The hydropower plant installed will benefit 335 households and impact five villages, namely Gazen, Dubargar, Unawich, Skermud, and Kurkun. This plant is one of the PPAF's four hydropower stations recently commissioned for communities in remote areas of Khyber Pakhtunkhwa.
- The KfW Development Bank and the PPAF signed an agreement involving a grant facility of euro 1.0 million. Being a project executing agency, the PPAF will utilize this

amount to ensure long term sustainability of Solar Mini-Grid Lighting Systems (SLS) and mini/micro hydropower projects (MHPs) completed under the development of hydropower and renewable energy (HRE) project phase-1 through the PPAF POs. In this respect, a comprehensive operation and maintenance mechanism will be put in place, keeping in view the high nature of these projects.

- The PPAF held 3rd International Conference on research and learning 'Beyond Action, towards Transformation 'focused on developing further dimensions in knowledge and assessed how the PPAF's interventions for the poor have led to transforming lives and communities.
- To promote community-based tourism, PPAF has provided IFLs to its communities in Sharda in Neelum Valley of Azad Jammu and Kashmir for up-gradation of rooms of local houses to accommodate tourists visiting the area. The initiative titled "Neelum Valley Project" has been implemented through PPAF's POs, namely, Akhuwat and Himalayan Wildlife Foundation. Initially, 17 rooms have been opened for the guests, and all rooms are named after local flora and fauna and provide a scenic and uninterrupted view of the gorgeous mountains, pristine forests, and the beautiful Neelum River.
- UNHCR, the UN Refugee Agency, and PPF launched a livelihood project aimed at providing sustainable livelihood opportunities for both Afghan Refugee and Pakistani Communities in the area of agriculture and entrepreneurship, various packages, including livestock, as well as access to financial services. This project is estimated to be Rs 320 million and in addition to the 3,000 Pakistani households benefitting from PPAF's regular livelihood programme. This new project will help further 3,000 households. It will be mainly implemented in Mansehra and Peshawar (Khyber Pakhtunkhwa Province) and Chagi (Balochistan).

III. 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 sector continued to exhibit an upward trend. The micro-credit outreach witnessed 5 percent growth during 2019, while the gross loan portfolio registered 11 percent growth during the same year. Micro-savings, on the other hand, posted a growth under active savers by 35 percent and the value of savings by 12 percent. The number of policyholders grew to 8.5 million by the end of the year while the value of sum insured increased by over 7 percent and reached to Rs 266.75 billion. This segment is primarily dominated by credit life and health insurance.

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)
2019*	7,249,943	305,753	47,642,271	267,591	8,479,576	266,748
2018*	6,936,554	274,707	35,293,602	239,963	8,456,430	248,783
Increase/Decrease (Net)	313,389	31,046	12,348,669	27,628	23,146	17,965
Increase/Decrease (%)	5%	11%	35%	12%	0%	7%

*: 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 2019.

Table 15.7: Micro credit beneficiaries, outstanding loans portfolio and loan disbursement as of Dec 2019

MFP	Active Borrowers	Outstanding Loans Portfolio(Rs)	Number of Loans Disbursed	Disbursements (Rs)
Total for Pakistan MF Sector	**7,249,943**	**305,753,451,928**	**2,624,190**	**123,934,909,582**
MFBs				
Apna Microfinance Bank	93,298	9,071,890,041	106,152	12,161,062,703
Advans Pakistan	11,400	1,269,590,951	2,862	526,098,882
FINCA Microfinance Bank	238,337	22,480,015,951	71,870	8,320,201,016
First Microfinance Bank Limited	485,505	31,065,369,541	142,109	10,501,395,548
Khushhali Bank	871,228	53,607,461,191	317,402	21,543,026,504
Mobilink Microfinance Bank	182,483	15,818,782,057	44,414	4,424,002,039
NRSP Bank	351,846	27,768,760,755	153,225	12,997,772,021
Pak Oman Microfinance Bank	59,688	1,978,364,613	15,780	820,790,000
Sindh Microfinance Bank	50,601	845,955,165	12,626	369,383,000
Telenor Microfinance Bank Limited	896,694	27,695,262,338	701,334	4,446,002,306
U Microfinance Bank	314,064	21,882,306,555	101,379	7,949,786,979
Total for MFBS	**3,555,144**	**213,483,759,157**	**1,669,153**	**84,059,520,997**
MFIs				
AKHUWAT	865,548	16,895,424,704	201,730	7,181,930,700
ASA-Pakistan	439,129	9,739,158,278	116,179	4,485,054,000
Community Support Concern	38,921	1,465,686,661	11,402	682,277,571
DAMEN	116,703	3,365,313,952	28,911	28,911
Farmer Friend Organization	33,030	908,679,915	0	163,441,250
Kashf Foundation	515,886	14,892,386,052	144,753	7,080,792,000
MOJAZ Foundation	30,911	864,172,711	9,116	394,345,000
Micro Options	1,344	35,618,068	160	6,136,000
Naymet Trust	0	0	0	0
Orangi Charitable Trust	21,941	417,878,867	4,533	154,566,000
SAFCO Support Fund	99,635	2,350,990,519	21,647	1,057,850,000
Soon Valley Development Programme	12,175	348,795,711	3,306	142,304,850
Total for MFIs	**2,175,223**	**51,284,105,438**	**541,737**	**21,348,726,282**
RSPs				
National Rural Support Programme	843,151	22,963,788,579	246,220	10,999,444,735
Ghazi BarotaTariqiatiIdara	27,055	455,839,567	7,433	216,950,000
Punjab Rural Support Programme	75,293	1,596,516,848	18,963	536,955,000
Sindh Rural Support Organization	89,716	1,880,824,503	22,289	728,915,000
Sarhad Rural Support Programme	6,765	69,204,400	2,111	37,191,000
Thardeep Rural Support Programme	164,303	4,017,195,649	32,770	1,402,100,008
Total for RSPs	**1,206,283**	**30,983,369,546**	**329,786**	**13,921,555,743**
Others				
AGAHE	30,368	672,024,681	11,088	424,769,900
JWS Pakistan	87,377	2,412,362,220	25,527	1,332,095,000
Orix Leasing	16,265	381,139,074	2,625	131,218,000
Organization for Participatory Development	4,552	95,285,417	1,053	41,025,000
Rural Community Development Programme	151,893	5,687,722,670	37,941	2,382,606,660
Shah Sachal Sami Foundation	5,932	190,511,687	1,335	64,345,000
Villagers Development Organization	2,022	28,873,331	208	9,075,000
Total for Others	**298,409**	**9,467,919,080**	**79,777**	**4,385,134,560**

Source: Pakistan Microfinance Network (PMN)

IV. 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 (CCI). A total amount of Rs 9,256.66 million was collected during FY2019 and distributed during FY2020 as per details given in Table 15.8:

Table 15.8: Disbursement of Zakat (Rs million)

Federal Areas/ Provinces	% Share	Allocated/Released Budget 2019-20
Federal Areas	7% of total Zakat Collection is distributed amongst federal Areas	
ICT	35.14% of 7%	227.70
Gilgit-Baltistan	18.57 % of 7%	120.33
FATA	46.29 % of 7%	299.94
	Total Federal	**647.97**
Provincial	Share of provinces after deduction of above federal payments	
Punjab	57.36 % of 93 %	4,937.94
Sindh	23.71 % of 93 %	2,041.12
Khyber Pakhtunkhwa	13.82% of 93 %	1,189.72
Balochistan	5.11 % of 93 %	439.90
	Total Provincial	**8,608.69**
G. Total		**9,256.66**

Source: Poverty Alleviation and Social Safety Division

V. Pakistan Bait-ul-Mal (PBM): The PBM is significantly contributing towards poverty alleviation by providing assistance to destitute, widows, orphans, invalid, infirm, and other needy persons irrespective of their gender, caste, creed, and religion through its establishment at the district level. From July to March FY2020, the PBM has disbursed an amount of Rs 2.705 billion through its following core projects/schemes.

a) Individual Financial Assistance (IFA): Through the IFA, poor, widows, destitute women and orphans are supported for medical treatment, education, and general assistance. The PBM has envisioned providing wheelchairs to every disabled person in the country. A family having two or more special (disabled) children has been declared "special family" and is benefited with 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 FY2020, an amount of Rs 1,387 million has been disbursed.

b) Child Support Programme (CSP): This is a CCT programme[1], in which cash incentive is provided to the parents for sending their children to schools. Rs 300 per month per family with one school going child and Rs 600 per month to the families with two or more school-going children are disbursed. An amount of Rs 35 million has been paid so far during the period from July 2019 to March 2020 under this initiative.

c) Institutional Rehabilitation for NGOs: The PBM provides grant-in-aid to registered NGOs having a good track record aimed at institutional rehabilitation of the poor and deserving persons of the society. During the period from July 2019 to March 2020, Rs 24 million has been disbursed.

[1] Pakistan Bait-ul- Mal is executing this programme having no linkages with Waseela-e-Taleem or Education

d) Schools for Rehabilitation of Child Labour (SRCLs): The PBM has established 159 SRCLs countrywide since 1995 for primary (non-formal) education. Children (male and female) between the ages of 5-6 years are weaned away from hazardous labour and enrolled in these centres with free provision of uniforms, books, and stationery. An amount of Rs 421 million has been utilized during the period from July 2019 to March 2020 under this initiative.

e) Women Empowerment Centres (WEC): Vocational Training Centres, now called Women Empowerment Centres, have been established throughout the country since 1995. 154 WECs are providing free training to widows, orphans, and poor girls to acquire different skills, i.e., cutting, sewing, knitting, computers, and embroidery along with other trades. The trainees are being provided with free training material. An amount of Rs 354 million has been utilized from July 2019 to March 2020.

f) Dar-ul Ehsaas/Pakistan Sweet Homes: 35 Pakistan Sweet Homes (orphanages) are established for the orphan children where they are being provided free food, nutrition, medical treatment, boarding, and lodging, as well as free education through well-reputed educational institutes. During July 2019 to March 2020, Rs 484 million has been spent for the welfare of the orphans.

g) Pakistan Great Homes (PGH): Presently, two PGHs have been established on a pilot basis in Lahore and Karachi. Thereafter, this initiative would be scaled-up to provincial headquarter level and at divisional/district level in a phased manner. The enrolled seniors' citizens (above 60 years of age) are being provided free of cost boarding/lodging, messing, and medical care of excellent standard at the district level throughout the country.

VI. Employees Old-Age Benefits Institution (EOBI): The EOBI provides monetary benefits to old age workers through various programmes such as Old Age Pension, Invalidity Pension, Survivors Pension, and Old Age Grants.

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 them to escape from the poverty trap to some extent.

The institution places its surplus funds, after meeting the current obligations, such as pension payments, capital, and management expenses, in secure, safe and high yielding securities. The details of disbursed benefits during July-March FY2020 are shown in Table-15.9.

Table-15.9: Achievements of EOBI

Benefits	July- March FY 2020	
	Number of beneficiaries	Amount of Benefits to be paid (Rs millions)
Old-age Pension	255,252	270.44
Invalidity Pension	5,544	348.83
Survivors' Pension	158,142	16,445.97
Old-Age Grant	4,636	10,205.94
Total	**423,574**	**27,271.19**

Source: Employees' Old Age Benefits Institution (EOBI), Karachi

VII. Workers Welfare Fund (WWF): The WWF was established under the Workers Welfare Fund Ordinance, 1971, for providing low-cost housing and other amenities to the industrial labour. During July-March, FY2020 expenditures amounting to Rs 2,426.31 million have been incurred on 35,594 scholarship cases, while Rs 432.27 million have been disbursed as marriage grants at Rs 100,000 per worker– benefitting 4,323 workers' families. The WWF has also disbursed Rs 476.00 million as death grant at Rs 500,000 per worker– covering 952 cases of mishaps all over the country.

Way forward

Slow growth, macroeconomic imbalances, escalating global trade tensions, high level of income inequality, climate change, and increasing fragility and conflict pose obstacles to further poverty reduction programmes. Due to the socioeconomic impact of COVID-19, it is expected that more people will fall below the poverty line.

The government has launched a comprehensive and integrated Ehsaas programme that intends to bring together various existing social safety nets programmes under one umbrella with the aim to reduce poverty, vulnerability, malnutrition, and deprivation so that the fundamental rights of all citizens can be ensured. Cash transfers are effective in helping the vulnerable to take charge of their lives and empower them to make financial decisions. However, additional programmes like conditional cash transfers and other social protection measures to target for universal coverage could be developed, using the strengthened policy research capacity of BISP.

Having an updated and dynamic socioeconomic registry with updated data and enabling regular entry and exits owing to changing the poverty status of the household is a priority of the federal government. The BISP is aiming to complete the data collection and develop an updated dynamic system by the end of 2020. This will enable BISP to become a federal social safety net that is responsive to shocks (natural disasters, pandemics, or related economic shocks) and able to respond to changing patterns of poverty. More engagement and improved coordination with the provincial government's social safety interventions will ensure a coordinated national response to address issues of poverty and deprivation across the country.

The government with limited financial resources is making the best efforts to fulfill its priority towards social sector development projects and to make progress towards the achievement of SDGs. Sensitization at the provincial and district level are keys to ensuring effective adoption and localization of the SDGs. The SDGs, being an ambitious agenda, requires strong and persistent advocacy for maximum awareness and overall commitment. In this connection, active involvement of academia, civil society organizations, youth, parliamentarians, and media is required from province to district levels to help localize SDGs and accelerate progress towards Global Agenda 2030.

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Chapter 16

CLIMATE CHANGE

The rapidly emerging climatic changes are one of the biggest threats to the sustainability of life on Earth. The phenomenon of global warming is a major cause of environmental degradation. The enhanced discharge of greenhouse gas (GHG) emissions in our outer atmosphere due to fossil fuel combustion leads to a rise in Earth's average temperature besides polluting the air. Climate change affects human life as well as the economy by causing disruption in Earth's climatic processes resultantly leading to floods, famines, droughts and cyclones among other natural disasters. In Pakistan, climatic changes are expected to have wide-ranging impacts, such as: reduced agricultural productivity, increased variability of water availability, increased coastal erosion and sea water incursion, and increased frequency of extreme climatic events.

According to German Watch, Pakistan has been ranked globally in the top ten countries most affected by climate change in the past 20 years owing to its geographical location. According to the Global Climate Risk Index annual report for 2020, Pakistan has lost 0.53 percent per unit GDP, suffered economic losses worth US$ 3792.52 million and witnessed 152 extreme weather events from 1999 to 2018. Akin to this, ADB analysis shows that the socioeconomic costs of environmental degradation are considerable with climate adaptation needs ranging between $7 billion and $14 billion per year. [1]The government being cognizant of the situation is taking measures at policy, management and operational levels to mitigate the adverse effects of climate change in the country.

The Government has launched the Eco-system Restoration Initiative (ESRI) for facilitating the transition towards environmentally resilient Pakistan by mainstreaming adaptation and mitigation through ecologically targeted initiatives. These include afforestation, biodiversity conservation, enhancing policy environment consistent with the objectives of Pakistan's Nationally Determined Contribution (NDC) and attaining Land Degradation Neutrality (LDN). The objective of this initiative is to establish an independent, transparent and comprehensive financial mechanism in Pakistan called "Eco-system Restoration Fund (ESRF)"to finance the projects and programmes. Ministry of Climate Change (MoCC) has taken the following major initiatives:

- The Pakistan delegation at COP-25 secured 06 positions for various committees under the United Nations Framework Convention on Climate Change (UNFCCC) showing trust on Pakistan's commitment to climate negotiations.
- The NDC Partnership is supporting Pakistan in mapping out its climate-resilient

[1]ADB. 2017. *Climate Change Profile of Pakistan*. Manila.

development trajectory.

- Ministry of Climate Change is also in the process of revision of NDCs. There is an opportunity to collaborate on Measurement, Reporting and Verification (MRV) and GHG emission inventory strengthening components for the revision of NDCs under the UNFCCC reporting.
- National Committee on Establishment of Carbon Market(NCEC) has been established
- In order to mitigate the carbon emission impacts of vehicles on the environment and its associated costs, the Government of Pakistan has approved its National Electric Vehicle Policy targeting a 30 percent shift to electric by 2030. In addition, the world's first "zero emissions" metro line project has been launched in the city of Karachi.
- A "Clean-Green Cities Index" has been initiated in 20 cities to trigger a shift towards improved waste management and sanitation. Pakistan has also decided to get out of its plastic addiction by banning the single use plastic.
- Pakistan's Second National Communication has been developed and submitted to the United Nations Framework Convention on Climate Change (UNFCCC) Secretariat.
- UNFCCC Secretariat is supporting MoCC in preparing First Biennial Update Report

Water, Sanitation and Hygiene (WASH)

Strategic Unit of the MoCC on Water, Sanitation and Hygiene (WASH)in collaboration with key stakeholders and relevant provincial departments are rolling out the agenda of Sustainable Development Goals (SDGs) related to safe water and sanitation services, Clean Green Pakistan Movement (CGPM) and mobilizing resource for WASH. The Prime Minister of Pakistan with a vision to drive a nationwide movement by the people for the clean and green environment for all citizens of the country has launched the CGPM.

Water Sanitation and Hygiene Budget FY2019 and FY2020

The detail of budgetary allocations and expenditure for WASH in FY2019 is given below in Table 16.1.

Table 16.1: Budgetary Allocation and Expenditure for WASH Rs Million

Provinces/ Region	Budget FY2019			Expenditures FY2019		
	Current	Development	Total	Current	Development	Total
Balochistan	5,408	8,952	14,360	3,342	6,202	9,544
Sindh	7,871	34,971	42,842	6,592	12,767	19,359
Punjab	13,754	21,700	35,454	7,513	12,810	20,323
Khyber Pakhtunkhwa	5,878	3,873	9,751	4,238	6,577	10,815
Federal	1,260	861	2,121	620	1,166	1,786
Total	34,171	70,357	104,528	22,305	39,522	61,827

Source: Ministry of Climate Change

The per capita WASH allocation in Pakistan during 2018-2019 was Rs 491. This was the highest in Balochistan with Rs 1,167 followed by Sindh Rs 876, Punjab Rs 318, Khyber Pakhtunkhwa Rs 311 and Federal with Rs 244. The per capita WASH expenditure in 2018-2019 in Pakistan was Rs 291. The per capita WASH expenditure in Balochistan is Rs 776 followed by Sindh Rs 396, Khyber Pakhtunkhwa Rs 344, Federal Rs 205 and Punjab with Rs 182.

Table: Budget for WASH FY2020 Rs Million

Region/provinces	Current	Development	Total	Rupees Per Capita
Balochistan	5,970	17,053	23,023	1,872
Sindh	8,849	47,732	56,581	371
Punjab	10,071	31,334	41,405	898
Khyber Pakhtunkhwa	8,287	19,913	28,200	925
Federal	470	7,579	8,049	1,157
Total	33,648	123,611	157,258	739

Source: Ministry of Climate Change

An overview of overall WASH allocations for FY2020 in Pakistan reveals that major allocations have been made in Sindh province (36 percent) followed by Punjab (26 percent), Khyber Pakhtunkhwa (18 percent) and Balochistan (15 percent). A review of the FY2019 budgetary allocations and expenditures revealed that highest level of spending was reported by Khyber Pakhtunkhwa province followed by Federal (84 percent), Balochistan (66 percent), Punjab (57 percent) and Sindh (45 percent) respectively.

Sustainable Development Targets for Pakistan

The perspective and requirements of WASH financial investment have changed with Pakistan's endorsements for indicators of Safely Managed Drinking Water and Sanitation under SDGs. By using the SDG costing tools developed by the World Bank and UNICEF, Pakistan has calculated its annual investment needs for WASH Sector. As per the census of 2017, the population of Pakistan is 207.77 million, which is expected to become 282.81 million by 2030. While using the baseline of figures of 2016 for 2017-2018, Pakistan needs around Rs 449 billion annually.

Table: Annual Financial Needs for Safely Managed Water & Sanitation Services Rs Million

Description	**Urban**		**Rural**		**Total**
	Water	Sanitation	Water	Sanitation	Total
New Services: Basic Access	13,968	12,797	8,595	28,543	63,883
New Services: Safely Managed	62,630	48,904	113,736	123,099	348,369
Sustaining existing services: Basic Access	16,635	11,100	11,110	20,735	59,580
Sustaining existing services: Safely Managed	36,229	11,100	33,461	20,735	101,525
Overall Financing Needs	98,849	60,004	147,197	143,834	449,894

Source: Ministry of Climate Change

Based on the SDG costing tool, it is estimated that Pakistan needs Rs 450 billion annually to meet SDG targets by 2030. Presently, Pakistan is spending Rs 61 billion annually through public sector while the overall layout of the sector is Rs 143 billion.

Forestry

The forest covered area in Pakistan is 4.51 million hectares, constituting 5.01 percent area of the land area. The forestry sector contributes 0.41 percent of the GDP. The government has taken various measures to increase the forest covered area. The major achievements in this regard are highlighted below:

Ten Billion Tree Tsunami Programme (TBTTP): The objective of this programme is to combat the adverse effects of global warming. This is an umbrella project covering all the provinces including AJK and GB with provincial budgetary share. TBTTP also adopts a widespread participatory approach through provincial and federation forestry departments across the country. All segments of society including students, youth and farmers have been actively engaged in the mega afforestation activities. An amount of Rs 7.5 billion was allocated for TBTTP in PSDP 2019-20 out of which Rs 6.0 billion has been released to provinces and territories.

Seasonal Tree Planting Campaigns

In order to improve tree cover in the country, seasonal tree plantation campaigns are held each year. The government departments, private sector organizations, defense organizations and NGOs were involved in planting activities during the year. The status against targets fixed for tree planting are as follows:

(Plants in Millions)

Season	Target	Achievement	Survival Rate
Monsoon 2019	110.140	93.3	78%
Spring 2020	240.893	--	--
Total	351.033		

Source: Ministry of Climate Change

The other major related activities are given below:

i) The first phase of the TBTTP is being implemented throughout Pakistan with the support of all provincial governments including AJ&K and Gilgit Baltistan for a period of four years (2019-20 to 2022-23). During this first phase of the programme, a total of 3.29 billion plants will be planted/regenerated. The programme is the replication of the Billion Tree Afforestation Project (BTAP) that was successfully implemented in Khyber Pakhtunkhwa.

ii) A nationwide "Plant for Pakistan Day" campaign was organized to create awareness and ensure the involvement of the general public in increasing tree cover. Under the campaign, almost 450 events were organized and 1.5 million plants were planted/regenerated and distributed throughout the country.

iii) MoU was signed between MoCC and Ministry of Water Resources to establish a plantation on Ghazi Barotha Hydropower Spoil Banks.

iv) MoU was signed between MoCC and Ministry of Communications for the implementation of a project titled "Apni Shahrah" to establish a plantation in the Right of Way of National Highways and Motorways.

Clean Green Pakistan Index

The Prime Minister has launched the Clean Green Pakistan Index (CGPI) for creating a mechanism of strengthening municipal service delivery by local governments for five pillars of Clean Green Pakistan (CGPI). The CGPI is a composite index of five pillars of the Clean Green Pakistan Movement, i.e., water, sanitation, hygiene, solid waste management, and plantation with equal weightage. The overall sum of scores for five pillars will provide the final score of the Clean Green Pakistan Index. CGPI comprises of more than 35 indicators for ranking the cities. Baseline of the CGPI is based on the data received from Municipality of 19 selected cities for the month of December and the data of Multiple Indicator Cluster Survey (MICS) 2018. The weightage of 50 percent has been allocated for the MICS Household data and 50 percent to Municipality data. The initial three months report for January to March is currently under review and submission of the report for April to June is under process. The base year data for 2019 and 2020 will be available in December 2020**.** The service delivery data is being provided by respective city councils and administration working in each district coordinated by Local Government Departments on a monthly basis. The CGPI has been launched as a pilot in 13 cities of Punjab, which include Multan, Gujranwala, Faisalabad, Lahore, Rawalpindi, Sargodha, Bahawalpur, DG Khan, Sahiwal, Sialkot, Gujrat, Attock, and Murree, and it is piloted in seven cities of Khyber Pakhtunkhwa that includes Bannu, Dera Ismail Khan, Abbottabad, Kohat, Malakand, Mardan, and Peshawar.

Box-1: Green Economic Stimulus Package

Prime Minister has approved the 'Green Stimulus' package as part of the Government's efforts to extend green cover in the country to increase the opportunities of daily wage jobs by almost 100 percent. The Green Stimulus package is launched as a part of the 10 Billion Tree Tsunami project (TBTTP), especially in the wake of COVID-19. The project aims to promote plantation, set up nurseries, and promote natural forests with dedicated attention and to create green jobs through greater involvement of communities, especially youth and women. During FY2020, the 10B TTP has generated almost 65,000 jobs, which will be scaled upto 200,000 by December 2020.

Pakistan's “Green Stimulus” has received significant international acclaim and recognition, including the World Economic Forum. In one of the reports compiled by WEF titled COVID-19: Pakistan’s ‘green stimulus’, it has been acknowledged that, ‘scheme is a win-win for the environment and for the unemployed.’

Citizen Engagement Programme

The MoCC has also launched a Citizens Engagement Programme titled as ‘Clean Green Champions’ under the CGPM. People can register themselves as champions and share the voluntary activities under five pillars of Clean Green Pakistan, i.e., Plantation, Safe Water, Safe Sanitation, Hygiene & Liquid Waste Management, and Solid Waste Management. For each pillar of CGPM, the Clean Green Champions will come forward to lead three types of activities. Firstly, extending basic services on a self-help basis like water supply, sanitation, and solid waste collection, etc. Secondly, helping the local governments in providing essential services and handling citizen’s complaints. Finally, awareness-raising for inspiring real change in community behavior towards the environment. Under this programme, so far, 120,000 champions have been registered to contribute towards a clean and healthy Pakistan on a voluntary basis.

Participation in Reducing Emissions from Deforestation and Forest Degradation (REDD+)

Reduced Emission from deforestation and Forest Degradation (REDD+) relates to the absorption of atmospheric carbon through forest resources. Due to the 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 also 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 until June 2020. The 9th National Steering Committee meeting was held on 6th February, 2020 to further streamline the implementation process. The Forest Reference Emission Level (FREL) of Pakistan has been submitted to the United Nations Framework Convention on Climate Change UNFCCC.

Preparation of Pakistan's National Drought Plan

The "Drought Initiative" is designed to support countries in developing their national action plans in order to enhance the resilience to drought. For this purpose, a national consultant for Pakistan has been selected by the Global Mechanism Team of the United Nations Convention to Combat Desertification (UNCCD) to prepare a comprehensive national action plan.[2]

National Biodiversity Strategy and Action Plan (NBSAP)

National Biodiversity Strategy and Action Plan (NBSAP) has been approved in November, 2018 and is widely disseminated and is under implementation with the provinces. This plan has been alligned with SDGs (2030).

Declaration of Marine Protected Areas

Astola Island in June, 2017 has been declared as the first marine protected area of Pakistan. The other potential sites like Churna Island and MianiHorr are in process to be declared as Marine Protected Areas.

Measures to Protect Environment.

I. Combating Plastic Pollution to save human beings and marine life in Pakistan

The key problem with plastics is that a major portion of their production comprises disposable packaging items or durable products that are discarded permanently within one year of their manufacturing, such as single-use plastic bags, styrene coffee cups, mineral water or soft drink PET bottles, children toys, toothbrushes, etc. This fast disposal rate and

[2] The comprehensive National Drought plan is expected to be prepared by September, 2020.

durability is the main reason for plastic pollution, which by one or other means results in landfill and plastics patches in the oceans. Plastic products have hazardous effects on the oceans, wildlife, human life, and overall environment. Accordingly, the Government of Pakistan approved Ban on (Manufacturing, Import, Sale, Purchase, Storage, and Usage) Polythene Bags Regulations.

MoCC has introduced alternate bags made of cotton, jute, and other permissible materials. Ministry also initiated an awareness campaign in coordination with M/o Information & Broadcasting on the hazards of polythene bags, and their alternatives. The provincial governments are being encouraged to follow a similar strategy. In this regard, the Sindh Government has enacted legislation to combat plastic pollutions, and the Government of Punjab is in the process of finalizing its legislation. The remaining provinces/regions, including AJK and GB, are also working on discouraging the use of plastic products.

II. Standard Operating Procedures to streamline transboundary flows of recyclable materials.

Pakistan is a party to Basel Convention on the control of transboundary movements of hazardous wastes and their disposal and MoCC is the National Focal Point and Competent Authority to comply with the obligations under said Convention at a national level. Pakistan is obligated by the provision of the Convention under which import, export, and transit of wastes are required to be controlled. To streamline transboundary flows of recyclable materials, Ministry has developed Standard Operating Procedures (SOPs) for granting permissions to import materials under Basel Convention in 2019. The objective of these SOPs is to ensure Environmentally Sound Management (ESM) and to prevent the import of hazardous wastes and other wastes if it has reason to believe that the wastes in question will not be managed in an environmentally sound manner. Federal and Provincial Environmental Protection Agencies are following these SOPs.

III. Protecting the Ozone Layer.

MoCC is responsible for the implementation of the Montreal Protocol (MP), ensuring the phase-out of Ozone Depleting Substances (ODS). This includes the development of policy guidelines, identification of investment projects, and their monitoring, implementation of regulatory and control measures, data collection, reporting, and carrying out mass awareness activities. The National Ozone Unit (NOU) remained actively involved in a series of activities to raise awareness in targeted stakeholders. The major activities included:

i. HCFCs import quota issued for the year 2019 was strictly monitored as per the allocated baseline of 248.11 ODP tons for Pakistan.

ii. Initiated process for engaging academia to undertake research/studies to introduce best practices to phase out ODS from Pakistan. In this context, Memorandum of Understanding between Ministry of Climate Change, National Ozone Unit and National University of Science and Technology (NUST) has been signed.

iii. Carried out an awareness campaign on protection of ozone layer through newspaper supplements/TV commercial/Radio Spots developed to commemorate International Ozone Day-2019.

iv. Initiated process of developing legal instruments for regulating management of Ozone Depleting substances in Pakistan.

v. HCFC import data was collected from FBR on monthly basis to analyze the import figures and consumption of allocated import quota. This helps Pakistan to remain in compliance with regard to import and consumption of different Ozone Depleting Substances.

vi. HCFC quota for the year 2020 was issued based on the phase-out plan under Montreal protocol, achieving 50 percent reduction targets from baseline of 248.11 ODP tons by 2020.

vii. The enabling actives for the ratification of Kigali Amendment got initiated

IV. Addressing Persistent Organic Pollutants.

Persistent Organic Pollutants (POPs) are highly toxic chemicals considered as a global threat to human health and the environment. The elimination of POPs pesticide stockpiles became more urgent after 2010 floods that damaged some of the storage sites of hazardous chemicals and pesticides, resulting in a greater risk to human and environmental health. "Comprehensive Reduction and Elimination of Persistent Organic Pollutants in Pakistan" project was started in 2015 with joint implementation of MOCC and UNDP Pakistan. The objective of this programme is to reduce human health and environmental risks by enhancing management capacities and disposal of POPs in Pakistan.

Implementation of Hospital Waste Management Rules(2005)

Pakistan Enviornmental Protection Agency is responsible for implementating these rules. Hospitals and public health care facilities are supposed to safeguard the health of the community. However, the waste produced by the medical care centers if disposed-off improperly can pose an even greater threat than the original diseases themselves. The best way for safe and cost-effective waste disposal is the segregation of wastes into 'infectious' and 'non-infectious' wastes. This way, the general waste can be disposed of cost-effectively through normal means and taken to a land fill. The contaminated waste can be handled and treated safely before disposal by either incineration or any other scientific process and ultimately dumping ash of the waste in landfills. Modern practice requires that all waste be covered at the end of the day or sooner to maintain hygiene.

Global Change Impact Studies Centre

The Global Change Impact Studies Centre (GCISC) is a body corporate, governed by an independent Board of Governors with the mandate of conducting research on climate change and its impacts and possible remedies. GCISC was established initially as a development project in 2002 and regularized by the Parliament in 2013 as a national entity under the GCISC Act 2013. The Centre undertakes and commissions scientific investigations on climate change at regional and sub-regional levels. Specific research themes include the climate change profiles of Pakistan, impacts on critical socioeconomic sectors, and identification of appropriate adaptation/mitigation strategies. In addition, it arranges capacity-building opportunities for young scientists in climate-related subjects and engages in outreach and dissemination of research outputs.

The recent analysis performed at GCISC shows that the mean annual temperature has increased over Pakistan in the recent past, with a greater increase in Sindh and Baluchistan. It is observed that the increase in temperature is higher in winter when compared with summer and a maximum increase has been observed in December and February. During the last century, the average temperature over Pakistan has increased by 0.6°C, which is in conformity with the increase of average global temperature. Similarly, mean annual precipitation has also shown an increase over most parts of the country. The increase is higher in summer as compared to winter with September and June showing the greatest increase. ADB projections show that by the end of this century, the average rise in Pakistan's temperature will be between 3°C and 5°C, higher compared to the global average.[3] Within the country, northern regions will experience relatively more warming than the south. This increase, particularly in temperature, is associated with a number of adverse impacts, including the increasing frequency of extreme events (floods, droughts, heatwaves, and cyclonic activity), steady regression of most glaciers (except a small minority in the Karakorum Range) that supply the bulk of the country's water supply, and changes in the rainfall patterns.

Box-2: Geomatic Centre for Climate Change and Sustainable Development

Geomatic Centre for Climate Change and Sustainable Development project is one of venture under Ministry of Climate Change, which encourages the application of Satellite Remote Sensing (SRS), Geographical Information System (GIS) and Geographical Positioning System (GPS) technologies in environmental monitoring and decision-making.The objective of this project is tofacilitate better environmental planning in the country, particularly for rational and scientific decision-making thorough assessment of the environmental impact of different human activities, making them compatible with the objectives of sustainable development. The cost of this project is Rs 48.9 million, and the government has allocated Rs 3.2 million during 2019-20.

Impacts of Climate Change on Water Resources

As in many other regions around the world, the incidence of extreme hydrological events is on the rise in Pakistan in many different forms, especially flash flooding in the mountainous streams in the northern part. It has especially been found in water availability analysis of the Kabul River Basin, a snow melt-fed basin, where there is a sharper peak with a clear shift in the annual peak flow by a month. In addition, a more increased frequency of larger magnitude annual maximum flow events has come out as a key finding of this Kabul River Basin study. Another work focused on the Gilgit River Basin, a glacier-fed basin, and it is revealed that faster melting of glaciers under increased temperatures would bring more water flow a month earlier but with a flattened peak.

In the Karakoram region, the especially northeastern part of Northern Pakistan, which contains the major proportion of the Pakistani glaciers, there is evidence that most of the glaciers are either advancing or stable (the famous 'Karakoram Anomaly'). Recently Khurdopin glacier and the Shisper glacier surged down the hill at extremely fast rates, causing a blocked to a flowing stream, thereby forming a temporary lake with an outburst risk. On the other hand, some areas, especially in the Hindukush mountain range (Chitral and western Gilgit) e.g., the Chitaboo Glacier in Chitral has retreated rapidly in recent years due to global warming.

[3]ADB. 2017. *Climate Change Profile of Pakistan*. Manila.

Climate change analysis indicates that the rate of change of average temperature in the northern part of Pakistan is higher than that for southern Pakistan. A higher rate of increase of temperature in Pakistani mountains is causing the melting of its glaciers at lower altitudes, especially in the Hindukush region (Western parts of Gilgit and Chitral). It is giving rise to the formation of glacial lakes approximately lower parts of glaciers as a direct consequence, and posing Glacial Lake Outburst Floods (GLOFs) threat that is one of the most devastating mountain disasters.

Impact of Climate Change on Agriculture and Food Security

Agriculture is the backbone of the economy, which has also been adversely affected byclimate change. Climate change can disrupt food availability, reduce access to food, and affect food quality. Projected increases in temperatures, changes in precipitation patterns, changes in extreme weather events, and reductions in water availability may all result in reduced agricultural productivity. Crop simulation models-based studies depict significant reductions in wheat, rice, and maize yields in the arid, semi-arid and rain fed areas of Pakistan under various Intergovernmental Panel on Climate Change (IPCC) scenarios by the mid and end of the century.

It is expected that there will be an increasing trend in the average maximum temperature for the future projections for both Representative Concentration Pathways (RCPs) with 1-2.0^0C for RCP 4.5 and 5-6^0C for RCP 8.5 during Rabi and Kharif season. Temperatures in the South-Eastern part of Pakistan have shown to exceed the thresholds at the times of flowering and ripening, thereby causing wheat yield losses. Due to rise in temperatures an overall increase of 1000 Growing Degree Days (GDDs) between historical and late century extreme scenarios (RCP 8.5) has been observed in case of wheat, implying that South Eastern side of Pakistan is likely to become unsuitable for wheat production due to temperature extremes after mid-century.

Studies were undertaken using the Agricultural Production Systems Simulator (APSIM) model also show that wheat production in the arid areas of Pakistan is likely to suffer to the tune of 17 percent in the 2020s in case of RCP 4.5 whereas 21 percent and 40 percent in case of RCP 8.5 for 2020s and 2080s, respectively. Aqua crop model projects 34 percent and 41 percent decline in Maize yields in case of scenario RCP 8.5 by the end of the century in the Khyber Pakhtunkhwa province. The results suggest that the aggregate impact of climatic parameters, i.e., changes in temperature and rainfall, exerted an overall negative impact on cereal crop yields, given that the management practices and use of technology remain unchanged.

The agriculture sector is the second largest sector contributing to GHG emissions (174 out of 406 Mt CO_2Eq). According to baseline emission (of 2015) projections, agricultural growth is expected to increase up to 271.9 (56 percent) Mt, 314.3(80 percent) Mt and 362.9 (108 percent) Mt of CO2-equivalent under Business as Usual (BAU), Food Security (FS)and Enhanced Consumption Pattern (ECP) scenarios, respectively.

Modeling of climate change scenarios for Pakistan shows that if agriculture and water management in the Indus River Basin continue in a BAU mode, increasing temperatures and changes in precipitation will pose serious threats to the future livelihoods of farmers and to the Pakistani agricultural sector. To manage the situation, FAO, under the general oversight of the MoCC, is going to undertake a project on "Transforming the Indus Basin with Climate Resilient Agriculture and Water Management in Pakistan." The project objective is to transform agriculture in the Basin by increasing resilience among the most vulnerable farmers and strengthening the government's capacity to support their communities to adapt. The project will be implemented in eight districts of Punjab and Sindh Provinces over a six-year period at a total cost of $47 million that will be provided by the Green Climate Fund and co-financed by both provincial governments. About 1.3 million rural people will be direct project beneficiaries, including women farmers, as well as professionals involved in project capacity development.

Increased land productivity could help mitigate the impact of climate change on agriculture, with the adaptation of modern and clean technology. In other parts of Asia, Green Revolution policies have helped promote the use of technology to modernize agricultural production and make economies self-sufficient in food.[4]Biennial Update Report (BUR)

BURs are containing updates of national GHG inventories, including a national inventory report and information on mitigation actions. Pakistan has submitted its Second National Communication (SNC) to UNFCCC in August 2019 and now intends to submit its first BUR in 2020/21.

Nationally Determined Contributions (NDC) revision

Pakistan submitted its first NDC in November 2016, which commits to reduce up to 20 percent of its 2030 projected GHG emissions, subject to the availability of international support. Under the Paris Agreement, countries need to revise their NDCs every five years to cut GHG emissions to limit Earth's temperature rise and implement solutions to adapt to the effects of climate change. The updating of NDCs presents countries with significant opportunities to align their climate and development agendas to promote sustainable growth but also presents challenges in reinventing policies and operations and mobilizing enough investment. The MoCC(the National Responsible Government Agency) has just started the work on the revision, and GCISC has been asked to provide technical inputs and liaise with National and Provincial Government Departments and Development partners in this regard.

Zoological Survey of Pakistan (ZSP)

The department is mandated to obtain information on distribution, population dynamics, migratory patterns, status, habit and habitat, and taxonomy of animal life in Pakistan through surveys. The details of achievements are highlighted below:

- During the current financial year, the survey of the Cholistan Game Reserve (District Rahim Yar Khan and Bahawalpur, Punjab)has been carried out with the objective of recording the status of important wildlife species, identification of threats to habitat and preparation of inventories.

[4] Asian Development Bank. Asia's Journey to Prosperity: Policy, Market, and Technology Over 50 Years, January 2020.

- The objective of the Mid-winter waterfowl census is to study the population dynamics of migratory ducks, Geese, waders, and local water birds and record the population trends of migratory water birds. Wetlands of Punjab and Khyber Pakhtunkhwa were visited for mid-winter waterfowl census, during December and January, in 2019 - 2020.

- During the current financial year, the studies on Houbara bustard and Punjab Urial were carried out separately along with the team of Punjab Wildlife Department to study the distribution and status of the concerned species. The main objective of these studies is to identify the threats to species and its habitat and preparation of conservation strategy for the protection, conservation, and management of the species and its habitat.

- During the FY 2020 the studies of Endangered species, i.e., Great Indian Bustard and Black-Bellied Tern have been conducted with the objective to study the distribution and current population status of concerned species.

Islamabad Wildlife Management Board

The challenges to wildlife protection and preservation of Margalla Hills National Park (MHNP) could be managed through effective implementation of Islamabad Wildlife's initiatives such as:

- Enhanced management of protected areas, i.e., MHNP, by setting goals on international standards.
- The 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 for "Plastic free National Park".
- Improvements of Islamabad Wildlife (Protection, Preservation, Conservation and Management) ordinance 1979 Legislation and its implementation.
- Engage different university students to conduct scientific studies in MHNP.
- Awareness and education about the importance of wildlife in MHNP to students and the general public.
- Community participatory approach to develop a liaison among the community to use natural resources in a sustainable way.

Way Forward.

Pakistan has been consistently ranked as one of the most affected countries by climate change. There is a global consensus that climate change is a geographic problem, and reducing the risks caused by climate change is an immense challenge that requires well-planned and coordinated national and global efforts to mitigate its adverse effects on the environment and human life. It is globally acknowledged that the current generation's response to this challenge will be judged by history, for if we fail to meet it–boldly, swiftly, and together–we risk consigning future generations to an irreversible catastrophe. Thus, policymakers, scientists, developers, engineers, and many others around the world are using geographic information system technology to better understand this complex situation and offer tangible solutions in different climate change scenarios. The population is facing natural hazard challenges 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.

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ANNEXURES

i. Contingent Liabilities
ii. Tax Expenditure
iii. COVID-19 Advent and Impact Assessment

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Annex-I

CONTINGENT LIABILITIES

Contingent liabilities are possible obligation that arises 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 and in some cases allows 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 give guarantees aggregating to an amount exceeding 2 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. The limit of 2 percent of the GDP is applicable on guarantees issued both in local and foreign currencies. During first nine months of current fiscal year, Federal Government issued fresh/rollover guarantees aggregating to Rs 115 billion or 0.3 percent of GDP while outstanding stock of government guarantees was Rs 1,890 billion at end March 2020.

Table-1: Outstanding Guaranteed Debt Portfolio of the Federal Government at end March 2020

	(Rs in billion)
Domestic	1,412
External	478
Total	**1,890**
Memo	
External (US$ in Million)	2,868

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 and thus should not create a long-term liability for the government. The quantum of these guarantees depends on the supply-demand gap of various commodities, their price stabilization objectives, volume procured, and domestic and international prices. These guarantees were issued against commodity financing operations undertaken by TCP, PASSCO, and provincial governments. The outstanding stock of commodity operations was Rs 649 billion at end March 2020.

Annex-II

TAX EXPENDITURE – FY2020

Tax expenditure for FY2020 has been estimated at Rs 1,149.95 billion. Detailed estimates are highlighted below:

Income Tax

Tax expenditure in respect of income taxes during FY2020 has been reflected in Table 1:

Table 1: Tax Expenditure Estimates of Income Tax FY2020

	Rs Million
1. Allowances	36,435
2. Tax Credits	104,498
3. Exemptions from Total Income	212,070
4. Reduction in Tax Rates	128
5. Reduction in Tax Liability	2,986
6. Exemption from Specific Provisions	2,975
7. Others (Government income)	18,934
Total	**378,026**

Source: Federal Board of Revenue

Sales Tax

Major exemptions in sales tax and their tax expenditures during FY2020 are presented in Table 2.

Table 2: Tax Expenditure Estimates of Sales Tax FY2020

	Rs Million
1. Zero Rating under Fifth Schedule	13,671
2. Exemption on Imports	255,843
3. Exemption on Local Supplies	54,871
4. Reduced Rates Under Eighth Schedule (2%)	74,008
5. Reduced Rates Under Eighth Schedule (5%)	8,677
6. Reduced Rates Under Eighth Schedule (10%)	35,452
7. Other Reduced Rates	53,138
8. Sales Tax on Cellular mobile Phones under Ninth Schedule	23,154
Total	**518,814**

Source: Federal Board of Revenue

Customs

Following is the break-up of estimates of tax expenditure of main exemptions in Customs Duties for FY2020.

Table 3: Tax Expenditure Estimates of Customs Duties FY2020	Rs. Million
1. Chapter-99 Exemptions	10,649
2. FTA & PTA Exemptions	45,020
3. 5th Schedule Exemptions & Concessions	87,859
4. General Concessions: Automobile sector, E&P Companies, CPEC, etc	95,420
5. Exemption of Additional Customs Duty	4,773
6. Exemption of Regulatory Duty	9,390
Total	**253,111**

Source: Federal Board of Revenue

Following is the consolidated summary of tax expenditure for the FY2020 in Table 4.

Table 4: Tax Expenditure of Federal Taxes for FY2020 Rs billion

S. No.	**Types of Tax**	**FY2020**
1.	Income Tax	378.03
2.	Sales Tax	518.81
3.	Customs Duty	253.11
Total Tax Expenditure Estimates		1149.95

Source: Federal Board of Revenue

Annex-III

COVID-19 ADVENT AND IMPACT ASSESSMENT

Introduction

The COVID-19 pandemic was first reported on 31st December 2019 in Wuhan City, Hubei Province of China. As of 2nd June 2020, the disease had infected almost 6.4 million people globally with 380 thousand deaths (CFR 5.92 percent). The first case of COVID-19 in Pakistan was reported on 26th February 2020. Since then, 76,398 cases with 1,621 deaths (CFR 2.12 percent) have been reported in the country as of 2nd June 2020.

The Government of Pakistan (GoP), with the support of all provincial governments and development partners, has taken unprecedented steps to counter and minimize the impact of COVID-19 pandemic. However, considering the magnitude of the challenge, the evolving nature of the situation, and the ensuing uncertainty, it is expected that efforts will need to be persistent.

While addressing the pandemic, the GoP is faced with key challenges which are largely two-fold:

- Implement measures to save lives by containing the spread, together with implementing interventions to protect the poor and vulnerable from negative shocks caused by the outbreak and its resultant containment policy actions;
- Put in place immediate measures that support early and quick economic recovery

The situation necessitates the GoP to prepare a comprehensive and consolidated response and recovery strategy, the foundational principle of which is to safeguard the social and economic well being of Pakistan's greatest asset – its people. This strategy should consider the multidimensional aspects around COVID-19 response and recovery, with a clear path towards efficiently and effectively managing its adverse effects. This includes deliberately and proactively mobilizing technical and financial resources – both domestically as well as through support from international partner countries and agencies – to sustain the continuity of economic activities, safeguard jobs, ensure food security, and addressing the social and health needs of the population, particularly among the most vulnerable.

Macroeconomic Impact Assessment

Pakistan's real GDP growth was contracted by 0.4 percent in FY2020. The lockdown was imposed in the second half of March 2020, and subsequently relaxed two months after. Hence, the last quarter of this fiscal year bore the most significant brunt of the COVID-19 crisis.

The Sub-committee on National Coordination Committee (NCC) has worked out an impact assessment of COVID-19 on the Real sector of the economy. The details have been given in the table below.

Macroeconomic Overview FY2020

Items	Unit	Prov. 2018-19	Before 2019-20	After 2019-20
Real Sector			**Proj.**	**Prov. Actual**
Real GDP Growth	**%**	**1.9**	**3.3**	**-0.4**
- Agriculture	**%**	**0.6**	**3.0**	**2.7**
- Major Crop	**%**	-7.7	2.8	2.9
- Livestock	**%**	3.8	3.2	2.6
Industrial sector		**-2.3**	0.7	**-2.6**
- Manufacturing	**%**	**-0.7**	**0.5**	**-5.6**
- LS M	**%**	-2.6	-1.3	-7.8
Services	**%**	**3.8**	**4.2**	**-0.6**
- Wholesale & Trade	**%**	1.1	3.2	-3.4
- Financial Businesses	**%**	5.0	4.7	0.8
Inflation (GDP Deflator)	**%**	**8.4**	**11.8**	**9.1**
Nominal GDP Growth	**%**	**10.5**	**15.4**	**8.6**
As % of GDP				
Investment	**-**	**15.6**	**15.6**	**15.4**
- Fixed Investment	-	14.0	14.0	13.8
- Public Investment	-	3.7	3.8	3.8
- Private Investment	-	10.3	10.2	10.0
National Savings	**-**	**10.8**	**13.4**	**13.9**
Domestic Savings	-	4.1	6.4	6.8
Foreign Savings (incl. Official Transfers)	**-**	**4.8**	**2.2**	**1.5**

Source: Sub-committee of the National Coordination Committee for COVID-19 on Economic Analysis: Planning Commission.

In April 2020, exports and imports declined (year-on-year) by almost 55 percent and 35 percent, respectively. While the decline in exports largely reflects lower external demand as well as low production activity domestically, the decline in imports most likely reflects low retail and wholesale trade. Similarly, sharp declines in tax collections and sales of automobiles, cement and petroleum products also indicate an across-the-board economic slowdown. In terms of the GDP's sectoral breakdown, while the impact of COVID-19 was felt overarching, the industrial and services sectors were most hard hit. Agriculture sector has not seen major disruptions but still faces risks due to reduced labour mobility for wheat harvesting in Punjab and partial impediments to wheat procurement, storage and distribution.

Given the impaired liquidity position of potential investors and heightened risk perceptions, there is likely to be a big fall in private investment in coming months when faced with industrial closures and the obvious reluctance of banks to offer loans. The COVID-19 pandemic may bring a 30-40 percent drop in global foreign direct investment (FDI) flows during 2020 and 2021, according to a report released by UNCTAD. The reduction in profit due to economic slowdown will take away a major component of FDI, that is, the reinvested earnings.

Pakistan's economy may face a loss in business activities because of disruptions in trade, both in imports and exports after the outbreak of COVID-19. The major reason behind this unfortunate decline in output is the fact that the five major trading partners with more than 50 percent share in trade of Pakistan (China, USA, UK, Japan, and Germany) also happen to be the worst hit countries by the COVID-19.

Pakistan needs an investment strategy response in order to reverse some of the Post COVID-19 distress on investment and trade. BOI and other stakeholders are considering following 10-point agenda as a preliminary strategy response for attracting investment into Pakistan[1]:

- Industrial Relocation under CPEC-IC to cater for non-Chinese companies as well;
- Incentivizing backward linkages in SEZs;
- Fast tracking of CPEC Projects;
- 5G deployment be expedited to enable the industrial cooperation in technology;
- Building IT and security capacity;
- Revisiting priority sectors for investment;
- Diaspora investment certificates to solicit funds into quality projects;
- Incentivizing and facilitating industrial transformation;
- Devising an SME Survival plan; and
- Providing due diligence for mergers & acquisitions.

On the revenue side, FBR tax collection efforts have been affected severely due to the slowdown and lockdown of the economy in the wake of COVID-19 pandemic. Tax collection which was growing at the rate above 17 percent during July-February, FY2020 has witnessed a significant decline. After the outbreak of COVID-19 pandemic, an average negative growth rate of 13.4 percent was recorded during March 2020 and April 2020 as compared to last year. FBR tax collection is expected to remain at Rs 3.9 trillion during FY2020 against the target of Rs 4.8 trillion.

In addition to shortfall in revenues; reprioritizing of expenditures and increase in public spending due to fiscal stimulus package, budget deficit is expected to exceed the target of 7.5 percent of GDP and may go up to 9.4 percent of GDP.

The global response to this challenge is monetary accommodation complemented with fiscal action. However, uncertainty surrounding the nature and duration of the shocks has complicated the appropriate policy response. Fiscal policy is constrained by a tightening fiscal space compounded by falling revenues and increasing expenditure demands due to social protection, health emergency and direct support to the businesses.

[1] Source: Board of Investment (BOI)

After recording its first contractionary year due to the COVID crisis since 1952, Pakistan is likely to face greater challenges in the next fiscal year starting July 2020. Under normal circumstances, after recording over 3 percent growth, Pakistan could have been reaping the benefits of macroeconomic stability achieved over the last year and would have embarked on a higher growth trajectory of over 4 percent. However, the pervasive and lasting effects of COVID-19 pose serious challenges to the economy which remains susceptible to its aftermath, despite efforts towards the outbreak's curtailment. With an expected 2 percent growth for next year which is even lower than the population growth rate, challenges such as unemployment and poverty are expected to persist and amplify.

A second round of the outbreak could further threaten macroeconomic stability and socio-economic outcomes. Businesses will face liquidity issues, and many more may experience insolvency. They will require different kinds of support, for instance bailouts and provision of cheap funding, among others. Global trade will further dampen thereby constricting exports and remittances inflow, while domestic fiscal adjustment will become even more challenging. Higher debt accumulation will be problematic, financing for development projects may become scarce, revenues might be difficult to increase while expenditure demand may be immense. Synthesizing all this in an intricate policy mix has to ultimately be in place to smoothen this transition from crisis to stabilization.

Socio-economic Impact Assessment

An estimated 56.6 percent of the population is socio-economically vulnerable due to the COVID-19 crisis. Women and children, especially those from more disadvantaged households and those who are home-based workers, will be among the most impacted. To understand the nature of these socio-economic impacts, rapid evidence-based assessment was undertaken focusing on three vulnerability areas: i) economic vulnerabilities, ii) social vulnerabilities, iii) food security related vulnerabilities.

I. Economic Vulnerabilities

a. Employment and labour force: The Labour Force Survey 2017-18, estimates an employed labour force of about 61.7 million across Pakistan of which 23.8 million are agriculture workers and 37.9 million are non-agriculture workers. Out of 37.9 million non-agriculture workers, 27.3 million (72 percent) work in the informal sector. It is these 27.3 million informal sector workers that are most at risk of losing their livelihoods as a result of the COVID-19 crisis. The top two sectors where these informal economy workers are employed are wholesale and retail trade (33 percent) and manufacturing (23 percent).

Among the most vulnerable, the expected loss of employment (across both the agriculture and non-agriculture sectors) is estimated to be between 12.5 million to 15.5 million in case of moderate slow-down of economic activity/partial lockdown, and between 18.7 million and 19.1 million in case of severe restrictions to economic activity/full lockdown. It is expected that wholesale and retail trade will lose maximum workers followed by manufacturing, construction and transport.

b. Enterprise and entrepreneurship: According to SMEDA, 3.25 million SMEs constitute nearly 90 percent of all enterprises in Pakistan and contribute approximately

40 percent to annual GDP. Since most of SMEs are not documented (other than those workers registered under EOBI or a social security programme), they are not protected against loss of employment.

c. **Labour migration and overseas Pakistanis:** Due to the resultant contraction in the global economy and restrictions on international and intercity travel, migrant workers (overseas Pakistanis) may be adversely impacted in terms of permanent or temporary unemployment, or reduction in incomes. About 50,000-60,000 migrant workers who completed their registration at the Protectorate Office could not proceed overseas due to travel restrictions and domestic and international lockdown. Additionally, hiring for 100,000 foreign positions has been halted.

d. **Inequalities in labour force:** Women dominate professions such as domestic workers, teachers and instructors in schools and colleges; several are also employed by SMEs. 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. This could act to reduce female labour force participation in the country. In addition, an analysis of home-based workers (HBWs) revealed that there are currently 12 million HBWs 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 low-income security and absence of social protection. In the current situation, this segment of labour force is arguably most at risk of losing livelihoods due to its inability to supply the required labour hours.

Given the above, there is a need to identify potentially vulnerable women-led households (approximately 13 percent) that are at greater risk of poverty, hunger and disease. Databases such as Ehsaas and BISP can be leveraged to identify this target group.

II. Social Vulnerabilities

a. **Healthcare provision:** Healthcare facilities are insufficient to meet the population's need. There is on average only 1 hospital bed available for over 1,680 people. Even under normal conditions, bed capacity is already insufficient to cater to patient needs comprehensively with doctors treating 2 to 3 patients on one bed in public hospitals of large cities. In addition, disrupted supplies are already putting pressure on availability of testing kits, PPE kits and medical supplies. The daily testing rate of Pakistan has improved from 0.03 per thousand population in April 2020 to 0.067 per thousand population in May 2020. Pakistan is at the bottom 15 listed countries. Daily testing rate in UK, Italy, Lithuania (the highest) and Denmark ranges between 1 per thousand to 7 per thousand.

It is critical to step up conversion of facilities such as academic institutions and sports complexes, into make-shift medical and quarantine centers. Pakistan needs to accelerate population testing for COVID-19, and activate local production of PPE kits and medical supplies as much as possible

b. **Health and immunization of children:** Provision of healthcare for non-COVID related illnesses is currently facing disruptions and closures with maximum resources and manpower being diverted towards responding to the COVID-19 outbreak. This includes primary healthcare services such as routine immunization and general child healthcare. Pakistan has a birth cohort of 6 million children annually, out of which only 66 percent (approximately 3.4 million) are fully immunized. The ongoing lockdown and travel restrictions across countries are leading to disrupted supply chains, stock shortages of essential vaccines and resultant disruption of immunization services. In terms of location, currently immunization services are being provided only from fixed sites. Outreach services have been stopped due to lockdown and non-availability of basic PPE for vaccinators.

c. Reproductive healthcare and newborn health needs: Currently, there are about 4.7 million pregnant women in Pakistan. The COVID-19 pandemic will have 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. This would not only take away funding from reproductive health programmes and decrease access for patients who rely on free or subsidized care, but also have a compounding effect on the other two sourcing of needed medication and engagement of required healthcare providers.

d. Inequalities in health-related outcomes: The outbreak has put an additional burden of domestic work and disease prevention on women. The responsibility of women in prevention and care of the 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. Hence, such women have a higher risk of exposure to the virus, are more likely to be carriers and transmitters of the disease, and are also more susceptible to stress and overwork induced health issues.

e. Education and learning continuity: COVID-19 has directly impacted 42 million school going learners from pre-primary and primary to higher secondary and degree college levels. This situation stands to potentially exacerbate risks and vulnerabilities to an already weak education system, as well as steepen illiteracy levels. It calls for a comprehensive approach to ensure continuity of learning, mitigating the spillover effects of economic recession and safeguarding our frail education system.

f. Inequalities in educational outcomes: With the shutdown of public and private schools across Pakistan, there is expected to be a disproportionately adverse impact on the most vulnerable groups, particularly women and those in rural areas and urban slums. Women are twice as likely to be taken out of school in crisis situations. In addition to pre-existing barriers to education, the current crisis is expected to give rise to further limitations due to transport and mobility constraints, and declines in household incomes and purchasing powers. Geographically, rural areas and urban slums are potentially at highest risk with more than 70 percent of current enrolment and large pockets of already out of school children. Hence, the COVID-19 crisis may widen the already existing gender and socio-economic gap in the educational system and impact the overall literacy rate of the country.

III. Food Security Related Vulnerabilities

a. **Agricultural supply chain:** Border closures and existing lockdown conditions, preventing market place activity, will potentially have a disruptive impact on the agriculture value chain. It may lead to reduction in or non-availability of agricultural supplies such as Kharif plant seeds, fertilizers and livestock feed, etc. For the local consumer, this translates to potentially reduced availability of farm produce and related products in the market.

b. **Nutrition:** Lockdown, market closures, trade restrictions and disrupted supply chains 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 lack of food security. Reduction in purchasing power will also potentially lead to insufficient food and nutritional intake. These causes stand to decrease dietary intake and increase the prevalence of malnutrition and related health ailments in Pakistan. Lower socio-economic groups are most susceptible to this, particularly women-led households (since they are at higher risk of losing livelihoods) and children (since reduced household incomes and purchasing power will lead to restricted nutritional diversity and rationing of food intake).

c. **Related livelihood:** About 22 percent are dependent on wage labour (skilled/unskilled non-agricultural labour, forestry workers). Around 62 percent of households in the poorest wealth quintile rely on farm labour and daily wage as livelihood. Most of the farmers store wheat for household consumptions. Due to reduced sale of farm produce and related products, and reduction in other non-farm work, they may be compelled to sell their wheat stocks. This would also create nutritional vulnerabilities for such households, limiting their food supply and dietary intake. Another potential coping mechanism to supplement eroding household income, food supplies and other day-to-day essentials might be liquidation of assets by farmers (mainly poultry, livestock and other valuable assets).

   Similarly, small entrepreneurs, shopkeepers and small factory owners and labourers who are directly dependent on income sources from daily trade and economic activities linked to the food and agriculture are also likely to experience a sharp decrease in their earnings.

Conclusion

Pakistan has confronted a unique challenge is unique as it emerged at a stage when it was changing gear from stabilization to growth and emergence of COVID-19 thwarted all efforts and impacted entire socio-economic landscape of Pakistan. Globally, it threatens to rapidly reverse the integration of global economic and social systems achieved over decades.

The severity of the COVID-19 impact is yet to be fully determined due to its unprecedented nature. However, it has exposed vulnerabilities which provide an opportunity to reassess our development priorities to fill gaps which have been laid bare by the shock. COVID-19 has provided us with a chance to acutely analyze key areas which the GoP must investigate further and invest in for the resilient, durable and diversified progress. The virus has highlighted over-reliance in certain export areas; a more diversified export base would have served Pakistan better. Vulnerabilities of the economy's conventional supply chains have been exposed; there is a need to rapidly digitalize and technologically supplement supply chains across various industries, including agriculture. The pandemic has amplified the lack of health facilities and the need to urgently invest in the same. The dire need for reliable data availability and data banks has strongly emerged to better monitor the effectiveness of policy intervention and serve our large population. Lack of investment in research and development, especially in the areas of health, medicine and related equipment to increase self-reliance has not been able to seek warranted attention. COVID-19 offers us a chance to rethink previous approaches to public sector investments and evolve ways to encourage the private sector to step forward to help invest in gaps exposed by the virus in the economy.

While the federal government, in close coordination with relevant stakeholders, continues to work on various initiatives to help the cause, it will be the reorientation of policy and lawmakers' ways of thinking about development which could create the most profound impact to the virus and define whether Pakistan, as a nation, comes out more resilient in the post-crisis world.

STATISTICAL APPENDIX

CONTENTS

ECONOMIC AND SOCIAL INDICATORS

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ECONOMIC AND

INDICATORS	1960s	1970s	1980s	1990s	2000s	2006-07	2007-08	2008-09
	Average (Annual)							
FINANCIAL SECTOR:								
GROWTH RATE (at constant fc) %								
GDP	6.8	4.8	6.5	4.6	4.5	5.5	5.0	0.4
Agriculture	5.1	2.4	5.4	4.4	2.8	3.4	1.8	3.5
Manufacturing	9.9	5.5	8.2	4.8	7.3	9.0	6.1	-4.2
Commodity Producing Sector	6.8	3.9	6.5	4.6	4.8	5.5	5.1	-0.9
Services Sector	6.7	6.3	6.7	4.6	5.2	5.6	4.9	1.3
GROWTH RATES (at current mp) %								
Total Investment	-	21.8	4.2	8.1	15.6	9.3	17.7	13.4
Fixed Investment	14.8	20.5	3.7	7.8	15.7	9.0	17.9	12.4
Public Investment	14.0	25.3	2.6	7.3	12.5	21.0	21.0	11.2
(including general govt.)								
Private Investment	20.9	17.0	5.1	8.8	17.5	5.2	16.8	12.9
(as % of Total Investment)			5.1					
National Savings	-	67.5	79.2	75.4	89.9	74.3	57.5	68.6
Foreign Savings	-	32.5	20.8	24.6	10.1	25.7	42.5	31.4
(as % of GDP current mp)								
Total Investment	-	17.1	18.7	18.3	17.9	18.8	19.2	17.5
Fixed Investment	-	15.9	17.0	16.6	16.4	17.2	17.6	15.9
Public Investment	-	10.3	9.2	7.5	4.6	4.6	4.8	4.3
Private Investment	-	5.6	7.8	9.1	11.8	12.6	12.8	11.7
National Savings	-	11.2	14.8	13.8	15.9	14.0	11.0	12.0
Foreign Savings*	-	5.8	3.9	4.5	2.0	4.8	8.2	5.5
Domestic Savings	-	7.4	7.7	14.0	14.6	12.3	9.1	9.4
Per Capita Income (mp-US $)*	-	-	-	-	746.0	979.9	1053.2	1026.1
GDP DEFLATOR (growth %)	-	-	2.3	8.3	8.4	7.2	12.9	20.7
CONSUMER PRICE INDEX (CPI)								
(growth %)	3.2	12.5	7.2	9.7	7.3	7.8	12.0	17.0
FISCAL POLICY								
(as % of GDP mp)								
Total Revenue	13.1	16.8	17.3	17.1	13.9	14.0	14.1	14.0
Tax Revenue	-	-	13.8	13.4	10.3	9.6	9.9	9.1
Non-Tax Revenue	-	-	3.5	3.7	3.6	4.4	4.2	4.9
Total Expenditure	11.6	21.5	24.9	24.1	18.3	18.1	21.4	19.2
Current Expenditure	-	-	17.6	19.4	15.1	14.9	17.4	15.5
Defence	-	-	6.5	5.6	3.1	2.7	2.6	2.5
Markup Payments	-	-	3.8	6.8	4.9	4.2	4.8	5.0
Others	-	-	7.3	7.0	7.2	8.0	10.0	8.0
Development Expenditure	-	-	7.3	4.7	3.3	4.6	4.0	3.5
Overall Deficit	2.1	5.3	7.1	6.9	4.4	4.1	7.3	5.2
MONEY & CREDIT (growth %)								
Monetary Assets (M2)	16.3	21.0	13.2	16.8	15.0	19.3	15.3	9.6
Domestic Assets	15.0	20.5	15.4	12.2	14.1	14.2	33.6	15.4
STOCK EXCHANGE (growth %)								
PSX 100 Index	-	-	0.1	4.1	27.2	37.9	-10.8	-41.7
Aggregate Market Capitalization	-	-	2.5	13.4	29.1	45.3	-6.0	-43.9

- : 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 ^ : July-April**

Note: From 2016-17, CPI is estimated on 2015-16=100 as base year

SOCIAL INDICATORS

Base Year 2005-06										
2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
								F	R	(Jul-Mar) P
2.6	3.6	3.8	3.7	4.1	4.1	4.6	5.2	5.5	1.9	-0.4
0.2	2.0	3.6	2.7	2.5	2.1	0.2	2.2	4.0	0.6	2.7
1.4	2.5	2.1	4.9	5.7	3.9	3.7	5.8	5.4	-0.7	-5.6
1.8	3.2	3.1	1.7	3.5	3.6	2.9	3.4	4.3	-0.9	-0.1
3.2	3.9	4.4	5.1	4.5	4.4	5.7	6.5	6.3	3.8	-0.6
1.4	9.8	17.1	10.8	10.0	17.0	5.8	13.0	16.4	-1.3	8.4
0.3	8.4	18.1	10.7	9.7	18.0	5.8	13.4	17.3	-2.4	8.3
-2.1	6.6	27.2	4.9	1.2	29.0	7.0	30.5	25.4	-21.6	13.2
1.2	9.0	14.9	12.9	12.8	14.5	5.4	7.1	13.7	7.1	6.5
85.9	100.7	86.3	92.8	91.3	93.4	88.9	74.4	64.9	69.2	90.3
14.1	-0.7	13.8	7.2	8.7	6.6	11.1	25.6	35.1	30.8	9.7
15.8	14.1	15.1	15.0	14.6	15.7	15.7	16.2	17.3	15.6	15.4
14.2	12.5	13.5	13.4	13.0	14.1	14.1	14.6	15.7	14.0	13.8
3.7	3.2	3.7	3.5	3.2	3.7	3.8	4.5	5.2	3.7	3.8
10.5	9.3	9.7	9.8	9.9	10.4	10.3	10.1	10.5	10.3	10.0
13.6	14.2	13.0	13.9	13.4	14.7	13.9	12.0	11.3	10.8	13.9
2.2	-0.1	2.1	1.1	1.3	1.0	1.7	4.1	6.1	4.8	1.5
9.8	9.7	7.8	8.7	7.7	8.6	7.8	6.5	5.9	4.1	6.8
1072.4	1274.1	1320.5	1333.7	1388.8	1514.0	1529.4	1630.1	1651.9	1455.1	1355.0
10.7	19.5	5.7	7.1	7.4	4.3	0.5	4.0	2.4	8.4	9.1
10.1	13.7	11.0	7.4	8.6	4.5	2.9	4.8	4.7	6.8	11.2
14.0	12.3	12.8	13.3	14.5	14.3	15.3	15.5	15.1	12.9	11.2
9.9	9.3	10.2	9.8	10.2	11.0	12.6	12.4	12.9	11.8	8.6
4.1	3.0	2.6	3.5	4.3	3.3	2.7	3.0	2.2	1.1	2.6
20.2	18.9	21.6	21.5	20.0	19.6	19.9	21.3	21.6	22.0	15.3
16.0	15.9	17.3	16.4	15.9	16.1	16.1	16.3	16.9	18.7	13.4
2.5	2.5	2.5	2.4	2.5	2.5	2.6	2.8	3.0	3.0	1.9
4.4	3.9	4.5	4.5	4.6	4.8	4.3	4.2	4.3	5.5	4.5
9.2	9.6	10.3	9.5	8.9	8.8	9.2	9.3	9.6	10.2	7.0
4.4	2.8	3.9	5.1	4.9	4.2	4.5	5.3	4.6	3.1	1.8
6.2	6.5	8.8	8.2	5.5	5.3	4.6	5.8	6.5	9.1	4.0
12.5	15.9	14.1	15.9	12.5	13.2	13.7	13.7	9.7	11.3	8.5
12.7	13.1	20.2	20.9	9.1	11.7	12.9	18.3	15.9	19.1	3.7
35.7	28.5	10.4	52.2	41.2	16.0	9.8	23.2	-10.0	-20.5	-13.8
28.8	20.3	6.2	47.6	36.2	5.7	2.3	25.5	-9.0	-19.1	-18.4

As per PBS Per Capita Income during 2016-17 is Rs 162,230/- based on provisional figures of population census 2017 held in March 2017 i.e. 207,774,520. The revise series of Per Capita Income will be compiled after finalization of 6th Housing and Population

(Contd...)

ECONOMIC AND

INDICATORS		1960s	1970s	1980s	1990s	2000s	2005-06	2006-07	2007-08
		Average (Annual)							
TRADE AND PAYMENTS (growth %)									
Exports (fob)		-	13.5	8.5	5.6	9.9	13.8	4.5	18.0
Imports (fob)		-	16.6	4.5	3.2	13.7	31.4	8.0	31.6
Workers' Remittances		-	-	1.9	-5.3	26.8	10.4	19.4	17.4
As % of GDP (mp)									
Exports (fob)		-	-	9.8	13.0	12.3	13.0	11.2	12.0
Imports (fob)		-	-	18.7	17.4	16.2	19.4	17.5	20.8
Trade Deficit		-	-	8.9	4.4	3.9	6.5	6.2	8.8
Current Account Deficit		-	-	3.9	4.5	3.8	4.4	4.8	8.2
COMMODITY SECTOR:									
Agriculture									
Total Cropped Area	mln. hectares	-	-	20.3	22.4	22.9	23.1	23.6	23.9
Production									
Wheat	mln. tons	-	-	12.5	17.0	20.8	21.3	23.3	20.9
Rice	mln. tons	-	-	3.3	3.9	5.2	5.5	5.4	5.6
Sugarcane	mln. tons	-	-	33.1	44.6	50.4	44.7	54.7	63.9
Cotton	mln. bales	-	-	6.3	9.7	11.6	13.0	12.9	11.7
Fertilizer Offtake	mln.N/tons	-	-	1.4	2.3	3.3	3.8	3.7	3.6
Credit Disbursed	bln. Rs.	-	-	11.2	23.8	112.9	137.4	168.8	211.6
Manufacturing									
Cotton Yarn	mln. Kg.	5.6	3.4	10.0	1884.4	2236.2	2556.3	2727.6	2809.4
Cotton Cloth	mln. sq. mtr.	3.1	-5.2	-1.1	487.8	763.3	903.8	1012.9	1016.4
Fertilizer	mln. tons	27.5	13.2	10.7	4.9	5.3	6.1	5.9	6.1
Sugar	mln. tons	34.3	2.2	14.4	3.6	3.4	2.9	3.5	4.7
Cement	mln. tons	10.7	2.5	8.6	11.2	16.4	18.5	22.8	26.7
Soda Ash	000 tons	12.0	2.6	6.7	269.0	292.6	318.7	330.6	365.0
Caustic Soda	000 tons	24.4	5.0	6.6	147.2	195.0	219.3	242.2	248.3
Cigarettes	bln. nos.	10.7	4.9	-0.4	55.4	60.0	64.1	66.0	67.4
Jute Goods	000 tons	-	3.4	9.5	101.1	105.0	104.5	118.1	129.0
INFRASTRUCTURE:									
Energy									
Crude Oil Extraction	mln. barrels	-	2.8	10.9	26.1	23.3	23.9	24.6	25.6
Gas (supply)	bcf	-	165.4	385.2	908.0	1186.8	1400.0	1413.6	1454.2
Electricity (installed capacity)	000 MW	-	1.3	3.1	12.9	18.7	19.4	19.4	19.4
Transport & Communications									
Roads	000 km	70.5	74.1	123.8	279.3	255.6	259.0	261.8	258.4
Motor Vehicles on Roads	mln. nos.	-	0.4	1.4	4.6	6.4	7.1	8.1	8.8
Post Offices	000 nos.	7.1	9.0	11.8	15.8	12.3	12.3	12.3	12.4
Telephones	mln. nos.	0.1	0.2	0.6	3.3	4.2	5.1	4.8	4.5
Mobile Phones	mln. nos.	-	-	-	-	30.3	34.5	63.2	88.0

- : Not available P: Provisional, R: Revised, F: Final

SOCIAL INDICATORS

2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 (Jul-Mar) P
-6.4	2.9	28.9	-2.6	0.3	1.1	-3.9	-8.8	0.1	12.6	-2.1	1.4
-10.3	-1.7	14.9	12.8	-0.6	3.8	-0.8	-0.6	16.7	16.0	-6.8	-16.2
21.1	14.0	25.8	17.7	5.6	13.7	18.2	6.4	-2.8	2.9	9.2	6.0
11.4	11.1	11.9	11.0	10.7	10.2	8.9	7.9	7.2	7.9	8.7	6.9
18.9	17.5	16.7	18.0	17.4	17.0	15.3	14.7	15.7	17.7	18.6	12.5
7.5	6.5	4.9	7.0	6.6	6.8	6.4	6.9	8.5	9.8	9.9	5.6
5.5	2.2	+0.1	2.1	1.1	1.3	1.0	1.8	4.0	6.1	4.8	1.1
24.1	23.9	22.7	22.5	22.6	23.2	23.3	24.0	23.0	23.5	23.5	23.5
24.0	23.3	25.2	23.5	24.2	26.0	25.1	25.6	26.7	25.1	24.3	24.9
6.9	6.9	4.8	6.2	5.5	6.8	7.0	6.8	6.8	7.5	7.2	7.4
50.0	49.4	55.3	58.4	63.8	67.5	62.8	65.5	75.5	83.3	67.1	66.9
11.8	12.9	11.5	13.6	13.0	12.8	14.0	9.9	10.7	11.9	9.9	9.2
3.7	4.4	3.9	3.9	3.6	4.1	4.3	3.7	5.0	4.8	4.6	3.4
233.0	248.1	263.0	293.9	336.2	391.4	515.9	598.3	704.5	972.6	1174.0	912.2
2913.0	2787.3	2939.5	2954.6	3017.9	3066.0	3360.0	3405.6	3428.1	3430.1	3431.4	2498.5
1016.9	1009.4	1020.3	1023.4	1029.1	1036.1	1036.1	1039.2	1043.3	1043.7	1046.0	763.1
6.3	6.5	5.9	6.0	5.7	6.7	7.0	8.0	8.1	7.2	7.7	6.0
3.2	3.1	4.2	4.6	5.1	5.6	5.1	5.1	7.0	6.6	5.3	4.8
28.4	31.3	28.8	29.5	31.1	31.4	32.2	35.4	37.0	41.1	39.9	30.0
365.3	409.6	378.0	370.7	366.2	409.1	437.1	468.5	479.7	509.8	572.1	435.0
245.3	182.3	172.0	179.1	182.9	167.5	184.0	225.3	223.9	270.1	246.6	164.6
75.6	65.3	65.4	62.0	67.4	64.5	62.7	53.5	34.3	59.1	60.7	33.5
137.4	106.2	93.2	94.1	102.8	101.7	94.3	55.3	59.8	74.2	67.1	51.8
24.0	23.7	24.0	24.6	27.8	31.6	34.5	31.7	32.3	32.6	32.5	19.8
1460.7	1482.8	1471.6	1559.0	1505.8	1493.5	1465.8	1481.6	1471.9	1458.9	1436.5	898.4
19.8	20.9	22.5	22.8	22.8	23.5	23.8	25.9	29.9	33.6	33.0	36.2
260.2	260.8	259.5	261.6	263.4	263.8	265.4	265.9	267.0	268.9	271.0	-
9.4	9.8	10.4	11.5	11.6	13.2	13.9	15.6	21.9	24.3	25.2	29.5
12.3	12.0	12.0	12.0	12.8	12.1	12.1	11.7	11.5	11.5	10.1	10.1
3.5	3.4	5.7	5.8	6.4	5.7	4.2	3.3	3.0	2.9	2.6	2.5
94.3	99.2	108.9	120.2	128.9	140.0	114.7	133.2	139.8	150.2	161.0	168.9

(Contd...)

ECONOMIC AND

INDICATORS		1960s	1970s	1980s	1990s	2000s	2005-06	2006-07	2007-08
		Average (Annual)							
HUMAN RESOURCES:									
Population*	million	-	-	96.3	124.6	150.9	155.4	158.2	161.0
Crude Birth Rate	per 1000 person	-	-	-	-	27.4	26.1	26.1	26.1
Crude Death Rate	per 1000 person	-	-	-	-	7.9	8.2	7.1	7.1
Infant Mortality Rate	per 1000 person	-	-	-	-	79.6	77.0	76.7	76.7
Labour Force & Employment**									
Labour Force	million	-	-	11.6	35.1	45.5	46.8	50.5	50.8
Employed Labour Force	million	-	-	11.2	33.1	42.4	43.2	47.3	48.1
Un-employed Labour Force	million	-	-	0.4	2.0	3.6	3.6	3.1	2.7
Un-employment Rate	% per annum	-	-	1.4	5.7	6.8	7.6	6.2	5.2
SOCIAL DEVELOPMENT:									
Education									
Primary Schools	000 nos.	-	-	88.8	143.5	155.2	157.5	158.7	157.4
Male	000 nos.	-	-	64.6	96.4	96.6	97.7	97.8	92.5
Female	000 nos.	-	-	24.2	47.1	58.6	59.8	60.9	64.9
Middle Schools	000 nos.	-	-	6.8	15.3	31.9	39.4	40.1	40.8
Male	000 nos.	-	-	4.6	8.8	16.7	20.1	22.6	20.2
Female	000 nos.	-	-	2.2	6.5	15.2	19.3	17.5	20.6
High Schools	000 nos.	-	-	5.4	10.6	18.6	22.9	23.6	24.0
Male	000 nos.	-	-	3.9	7.4	12.2	14.8	14.6	15.0
Female	000 nos.	-	-	1.5	3.2	6.3	8.1	9.0	9.0
Technical / Vocational									
Institutions	nos.	-	-	508.6	572.2	1623.8	3059.0	3090.0	3125.0
Male		-	-	282.2	328.7	874.8	1584.0	1599.0	1618.0
Female		-	-	235.2	243.5	749.0	1475.0	1491.0	1507.0
Literacy Rate	percent	-	-	29.5	40.7	52.6	54.0	55.0	56.0
Male		-	-	39.0	51.6	65.7	65.0	67.0	69.0
Female		-	-	18.7	28.6	41.4	42.0	42.0	44.0
Expenditure on Education									
(as % of GDP)		1.4	1.7	2.3	2.0	1.7	1.7	1.8	1.8
Health*									
Registered Doctors	000 nos.	2.0	6.3	28.1	68.9	110.5	118.0	123.1	128.0
Registered Nurses	000 nos.	-	2.9	9.9	24.1	49.0	51.2	57.7	62.6
Registered Dentists	000 nos.	0.2	0.7	1.4	2.8	6.1	6.7	7.4	8.2
Hospitals	nos.	380.0	521.0	651.0	823.0	912.6	919.0	924.0	945.0
Dispensaries	000 nos.	1.7	2.8	3.5	4.3	4.6	4.6	4.7	4.7
Rural Health Centers	nos.	-	1.0	127.0	330.0	494.0	556.0	560.0	562.0
TB Centres	nos.	-	90.0	122.0	245.0	283.3	289.0	288.0	290.0
Beds in Hospitals									
& Dispensaries	000 nos.	25.5	38.4	55.6	83.8	99.1	101.5	102.1	103.2
Expenditure on Health									
(as % of GDP)		-	0.6	0.8	0.7	0.6	0.5	0.6	0.6

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

2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 (Jul-Mar) P
163.8	173.5	177.1	180.7	184.4	188.0	191.7	198.8	202.9	207.0	211.2	-
24.3	28.0	27.5	27.2	26.8	26.4	26.1	27.8	27.3	26.7	26.1	-
7.3	7.4	7.3	7.2	7.0	6.9	6.8	7.0	6.9	6.8	6.7	-
68.2	72.0	70.5	69.0	67.5	66.1	64.6	62.4	61.4	60.5	59.5	-
52.2	53.7	58.1	59.3	60.3	60.1	61.04	-	-	65.5	-	-
49.5	50.8	54.7	55.8	56.6	56.5	57.4	-	-	61.7	-	-
2.7	2.9	3.5	3.5	3.8	3.6	3.62	-	-	3.8	-	-
5.2	5.5	6.0	6.0	6.2	6.0	5.9	-	-	5.8	-	-
156.7	157.5	155.5	154.6	159.7	157.9	165.9	164.6	168.9	172.5	175.3	-
93.3	96.9	93.6	93.6	99.6	97.6	99.9	99.3	109.8	99.0	98.6	-
63.4	60.6	58.2	57.0	60.1	60.3	66.0	65.3	59.1	73.5	76.7	-
40.9	41.3	41.6	42.0	42.1	42.9	44.8	45.7	49.1	46.7	47.7	-
20.5	21.8	21.9	21.6	20.7	21.8	22.4	18.7	21.2	23.2	23.8	-
20.4	19.5	20.4	21.0	21.4	21.1	22.4	27.0	27.9	23.5	23.9	-
24.3	24.8	25.2	28.7	29.9	30.6	31.3	31.7	31.6	31.4	31.7	-
15.1	14.2	14.4	14.3	17.6	18.0	18.2	16.1	16.9	17.9	17.9	-
9.2	10.6	9.5	11.6	12.3	12.6	13.1	15.6	14.7	13.5	13.8	-
3159.0	3192.0	3224.0	3257.0	3290.0	3323.0	3579.0	3746.0	3798.0	3740.0	3842.0	-
1636.0	1010.0	1018.0	1028.0	1037.0	1047.0	1760.0	2232.0	2262.0	2410.0	2621.0	-
1523.0	2182.0	2206.0	2229.0	2253.0	2276.0	1819.0	1514.0	1536.0	1330.0	1221.0	-
57.0	57.7	58.0	58.0	60.0	58.0	60.0	58.0	-	62.3 **	60.0	-
69.0	69.5	69.0	70.0	71.0	70.0	70.0	70.0	-	72.5 **	71.0	-
45.0	45.2	46.0	47.0	48.0	47.0	49.0	48.0	-	51.8 **	49.0	-
1.8	1.7	1.8	2.0	2.1	2.1	2.2	2.3	2.2	2.4	2.3	-
133.9	139.5	144.9	152.4	160.9	167.8	175.2	184.7	195.9	208.0	220.8	233.3
65.4	69.3	73.2	77.7	82.1	86.2	90.3	94.8	99.2	103.8	108.5	112.1
9.0	9.8	10.5	11.6	12.7	13.7	15.1	16.7	18.3	20.5	22.6	24.9
948.0	968.0	972.0	980.0	1092.0	1113.0	1143.0	1172.0	1243.0	1264.0	1279.0	1279.0
4.8	4.8	4.8	5.0	5.2	5.4	5.5	5.7	6.0	5.7	5.7	5.7
561.0	572.0	577.0	579.0	640.0	667.0	669.0	684.0	668.0	688.0	686.0	686.0
293.0	293.0	304.0	345.0	326.0	329.0	334.0	339.0	345.0	431.0	441.0	444.0
103.0	103.7	104.1	107.5	111.8	118.4	118.2	119.5	124.8	131.0	132.2	132.2
0.5	0.5	0.2	0.7	0.6	0.7	0.7	0.9	1.0	1.2	1.1	-

TABLE 1.1

GROSS NATIONAL PRODUCT AT CONSTANT BASIC PRICES OF 2005-06

Rs Million

Sectors	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P	% Change 2018-19/ 2017-18	% Change 2019-20/ 2018-19
A AGRICULTURE	2,103,600	2,156,117	2,202,043	2,205,433	2,253,565	2,343,614	2,357,095	2,420,109	0.58	2.67
1. Crops	844,860	867,133	868,494	822,689	832,744	871,796	828,583	853,262	-4.96	2.98
Important Crops	524,839	562,707	553,568	521,125	534,659	553,693	511,144	525,975	-7.68	2.90
Other Crops	258,670	243,890	250,006	251,005	244,703	260,026	266,763	278,948	2.59	4.57
Cotton Ginning	61,351	60,536	64,920	50,559	53,382	58,077	50,676	48,339	-12.74	-4.61
2. Livestock	1,169,712	1,198,671	1,246,512	1,288,373	1,326,948	1,375,986	1,428,613	1,465,498	3.82	2.58
3. Forestry	45,695	46,555	40,761	46,592	45,505	46,679	50,352	51,507	7.87	2.29
4. Fishing	43,333	43,758	46,276	47,779	48,368	49,153	49,547	49,842	0.80	0.60
B. INDUSTRIAL SECTOR	1,999,207	2,089,776	2,198,027	2,323,169	2,428,902	2,540,894	2,483,243	2,417,615	-2.27	-2.64
1. Mining & Quarrying	294,727	298,856	313,707	333,121	331,121	356,949	345,550	315,056	-3.19	-8.82
2. Manufacturing	1,313,365	1,387,556	1,441,461	1,494,591	1,581,680	1,667,524	1,656,570	1,564,543	-0.66	-5.56
Large Scale	1,064,185	1,122,266	1,159,052	1,193,569	1,260,836	1,325,429	1,291,437	1,190,938	-2.56	-7.78
Small Scale	156,691	169,677	183,607	198,652	214,839	232,383	251,536	255,355	8.24	1.52
Slaughtering	92,489	95,613	98,802	102,370	106,005	109,712	113,597	118,250	3.54	4.10
3. Electricity Generation & Distribution & Gas Distribution	165,275	164,054	186,174	203,661	198,180	164,067	187,816	221,054	14.48	17.70
4. Construction	225,840	239,310	256,685	291,796	317,921	352,354	293,307	316,962	-16.76	8.06
COMMODITY PRODUCING SECTOR (A+B)	4,102,807	4,245,893	4,400,070	4,528,602	4,682,467	4,884,508	4,840,338	4,837,724	-0.90	-0.05
C. SERVICES SECTOR	5,716,248	5,971,163	6,231,579	6,588,200	7,014,467	7,459,758	7,739,836	7,694,066	3.75	-0.59
1. Wholesale & Retail Trade	1,808,124	1,894,410	1,943,612	2,035,509	2,187,751	2,331,415	2,357,094	2,276,458	1.10	-3.42
2. Transport, Storage & Communication	1,304,697	1,355,570	1,424,255	1,493,830	1,557,639	1,587,297	1,660,857	1,542,461	4.63	-7.13
3. Finance & Insurance	302,392	315,428	335,448	356,981	396,669	426,012	447,286	450,820	4.99	0.79
4. Housing Services (Ownership of Dwellings)	664,542	691,093	718,674	747,343	777,140	808,172	840,494	874,283	4.00	4.02
5. General Government Services	703,717	723,823	758,746	832,505	882,015	986,125	1,037,147	1,077,842	5.17	3.92
6. Other Private Services	932,776	990,839	1,050,844	1,122,032	1,213,253	1,320,737	1,396,958	1,472,202	5.77	5.39
GDP {Total of GVA at bp (A + B + C)}	9,819,055	10,217,056	10,631,649	11,116,802	11,696,934	12,344,266	12,580,174	12,531,790	1.91	-0.38
Indirest Taxes	519,054	556,679	616,350	724,998	795,386	862,628	795,748	903,431	-7.75	13.53
Subsidies	176,255	136,844	107,861	85,976	83,545	73,891	113,056	102,655	53.00	-9.20
GDP {GVA + T - S}	10,161,854	10,636,891	11,140,138	11,755,824	12,408,775	13,133,003	13,262,866	13,332,566	0.99	0.53
Net Factor Income from Abroad	403,132	474,006	548,903	675,096	669,191	673,876	875,988	1,004,865	29.99	14.71
Gross National Income	10,564,986	11,110,897	11,689,041	12,430,920	13,077,966	13,806,879	14,138,854	14,337,431	2.40	1.40
Population (in million)	182.53	186.19	189.87	193.56	197.26	200.96	204.65	208.31	1.84	1.79

P: Provisional, R: Revised, F: Final

Source : Pakistan Bureau of Statistics

TABLE 1.2

SECTORAL SHARE IN GDP (%)

Sector	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P
A. AGRICULTURE	21.42	21.10	20.71	19.84	19.27	18.99	18.74	19.31
1. Crops	8.60	8.49	8.17	7.40	7.12	7.06	6.59	6.81
Important Crops	5.35	5.51	5.21	4.69	4.57	4.49	4.06	4.20
Other Crops	2.63	2.39	2.35	2.26	2.09	2.11	2.12	2.23
Cotton Ginning	0.62	0.59	0.61	0.45	0.46	0.47	0.40	0.39
2. Livestock	11.91	11.73	11.72	11.59	11.34	11.15	11.36	11.69
3. Forestry	0.47	0.46	0.38	0.42	0.39	0.38	0.40	0.41
4. Fishing	0.44	0.43	0.44	0.43	0.41	0.40	0.39	0.40
B. INDUSTRIAL SECTOR	20.36	20.45	20.67	20.90	20.77	20.58	19.74	19.29
1. Mining & Quarrying	3.00	2.93	2.95	3.00	2.83	2.89	2.75	2.51
2. Manufacturing	13.38	13.58	13.56	13.44	13.52	13.51	13.17	12.48
Large Scale	10.84	10.98	10.90	10.74	10.78	10.74	10.27	9.50
Small Scale	1.60	1.66	1.73	1.79	1.84	1.88	2.00	2.04
Slaughtering	0.94	0.94	0.93	0.92	0.91	0.89	0.90	0.94
3. Electricity Generation & Distribution & Gas Distribution	1.68	1.61	1.75	1.83	1.69	1.33	1.49	1.76
4. Construction	2.30	2.34	2.41	2.62	2.72	2.85	2.33	2.53
COMMODITY PRODUCING SECTOR (A+B)	41.78	41.56	41.39	40.74	40.03	39.57	38.48	38.60
C. SERVICES SECTOR	58.22	58.44	58.61	59.26	59.97	60.43	61.52	61.40
1. Wholesale & Retail Trade	18.41	18.54	18.28	18.31	18.70	18.89	18.74	18.17
2. Transport, Storage & Communication	13.29	13.27	13.40	13.44	13.32	12.86	13.20	12.31
3. Finance & Insurance	3.08	3.09	3.16	3.21	3.39	3.45	3.56	3.60
4. Housing Services (Ownership of Dwellings)	6.77	6.76	6.76	6.72	6.64	6.55	6.68	6.98
5. General Government Services	7.17	7.08	7.14	7.49	7.54	7.99	8.24	8.60
6. Other Private Services	9.50	9.70	9.88	10.09	10.37	10.70	11.10	11.75
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	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P
A. Agriculture	2.68	2.50	2.13	0.15	2.18	4.00	0.58	2.67
1. Crops	1.53	2.64	0.16	-5.27	1.22	4.69	-4.96	2.98
Important Crops	0.17	7.22	-1.62	-5.86	2.60	3.56	-7.68	2.90
Other Crops	5.58	-5.71	2.51	0.40	-2.51	6.26	2.59	4.57
Cotton Ginning	-2.90	-1.33	7.24	-22.12	5.58	8.80	-12.74	-4.61
2. Livestock	3.45	2.48	3.99	3.36	2.99	3.70	3.82	2.58
3. Forestry	6.58	1.88	-12.45	14.31	-2.33	2.58	7.87	2.29
4. Fishing	0.65	0.98	5.75	3.25	1.23	1.62	0.80	0.60
B. INDUSTRIAL SECTOR	0.75	4.53	5.18	5.69	4.55	4.61	-2.27	-2.64
1. Mining & Quarrying	3.88	1.40	4.97	6.19	-0.60	7.80	-3.19	-8.82
2. Manufacturing	4.85	5.65	3.88	3.69	5.83	5.43	-0.66	-5.56
Large Scale	4.46	5.46	3.28	2.98	5.64	5.12	-2.56	-7.78
Small Scale	8.28	8.29	8.21	8.19	8.15	8.17	8.24	1.52
Slaughtering	3.63	3.38	3.34	3.61	3.55	3.50	3.54	4.10
3. Electricity Generation & Distribution & Gas Distribution	-26.38	-0.74	13.48	9.39	-2.69	-17.21	14.48	17.70
4. Construction	1.08	5.96	7.26	13.68	8.95	10.83	-16.76	8.06
COMMODITY PRODUCING SECTOR (A+B)	1.73	3.49	3.63	2.92	3.40	4.31	-0.90	-0.05
C. SERVICES SECTOR	5.13	4.46	4.36	5.72	6.47	6.35	3.75	-0.59
1. Wholesale & Retail Trade	3.53	4.77	2.60	4.73	7.48	6.57	1.10	-3.42
2. Transport, Storage & Communication	4.03	3.90	5.07	4.89	4.27	1.90	4.63	-7.13
3. Finance & Insurance	8.32	4.31	6.35	6.42	11.12	7.40	4.99	0.79
4. Housing Services (Ownership of Dwellings)	4.00	4.00	3.99	3.99	3.99	3.99	4.00	4.02
5. General Government Services	11.32	2.86	4.82	9.72	5.95	11.80	5.17	3.92
6. Other Private Services	5.26	6.22	6.06	6.77	8.13	8.86	5.77	5.39
GDP {Total of GVA at bp (A + B + C)}	3.68	4.05	4.06	4.56	5.22	5.53	1.91	-0.38

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	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P	% Change 2018-19/ 2017-18	% Change 2019-20/ 2018-19
Household Final Consumption Expenditure	7,865,407	8,304,881	8,545,418	9,196,738	9,978,329	10,598,522	10,908,006	10,501,755	2.92	-3.72
General Government Final Consumption Expenditure	1,112,404	1,129,117	1,220,931	1,321,395	1,390,837	1,510,861	1,523,005	1,679,873	0.80	10.30
Total Investment	1,495,238	1,536,447	1,760,001	1,887,998	2,073,722	2,295,850	2,031,116	2,033,882	-11.53	0.14
Gross Fixed Capital Formation	1,332,648	1,366,256	1,581,759	1,699,905	1,875,181	2,085,722	1,818,910	1,820,561	-12.79	0.09
A. Private Sector	1,005,526	1,062,261	1,190,708	1,278,275	1,334,422	1,427,631	1,366,261	1,360,988	-4.30	-0.39
B. Public Sector	122,621	82,094	110,647	93,165	142,146	175,590	168,688	134,387	-3.93	-20.33
C. General Govt.	204,501	221,902	280,404	328,466	398,614	482,500	283,961	325,186	-41.15	14.52
Change in Inventories	162,590	170,190	178,242	188,093	198,540	210,128	212,206	213,321	0.99	0.53
Export of Goods and Non-Factor Services	1,243,433	1,225,028	1,147,318	1,128,923	1,121,671	1,263,892	1,447,078	1,470,008	14.49	1.58
Less Imports of Goods and Non-Factor Services	1,554,628	1,558,582	1,533,530	1,779,230	2,155,784	2,536,122	2,646,339	2,352,952	4.35	-11.09
Expenditure on GDP at Market Prices	10,161,854	10,636,891	11,140,138	11,755,824	12,408,775	13,133,003	13,262,866	13,332,566	0.99	0.53
Plus Net Factor Income from the Rest of the World	403,132	474,006	548,903	675,096	669,191	673,876	875,988	1,004,865	29.99	14.71
Expenditure on GNP at at Market Prices	10,564,986	11,110,897	11,689,041	12,430,920	13,077,966	13,806,879	14,138,854	14,337,431	2.40	1.40
Less Indirect Taxes	519,054	556,679	616,350	724,998	795,386	862,628	795,748	903,431	-7.75	13.53
Plus Subsidies	176,255	136,844	107,861	85,976	83,545	73,891	113,056	102,655	53.00	-9.20
GNP at Factor Cost	10,222,187	10,691,062	11,180,552	11,791,898	12,366,125	13,018,142	13,456,162	13,536,655	3.36	0.60

P: Provisional, R: Revised, F: Final

Source: Pakistan Bureau of Statistics

TABLE 1.5

GROSS NATIONAL PRODUCT AT CURRENT PRICES

Rs Million

Sectors	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P	% Change 2018-19/ 2017-18	% Change 2019-20/ 2018-19
A. Agriculture	5,334,976	5,976,217	6,536,122	6,749,966	7,318,465	7,911,779	8,369,637	9,469,395	5.8	13.1
1. Crops	2,192,553	2,612,933	2,690,102	2,620,390	2,826,463	2,964,894	2,888,593	3,614,278	-2.6	25.1
Important Crops	1,411,388	1,760,329	1,735,888	1,718,029	1,827,252	1,890,555	1,803,376	2,273,148	-4.6	26.0
Other Crops	639,078	695,138	769,867	739,842	811,971	874,378	909,243	1,144,441	4.0	25.9
Cotton Ginning	142,087	157,467	184,347	162,519	187,240	199,961	175,974	196,689	-12.0	11.8
2. Livestock	2,933,384	3,129,682	3,612,244	3,846,646	4,180,531	4,615,565	5,119,043	5,460,927	10.9	6.7
3. Forestry	136,500	153,722	142,902	170,706	172,578	183,199	203,269	216,387	11.0	6.5
4. Fishing	72,538	79,880	90,873	112,223	138,893	148,121	158,732	177,803	7.2	12.0
B. INDUSTRIAL SECTOR	4,525,694	5,040,094	5,239,146	5,308,368	5,683,545	6,200,543	6,963,656	7,381,423	12.3	6.0
1. Mining & Quarrying	696,976	741,022	707,236	652,814	644,686	755,778	964,628	1,081,703	27.6	12.1
2. Manufacturing	3,037,311	3,408,468	3,510,536	3,512,556	3,830,210	4,217,685	4,730,234	4,818,863	12.2	1.9
Large Scale	2,519,037	2,824,463	2,853,222	2,801,169	3,044,603	3,331,305	3,722,943	3,712,779	11.8	-0.3
Small Scale	283,107	327,030	373,595	406,648	457,088	506,839	571,951	621,977	12.8	8.7
Slaughtering	235,167	256,975	283,719	304,739	328,520	379,542	435,339	484,107	14.7	11.2
3. Electricity Generation & Distribution & Gas Distribution	368,040	406,192	480,515	541,909	529,040	435,889	534,709	686,118	22.7	28.3
4. Construction	423,367	484,412	540,859	601,089	679,609	791,191	734,085	794,739	-7.2	8.3
COMMODITY PRODUCING SECTOR (A+B)	9,860,670	11,016,311	11,775,268	12,058,334	13,002,010	14,112,322	15,333,293	16,850,818	8.7	9.9
C. SERVICES SECTOR	11,642,671	13,012,586	14,314,423	15,343,961	16,975,549	18,270,699	20,449,988	22,027,662	11.9	7.7
1. Wholesale & Retail Trade	4,369,465	4,924,462	5,045,262	5,104,854	5,792,701	6,232,618	6,803,763	6,977,278	9.2	2.6
2. Transport, Storage & Communication	2,311,796	2,474,818	3,107,785	3,518,864	3,697,932	3,523,539	3,900,659	3,886,460	10.7	-0.4
3. Finance & Insurance	522,327	584,074	595,961	544,301	594,362	684,623	914,977	1,047,683	33.6	14.5
4. Housing Services (Ownership of Dwellings)	1,092,749	1,229,110	1,371,443	1,506,385	1,668,521	1,848,594	2,059,660	2,276,352	11.4	10.5
5. General Government Services	1,486,115	1,660,434	1,818,477	2,050,560	2,263,393	2,629,924	2,968,885	3,423,931	12.9	15.3
6. Other Private Services	1,860,219	2,139,688	2,375,495	2,618,997	2,958,640	3,351,401	3,802,044	4,415,958	13.4	16.1
GDP {Total of GVA at bp (A + B + C)}	21,503,341	24,028,897	26,089,690	27,402,295	29,977,559	32,383,021	35,783,281	38,878,480	10.5	8.6
Indirest Taxes	1,275,990	1,480,099	1,633,881	1,901,743	2,170,448	2,435,629	2,515,836	3,168,063	3.3	25.9
Subsidies	393,674	340,191	280,549	228,405	225,704	202,348	326,807	319,860	61.5	-2.1
GDP {GVA + T - S}	22,385,657	25,168,805	27,443,022	29,075,633	31,922,303	34,616,302	37,972,310	41,726,683	9.7	9.9
Net Factor Income from Abroad	1,161,607	1,428,227	1,674,811	1,782,860	1,743,643	1,846,151	2,554,031	2,963,949	38.3	16.0
Gross National Product (mp)	23,547,264	26,597,032	29,117,833	30,858,493	33,665,946	36,462,453	40,526,341	44,690,632	11.1	10.3
Population (in million)	182.53	186.19	189.87	193.56	197.26	200.96	204.65	208.31	1.8	1.8
Per Capita Income(Rs)	129,005	142,849	153,357	159,426	170,672	181,441	198,028	214,539	9.1	8.3
Per Capita Income(US $)	1,333.7	1,388.8	1,514.0	1,529.4	1,630.1	1,651.9	1,455.1	1,355.0	-11.9	-6.9
GDP Deflator Index	219.00	235.18	245.40	246.49	256.29	262.33	284.44	310.24	8.4	9.1
GDP Deflator (Growth %)	7.12	7.39	4.34	0.45	3.97	2.36	8.43	9.07	257.2	7.6

P: Provisional, R: Revised, F: Final

Source : Pakistan Bureau of Statistics

TABLE 1.6

EXPENDITURE ON GROSS NATIONAL PRODUCT AT CURRENT PRICES

Rs Million

Flows	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P	% Change 2018-19/ 2017-18	% Change 2019-20/ 2018-19
Household Final Consumption Expenditure	18,091,829	20,391,214	21,890,279	23,266,454	26,148,647	28,400,347	31,461,033	32,764,751	10.78	4.14
General Government Final Consumption Expenditure	2,463,120	2,708,918	3,011,195	3,287,930	3,599,000	4,054,823	4,456,749	5,477,060	9.91	22.89
Total Investment	3,348,297	3,683,523	4,310,484	4,560,840	5,155,623	6,003,330	5,927,769	6,428,627	-1.26	8.45
Gross Fixed Capital Formation	2,990,126	3,280,822	3,871,396	4,095,630	4,644,866	5,449,469	5,320,213	5,761,000	-2.37	8.29
A. Private Sector	2,202,307	2,483,817	2,843,159	2,995,889	3,209,360	3,649,178	3,908,289	4,162,611	7.10	6.51
B. Public Sector	285,094	207,012	284,912	238,143	347,770	437,951	514,152	458,061	17.40	-10.91
C. General Govt.	502,725	589,993	743,325	861,598	1,087,737	1,362,340	897,771	1,140,328	-34.10	27.02
Change in Inventories	358,171	402,701	439,088	465,210	510,757	553,861	607,557	667,627	9.69	9.89
Export of Goods and Non-Factor Services	2,972,178	3,081,312	2,910,171	2,659,178	2,635,927	3,105,763	3,842,425	3,996,511	23.72	4.01
Less Imports of Goods and Non-Factor Services	4,489,767	4,696,162	4,679,107	4,698,769	5,616,894	6,947,961	7,715,666	6,940,266	11.05	-10.05
Expenditure on GDP at Market Prices	22,385,657	25,168,805	27,443,022	29,075,633	31,922,303	34,616,302	37,972,310	41,726,683	9.69	9.89
Plus Net Factor Income from the Rest of the World	1,161,607	1,428,227	1,674,811	1,782,860	1,743,643	1,846,151	2,554,031	2,963,949	38.34	16.05
Expenditure on GNP at at Market Prices	23,547,264	26,597,032	29,117,833	30,858,493	33,665,946	36,462,453	40,526,341	44,690,632	11.15	10.28
Less Indirect Taxes	1,275,990	1,480,099	1,633,881	1,901,743	2,170,448	2,435,629	2,515,836	3,168,063	3.29	25.92
Plus Subsidies	393,674	340,191	280,549	228,405	225,704	202,348	326,807	319,860	61.51	-2.13
GNP at Factor Cost	22,664,948	25,457,124	27,764,501	29,185,155	31,721,202	34,229,172	38,337,312	41,842,429	12.00	9.14

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	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P	% Change 2018-19/ 2017-18	% Change 2019-20/ 2018-19
GFCF (A+B+C)	2,990,126	3,280,822	3,871,396	4,095,630	4,644,866	5,449,469	5,320,213	5,761,000	-2.4	8.3
A. Private Sector	2,202,307	2,483,817	2,843,159	2,995,889	3,209,360	3,649,178	3,908,289	4,162,611	7.1	6.5
B. Public Sector	285,094	207,012	284,912	238,143	347,770	437,951	514,152	458,061	17.4	-10.9
C. General Govt.	502,725	589,993	743,325	861,598	1,087,737	1,362,340	897,771	1,140,328	-34.1	27.0
Private & Public (A+B)	2,487,401	2,690,829	3,128,071	3,234,032	3,557,129	4,087,129	4,422,442	4,620,672	8.2	4.5
SECTOR-WISE:										
1. Agriculture	698,903	725,388	820,391	850,088	929,275	1,046,432	1,164,597	1,258,476	11.3	8.1
2. Mining and Quarrying	44,417	70,138	74,361	105,418	97,825	69,000	53,318	73,301	-22.7	37.5
3. Manufacturing (A+B)	372,582	381,421	429,484	485,495	548,025	622,217	644,465	629,537	3.6	-2.3
A. Large Scale	351,715	357,556	403,087	456,222	514,830	585,895	601,250	578,575	2.6	-3.8
B. Small Scale (including Slaughtering)	20,867	23,865	26,397	29,273	33,195	36,322	43,215	50,962	19.0	17.9
4. Electricity Generation & Distribution & Gas Distribution	162,755	104,926	218,447	178,264	163,917	359,779	450,810	308,017	25.3	-31.7
5. Construction	30,220	49,042	39,700	49,009	88,241	59,512	27,516	33,385	-53.8	21.3
6. Wholesale and Retail Trade	64,422	73,000	74,712	77,462	86,643	95,549	108,221	115,917	13.3	7.1
7. Transport & Communication	351,980	436,682	538,926	507,856	564,504	651,987	613,978	719,086	-5.8	17.1
8. Finance & Insurance	47,461	40,770	49,559	57,775	66,920	63,162	69,351	74,696	9.8	7.7
9. Housing Services (Ownership of Dwellings)	468,463	525,816	568,524	577,278	622,467	680,241	788,716	824,182	15.9	4.5
10. Other Private Services	246,198	283,646	313,967	345,387	389,312	439,250	501,469	584,075	14.2	16.5

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	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P	% Change 2018-19/ 2017-18	% Change 2019-20/ 2018-19
PRIVATE SECTOR	2,202,307	2,483,817	2,843,159	2,995,889	3,209,360	3,649,178	3,908,289	4,162,611	7.1	6.5
1. Agriculture	698,810	725,292	820,265	849,943	929,152	1,046,251	1,164,454	1,258,187	11.3	8.0
2. Mining and Quarrying	29,214	48,205	42,658	77,365	35,296	44,754	35,117	55,056	-21.5	56.8
3. Manufacturing (A+B)	366,804	375,567	427,724	483,781	519,820	613,582	642,700	620,312	4.7	-3.5
A. Large Scale	345,937	351,702	401,327	454,508	486,625	577,260	599,485	569,350	3.9	-5.0
B. Small Scale (including Slaughtering)	20,867	23,865	26,397	29,273	33,195	36,322	43,215	50,962	19.0	17.9
4. Electricity Generation & Distribution & Gas Distribution	9,590	20,855	55,220	23,156	17,298	99,122	32,316	34,342	-67.4	6.3
5. Construction	14,219	29,122	30,128	43,831	82,429	52,906	26,546	32,018	-49.8	20.6
6. Wholesale and Retail Trade	64,422	73,000	74,712	77,462	86,643	95,549	108,221	115,917	13.3	7.1
7. Transport & Communication	267,704	366,473	465,937	466,875	476,971	520,954	547,203	574,546	5.0	5.0
8. Finance & Insurance	36,883	35,841	44,024	50,811	49,971	56,569	61,547	63,976	8.8	3.9
9. Housing Services (Ownership of Dwellings)	468,463	525,816	568,524	577,278	622,467	680,241	788,716	824,182	15.9	4.5
10. Other Private Services	246,198	283,646	313,967	345,387	389,312	439,250	501,469	584,075	14.2	16.5

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	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P	% Change 2018-19/ 2017-18	% Change 2019-20/ 2018-19
Public Sector and General Govt. (A+B)	787,819	797,005	1,028,237	1,099,741	1,435,507	1,800,291	1,411,923	1,598,389	-21.6	13.2
A. Public Sector (Autonomous & Semi Auto-Bodies)	285,094	207,012	284,912	238,143	347,770	437,951	514,152	458,061	17.4	-10.9
1. Agriculture	93	96	126	145	123	181	143	289	-21.0	102.1
2. Mining and Quarrying	15,203	21,933	31,703	28,053	62,529	24,246	18,201	18,245	-24.9	0.2
3. Manufacturing	5,778	5,854	1,760	1,714	28,205	8,635	1,765	9,225	-79.6	422.7
4. Electricity Generation & Distribution & Gas Distribution	153,165	84,071	163,227	155,108	146,619	260,657	418,494	273,675	60.6	-34.6
5. Construction	16,001	19,920	9,572	5,178	5,812	6,606	970	1,367	-85.3	40.9
6. Transport & Communication	84,276	70,209	72,989	40,981	87,533	131,033	66,775	144,540	-49.0	116.5
Railways	24,478	8,767	6,196	5,825	39,407	8,627	14,612	4,866	69.4	-66.7
Post Office & PTCL	12,600	18,137	18,232	13,644	16,376	15,450	16,230	31,850	5.0	96.2
Others	47,198	43,305	48,561	21,512	31,750	106,956	35,933	107,824	-66.4	200.1
7. Finance & Insurance	10,578	4,929	5,535	6,964	16,949	6,593	7,804	10,720	18.4	37.4
B. General Govt.	502,725	589,993	743,325	861,598	1,087,737	1,362,340	897,771	1,140,328	-34.1	27.0
Federal	147,751	164,736	208,953	229,128	312,699	362,287	353,735	381,360	-2.4	7.8
Provincial	288,464	358,791	442,650	527,461	686,665	909,116	463,854	612,955	-49.0	32.1
District Governments	66,510	66,466	91,722	105,009	88,373	90,937	80,182	146,013	-11.8	82.1

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	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P	% Change 2018-19/ 2017-18	2019-20/ 2018-19
GFCF (A+B+C)	1,332,648	1,366,256	1,581,759	1,699,905	1,875,181	2,085,722	1,818,910	1,820,561	-12.8	0.1
A. Private Sector	1,005,526	1,062,261	1,190,708	1,278,275	1,334,422	1,427,631	1,366,261	1,360,988	-4.3	-0.4
B. Public Sector	122,621	82,094	110,647	93,165	142,146	175,590	168,688	134,387	-3.9	-20.3
C. General Govt.	204,501	221,902	280,404	328,466	398,614	482,500	283,961	325,186	-41.1	14.5
Private & Public (A+B)	1,128,147	1,144,354	1,301,355	1,371,440	1,476,568	1,603,221	1,534,949	1,495,376	-4.3	-2.6
SECTOR-WISE:										
1. Agriculture	301,042	296,850	315,526	315,864	331,977	351,942	357,194	353,701	1.5	-1.0
2. Mining and Quarrying	18,656	25,880	26,868	38,002	35,837	25,185	16,897	18,208	-32.9	7.8
3. Manufacturing (A+B)	152,586	144,694	163,023	185,697	201,304	221,076	204,740	180,630	-7.4	-11.8
A. Large Scale	143,072	134,480	152,057	173,925	188,665	207,507	190,173	164,991	-8.4	-13.2
B. Small Scale (including Slaughtering)	9,514	10,215	10,966	11,773	12,639	13,569	14,567	15,639	7.4	7.4
4. Electricity Generation & Distribution & Gas Distribution	68,359	38,716	78,930	64,262	60,049	131,321	142,865	76,513	8.8	-46.4
5. Construction	16,140	24,268	18,897	23,893	41,492	26,631	11,045	13,336	-58.5	20.8
6. Wholesale and Retail Trade	26,206	27,456	28,184	29,531	31,751	33,841	34,230	33,056	1.2	-3.4
7. Transport & Communication	153,081	180,484	242,486	263,083	297,844	314,271	246,538	276,200	-21.6	12.0
8. Finance & Insurance	19,307	15,334	18,695	22,025	24,524	22,370	21,935	21,301	-1.9	-2.9
9. Housing Services (Ownership of Dwellings)	250,194	260,202	270,610	281,434	292,691	304,399	316,575	329,238	4.0	4.0
10. Other Private Services	122,576	130,470	138,136	147,647	159,097	172,186	182,930	193,192	6.2	5.6

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	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P	% Change 2018-19/ 2017-18	% Change 2019-20/ 2018-19
PRIVATE SECTOR	1,005,526	1,062,261	1,190,708	1,278,275	1,334,422	1,427,631	1,366,261	1,360,988	-4.3	-0.4
1. Agriculture	300,990	296,800	315,461	315,789	331,915	351,852	357,127	353,579	1.5	-1.0
2. Mining and Quarrying	12,270	17,787	15,413	27,889	12,930	16,335	11,129	13,676	-31.9	22.9
3. Manufacturing (A+B)	150,236	142,493	162,359	185,044	190,968	218,017	204,182	178,000	-6.3	-12.8
A. Large Scale	140,722	132,278	151,393	173,271	178,329	204,448	189,614	162,361	-7.3	-14.4
B. Small Scale (including Slaughtering)	9,514	10,215	10,966	11,773	12,639	13,569	14,567	15,639	7.4	7.4
4. Electricity Generation & Distribution & Gas Distribution	4,028	7,695	19,952	8,348	6,337	36,180	10,241	8,531	-71.7	-16.7
5. Construction	7,594	14,411	14,341	21,368	38,759	23,675	10,655	12,790	-55.0	20.0
6. Wholesale and Retail Trade	26,206	27,456	28,184	29,531	31,751	33,841	34,230	33,056	1.2	-3.4
7. Transport & Communication	116,428	151,467	209,645	241,854	251,660	251,111	219,725	220,682	-12.5	0.4
8. Finance & Insurance	15,004	13,480	16,607	19,371	18,312	20,035	19,467	18,244	-2.8	-6.3
9. Housing Services (Ownership of Dwellings)	250,194	260,202	270,610	281,434	292,691	304,399	316,575	329,238	4.0	4.0
10. Other Private Services	122,576	130,470	138,136	147,647	159,097	172,186	182,930	193,192	6.2	5.6

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	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 F	2018-19 R	2019-20 P	% Change 2018-19/ 2017-18	% Change 2019-20/ 2018-19
Public Sector and										
General Govt. (A+B)	327,122	303,996	391,051	421,630	540,759	658,091	452,649	459,573	-31.2	1.5
A. Public Sector (Autonomous & Semi Auto-Bodies)	122,621	82,094	110,647	93,165	142,146	175,590	168,688	134,387	-3.9	-20.3
1. Agriculture	52	50	65	75	62	90	67	122	-25.6	82.1
2. Mining and Quarrying	6,386	8,093	11,455	10,113	22,907	8,850	5,768	4,532	-34.8	-21.4
3. Manufacturing	2,350	2,202	664	653	10,336	3,058	558	2,631	-81.7	371.2
4. Electricity Generation & Distribution & Gas Distribution	64,331	31,021	58,978	55,915	53,712	95,141	132,624	67,982	39.4	-48.7
5. Construction	8,546	9,857	4,556	2,524	2,733	2,956	390	546	-86.8	40.2
6. Transport & Communication	36,653	29,017	32,841	21,229	46,184	63,161	26,813	55,518	-57.5	107.1
Railways	10,646	3,623	2,788	3,018	20,792	4,158	5,867	1,869	41.1	-68.1
Post Office & PTCL	5,480	7,496	8,203	7,068	8,640	7,447	6,517	12,234	-12.5	87.7
Others	20,527	17,898	21,850	11,144	16,752	51,555	14,429	41,415	-72.0	187.0
7. Finance & Insurance	4,303	1,854	2,088	2,655	6,211	2,335	2,468	3,057	5.7	23.8
B. General Govt.	204,501	221,902	280,404	328,466	398,614	482,500	283,961	325,186	-41.1	14.5
Federal	60,103	61,959	78,823	87,350	114,592	128,311	111,885	108,752	-12.8	-2.8
Provincial	117,343	134,945	166,981	201,083	251,636	321,982	146,715	174,795	-54.4	19.1
District Governments	27,055	24,998	34,600	40,032	32,385	32,207	25,361	41,638	-21.3	64.2

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 P	-	-	-	-	117.2	232.7	133.6	149.7	70.5

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	1,357.0 P
2019-20 P	23.45	189.69 *	128.00	3,407.00	912,164	-

(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 P	23,137	4,708	49,737	702.0	-

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

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 R	79.61	58.02	4.47	25.60	8.29	9.40	15.74	22.15	7.75	23.45

P: Provisional R: Repeated

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.
9. Area Sown more than once is the difference between the total cropped area and the net area sown.
10. 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 P	8,825	3,034	522	199	1,413	53	14,046	940	1,040	349	129	2,527	47

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 P	24,946	7,410	384	120	7,236	55	40,151	545	66,880	302	62.2	1,561	9,178	110

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 P	2,827	2,442	64,308	5,121	580	618

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	1,637	621	135	173	22	66	523	677	44,607
2016-17	2,180	1,784	670	137	166	22	66	548	646	39,878
2017-18	2,351	1,734	565	135	142	21	67	586	697	43,842
2018-19	2,467	1,723	544	136	108	20	69	548	756	56,272
2019-20 P	2,467	1,639	540	148	108	20	69	563	725	59,197

P: Provisional

Source: Pakistan Bureau of Statistics

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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 P
Important Crops	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	67.64
Wheat	38.92	40.21	40.29	38.63	42.24	40.95	37.69	39.22	40.02
Maize	8.32	8.09	8.88	8.83	10.08	10.98	10.33	12.86	13.52
Rice	11.69	10.49	12.04	12.49	12.94	12.29	13.12	13.80	14.10
Cash Crop	11.83	13.15	13.09	12.11	13.51	14.48	15.56	13.47	13.33
Sugarcane	11.83	13.15	13.09	12.11	13.51	14.48	15.56	13.47	13.33
Fibre Crop	29.23	28.06	25.70	27.95	21.22	21.29	23.30	20.65	19.04
Cotton	29.23	28.06	25.70	27.95	21.22	21.29	23.30	20.65	19.04

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 2.8

CREDIT DISBURSED BY AGENCIES

Rs Million

Fiscal Year	ZTBL	Domestic Private Banks	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 P	52,476	169,298	6,348	515,248	115,176	30,971	22,648	912,164

P: Provisional (Jul-Mar) - : Not available Source: State Bank of Pakistan
ZTBL: Zarai Taraqiati Bank Limited
PPCBL: Punjab Provincial Corporative Bank Limited
Commercial Banks: Include ABL, HBL, MCB, NBP & UBL
MFBs: 11 Microfinance Banks
*: 5 Islamic Banks
**: 12 Microfinance Institutions / Rural Support Programmes

TABLE 2.9

FERTILIZER OFFTAKE AND IMPORTS OF FERTILIZERS & PESTICIDES

Fiscal Year	Fertilizer Offtake (000 N/Tonnes) Nitrogen	Phosphorus	Potash	Total	Import of Fertilizers 000 N/Tonnes	Import of Insecticides 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 P	2,490	878	39	3,407	748	18,999	16,995

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 P	1,916.0	1,754.0	-	2,749.0	1,072.0	3,612.0	4,318.0

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

AN/CAN: Ammonium Nitrate/Calcium Ammonium Nitrate

AS: Ammonium Sulphate DAP: Diammonium Phosphate

NP: Nitrophosphate SOP: Sulphate of Potash

SSP: Single Super Phosphate

Source: Pakistan Bureau of Statistics
National FertilizerDevelopment Centre

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

P: Provisional

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

TABLE 2.12

PROCUREMENT/SUPPORT PRICES OF AGRICULTURAL COMMODITIES

Rs per 40 Kg

Fiscal Year	Wheat	Rice		Paddy			Sugarcane (at factory gate)**				Seed Cotton (Phutti)
		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	-	-

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

@: 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	6,900.0	-	4,473.0
2019-20 P	8,250.0 *	-	723.0 **

P: Provisional - : Not available

Source: Ministry of National Food Security & Research

*: Procurement Targets for 2019-20

**: As on 27-04-2020

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

***: Actual figures of Livestock Census 2006** **Source: Ministry of National Food Security & Research**

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

TABLE 2.15

LIVESTOCK PRODUCTS

000 Tonnes

Fiscal Year	Milk*	Beef	Mutton	Poultry Meat	Wool	Hair	Bones	Fats	Blood	Eggs (Mln.Nos.)	Hides (Mln.Nos.)	Skins (Mln.Nos.)
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

*: Human Consumption

Source: Ministry of National Food Security & Research

**: 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	-	7,990	16	140	5,372	366,775	734	13	2,265	67,649
Jul-Feb										
2018-19	-	5,162	10	86	3,009	291,566	483	12	1,697	50,404
2019-20 P	-	3,999	11	44	5,782	190,589	469	16	1,889	47,239

- : Not available **P : Provisional** **(Contd.)**

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	41,477	3,797	798	81,502	20,715	167	116	734,376	626,646	32.50	40.68
Jul-Feb											
2018-19	37,877	2,759	567	60,307	15,618	105	82	616,189	460,750	21.86	27.15
2019-20 P	40,242	2,712	566	64,357	13,352	111	32	693,068	332,970	19.79	25.43

P : Provisional

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	128.2	143.6
Jul-Mar		
2018-19	136.9 *	145.5
2019-20 P	120.1 *	137.7

P : Provisional R: Revised F: Final Source: Pakistan Bureau of Statistics

*: Jul-Feb

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 P	408	13,409	9	11,338	6	56,478	21.5	1,929.4	2,414.8	2,357.3	737.9

P : Provisional (Jul-Mar)

Source : Textile Commissioner Organization

TABLE 3.4

PRODUCTION OF FERTILIZERS, VEGETABLE GHEE, SUGAR AND CEMENT

(000 tonnes)

Year	Fertilizers					Vegetable Ghee	Sugar	Cement
	Urea	Super Phos-phate	Ammo-nium Nitrate	Ammo-nium Sulphate	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	-	356.6	1,152	2,960	18,564
2006-07	4,732.5	148.9	330.8	-	325.8	1,180	3,527	22,739
2007-08	4,925.0	157.7	343.7	-	329.7	1,137	4,733	26,751
2008-09	4,918.4	187.4	344.3	-	305.7	1,060	3,190	28,380
2009-10	5,056.5	148.7	345.5	-	304.4	1,075	3,143	31,358
2010-11	4,552.1	173.3	275.1	-	252.3	1,092	4,169	28,716
2011-12	4,470.7	114.7	432.3	-	337.6	1,103	4,634	29,557
2012-13	4,215.1	79.3	401.3	-	291.9	1,139	5,074	31,055
2013-14	4,930.3	87.8	519.1	-	447.2	1,185	5,582	31,418
2014-15	5,073.1	63.6	569.2	-	501.9	1,185	5,150	32,185
2015-16	5,846.9	89.5	647.4	-	594.6	1,241	5,115	35,432
2016-17	5,912.7	81.6	664.7	-	630.2	1,280	7,049	37,022
2017-18	5,405.2	65.2	518.9	-	471.4	1,347	6,566	41,148
2018-19	5,957.9	78.1	448.9	-	443.9	1,390	5,260	39,922
Jul-Mar								
2018-19	4,378.4	65.0	343.2	-	337.0	1,041	4,899	29,535
2019-20 P	4,677.2	39.2	359.3	-	376.4	1,098	4,816	30,049

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
Jul-Mar							
2018-19	2,404	48,931	48	8,077	19,052	3,395	7,316
2019-20 P	2,133	33,540	52	8,434	18,460	3,524	7,129

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	17147	969.2	589.6	39.1	935.1
2006-07	330.6	96.3	242.2	17.2	23936	978.8	486.3	52.2	608.6
2007-08	364.9	102.8	248.3	18.2	26308	988.6	535.5	57.3	716.1
2008-09	365.3	97.2	245.3	16.5	29831	998.5	419.9	50.8	402.3
2009-10	409.6	84.7	182.3	16.1	30749	1008.5	447.2	48.6	342.8
2010-11	378.0	114.8	172.0	15.2	25673	1018.6	345.3	47.0	425.6
2011-12	370.7	100.4	179.1	15.8	23026	1028.8	262.1	39.6	268.8
2012-13	366.2	89.4	182.9	15.5	28048	1039.1	233.0	32.9	462.9
2013-14	409.1	85.3	167.5	15.0	37236	1049.5	203.7	19.8	426.6
2014-15	437.1	70.2	184.0	17.4	48631	975.7	210.9	19.3	428.2
2015-16	468.5	75.1	225.3	16.4	53651	985.5	199.0	13.5	453.2
2016-17	479.7	56.0	223.9	16.3	49173	995.3	200.2	18.3	438.9
2017-18	509.8	49.0	270.1	16.6	51930	1005.3	200.3	23.4	400.3
2018-19	572.1	49.4	246.6	17.5	52265	1015.3	173.5	35.7	380.7
Jul-Mar									
2018-19	415.8	39.8	185.9	13.7	38119	702.5	128.4	26.4	288.7
2019-20 P	435.0	32.9	164.6	13.2	44834	709.6	133.5	26.6	259.5

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	64.3	-	452.0	260.7	0.0	0.0	3,874.0
Jul-Mar							
2018-19	48.2	-	334.9	198.3	0.0	0.0	2,991.0
2019-20 P	45.8	-	338.5	217.3	0.0	0.0	2,601.0

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)	3.22	2.83	7.68	(2.98)	12.22	(8.70)	(19.89)
Jul-Mar										
2018-19	0.02	0.07	(14.06)	2.84	7.24	4.50	(5.42)	12.36	(4.69)	(13.35)
2019-20 P	(2.96)	(2.81)	8.24	5.54	(31.45)	5.81	1.74	4.63	(11.48)	(1.68)

Note : Figures in parenthesis represent negative growth

Source: Pakistan Bureau of Statistics

TABLE 4.1

FEDERAL GOVERNMENT OVERALL BUDGETARY POSITION

Rs Million

Fiscal Year / Item	2018-19	2019-20 (Jul-Mar) P
A. REVENUE		
FBR Tax Revenue (1 +2)	**3,829,469 ***	**3,044,282**
1. Direct Taxes	**1,445,594**	**1,146,090**
2. Indirect Taxes	**2,383,875**	**1,898,192**
i. Customs	**685,397**	**474,100**
ii. Sales Tax	**1,464,887**	**1,242,324**
iii. Federal Excise	**233,591**	**181,768**
Others**	**242,150**	**228,818**
Non-Tax Revenue	**363,941**	**1,033,877**
Gross Revenue Receipts	**4,435,560**	**4,306,977**
B. EXPENDITURE		
Current Expenditure	**4,803,897**	**3,946,096**
i. Defence	**1,146,793**	**802,436**
ii. Mark-up payments	**2,091,126**	**1,879,712**
iii. Grants	**469,706**	**421,462**
vi. Others***	**1,096,272**	**842,486**
Development Expenditure and Net Lending	**795,273**	**475,895**
Total Expenditure	**5,599,170**	**4,421,991**

P : Provisional

Source: Budget Wing, Finance Division, Islamabad

* : **Revised FBR tax collection 2018-19 is Rs. 3,828,482 million.**

** : **Includes Petroleum Levy, Airport tax , other taxes of ICT, Gas Infrastructure Development Cess and Natural Gas Development Surcharge**

*** : **Includes other categories not shown here**

TABLE 4.2

SUMMARY OF PUBLIC FINANCE (CONSOLIDATED FEDERAL & PROVINCIAL GOVERNMENTS)

Rs Million

Fiscal Year / Items	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Jul-Mar) P
Total Revenues (i+ii)	2,982,436	3,637,297	3,931,042	4,446,979	4,936,723	5,228,014	4,900,724	4,689,874
Federal	2,760,436	3,397,954	3,649,604	4,070,392	4,535,452	4,679,945	4,412,625	4,289,039
Provincial	222,000	239,343	281,438	376,587	401,271	548,069	488,099	400,835
i) Tax Revenues	2,199,232	2,564,509	3,017,596	3,660,418	3,969,248	4,467,160	4,473,422	3,594,319
Federal	2,048,509	2,374,540	2,811,773	3,377,145	3,647,476	4,065,788	4,071,619	3,273,100
Provincial	150,723	189,969	205,823	283,273	321,772	401,372	401,803	321,219
ii) Non-Tax Revenues	783,204	1,072,788	913,446	786,561	967,475	760,854	427,302	1,095,555
Federal	711,927	1,023,414	837,831	693,247	887,976	614,157	341,006	1,015,939
Provincial	71,277	49,374	75,615	93,314	79,499	146,697	86,296	79,616
Total Expenditures (a+b+c+d)	4,816,300	5,026,016	5,387,767	5,796,302	6,800,520	7,488,394	8,345,640	6,376,071
a) Current	3,660,434	4,004,582	4,424,747	4,694,294	5,197,854	5,854,266	7,104,031	5,611,561
Federal	2,565,222	2,831,249	3,037,584	3,144,276	3,472,150	3,789,767	4,776,150	3,887,699
Provincial	1,095,212	1,173,333	1,387,163	1,550,018	1,725,704	2,064,499	2,327,881	1,723,862
b) Developm Development	777,096	1,135,918	1,113,223	1,301,473	1,693,474	1,584,057	1,178,442	751,722
c) Net Lending to PSE's	362,783	100,610	27,381	12,631	-12,817	37,625	40,750	29,677
d) Statistical Discrepancy	15,987	-215,094	-177,584	-212,096	-77,991	12,446	22,417	-16,889
Overall Balance	-1,833,864	-1,388,719	-1,456,725	-1,349,323	-1,863,797	-2,260,380	-3,444,916	-1,686,197
Financing (net)	1,833,864	1,388,719	1,456,725	1,349,323	1,863,797	2,260,380	3,444,916	1,686,197
External (net)	-1,676	511,727	181,032	370,465	541,390	785,166	416,706	682,362
Domestic (i+ii+iii)	1,835,540	876,992	1,275,693	978,858	1,322,407	1,475,214	3,028,210	1,003,835
i) Non-Bank	378,040	553,330	366,138	191,843	276,629	352,719	764,986	402,023
ii) Bank	1,457,500	323,662	892,057	787,015	1,045,778	1,120,495	2,263,224	601,812
iii) Privatization Proceeds	0	0	17,498	0	0	2,000	-	-
Memorandum Item								
GDP (mp) in Rs. Billion	22,386	25,169	27,443	29,076	31,922	34,616	37,972	41,727
	(As Percent of GDP at Market Price)							
Total Revenue	13.3	14.5	14.3	15.3	15.5	15.1	12.9	11.2
Tax Revenue	9.8	10.2	11.0	12.6	12.4	12.9	11.8	8.6
Non-Tax Revenue	3.5	4.3	3.3	2.7	3.0	2.2	1.1	2.6
Expenditure	21.5	20.0	19.6	19.9	21.3	21.6	22.0	15.3
Current	16.4	15.9	16.1	16.1	16.3	16.9	18.7	13.4
Development Expenditure & net Lending	5.1	4.9	4.2	4.5	5.3	4.7	3.2	1.9
Overall Balance	-8.2	-5.5	-5.3	-4.6	-5.8	-6.5	-9.1 *	-4.0 **

P : Provisional

Source: Budget Wing, Finance Division, Islamabad

* : On the basis of revised GDP

** : on the basis of provisional GDP

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 (Jul-Mar) P
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	4,689,874
Federal	2,760,436	3,397,954	3,649,604	4,070,392	4,535,452	4,679,945	4,412,625	4,289,039
Provincial	222,000	239,343	281,438	376,587	401,271	548,069	488,099	400,835
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	3,594,319
Federal	2,048,509	2,374,540	2,811,773	3,377,145	3,647,476	4,065,788	4,071,619	3,273,100
Provincial	150,723	189,969	205,823	283,273	321,772	401,372	401,803	321,219
A. Direct Taxes (1+2)	742,488	893,351	1,040,038	1,195,462	1,350,233	1,542,187	1,452,620	1,155,515
1 Federal	735,758	884,118	1,029,244	1,191,602	1,343,197	1,536,636	1,445,594	1,146,090
2 Provincial	6,730	9,233	10,794	3,860	7,036	5,551	7,026	9,425
B. Indirect Taxes								
(3+4+5+6+7)	1,456,744	1,671,158	1,977,558	2,464,956	2,619,015	2,924,973	3,020,802	2,438,805
3. Excise Duty	124,349	144,540	170,004	197,461	205,205	214,431	242,865	188,590
Federal	119,453	139,084	163,969	190,581	198,570	205,877	233,591	181,768
Provincial	4,896	5,456	6,035	6,880	6,635	8,554	9,274	6,822
4. Sales Tax*	841,324	1,002,110	1,088,823	1,323,685	1,323,261	1,491,310	1,464,887	1,242,324
5. Taxes on Interna-								
tional Trade	239,608	240,997	306,140	406,180	496,018	608,325	685,397	474,100
6. Surcharges*	141,837	142,064	157,231	181,944	239,959	203,086	211,612	206,260
6.1 Gas	32,171	38,530	25,874	32,654	73,262	24,212	5,304	7,920
6.2 Petroleum	109,666	103,534	131,357	149,290	166,697	178,874	206,308	198,340
7. Other Taxes **	141,797	179,977	255,360	355,686	354,572	407,821	416,041	327,531
7.1 Sales Tax on services GST	-	-	-	129,752	170,791	223,860	202,881	170,448
7.2 Stamp Duties	18,306	21,790	29,476	35,484	38,167	62,754	70,396	51,701
7.3 Motor Vehicle Taxes	13,975	15,565	15,872	19,077	21,282	24,123	24,850	16,734
7.4 Gas Infrastructure Development Cess*	-	-	57,021	79,771	42,149	15,176	21,471	6,233
7.4 Others***	109,516	142,622	152,991	91,602	82,183	81,908	96,443	82,415
II. Non-Tax Revenues	783,204	1,072,788	913,446	786,561	967,475	760,854	427,302	1,095,555
Federal	711,927	1,023,414	837,831	693,247	887,976	614,157	341,006	1,015,939
Provincial	71,277	49,374	75,615	93,314	79,499	146,697	86,296	79,616

P: Provisional

Source: Budget Wing, Finance Division

* : Revenues under these heads are exclusively Federal

** : Mainly includes Provincial Revenues

*** : Includes Federal tax revenues (Other Taxes (ICT), Airport Tax) and other provincial tax revenues

TABLE 4.4

CONSOLIDATED FEDERAL & PROVINCIAL GOVERNMENT EXPENDITURES

Rs Million

Fiscal Year/Items	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Jul-Mar) P
Current Expenditure	3,660,434	4,004,582	4,424,747	4,694,294	5,197,854	5,854,266	7,104,031	5,611,561
Federal	2,565,222	2,831,249	3,037,584	3,144,276	3,472,150	3,789,767	4,776,150	3,887,699
Provincial	1,095,212	1,173,333	1,387,163	1,550,018	1,725,704	2,064,499	2,327,881	1,723,862
Defence	540,595	623,085	697,821	757,653	888,078	1,030,407	1,146,793	802,436
Mark-up Payments	990,967	1,147,793	1,303,767	1,263,368	1,348,435	1,499,922	2,091,126	1,879,712
Current Subsidies	357,991	305,748	241,593	207,161	153,717	114,194	195,345	169,537
Others	660,838	740,540	781,473	916,094	1,081,920	1,145,244	1,342,886	1,036,014
Development Expenditure	777,096	1,135,918	1,113,223	1,301,473	1,693,474	1,584,057	1,178,442	751,722
Net Lending to PSEs	362,783	100,610	27,381	12,631	-12,817	37,625	40,750	29,677
Statistical Discrepancy	15,987	-215,094	-177,584	-212,096	-77,991	12,446	22,417	-16,889
Expenditure Booked excl discrepency	4,800,313	5,241,110	5,565,351	6,008,398	6,878,511	7,475,948	8,323,223	6,392,960
Total Expenditure	4,816,300	5,026,016	5,387,767	5,796,302	6,800,520	7,488,394	8,345,640	6,376,071
Memorandum Items:	(Percent Growth over preceding period)							
Current Expenditure	5.5	9.4	10.5	6.1	10.7	12.6	21.3	
Defence	6.6	15.3	12.0	8.6	17.2	16.0	11.3	
Mark-up Payments	11.5	15.8	13.6	-3.1	6.7	11.2	39.4	
Current Subsidies	-30.2	-14.6	-21.0	-14.3	-25.8	-25.7	71.1	
Development Expenditure	0.0	46.2	-2.0	16.9	30.1	-6.5	-25.6	
Expenditure Booked excl discrepency	12.8	9.2	6.2	8.0	14.5	8.7	11.3	
Total Expenditure	11.3	4.4	7.2	7.6	17.3	10.1	11.4	
	As % of total expenditures							
Current Expenditure	76.0	79.7	82.1	81.0	76.4	78.2	85.1	88.0
Defence	11.2	12.4	13.0	13.1	13.1	13.8	13.7	12.6
Mark-up Payments	20.6	22.8	24.2	21.8	19.8	20.0	25.1	29.5
Current Subsidies	7.4	6.1	4.5	3.6	2.3	1.5	2.3	2.7
Development Expenditure*	23.7	24.6	21.2	22.7	24.7	21.7	14.6	12.3

P: Provisional

Source: Budget Wing, Finance Division

TABLE 4.5

DEBT SERVICING

								Rs Million
Fiscal Year / Item	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20 (Jul-Mar) P**
A. Mark-up Payments	990,967	1,147,793	1,303,767	1,263,368	1,348,435	1,499,922	2,091,126	1,879,712
Servicing of Domestic Debt	920,353	1,072,813	1,208,105	1,150,809	1,220,265	1,322,645	1,820,821	1,645,634
Servicing of Foreign Debt	70,614	74,980	95,662	112,559	128,170	177,277	270,305	234,078
B. Repayment/Amortization of Foreign Debt	217,872	312,112	285,193	335,307	544,314	450,189	974,001	818,445
C. Total Debt Servicing (A+B)	1,208,839	1,459,905	1,588,960	1,598,675	1,892,749	1,950,111	3,065,127	2,698,157
MEMORANDUM ITEMS	(As Percent of GDP)							
Servicing of Domestic Debt	4.1	4.3	4.4	4.0	3.8	3.8	4.8	3.9
Servicing of Foreign Debt	0.3	0.3	0.3	0.4	0.4	0.5	0.7	0.6
Repayment/Amortization of Foreign Debt	1.0	1.2	1.0	1.2	1.7	1.3	2.6	2.0
Total Debt Servicing	5.4	5.8	5.8	5.5	5.9	5.6	8.1	6.5

P; Provisional

Source: Budget Wing, Finance Division

TABLE 5.1

COMPONENTS OF BROAD MONEY (M2)

Rs Million

Stock		End June					
		2015	2016	2017	2018	2019	2020 (End-Mar) P
1.	Currency Issued	2,715,556	3,563,749	4,176,915	4,644,900	5,294,754	6,017,814
2.	Currency held by SBP	508	634	973	1,181	1,199	739
3.	Currency in tills of Scheduled Banks	160,299	229,331	264,627	255,891	343,516	344,451
4.	Currency in circulation (1-2-3)	2,554,749	3,333,784	3,911,315	4,387,828	4,950,039	5,672,624
5.	Other deposits with SBP*	13,747	18,756	22,692	26,962	33,636	33,695
6.	Scheduled Banks Total Deposits**	8,713,648	9,472,313	10,646,875	11,582,372	12,814,820	13,612,141
7.	Resident Foreign Currency Deposits (RFCD)	597,760	587,258	655,340	829,355	1,109,780	1,065,250
8.	Broad Money (4+5+6)	11,282,144	12,824,853	14,580,882	15,997,162	17,798,494	19,318,460
9.	Growth rate (%)	13.2	13.7	13.7	9.7	11.3	8.5
Memorandum							
1.	Currency / Money ratio	22.6	26.0	26.8	27.4	27.8	29.4
2.	Demand Deposits / Money ratio	65.6	63.9	64.3	63.0	62.8	60.0
3.	Time Deposits / Money ratio	6.4	5.4	4.2	4.2	3.0	5.0
4.	Other Deposits / Money ratio	0.1	0.1	0.2	0.2	0.2	0.2
5.	RFCD / Money ratio	5.3	4.6	4.5	5.2	6.2	5.5
6.	Income Velocity of Money***	2.6	2.4	2.3	2.3	2.3	-

P : Provisional

Source: State Bank of Pakistan

* : Excluding IMF A/c Nos. 1 & 2, IMF outstanding credit, deposits money banks, counterpart funds, deposits of foreign central banks and foreign governments.

** : 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

		2015	2016	2017	2018	2019 R	2020 (End-Mar) P
		A. Stock End June					
1.	Public Sector Borrowing (net)						
	(i + ii + iii + iv + v + vi)	6,958,215	7,819,545	8,955,597	10,199,670	12,336,664	13,201,974
	i. Net Budgetary Support	6,403,559	7,194,814	8,282,074	9,392,960	11,596,468	12,562,925
	ii. Commodity Operations	564,459	636,574	686,508	819,680	756,416	649,257
	iii. Zakat Fund etc.	-9,803	-11,843	-12,985	-12,971	-16,220	-10,208
2.	Non-Government Sector	4,456,001	5,012,588	6,011,267	7,033,598	8,072,803	8,370,646
	i. Autonomous Bodies**	142,179	200,760	250,244	324,787	285,745	273,778
	ii. Net Credit to Private Sector &PSEs *	4,313,822	4,811,828	5,761,023	6,708,811	7,787,058	8,096,868
	a. Private Sector*	4,003,083	4,449,547	5,197,473	5,972,968	6,666,505	6,959,708
	b. Public Sector Corp. other than 2(i)	316,561	367,297	572,553	743,413	1,108,476	1,123,909
	c. PSEs Special Account Debt Repayme	-24,075	-24,244	-24,244	-24,244	-24,244	-24,244
	d. Other Financial Institutions (NBFIs)	18,252	19,228	15,241	16,675	36,321	37,494
3.	Counterpart Funds	-530	-530	-530	-530	-560	-530
4.	Other Items (Net)*	-944,289	-1,014,348	-987,502	-1,027,153	-1,103,333	-1,543,629
5.	Domestic Credit (1+2+3+4)	10,469,398	11,817,255	13,978,833	16,205,586	19,305,575	20,028,461
6.	Foreign Assets (Net)	812,747	1,007,598	602,049	-208,423	-1,507,081	-710,001
7.	Broad Money (5+6)	11,282,144	12,824,853	14,580,882	15,997,162	17,798,494	19,318,460
		B. Changes over the year (July-June)					
8.	Public Sector Borrowing (net)						
	(i+ii+iii+iv+v+vi)	1,260,104	861,330	1,136,052	1,244,073	2,136,994	865,310
	i. Net Budgetary Support	1,163,995	791,255	1,087,260	1,110,887	2,203,507	966,457
	ii. Commodity Operations	96,752	72,115	49,934	133,172	-63,264	-107,159
	iii. Zakat Fund etc.	-644	-2,040	-1,142	14	-3,249	6,012
9.	Non-Government Sector	780,530	556,587	998,679	1,022,331	1,039,205	297,843
	i. Autonomous Bodies**	35,219	58,581	49,484	74,543	-39,042	-11,967
	ii. Net Credit to Private Sector & PSCEs	745,311	498,006	949,195	947,788	1,078,247	309,810
	a. Private Sector*	634,244	446,464	747,926	775,495	693,537	293,203
	b. Public Sector Corp. other than 2(i)	111,351	50,736	205,256	170,859	365,064	15,433
	c. PSEs Special Account Debt Repayme	0	-169	0	0	0	0
	d. Other Financial Institutions (NBFIs)	-285	976	(3,987)	1,433	19,646	1,174
10.	Counterpart Funds	0	0	0	0	-30	30
11.	Other Items (Net)*	-164,864	-70,059	26,846	-39,651	-76,180	-440,297
12.	Domestic Credit Expansion (8+9+10+11)	1,875,769	1,347,857	2,161,578	2,226,753	3,099,989	722,886
13.	Foreign Assets (Net)	550,012	194,851	(405,549)	-810,473	-1,298,658	797,080
14.	Monetary Expansion (12+13)	2,425,780	1,542,709	1,756,029	1,416,280	1,801,332	1,519,966

P : Provisional R: Revised

Source: State Bank of Pakistan

*: Note:Islamic Financing , Advances (against Murabaha etc) and other related items previously reported under other Assets has been reclassified as credit to private sector.

** : 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 Million

Item Description	2015	2015	2016	2017	2019	2020 (End-Mar) P
Assets						
Cash & Balances with Treasury Banks	784,202	781,400	1,122,866	1,349,450	1,966,692	1,393,722
Balances with other Banks	132,575	126,065	185,623	186,038	195,992	220,241
Lending to Financial Institutions	403,958	262,861	503,760	612,681	717,249	870,922
Investments	5,812,496	7,542,990	8,166,143	8,178,723	7,624,217	9,296,980
Advances – Net of Provision	4,576,806	4,653,056	5,719,604	6,897,850	8,096,771	8,259,017
Gross Advances	456,450	5,113,688	6,176,306	7,361,622	488,093	524,161
Less: Provision for Non- Performing Advances	4,120,356	460,632	456,701	463,772	7,608,677	7,734,856
Operating Fixed Assets	298,267	317,857	345,652	417,591	468,981	556,339
Deferred Tax Assets	58,564	54,749	47,428	52,835	59,834	53,132
Other Assets	792,164	626,331	711,952	715,125	943,951	898,422
Total Assets	12,402,582	14,365,309	16,803,028	18,410,293	19,585,594	21,024,615
Liabilities						
Bills Payable	192,405	223,062	201,124	230,357	299,737	213,863
Borrowings	1,262,884	2,245,107	2,654,899	3,014,680	2,412,023	2,826,543
Deposits and other Accounts	9,141,126	10,060,188	11,980,697	13,062,787	14,458,307	15,126,310
Sub-ordinated Loans	33,634	47,696	46,910	79,460	108,670	126,593
Liabilities Against Assets Subject to Finance Lea	27	48	35	20	0	2,187
Deferred Tax Liabilities	38,510	44,774	35,556	22,070	22,591	40,342
Other Liabilities	465,429	411,820	446,232	577,934	803,227	917,020
Total Liabilities	11,134,013	13,032,696	15,365,453	16,987,306	18,104,555	19,252,858
Net Assets	1,268,570	1,332,613	1,437,575	1,422,987	1,481,039	1,771,756
Represented by:						
Paid up Capital / Head Office Capital Account	485,985	538,631	651,359	525,796	546,922	555,747
Reserves	282,032	227,497	199,217	285,610	340,060	341,131
Un-appropriated / Un-remitted Profit	275,770	337,664	392,033	440,846	480,816	586,171
Surplus/ (Deficit) on Revaluation of Assets	224,783	228,821	194,964	170,736	113,241	288,708
Total	1,268,570	1,332,613	1,437,573	1,422,988	1,481,039	1,771,756

Source: State Bank of Pakistan

TABLE 5.4

INCOME VELOCITY OF MONEY

Rs Billion

End June Stocks	Narrow Money M1[1]	Broad Money	M2 - Growth (%)	Income Velocity of Broad Money[2]
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 (Mar)	-	19,318.46	8.5	-

P : Provisional   - : Not available   Source: State Bank of Pakistan

[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 taken as GDP at current factor cost/ quaterly average of monetary assets (M2).

TABLE 5.5

LIST OF DOMESTIC, FOREIGN BANKS AND DFIs (As on 31-03-2020)

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/FINANCING RATES (ALL SCHEDULED BANKS)

In Percentage

As at the End of	Precious Metal	Stock Exchange Securities	Merchan-dise	Fixed Assets	Real Estate	Financial Obli-gations	Others	Total Advances
1. CONVENTIONAL AND ISLAMIC - ALL BANKS								
Jun-19 P	11.08	11.87	10.49	11.57	11.53	10.28	12.41	11.60
	(11.08)	(12.15)	(10.43)	(11.41)	(11.54)	(10.28)	(12.98)	(11.51)
Dec-19 P	12.67	13.17	11.29	12.83	11.71	11.85	14.18	12.83
	(12.67)	(12.80)	(11.12)	(12.66)	(11.71)	(11.50)	(14.09)	(12.35)
2. CONVENTIONAL - ALL BANKS								
Jun-19 P	11.08	11.98	10.31	11.72	11.66	10.40	12.60	11.68
	(11.08)	(12.32)	(10.22)	(11.58)	(11.68)	(10.40)	(13.33)	(11.60)
Dec-19 P	12.67	13.95	11.05	12.86	11.54	12.00	14.35	12.84
	(12.67)	(13.79)	(10.83)	(12.63)	(11.53)	(11.64)	(14.43)	(12.31)
3. ISLAMIC - ALL BANKS								
Jun-19 P	-	9.53	11.25	10.95	10.67	9.21	11.34	11.15
	-	(9.53)	(11.33)	(10.76)	(10.67)	(9.21)	(11.45)	(11.14)
Dec-19 P	-	10.39	12.53	12.75	12.34	10.33	13.30	12.79
	-	(7.13)	(12.48)	(12.75)	(12.36)	(10.33)	(12.58)	(12.50)

P: Provisional -: Not available Source: State Bank of Pakistan

Note 1: This classification of Conventional and Islamic banking has now been introduced in the Half Yearly Scheduled Banks' Statistics by Statistics and Data Warehouse Department of SBP. Islamic banking data also include those of Islamic branches of conventional banks.

Note 2: Figures in parentheses represent rates for Private Sector

TABLE 5.7

SALE OF MARKET TREASURY BILLS THROUGH AUCTION

Rs Million

No	Securities	2015	2016	2017	2018	2019	2020 (End-Mar) P
	Market Treasury Bills*						
A.	**Three Months Maturity**						
	Amount Offered						
	i) Face value	1,697,279	2,726,618	5,287,269	19,826,420	23,757,544	12,790,718
	ii) Discounted value	1,658,957	2,681,109	5,223,172	19,549,300	23,222,877	12,406,717
	Amount Accepted						
	i) Face value	1,231,906	1,457,485	3,824,534	16,231,950	18,866,489	8,122,054
	ii) Discounted value	1,206,378	1,436,402	3,772,951	16,005,555	18,448,036	7,878,168
	Weighted Average Yield						
	i) Minimum % p.a.	6.6055	5.8998	5.7873	5.9902	6.7575	11.2174
	ii) Maximum % p.a.	9.9701	6.9308	5.9910	6.7595	12.7454	13.7490
B.	**Six Months Maturity**						
	Amount Offered						
	i) Face value	2,157,339	2,873,573	4,632,304	1,620,207	120,484	2,420,952
	ii) Discounted value	2,071,487	2,780,740	4,495,594	1,560,051	101,275	2,271,448
	Amount Accepted						
	i) Face value	1,251,489	1,629,803	2,974,251	1,271,001	8,928	1,133,167
	ii) Discounted value	1,200,353	1,579,538	2,888,666	1,233,895	8,502	1,064,026
	Weighted Average Yield						
	i) Minimum % p.a.	6.6350	5.8910	5.8214	6.0093	7.8526	11.1895
	ii) Maximum % p.a.	9.9791	6.9511	6.0109	6.8322	12.6958	13.9498
C.	**Twelve Months Maturity**						
	Amount Offered						
	i) Face value	2,955,465	3,656,106	1,708,636	86,406	29,073	11,467,044
	ii) Discounted value	2,725,976	3,434,144	1,611,283	78,882	15,431	10,122,268
	Amount Accepted						
	i) Face value	1,226,861	1,821,670	936,611	47,687	500	3,966,446
	ii) Discounted value	1,130,052	1,712,268	884,431	44,979	443	3,500,362
	Weighted Average Yield						
	i) Minimum % p.a.	6.7168	5.9101	5.8370	6.0273	13.1500	10.6706
	ii) Maximum % p.a.	9.9900	6.9710	6.0499	6.0386	13.1500	14.2169

* : MTBs were introduced in 1998-99

Source: State Bank of Pakistan

Note : Amount includes Non-competitive Bids as well

TABLE 5.8

SALE OF PAKISTAN INVESTMENT BONDS THROUGH AUCTION

Rs Million

No.	Securities	2015	2016	2017	2018	2019	2020 (End-Mar) P
	Pakistan Investment Bonds						
A.	**Amount Offered (Face Value)**	**2,175,106**	**2,559,922**	**1,761,044**	**348,935**	**3,156,891**	**5,733,238**
	03 Years Maturity	**1,104,978**	**1,315,268**	**1,039,668**	**235,367**	**976,869**	**1,872,240**
	05 Years Maturity	**577,463**	**982,167**	**451,788**	**48,467**	**653,189**	**1,467,540**
	07 Years Maturity	-	-	-	-	-	-
	10 Years Maturity	**483,891**	**262,487**	**266,846**	**65,101**	**815,509**	**1,145,149**
	10 Years (Floater) Maturity (PFL)					**706,324**	**1,233,051**
	15 Years Maturity	-	-	-	-	-	-
	20 Years Maturity	**8,775**	-	**2,743**	-	**5,000**	**15,259**
	30 Years Maturity	-	-	-	-	-	-
B.	**Amount Accepted (Face Value)**	**1,014,437**	**963,600**	**894,017**	**101,732**	**1,183,510**	**2,248,432**
	(a) 03 Years Maturity.						
	(i) Amount Accepted (Face Value)	**495,486**	**484,812**	**522,756**	**37,915**	**418,859**	**900,059**
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	**7.3650**	**6.2948**	**6.1444**	**6.4029**	**12.0002**	**11.5351**
	(2) Maximum % p.a.	**12.5393**	**8.0647**	**6.4043**	**7.4677**	**13.6770**	**14.1519**
	(a) 05 Years Maturity						
	(i) Amount Accepted	**287,494**	**407,561**	**239,114**	**14,932**	**199,680**	**494,899**
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	**8.0111**	**6.8824**	**6.6364**	**6.8960**	**9.2500**	**10.9350**
	(2) Maximum % p.a.	**12.9646**	**8.9652**	**6.8998**	**8.4795**	**13.7687**	**13.7740**
	(a) 7 Years Maturity						
	(i) Amount Accepted	-	-	-	-	-	-
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	-	-	-	-	-	-
	(2) Maximum % p.a.	-	-	-	-	-	-
	(a) 10 Years Maturity						
	(i) Amount Accepted	**223,457**	**71,227**	**132,147**	**48,885**	**253,195**	**275,183**
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	**9.1369**	**7.9981**	**7.7222**	**7.9359**	**12.8267**	**10.7519**
	(2) Maximum % p.a.	**13.4392**	**9.4007**	**7.9414**	**8.6999**	**13.6820**	**13.4548**
	(a) 10 Years (Floater) Maturity (PFL)						
	(i) Amount Accepted					**311,776**	**577,292**
	(ii) Weighted Average Yield*						
	(1) Minimum % p.a.					**8.5526**	**13.9551**
	(2) Maximum % p.a.					**13.6000**	**14.6889**
	(a) 15 Years Maturity						
	(i) Amount Accepted	-	-	-	-	-	-
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	-	-	-	-	-	-
	(2) Maximum % p.a.	-	-	-	-	-	-
	(a) 20 Years Maturity		-				
	(i) Amount Accepted	**8,000**	-	-	-	-	**1,000**
	(ii) Weighted Average Yield						
	(1) Minimum % p.a.	**10.9995**	-	-	-	-	**11.7999**
	(2) Maximum % p.a.	**13.5905**	-	-	-	-	**11.7999**
	(a) 30 Years Maturity						
	(i) Amount Accepted	-	-	-	-	-	-
	(ii) Weighted Average Yield		-				
	(1) Minimum % p.a.	-	-	-	-	-	-
	(2) Maximum % p.a.	-	-	-	-	-	-

Source: State Bank of Pakistan

PIBs were introduced in 2000-01

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

Note: Amounts include non-competitive bids & short sale accomodation as well.

TABLE 6.1

NATIONAL SAVINGS SCHEMES (NET INVESTMENT)

Rs Million

	Name of Scheme	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Jul-Mar)
1	Defence Savings Certificates	7,295.5	29,892.0	12,970.8	16,183.3	8,053.0	16,620.0	10,743.6	57,171.0	92,893.0
2	National Deposit Scheme	(0.9)	(0.6)	(0.3)	(1.0)	(0.3)	(0.7)	0.1	(0.03)	(0.01)
3	Khaas Deposit Scheme	(0.6)	(1.2)	(0.8)	(4.3)	(2.0)	(51.4)	(0.2)	(0.04)	(0.05)
4	Special Savings Certificates (R)	(52,834.2)	46,401.5	57,619.6	28,547.1	(1,932.8)	(39,344.6)	(51,180.1)	31,842.5	1,125.5
5	Special Savings Certificates (B)	(0.9)	(0.3)	(0.8)	-	-	(0.8)	(0.6)	-	(0.01)
6	Regular Income Certificates	43,971.6	36,047.0	62,783.3	50,582.1	(16,223.0)	(20,950.7)	8,726.3	142,088.1	71,637.7
7	Bahbood Saving Certificates	52,254.5	47,622.7	53,963.0	45,927.8	63,761.1	57,432.1	45,395.3	119,573.1	77,553.9
8	Pensioners' Benefit Account	16,359.5	17,538.9	18,471.2	15,701.9	20,645.1	18,716.7	21,504.4	43,367.4	31,186.2
9	Savings Accounts	3,978.5	1,098.9	283.2	3,859.4	3,807.7	4,684.4	3,413.0	(166.2)	1,327.4
10	Special Savings Accounts	61,098.8	150,836.0	(53,463.7)	100,124.9	30,924.1	65,246.6	59,939.2	(132,393.5)	36,478.2
11	Mahana Amdani Accounts	(90.5)	(78.5)	(72.5)	(73.0)	(63.0)	(55.2)	(46.7)	(73.8)	(72.7)
12	Prize Bonds	56,324.2	56,175.4	57,058.4	75,884.6	123,901.9	97,791.6	101,575.7	40,432.1	(168,505.0)
13	Postal Life Insurance	-	-	-	-	-	2,529.8	875.5	1,248.4	(541.1)
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	5,879.6
16	Premium Prize Bonds (R)	-	-	-	-	-	2,921.7	2,323.2	2,820.0	11,542.8
17	Shuhda Welfare Accounts	-	-	-	-	-	-	-	42.1	26.9
	Grand Total	188,355.6	386,075.9	206,982.4	337,059.3	233,029.6	207,617.0	203,829.1	306,712.0	160,395.4

- : Not available

Source : Central Directorate of National Savings (CDNS) ngs (CDNS)

Figures in Parenthesis represent negative growth

TABLE 6.2

MARK UP RATE/PROFIT RATE ON Federal Government's Debt Instruments*

S.No.	Name of Security	Coupon rate/ profit rate	Remarks	Tax Status
1.	Pakistan Banao Certificate			Exempted from tax deduction at source
a)	3 year maturity	6.25%		
b)	5 year maturity	6.75%		
2.	Pakistan Investment Bonds Fixed- rate (PIBs)			
	3-Year Maturity	9.00%	All tenors of the issue are available in the primary market.	Taxable
	5-Year Maturity	9.50%		
	10-Year Maturity	10.00%		
	15-Year Maturity	10.50%		
	20-Year Maturity	11.00%		
	Floating-rate PIBs		Margin range: 50-75 BPS	
	10-Years Maturity	6-M T-bill Auction rate+ Margin	10 different issues outstanding August 28,2019 issue is availble in the primary market	
3.	Ijara sukuk			
	3- Years fixed- rate sukuk	5.24%	Maturity: June 2020	Taxable
	5- Years fixed- rate sukuk	6M T-bill rate + margin	Margin: -125 BPs; maturity: May 2025	

* : Federal governments debt instruments under SBP management

TABLE 7.1 (A)

PRICE INDICES

A. COMBINED CONSUMER PRICE INDEX BY GROUPS

(Base Year : 2000-01 = 100)

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
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	114.23	112.26	118.13	120.08	114.00	122.92	125.31	103.27	111.54	134.74	119.10	118.86
July-April													
2018-19	116.35	111.14	111.12	117.34	119.82	113.07	121.84	123.25	102.88	110.97	133.76	118.75	117.99
2019-20	129.41	128.81	135.40	128.45	128.29	125.04	136.06	141.73	106.82	118.46	141.80	127.04	132.01

(Contd.)

Note: i) CPI 2000-01base year series converted into base year 2007-08.
ii) The base for price indices have been changed and different new groups have been included. Therefore, data may differ from the previous one.
iii) July to April cumulative 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

(Base Year : 2015-16 = 100)

		Urban			Rural		
	CPI(N)	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
July-April							
2018-19	116.35	112.27	119.96	119.61	111.72	118.11	117.89
2019-20	129.41	127.95	130.72	128.88	129.84	128.24	128.13

		Urban			Rural		
	CPI(N)	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
July-April							
2018-19	6.51	3.91	8.52	7.19	3.83	7.78	6.77
2019-20	11.22	13.97	8.97	7.75	16.22	8.58	8.69

Note: i) CPI 2000-01 base year series converted into base year 2007-08.
ii) Core Inflation is defined as overall inflation adjusted for food and energy.
iii) The base for price indices have been changed and different new groups have been included. Therefore, data may differ from the previous one.

TABLE 7.1 (C)

PRICES INDICES

Groups/ Fiscal Year	B. Wholesale Price Index by Groups: General	Food	Raw Materials	Fuel, Lighting & Lubricants	Manufac-tures	Building Materials	Sensitive Price Indi-cator	GDP Deflator
	(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 Indi-cator	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	284.44

	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	284.44
<u>July-April</u>											
2018-19	126.18	123.05	125.94	117.86	111.06	131.81	107.23	145.90	114.75	114.90	284.44
2019-20	141.52	137.40	163.85	130.39	125.35	141.42	112.60	153.95	130.73	131.29	310.24

Source: Pakistan Bureau of Statistics

Note: i) WPI 1990-91 base year series converted into base year 2000-01 then into 2007-08.
The base year period of Price indices has been updated from 2007-08 to 2015-16.
ii) The base for price indices have been changed and different new groups have been included.
Therefore, data may differ from the previous one.

TABLE 7.2

MONTHLY PERCENTAGE CHANGES IN CPI, WPI AND SPI

(Percent)

Months	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	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
A. CONSUMER PRICE INDEX (C.P.I)	(C.P.I) converted into Base year 2000-01								Base Year 2007-08=100											Base Year 2015-16=100			
Jul	0.57	1.38	1.62	1.61	1.01	3.34	1.54	1.23	-	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
Aug	0.66	0.58	0.04	1.25	1.32	2.14	1.70	2.51	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
Sep	0.60	0.38	0.50	0.32	2.13	0.97	0.45	2.65	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
Oct	1.47	1.19	0.94	0.36	1.23	2.12	0.95	0.62	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
Nov	0.60	1.12	0.76	0.73	0.14	-0.12	1.39	1.52	-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
Dec	0.90	-0.85	-0.27	0.47	0.58	-0.50	-0.49	-0.51	-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
Jan	-0.09	0.97	1.20	-0.88	1.91	-0.42	2.42	1.30	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
Feb	-0.34	0.99	0.33	1.04	0.49	0.95	0.39	-0.74	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
Mar	1.02	1.29	0.23	0.49	3.08	1.37	1.25	1.48	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
Apr	0.96	1.74	1.02	0.31	3.04	1.41	1.73	1.62	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	-0.80
May	0.69	-0.44	0.45	0.92	2.69	0.23	0.06	0.23	-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	
Jun	1.12	0.10	0.59	0.20	2.10	0.99	0.65	0.55	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	
URBAN CONSUMER PRICE INDEX (U.C.P.I)																				Base Year 2015-16=100			
Jul	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		0.59	1.41	1.98
Aug	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.46	0.20	-0.31	1.46
Sep	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.32	0.42	-0.08	0.75
Oct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.79	0.89	2.23	1.59
Nov	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.47	0.63	-0.09	1.00
Dec	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.59	0.05	-0.32	-0.37
Jan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.82	0.18	0.43	1.68
Feb	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.51	-0.15	0.86	-1.09
Mar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.01	0.28	1.87	0.13
Apr	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.96	1.37	0.83	-0.70
May	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.32	0.53	0.68	
Jun	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21	0.72	0.34	
RURAL PRICE INDEX (R.P.I)																				Base Year 2015-16=100			
Jul	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.54	1.67	1.60
Aug	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.21	0.07	-0.30	1.91
Sep	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.57	1.10	0.04	0.79
Oct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.15	1.40	1.96	2.17
Nov	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.48	0.72	-0.17	1.86
Dec	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.56	-0.14	-0.29	-0.30
Jan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.14	-0.07	-0.02	2.41
Feb	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.45	-0.45	0.87	-0.97
Mar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.12	0.13	2.19	-0.10
Apr	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.36	0.64	0.58	-1.10
May	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.82	0.35	0.47	
Jun	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.12	1.01	0.70	
B. WHOLESALE PRICE INDEX (W.P.I.)	(W.P.I) converted into Base year 2000-01								Base Year 2007-08=100											Base Year 2015-16=100			
Jul	1.31	-1.00	1.99	1.42	1.70	4.35	0.70	1.67		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
Aug	0.98	-1.08	1.04	0.78	1.17	2.45	2.21	2.62	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
Sep	0.34	0.40	0.54	0.44	1.62	-0.27	0.17	2.09	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
Oct	2.72	1.42	0.77	-0.49	1.82	-1.87	1.17	3.09	-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
Nov	1.10	0.39	0.18	0.89	1.63	-5.11	2.78	3.48	-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
Dec	1.39	-0.25	-0.13	0.37	-0.06	-1.97	0.20	1.06	-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
Jan	0.21	1.53	1.28	-1.20	1.78	0.15	4.23	1.65	-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
Feb	0.40	1.52	0.77	0.51	1.24	0.66	0.36	1.87	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
Mar	1.77	1.39	0.07	1.02	3.99	0.42	2.53	3.34	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
Apr	0.32	1.61	1.23	1.16	4.30	1.68	1.84	2.26	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	-2.10
May	0.98	-0.59	0.35	1.09	4.97	1.52	0.87	-1.55	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	
Jun	0.59	0.71	63.00	1.10	2.98	2.40	-0.63	0.22	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	
C. SENSITIVE PRICE INDEX (S.P.I.)	(S.P.I.) converted into Base year 2000-01								Base Year 2007-08=100											Base Year 2015-16=100			
Jul	1.34	2.43	1.35	1.36	1.46	3.77	2.78	1.85	-	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
Aug	0.70	1.18	0.26	2.18	1.67	2.34	1.68	2.86	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
Sep	0.75	0.29	0.23	0.41	2.63	0.51	0.56	4.32	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
Oct	2.34	0.53	0.05	0.56	1.47	2.70	0.35	2.18	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
Nov	2.64	1.94	0.88	2.34	0.85	-1.35	2.49	3.79	-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
Dec	1.31	-0.98	-0.24	0.76	1.45	-1.69	0.66	-0.64	-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
Jan	-0.69	0.91	0.80	-1.32	2.67	-1.42	2.88	0.47	-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
Feb	-0.61	0.54	1.46	0.09	-1.33	0.85	0.56	-1.13	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
Mar	1.30	1.07	0.84	-0.01	3.42	0.64	0.78	0.79	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
Apr	-0.51	1.29	1.33	0.09	5.48	1.68	0.43	0.55	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	-1.80
May	2.14	-1.02	0.65	1.37	5.41	1.27	-0.06	-0.32	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	
Jun	1.31	0.70	0.45	1.48	1.56	1.17	0.95	1.16	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	

Note:
i) CPI, SPI and WPI 1990-91 base year series converted into Base Year 2000-01 then into 2007-08
ii) The base year period of Price indices has been updated from 2007-08 to 2015-16.
iii) The base for price indices have been changed and different new groups have been included. Therefore, data may differ from the previous one.

Source: Pakistan Bureau of Statistics

TABLE 7.3

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	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
<u>Jul-April</u>						
2018-19	117.13	113.13	114.22	114.76	115.47	118.97
2019-20	129.70	126.54	127.12	128.93	128.96	131.34
			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	115.33	118.02
<u>Jul-April</u>						
2018-19	115.17	113.58	114.20	114.55	115.05	117.17
2019-20	128.97	128.68	128.56	128.40	128.42	130.30

Source: Pakistan Bureau of Statistics

Note: i) CPI 1990-91 Base Year series have been converted into Base Year 2000-01 and then into 2007-08
ii)The base for price indices have been changed and different new groups have been included. Therefore, data may differ from the previous one.

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	8.43
	(Base Year : 2015-16 = 100)					
2016-17	4.81	4.83	4.77	4.45	7.62	3.97
2017-18	4.68	5.10	4.08	5.28	2.47	2.36
2018-19	6.80	7.09	6.34	15.99	5.11	8.43
Jul-April						
2018-19	6.51	6.85	5.98	16.15	4.22	8.43
2019-20	11.22	10.73	11.98	12.16	14.26	9.07

Source: Pakistan Bureau of Statistics

Note: i) WPI, CPI & SPI Base Year = 1990-91 series have been converted into Base Year 2000-01 & then into 2007-08
The base year period of Price indices has been updated from 2007-08 to 2015-16.
ii) The base for price indices have been changed and different new groups have been included.
Therefore, data may differ from the previous one.

TABLE 7.4

AVERAGE RETAIL PRICES OF ESSENTIAL ITEMS

(Price in Rs.)
(Weight in Kg.)

Fiscal Year	Wheat (Av.Qlty)	Wheat Flour (Av.Qlty)	Basmati* Rice (Broken	Moong Pulse (Washed)	Gram Pulse (Av.Qlty)	Beef (Cow/ Buffalo with bone)	Chicken (Farm)	Mutton (Goat) (Av.Qlty)	Eggs Hen (Farm) Doz.	Potato (Av.Qlty)	Dry Onion (Av.Qlty)	Tomato (Av.Qlty)
						Base Year 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						
July-April												
2019-20	41.50	45.53	80.26	200.47	143.01	413.61	169.59	853.06	107.31	40.31	65.20	76.93

(Contd.)

Note: i) WPI, CPI & SPI Base Year = 1990-91 series have been converted into Base Year 2000-01 & then into 2007-08. The base year period of Price indices has been updated from 2007-08 to 2015-16.

ii) The base for price indices have been changed and different new groups have been included. Therefore, data may differ from the previous one.

iii) In the new base year 2015-16, prices are disseminated 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				
Jul-April								
2019-20	209.80	219.01	30.02	149.61	75.89	110.68	91.76	222.81

(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 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				
Jul-April								
2019-20	80.57	321.67	166.31	1339.54	577.57	2.46	44.35	43.52

(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, prices are disseminated 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				
Jul-April									
2019-20	180.45	127.28	71.72	59.71	134.69	199.45	285.51	1167.56	570.06

(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, prices are disseminated 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				
Jul-April									
2019-20	105.35	24.63	71.76	343.51	216.48	599.00	199.00	49.95	447.59

(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, prices are disseminated 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		
Jul-April					
2019-20	-	143.62	3.92	112.28	1.55

Source: Pakistan Bureau of Statistics

***: The unit has been changed form 100 CM to 100 CF in base year 2000-01.**

-: Not available

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	Vegetable Ghee	Tea	Meat	Vegetables	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)										
2016-17	99.94	102.89	-	104.24	101.99	103.78	104.94	120.09	102.77	93.66	97.29
2017-18	98.69	115.82	-	87.52	106.16	110.80	115.16	113.40	106.46	94.56	112.02
2018-19	103.01	122.43	-	95.15	113.10	124.48	125.61	116.69	110.31	97.89	135.21
Jul-April											
2018-19	101.20	129.09	-	94.67	92.15	115.10	124.24	118.18	108.16	95.93	133.22
2019-20	118.58	144.06	-	121.70	136.74	126.08	137.14	112.91	114.61	126.00	158.72

-: Not available (Contd.)

Note: In the base year 2007-08 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					
2016-17	105.22	101.11	114.86	101.77	102.11	75.80	-	101.83	104.67	105.06
2017-18	112.00	102.24	125.64	108.02	103.04	76.30	-	101.40	108.23	106.10
2018-19	115.54	106.57	155.49	1127.37	109.90	94.18	-	107.72	110.84	112.25
Jul-April										
2018-19	114.79	106.44	153.15	1127.37	107.82	92.80	-	107.23	110.75	112.91
2019-20	130.98	110.06	164.92	1163.56	109.96	103.28	-	112.60	111.86	113.08

TABLE 8.1

SUMMARY BALANCE OF PAYMENTS AS PER BPM6

Million US$

ITEM	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Jul-Mar) P
Current Account Balance	-2,496	-3,130	-2,815	-4,961	-12,270	-19,195	-13,434	-2,768
Current Account Balance without off. transfers	-2,898	-3,464	-3,141	-5,546	-12,844	-20,165	-14,177	-3,149
Exports of Goods FOB	24,802	25,078	24,090	21,972	22,003	24,768	24,257	18,256
Imports of Goods FOB	40,157	41,668	41,357	41,118	48,001	55,671	51,869	32,936
Balance on Trade in Goods	-15,355	-16,590	-17,267	-19,146	-25,998	-30,903	-27,612	-14,680
Exports of Services	6,724	5,345	5,872	5,456	5,915	5,851	5,966	4,247
Imports of Services	8,288	7,995	8,848	9,002	10,576	12,277	10,936	6,688
of which								
Transportation	3,297	3,874	4,160	3,272	3,808	3,956	3,639	2,474
Travel	1,233	1,073	1,518	1,839	2,000	2,289	1,709	1,130
Balance on Trade in Services	-1,564	-2,650	-2,976	-3,546	-4,661	-6,426	-4,970	-2,441
Balance on Trade in Goods and Services	-16,919	-19,240	-20,243	-22,692	-30,659	-37,329	-32,582	-17,121
Primary Income credit	488	508	644	610	696	726	578	452
Primary Income debit	4,157	4,463	5,243	5,955	5,710	6,163	6,188	4,730
of which: Interest Payments#	1,238	1,340	1,617	1,740	2,002	2,620	3,072	2,572
Balance on Primary Income	-3,669	-3,955	-4,599	-5,345	-5,014	-5,437	-5,610	-4,278
Balance on Goods, Services and Primary Income	-20,588	-23,195	-24,842	-28,037	-35,673	-42,766	-38,192	-21,399
Secondary Income credit	18,183	20,222	22,291	23,204	23,604	23,800	24,990	18,915
of which: Workers' Remittances	13,922	15,837	18,721	19,917	19,351	19,914	21,740	16,991
Secondary Income debit	91	157	264	128	201	229	232	284
Balance on secondary Income	18,092	20,065	22,027	23,076	23,403	23,571	24,758	18,631
Capital Account Balance	264	1,857	375	273	375	376	229	230
Capital Account credit	266	1,857	375	279	375	376	229	231
Capital Account debit	2	0	0	6	0	0	0	1
Net lending (+) / Net borrowing (–) (Current and Capital Accounts)	-2,232	-1,273	-2,440	-4,688	-11,895	-18,819	-13,205	-2,538
Financial Account	-549	-5,553	-5,119	-6,878	-9,855	-13,611	-11,759	-5,998
Direct investment	-1,258	-1,572	-960	-2,374	-2,320	-2,772	-1,436	-2,093
Direct Investment Abroad	198	128	73	19	86	10	-74	55
Direct Investment in Pakistan	1,456	1,700	1,033	2,393	2,406	2,782	1,362	2,148
Portfolio investment	-26	-2,762	-1,886	429	250	-2,257	1,274	-474
Portfolio Investment Abroad	99	-23	-44	100	-1	-48	-144	-246
Portfolio Investment in Pakistan	125	2,739	1,842	-329	-251	2,209	-1,418	228
Financial Derivatives (other than reserves) and ESOs*	0	2	-2	0	0	0	0	-7
Other Investment	735	-1,221	-2,271	-4,933	-7,785	-8,582	-11,597	-3,424
Net Acquisition of Financial Assets	314	-211	-71	96	1,180	273	-67	120
Net Incurrence of Liabilities	-421	1,010	2,200	5,029	8,965	8,855	11,530	3,544
of which								
General Government	248	1,610	1,400	3,445	5,040	4,894	4,294	3,712
Disbursements	2,530	4,349	4,243	6,159	9,414	8,507	8,255	7,896
Credit and Loans with the IMF (Other than Reserves)@	0	0	0	0	0	0	0	1,443
Other Long Term	2,274	3,617	3,088	4,498	8,251	6,782	6,610	4,773
Short Term	256	732	1,155	1,661	1,163	1,725	1,645	1,680
Amortization	2,282	2,734	2,841	2,714	4,374	4,107	5,982	4,214
Credit and Loans with the IMF (Other than Reserves)@	361	900	563	53	0	0	0	0
Other Long Term	1,530	1,834	1,696	1,927	2,981	2,619	4,444	3,517
Short Term	391	0	582	734	1,393	1,488	1,538	697
Other Liabilities (Net)	0	-5	-2	0	0	494	2,021	30
Net Errors and Omissions	-309	-422	-33	462	94	-933	-58	786
Overall Balance	1,992	-3,858	-2,646	-2,652	1,946	6,141	1,504	-4,246
Reserves and Related Items	-1,992	3,858	2,646	2,652	-1,946	-6,141	-1,504	4,246
Use of Fund Credit and Loans	-2,538	-573	1,949	2,009	102	-86	-376	-538
Exceptional Financing	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	12,861

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
<u>Jul-Mar</u>					
2018-19 @	6.1	14.6	8.5	5.7	-3.7
2019-20 (P)@	6.6	13.2	6.6	6.4	-1.1

P : Provisional

Source: PBS, SBP & E.A.Wing, 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 exhcnage rate FY2019 = 136.09, FY2020 = 158.33 as ginven by PBS in National Accounts

TABLE 8.3

EXPORTS, IMPORTS & TRADE BALANCE

Year	Rs. million			Growth Rate (%)			US $ million			Growth Rate (%)		
	Current Prices			Exports	Imports	Balance	Current Prices			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
Jul- Mar												
2018-19	2,263,699	5,371,143	-2,809,390	23.10	12.63	-4.12	17,071	40,679	-23,608	0.04	-8.13	-13.26
2019-20 P	2,725,210	5,434,524	-2,709,314	20.39	1.18	-3.56	17,443	34,791	-17,348	2.18	-14.47	-26.52

P : Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.4 A

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
All Groups										
Exports	271.47	271.18	254.02	279.65	288.84	299.31	310.03	350.40	450.40	478.07
Imports	298.44	298.56	309.52	355.43	392.45	460.38	495.33	632.30	790.82	839.60
T.O.T.	90.96	90.83	82.07	78.68	73.60	65.01	62.59	55.42	56.95	56.94
Food & Live Animals										
Exports	249.32	260.55	258.11	267.55	303.93	327.47	350.75	496.58	758.42	693.35
Imports	278.82	277.41	259.76	282.18	314.36	323.95	431.20	551.25	622.23	689.76
T.O.T.	89.42	93.92	99.36	94.82	96.68	101.09	81.34	90.08	121.89	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
Imports	698.92	790.14	598.00	521.88	561.23	621.67	675.14	635.41	884.26	961.43
T.O.T.	24.53	21.49	24.50	33.60	29.04	30.74	30.87	31.02	48.76	65.43
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
Imports	218.95	228.14	232.37	245.01	293.06	329.71	350.19	445.35	613.16	677.43
T.O.T.	87.75	69.65	73.84	89.33	66.76	63.68	64.40	73.77	80.58	84.59
Minerals, Fuels & Lubricants										
Exports	373.65	314.40	365.14	416.09	525.75	644.33	733.54	979.83	840.28	1115.54
Imports	276.87	249.66	297.20	306.38	389.16	615.00	632.08	877.47	982.09	975.40
T.O.T.	134.96	125.93	122.86	135.81	135.10	104.77	116.05	111.67	85.56	114.37
Chemicals										
Exports	282.36	281.54	270.05	265.61	277.23	312.89	362.50	397.29	480.24	534.75
Imports	228.06	239.29	245.60	313.15	334.10	372.17	392.87	471.77	659.24	725.54
T.O.T.	123.81	117.66	109.96	84.82	82.98	84.07	92.27	84.21	72.85	73.70
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
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
Imports	251.50	244.97	240.82	287.80	301.00	340.71	375.06	427.60	559.24	612.77
T.O.T.	110.95	115.05	103.37	95.21	94.59	84.99	80.19	74.60	69.36	67.07
Machinery & Transport Equipment										
Exports	453.20	579.13	572.31	396.09	342.97	414.01	430.91	518.62	806.33	988.72
Imports	470.20	481.18	450.67	537.55	561.15	538.14	580.85	639.86	897.86	965.15
T.O.T.	96.38	120.36	126.99	73.68	61.12	76.93	74.19	81.05	89.81	102.44
Miscellaneous Manufactured Articles										
Exports	292.47	298.40	294.67	318.55	324.17	342.71	340.99	351.77	442.64	498.40
Imports	323.02	320.35	299.60	333.22	343.13	414.94	418.65	605.24	763.29	964.44
T.O.T.	90.54	93.15	98.35	95.60	94.47	82.59	81.45	58.12	57.99	51.68

- : Not available

(Contd...)

TABLE 8.4 B

UNIT VALUE INDICES & TERMS OF TRADE (T.O.T) (1990-91 = 100)

Groups	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Jul-Mar	
										2018-19	2019-20 P
All Groups											
Exports	593.19	679.44	715.45	752.86	759.21	705.02	701.43	735.50	794.77	786.29	845.03
Imports	1013.10	1,233.49	1,329.56	1,387.15	1,394.75	1,215.80	1,199.54	1,261.25	1342.30	1324.13	1375.48
T.O.T.	58.55	55.08	53.81	54.27	54.43	57.99	58.47	58.32	59.21	59.38	61.44
Food & Live Animals											
Exports	747.72	800.09	884.48	954.07	1,057.47	944.46	923.60	1,134.29	1229.51	1217.64	1293.75
Imports	743.82	791.79	802.28	838.74	891.28	839.11	829.56	943.23	908.93	864.48	1156.73
T.O.T.	100.52	101.05	110.25	113.75	118.65	112.55	111.34	120.26	135.27	140.85	111.85
Beverages & Tobacco											
Exports	804.61	935.29	1,052.54	1,127.89	1,148.80	1,217.42	1,225.01	1,061.25	860.48	875.97	836.30
Imports	1060.35	1,230.10	1,339.47	1,446.20	1,620.65	1,700.77	1,762.07	1,656.22	1325.61	1293.93	1312.42
T.O.T.	75.88	76.03	78.58	77.99	70.89	71.58	69.52	64.08	64.91	67.70	63.72
Crude Materials (inedible except fuels)											
Exports	647.55	848.74	958.74	1,009.57	999.87	920.79	888.69	1,043.30	1119.52	1100.48	1315.80
Imports	803.59	881.00	995.65	1,046.35	1,048.08	1,031.47	1,019.86	1,020.56	1102.13	1087.85	1194.10
T.O.T.	80.58	96.34	96.29	96.48	95.40	89.27	87.14	102.23	101.58	101.16	110.19
Minerals, Fuels & Lubricants											
Exports	1333.56	1,500.63	1,615.08	1,682.81	1,713.20	1,092.25	1,126.22	1,485.92	2016.59	1995.94	2056.53
Imports	1255.86	1,651.93	1,720.77	1,757.91	1,511.85	919.48	811.76	1,030.32	1564.46	1541.41	1583.56
T.O.T.	106.19	90.84	93.86	95.73	113.32	118.79	138.74	144.22	128.90	129.49	129.87
Chemicals											
Exports	620.91	739.66	876.11	939.50	935.18	1,000.41	1,017.19	1,054.28	1129.18	1117.49	1235.45
Imports	796.89	897.56	994.50	1,098.60	1,256.50	1,193.67	1,277.08	1,264.05	1335.10	1320.93	1437.04
T.O.T.	77.92	82.41	88.10	85.52	74.43	83.81	79.65	83.40	84.58	84.60	85.97
Animal & Vegetable Oils, Fats & Waxes											
Exports	-	-	-	-	-	-	-	-	-	-	-
Imports	1005.72	1,240.29	1,103.29	1,054.13	1,037.83	1,011.65	1,090.65	1,010.73	995.35	990.33	1088.23
T.O.T.	-	-	-	-	-	-	-	-	-	-	-
Manufactured Goods											
Exports	559.56	641.15	689.62	698.49	667.05	607.38	595.81	580.96	616.90	612.26	650.11
Imports	747.32	823.33	887.02	899.66	1,026.39	920.53	927.03	939.97	1110.15	1086.41	1299.22
T.O.T.	74.88	77.87	77.75	77.64	64.99	65.98	64.27	61.81	55.57	56.36	50.04
Machinery & Transport Equipment											
Exports	1286.13	1,517.96	1,603.48	1,650.17	1,789.37	1,873.58	1,741.77	1,838.42	1466.32	1433.17	1155.98
Imports	1183.62	1,407.29	1,738.91	1,866.32	1,985.27	1,913.99	1,872.19	1,913.85	1458.64	1465.85	1247.19
T.O.T.	108.66	107.86	92.21	88.42	90.13	97.89	93.03	96.06	100.53	97.77	92.69
Miscellaneous Manufactured Articles											
Exports	558.25	650.31	657.15	700.75	728.76	774.38	786.63	820.87	887.27	873.05	962.73
Imports	1174.99	1,274.46	1,342.66	1,458.63	1,854.42	2,376.63	2,494.45	2,652.61	2186.14	2145.34	1978.85
T.O.T.	47.61	51.03	48.94	48.04	39.30	32.58	31.54	30.95	40.59	40.70	48.65

- : 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
Jul-Mar							
2018-19	411,195	18.2	212,198	9.4	1,640,305	72.5	2,263,699
2019-20 P	484,273	17.8	229,073	8.4	2,011,864	73.8	2,725,210

P : Provisional

Source: Pakistan Bureau of Statistics

* : Total may differ due to rounding off figure

TABLE 8.5 B

ECONOMIC CLASSIFICATION OF IMPORTS

Rs Million

			Industrial Raw Material For						
	Capital Goods		Capital Goods		Consumer Goods		Consumer Goods		
Year	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Total 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
Jul-Mar									
2018-19	1,470,173	27.4	563,703	10.5	2,363,348	44.0	973,920	18.1	5,371,143
2019-20 P	1,508,735	27.8	583,554	10.7	2,333,843	42.9	1,008,392	18.6	5,434,524

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	Jul-Mar	
									2018-19	2019-20 P
1. Chemicals	435,801	447,521	498,340	532,197	540,558	579,959	719,354	865,613	617,695	630,243
2. Drugs & medicines	62,268	80,736	81,399	96,183	96,135	102,110	118,122	148,428	109,310	118,325
3. Dyes and colours	29,129	29,932	38,601	40,221	43,345	47,334	55,255	72,491	50,777	50,329
4. Chemical Fertilizers	110,626	63,277	73,058	92,641	75,667	67,063	90,879	105,162	92,855	75,389
5. Electrical goods	72,608	81,728	114,784	122,183	187,163	243,082	236,896	239,618	173,062	269,257
6. Machinery (non-electrical)	435,139	473,258	551,829	633,733	712,920	996,128	1,045,502	984,410	724,245	771,006
7. Transport equipments	192,247	228,987	219,877	263,622	297,225	332,549	462,630	397,772	256,527	176,317
8. Paper, board & stationery	38,081	38,970	44,362	56,130	56,930	59,960	69,096	78,298	59,507	52,059
9. Tea	31,292	35,632	30,827	34,532	53,491	54,839	60,368	77,367	58,980	58,765
10. Sugar-refined	1,167	501	635	631	645	535	554	534	395	366
11. Art-silk yarn	52,939	52,328	63,596	69,028	64,612	66,478	72,996	94,611	64,444	67,072
12. Iron, steel & manufactures thereof	156,683	193,543	180,530	226,030	261,291	228,719	344,595	401,045	293,299	238,988
13. Non-ferrous metals	35,370	37,693	44,389	44,709	51,722	55,534	67,736	61,698	47,319	37,089
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	1,054,034	1,001,966
15. Edible oils	216,387	196,776	206,955	186,010	195,200	212,327	238,563	265,430	192,203	222,632
16. Grains, pulses & flour	48,691	45,239	52,710	71,742	77,525	110,483	72,603	84,754	61,034	74,798
17. Other imports	729,154	896,228	900,876	979,535	1,149,622	1,340,002	1,750,526	2,091,010	1,515,457	1,589,923
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	5,371,143	5,434,524

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	Jul-Mar 2018-19	Jul-Mar 2019-20 P
1. Rice	184,405	186,304	222,906	206,266	194,246	168,244	224,739	285,031	199,900	249,100
2. Fish and Fish preparations	28,590	30,755	37,918	35,429	33,918	41,214	49,755	60,405	39,246	49,527
3. Fruits	32,068	37,772	45,196	44,375	44,607	39,878	43,842	56,272	49,363	59,197
4. Wheat	11,178	6,064	732	291	17	109	27,109	20,124	15,529	1,815
5. Sugar	2,576	51,643	29,638	32,686	13,818	16,867	56,379	31,147	15,165	11,063
6. Meat and Meat Preparations	15,522	20,362	23,650	24,657	28,036	23,103	24,920	33,438	20,772	36,383
7. Raw Cotton	41,393	14,882	21,353	14,931	7,948	4,559	6,184	2,709	2,026	2,669
8. Cotton Yarn	162,004	217,123	205,660	187,376	131,700	130,216	151,063	152,726	110,258	128,188
9. Cotton Fabrics	218,160	260,347	285,130	248,431	230,757	223,675	242,374	285,625	211,206	241,885
10. Hosiery (Knitwear)	176,682	196,408	235,564	243,719	246,267	247,242	298,374	394,748	285,061	359,427
11. Bedwear	155,108	172,538	219,962	213,018	210,543	223,812	248,538	307,202	227,333	275,264
12. Towels	61,326	75,060	78,889	80,778	83,681	83,819	87,633	107,043	77,989	92,430
13. Readymade Garments	144,269	175,662	196,198	212,210	228,861	242,782	283,498	362,320	259,672	339,044
14. Art Silk and Synthetic Textiles	48,817	39,369	39,508	33,485	30,005	19,638	34,069	40,433	29,168	40,795
15. Carpets, Carpeting Rugs & Mats	10,757	11,839	12,935	12,098	10,186	8,219	8,317	9,147	6,719	7,612
16. Sports Goods excl. Toys	30,240	31,888	37,256	34,294	33,862	32,285	37,710	41,995	29,442	40,795
17. Leather Excluding Reptile Leather (Tanned)	39,841	48,378	56,496	49,583	37,803	36,180	36,330	34,269	24,846	23,657
18. Leather Manufactures	46,536	54,000	64,360	60,429	54,788	51,421	57,422	66,146	47,440	62,673
19. Foot wear	8,860	10,037	12,209	13,304	11,453	10,024	11,913	16,734	11,948	16,311
20. Medical & Surgical Instruments	27,126	29,316	34,725	34,576	37,408	35,574	41,618	52,970	37,057	47,376
21. Chemicals and Pharmaceuticals	96,009	84,213	120,391	99,339	83,752	92,176	114,350	154,532	111,293	114,839
22. Engineering goods	24,726	28,030	33,487	22,675	19,645	18,238	22,882	23,518	16,690	21,949
23. Jewellery	82,774	112,419	33,844	668	833	610	644	661	504	499
24. Cement and cement Products	44,619	55,878	52,147	44,943	33,468	24,896	24,420	36,550	29,186	32,804
25. All other items	417,019	421,592	483,309	447,952	359,244	363,405	420,960	552,485	405,886	475,967
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	2,263,699	2,725,210

P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 8.8 A

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
1. Developed Countries										
Exports	58.1	56.1	58.2	55.9	55.9	54.7	54.7	51.0	46.4	43.7
Imports	34.3	34.4	35.5	38.0	38.0	34.2	33.3	30.2	29.1	26.3
a. OECD										
Exports	57.6	55.6	57.5	55.2	55.2	53.8	53.8	50.0	45.5	42.8
Imports	33.7	33.5	34.7	34.7	34.7	32.4	31.5	27.1	27.8	25.3
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
Imports	0.6	0.9	0.8	3.3	3.3	1.8	1.8	3.1	1.3	1.0
2. CMEA*										
Exports	0.5	0.6	0.7	0.9	0.9	0.9	1.1	1.2	1.2	1.2
Imports	1.1	0.8	1.2	2.1	2.1	2.2	1.8	1.4	3.1	1.2
3. Developing Countries										
Exports	41.4	43.3	41.1	43.2	43.2	44.4	44.2	47.8	52.4	55.1
Imports	64.6	64.8	63.3	59.9	59.9	63.6	64.9	68.4	67.8	72.5
a. OIC										
Exports	19.2	22.3	20.7	21.9	21.9	23.3	21.6	26.4	30.4	29.1
Imports	36.0	35.2	33.7	29.2	29.2	33.7	32.0	33.4	33.9	37.4
b. SAARC										
Exports	2.5	2.4	3.2	4.6	4.6	4.4	4.8	4.4	5.0	5.4
Imports	2.4	1.9	3.1	3.2	3.2	3.3	4.5	5.0	3.8	3.9
c. ASEAN										
Exports	2.7	2.9	2.7	2.1	2.1	1.7	1.9	1.7	2.1	2.8
Imports	11.7	12.2	11.1	10.0	10.0	9.1	9.5	9.9	10.4	11.4
d. Central America										
Exports	1.0	0.9	0.9	0.9	0.9	0.9	1.1	1.0	1.0	0.9
Imports	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.2	0.2
e. South America										
Exports	0.9	0.7	0.8	0.9	0.9	1.0	1.4	1.6	1.4	1.2
Imports	0.7	0.6	0.6	1.1	1.1	1.4	0.8	1.8	1.2	0.6
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
Imports	10.9	12.5	12.3	13.7	13.7	13.7	15.9	15.7	15.2	16.3
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
Imports	2.7	2.3	2.3	2.4	2.4	2.2	1.9	2.2	3.0	2.5
h. Central Asian States										
Exports	0.2	0.2	0.2	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
Total	100	100	100	100	100	100	100	100	100	100

- : Not available

* : Council for Mutual Economic Assistance

Source: Pakistan Bureau of Statistics

TABLE 8.8 B

DESTINATION OF EXPORTS & ORIGIN OF IMPORTS

% Share

REGION	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Jul-Mar 2018-19	Jul-Mar 2019-20 P
1. Developed Countries											
Exports	43.3	40.3	41.5	44.7	46.7	51.6	53.4	52.2	53.6	53.7	54.4
Imports	22.7	21.0	21.5	20.5	20.9	23.3	22.5	22.0	21.8	21.0	20.9
a. OECD											
Exports	42.3	39.2	40.4	43.5	45.5	50.5	52.2	50.8	52.3	52.4	53.0
Imports	21.6	19.9	20.5	18.5	18.4	20.9	20.6	20.1	19.9	19.1	19.2
b. Other European Countries											
Exports	1.0	1.1	1.1	1.2	1.1	1.1	1.2	1.3	1.3	1.3	1.5
Imports	0.6	1.1	1.0	2.0	2.5	2.4	1.9	1.9	1.8	1.9	1.7
2. CMEA*											
Exports	1.3	1.4	1.5	1.6	1.7	1.9	2.1	2.0	2.2	2.3	2.3
Imports	1.1	1.1	1.0	1.0	1.3	0.9	1.3	1.0	0.9	1.0	1.0
3. Developing Countries											
Exports	55.4	58.3	57.0	53.7	51.6	46.6	44.6	45.8	44.2	44.0	43.3
Imports	76.7	77.9	77.6	78.5	77.8	75.8	76.2	77.0	77.3	78.0	78.1
a. OIC											
Exports	28.3	28.8	26.5	23.3	20.9	18.6	17.2	17.5	16.7	15.8	17.4
Imports	38.0	40.8	40.5	39.4	33.2	24.7	26.2	28.2	30.8	31.1	29.7
b. SAARC											
Exports	6.5	5.4	5.6	5.5	5.6	6.0	6.1	6.1	5.8	6.4	5.2
Imports	4.7	3.7	4.3	4.8	4.0	4.3	3.5	3.4	3.0	3.1	1.2
c. ASEAN											
Exports	2.3	3.0	2.8	2.6	3.6	2.6	2.8	3.7	3.4	3.6	3.2
Imports	11.9	11.8	11.0	11.0	10.7	10.2	9.8	10.2	10.3	10.5	10.3
d. Central America											
Exports	0.8	0.8	0.8	0.7	0.8	0.8	0.8	0.7	0.7	0.7	0.7
Imports	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.3	0.2	0.2	0.3
e. South America											
Exports	1.5	1.4	1.4	1.4	1.3	1.2	1.2	1.2	1.1	1.1	1.1
Imports	1.1	0.6	0.8	0.8	1.3	2.2	1.4	1.5	1.2	0.8	1.4
f. Other Asian Countries											
Exports	11.8	14.5	15.4	14.9	14.1	12.1	11.5	11.3	11.9	11.5	10.5
Imports	17.8	18.3	18.2	20.2	25.6	30.7	31.6	29.3	27.0	27.1	30.0
g. Other African Countries											
Exports	4.1	4.3	4.4	5.2	5.2	5.0	4.7	4.8	4.2	4.4	4.8
Imports	2.9	2.6	2.6	2.2	2.9	3.4	3.4	4.1	4.8	5.0	5.2
h. Central Asian States											
Exports	0.1	-	0.1	0.1	0.1	0.2	0.3	0.4	0.5	0.5	0.4
Imports	0.2	0.1	-	-	-	0.1	0.1	0.1	0.0	0.0	0.0
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 A

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
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
Bahrain	23.87	39.58	71.46	80.55	91.22	100.57	136.28	140.51	153.27	151.4
Canada	4.90	20.52	15.19	22.90	48.49	81.71	87.20	100.62	79.07	115.1
Germany	9.20	13.44	26.87	46.52	53.84	59.03	76.87	73.33	100.71	81.2
Japan	3.93	5.97	8.14	5.28	6.51	6.63	4.26	4.75	5.10	5.7
Kuwait	123.39	89.66	221.23	177.01	214.78	246.75	288.71	384.58	432.05	445.1
Norway	5.74	6.55	8.89	10.19	18.30	16.82	22.04	28.78	24.94	34.7
Qatar	13.38	31.87	87.68	88.69	86.86	118.69	170.65	233.36	339.51	354.2
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
Sultanat-e-Oman	38.11	63.18	93.65	105.29	119.28	130.45	161.69	224.94	277.82	287.3
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
Abu Dhabi	48.11	103.72	212.37	114.92	152.51	147.89	200.40	298.80	669.40	1,130.3
Dubai	129.69	331.47	581.09	447.49	532.93	540.24	635.60	761.24	970.42	851.5
Sharjah	12.21	34.05	42.60	34.61	26.17	26.87	28.86	28.58	47.84	54.6
Others	0.03	0.25	1.81	0.46	1.00	1.30	1.63	1.68	0.93	2.1
U.K.	81.39	151.93	273.83	333.94	371.86	438.65	430.04	458.87	605.59	876.4
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
Other Countries	88.40	293.28	727.64	567.93	507.27	679.50	763.54	695.45	808.87	826.6
II. Encashment*	64.98	48.26	46.12	45.42	16.50	12.09	2.68	2.40	0.48	1.0
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

* : Encashment and Profit in Pak Rs. of Foreign Exchange Bearer Certificates (FEBCs) & Foreign Currency Bearer Certificates (FCBCs)

(Contd…)

TABLE 8.9 A

WORKERS' REMITTANCES

% Share

COUNTRY	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Cash Flow										
Bahrain	2.34	1.69	1.71	2.11	2.20	2.19	2.48	2.18	1.96	1.70
Canada	0.48	0.88	0.36	0.60	1.17	1.78	1.59	1.56	1.01	1.29
Germany	0.9	0.57	0.64	1.22	1.30	1.29	1.40	1.14	1.29	0.91
Japan	0.38	0.26	0.19	0.14	0.16	0.14	0.08	0.07	0.07	0.06
Kuwait	12.08	3.83	5.28	4.63	5.17	5.38	5.26	5.96	5.53	5.00
Norway	0.56	0.28	0.21	0.27	0.44	0.37	0.40	0.45	0.32	0.39
Qatar	1.31	1.36	2.09	2.32	2.09	2.59	3.11	3.62	4.35	3.98
Saudi Arabia	29.8	16.08	13.86	14.77	15.10	16.36	18.64	19.40	19.97	21.53
Sultanat-e-Oman	3.73	2.7	2.23	2.75	2.87	2.84	2.94	3.49	3.56	3.23
U.A.E.	18.6	20.06	19.99	15.62	17.16	15.61	15.78	16.91	21.62	22.89
Abu Dhabi	4.71	4.43	5.07	3.00	3.67	3.22	3.65	4.63	8.57	12.69
Dubai	12.69	14.16	13.87	11.70	12.83	11.77	11.58	11.80	12.42	9.56
Sharjah	1.2	1.45	1.02	0.90	0.63	0.59	0.53	0.44	0.61	0.61
Others	0	0.01	0.04	0.01	0.02	0.03	0.03	0.03	0.01	0.02
U.K.	7.97	6.49	6.53	8.73	8.96	9.56	7.83	7.12	7.75	9.84
U.S.A.	13.2	33.28	29.53	32.02	31.17	27.08	26.58	27.32	22.22	19.89
Other Countries	8.65	12.53	17.36	14.84	12.22	14.81	13.91	10.78	10.36	9.28
Total	100	100	100	100	100	100	100	100	100	100

(Contd…)

TABLE 8.9 B

WORKERS' REMITTANCES

US $ million

COUNTRY	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Jul-Mar	
										2018-19	2019-20 P
I. Cash Flow	11,200.9	13,186.6	13,921.6	15,837.7	18,719.8	19,916.8	19,351.3	19,913.6	21,739.4	16,030.9	16,991.6
Bahrain	167.3	211.0	282.8	318.8	389.0	448.4	396.4	355.7	340.2	243.6	229.2
Canada	184.6	177.7	177.2	160.0	171.0	176.0	187.4	211.1	213.0	149.3	137.8
Germany	106.6	88.7	83.2	85.6	78.1	93.7	94.1	127.8	123.5	92.4	92.4
Japan	8.1	9.0	5.2	7.1	7.8	13.2	14.3	22.8	22.9	13.5	21.5
Kuwait	495.2	582.6	619.0	681.4	748.1	774.0	763.8	774.2	725.8	540.7	504.6
Norway	37.0	38.5	37.8	30.8	27.6	34.9	41.3	47.8	43.5	31.5	25.6
Qatar	306.1	318.8	321.3	329.2	350.2	380.9	404.4	371.1	386.0	281.7	344.0
Saudi Arabia	2,670.1	3,687.0	4,104.7	4,729.4	5,630.4	5,968.3	5,469.8	4,858.8	5,003.0	3,747.3	3,925.7
Sultanat-e-Oman	337.6	382.7	384.8	530.5	685.7	819.4	760.9	657.3	667.2	476.4	548.8
U.A.E.	2,597.7	2,848.9	2,750.2	3,109.5	4,231.8	4,365.3	4,328.0	4,359.0	4,617.3	3,412.3	2,349.3
Abu Dhabi	1,328.8	1,367.6	1,485.0	1,512.5	1,750.7	1,418.3	1,426.8	1,132.7	1,488.0	1,089.2	1,121.2
Dubai	1,201.2	1,411.3	1,213.8	1,550.0	2,412.0	2,877.7	2,845.3	3,173.7	3,075.5	2,285.6	2,390.5
Sharjah	63.8	67.3	49.8	45.5	67.6	66.5	50.5	47.6	37.2	27.1	17.1
Others	4.0	2.7	1.5	1.5	1.5	2.8	5.5	5.0	16.7	10.3	23.4
U.K.	1,199.7	1,521.1	1,946.0	2,180.2	2,376.2	2,579.7	2,341.7	2,892.4	3,412.3	2,476.2	2,554.1
U.S.A	2,068.7	2,334.5	2,186.2	2,467.7	2,702.7	2,524.7	2,452.9	2,838.0	3,309.1	2,446.4	2,880.4
Other Countries	1,022.2	986.2	1,023.2	1,207.4	1,321.3	1,738.4	2,096.2	2,397.7	2,875.7	2,119.8	3,378.3
II Encashment*	0.1	0.0	0.1	0.0	0.2	-	0.0	0.0	0.0	0.0	0.0
Total (I+II)	11,201.0	13,186.6	13,921.7	15,837.7	18,720.0	19,916.8	19,351.3	19,913.6	21,739.4	16,030.9	16,991.6

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 B

WORKERS' REMITTANCES

% Share

COUNTRY	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Jul-Mar	
										2018-19	2019-20 P
Cash Flow											
Bahrain	1.49	1.60	2.03	2.01	2.08	2.25	2.05	1.8	1.56	1.51	1.35
Canada	1.65	1.35	1.27	1.01	0.91	0.88	0.97	1.1	0.98	0.93	0.81
Germany	0.95	0.67	0.60	0.54	0.42	0.47	0.49	0.6	0.57	0.57	0.54
Japan	0.07	0.07	0.04	0.04	0.04	0.07	0.07	0.1	0.11	0.08	0.13
Kuwait	4.42	4.42	4.45	4.30	4.00	3.89	3.95	3.9	3.34	3.36	2.97
Norway	0.33	0.29	0.27	0.19	0.15	0.18	0.21	0.2	0.20	0.20	0.15
Qatar	2.73	2.42	2.31	2.08	1.87	1.91	2.09	1.9	1.78	1.75	2.02
Saudi Arabia	23.84	27.96	29.48	29.86	30.08	29.97	28.27	24.4	23.01	23.28	23.10
Sultanat-e-Oman	3.01	2.90	2.76	3.35	3.66	4.11	3.93	3.3	3.07	2.96	3.23
U.A.E.	23.19	21.60	19.75	19.63	22.61	21.92	22.37	21.9	21.24	21.21	13.83
Abu Dhabi	11.86	10.37	10.67	9.55	9.35	7.12	7.37	5.7	6.84	6.77	6.60
Dubai	10.72	10.70	8.72	9.79	12.88	14.45	14.70	15.9	14.15	14.21	14.07
Sharjah	0.57	0.51	0.36	0.29	0.36	0.33	0.26	0.2	0.17	0.17	0.10
Others	0.04	0.02	0.01	0.01	0.01	0.01	0.03	0.0	0.08	0.06	0.14
U.K.	10.71	11.54	13.98	13.77	12.69	12.95	12.10	14.5	15.70	15.38	15.03
U.S.A	18.47	17.70	15.70	15.58	14.44	12.68	12.68	14.3	15.22	15.64	16.95
Other Countries	9.13	7.48	7.35	7.62	7.06	8.73	10.83	12.0	13.23	13.13	19.88
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

Period	Total				Cash [2]				Gold [1]			
	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	992,439	954,189	785,296	1,031,030	911,162	847,828	708,325	931,848	81,277	106,361	76,873	106,361
2008	779,699	761,683	478,641	930,998	648,728	619,968	355,009	811,326	130,971	141,715	116,314	143,112
2009	992,653	1,276,214	789,906	1,276,214	835,109	1,083,632	632,399	1,083,632	157,544	192,582	147,291	203,346
2010	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	1,696,181	1,584,975	1,556,926	1,775,642	1,428,227	1,299,489	1,294,186	1,445,662	267,954	285,126	235,433	329,980
2012	1,438,698	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	1,307,510	1,449,882	754,644	1,449,882	1,038,202	1,200,107	481,286	1,200,107	269,308	249,275	248,274	288,264
2015	1,757,849	2,034,391	1,452,365	2,034,391	1,510,698	1,803,668	1,188,267	1,803,668	247,151	230,723	230,723	264,097
2016	2,325,799	2,312,350	2,001,893	2,404,776	2,038,628	2,060,269	1,759,993	2,128,176	287,170	252,081	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 P	-	-	2,503,451	2,890,700	-	-	1,986,928	2,354,862	-	-	507,732	535,838

- : Not available   P: Provisional   * : 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

TABLE 8.11 A
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
Australia	Dollar	32.1607	34.2101	41.0626	44.7141	44.7564	47.6760	56.1958	58.2931	73.9643
Bangladesh	Taka	1.0826	1.0108	0.9842	0.9774	0.9121	0.8723	0.9088	1.1423	1.2118
Canada	Dollar	39.1719	38.8234	42.8526	47.5567	51.4986	53.5778	61.9742	67.5867	79.4785
China	Yuan	7.4149	7.0613	6.9497	7.1676	7.4161	7.7526	8.6128	11.4930	12.2840
Hong Kong	Dollar	7.8720	7.4990	7.3970	7.6176	7.7127	7.7772	8.0273	10.1246	10.8074
India	Rupee	1.2787	1.2219	1.2682	1.3253	1.3389	1.3746	1.5417	1.6468	1.7995
Iran	Rial	0.0307	0.0073	0.0069	0.0067	0.0066	0.0066	0.0067	0.0081	0.0084
Japan	Yen	0.4884	0.4888	0.5203	0.5558	0.5216	0.5122	0.5711	0.8012	0.9164
Kuwait	Dinar	200.7861	194.5677	194.3681	202.3816	205.3258	209.8118	228.2954	281.2742	291.6604
Malaysia	Ringgit	16.1621	15.3944	15.1532	15.6244	16.0515	17.0649	18.9021	22.3290	24.8037
Nepal	Rupee	0.8033	0.7515	0.7802	0.8169	0.8296	0.8575	0.9593	1.0285	1.1251
Norway	Krone	7.0288	8.1021	8.2191	9.1841	9.2141	9.7161	11.6417	12.4113	14.0698
Singapore	Dollar	33.9503	33.3406	33.5098	35.6797	36.4149	39.1651	43.6846	53.5502	59.6004
Sri Lanka	Rupee	0.6624	0.6057	0.5920	0.5813	0.5872	0.5649	0.5676	0.7024	0.7336
Sweden	Krona	5.9117	6.691	7.5195	8.2949	7.7867	8.6143	9.8890	10.4330	11.5692
Switzerland	Franc	37.1824	41.4643	44.2489	49.0657	46.8551	49.2385	56.6736	70.0527	78.9664
S. Arabia	Riyal	16.3792	15.5961	15.3488	15.8027	15.9608	16.1656	16.6973	20.9341	22.3482
Thailand	Baht	1.4000	1.3742	-	1.4763	1.5005	1.6789	1.8786	2.2651	2.5326
UAE	Dirham	16.7231	15.9261	15.6727	16.1586	16.2972	16.5107	17.0391	21.3856	22.8216
UK	Pound	88.5691	92.7433	100.1672	110.2891	106.4344	117.1852	125.2948	126.0915	132.4866
USA	Dollar	61.4258	58.4995	57.5745	59.3576	59.8566	60.6342	62.5465	78.4983	83.8017
EMU	Euro	54.9991	61.3083	68.6226	75.5359	72.8661	79.1763	92.1700	107.4327	116.4991
IMF	SDR	78.0627	79.3198	83.2470	88.5631	86.9594	90.7726	98.6265	119.9599	129.7431

- : Not available

(Contd…)

TABLE 8.11 B
EXCHANGE RATE POSITION
(Pakistan Rupees in Terms of One Unit of Selected Foreign

Country	Currency	(Average During the Year)									Jul-Mar
		2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 P
Australia	Dollar	84.6185	91.8961	99.2813	94.4043	84.6706	75.8551	78.9703	85.1230	97.1750	105.5652
Bangladesh	Taka	1.2101	1.1385	1.2059	1.3232	1.3045	1.3327	1.3263	1.3414	1.6203	1.8439
Canada	Dollar	85.4711	88.8631	96.3207	96.1939	86.6031	78.6541	78.9236	86.5105	102.7630	117.7013
China	Yuan	12.9120	14.0507	15.5063	16.7639	16.3639	16.1983	15.4059	16.9332	19.9618	22.2856
Hong Kong	Dollar	11.0019	11.4768	12.4764	13.2668	13.0664	13.4416	13.5015	14.0663	17.3843	20.0218
India	Rupee	1.8881	1.7836	1.7658	1.6757	1.6354	1.5735	1.5778	1.6903	1.9323	2.1942
Iran	Rial	0.0082	0.0079	0.0079	0.0041	0.0037	0.0035	0.0033	0.0030	0.0032	0.0037
Japan	Yen	1.0301	1.1352	1.1116	1.0180	0.8865	0.8959	0.9611	0.9965	1.2257	1.4430
Kuwait	Dinar	304.4159	322.3284	342.4219	364.0262	346.1203	345.2872	345.0024	364.9610	448.8278	512.7169
Malaysia	Ringgit	27.7427	28.9142	31.3927	31.6823	29.3817	25.2457	24.4675	27.0716	33.0115	37.4772
Nepal	Rupee	1.1800	1.1164	1.1044	1.0477	1.0222	0.9838	0.9861	1.0565	1.2070	1.3789
Norway	Krone	14.7356	15.5404	16.8037	17.0596	14.2794	12.4110	12.4644	13.7701	16.0675	17.1231
Singapore	Dollar	66.1304	70.7611	78.0767	81.6310	77.3079	74.9776	75.1927	81.9160	99.7173	113.6909
Sri Lanka	Rupee	0.7694	0.7625	0.7524	0.7862	0.7701	0.7372	0.7031	0.7107	0.7853	0.8666
Sweden	Krona	12.8272	13.2669	14.6811	15.7629	13.1103	12.4006	11.8827	13.2473	14.8779	16.2459
Switzerland	Franc	89.9297	99.3752	102.7673	113.7726	107.4720	106.3904	105.5866	113.2043	136.7574	159.2467
S. Arabia	Riyal	22.8047	23.7943	25.8099	27.4313	27.0040	27.7996	27.9260	29.2998	36.2985	41.6590
Thailand	Baht	2.7963	2.8943	3.1909	3.2278	3.1076	2.9393	3.0034	3.3964	4.2335	5.0880
UAE	Dirham	23.2883	24.2894	26.3384	28.0070	27.5787	28.3865	28.5170	29.9164	37.0585	42.5476
UK	Pound	135.9640	141.1402	151.5965	167.2207	159.4351	154.4878	132.7123	148.0433	175.9308	197.9120
USA	Dollar	85.5017	89.2359	96.7272	102.8591	101.2947	104.2351	104.6971	109.8444	136.0901	156.2985
EMU	Euro	116.5981	119.1998	125.1227	139.4950	121.6726	115.6294	114.0341	131.0859	155.0710	172.9436
IMF	SDR	133.3407	138.9409	147.2259	158.0043	146.9546	145.8777	143.8126	156.7849	189.5557	215.1233

P: Provisional

Source: State Bank of Pakistan

TABLE 9.1

PUBLIC & PUBLICLY GUARANTEED DEBT DISBURSED & OUTSTANDING
AS ON 31-03-2020

Country/Creditor	$ Million
I. BILATERAL	
a. Paris Club Countries	
AUSTRIA	22
BELGIUM	16
CANADA	366
FINLAND	3
FRANCE	1,535
GERMANY	1,268
ITALY	159
JAPAN	5,504
KOREA	420
THE NETHERLANDS	79
NORWAY	10
RUSSIA	68
SPAIN	61
SWEDEN	86
SWITZERLAND	75
UNITED KINGDOM	4
UNITED STATES	1,108
Sub Total I.a. Paris Club Countries	10,786
b. Non Paris Club Countries	
CHINA	11,777
KUWAIT	147
LIBYA	4
SAUDI ARABIA	905
UNITED ARAB EMIRATES	28
Sub Total I.b. Non-Paris Club Countries	12,862
c. Commercial Banks	9,394
d. Safe Deposit	3,000
Total I. (a+b+c+d)	36,042
II. MULTILATERAL & Others	
ASIAN DEVELOPMENT BANK (ADB)	12,269
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (IBRD)	1,396
INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA)	13,780
Other	1,416
ASIAN INFRASTRUCTURE INVESTMENT BANK (AIIB)	74
EUROPEAN INVESTMENT BANK (EIB)	-
ISLAMIC DEVELOPMENT BANK (IDB)	928
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)	273
NORDIC DEVELOPMENT FUND	7
OPEC FUND	92
ECO TRADE BANK	42
Sub Total II. Multilateral & Others	28,860
III. BONDS	5,352
IV. DEFENCE	-
V. IDB (SHORT TERM CREDIT)	1,058
VI. LOCAL CURRENCY BONDS (TBs & PIBs)	1,387
Grand Total: (I+II+III+IV+V+VI)	72,699

Source: Economic Affairs Division

TABLE 9.2

COMMITMENTS AND DISBURSEMENTS OF LOANS AND GRANTS (BY TYPE)

$ Million

Fiscal Year	Project Aid		Non-Project Aid								Total*	
			Non-Food		Food		BOP		Relief			
	Comm-itment	Disburse-ment	Comm-itment	Disburse-ment	Comm-itment	Disburse-ment	Comm-itment	Disburse-ment	Comm-itment	Disburse-ment	Comm-itment	Disburse-ment
2000-01	396	1,030	-	-	91	23	1,128	1,128	21	5	1,637	2,186
2001-02	973	741	-	-	40	114	2,589	1,880	0	21	3,603	2,756
2002-03	700	846	-	-	-	9	1,089	1,057	11	8	1,800	1,920
2003-04	1,214	622	-	-	-	-	1,263	755	2	3	2,479	1,380
2004-05	2,089	918	-	-	-	-	1,202	1,803	-	2	3,291	2,723
2005-06	3,250	2,084	-	-	22	10	1,225	1,262	1	1	4,498	3,357
2006-07	1,365	1,308	133	-	-	12	2,649	2,058	3	3	4,151	3,381
2007-08	2,440	1,565	-	80	-	-	1,309	2,013	2	2	3,751	3,660
2008-09	2,296	1,272	125	175	18	-	3,947	3,238	2	2	6,389	4,688
2009-10	3,729	1,213	100	100	-	-	2,846	2,305	68	49	6,744	3,668
2010-11	2,384	1,076	-	-	-	-	397	648	1,799	895	4,580	2,620
2011-12	3,341	1,753	100	73	-	-	1,135	949	103	314	4,679	3,089
2012-13	1,848	2,071	100	51	-	-	708	466	4	268	2,660	2,855
2013-14	9,809	2,015	125	80	-	-	5,019	4,612	4	133	14,957	6,840
2014-15	2,038	2,449	-	10	-	-	2,671	3,163	12	134	4,721	5,756
2015-16	12,325	2,337	-	-	-	-	5,069	5,199	6	15	17,400	7,551
2016-17	4,257	3,609	-	-	-	-	7,803	7,072	11	1	12,071	10,682
2017-18	3,510	4,460	-	-	-	-	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 (Jul-Mar)	1,719	1,388	-	-	-	-	4,178	5,424	0.3	0.3	5,897	6,812

*: Exclusive of IMF Loans

Source: Economic Affairs Division

Notes:

Project Aid includes commitments and disbursements for Earthquake Rehabilitation & Construction

BOP includes commitment and disbursement for Bonds, Commercial Banks, BOP Programme Loans, IDB Short-term credit and Tokyo Pledges

Relief includes commitment and disbursement for Afghan Refugees, IDPs, Earthquake and Flood Assistance

TABLE 9.3

ANNUAL COMMITMENTS, DISBURSEMENTS, SERVICE PAYMENTS AND EXTERNAL DEBT OUTSTANDING

$ Million

Fiscal Year	Debt Outstanding @		Transactions during period					Debt Servicing as % of		
					Service Payments***					
	Disbursed*	Undisbursed*	Commit-ment**	Disburse-ment**	Principal	Interest	Total	Export Receipts	Foreign Exchange Earning	GDP
2000-01	25,608	2,860	1,167	1,846	1,004	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	1,203	822	2,025	11.7	6.1	1.3
2007-08	40,770	6,540	3,398	3,160	1,133	983	2,116	10.3	5.7	1.2
2008-09	42,567	7,451	5,792	4,032	2,566	873	3,439	18.0	9.7	2.0
2009-10	43,187	9,634	6,171	3,099	2,338	756	3,094	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 (Jul-Mar)	72,699	20,295	3,707	4,255	3,511	986	4,497	24.6	10.7	1.7

*** : Excluding grants**

Source: Economic Affairs Division and State Bank of Pakistan

**** : Excluding IMF, Short Term Credit, Commercial Credits and Bonds**

***** : Excluding IMF, Short Term Credit, Commercial Credits and Bonds up to the year 2003-04. From the Years 2004-05 onwards, debt servicing in respect of short-term borrowings and Eurobonds is included**

@: Public and Publically Guaranteed Loans

TABLE 9.4

DEBT SERVICE PAYMENTS OF FOREIGN LOANS (Paid in Foreign Exchange)

US$ Million

Fiscal Year	Kind	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Jul-Mar)
I. PARIS CLUB COUNTRIES										
1. Australia	Principal	-	-	-	-	-	-	-	-	-
	Interest	-	-	-	-	-	-	-	-	-
2. Austria	Principal	2.760	3.664	4.923	3.767	3.768	3.989	3.926	2.807	1.377
	Interest	2.950	2.976	3.006	2.312	1.992	1.765	1.687	1.445	0.668
3. Belgium	Principal	0.901	1.014	1.223	1.222	1.318	1.497	1.836	2.017	1.099
	Interest	1.836	1.746	1.773	1.492	1.335	1.243	1.238	1.086	0.494
4. Canada	Principal	2.372	2.717	3.118	3.563	4.084	4.679	5.358	6.131	3.387
	Interest	0.965	0.989	0.754	0.674	0.799	1.164	1.339	1.896	0.845
5. Denmark	Principal	-	-	-	-	-	-	-	-	-
	Interest	-	-	-	-	-	-	-	-	-
6. France	Principal	34.169	39.776	52.270	53.406	57.914	79.264	109.596	115.569	63.995
	Interest	81.713	77.533	79.165	66.812	60.554	57.907	58.563	52.719	24.736
7. Finland	Principal	0.156	0.179	0.206	0.424	0.268	0.308	0.352	0.404	0.223
	Interest	0.062	0.064	0.051	0.069	0.052	0.076	0.087	0.123	0.055
8. Germany	Principal	23.629	17.883	14.458	16.847	15.988	39.515	66.745	67.797	33.541
	Interest	17.290	16.513	26.691	25.119	24.761	22.365	22.92	19.902	9.239
9. Italy	Principal	0.576	0.652	0.764	0.826	0.924	1.054	1.241	1.397	0.765
	Interest	0.317	0.222	0.163	0.143	0.156	0.193	0.219	0.295	0.130
10. Japan	Principal	64.135	61.458	55.903	51.160	62.491	175.517	281.787	293.96	178.408
	Interest	134.327	117.640	103.270	88.094	90.449	93.757	89.944	86.181	47.832
11. Korea	Principal	12.656	14.492	16.626	19.009	22.177	25.847	30.198	33.99	18.097
	Interest	6.750	6.907	5.932	5.480	6.062	7.957	9.334	11.813	2.755
12. Norway	Principal	0.497	0.570	0.648	0.717	0.797	0.887	1.082	1.196	0.652
	Interest	0.304	0.273	0.202	0.179	0.172	0.220	0.258	0.344	0.153
13. The Netherlands	Principal	0.375	0.345	0.514	0.507	0.540	2.44	4.653	4.558	2.267
	Interest	3.285	2.970	3.221	2.959	2.587	2.54	2.691	2.48	2.079
14. Russia	Principal	3.238	3.707	4.255	4.863	5.573	6.385	7.312	8.366	4.621
	Interest	5.895	5.709	5.514	5.403	5.052	4.744	4.416	4.025	1.857
15. Sweden	Principal	4.092	4.681	5.366	6.130	7.028	8.053	9.222	10.551	5.828
	Interest	1.597	1.630	1.225	1.102	1.318	1.944	2.251	3.206	1.410
16. Spain	Principal	0.697	0.822	0.960	1.093	1.246	2.566	3.911	4.134	2.163
	Interest	1.905	1.846	1.782	1.753	1.780	1.736	1.875	1.98	0.958
17. Switzerland	Principal	2.554	2.878	3.431	3.722	4.097	5.225	6.408	7.098	3.890
	Interest	1.299	1.229	3.886	1.087	0.981	0.961	0.913	0.848	0.411
18. USA	Principal	4.663	5.339	6.124	7.004	8.028	25.505	43.148	45.025	22.964
	Interest	28.928	28.665	28.414	29.404	27.684	27.259	26.107	24.718	11.792
19. UK	Principal	0.250	0.282	0.342	0.370	0.403	0.395	0.476	0.525	0.291
	Interest	0.157	0.161	0.066	0.094	0.090	0.067	0.06	0.07	0.033
TOTAL (I)	Principal	157.72	160.459	171.131	174.63	196.644	383.126	577.251	605.525	343.568
	Interest	289.58	267.073	265.115	232.176	225.824	225.898	223.902	213.131	105.446
II. NON-PARIS CLUB COUNTRIES										
1. China	Principal	151.630	72.734	121.257	127.994	170.391	712.298	216.087	341.992	309.649
	Interest	43.799	74.575	103.488	139.299	141.463	205.754	240.341	388.16	213.304
2. Czecho-Slovakia	Principal	-	-	-	-	-	-	-	-	-
	Interest	-	-	-	-	-	-	-	-	-
3. Kuwait	Principal	7.990	8.072	7.057	7.551	10.281	9.477	11.228	12.124	12.071
	Interest	2.797	2.842	3.121	3.061	3.200	3.794	4.097	3.992	3.452
4. Libya	Principal	0.100	-	-	-	-	-	-	-	-
	Interest	0.003	-	-	-	-	-	-	-	-
5. Saudi Arabia	Principal	103.851	76.116	166.669	121.934	111.221	167.129	30.731	32.846	16.778
	Interest	6.502	4.200	7.547	5.701	5.394	7.83	4.29	5.109	2.400
6. UAE	Principal	3.801	4.114	4.513	4.513	6.346	6.346	6.346	6.346	6.004
	Interest	2.095	1.879	3.025	1.697	1.723	1.55	1.377	0.998	0.931
7. EXIM Bank (FE)	Principal	5.523	6.324	7.257	8.297	9.509	10.896	12.477	14.275	7.885
	Interest	1.239	1.201	1.167	1.113	1.059	1.147	1.933	3.547	1.816
8. PL-480	Principal	1.153	1.154	1.154	1.154	1.153	3.147	5.14	4.782	3.147
	Interest	2.962	2.936	2.916	1.533	2.885	2.858	2.748	2.556	1.287
9. CCC	Principal	7.390	8.462	9.708	11.099	12.722	14.577	16.692	19.098	10.549
	Interest	16.258	15.746	15.209	14.594	13.927	13.084	12.158	11.101	5.121
TOTAL (II)	Principal	281.438	176.976	317.615	282.542	321.623	923.870	298.701	431.463	366.084
	Interest	75.655	103.379	136.473	166.998	169.651	236.017	266.944	415.463	228.311

(Contd..)

TABLE 9.4

DEBT SERVICE PAYMENTS OF FOREIGN LOANS (Paid in Foreign Exchange)

US$ Million

Fiscal Year	Kind	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Jul-Mar)
III. MULTILATERAL										
1. ADB	Principal	714.870	737.087	728.130	721.223	755.354	778.363	757.571	744.002	623.622
	Interest	103.125	101.564	82.581	80.625	84.764	107.428	138.847	184.137	144.687
2. IBRD	Principal	156.078	177.063	165.637	156.074	147.323	128.000	136.753	117.242	84.705
	Interest	13.925	13.877	8.111	5.921	8.033	13.409	17.081	41.958	32.062
3. IDA	Principal	192.606	222.629	236.291	253.490	256.755	278.964	344.821	370.169	353.359
	Interest	92.352	92.770	96.215	113.079	125.357	151.118	173.966	178.420	143.818
4. IFAD	Principal	11.532	8.112	4.803	5.277	5.454	6.601	7.942	7.763	5.561
	Interest	1.798	1.698	1.618	1.649	1.670	1.701	1.808	1.829	1.326
5. IDB	Principal	7.025	17.440	23.604	31.612	44.580	50.782	58.515	80.833	64.449
	Interest	4.197	4.832	10.203	13.649	16.382	18.110	20.740	29.795	29.284
6. IDB (ST)	Principal	-	390.290	412.952	409.093	734.531	877.887	836.261	1,082.081	496.578
	Interest	23.028	11.185	15.737	18.368	47.592	51.460	61.249	52.016	26.988
TOTAL (III)	Principal	1,082.111	1,552.621	1,571.417	1,576.769	1,943.997	2,120.597	2,141.863	2,402.090	1,628.274
	Interest	238.425	225.926	214.465	233.291	283.798	343.226	413.691	488.155	378.165
IV. DEVELOPMENT FUNDS										
1. NORDIC	Principal	2.486	1.869	1.586	0.836	0.569	0.565	0.611	0.584	0.382
	Interest	0.171	0.137	0.117	0.060	0.074	0.066	0.071	0.062	0.040
2. OPEC Fund	Principal	2.666	3.016	3.016	4.453	6.354	6.076	6.118	9.450	5.636
	Interest	0.580	0.833	1.239	1.613	2.043	2.371	3.094	2.470	1.394
3. Turkey (EXIM Bank)	Principal	-	-	0.667	31.336	1.334	1.334	1.333	41.337	-
	Interest	0.212	0.215	0.190	0.877	0.696	1.472	1.644	1.829	-
4. E.I.Bank	Principal	7.816	8.083	8.365	8.167	6.959	5.461	5.000	5.000	-
	Interest	1.170	0.853	0.633	0.400	0.330	0.356	0.337	0.343	-
5. ANZ Bank / Standard Charted Bank	Principal	-	-	-	172.500	225.000	1,003.793	1,138.865	2,551.999	167.467
	Interest	-	-	6.946	12.291	55.010	65.884	284.178	443.200	25.085
TOTAL (IV)	Principal	12.968	12.968	13.634	217.292	240.216	1,017.229	1,151.927	2,608.370	173.486
	Interest	2.133	2.038	9.125	15.241	58.153	70.149	289.324	447.904	26.519
V. GLOBAL BONDS										
1. Euro Bonds	Principal	-	-	-	-	500.000	750.000	-	1,000.000	1,000.000
	Interest	110.872	110.852	110.816	301.426	354.328	366.946	422.829	502.661	247.063
2. Saindak Bonds	Principal	-	-	-	-	-	-	-	-	-
	Interest	-	-	-	-	-	-	-	-	-
3. US Dollar Bonds (NHA)	Principal	-	-	-	-	-	-	-	-	-
	Interest	-	-	-	-	-	-	-	-	-
TOTAL (V)	Principal	-	-	-	-	500.000	750.000	-	1,000.000	1,000.000
	Interest	110.872	110.852	110.816	301.426	354.328	366.946	422.829	502.661	247.063
TOTAL (I+II+III+IV+V)	Principal	1,534.237	1,903.024	2,073.797	2,251.233	3,202.480	5,194.822	4,169.742	7,047.448	3,511.410
	Interest	716.665	709.268	735.994	949.132	1,091.754	1,242.236	1,616.690	2,067.314	985.500
	Total (P+I)	2,250.902	2,612.292	2,809.791	3,200.365	4,294.234	6,437.058	5,786.432	9,114.762	
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	-	0.192	0.160	-	-	-	-	-	-
8 Exchange Loss	Principal	-	-	-	-	-	-	-	-	-
	Interest	-	-	-	-	-	-	19.354	-	-
9 Unspent Balance	Principal	-	-	-	10.686	-		5.278	6.734	-
	Interest	-	-	-	-	-	-	-		-
TOTAL (VI)	Principal	-	-	-	10.686	-	-	5.278	6.734	-
	Interest	-	0.192	0.160	-	-	-	19.354	-	-
TOTAL (I+II+III+IV+V+VI)	Principal	1,534.237	1,903.024	2,073.797	2,261.919	3,202.480	5,194.822	4,175.020	7,054.182	3,511.410
	Interest	716.665	709.460	736.154	949.132	1,091.754	1,242.236	1,636.044	2,067.314	985.500
Grand Total (P+I)		2,250.902	2,612.484	2,809.951	3,211.051	4,294.234	6,437.058	5,811.064	9,121.496	4,496.910

Note: Exclusive of IMF Loans

Source: Economic Affairs Division

TABLE 9.5

TERMS OF FOREIGN LOANS/CREDITS CONTRACTED BY PAKISTAN

Lending Country/Agency		2008-09			2009-10		
		Amount ($ Million)	Interest Rate/ Commission(%)	Amortization (years)	Amount ($ Million)	Interest Rate/ Commission(%)	Amortization (years)
A.	Paris Club Countries						
	1. Germany	138.3	0.75	40	20.3	0.75	40
	2. Japan				249.4	1.2	30
	3. France	98.3	LIBOR EURO 6 Months + 200bps	20	103.6	1.6	20
	4.Italy						
	Sub-Total (A):	236.6			373.3		
B.	Non-Paris Club						
	1. China	800.0	0-5	10-15	1,979.8	6 and LIBOR 3 Months + 1.1	19-25
	2. Kuwait				49.9	1 Fixed	25
	3. Saudi Arabia	125.2	3.25	3	380.0	2 and LIBOR 3 Months + 0.5	3-20
	4. Korea	205.2	1.50	30-40			
	5. UAE						
	Sub-Total (B):	1,130.4			2,409.7		
C.	Multilateral						
	1. IDB (ST)	596.5	LIBOR+2.5	1	572.3	LIBOR + 2.5	1
	2. IDB	287.8	LIBOR + 0.55 and 1.5	18-26	362.2	5.1 US SWAP RATE 15 YRS +1.2	15-20
	3. IDA	1,528.7	0.75	35	508.4	0.75 Fixed	35
	4. ADB	1,759.7	1.5 and LIBOR 6 Months + 0.6	20-30	711.8	1.5 and LIBOR 6 Months + 0.6	20-30
	5. OPEC	66.3	LIBOR + 1.85	20	31.1	1.75 Fixed	20
	6. IBRD	173.4	LIBOR 6 Months + 0.75	30			
	7. IFAD				18.8	0.75 Fixed	26
	8. EIB				149.5	LIBOR 6 Months + 0.15	35
	Sub-Total (C):	4,412.4			2,354.1		
	Total (A+B+C)	5,779.4			5,137.1		

Lending Country/Agency		2010-11			2011-12		
		Amount ($ Million)	Interest Rate/ Commission(%)	Amortization (years)	Amount ($ Million)	Interest Rate/ Commission(%)	Amortization (years)
A.	Paris Club Countries						
	1. Germany						
	2. Japan	237.4	.01 Fixed	30	62.8	0.01 Fixed	30
	3.France	103.9	LIBOR 6 Months + 0.25	15-18			
	4. Italy	53.5	-	19	72.7	Free	40
	Sub-Total (A)	394.8			135.5		
B.	Non-Paris Club						
	1. China	213.7	2 Fixed	18-20	851.1	2 Fixed	12-14
	2. Kuwait	42.6	1 Fixed	25			
	3. Saudi Arabia	100.0	LIBOR 12 Months +0.85	1	100.0	LIBOR 12 months + 1.25	10
	4. Korea						
	Sub-Total (B)	356.3			951.1		
C.	Multilateral						
	1. IDB Short-term				256.0		
	2. IDB	220.0	1 Fixed	15			
	3. IDA	603.0	3.95 and 0.75 Fixed	25	1,703.3	1.68 Fixed	25
	4. ADB	892.6	1.5 and LIBOR 6 Months + 0.6	18-30	504.9	1.5 and LIBOR 6 months + 0.6	16
	5. OPEC						
	6.IBRD	261.4	LIBOR 6 Months + 0.75	25	500.0	LIBOR 6 months + 1	
	7. IFAD				40.0	0.75	40
	8. EIB						
	9. E.C.O. T / BANK	10.0	LIBOR 6 Months + 1.5	7			
	Sub-Total (C)	1,987.0			3,004.2		
	Total (A+B+C)	2,738.1			4,090.7		

(Contd.)

TABLE 9.5

TERMS OF FOREIGN LOANS/CREDITS CONTRACTED BY PAKISTAN

Lending Country/Agency	2012-13			2013-14		
	Amount	Interest Rate/	Amortization	Amount	Interest Rate/	Amortization
	$ Million	Commission(%)	years	$ Million	Commission(%)	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 (multiple rates for multiple tranches)	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. Bonds 2019				1,000.0	7.25 Fixed	5
2. Bonds 2024				1,000.0	8.25 Fixed	10
3. Sukuk 2019				-		
Sub-Total (E)	-			2,000.0		
Total (A+B+C+D+E)	1,277.6			14,499.2		

Lending Country/Agency	2014-15			2015-16		
	Amount	Interest Rate/	Amortization	Amount	Interest Rate/	Amortization
	$ Million	Commission(%)	years	$ Million	Commission(%)	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 PJSC				340.0	LIBOR 3 months + 3.75 & 4.1	1
Sub-Total (D)	100.1			1,448.0		
E. Bonds						
1. Sukuk 2019	1,000.0	6.75 Fixed	5			
2. Bonds-2015-2025				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		

Source: Economic Affairs Division (Contd.)

TABLE 9.5

TERMS OF FOREIGN LOANS/CREDITS CONTRACTED BY PAKISTAN

Lending Country/Agency	2016-17			2017-18		
	Amount	Interest Rate/	Amortization	Amount	Interest Rate/	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 PJSC	445.0	LIBOR 3 Months + 2.3 to 2.5	2	220.0	LIBOR 3 Months + 2	1
5. BANK OF CHINA SR.BD.	300.0	LIBOR 3 Months + 2.93	3	200.0	LIBOR CHF 3 MONTHS + 2	3
6. CHINA DEV 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-2016-2021	1,000.0	Fixed 5.5	5			
2. Bonds-Euro-2017-2027				1,500.0	Fixed 6.875	10
3. Bonds-Sukuk-2017-2022				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			2019-20 (Jul-Mar)		
	Amount	Interest Rate/	Amortization	Amount	Interest Rate/	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				22.4	-	28
5. Korea				80.0	Fixed +1.5	25
Sub-Total A	148.0			102.4		
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 + 2.5	1
2. IDB				200.0		
3. IDA	615.6	Fixed 1.25	30	570.2	Fixed +2	30
4. ADB	355.0	LIBOR 6 Months + 0.6	25	2,000.0	LIBOR 6 Months + 0.6, LIBOR 6 Months + 2 and Fixed +2	25&8
5. OPEC						
6. IBRD				652.0	LIBOR 6 Months + 0.5	25
7. IFAD				36.0	Fixed +2	25
8. EIB						
9. E.C.O BANK	40.0	LIBOR 12 Months + 1.9	1			
10.AIIB						
Sub-Total C	1,936.6			4,014.0		
D. Commercial Banks						
1. SCB (London)						
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 12 Months + 2	1
4. NOOR BANK PJSC	225.0	LIBOR 12 Months + 2.25				
5. BANK OF CHINA SR.BD.						
6. CHINA DEV BANK	2,183.7	SHIBOR 6 Months + 2.5	3	700.0	LIBOR 6 Months + 3	3
7. CITI BANK				150.0	LIBOR 3 Months + 2.2	1
8. ICBC-CHINA	300.0	LIBOR 6 Months + 2.75	2			2
9. AJMAN BANK PJSC	274.0	LIBOR 6 Months + 2.20	1	232.5	LIBOR 6 Months + 2.20	1
Sub-Total (D)	4,162.7			1,727.5		
E. Bonds						
1. Bonds-2016-2021						
2. Bonds-Euro-2017-2027						
3. Bonds-Sukuk-2017-2022						
Sub-Total (E)	0.0			0.0		
Total (A+B+C+D+E)	8,247.2			5,844.0		

* China SAFE Deposit

Source: Economic Affairs Division

TABLE 9.6

GRANT ASSISTANCE AGREEMENTS SIGNED

$ Million

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Jul-Mar)
I. Paris Club Countries										
1. Australia	-	-	-	-	-	-	-	-	-	-
2. Austria	-	-	-	-	-	-	-	-	-	-
3. Canada	-	-	-	-	-	-	-	-	-	-
4. France	-	-	0.5	3.4	-	6.5	-	-	-	-
5. Germany	11.3	28.8	13.1	18.4	9.0	56.8	1.1	11.6	5.7	13.1
6. Japan	67.8	13.6	28.4	19.2	79.7	38.1	10.7	26.2	3.0	
7. The Netherlands	-	-	-	-	-	-	-	-	-	-
8. Norway	5.0	-	12.4	-	-	-	-	-	-	-
9. Korea	5.0	-	-	-	-	-	-	-	-	-
10. Switzerland	1.3	-	-	-	-	-	-	-	-	-
11. UK	89.0	408.9	1,173.3	-	534.4	-	49.8	-	-	-
12. USA	1,215.3	-	70.0	150.0	-	43.0	677.3	-	-	-
13. Italy	-	-	-	-	-	-	-	-	-	-
14. Denmark	24.8	-	-	-	-	-		-	-	-
Sub-Total (I)	1,419.5	451.4	1,297.6	191.0	623.0	144.5	738.9	37.8	8.7	13.1
II. Non Paris Club Countries										
1. China	249.5	20.7	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)	249.5	20.7	11.4	26.7	123.9	58.0	-	21.2	16.1	-
III. Multilateral										
1. ADB	3.0	3.0	-	-	-	247.6	3.5	19.2	4.0	14.2
2. EEC / EU	144.6	37.7	19.6	200.7	-	230.2			130.9	
3. Islamic Development Bank	0.3	-	-	-	-	0.6	0.3			
4. IDA	18.5	8.0	-	9.0	-	-			2.0	7.0
5. IBRD	-	61.0	39.4	18.1	127.2	-	111.2	15.6		15.0
6. IFAD	-	-	-	-	0.5	-	-	-	-	2.9
7. UN and Specialised Agencies	-	-	-	2.4	-	-	-	-	-	-
8. UNDP Special Grant	-	-	-	-	-	-	-	-	-	-
9. World Food Programme	-	-	-	-	-	-	-	-	-	-
10. UNFPA	-	-	-	-	-	-	-	-	-	-
Sub-Total (III)	166.4	109.7	59.0	230.2	127.8	478.3	114.9	34.8	136.9	39.1
IV. Relief Assistance for										
A. Afghan Refugees	6.1	6.4	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)	6.1	6.4	14.2	-	1.0	1.3	11.1	1.9	0.9	0.3
Grand Total (I+II+III+IV)	1,841.6	588.3	1,382.3	447.9	875.6	682.1	864.9	95.7	162.6	52.5

Source : Economic Affairs Division

TABLE 9.7

TOTAL LOANS AND CREDITS CONTRACTED

$ Million

	Lending Country/Agency	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Jul-Mar)
A.	Paris Club Countries										
	1. Austria	-	-	-	-	-	-	-	-	-	-
	2. Australia	-	-	-	-	-	-	-	-	-	-
	3. Belgium	-	-	-	-	-	-	-	-	-	-
	4. Canada	-	-	-	-	-	-	-	-	-	-
	5. France	103.9	-	88.9	83.3	-	46.3	114.0	192.1	148.0	0.0
	6. Germany	-	-	-	27.3	-	44.6	-	-	-	-
	7. Japan	237.4	62.8	-	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	53.5	72.7	-	-	-	-	-	-	-	22.4
	15. Sweden	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)	394.8	135.5	88.9	159.9	-	340.4	214.1	192.1	148.0	102.4
B.	Non-Paris Club Countries										
	1. China	213.7	851.1	448.0	6,493.8	37.7	9,422.7	729.4	500.0	2000.0*	-
	2. Kuwait	42.6	-	-	-	-	-	-	14.9	-	-
	3. Saudi Arabia	100.0	100.0	100.0	282.8	-	55.0	-	-	-	-
	4. Turkey (EXIM Bank)	-	-	-	-	-	-	-	-	-	-
	5. Abu Dhabi Fund	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)	356.3	951.1	548.0	6776.6	37.7	9477.7	729.4	514.9	2000.0	-
C.	Multilateral										
	1. IBRD	261.4	500.0	-	-	-	100.0	690.0	855.0	-	652.0
	2. IDA	603.0	1,703.3	242.9	1,554.1	1,425.4	1,598.6	761.2	1386.3	615.6	570.2
	3. ADB	892.6	504.9	170.8	2,148.8	762.1	1,713.1	2001.0	1589.6	355.0	2,000.0
	4. IFAD	-	40.0	-	-	31.6	67.9	-	82.6	-	36.0
	5. European Investment Bank	-	-	-	136.5	-	-	-	-	-	-
	6. ECOTDB	10.0	-	-	30.0	-	35.0	40.0	-	40.0	-
	7. OPEC Fund	-	-	-	50.0	-	-	50.0	-	-	-
	8. IDB	220.0	-	227.0	264.4	-	100.0		-	-	200.0
	9. SCB (Singapore)	-	-	-	-	-	-	-	-	-	-
	10.IDB (ST)	-	256.0	-	1,006.5	488.8	1,237.0	700.0	694.4	926.0	555.8
	11.AIIB	-	-	-	-	-	100.0	300.0	-	-	-
	Sub-Total (C)	1,987.0	3,004.2	640.7	5,190.3	2,707.9	4,951.6	4,542.2	4,607.9	1,936.6	4,014.0
D.	Bonds										
	1. Bonds	-	-	-	2,000.0	1,000.0	500.0	1000.0	2500.0	-	-
	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	-	-
	2. Dubai Bank	-	-	-	-	-	125.0	-	80.0	685.0	445.0
	3. Noor Bank	-	-	-	-	-	340.0	445.0	220.0	225.0	-
	4. SUISSE AG, UBL, ABL	-	-	-	200.0	-	983.0	1000.0	1,200.0	495.0	200.0
	5. BANK OF CHINA SR.BD	-	-	-	-	-	-	300.0	200.0	-	700.0
	6. CHINA DEV BANK	-	-	-	-	-	-	1700.0	1,000.0	2,183.7	-
	7. ICBC-CHINA	-	-	-	-	-	-	300.0	1,000.0	300.0	-
	8. CITI BANK	-	-	-	-	-	-	275.0	267.0	-	150.0
	9. AJMAN BANK PJSC	-	-	-	-	-	-	-	-	274.0	232.5
	Sub-Total (E)	-	-	-	372.5	100.1	1,448.0	4,720.0	4,167.0	4,162.7	1,727.5
	Grand-Total (A+B+C+D+E)	2,738.1	4,090.7	1,277.6	14,499.2	3,845.7	16,717.7	11,205.7	11,981.9	8,247.2	5,844.0

* China SAFE Deposit

Source : Economic Affairs Division

Note: Total may differ due to rounding off

TABLE 10.1

NUMBER OF EDUCATIONAL INSTITUTIONS BY KIND, LEVEL & SEX

Numbers

Year	Primary* Schools (000)		Middle Schools (000)		High Schools (000)		Technical & Vocational Institutions		Higher Sec/ Inter Colleges		Degree Colleges		Univer-sities
	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total
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	59.1	49.1	27.9	31.6	14.7	3,798	1,536	5,130	2,689	1,431	344	185
2017-18 (P)	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 (E)	175.3	76.7	47.7	23.9	31.7	13.8	3,842	1,221	5,920	2,708	1,686	871	211 ^

P : Provisional E: Estimated *: Including Pre-Primary, Mosque Schools and Non-Formal Basic Education

^: Provisional Figure 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 2017-18 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	82,476	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 (P)	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 (E)	23,942	10,536	7,642	3,426	4,118	1,825	471	157	1,757	908	597,654	309,581	1,862,764 ^	676,029

P : Provisional **E : Estimated**

^: Provisional 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 2017-18 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 (P)	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 (E)	545.2	304.3	469.2	340.5	580.3	356.1	18,681	4,160	121,501	63,090	39,953	17,524	51,494 ^

P : Provisional **E : Estimated** *** : Including Pre-primary, Mosque Schools and Non-Formal Basic Education**

^: Provisional Figure provided by HEC

Notes:

1. All figures include Public and Private Sector data

Sources:

1. Figures of Primary, Middle, High and Higher Sec. From 2000-01 to 2017-18 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 P	1,279	5,671	5,527	747	686	441	132,227	1,608

P: Provisional

Source:Pakistan Bureau of Statistics

TABLE 11.2

REGISTERED MEDICAL AND PARAMEDICAL PERSONNEL (Progressive) AND EXPENDITURE ON HEALTH, (Calendar Year Basis)

(Numbers)

Year	Registered Doctors *	Registered Dentists *	Registered Nurses *	Registered Mid-wives	Registered Lady Health Visitors	Population per		Expenditure (Rs. Million)	
						Doctor	Dentist	Development	Non-Development
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

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.**

TABLE 11.3
DATA ON EXPANDED PROGRAMME OF IMMUNIZATION VACCINATION PERFORMANCE

Nos. in 1000

Vaccine/doze.		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
B.C.G.		5,924.9	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
POLIO	0	3,773.1	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
	I	5,852.6	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
	II	5,526.7	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
	III	5,422.4	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
	IV	-	-	-	-	-	-	-	-	-	-
	BR	81.3	86.1	-	-	-	-	-	-	-	-
Pentavalent											
	I	5,862.9	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
	II	5,555.1	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
	III	5,407.3	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
T.T											
	I	5,050.2	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
	II	4,065.1	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
	III	897.0	812.9	815.1	783.2	577.7	586.7	398.5	191.4	192.5	250.7
	IV	268.2	234.4	229.8	312.3	185.4	157.9	97.8	51.9	57.9	70.8
	V	165.0	127.2	128.4	130.1	105.8	86.6	56.8	27.5	30.7	37.0
MEASLES		5,299.6	8,211.3	9,085.8	4,490.3	5,370.8	5,192.1	5,516.8	5,606.5	5,455.4	6,216.6
	II	2,799.7	2,799.7	-	5,622.7	4,536.5	4,193.5	4,684.7	4,710.9	4,734.0	5,492.7
Pneumococcal (PCV10)											
	I	-	-	-	3,588.7	5,526.3	5,641.8	5,884.3	5,994.4	5,528.7	6,724.8
	II	-	-	-	3,195.3	5,197.4	5,388.6	5,505.8	5,605.1	6,135.8	6,356.5
	III	-	-	-	3,008.4	5,072.4	5,175.9	5,374.9	5,470.6	5,673.4	6,228.7

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	Average
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*	257.36	100.00	100.00	327.47	209.08	156.81	460.67	215.36	296.94	182.45	252.02

Source: Pakistan Bureau of Statistics

*:July-April

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

- : Not available

Source: Pakistan Bureau of Statistics

*** : Population Data revised from 2016 on the basis of projections provided by NIPS (NIPS projected data based on Census 1998)**

****: Data taken from Labour Force Survey 2017-18**

Note: Labour Force Survey 2018-19 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

Source: Ministry of Planning, Development & Reforms

*** : Population Data revised from 2016 on the basis of projections provided by NIPS (NIPS projected data based on Census 1998)**

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	207,774	106,449	101,314	75,584	39,149	36,428	132,189	67,300	64,886	-
Islamabad	2,006	1,055	951	1,014	540	475	992	516	475	-
Punjab	110,012	55,958	54,046	40,387	20,760	19,621	69,625	35,197	34,425	-
Sindh	47,886	24,927	22,956	24,910	13,008	11,900	22,975	11,919	11,056	-
Khyber Pakhtunkhwa	30,523	15,467	15,054	5,730	2,972	2,757	24,793	12,495	12,298	-
Balochistan	12,344	6,483	5,860	3,401	1,794	1,607	8,944	4,690	4,253	-
FATA	5,001	2,556	2,445	142	74	67	4,860	2,481	2,378	-

- : 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**

^ : Provisional results of Census Year 2017

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	Total			Rural			Urban		
(in years)	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	207,774
	(100)	(100)	(100)	(100)	(100)	(100)	(100)
Khyber Pakhtunkhwa	74,521	4,557	5,731	8,388	11,061	17,744	30,523
	(9.4)	(13.5)	(13.4)	(12.8)	(13.1)	(13.4)	(15.0)
FATA	27,220	1,332	1,847	2,491	2,199	3,176	5,001
	(3.4)	(3.9)	(4.3)	(3.8)	(2.6)	(2.4)	(2.0)
Punjab	205,345	20,541	25,464	37,607	47,292	73,621	110,012
	(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	47,886
	(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	12,344
	(43.6)	(3.5)	(3.2)	(3.7)	(5.1)	(5.0)	(6.0)
Islamabad	906	96	118	238	340	805	2,006
	(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	2013	2014	2015	2016	2017	2018	2019
Pakistan		796,096	33,740	84,254	132,352	184,349	188,019	191,708	198,785	202,934	207,067	211,177
		100	100	100	100	100	100	100	100	100	100	100
i.	Punjab	205,345	20,541	47,292	73,621	100,174	102,005	103,837	107,959	110,036	112,095	114,137
		25.79	60.88	56.13	55.63	54.34	54.25	54.16	54.31	54.22	54.13	54.05
ii.	Sindh	140,914	6,048	19,029	30,440	44,080	45,032	45,988	46,568	47,580	48,591	49,595
		17.70	17.93	22.59	23.00	23.91	23.95	23.98	23.43	23.45	23.47	23.49
iii.	Khyber Pakhtunkhwa	74,521	4,556	11,061	17,744	24,788	25,308	25,836	27,714	28,363	29,013	29,660
		9.36	13.50	13.13	13.41	13.45	13.46	13.47	13.94	13.98	14.01	14.05
iv.	Balochistan	347,190	1,167	4,332	6,566	9,495	9,717	9,942	10,408	10,667	10,930	11,193
		43.61	3.46	5.14	4.96	5.15	5.17	5.18	5.24	5.26	5.28	5.30
v.	FATA	27,220	1,332	2,199	3,176	4,410	4,516	4,623	4,927	5,056	5,187	5,320
		3.42	3.95	2.61	2.40	2.39	2.40	2.41	2.48	2.49	2.50	2.52
vi.	Islamabad	906	96	340	805	1,401	1,441	1,479	1,207	1,228	1,249	1,269
		0.11	0.28	0.40	0.61	0.76	0.77	0.77	0.60	0.60	0.60	0.60

Sources : Ministry of Planning, Development & Reforms
Pakistan Bureau of Statistics
National Institute for Population Studies (NIPS)

*** : Population Data revised from 2016 on the basis of projections provided by NIPS (NIPS projected data based on Census 1998)**

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 Participation 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

* : Data supplied by Ministry of Planning, Development & Reforms

Source : Pakistan Bureau of Statistics (Labour Force Survey)
Ministry of Planning, Development & Reforms

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 & Reforms

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 & Reforms
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)
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Painter*										
Islamabad	650.00	687.50	775.00	900.00	1,000.00	1,200.00	1,200.00	1,250.00	1,300.00	1,432.57
Karachi	600.00	632.92	700.00	700.00	792.31	861.54	861.54	861.54	1,292.31	1,359.76
Lahore	582.00	611.17	682.14	682.14	780.36	830.36	830.36	925.00	1,100.00	1,232.45
Peshawar	500.00	508.33	608.33	666.67	741.67	800.00	800.00	1,000.00	1,000.00	1,200.00
Quetta	650.00	691.67	750.00	900.00	900.00	900.00	900.00	900.00	1,000.00	1,297.43
Mason (Raj)										
Islamabad	650.00	685.42	775.00	900.00	1,000.00	1,200.00	1,200.00	1,250.00	1,300.00	1,440.83
Karachi	650.00	662.50	800.00	800.00	861.54	1,061.54	1,061.54	1,061.54	1,430.77	1,500.00
Lahore	589.00	618.17	689.29	689.29	826.79	926.79	926.79	1,025.00	1,150.00	1,232.45
Peshawar	575.00	579.17	733.33	850.00	900.00	900.00	1,000.00	1,200.00	1,200.00	1,200.00
Quetta	750.00	816.67	900.00	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00	1,200.00	1,497.77
Labour (Unskilled)										
Islamabad	350.00	387.50	450.00	525.00	600.00	700.00	700.00	800.00	825.00	965.49
Karachi	375.00	410.42	500.00	500.00	530.00	630.77	663.46	719.23	932.69	981.03
Lahore	375.00	389.58	475.00	475.00	600.00	600.00	600.00	725.00	850.00	832.03
Peshawar	300.00	308.33	400.00	466.67	483.33	500.00	500.00	600.00	600.00	631.64
Quetta	350.00	397.92	425.00	550.00	550.00	550.00	550.00	550.00	700.00	996.66

Data pertains to month of November each year

Source: Pakistan Bureau of Statistics

*: Painter is included while Carpainter is excluded in Base Year 2015-16

TABLE 13.1 A

LENGTH OF ROADS

In kilometers

Fiscal Year	Total	High Type	Low Type
2000-01	249,972	144,652	105,320
2001-02	251,661	148,877	102,784
2002-03	252,168	153,225	98,943
2003-04	256,070	158,543	97,527
2004-05	258,214	162,841	95,373
2005-06	259,021	167,530	91,491
2006-07	259,197	172,827	86,370
2007-08	259,038	175,000	84,038
2008-09	260,200	177,060	83,140
2009-10	260,040	180,190	79,850
2010-11	259,463	180,866	78,597
2011-12	261,595	181,940	79,655
2012-13	263,415	182,900	80,515
2013-14	263,755	184,120	79,635
2014-15	265,404	188,430	76,974
2015-16	265,905	190,355	75,550
2016-17	267,002	193,871	73,131
2017-18	268,935	197,452	71,483
2018-19	270,971	201,100	69,872
2019-20	-	-	-

- : Not available

Source: National Transport Research Centre

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 Jul-Feb (P)	474	14,448	7,791	39.40	5.30	5,266	36,917

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 Jul- Mar (P)	11	831,711	9,621.0

P: Provisional

Source: Pakistan National Shipping Corporation

TABLE 13.1 D

PORTS-Cargo Handled

Fiscal	Karachi Port (000 tonnes)			Port Qasim (000 tonnes)			Gwadar Port (000 tonnes)		
Year	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports
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 Jul-Mar (P)	32,603	21,076	11,527	39,185	33,334	5,851	10.0	9.5	0.5

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	32	18,372	389,725	81.3	2,610	160,037

(Contd.)

TABLE 13.2

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	146,097

Source: Pakistan International Airlines Corporation

Note: PIA Financial Year has changed to Calendar Year

TABLE 13.3

NUMBER OF MOTOR VEHICLES REGISTERED

(Nos.)

Calendar Year	Motor Cycle (2 Wheels)	Motor Cycle (3 Wheels)	Motor Cars Jeeps & Station Wagons	Motor Cabs/ Taxis	Buses	Trucks	Others	Total
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	15,223,925	670,507	2,932,619	170,759	235,521	269,302	1,555,279	21,057,912
2017 (R)	17,507,747	761,420	3,195,405	170,890	242,076	277,930	1,642,682	23,798,150
2018 (R)	19,783,957	841,445	3,494,007	171,117	249,047	284,683	1,724,426	26,548,682
2019 (P)	21,926,485	915,763	3,700,409	171,179	253,652	287,701	1,796,685	29,051,874

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 P	22,386.7	4,009.3	113.8	669.4	141.4	510.3	147.4	92.1

(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 P	9.7	164.0	304.9	640.7	19.7	285.7	29,495.2

P: Provisional

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
Jul-Mar						
2018-19	1,864,072	175,863	19,536	649	5,027	37,457
2019-20 (P)	1,647,968	91,918	10,523	462	2,732	23,266

P: Provisional

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
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	106,048	323,290	30,811	192	1,588,723	-	-	110,247	3
2017-18	1,351,813	140,778	393,790	33,489	161	1,855,468	-	2	251,019	24
2018-19	692,174	124,283	290,091	30,823	-	2,119,541	-	-	88,945	38
(Jul-Mar)										
2018-19	586,323	93,378	315,531	21,571	-	1,989,071	-	-	86,719	28
2019-20 P	222,213	90,584	264,943	25,779	-	1,358,697	-	-	81,346	1

(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
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
(Jul-Mar)										
2018-19	-	8,489	16,892	2,173	416	978	583	1	54	777
2019-20 P	-	1,717	9,604	1,237	175	387	239	7	402	687

(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
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	66,946	-	-	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
(Jul-Mar)									
2018-19	1,779	-	96	335	2,225	-	-	9	2,177
2019-20 P	971	-	24	384	1,383	-	-	8	44

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 (Jul-Feb) P	1,717	8,352	10,069	2,462	80,371.0	168,861.7

- : Not Available
P: Provisional
@ : Includes dial-up and broadband connection
* : Including Fixed Local Loop and Wireless Local Loop

Source: (i) : Pakistan Post Office
(ii) : Pakistan Telecommunications Company Ltd

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 P	60,557	1,299,437	15,021	14,673,564	2,759,465	409,132	19,217,176
Jul-Mar							
2018-19*	39,950	852,618	10,059	9,739,626	1,817,837	259,302	12,719,392
2019-20**	31,261	821,678	8,805	9,194,112	1,205,712	244,462	11,506,030

P : Provisional **(Contd...)**

(a): 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 2019.**
**** 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 P	311,887	31,205	387	233,834	511,140	53,261	246,706	65,099	1,453,519
<u>Jul-Mar</u>									
2018-19**	163,576	16,376	-	118,680	259,624		119,232	33,672	711,160
2019-20	259,204	22,194	-	184,402	318,388	-	181,114	39,456	1,004,758

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

Fiscal Year	3. Electricity (Gwh)									4. Coal (000 metric ton)					
	Trac-tion	House-hold	Comm-ercial	Indus trial	Agricul-tural	Street Lights	General Services*	Other Govt.	Total	House-hold	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	-	4742	90,431	-	204.4	3,337.1	5,485.3	-	9,026.8
2016-17	-	48,698	7,856	24,010	9,221	484	-	5260	95,530	-	859.6	2,855.3	7,470.8	-	11,185.8
2017-18	-	54,028	8,606	27,468	10,128	475	-	6222	106,927	-	4,436.1	3,941.7	9,603.3	-	17,981.1
2018-19 P	-	53,685	8,513	28,760	9,809	451	1	8240	109,459	-	5,901.5	4,523.3	10,139.8	-	20564.7
<u>Jul-Mar</u>															
2018-19**	-	34,718	5,680	19,460	6,698	320	-	5,346	72,222	-	8,857.0	2,155.0	1,500.0	-	12512.0
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	-	19079.0

- : Not available

* : Introduction of General Services category post notification of K-Electric's MYT on May 22, 2019.

Source: Ministry of Energy,
Hydrocarbon Development Institute of Pakistan (HDIP)

** : 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 Installed Capacity (MW) (b)	Hydroelectric Generation (GW/h)	Thermal Installed Capacity (MW)	Thermal Generation (GW/h)	Nuclear Installed Capacity (MW)	Nuclear Generation (GW/h)	Renewable Installed Capacity (MW)	Renewable Generation (GW/h)	Imported (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 P	33,048	129,027	7,121	27,339	22,799	86,609	1,430	9,909	1,698	4,682	487
<u>Jul-Mar</u>											
2018-19*	34,282	84,680	8,239	22,510	22,740	51,236	1,295	7,179	2,008	3,412	343
2019-20	36,166	88,368	9,874	27,270	23,312	51,629	1,345	7,049	1,635	2,057	363

- : Not Available (a) GWh: Giga Watt hour (b) MW: Mega Watt Source: Ministry of Energy

* : Electricity generation is compiled from the CPPA sheets.

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 P	66,833	32,496	1,436,455	380,879	11,839	8,807	15,686	4,879
Jul-Mar								
2018-19**	51,470	24,657	1,080,720	269,246	6,492	8,096	11,000	1,512
2019-20***	38,820	19,791	898,400	279,334	5,316	7,238	13,297	5,782

P : Provisional **- : Not available**

(a) MW: Mega Watt **(b) GWh: Giga Watt hour**

Source: Hydrocarbon Development Institute of Pakistan (HDIP) Ministry of Energy

*** : Million cubic feet**

**** : Coal Production is upto Jan-2019 while import of coal is estimated for last 2 months.**

**** : Electricity generation is compiled from the CPPA sheets.**

***** : Production of crude oil, 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		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
EX-NRL/PRL KARACHI						
Motor Gasoline	92.83	92.83	97.83	95.83	90.97	90.38
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
HSD	106.57	106.57	112.94	110.94	106.68	106.68
LDO	75.96	75.96	82.44	77.44	75.28	75.03
Aviation gasoline (100LL)						
JP-1:	80.94	84.83	92.34	84.42	73.59	73.39
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

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	01-03-2019	01-04-2019	01-05-2019	05-05-2019	01-06-2019	01-07-2019
EX-NRL/PRL KARACHI						
Motor Gasoline	92.89	98.89	98.89	108.42	112.68	112.68
HOBC (Automotive 100 Octane)						
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)						
Kerosene	86.31	89.31	89.31	96.77	98.46	98.46
HSD	111.43	117.43	117.43	122.32	126.82	126.82
LDO	77.54	80.54	80.54	86.94	88.62	88.62
Aviation gasoline (100LL)						
JP-1:	73.48	81.95	85.75	85.75	87.45	83.99
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	73.29	81.92	85.73	85.73	87.42	83.97

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-8-2019	1-9-2019	1-10-2019	1-11-2019	1-12-2019
EX-NRL/PRL KARACHI					
Motor Gasoline	117.83	113.24	113.24	114.24	113.99
HOBC (Automotive 100 Octane)					
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)					
Kerosene	103.84	99.57	99.57	97.18	96.35
HSD	132.47	127.14	127.14	127.41	125.01
LDO	97.52	91.89	91.89	85.33	82.43
Aviation gasoline (100LL)					
JP-1:	92.30	87.90	89.33	86.15	85.34
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	92.28	87.68	89.31	86.12	85.32

- : Not available

Source: Hydrocarbon Development Institute of Pakistan (HDIP)

TABLE 14.5

OIL SALE PRICES

Rs/Ltrs

Date	1-1-2020	1-2-2020	1-3-2020	25-3-2020
EX-NRL/PRL KARACHI				
Motor Gasoline	116.60	116.60	111.59	96.58
HOBC (Automotive 100 Octane)				
Super (90 Octane) Blend of Motor Gasoline @ 60% and HOBC 40%)				
Kerosene	99.45	99.45	92.45	77.45
HSD	127.26	127.26	122.25	107.25
LDO	84.51	84.51	77.51	62.51
Aviation gasoline (100LL)				
JP-1:	93.02	93.02	80.92	77.37
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	87.09	87.09	74.06	51.46

- : 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								
SNGPL'S SYSTEM								
(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
SSGCL'S SYSTEM								
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
FOR MARI GAS CO. SYSTEM								
(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								
WAPDA'S GUDDU POWER STATION								
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

Category	w.e.f 27-09-2018	w.e.f 01-07-2019	Revision on Sep 13, 2019, w.e.f. 01-07-2019
1. DOMESTIC			
Upto 50 M^3 per month	121.00	121.00	121.00
Upto 100 M^3 per month	127.00	300.00	300.00
Upto 200 M^3 per month	264.00	553.00	553.00
Upto 300 M3 per month	275.00	738.00	738.00
Upto 400 M3 per month	780.00	1,107.00	1,107.00
Upto 500 M3 per month	1,460.00	1,460.00	1,460.00
Over 500 M3 per month	1,460.00	1,460.00	1,460.00
2. BULK CONSUMERS			
3. SPECIAL COMMERCIAL (ROTI TANOOR)	780.00	780.00	780.00
SPECIAL COMMERCIAL ROTI TANDOOR			
Upto 50 M^3 per month	121.00	121.00	110.00
Upto 100 M^3 per month	127.00	300.00	110.00
Upto 200 M^3 per month	264.00	553.00	220.00
Upto 300 M^3 per month	275.00	738.00	220.00
Upto 400 M^3 per month	780.00	1,283.00	700.00
Over 400 M^3 per month	980.00	1,283.00	700.00
4. COMMERCIAL	980.00	1,283.00	1,283.00
5. ICE FACTORIES	980.00	1,283.00	1,283.00
6. TEXTILE (including Jute) carpets, leather, sports and surgical goods	600.00	786.00	786.00
7. INDUSTRIAL	780.00	1,021.00	1,021.00
8. CAPITIVE POWER	780.00	1,021.00	1,021.00
9. COMPRESSED NATURAL GAS(CNG)	980.00	1,283.00	1,283.00
10. CEMENT	975.00	1,277.00	1,277.00
11. FERTILIZER COMPANIES			
ON SNGPL'S SYSTEM			
(a) For Feed Stock			
(i) Pak Amercian Fertilizer Limited	185.00	300.00	300.00
(ii) Dawood Hercules Cheical Limited	185.00	300.00	300.00
(iii) Pak Arab Fertilizer Limited	185.00	300.00	300.00
(iv) Pak China Fertilizer Limited	185.00	300.00	300.00
(v) Hazara Phosphoale Fertilizer Limited	185.00	300.00	300.00
(vi) FFC Jordan Fertilizer	185.00	300.00	300.00
(vii) ENGRO Fertilizer Limited	US$0.70	US$0.70	US$0.70
ON SSGCL'S SYSTEM			
(a) Fauji Fertilizer Bin Qasim Limited	185.00	300.00	300.00
(b) FFBQL - additional 10 MMCFD leed stock			
(c) For Fuel - All Fertilizer Companies	780.00	1,021.00	1,021.00
ON MARI's SYSTEM			
(a) For Feed Stock			
(i) Engro Fertilizer Company Limited	185.00	300.00	300.00
(ii) Fauji Fertizer Company Limited (Goth Machi/Mirpur Matheolo)	185.00	300.00	300.00
(iii) Fatima Fertilizer Company Limited (Mirpur Mathelo, District Ghotki	US$0.70	US$0.70	US$0.70
(iv) Fauji Fertilizer Company Limited Mirpur Mathelo District Ghotki			
(b) For Fuel	780.00	1,021.00	1,021.00
12. POWER STATION (WAPDA's AND KESC's			
(i) WAPDA & KESCS's POWER AND STATION	629.00	824.00	824.00
(ii) WAPDA's Gas Turbine Power Station Nishatabad, Faislabad	629.00	824.00	824.00
(iii) LIBERTY POWER LIMITED*	1,005.19	1,283.47	1,295.88
13. INDEPENDENT POWER PRODUCERS	629.00	1,021.00	824.00

*: The rate will be 1,283.5 w.e.f 01-01-2019

Source: Directorate General of Gas.
OGRA

ABBREVIATIONS

AJK	Azad Jammu Kashmir
AMCs	Assets Management Companies
APHCA	Animal Production & Health Commission for Asia
AQD	Animal Quarantine Department
BATS	Bonds Automated Trading System
BISP	Benazir Income Support Programme
BOT	Build Own and Transfer
BPA	Bond Pricing Agency
CBOs	Community Based Organizations
CBR	Crude Birth Rate
CCI	Council of Common Interest
CDNS	Central Directorate of National Savings
CDR	Crude Death Rate
CFIs	Commercial Financial Institutions
CGT	Capital Gain Tax
CiC	Currency in Circulation
CMOs	Cellular Mobile Operators
CPEC	China-Pak Economic Corridor
CPI	Consumer Price Index
CPR	Contraceptive Prevalence Rate
CRR	Cash Reserve Requirement
CSC	Customer Services Centers
CSF	Coalition Support Fund
CSP	Child Support Programme
CVT	Capital Value Tax
DGPC	Directorate General Petroleum Concessions
DNA	Damage and Needs Assessment
DRS	Disaster Risk Management
DSNGS	Digital Satellite News Gathering System
ECB	External Commercial Borrowings
ECNEC	Executive Committee of the National Economic Council
ECO	Economic Cooperation Organization
EDL	External Debt and Liabilities
EFA	Education for All
EMO	Expanding Microfinance Outreach
EMOs	Electronic Money Order Services
EOBI	Employees Old Age Benefits Institution
EPA	Environment Protection Agency
EPS	Earning per Share
EU	European Union
FAO	Food Agriculture Organization
FATA	Federally Administrated Tribal Areas
FATE	Facilitation and Taxpayers Education
FCA	Federal Committee on Agriculture
FDI	Foreign Direct Investment
FEE	Foreign Exchange Earnings
FEL	Foreign Exchange Liabilities
FER	Foreign Exchange Reserves
FLL	Fixed Local Loop
FMD	Foot and Mouth Disease
FWC	Family Welfare Center
GCC	Gulf Co-operation Council
GDP	Gross Domestic Product
GDR	Global Depository Receipts
GNP	Gross National Product
GPI	Gender Parity Index
GST	General Sales Tax
HDI	Human Development Index
HEC	Higher Education Commission
HIES	Household Income and Expenditure Survey
HPEHPs	High Priority Early Harvest Projects
HRD	Human Resource Development

IAEA	International Atomic Energy Agency
IBFT	Inter Bank Fund Transfer
ICT	Islamabad Capital Territory
IFA	Individual Financial Assistance
IFIs	International Financial Institutions
IMF	International Monetary Fund
IMR	Infant Mortality Rate
IPPs	Independent Power Producers
ITMS	Integrated Tax Management System
KIBOR	Karachi Interbank Offer Rate
KPT	Karachi Port Trust
KSE	Karachi Stock Exchange
KYE	Know Your Customer
LFS	Labour Force Survey
LSM	Large Scale Manufacturing
MDG	Millennium Development Goals
MFBs	Microfinance Banks
MMR	Maternal Mortality Rate
MRTB	Market Related Treasury Bills
MSU	Mobile Service Unit
MTBF	Medium Term Budgetary Framework
MTEF	Medium Term Expenditure Framework
NAVTEC	National Vocational and Technical Education Commission
NBFCs	Non Banking Financial Companies
NBFIs	Non Banking Financial Institutions
NCCPL	National Clearing Company of Pakistan Limited
NCEL	National Commodity Exchange Limited
NCHD	National Commission for Human Development
NCRCL	National Center for Rehabilitation of Child Labour
NDMA	National Disaster Management Authority
NEP	National Education Policy
NEQ	National Environment Quality Standards
NFC	National Finance Commission
NGMS	Next Generation Mobile Services
NHA	National Highways Authority
NICL	National Insurance Company Limited
NID	National Immunization Day
NPLs	Non Performing Loans
NSDWQ	National Standards for Drinking Water Quality
NTCP	National Trade Corridor Programme
NVL	National Veterinary Laboratories
OBB	Output Based Budget
OECD	Organization for Economic Cooperation & Development
OGRA	Oil & Gas Regulatory Authority
OIE	Office International des Epizooties
OLP	Outstanding Loans Portfolio
OMC	Oil Marketing Companies
OMOs	Open Market Operations
OPHI	Oxford Poverty and Human Development Initiative
PAEC	Pakistan Atomic Energy Commission
PBC	Pakistan Broadcasting Corporation
PBM	Pakistan Bait-ul-Mal
PDMA	Provincial Disaster Management Authority
PDS	Pakistan Demographic Survey
PEMRA	Pakistan Electronic Media Regulatory Authority
PER	Price Earning Ratio
PFFPS	Pakistan Fertility & Family Planning Survey
PGR	Population Growth Rate
PIBs	Pakistan Investment Bonds
PMEX	Pakistan Mercantile Exchange Limited

PNSC	Pakistan National Shipping Corporation
PPAF	Pakistan Poverty Alleviation Fund
PPAF	Pakistan Poverty Elevation Fund
PPCBL	Punjab Provincial Corporative Bank Limited
PPIB	Private Power Infrastructure Board
PPR	Peste des Petits Ruminants
PRISM	Pakistan Real-Time Inter Bank Settlement
PSDF	Punjab Skills Development Fund
PSDP	Public Sector Development Programme
PSEs	Public Sector Enterprises
PSLM	Pakistan Social and Living Standard Measurement Survey
PSM	Pakistan Steel Mill
PTA	Pakistan Telecommunication Authority
QIM	Quantum Index Manufacturing
RAR	Refined Activity Rate
RBM	Roll Back Malaria
REER	Real Effective Exchange Rate
REIT	Real Estate Investment Trusts
RHS	Reproductive Health Services
RSP	Rural Support Program
SAARC	South Asia
SBAs	Skilled Birth Attendants
SBP	State Bank of Pakistan
SDR	Special Drawing Rights
SECP	Security & Exchange Commission of Pakistan
SLIC	State Life Insurance Corporation
SLR	Statutory Liquidity Requirement
SME	Small & Medium Enterprise
SOEs	State Owned Enterprises
SPI	Sensitive Price Index
T-bill	Treasury Bills
	Technologies
	Technologies
TFC	Term Finance Certificate
TFR	Total Fertility Rate
TS&C	Transport, Storage &Communication
UAE	United Arab Emirates
VPS	Voluntary Pension System
WALR	Weighted Average Lending Rate
WAPDA	Water and Power Development Authority
WLL	Wireless Local Loop
WPI	Whole Sale Price Index
WWF	Workers' Welfare Fund
ZTBL	Zarai Taraqiati Bank Limited
3G	3rd Generation of Mobile Cellular
4G	4th Generation of Mobile Cellular

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