

# Four Years Performance

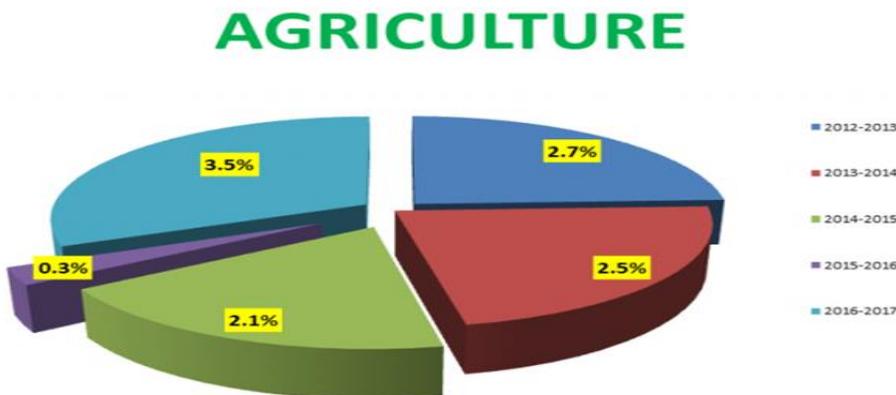
## 1-Revival of Economy

### GDP growth rate



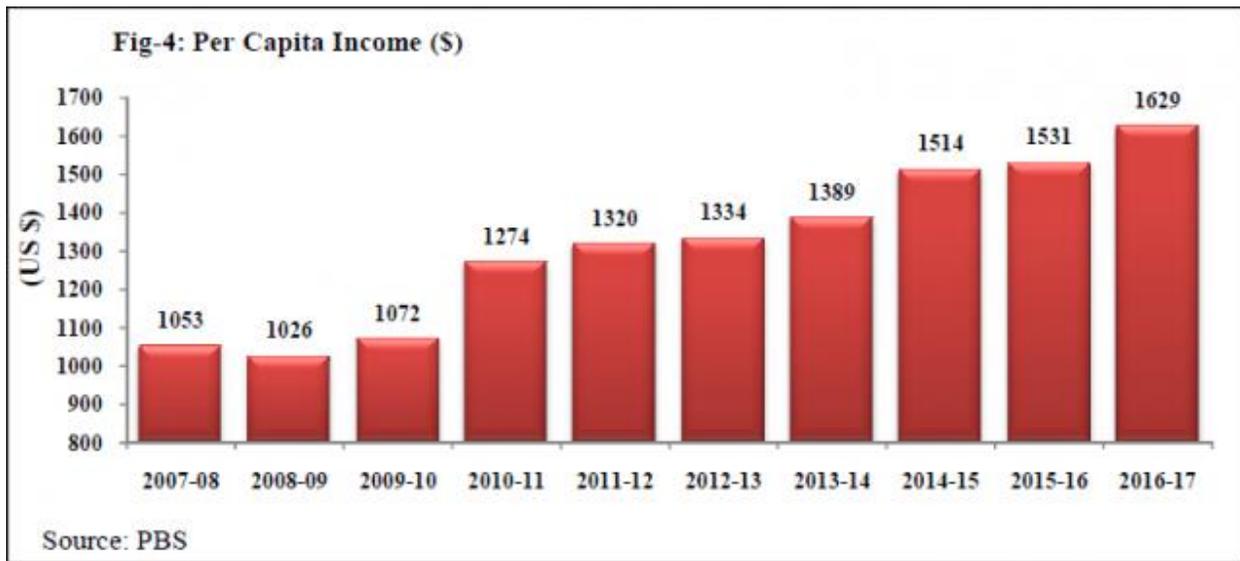
### Agriculture

The growth of agriculture has also seen a welcome rise as it jumped from 0.3% in 2015-2016 to 3.46% in 2016-2017. Agriculture credit was Rs.336 billion four year's ago which at the end of 2016 was Rs.600 billion and is targeted to increase to Rs.700 billion during the current financial year.



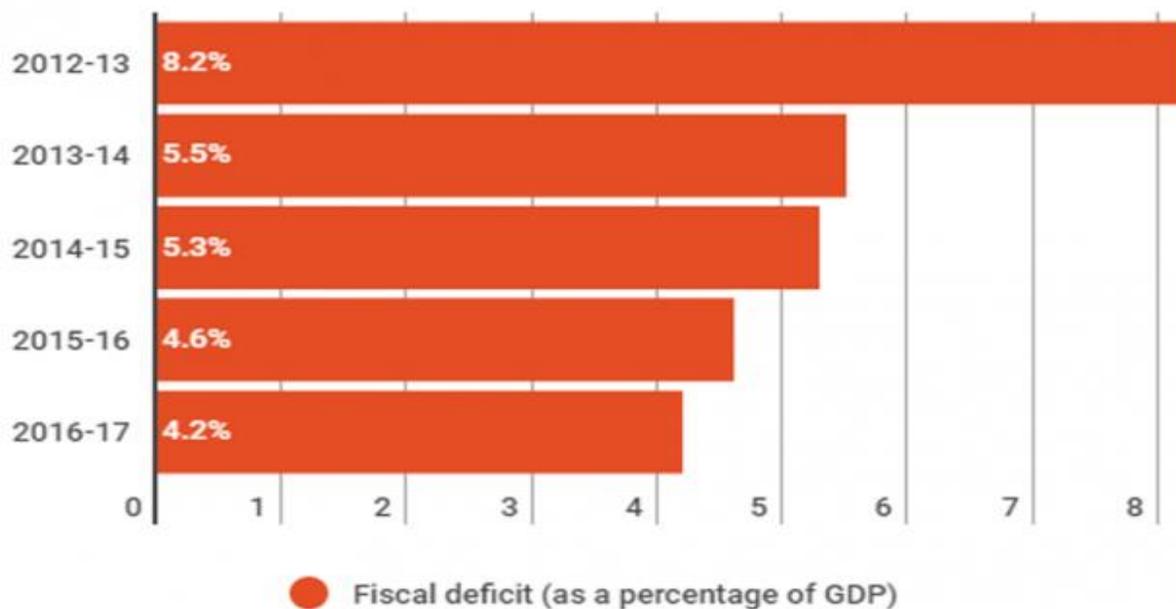
**Inflation** was on average 12% between 2008-13. In this current year inflation is expected to be around 4.3% while the volume of Pakistan's economy surpassed \$300 billion

## Per capita income



## Fiscal deficit decreases to 4.2 percent

The fiscal deficit of Pakistan has also registered a decrease. From last year when it was 4.6 percent, the fiscal deficit has been brought down to 4.2 percent. As can be seen, the fiscal deficit has been decreasing ever since 2012-2013 when it was at a staggering 8.2 percent.



- **Imports:** Imports have been recorded at \$37.8 billion during July-April showing an upward trajectory compared to the same period last year. This vibrancy in imports is attributable to over 40% increase in capital machinery, industrial raw material and petroleum products and the increased investment under the CPEC projects focused on energy and infrastructure sectors. All of this augurs well for Pakistan's economy in the near future;
- **Exports** during the first ten months of this year have shown an overall minor decrease of 1.28% compared to 7.8% decline during the same period last year. This reversal has been the result of timely support by the government to exporters in shape of a comprehensive package of Rs.180 billion in January 2017 and efforts of our exporters

### Liquid Foreign Exchange Reserve (Billion US \$)

End Period	Net Reserves With SBP	Net Reserves with Banks	Total Liquid Reserves
FY 12	10.80	4.49	15.29
FY 13	6.01	5.01	11.02
FY 14	9.10	5.04	14.14
FY 15	13.53	5.17	18.70
FY 16	16.63	4.83	21.46
July'16	18.06	4.92	22.98
December'16	18.26	4.95	23.20
January'17	17.42	4.84	22.26
May'17*	15.90	4.92	20.82

Source: SBP

## Profile of Pakistan Stock Exchange

Description	2012-13	2013-14	2014-15	2015-16	2016-17 (end March, 2017)
Total Listed Companies	569	557	560	560	560
New Companies Listed	4	5	9	6	4
Funds Mobilized (Rs.in billion)	29.5	47.6	79.6	111.2	21.9
Total Listed Capital (Rs. in million)	1,116,005.0	1,100,340.9	1,189,518.9	1,289,081.0	1,297,159.0
Total Market Capitalization (Rs. in million)	5,154,738.0	6,655,294.8	7,421,031.6	7,588,472.2	9,594,805.0
Total Shares Volume (million)	54,319.0	56,580.6	64,617.2	55,430.3	70,518.6
Average Daily Shares Volume (million)	221.0	229.1	261.0	220.8	379.1

Source: Pakistan Stock Exchange

**Public Debt** Gross public debt was Rs 20,873 billion as at end March 2017 while net public debt was Rs 18,893 billion. Gross public debt recorded an increase of Rs 1,194 billion during first nine months of current fiscal year. Out of this total increase, increase in domestic debt was Rs 1,121 billion while government borrowing from domestic sources for financing of fiscal deficit was Rs 1,018 billion. This differential is mainly attributed to increase in government credit balances with the banking system. Similarly, increase in external debt contributed Rs 73 billion in public debt. Revaluation gains on account of appreciation of US Dollar against other foreign currencies reduced the impact of net external inflows on external public debt portfolio.

### China-Pakistan economic corridor

- The signed **USD 46 billion agreement of Pak-China economic corridor** is another landmark achievement of PML-N government, which will not only open the new avenues of relationship in trade and economy between two countries but also open new vistas for development in the whole region.

## 2-Energy Reforms:

- In 2013 the country faced a power deficit of 5,500MW and its industrial and urban sectors were facing 12 hours load shedding, while the rural areas faced 14 hours power outage leading to low industrial output, higher unemployment and loss of economic growth.
- 8pm, 3 June 2012 Generation was 11952MW while 8pm 3 June 2017 Generation is 19200MW.
- Present government changed the strategy in 2014 by improving cash flows, optimizing generation, having a predictable load management, better customer service and investment facilitation. It led to record high recoveries of **Rs 51b or 93.40 per cent**; highest in past 10 years. The transmission and distribution losses were cut down to **10b, or 18 percent**; the lowest in past 10 years. The circular debt had also been effectively capped.
- By 2018,10,000 MW of additional electricity will become part of the national grid. In addition, financial close have taken place for 15,000 MW of electricity generation projects beyond 2018. In this regard, the government is proposing Rs.401 billion for power sector development including investment of Rs.317 billion to be undertaken by WAPDA for the next year.
- A new programme called '**Energy for All**' is being introduced with an initial outlay of Rs.12.5billion.

**Some of the key projects in which the government will invest are as follows:**

Sr.No	Project Name	cost	Generation
1.	LNG based power plants	Rs.76.5 billion	2,400 MWs
2.	Dasu Hydro Power project	Rs.54 billion	2,160 MW
3.	DiamerBhashaDam	Rs.21 billion	4,500 MW
4.	NeelumJhelum Hydro Power Project	Rs.19.6 billion	969 MW
5.	fourth extension ofTarbelaHydel Power	Rs.16.4 billion	1,410 MW
6.	coal fired power plant in Jamshoro;	Rs.16.2 billion	1,200 MW

- In addition, work on two Karachi Nuclear Power Projects with combined capability of 2,200 MW and Chashma Civil Nuclear Power plant with 600 MW capacity will be continued;
- The gap between generation and demand of electricity is only one facet of the challenge that we face. In the past, no significant investments have been made in the areas of transmission and distribution. The result is that even if we improve our generation, we will not be able to deliver electricity to the consumer. Since this year we are taking emergent measures to rectify the situation. The Matiari Lahore transmission line is being built. This is backed by a heavy investment in grid-stations and distribution lines across the country.
- Under the China-Pak Economic Corridor, China has committed to make an investment of **\$36 billion** in the power producing ventures with a cumulative power generating capacity of 10,600 MW

- **List of Power Plants Started Operation since 2015**

2015			2016			2017		
Plant Names	Fuel Type	Installed Capacity (MW)	Plant Names	Fuel Type	Installed Capacity (MW)	Plant Names	Fuel Type	Installed Capacity (MW)
RYKML	Bagasse	30	APOLO	Solar	100	Fatima	Coal/Bagasse	120
			SOLAR				e	
FWEL-I	Wind	50	Best Green	Solar	100	Hamza	Bagasse	15
			Solar					
QUAID	Solar	100	Crest Energy	Solar	100	Bhiki	Gas	760
AZAM			Solar					
NANDIPUR	Furnance	425	Younus	Wind	50	Dawood	Wind	50
	Oil					Wind		
SAPPHIRE	Wind	50	Metro	Wind	50	Sachal	Wind	50
						Wind		
CHINIOT	Bagasse	62	Tapal	Wind	30	<b>TOTAL</b>		<b>995</b>
<b>TOTAL</b>		<b>717</b>	Master	Wind	50			
			Tenaga	Wind	50			
			Gul Ahmed	Wind	50			
			Chashnupp-III	Nuclear	340			
			<b>TOTAL</b>		<b>919</b>			

Source: Ministry of Water and Power

### 3-War against extremism

- The government showed a rare commitment and courage to deal with terrorism and religious extremism, which no previous government had the spunk or the will to

undertake. Operation Zarb-e-Azb, National Action Plan, operation rad ulfasad and targeted operation in Karachi are some of the enviable outcomes of the policy of national consensus and reconciliation dedicatedly pursued by the government.

- Consequent upon the successful implementation of these initiatives the back of the terrorists has been broken and their entire infrastructure in North Waziristan dismantled. Terrorists, their supporters and sleeping cells throughout the country have been effectively neutralised. Karachi is fast returning to normalcy as a result of the target operation by the Rangers and the federal government and the military leadership are determined to take it to its logical conclusion, notwithstanding sporadic hiccups.
- The insurgency in Balochistan has been contained and prospects of reconciliation with the estranged and exiled Baloch leaders look very encouraging.

#### **4-Diplomatic achievements**

Pakistan's 'monumental' foreign policy achievements over the past four years.

- CPEC
- Pak-China ties
- Casa-1000 power project
- Tapi gas pipeline
- Restoration of air links with C. Asian countries
- Shanghai Cooperation Organisation membership
- Resumption of dialogue with US
- Deeper economic links to EU, Russia
- Exporting labour to Middle Eastern countries

## 5-Roads and Highways:

- In NHA sector work was in progress on **13 motorway projects** and in the next three years the road landscape in the country would be transformed at a cost of **Rs850 billion**.
- In 2013 the length of motorway in the country was **580km**, and by 2018 it would be extended to **1800km**
- Under the CPEC Khunjerab was being connected to Gwadar. Gwadar-Sohrab 650 km-long road would be completed this year.
- Lowari Tunnel would be completed by first quarter of 2017 and the **10km long** tunnel would link Chitral to the rest of the country.
- After completion there would be complete North-South Motorway link. The NHA would also strengthen East-West connectivity through Balochistan and extend across all provinces including the Gilgit-Baltistan.
- The Western route of CPEC had been bifurcated into six sections. **Work on 200km** Gwadar-Hoshab section had been completed.
- While Sohrab-Hoshab section was **450km**. Work on Zhob-Mughalkot-DI Khan section had also been launched.

## 6-Education Reforms

- The government was establishing new public universities, upgrading the private universities as well as improving relations with foreign varsities, while Higher Education Commission (HEC) initiated various Ph.D. and other scholarship programmes to enhance quality of education in Pakistan.

- The PML (N) is committed to increase the budgetary allocation for education to 4% of GDP by 2018 (as per UNESCO target) as against the dismally low 2.6% of GDP spent on education by successive governments. In consultation with the provinces it is working on initiating a legislation to provide a roadmap for achieving 80% enrolment up to the middle level and 80% universal literacy.
- There are also plans to reform the curricula and upgrading the existing educational institutions. Setting up of Danish schools in Punjab, institution of Education Endowment Funds in all the provinces, award of scholarships to needy students for higher education are indicative of the commitment of the government to bring a revolution in education sector in the country.
- **As part of prime minister's educational reforms scheme 422 schools of Islamabad are being revamped. The project is spear-headed by Maryam Nawaz**, a lady known for her impeccable knack for excellence and commitment to the cause of education. She has already accomplished the revamping 22 schools in Islamabad in a short span of time and the work on rest of schools is likely to be completed by the end of the year.
- Focus on education was part of the manifesto of Pakistan Muslim League-(N) and emphasized that an improved educational curriculum was vital to help the young generation, excel and make the country proud.
- Despite facing numerous challenges, Pakistan is giving high priority to education and plans to increase public spending in the sector to 4 per cent of GDP by 2018 and Maximum resources would be diverted to provide upgraded educational and health facilities to the people across the country.
- The government has provided more than Rs820 million for the provision of facilities in educational institutions. Concrete steps had been taken for improving the educational standard. New blocks had been built in schools and colleges and furniture had been provided.

- Prime Minister, Muhammad Nawaz Sharif has already started work on higher and basic education. It's Prime Minister's effort that Pakistan has established 'US-Pakistan Knowledge Corridor'. According to this program, nineteen existing university partnerships between U.S. and Pakistani institutions and the highest-funded Fulbright Scholarship Program in the world along with that three University Centers for Advance Studies in agriculture, energy and water research were set up.
- PML-N government has made record investment in education sector for the first time in the history of country. The government has made unprecedented development work in education, health, transport and other sectors.

## 7-Youth Development

- For the reduction of unemployment, PML N government has also announced **Micro Interest Free Loans Scheme, which focuses on those segments of society who are financially weak.** In these schemes are **Small Business Loans, Youth Training Scheme, Youth Skill Development Scheme, Fee Payment for under privileged Areas and PM Scheme for Provision of Laptops** also has been included.

## 8-National Health Programme

- Prime Minister Nawaz Sharif launched the country first ever National Health Programme, to provide healthcare and medical treatment to the poorest segment of society on 31 December 2015.
- The programme initially is started in 15 districts of the country in the first phase. Rs 9 billion have been allocated to the program, which will benefit every citizen with less than Rs 200 daily earning.
- The prime minister approved this programme in June last year. A provision of Rs 1 billion was included in the budget for launching the scheme on a pilot basis which will then be replicated in a large number of districts.

- Prime Minister's National Health Programme is a step forward towards making Pakistan a real welfare state, which, aimed at providing quality healthcare.

## **9-Information and Culture**

- The federal government is preparing a bill for the protection and welfare of journalists in the country. Draft of the bill, titled Journalist Welfare and Protection Bill-2017, has been sent to various press clubs and media outlets seeking recommendations for improvement.
- The fight against terrorism needed to be supplemented by an ideological counter-narrative to challenge the narrative of skewed mindset and the enemies of the country.
- Pakistan had a very vibrant and thriving film industry in the sixties and seventies, which not only provided entertainment to the masses but also played a significant role in cementing national integration and unity.
- On the directives of Prime Minister Nawaz Sharif the government was planning to revive the film industry by formulating the first ever film production and broadcast policy in consultation with all the stakeholders.
- The culture, national heritage, languages and artists were the real identity of Pakistan and the time had come to promote them for countering the narrative of the terrorists.
- During past three decades, the image of the country was badly tarnished due to terrorism. Revival of national narrative was being done with the support of all the stakeholders.
- However, during the last four years, under the leadership of Prime Minister Nawaz Sharif, steps had been taken with the help of provincial governments for the revival of films, culture and sports activities in the country.

- The government had decided to dedicate one of the PTV channels for the children to air educative, curricula related and entertainment programmes for them, which were missing from the television screens during the last few decades.
- On the special directive of Prime Minister Nawaz Sharif, the government was planning to launch a dedicated television channel for coverage of parliamentary proceedings.