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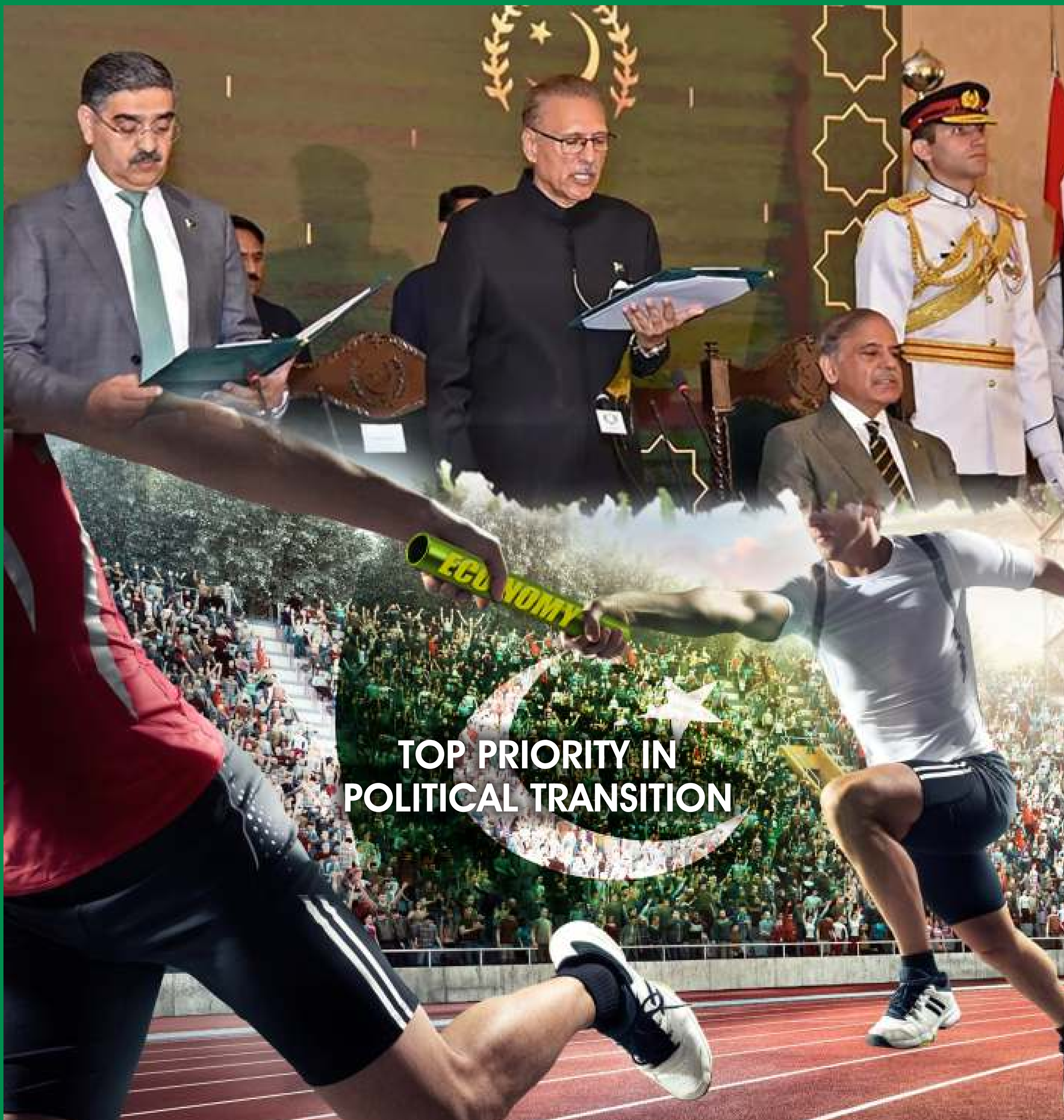
# ECONOMIC Affairs



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ECONOMIC Affairs

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# EDITORIAL

## Sustainable Development

In a world that grapples with the pressing challenges of climate change, resource depletion, and economic inequality, the concept of sustainable development has gained paramount importance.

Countries across the globe are now focusing their efforts on achieving development that not only caters to the needs of the present but also ensures the well-being of future generations. Pakistan, with its diverse landscapes, unique geographical features, and burgeoning population, stands at a crucial juncture in its journey towards sustainable development.

Embracing the principles of green and blue economies, coupled with effective disaster risk management, Pakistan can pave the way for a brighter and more resilient future.

The concept of a green economy revolves around the idea of fostering economic growth while minimizing environmental impacts. It signifies a shift from the conventional development model, which often prioritizes short-term gains at the expense of long-term sustainability. Pakistan's agricultural backbone, natural resources, and potential for renewable energy generation make it a fertile ground for the implementation of green economy practices.

Agriculture, employing a significant portion of Pakistan's workforce, can lead the charge in the transition towards sustainability. The adoption of organic farming methods, efficient water management systems, and reduced use of agrochemicals not only enhances the productivity of the land but also ensures the health of ecosystems.

Initiatives that promote sustainable agriculture, such as crop rotation, agroforestry, and precision farming, can contribute to soil conservation, reduced greenhouse gas emissions, and increased biodiversity. By incentivizing farmers to embrace these practices through financial support and education, Pakistan can chart a path towards food security and environmental stewardship.

Pakistan's abundant solar and wind resources offer a promising avenue for clean energy production. Investing in renewable energy not only reduces the country's reliance on fossil fuels but also mitigates the adverse effects of air pollution and climate change.

The government's commitment to the expansion of renewable energy infrastructure, such as solar and wind farms, can drive economic growth, create jobs, and reduce carbon emissions. Simultaneously, implementing energy-efficient technologies and promoting public awareness about conservation can ensure a sustainable energy future for Pakistan.

The blue economy, which revolves around sustainable use of marine resources and protection of oceans, is equally pivotal for Pakistan's development. As a country with a coastline stretching along the Arabian Sea, Pakistan has vast maritime potential that remains largely untapped. Fisheries, shipping, tourism, and offshore energy are sectors that can thrive through responsible management of marine resources.

Sustainable fisheries management is paramount for the preservation of marine ecosystems and the livelihoods of coastal communities. Overfishing and destructive fishing practices can lead to the depletion of fish stocks and disruption of marine food chains. By enforcing fishing regulations, establishing marine protected areas, and promoting responsible fishing practices, Pakistan can ensure the long-term viability of its fisheries industry.

The tourism sector, another cornerstone of the blue economy, hinges on the health and preservation of coastal and marine environments. Promoting eco-tourism and enforcing regulations to prevent pollution and habitat destruction can bolster tourism while safeguarding natural assets. Moreover, investing in the conservation of marine biodiversity can have far-reaching benefits, from supporting aquatic ecosystems to facilitating scientific research.

While embracing green and blue economies is integral, a robust disaster risk management strategy is equally vital to ensure sustainable development. Pakistan, prone to various natural hazards such as floods, earthquakes, and droughts, has established the National Disaster Risk Management Fund (NDRMF) to enhance disaster preparedness, response, and recovery. This initiative serves as a beacon of resilience, bridging the gap between development and disaster management.

The NDRMF plays a pivotal role in channelling funds towards community-based projects that enhance disaster resilience. These projects include infrastructure development, early warning systems, and capacity building at the grassroots level. By involving local communities and prioritizing their needs, the NDRMF ensures that disaster risk reduction becomes a collective effort, thereby strengthening the nation's overall resilience.

Moreover, the NDRMF's integration of technology and data-driven approaches is noteworthy. Geographic Information Systems (GIS), satellite imagery, and remote sensing facilitate accurate hazard mapping, enabling targeted interventions and timely responses. This technology-driven approach, coupled with public awareness campaigns, empowers communities to make informed decisions and take proactive measures in the face of impending disasters.

Pakistan stands at a crucial juncture in its pursuit of sustainable development. Embracing the principles of green and blue economies holds the key to harmonizing economic growth with environmental preservation. By promoting sustainable agriculture, investing in renewable energy, and responsible management of marine resources, Pakistan can harness its natural assets for the well-being of its citizens and future generations.

Simultaneously, the National Disaster Risk Management Fund underscores the nation's commitment to resilience in the face of natural disasters. Its community-centric approach, technological integration, and emphasis on public awareness create a comprehensive framework for disaster risk reduction.

As Pakistan navigates the complexities of sustainable development, the symbiotic relationship between green and blue economies, alongside the NDRMF's steadfast efforts, can pave the way for a prosperous, resilient, and harmonious future.

*- Editor*

# Economic Outlook 2023-24

***The IMF projections in the new Stand-By Facility for Pakistan are more conservative, and see greater persistence of stagflation. The GDP growth rate is projected at 2.5% and the rate of inflation at close to 26%.***

**Dr. Hafiz A. Pasha**

The year 2022-23 witnessed the worst from of 'stagflation' in the history of Pakistan. Primarily due to the ravages of the floods and severe physical restrictions on imports of raw materials and inputs, the GDP growth rate is likely to have been significantly negative. Simultaneously, due to large supply shortages and the 40% devaluation of the rupee, the rate of inflation rose to a monthly average of 29.2%.

The unemployment rate has risen to 8.5%, with almost two million workers losing their jobs during the year. Real wages have dropped by 15% to 20%. The incidence of poverty has risen from 33% to 42% of the population. Over 20 million more people have fallen below the poverty line, due especially to the unprecedented increase in food prices of almost 40% in 2022-23.

Foreign exchange reserves had fallen to the abysmally low level of $4 billion by end-June 2023 despite the reduction the current account deficit by almost $15 billion. This was due primarily to a large decline in the inflows of foreign investment and external assistance by 45% and a big jump of 29% in external debt repayments.

What does the year, 2023-24 promise for the people of Pakistan? There are two sets of macroeconomic projections for the year. The Ministry of Finance projects the GDP growth rate at 3.5% and the rate of inflation at close to 22%. The IMF projections in the new Stand-By Facility are more conservative, and see greater persistence of stagflation. The GDP growth rate is projected at 2.5% and the rate of inflation at close to 26%.

There is need to assess the prospects for Pakistan in 2023-24, in relation to the two sets of macroeconomic projections. The year has started well with finalization of the Stand-By Facility by the IMF and external inflows of over $4 billion. Reserves have risen to $8.2 billion. The stock market has jumped up by almost 10% and the rupee's value has stabilized.

However, there are number of factors which will determine the extent of risk and uncertainty both on the political and economic fronts. Will the transition to a caretaker government be followed by a process of elections conducted in a timely, fair and peaceful manner?

**Will the transition to a caretaker government be followed by a process of elections conducted in a timely, fair and peaceful manner?**


Will the tough performance criteria in the Stand-by Facility be successfully adhered to in September 2023 and December 2023 and thereby sustain the IMF Program or will major prior actions have to be taken by whichever government is in place at that time? The recent legal amendments have enhanced the powers of a caretaker government to take the appropriate steps to meet the Program targets.

One of the key policy changes in the Stand-by Facility is the withdrawal of all physical restrictions on imports and a full transition to a market-based exchange rate policy. Simultaneously the expectation by the IMF is that interest rates will be kept at a very high level. Further, that the consolidated budgets of the federal and the provincial governments will generate a significant primary surplus, despite the over 30% hike in pay and pensions in 2023-24.

The critical risk factor is whether this policy framework will be successful in keeping the annual current account deficit at $6.5 billion only and sustain foreign exchange reserves at close to $9 billion throughout the year.

The expectation is that imports will increase by almost $12 billion, with financing by a $4 billion rise in exports, $6 billion higher home remittances and the additional inflow of external assistance of $7 billion.

However, exports are likely to be handicapped by the big increase in energy tariffs and the high financing costs. Disbursements of loans by international commercial banks and flotation of Euro/Sukuk bonds will hinge on improvement in Pakistan's credit-rating. Continuation of the Stand-By Facility will be linked to meeting the tough performance criteria especially related to the budgetary position and to operations by the SBP.

Given these big risk factors, the likelihood is that managing the external balance of payments will require a larger depreciation in the value of the rupee in 2023-24 than the 20% envisaged by the IMF. Meeting the fiscal targets, especially that of increasing FBR revenues by 34%, will require additional taxation measures by the newly elected government, more or less, immediately after its takeover. In particular, the target growth rate of 44% in indirect taxes looks very ambitious, especially with the slump in the large-scale manufacturing sector.

**Over 20 million more people have fallen below the poverty line, due especially to the unprecedented increase in food prices of almost 40% in 2022-23.**

Therefore, the likely scenario for 2023-24 is a rate of inflation close to the rate in 2022-23, with a likely high rate of depreciation of the rupee and big increases in energy and fuel costs. Already, the rate of inflation in July 2023 has been estimated at 28.4% in July as compared to 24%.in July 2023.

Fortunately, due to the 'low base' effect the GDP growth rate of 2.5% may be achieved, especially in agriculture due to recovery of cotton and rice crops. Private investment will remain low with the extremely high interest rates. Consequently, the unemployment rate could rise further to 9%, as the 2.5% GDP growth rate will not be adequate to fully absorb the incremental labor force.

Overall, the year, 2023-24, does not promise to be a much better year. However, the removal of political uncertainty after the elections will hopefully usher in a government that focuses on implementation of wide-ranging structural reforms during its tenure for achieving higher, more inclusive, and sustainable growth in Pakistan in years to come

*The writer is Professor Emeritus at Beaconhouse National University and former Federal Minister.*

## Caretaker Chief Minister of the Punjab

# Mohsin Naqvi's Trailblazing Leadership

***Unlike traditional caretaker chief ministers, Naqvi's tenure exemplifies the power of effective leadership and innovative strategies in transforming public service delivery.***

**Kashif Rizwan**

In the intricate tapestry of public administration, the role of a chief minister holds a pivotal position, shaping the trajectory of a region's progress and the lives of its citizens. Amid the numerous caretaker chief ministers who have come and gone in Pakistan since the 1980s, Mohsin Naqvi has emerged as a unique and trailblazing figure.

His tenure has shattered the conventional mold of temporary leadership, ushering in an era of transformative governance and innovative strategies that have revitalized the province of Punjab. In the realm of public administration, one leader stands out for revolutionizing governance and empowering citizens: Mohsin Naqvi. Unlike traditional caretaker chief ministers, Naqvi's tenure exemplifies the power of effective leadership and innovative strategies in transforming public service delivery. From austerity measures to digital advancements, Naqvi's approach has reshaped Punjab's landscape, prioritizing transparency, efficiency, and citizen-centric solutions.Assuming office in

January of this year, Mohsin Naqvi was confronted with the formidable task of rejuvenating a province grappling with deeply entrenched inefficiencies, bureaucratic bottlenecks, and underwhelming public services.

The journey ahead was bound to be arduous, but Naqvi's tenacity and dedication to serving the underprivileged strata of society laid the foundation for a paradigm shift in governance. His vision was crystal clear: to cultivate a state where every citizen enjoyed equitable access to quality services, and where the bedrocks of public administration were transparency, accountability, and efficiency.

The hallmark of Naqvi's tenure has been his unwavering commitment to simplicity and austerity. A stance unparalleled in the annals of Pakistani politics, Naqvi chose to forego salaries, government accommodations, and customary privileges for his cabinet members.

This unexpected and bold move echoed his determination to lead by example and drive a culture of responsible and transparent governance. With this ethos at the forefront, he initiated sweeping reforms across critical sectors that impact daily life, such as health, education, law enforcement, and public services.

One of the most profound and empathetic steps taken by Naqvi was his recognition of the valor and sacrifices of the Punjab police force. The police, often at the frontline in the battle against crime, have made immense sacrifices to safeguard the lives and property of the citizens. In a display of heartfelt gratitude, Naqvi sanctioned a substantial grant of Rs3.5 million to the family of a policeman who had laid down his life in the line of duty. This move reverberated with the spirit of empathy and compassion that defines his leadership.

**From the rapid completion of underpasses and flyovers to the creation of sports complexes and road networks, Punjab underwent a tangible transformation.**

Harnessing the potential of technology, Naqvi's administration introduced digital platforms that facilitated seamless interaction between citizens and government departments. Through online portals, citizens could obtain licenses, permits, and essential documents without encountering the typical bureaucratic quagmire. This not only streamlined processes but also created a more transparent and accountable administrative framework that significantly curbed corruption.

Education, the cornerstone of societal progress, found itself at the center of Naqvi's transformative vision. Recognizing the power of education to uplift and empower, he initiated programs that distributed laptops to students from remote and underserved areas.

These laptops not

**As the digital age unfolded, Naqvi's government was at the forefront of implementing e-governance solutions that transcended bureaucratic limitations.**

only provided access to knowledge but also inspired academic excellence. Moreover, a comprehensive overhaul of the education sector was undertaken, including curriculum enhancements, teacher training, and the establishment of modern educational facilities in overlooked regions. Naqvi's efforts stood as a testament to his dedication to cultivating a generation equipped to lead Pakistan into a brighter future.

Aligned with the grand ambitions of the China-Pakistan Economic Corridor (CPEC), Naqvi's government set aside over 0.1 million acres of agricultural land for corporate farming. This strategic move not only bolstered agricultural research and food security but also laid the groundwork for livestock studies aimed at enhancing productivity. Simultaneously, Naqvi championed the cause of farmers by proposing an increase in the minimum support price of wheat, providing a safety net against the ever-looming threat of inflation.

Naqvi's focus on the marginalized and vulnerable segments of society extended beyond policy proposals. By persuading prominent industrialists to sponsor children's homes, he not only addressed immediate needs but also sowed the seeds of a more equitable future. The underprivileged gained access to quality education, and the cycle of empowerment was set into motion.

In fostering economic growth and job creation, Naqvi's administration introduced policies tailored to small and


medium-sized enterprises (SMEs). Easier access to financing, business development support, and expanded market opportunities breathed new life into local businesses. This approach was not just economic; it was an investment in the heart of communities, generating a ripple effect of progress.

Naqvi's leadership was as tangible in infrastructure development as it was in policy innovation. From the rapid completion of underpasses and flyovers to the creation of sports complexes and road networks, Punjab underwent a tangible transformation.

The bridge between the Central Business District and Liberty Underpass, a project that historically would have taken years, was reimagined and completed within an astonishing two-and-a-half-month timeframe under Naqvi's guidance. These feats of accelerated progress served as a testament to his efficient and goal-oriented administration.

A proponent of embracing technology to enhance citizen services, Naqvi championed the development of the "Mera Pyara" application, a tool that aimed to reunite missing individuals with their families.


This pioneering initiative utilized comprehensive biodata, pictures, fingerprints, identity cards, and B-forms, supplemented by DNA testing when necessary. This not only exemplified the potential of technology but also showcased Naqvi's humanitarian approach to governance.

As the digital age unfolded, Naqvi's government was at the forefront of implementing e-

governance solutions that transcended bureaucratic limitations. User-friendly online platforms streamlined government services, bringing transparency and efficiency to the forefront. Additionally, Naqvi's administration sought to acknowledge and honor healthcare professionals who lost their lives in the line of duty. The proposal for health professional allowances and financial assistance for their families underscored his commitment to recognizing and valuing those who selflessly served their fellow citizens.

A hallmark of Naqvi's tenure was his recognition of the unique needs of local communities. He decentralised power to local governments, enabling tailored development initiatives that resonated with the aspirations of each region. This decentralized approach to governance ensured that public services were not just one-size-fits-all but were intricately woven into the fabric of each community's needs and dreams.

As Naqvi's tenure draws to a close, his legacy stands as a testament to the incredible impact that a dedicated leader can have on governance and public service delivery. His innovative policies, administrative acumen, and commitment to the welfare of citizens have left an indelible mark on Punjab's trajectory.

Mohsin Naqvi's transformative journey serves as a guiding light for future leaders, reminding them that even in temporary roles, they hold the power to effect substantial and lasting change. With an unwavering focus on progress and empowerment, Naqvi's legacy will resonate for generations to come.

**Naqvi's leadership was as tangible in infrastructure development as it was in policy innovation.**

*The writer is the Editor of the Economic Affairs.*

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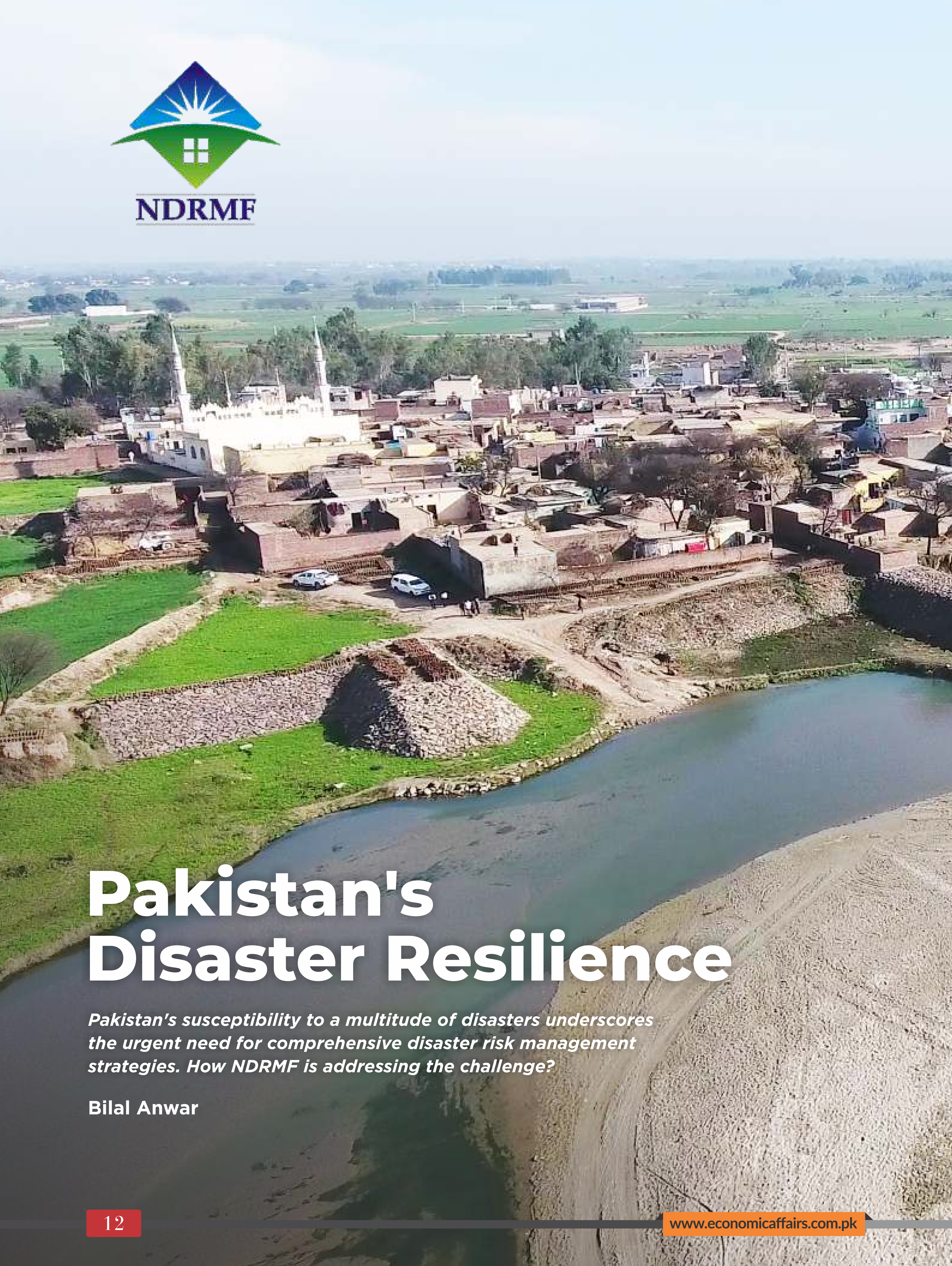


# Pakistan's Disaster Resilience

***Pakistan's susceptibility to a multitude of disasters underscores the urgent need for comprehensive disaster risk management strategies. How NDRMF is addressing the challenge?***

**Bilal Anwar**

Pakistan stands at the crossroads of some of the highest disaster risk levels globally, with consistent ranking as the sixth most vulnerable country according to the German vulnerability risk index. This vulnerability stems from the nation's exposure to a diverse range of disasters, including floods, heatwaves, tropical cyclones, and droughts. These risks are further compounded by socio-economic vulnerabilities, particularly multidimensional poverty.

In 2022, Pakistan experienced devastating floods that continue to inflict ongoing damage. Unprecedented climate-induced rains submerged one-third of the country for an extended period, affecting over 33 million people primarily in the Sindh and Baluchistan provinces.

The toll was staggering, with nearly 1,739 lives have been lost, 12,867 people have been injured. Among the hardest hit were 33 million—one in seven people—have been affected, including nearly 8 million displaced from their homes, still struggling to rebuild their lives. Over a year after the disaster, its far-reaching implications persist.

This catastrophe catalyzed a long-overdue national conversation regarding Pakistan's exposure to an array of hazards and the likelihood of their exacerbation in the years and decades ahead. Research and data have unequivocally confirmed that climate change disruptions imperil food and energy security, strain public health systems, drive massive human displacement due to high-impact weather events, and underscore the capacity limitations of national institutions in disaster preparedness, risk reduction, and management, especially in the face of increasingly frequent and severe disasters.

**Societies must adapt, and economic systems need reengineering to mitigate impacts. Given the time constraints for transformative actions, intensifying climate-induced disasters are becoming an undeniable certainty.**


The reality of climate change is irrefutable. Escalating concentrations of greenhouse gases in the atmosphere have significantly disrupted natural systems, resulting in inevitable climatic shifts unless urgent transformative changes towards low-carbon emissions pathways are undertaken.

Even with these changes, societies must adapt, and economic systems need reengineering to mitigate impacts. Given the time constraints for transformative actions, intensifying climate-induced disasters are becoming an undeniable certainty.

Geographically situated within a temperate zone, Pakistan's erratic climate variability brings forth extreme weather conditions, leading to a cycle of successive disasters that amplify inherent hazards and associated risks. Addressing this challenge demands comprehensive disaster risk reduction and risk management policies, strategies, and adequately empowered national institutions.

Experience and best practices from around the world emphasize that disaster risk reduction starts with risk identification. The Sendai Framework for Disaster Risk Reduction (2015-2030) asserts that understanding disaster risk hinges on hazard identification, exposure and vulnerability analysis, and subsequent risk identification, forming the bedrock for effective risk-based planning.

This approach necessitates clear linkages from identified vulnerabilities to risks, with tailored plans to mitigate those risks. Moreover, it highlights the importance of establishing necessary safeguards to manage risks that are beyond mitigation due to climatic and other external factors beyond human control, aiming to minimize adversarial impacts as much as possible.

Central to a comprehensive disaster risk management (DRM) strategy for countries like Pakistan is a two-pronged approach: investment in mitigation and prevention measures for disaster risk reduction, and integration of climate adaptation actions with economic and financial risk management strategies.

The National Disaster Risk Management Fund (NDRMF), a federal government fund, is deeply engaged in various disaster risk reduction initiatives across Pakistan, such as flood protection, early warning systems enhancement, rescue services strengthening, and disaster-resistant public infrastructure development.

**In the context of Pakistan, such a strategy must include financing mechanisms for critical public infrastructure and economically significant privately owned assets, such as crops.**

# FINANCIAL DISBURSEMENT HIGHLIGHTS

PKR **70,981,777,817**
USD **355.48 M**

1. Early Warning Systems — 10,561,860,000
2. Flood Protection — 2,637,690,998
3. Retrofitting of Public Buildings — 195,295,369
4. Water Conservation — 673,328,999
5. Landslide Stabilization — 673,328,999
6. Plantation — 5,029,672,000
7. Cash Grants — 35,371,065,000
8. Fisheries — 3,989,766,000
9. Covid Response — 9,974,990,000
10. Community-Based Disaster Risk Management (CBDRM) — 98,851,121
11. Operations — 2,312,991,330

NDRMF

These interventions have proven effective in managing and mitigating disaster risks. However, their efficacy in the face of increasingly severe risks is limited without simultaneous climate adaptation efforts and strategies to curtail economic and fiscal impacts on both public finances and the population at large.

The NDRMF's strategic and operational approach emphasizes that disaster resilience goals cannot be achieved without robust integration of climate adaptation into overall development planning, alongside economic and financial risk management strategies.

This comprehensive approach is founded on the principle that not every natural hazard must culminate in a disaster, and not every disaster must lead to an intense economic shock for communities and governments. This necessitates a harmonized disaster risk management and disaster risk financing strategy, aimed at minimizing physical damages to public and private assets while mitigating financial and economic shocks. An effective disaster risk financing strategy should be operational prior to disasters, integrated into public finance systems, and encompass risk retention and transfer mechanisms aligned with prevailing legal and policy frameworks.

In the context of Pakistan, such a strategy must include financing mechanisms for critical public infrastructure and economically significant privately owned assets, such as crops. Currently, the use and integration of such instruments are insufficient, forcing the government to bear the burden of relief and loss support after each natural disaster, which strains public finances.

A disaster risk financing strategy, along with operational financial instruments, assumes immense significance in such scenarios. Various approaches and instruments within this strategy include building a Reserve Fund, establishing fiscal buffer zones, adopting financial pooling methods, and implementing viable insurance solutions. It's astonishing that insurance, a potent instrument for risk mitigation and transfer, remains underutilized in Pakistan, with less than 1% penetration. Even crop insurance, crucial given the agriculture sector's vulnerability to climate change impacts, faces structural challenges preventing its success. Similarly, insurance for public infrastructure remains limited.

The National Disaster Risk Management Fund (NDRMF) plays a pivotal role in disaster risk financing at the national level. Its mission is to sustainably

# NDRMF INTERVENTIONS

**01**

**07**
**EARLY WARNING SYSTEMS**
Installed to provide advance disaster related information to the mountainous communities for timely evacuation and survival.

**02**

**236**
**FLOOD PROTECTION STRUCTURES**
Constructed to save lives and livelihoods of estimated population of more than 10 million.

**03**

**45**
**PUBLIC SECTOR BUILDINGS RETROFITTED**
**10,000**
STUDENTS, TEACHERS

**04**

**23**
**WATER CONSERVATION STRUCTURES**
**131,000**
Persons by retaining rain water for domestic and irrigation uses.

**05**

**12**
**LANDSLIDE STABLISED STRUCTURE**
Providing access and connectivity for the travellers and tourists within and outside of Azad Jammu & Kashmir

**06**

**AFFORESTATION**
**82,100,000**
Seedlings are being planted across Pakistan promoting biodiversity and mitigating land degradation

**07**

**AFFORESTATION OF MANGROVE FORESTS**
**55,000 ACRES**
**23.925M PLANTS**
(Blank and de-vegetated mangrove areas of Indus delta) protection of mangroves through watch and ward system of local households

**08**

**451**
**CBDRM COMMITTEES**
**8,000**
Committee nominated volunteers as first responders

**09**

**HORTICULTURAL DEVELOPMENTS**
Through developing nurseries and orchards whereby drafting the
**500,000**
Wild olive plants to be drafted into fruit bearing olive to enhance olive oil production

**10**

**HORTICULTURAL DEVELOPMENTS**
Through developing nurseries and orchards whereby drafting the
**650,000**
Saffron bulbs 30 acres saffron cultivated for yielding economic activity in the country

**11**

**RESCUE-1122**
State-of-the-art search and rescue equipment for increasing coverage of service area from
**55% to 64%**
Reducing the response time from 10 minutes to 7 minutes in Gilgit Baltistan

NDRMF

reduce the financial fallout of disasters on public finances and development budgets, all while ensuring continued progress, fiscal stability, and societal well-being.

To fulfill this mission, the NDRMF adopts an integrated and holistic approach that encompasses disaster preparation and management, safeguarding development progress, fiscal stability, and well-being. To achieve this, a series of activities and interventions have been initiated, including the creation of the National Disaster Risk Financing Strategy, developed in collaboration with the Space & Upper Atmosphere Research Commission (SUPARCO). This strategy, grounded in forecast-based financing, incorporates the National Catastrophic model developed for Pakistan.

The model provides quantitative insights into expected loss levels for diverse hazard events, bridging the gap between the insurance industry and disaster management authorities. It serves as the foundation for shaping and implementing Pakistan's National Disaster Risk Financing strategy and determining appropriate pricing for disaster risk financing solutions.

The National Catastrophic model also positions the NDRMF as a hub for disaster and climate risk modeling knowledge, granting access to science-based information and data for the government, private sector, and other stakeholders. This service addresses a significant knowledge gap in policymaking and raises awareness about these critical issues.

Over the next five to ten years, the NDRMF plans to expand its mandate and strategic objectives, positioning itself as a premier government entity and fund offering technical, financial, and knowledge-based support for climate action, disaster risk management, and the design and implementation of innovative and viable projects. With its institutional expertise and commitment to diversification and innovation, the NDRMF is uniquely poised to spearhead resilience-building efforts in Pakistan.

Pakistan's susceptibility to a multitude of disasters underscores the urgent need for comprehensive disaster risk management strategies. The National Disaster Risk Management Fund's multifaceted approach to disaster risk reduction and risk financing stands as a beacon of hope in enhancing the country's resilience. By effectively integrating climate adaptation, economic stability, and innovative strategies, the NDRMF plays a crucial role in steering Pakistan towards a more resilient future.

**Currently, the use and integration of such instruments are insufficient, forcing the government to bear the burden of relief and loss support after each climate induced disaster, which strains public finances.**

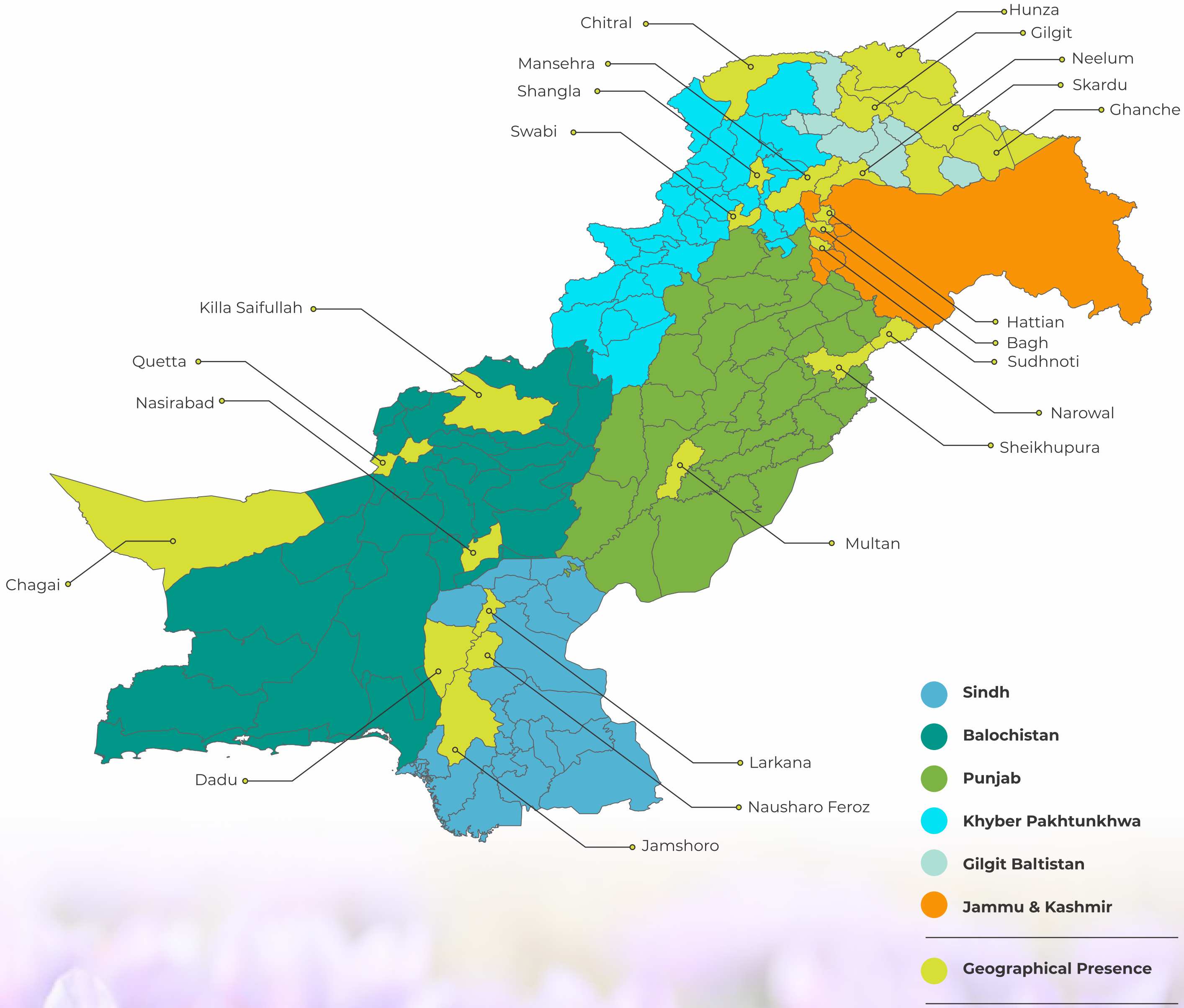
**Geographically situated within a temperate zone, Pakistan's erratic climate variability brings forth extreme weather conditions, leading to a cycle of successive disasters that amplify inherent hazards and associated risks.**

*The author is the CEO of the National Disaster Risk Management Fund (NDRMF). Islamabad.*

NDRMF

# GEOGRAPHICAL FOOTPRINT

NDRMF portfolio coverage is well spread out into all regions of Pakistan, about 50% of the vulnerable districts, referred as high priority districts according to NDMP.



# Green Growth

***Fundamental direction of Pakistan economic growth model should be synchronized with green growth to eliminate black footprint in the process of economic development and sustainable growth.***

**Prof. Dr. Muhammad Naveed**

To uplift economic advancement and financial capitalization, green growth has become strategy of economic development across emerging and advanced countries. In purview of economic turmoil and global climate change, green economy has become underlying mechanism beyond environmental economics and has become mainstream politics and business drive across the world.

In addition, consistent with Principals of Responsible Investment (PRI), United Nations 2023 Agenda for Sustainable Development Goals (SDGs) has signified the importance of Sustainability Index through accounting and practice-based measures.

To improve well-being of people and combating environmental risks, Belt and Road Initiative (BRI) is a critical component of achieving green transitions in regional Economy of Pakistan enhancing sustainable development. Moreover, it is imperative compliance with SDGs-2023 which is Global Agenda of United Nations.

Under purview of China Pakistan Economic Corridor (CPEC), BRI not only contributing to national development of Pakistan but also regional connectivity, but also opened manifold avenues of progressive cooperation in sectors including public welfare, mining, telecommunications, sciences and technology and agriculture with significant prospect towards economic and financial growth.

Though significance of factors contributing towards green economy has been analyzed from several directions; however, comparatively less attention has been devoted by research scientists and financial economists towards combine perspective of Financial Technology and Green Finance on economic growth.

From this perspective of financial development, mapping of comprehensive index to evaluate green growth of regional economy based on settings of financial technology through CPEC governance mechanism is latent need.

Learning lessons from China's fast economic growth which was long been achieved at the adverse cost of environmental pollution. Undoubtedly, China has emerged as largest and fast-growing economy of the world; however, its economic growth is accompanied by serious environmental pollution, and this growth model not seems sustainable in long run.

Hence, it necessitates that fundamental direction of Pakistan economic growth model should be synchronized with green growth to eliminate black footprint in the process of economic development and sustainable growth.

Previous school of thought has considered environmental protection costly and feared that sustainable development might inhibit countries economic growth. Modern era of 21st Century supported with Digital Transformation signifies strategic level importance of SDGs to combat climate change and bring diversity, equality, inclusiveness and belongingness.

From sustainable development point of view to promote economic development, green growth has become instrument to keep long-term balance between economic growth and environmental protection.

In accordance with Financial Stability Board (FSB), Fintech is huge triumph towards scientific progression, technological advancement and economic development. It brought about financial plexus that support creation of flexible new business models (FBMs), processes, applications and products that capitalized significant impact and contribution in capital markets, financial institutions and enhancement of financial services.
Fintech is a broader extension of financial ecosystem with innovation drives in borrowing and lending mechanism, insurance, credit markets and smart contracts. These innovations including block-chain-assisted applications, cryptocurrencies and smart contracts and digital financial governance regulations.

Development of green growth index not only develop nexus between government spendings' and green economic performance through financial technology but also aligns the concept of green economy into mainstream politics and business, as well as key component of UN-PRI 2030 Agenda for Sustainable Development Goals (SDGs).

> **To improve well-being of people and combating environmental risks, Belt and Road Initiative (BRI) is a critical component of achieving green transitions in regional Economy of Pakistan enhancing sustainable development.**

***The writer is Dean Management Sciences, Bahria University, Islamabad.***

# Integrated Economic Development

**Dr. Hassan Daud Butt**

Economic integration has the most transformative influence and consequently, the greatest economic impact on the region's underdeveloped areas. Transforming economies through regional integration involves fostering deeper economic cooperation and collaboration among neighboring countries within a specific region. It aims to enhance economic growth, competitiveness, and development by leveraging the collective strengths of the participating nations.

Regional integration can take various forms, including free trade agreements, customs unions, common markets, and economic unions. Without actively participating in regional and international cooperation frameworks, no nation can sustain economic growth. Regional cooperation has an impact on growth in a number of different ways. It enables a country to take advantage of its comparative advantages, which improves resource allocation effectiveness, makes it easier to acquire foreign technology and knowledge, increases productivity, and attracts more investment, which fosters competition and boosts competitiveness. Regional integration can eliminate or reduce trade barriers such as tariffs, quotas, and non-tariff barriers among member countries.

Despite this, Asia is the world's fastest-growing region, driven by the dynamism of the Chinese economy with more rapid acceleration possible through an integrated economy. As the world comes out of the effects of COVID-19 and embarks on the path to becoming interconnected and interdependent, the social and geographic distances between parts of a region still remain large partially because of bitter politics exacerbated by climate change.

Thus when economic integration initiatives like BRI and SCO transform the region and spread new infrastructures, institutions, and approaches that lower the divide, overcoming challenges including addressing disparities among regions becomes imperative. For this to happen, effective governance, strong institutions, and continuous dialogue among member states are crucial to realizing the full potential of regional economic integration. With roughly a trillion dollars committed to infrastructure projects, including transportation (roads, rail, maritime, ports, and airports), the BRI has the potential to enhance the lives of billions of people and give them fresh chances to achieve the Sustainable Development Goals (SDGs).

With a population of 244 Million, strategica location at the crossroads of South Asia, Central Asia, and the Middle East, Pakistan has the opportunity to play a significant role in regional trade and economic integration. However, there are both challenges and opportunities that it faces in establishing and participating in regional supply chains. As per international best practices, no country can have sustainable economic growth without integrating into the Global economy.

**Regional integration can take various forms, including free trade agreements, customs unions, common markets, and economic unions.**

Pakistan has been part of several regional initiatives and organizations aimed at promoting economic cooperation, trade, and other forms of collaboration among neighboring countries. From SAARC, ECO, OIC, and most recently CAREC, SCO, BRI and CEPC, Pakistan is now harnessing its ability to connect China to the Arabian Sea, as well as connect Central Asia and South Asia.

By integrating its economy, Pakistan is leveraging its location to participate in regional value chains where different stages of production take place across borders.

The connection between China and the rest of the world will enable Pakistan to benefit from the projected economic and energy corridors. In order to profit from profit from collocating with Chinese businesses in these CPEC economic zones, it is essential for Pakistan to invest in human capital, management skills, and quality. CPEC is now providing Pakistan with an estimated timeline for arranging the capacity, planning, and coordination required to internalize the benefits of its geography.

Pakistan may expect to gain from increased regional collaboration with Iran and Afghanistan through CPEC as China has already expressed interest in expanding CPEC to Afghanistan, a move that might strengthen economic links between Afghanistan and Pakistan. This may be a stimulus to the local economy through a network of economic cooperation that stretches from South East Asia to the developing markets connected to Europe via sea and land links and as a result of their proximity to CARs, both Pak-China and CARs have access to a sizable market for the export of their goods and services as well as the eastern ports of China and southern port Gwadar helping Pakistan develop its Blue economy and coastal development.

CPEC has been instrumental in addressing energy generation and diversity challenges through indigenous sources utilization like more hydel, renewable and Thar coal projects, infrastructural rural-urban synergy through over 500 KMs highways, and optical fiber connectivity. The project further produced a strategic framework for leveraging a new generation of industrial parks and Special economic zones for inclusive and sustainable development useful for attracting investment, fostering technological learning and innovation, and creating jobs connectivity and multimodal transport infrastructure are crucial for promoting international trade and economic growth.

**Without actively participating in regional and international cooperation frameworks, no nation can sustain economic growth.**

More specifically, increased trade growth, foreign direct investment (FDI) attraction, industrialization and the creation of more efficient production networks, regional integration, and the eradication of poverty can all be accelerated by enhanced transport connectivity and infrastructure. The SEZs have not been developed at the required pace, however, have set up a development mechanism in Public-Private partnerships that can be emulated in other zones and parks also, especially in technology parks with foreign partnerships.

**Pakistan has been part of several regional initiatives and organizations aimed at promoting economic cooperation, trade, and other forms of collaboration among neighboring countries.**

The Most alarming delay is in the ML-1 which was declared as a strategic project from both sides helping the connectivity advantage. The railway, projects connect the southern less developed as well as the industrial base in Karachi to the border of Afghanistan and KKH and increase in speed from 65-105 km/h to 120-160 km/h through rehabilitation and construction of major bridges, provision of modern signaling & telecom systems and conversion of level crossings into underpasses/flyovers, unlocking the potential of railways and can promote increased within and intraregional trade which will require major capacity building of the existing HR as well as adapt to changing transport patterns.

However, despite the will to draw economic outcomes, the results could have been better, partially due to Political differences, but mainly due to Institutional weaknesses, infrastructure and connectivity Gaps, regulatory and legal harmonization, security challenges, cultural and linguistic diversity, and global power dynamics. Addressing these challenges requires effective leadership, inclusive dialogue, and a shared vision.

It may also involve capacity-building efforts, investment in infrastructure, and policy coordination to overcome the barriers to successful regional integration and unlock its potential benefits. Pakistan has all the ingredients for a sustainable Integration that can strengthen a smart economic growth strategy, yet other factors that loosen binding constraints to growth need to be in place including sound macroeconomic management, a business and investment-friendly climate, competent institutions, thoughtful investment in human capabilities and infrastructure facilities, and effective trade and industrial policies.

Additionally, this also requires strong monitoring of coordination and removal of duplication in functions among various agencies. Pakistan will need to intensify regional cooperation and integration efforts in the current challenging global economic climate through Public and private sector investment in rail, logistics, SEZs and road connectivity projects and the execution of related soft policies to promote trade.

Comprehensive reforms are needed to resolve all major headwinds and pragmatic measures should focus on strengthening institutional frameworks, especially in relation to mandates and coordination, building technical and managerial capacity, and establishing facilitation agencies bodies. This can lead to greater business certainty and attract more investment, which Pakistan so urgently needs for its economic growth.

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# Economy and Business

***Pakistan has a history marked by a series of political transitions, including changes in government, shifts between civilian and military rule, and various constitutional developments.***

**Saqib Rafiq**

Notwithstanding the fact, the relationship between the economy and political transition in Pakistan is complex and has significant implications for the country's development and stability.

Pakistan has a history marked by a series of political transitions, including changes in government, shifts between civilian and military rule, and various constitutional developments.

Here are some key facts in Pakistan's history of political transitions:

Independence and Early Years (1947-1958): Pakistan gained independence from British rule in 1947. The country initially adopted a parliamentary system with a constitutional monarchy, but in 1956, it became a republic with Iskander Mirza as its first president. However, political instability and disagreements between different political parties characterized this period.

First Military Coup (1958): In 1958, President Iskander Mirza, with the support of the military led by General Ayub Khan, declared martial law and suspended the constitution. This marked the beginning of Pakistan's first military rule. Ayub Khan later assumed the presidency and ruled until 1969.

Return to Civilian Rule and Bhutto Era (1971-1977): In 1971, an internal crisis in Pakistan resulted in a third war between India and Pakistan and the secession of East Pakistan, creating the independent state of Bangladesh. After the creation of Bangladesh, Pakistan underwent a significant political transition. Zulfikar Ali Bhutto emerged as a key political figure and became the country's first civilian Chief Martial Law Administrator. Pakistan adopted a new constitution in 1973, transforming into an Islamic republic with Bhutto as the prime ministerSecond Military Coup (1977): General Muhammad Zia-ul-Haq ousted Prime Minister Bhutto in a military coup in 1977. Zia-ul-Haq's regime introduced a series of conservative Islamic policies and ruled until his death in 1988.

**Political polarization and historical rivalries have often posed challenges to the implementation of such bipartisan economic agreements.**

Return to Democracy (1988): After Zia-ul-Haq's death, democratic elections were held in 1988, leading to the Pakistan Peoples Party (PPP) forming a government with Benazir Bhutto, Zulfikar Bhutto's daughter, as the prime minister.

Continuing Political Turmoil (1990s): The 1990s witnessed a series of short-lived governments, with frequent changes in leadership due to political and power struggles between various parties and military interventions.

Military Rule under Musharraf (1999-2008): General Pervez Musharraf took power in a coup in 1999. His regime was marked by political repression and efforts to modernize the economy. In 2008, Musharraf resigned as president, and democratic elections were held.

Return of Democracy (2008-Present): Pakistan transitioned back to civilian rule with the Pakistan Peoples Party (PPP) and Pakistan Muslim League-Nawaz (PML-N) alternating in power. In 2013, the first-ever democratic transition of power from one civilian government to another occurred.

Imran Khan's Government (2018-2022): The Pakistan Tehreek-e-Insaf (PTI) party, led by former cricketer Imran Khan, came to power after the 2018 general elections. Imran Khan became the prime minister, and his government has focused on anti-corruption efforts, economic reforms, and social welfare initiatives.

Vote of No Confidence and Removal of Khan's Government: In April 2022, in Pakistan's

history, first time leader of the house ousted through VONC. Critics have blamed him for the country's economic woes and widespread corruption and accused him of a disastrous response to the COVID-19 pandemic.

Throughout its history, Pakistan has experienced a complex interplay between civilian and military leadership, with multiple transitions between democratic and military rule. Political instability, governance challenges, and power struggles have been recurring themes, impacting the country's economic development, social progress, and international relations.

Some key points to consider regarding the economy and political transition in Pakistan are:

Political transitions in Pakistan have sometimes been accompanied by uncertainty and disruptions in governance. These uncertainties can impact investor confidence, capital inflows, and business activities. Maintaining economic stability becomes crucial during such times to prevent potential economic crises..

Pakistan's economy has often relied on foreign investment and aid. During political transitions, there might be fluctuations in the inflow of foreign funds, depending on the international community's perception of the country's political and economic stability.

Political transitions provide

**The allocation of resources and the prioritization of projects might shift with changes in government, affecting long-term economic development.**

opportunities to implement structural reforms in the economy. These reforms might include improvements in tax systems, trade policies, regulatory frameworks, and public sector management. However, implementing reforms can be challenging due to political opposition and the need for consensus among various stakeholders.

Political transitions can influence the continuity of development projects and infrastructure initiatives. The allocation of resources and the prioritization of projects might shift with changes in government, affecting long-term economic development.

The availability of resources for public spending, including social programs and poverty alleviation efforts, can be impacted during political transitions. Ensuring the continuation of essential services and welfare programs becomes important to mitigate the potential negative effects on vulnerable populations.

Political transitions can influence Pakistan's international trade relations and diplomatic engagements. Maintaining stable trade ties and favorable diplomatic relations is essential for sustaining economic growth and diversification.

Pakistan has faced challenges

related to energy shortages and resource management. Political transitions can impact the prioritization of energy projects and resource allocation strategies.

The private sector plays a crucial role in driving economic growth. Political stability and favorable business policies are necessary to maintain the

confidence of the private sector and encourage investment and entrepreneurship.

Careful financial management is essential during political transitions to manage external debt, fiscal deficits, and monetary policies effectively.

In recent years, Pakistan has experienced efforts to improve economic governance, attract foreign investment, and implement economic reforms regardless of political transitions. However, the country's history suggests that effective coordination between political leadership and economic policymakers is vital to ensure that economic priorities remain a top concern during times of political change.

The term "Charter of Economy" has been resounded often from various section of the society. The business community strongly voiced and has been advocating getting it implemented in its true letter and spirit. The idea behind a Charter of Economy is to promote stability, continuity, and bipartisan cooperation in economic matters, irrespective of which party is in power. It's worth noting that the success of a Charter of Economy largely depends on the willingness of political parties to set aside partisan interests for the greater good of the country's economy. Political polarization and historical rivalries have often posed challenges to the implementation of such bipartisan economic agreements.

**Maintaining stable trade ties and favorable diplomatic relations is essential for sustaining economic growth and diversification.**

Different political parties in Pakistan may have varying positions on the concept of a Charter of Economy, and their willingness to participate in or support such an initiative can vary based on their ideological differences and priorities. The implementation of a Charter of Economy would require extensive negotiations, consensus-building, and a commitment to long-term economic stability from all major political stakeholders.

The business community is very cautious and closely monitoring the situation. We expect more partiality and transparency in the transitions of new governments, both National and Provincial levels.

We are very optimistic that if political parties can sign charter of democracy, or made alliances for their political interest then

they should sign a charter for economic stability for the betterment of common man and for the better future of our generations.

*The writer is the President of Rawalpindi Chamber of Commerce & Industries.*

# SIFC an Economic Booster

***Keeping in view the dismal state of the economy, a Special Investment Facilitation Council (SIFC) — a hybrid civil-military forum has been set up by the government of Pakistan to attracting and facilitating investment in the country.***

**Dr. Talat Anwar**

In June 2023, in the backdrop of historically high inflation at 38% and 0.3% annual GDP growth, amid default risk on debt obligations owing to abysmally low forex reserves of $3.5 billion, the government presented an expansionary budget with total expenditure of Rs14.46 trillion, more than half of which will be utilised to service the growing debt.

This would result into the ever highest fiscal deficit of Rs. 7.5 trillion in the history of Pakistan. FBR tax revenue target of Rs. 9.2 trillion is ambitious against current year collection of less than Rs.7 trillion.

Consequently, fiscal deficit will increase further which will put pressure on inflation increasing poverty, unemployment and indebtedness further. The price trend during the month of July 2023 is supportive of this apprehension regarding the high inflation tendency during the rest of the year.

Although Pakistan has been able to sign an IMF programme in July 2023, it still faces a number of economic challenges, including the risk of default on its debt obligations in case of violation of programme conditionalites by the authorities.

According to IMF, Pakistan has to pay $15 billion to service its external debt and hence its gross external financing requirement including current account deficit is $27 billion in fiscal year 2023-24 whereas its foreign exchange reserves are $8 billion by end July 2023.

A number of factors including high fiscal deficit, balance of payments pressures, external debt burden, and low foreign exchange reserves have also raised concerns about the country's ability to meet its financial obligations. The risk of economic default can affect investor confidence and investment and growth prospects in the country.

Keeping in view the dismal state of the economy, a Special Investment Facilitation Council (SIFC) — a hybrid civil-military forum has been set up by the government of Pakistan which is aimed at attracting and facilitating investment in the country.

The Council is an effort to remove hurdles faced by foreign investors, and promote economic growth and employment. The military has a significant role in the Council, with the army chief being a member of its apex committee.

**The SIFC is expected to streamline the investment process, address investors' concerns, and create a more investor-friendly environment in Pakistan.**

The SIFC is expected to streamline the investment process, address investors' concerns, and create a more investor-friendly environment in Pakistan. It is, however, important to note that the focus of the SIFC will be to facilitate mainly the foreign investors.

The neglect of facilitating domestic investors might lead to movement of capital and investment abroad to other countries. Thus it is equally important to facilitate the domestic investors to invest in the country.

It is noteworthy that the investment climate in Pakistan is influenced by multiple factors, including economic policies, political stability, regulatory environment, infrastructure, ease of doing business, and geopolitical considerations.

Despite the challenges, Pakistan also offers various investment opportunities in sectors like energy, infrastructure, and agriculture. In this context, it would be important to discuss as to how Pakistan can promote investment to increase business activities and restore the economy.

Increasing business activities in Pakistan requires a comprehensive approach that focuses various economic, and regulatory factors. The following are fundamental reforms and policies that can help foster a conducive environment for business growth in the country:

**Simplifying Regulatory Procedures:** Simplifying business registration, licensing, and regulatory procedures can reduce bureaucracy and encourage entrepreneurs to start new ventures. An efficient and transparent regulatory environment attracts both domestic and foreign investors.

**Foster Ease of Doing Business:** Implementing reforms to improve Pakistan's ranking in the World Bank's "Ease of Doing Business" index will create a business-friendly environment. Simplifying tax procedures, reducing the time and cost of starting a business, and ensuring the smooth flow of goods across borders are critical aspects to promote business activities and exports.

**Adequate Infrastructure:** Enhancing infrastructure, including transportation networks, energy supply, and digital connectivity, is crucial for attracting investments and supporting business operations. Government and private sector collaboration in infrastructure development can create opportunities for businesses to succeed.

**Improve Skills Development:** Investing in skills development programs equips the workforce


with relevant skills, making them more employable and capable of driving business growth and innovation.

**Encouraging Research and Development (R&D):** Boosting investments in research and development will lead to technological advancements and higher competitiveness of Pakistani businesses in the global market thereby increasing exports.

**Enabling access to Finance:** Facilitating access to finance for small and medium-sized enterprises (SMEs) will significantly boost business activities and result in increased employment opportunities. This can be achieved through the establishment of credit guarantee schemes, venture capital funds, and other mechanisms that support entrepreneurship and innovation.

**Employ Pro-Business Tax Policies:** Rationalizing tax policies and reducing tax burdens on businesses can stimulate investment and growth.

**Promote Entrepreneurship:** Designing an entrepreneurial ecosystem that nurtures start-ups and innovative ideas through incubators, accelerators, and mentorship programs can spur business activities and job creation.

**Foster Export-Oriented Industries:** Identifying comparative advantage and promoting export-oriented industries will contribute to economic diversification, increase foreign exchange earnings, and stimulate business activities enabling the country to accumulate foreign exchange reserves to a comfortable level

that are sufficient to meet our future debt obligations.

**Promote Public-Private Partnerships (PPPs):** Collaborations between the public and private sectors can leverage resources, expertise, and efficiency to implement large-scale projects and initiatives that drive economic growth.

**Foster Trade and Investment Agreements:** Entering into favorable trade and investment agreements with other countries can open up new markets for Pakistani businesses and attract foreign direct investment.

**Assure Political Stability and Security:** A stable political environment and improved security situations provide investors and businesses with confidence and assurance to invest and operate in the country.

If these reforms and policies are implemented to foster business-friendly environment, Pakistan can attract investments both from foreign and domestic investors, create job opportunities, attain sustained economic growth and reduce poverty. Collaboration between the government, private sector, and civil society is essential to achieve these goals and create a prospering business ecosystem in the country.

If these reforms and policies are pursued in letter and spirit, Pakistan can improve its competitiveness, and expand its exports to $45 billion by 2025 currently from $27 billion enabling the country to meet its


debt obligations, achieve an economic growth rate of 6% by 2025 and improve the living standards of the poor and vulnerable groups in the country.

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# Pakistan's Economic Revival

***Pakistan's history of nation building is, however, a long list of missed opportunities due to lack of recognition of merit and rule of law. Every regime has left a worse legacy than its predecessor.***

**Syed Hasan Javed**

When everyone was giving up on Pakistan Economy, including Pakistani investors themselves in 2015, China came along with its US$ 46 billion China Pakistan Economic Corridor (CPEC) investment in the three Five Year Phases (2015-2030) projects.

Given our Westernized Colonial template of education and mindset issues there were no shortage of Sceptics and Detractors, questioning the veracity, capacity, security and the ground reality for these Projects to be implemented.

CPEC initiative harnessed the hundreds of 'shovel ready projects' in Energy, Motorways, Infrastructure, Port, Industrial zone, given the 'trust' between the two countries, which went through the various stages of full implementation.

Almost US$ 26 billion Projects in Infrastructure, motorways and power projects have completed by June 2023, producing additional 8,000 MW of electricity, 200,000 direct employment opportunities in the first phase.

The Chinese initiative historically speaking resembles the 'American Marshall Plan' after the World War II for the Western Europe, but only ten times larger. China's medium to long term objectives include outsourcing its excess industrial capacity, developing new growth points, relocation of industrial zones, diversifying transit and transportation routes and supplies and to develop the Western regions for closer integration with the Euro Asian markets.

**Pakistan sits at the 'cusp' of historic transition in its nation building, with both strong 'headwinds and tailwinds'. Pakistan has been made a hostage of the IFIs.**

The CPEC investment has already begun having 'Multiplier effect' and 'spin offs' for the economy of Pakistan. The Second Phase (2020-2025) with a dozen areas of collaboration in sectors such as agriculture, mining, AI and digital infrastructure, industries relocation, operationalization of special economic zones, higher education, environment, maritime, etc. are likely to achieve high quality development with transformative impact on the economy, long held hostage to the repeated IMF Programs with its faulty doctrines, conditionality, and myopic book keeping directives, since 1989.

The CPEC projects of Gwadar's expansion plans, like the energy and infrastructure projects are all in full swing. The availability of multiple routes for transit corridors and the Plans to build oil and gas pipelines, underground railway from Kashgar to Gwadar are likely to prove a real 'game changer' for the entire region ensuring peace, prosperity, security and stability for half of world's populations.

Pakistan's history of nation building is however a long list of 'missed opportunities' due to lack of recognition of merit and rule of law. Every regime has left a worse legacy than its predecessor.

It is no use indulging in blame game, complaints and ungratefulness. Our airports and markets do not have tourists. Pakistan can and should reverse its sustained downslide.

It is among the best blessed and geographically well placed nations. With the CPEC entering the second or the middle phase of its implementation, it poses very different set of challenges and requires mobilizing different kinds of professional capacities.

CPEC is means to an end i.e. economic take off of Pakistan. If it does not, without timely wide ranging comprehensive policy reforms, it could develop into debt trap. Time is of essence to avoid subsequent Anarchy and chaos.

The IMF policies followed by successive regime never encouraged them to undertake serious structural reforms, all the public commitments, being nothing but 'eyewash'.

The resultant consequences have been Low rate of domestic savings, tax collection, FDI and low fixed capital investment, low factor productivity, poor innovation, backward vocational & technical skills.

There is absence of 'soft infrastructure', which increases the 'cost of doing business'. The core deficiencies hindering the implementation of CPEC need to be addressed by acknowledging mistakes and correcting them.

The system of governance in Pakistan needs 'comprehensive policy reforms'. Deng Xiaoping, China's great leader and the father of reforms and open door policy that has transformed China since 1978, had asked his people to either 'reform or perish'.

This formed the 'bedrock' of the change in China from its old centralized subsistence inward looking economy to a modern market driven society. A u-turn was an existential question for the Chinese as it is for Pakistanis today.

For the first time in many decades, Pakistan is ready for a 'paradigm shift' in development planning. The existing institutions however lack the professional capacities and the political will to make it happen.

There appears to be no sense of urgency to reform the way things have been done. We fail to acknowledge that it is our current ways of thinking and doing, which have brought us to this sorry and tragic state of affairs.

A mega u-turn is needed as precious time has been lost to make the comprehensive policy reforms happen, given the leadership deficit, extreme level of political polarization, economic meltdown, lack of hard decisions, new incentives and policies.

**The time to adopt a new 'development paradigm' that meets our future needs, addresses current failures and learns from the past mistakes.**

Pakistan sits at the 'cusp' of historic transition in its nation building, with both strong 'headwinds and tailwinds'. Pakistan has been made a hostage of the IFIs. Pakistan's national building dilemmas have been accentuated by the IFIs prescribed 'development model of dependence, docility, denial and delusion'.

There is need now to disengage with the existing IFI paradigm and to conceptualize, enact and implement the new policy reforms initiatives, in order to release the full potential of the economy. The time to adopt a new 'development paradigm' that meets our future needs, addresses current failures and learns from the past mistakes.

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# CPEC: A Decade of Success

***The core achievements of the past decade span across economic, social, and strategic domains, shaping the trajectory of Pakistan and China for the better.***

**Prof. Engr. Zamir Ahmed Awan**

As we mark the 10th anniversary of the China-Pakistan Economic Corridor (CPEC), the air is filled with excitement and optimism, reflecting the remarkable achievements and boundless potential that this partnership holds.

The visit of Chinese Vice-Premier Hi Lifeng to Pakistan to commemorate this milestone is not merely a ceremonial affair; it is a testament to the enduring friendship and shared vision that underpins the journey of economic, social, and strategic advancement embarked upon by both nations.

The China-Pakistan Economic Corridor (CPEC) was launched in 2013 with the intent of forging an unbreakable bond of economic cooperation and connectivity. Today, as we look back on a decade of progress, it is evident that this initiative has far exceeded its initial aspirations. From enhancing infrastructure and connectivity to propelling economic growth and social development, CPEC stands as a beacon of transformative collaboration.

The recent ceremony hosted at the Prime Minister's Office, where six significant Memorandums of Understanding (MoUs) were exchanged, demonstrates the continued commitment of both nations to elevate their partnership. The presence of Chinese Vice-Premier Hi Lifeng and Pakistani Prime Minister Muhammad Shehbaz Sharif symbolized the depth of friendship and shared objectives that characterize China-Pakistan relations.

The core achievements of the past decade span across economic, social, and strategic domains, shaping the trajectory of both nations for the better. On the economic front, Power Sector and Infrastructure have achieved a stage where the ailing economy can be put on the revival track. CPEC has catalyzed industrial growth, driven investment, and promoted job creation, transforming Pakistan's economic landscape.

China, on the other hand, has found a reliable partner in Pakistan for its global Belt and Road Initiative (BRI), solidifying its position as a global economic powerhouse. CPEC is crown in the BRI and being a flagship project possesses a huge significance. It is set as a role model and example of BRI's success story. Many other countries involved in BRI, are following the CPEC model of development.

Infrastructure projects like the realignment of KKH Phase-II, the Main Line (ML)-1 railway project, and the development of Special Economic Zones (SEZs) have not only improved Pakistan's connectivity but have also paved the way for sustainable economic growth. These initiatives have created thousands of jobs, stimulating local economies and providing a solid foundation for future prosperity.

**CPEC has catalyzed industrial growth, driven investment, and promoted job creation, transforming Pakistan's economic landscape.**

In the social realm, CPEC has addressed power deficits and brought about a significant reduction in energy shortages, resulting in improved living standards for millions of Pakistanis. Furthermore, the Strengthening Workers' Exchange Program, initiated between the All-China Federation of Trade Unions (ACFTU) and the Board of Investment, Pakistan, underscores the commitment to nurturing a skilled workforce, leading to increased employability and enhanced socio-economic stability. China has been producing a qualified and skilled workforce for Pakistan to face the challenges of 21 Century.

Currently, there are around 30,000 Pakistani youth studying in Chinese Universities in almost all emerging fields of emerging Sciences and Technologies. They are enrolled in various programs like Undergraduate, Master Level, and Ph.D. Level and Post Doc level etc.

There are also a similar number of Pakistani students who graduated from Chinese Universities during the last four decades and deployed in various civil and private sectors of Pakistan, contributing toward rebuilding the nation in various capacities.

Strategically, CPEC has brought China and Pakistan even closer, fostering a resilient partnership that bolsters regional stability. The unwavering support extended by both nations in times of need exemplifies the profound depth of this relationship. China's President Xi Jinping's congratulatory letter to Pakistan on this milestone is a testament to the enduring strength of the bond and signifies China's commitment to a shared future.

As we venture into the next phase of CPEC, a roadmap marked by high-quality milestones is essential. Building upon the achievements of the past, both countries must focus on fostering innovation, skill enhancement, and sustainable development. Expanding the scope of collaboration to new areas such as rural revitalization,

agricultural development, industrialization, green development, and science and technology will ensure a comprehensive and well-rounded approach to progress.

The way forward entails nurturing intellectual exchange, investing in research and development, and harnessing the potential of youth through educational and vocational programs. China's expertise and experience, coupled with Pakistan's vibrant and talented workforce, are a winning combination that can drive innovation and create a knowledge-driven economy.

To further facilitate the Chinese and other foreign investors, “Special Investment Facilitation

Council” (SIFC) is established, with the aims and objectives of a “unified approach” to steer the country out of the economic storm. By virtue of its composition, the SIFC will serve as a top decision-making forum to push through fundamental reforms in the structure of the economy. The forum will focus on leveraging key sectors such as IT, agriculture, energy, minerals and mining, and defense production.

The apex body constituents are the prime minister, federal ministers (planning, finance, IT & Telecom, food security, power, water resources, industries and production, defense, defense production, and investment), chief of the army staff, all chief ministers, national coordinator (Pakistan Army) and Special Assistant to the Prime Minister shall act as Secretary to the body.

However, the executive committee will consist of the planning minister, national coordinator (Pakistan Army), federal ministers (defense, food security, IT & Telecom, and Power), state ministers (petroleum and finance), provincial ministers (agriculture, mines, and minerals, IT, energy, Board of Revenue, irrigation, finance, planning, and development and investment), SAPM, chief secretaries, director general (Pakistan Army), secretary Board of Investment.

The composition of the Council is obvious to make it a powerful body and objective oriented. Special incentives are being offered like fiscal incentives for coal development, Special Economic zones, Export processing zones, Foreign Private Investment Act 2022, Income Tax Ordinance 2001, etc. A very attractive environment has been created for investors and lucrative packages are offered.

As we celebrate this 10-year anniversary, let us remember that the journey ahead is equally important. The next phase of CPEC calls for continued commitment, vision, and unwavering determination. It is a journey that resonates with the principles of President Xi Jinping's Belt and Road Initiative, emphasizing consultation, contribution, and mutual benefits.

The visit of Chinese Vice-Premier He Lifeng, who was a special representative of President Xi, and the signing of six significant MoUs mark a historic moment in the China-Pakistan partnership.

As we reflect on the achievements of the past and set our sights on the future, let us remain steadfast in our determination to realize the full potential of CPEC. This

**On the economic front, Power Sector and Infrastructure have achieved a stage where the ailing economy can be put on the revival track.**

transformative collaboration, rooted in economic growth, social development, and strategic stability, will undoubtedly shape the destinies of both nations and contribute to a more prosperous and interconnected world.

It is expected the CPEC will be accelerated and the dreams of both countries (China and Pakistan) will be realized. Pakistan will regain its lost

status among the nations of the developed world and the people of Pakistan will enjoy a better life soon.

***The writer is the Founding Chair GSRRA, Sinologist, Diplomat, Editor, Analyst, and Non-Resident Fellow of CCG (Center for China and Globalization).***


# Clean Energy for Economic Prosperity

***Pakistan plans to increase its percentage of renewable energy to 60% in 2030 to reach its net zero emission goal as part of the Paris Agreement on Climate Change.***

**Dr Abid Rashid Gil**

Energy transition in Pakistan is indeed a need of the hour. As a developing country with a rapidly growing population and expanding economy, Pakistan faces significant challenges in meeting its increasing energy demands while addressing environmental concerns.

An energy transition involves a shift from traditional, fossil-fuel-based energy sources to cleaner, renewable, and sustainable alternatives. Such a transition is crucial for Pakistan's economic development, environmental sustainability, and social well-being.

Pakistan's power generation relies heavily on fossil fuels, particularly oil and natural gas. It accounts for nearly 61% of the electricity generated, as documented in the Economic Survey of Pakistan (2021-2022).

Further, in the fiscal year 2021-2022, the power industry consumed 9.8 million tons of coal, the most of all sectors, accounting for 44.5 percent of the total coal consumption. The dependence on these imported resources makes the country vulnerable to global energy price fluctuations, geopolitical tensions, and energy insecurity.

Also, it is a drain on its foreign exchange reserves and puts the entire economy at risk through imported inflation. These inflationary pressures reduce the competitiveness of our exports and further constraints our capacity to pay for energy imports.

**Pakistan's power generation relies heavily on fossil fuels, particularly oil and natural gas. It accounts for nearly 61% of the electricity generated, as documented in the Economic Survey of Pakistan (2021-2022).**

An energy transition, therefore, would promote the decentralization of energy production, enabling communities and industries to generate their power through solar panels, wind turbines, and other renewable technologies.

This diversification would enhance energy security and reduce exposure to international energy market volatility. Moreover, this decentralized approach can improve energy resilience, reducing the country's reliance on centralized power plants and long-distance energy transmission.

Pakistan has a natural potential to produce renewable energy, especially wind and solar power. As per the World Bank (2020), using just 0.071 percent of Pakistan's surface for solar photovoltaic (solar PV) power generation can provide the current demand for electricity in Pakistan.

Pakistan is also home to several famous wind corridors with average winds of 7.87 millimetres per second in 10% of the windiest areas. But, despite a myriad of projects installed, the wind and solar energy capacity in Pakistan at less than 1500 Megawatts is just 4 percent of the total capacity or about 2 percent of entire electricity generation.

Pakistan is highly susceptible to the impacts of climate change, including extreme weather events, sea-level rise, and glacial melting. The burning of fossil fuels releases greenhouse gases, contributing to global warming. By transitioning to renewable energy sources, Pakistan can significantly reduce its carbon emissions and contribute to international efforts to mitigate climate change.

It is also true that Pakistan, like other developing nations, has been the least contributor to climate change. Instead, the current and past burning of fossil fuels by advanced countries made the problem of climate change and global warming worse and at the stage that demands a complete overhauling of the global economies.

However, Pakistan is also a signatory to the Paris

Agreement, which aims to limit global warming to below 2 degrees Celsius above pre-industrial levels. To fulfil its commitments, Pakistan needs to transition to a low-carbon economy.

The country can also access international funding and support for renewable energy projects and climate change mitigation initiatives. The global focus on renewable energy has also accelerated technological advancements in this sector. Embracing an energy transition would allow Pakistan to leverage these innovations, enhancing its energy infrastructure and management capabilities.

Besides, developed countries such as the EU, the UK, and the USA have started catalyzing funding under Just Energy Transition Partnership (JETP) program for developing countries for the green energy transition.

These findings are in the form of low-interest rate loans, private investments, and grants. Indonesia ($20 billion), South Africa ($8.5 billion), and Vietnam ($15 billion) are the first three countries to receive these grants, while Mexico and India are in the queue under the JETP.

Pakistan plans to increase its percentage of renewable energy to 60% in 2030 to reach its net zero emission goal as part of the Paris Agreement on Climate Change. Due to poor macroeconomic conditions and a weak energy sector, Pakistan also requires a tailed JETP program backed by policy incentives and infrastructure of bankable projects, as well as credible private business associations and public sector organizations co-participating in these programs.

**Pakistan is also a signatory to the Paris Agreement, which aims to limit global warming to below 2 degrees Celsius above pre-industrial levels. To fulfil its commitments, Pakistan needs to transition to a low-carbon economy.**

Investing in renewable energy infrastructure can spur economic growth and create green jobs. Developing, manufacturing, installing, and maintaining renewable energy systems would generate employment in various sectors. A thriving renewable energy industry would also attract domestic and foreign investments, fostering innovation and economic development.

The initial capital costs of renewable energy projects may be higher than conventional fossil fuel-based projects, and the operational maintenance costs of renewable energy systems are significantly lower. Once established, renewable energy sources provide a stable and predictable energy source, reducing the country's reliance on imported fossil fuels and offering long-term cost savings.


Many remote and rural areas in Pakistan need access to centralized energy grids. An energy transition can empower these communities by providing off-grid renewable energy solutions. Solar panels and small-scale wind turbines can bring electricity to remote regions, improving living conditions, healthcare facilities, and educational opportunities.

The United Nations' Sustainable Development Goals (SDGs) emphasize access to affordable, clean energy, climate action, and sustainable cities and communities. An energy transition aligns with these goals and allows Pakistan to make significant progress toward achieving them.

*The writer is the Chairman, Economics Department, The Islamia University of Bahawalpur*


# Tax Reforms

***Tax reforms are need of the hour, and the next Government must ensure that it embarks on this difficult but mandatory path of tax reforms.***

**M. Amayed Ashfaq Tola & M. Ahsan Ahmed**

Recently, an article was authored by Shahbaz Rana in the Express Tribune, highlighting that the Salaried class paid tax worth PKR 264.5 billion on their income in Fiscal Year 2022-23 ("FY23"), whereas, the exporters paid PKR 74 billion in taxes, and retailers paid PKR 15.6 billion in taxes. This data is a worrisome reality of the inequitable taxation system of Pakistan. However, this is just the tip of the iceberg. This article aims to explain as to why tax reforms are needed in Pakistan, and that tax reforms in Pakistan are inevitable, be it by necessity or by choice.

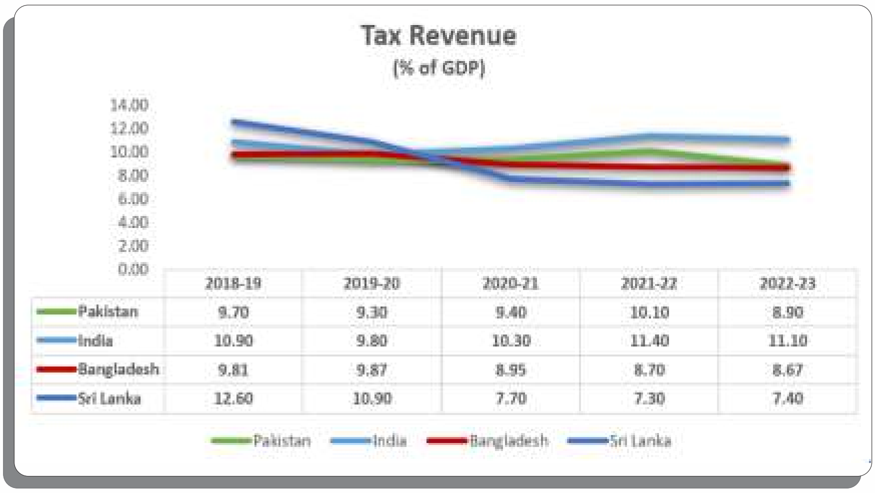
Pakistan's tax-to-GDP ratio has witnessed a steady decline in the past five fiscal years, deteriorating from 9.70 in FY19 to 8.90 in Fy23.

Examining tax revenues as a percentage of the GDP highlights the disparities among the four countries. India has achieved double-digit tax revenues as a percentage of the GDP in the past 4 out of 5 years, accounting for 11.1% of GDP in 2022-23. This indicates a better tax collection system and a significant contribution to India's economic resources. In contrast, Pakistan's tax revenue as a percentage of GDP has declined, signaling a challenge in increasing tax revenues relative to the size of the economy.

Moreover, it is not just the low tax-to-GDP ratio that is the problem. The taxation system and policies in Pakistan are also regressive. What this means is that majority of the tax revenue collected is from indirect taxes, which are levied on the consumption of goods by the public-atlarge.

The revenue machinery has failed to bring the percentage of direct tax in the total tax revenue collection up to a decent level. In FY23, share of direct taxes was low at 45.19% when compared to indirect taxes. On the other hand, India's

The table infra depicts a comparative analysis of the regional tax-to-GDP ratio:




| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|---|
| Pakistan | 9.70 | 9.30 | 9.40 | 10.10 | 8.90 |
| India | 10.90 | 9.80 | 10.30 | 11.40 | 11.10 |
| Bangladesh | 9.81 | 9.87 | 8.95 | 8.70 | 8.67 |
| Sri Lanka | 12.60 | 10.90 | 7.70 | 7.30 | 7.40 |

*(Sources: Finance Division of Pakistan, India, and Bangladesh, Sri Lanka, and the IMF-Sri Lanka SLA)*

emphasis on direct taxes, where share of direct taxes is more than indirect taxes.

India's strong tax revenue collection, demonstrate a more

equitable tax system and effective fiscal management. In terms of fiscal discipline, India has shown a relatively strong ability to manage its fiscal affairs effectively, despite experiencing a mix of challenges and successes.

Furthermore, as per the interim report of the RRMC ("the interim report"), out of a total 3.6 million income tax return filers in FY 22, only 13,958 filers paid 75% percent of the total income tax collection in FY22.

The interim report further states that 90% of the total income tax collection, was paid by only a meagre 126,908 filers. It is also interesting, and disappointing to note, that as per the interim report, out of 3.6 million filers in FY 22, only 2.2 million are taxpayers, whereas, 1.4 million were nil/zero tax filers.

**The table below illustrates the direct and indirect taxes collection:**

| Direct and Indirect Taxes (As % of Total Tax Revenue) | | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|---|---|
| Pakistan | Direct Taxes | 39.98 | 41.53 | 38.14 | 36.93 | 45.19 |
| | Indirect Taxes | 60.02 | 58.47 | 61.86 | 63.07 | 54.81 |
| India | Direct Taxes | 54.63 | 52.21 | 47.62 | 51.98 | 54.22 |
| | Indirect Taxes | 45.37 | 47.79 | 52.38 | 48.02 | 45.78 |
| Sri Lanka | Direct Taxes | 24.67 | 22.02 | 23.27 | 30.50 | 29.77 |
| | Indirect Taxes | 75.33 | 77.98 | 76.73 | 69.50 | 70.23 |
| Bangladesh | Direct Taxes | 31.80 | 33.00 | 32.79 | 34.09 | 30.83 |
| | Indirect Taxes | 68.20 | 67.00 | 67.21 | 65.91 | 69.17 |

**(Sources: Finance Division of Pakistan, India, and Bangladesh, IMF-Sri Lanka SLA, and Tola Associates calculations)**

The aforestated data is testament to how broken and regressive the taxation system is in Pakistan.

As such, tax reforms are need of the hour, and the next Government must ensure that it embarks on this difficult path to tax reforms. A few reforms that can be considered to make the tax system equitable are as follows:

1. Do away with the Final Tax Regime ("FTR") from the

**The taxation system and policies in Pakistan are regressive. Majority of the tax revenue collected is from indirect taxes, which are levied on the consumption of goods by the public at large.**

Income Tax Ordinance 2001 ("ITO"). The final tax regime ensures that an income stream (for e.g. income from exports) is taxed at a nominal tax rate (somewhere between 0% to 1%) and exempts the taxpayer from an audit under the income tax laws of Pakistan. The FTR discourages documentation as the true income of the taxpayer cannot be identified, rather the income in the tax particulars of the taxpayer is then imputed. The FTR must be removed or phased out from the ITO in order to ensure true documentation in all sectors of the economy and to give a level playing field to all businesses.

2. Before introducing measures such as the Super Tax (vide

Finance Act 2022) and the Windfall tax (vide Finance Act 2023) and milking the same old cow, the Government must tax the wholesale and retail sector, and the agriculture sector on their ability to pay. Both these sectors have a high contribution towards the overall GDP of Pakistan. Approximately, both these sectors have a contribution of 41% in the real GDP, in which Agriculture sector contributes 22.91% and the Wholesale and retail sector contributes 18% to the real GDP. Unfortunately, both sectors have a miserably low contribution towards the tax revenue generated in Pakistan.

3. Increase the FBR property valuation up to the actual fair market value of the property. This will discourage the grey or black economy from increasing in the real estate sector.

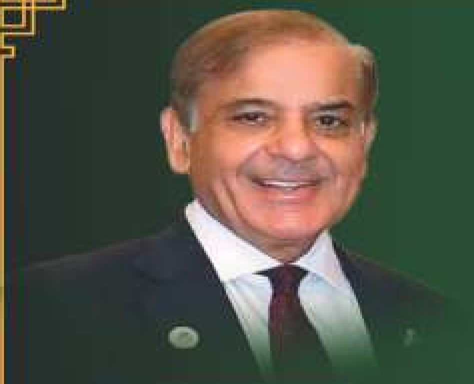
4. The interim report submitted by the RRMC must be

implemented. As widely reported by the media, the said report contains equitable tax revenue measures worth PKR 1.5 trillion along with other reforms measures. These proposals by the RRMC must be implemented in order to create equity in the tax system in Pakistan.

The above are only a few of the many reforms that can be implemented in order to create equity and fairness in the tax system. Considering the economic turmoil Pakistan is in, this would not be a bad time to pursue the much need tax reforms, to help lift the country out of the economic uncertainty it is facing as of now.

*Mr. M. Amayed Ashfaq Tola is an LLM in International Tax Law, and an Advocate of the High Courts of Pakistan*

*M. Ahsan Ahmed is an Macroeconomic Analyst, and holds an MPhil degree in Economics, University of Karachi.*



DECADE O

# CPEC

中国-巴基斯

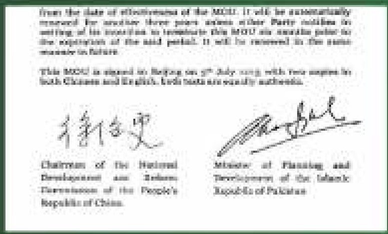
تصادی راہداری

China Pakistan E

2013 - 2023

## WE WARMLY WELCOME THE SPECIAL REP AND VICE PREMIER OF THE PEOPLE'S

Signing of MOU on CPEC in Beijing on July 05, 2013



from the date of effectiveness of the MOU. It will be automatically renewed for another three years unless either Party notifies in writing of its intention to terminate this MOU six months prior to the expiration of the said period. It will be renewed in the same manner in future.

This MOU is signed in Beijing on 5th July 2013 with two copies in both Chinese and English, both texts are equally authentic.

Chairman of the National Development and Reform Commission of the People's Republic of China.

Minister of Planning and Development of the Islamic Republic of Pakistan

First MOU of Developing CPEC Long-Term Plan & Action Plan

CM Shehbaz Sharif meeting Chinese President Xi Jinping at the Great Hall of the People in Beijing on November 8, 2014

President Xi Jin
Prime Minister
20th Ap

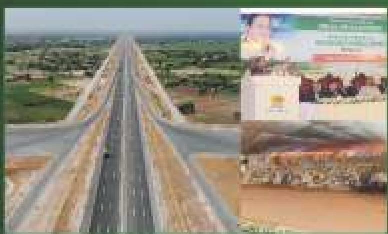
FM Bilawal Bhutto holds talks with Chinese FM Wang Yi to push Pak-China relations to new heights, 22 May 2022

PM Shehbaz Sharif and Charge d'Affairs of the Chinese Embassy to Pakistan, Ms. Pang Chunxue commemorating Decade of CPEC celebrations in Islamabad

Gwadar Port
Estimated Cost US $350 Million

1320MW Chi
Power Project, I
Estimated Cost

330MW HUBCO Thar Coal Power Project
Estimated Cost US $550 Million



Multan Sukkur Motorway
Estimated Cost US $2.8 Billion

KKH Phase II
(Havelian - Thakot Section)
Estimated Cost US $1.3 Billion

Matiari to Lahor
Transmission
Estimated Cost

Western Route Hoshab-Awaran Section M8
Estimated Cost PKR 26 Billion

Khuzdar-Basima Road (N-30)
Estimated Cost PKR 19 Billion

Zhob-Quetta (Kuchlak) N-50
Estimated Cost PKR 66 Billion

1000MW Quaid-e
Bahaw
Estimated Cost

884MW Suki Kinari Hydropower Project, Khyber Pakhtunkhwa
Estimated Cost US $1962 Million

Launching Ceremony of CPEC Long Term Plan

1320MW SSRL Thar Coal Block-I
Estimated Cost US $550 Million

Wester
DI Khan-Hak
Estimated Cost

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F
斯坦经济走廊
پاکستان چین اق
conomic Corridor

Ministry of Planning
Development &
Special Initiatives
Government of Pakistan

# PRESENTATIVE OF PRESIDENT XI JINPING
# S REPUBLIC OF CHINA MR. HE LIFENG

ping received by
Nawaz Sharif on
ril 2015

CPEC inauguration by President Xi Jinping and Prime Minister Muhammad Nawaz Sharif on 20th April, 2015

Prof. Ahsan Iqbal and Chairman NDRC Mr. Xu Shaoshi signing MOU on 20th April, 2015

PM Shehbaz Sharif meets with Chinese Premier Li Qiang in Paris, June 22, 2023.

na Hub Coal
Hub Balochistan
US $1912 Million

1320MW Coal-fired Power Plant at Port Qasim Karachi
Estimated Cost US $1912 Million

1320MW Sahiwal Coal-fired Power Plant
Estimated Cost US $1912 Million

660MW Engro Thar Coal Power Project
Estimated Cost US $995 Million

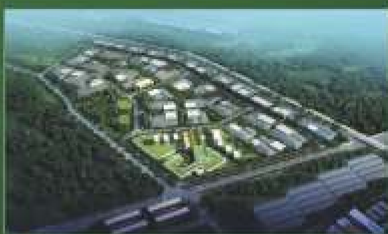
e ±660 KV HVDC
n Line Project
US $1658 Million

Gwadar Eastbay Expressway
Estimated Cost US $179 Million

Gwadar International Airport
Estimated Cost US $230 Million

300 MW Wind Power Projects
Estimated Cost US $650 Million

-Azam Solar Park
walpur
US $781 Million

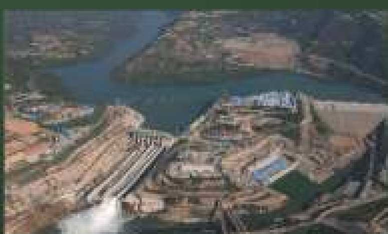


Special Economic Zones

Construction of Cross Border Optic Fiber Cable System
Estimated Cost US $44 Million

330MW HUBCO ThalNova Thar Coal Power Project
Estimated Cost US $550 Million

n Route
kla Motorway
PKR 110 Billion



720MW Karot Hydropower Project, AJK/Punjab
Estimated Cost US $1698 Million

Upgradation of Existing 50 Bed Hospital to 300 Beds, Gwadar
Estimated Cost US $100 Million

Gwadar Business Center
Estimated Cost US $350 Million

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**MINISTRY OF INFORMATION AND BROADCASTING**
Government of Pakistan

OVER

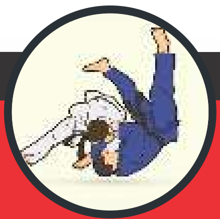
REBUILD


#RescueRecoverRebuild

# ashraf

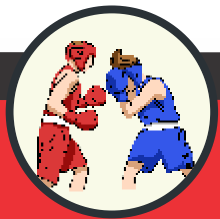
## WHERE EACH STITCH IS WATCHED

MOST EXPERIENCED MANUFACTURERS & EXPORTERS OF MARTIAL ARTS UNIFORMS IN PAKISTAN



**JUDO**

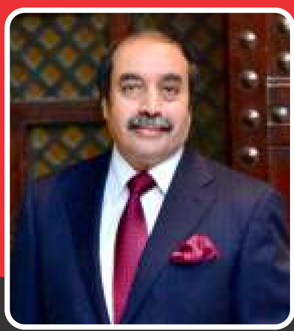
**KARATE**



**BOXING**

**TAEKWONDO**

The company started its business as manufacturers of readymade Garments and later started export of Martial Arts wears (judo/Karate Uniforms). Within a short time it has won recognition from the recognized importers of Martial Arts wears, throughout the world. The company successfully competed with its Japanese, Chinese & European competitors and maintained its edge in the market by producing quality products. Company has the honor to be headed by Mr. Ijaz Khokhar, who is prominent businessman and holding a Civil Award "SITARA-E-IMTIAZ". He is the life member of Pakistan Chamber of Commerce & Industry and also the Trustee of Sialkot Dry Port. Ijaz Khokhar remained the Chairman of Ready Made Garments Association and Vice-Chairman of Pakistan Judo Federation. Presently he is the Chairman of Pakistan Taikwando Federation.



**Ijaz Khokhar**
**MD - Ashraf Industries (Pvt.), Ltd.**

**ASHRAF INDUSTRIES (PVT) LTD.**
127 C, Industrial Estate, Sialkot - 51340, Pakistan.
Phone: +92-52-3256000 / 3255768, E-mail: info@ashraf.net.pk

# Happy Independence Day

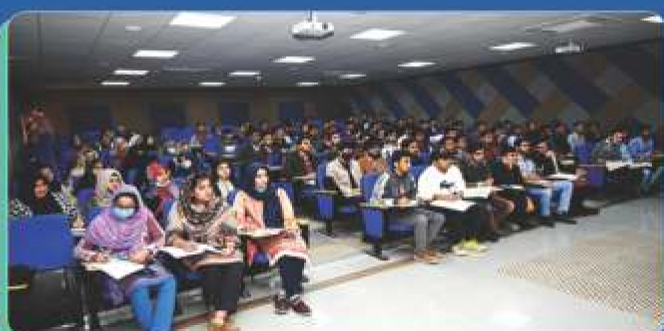
Groundbreaking of C-5 Nuclear Power Plant performed at Chashma

**6 Nuclear Power Plants**
providing over
**3500MW Electricity**
to the **National Grid**

Diagnosis & Treatment of Cancer through
## 20 Atomic Energy Cancer Hospitals

## Agriculture & Biotechnology
Developed over 150 new crop varieties

## Human Resource Development
PIEAS Top Engineering University
& Other Institutes like CHASCENT, KINPOE



**Pakistan Atomic Energy Commission**
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MPCL

**FUELLING THE NATIONAL ECONOMY**

★ 76th INDEPENDENCE DAY ★

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# PAKISTAN
## INDEPENDENCE DAY

14-AUGUST-1947

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