# Budget Analyses

## Performance of Government in outgoing year 2024-25

## &

## Budget for the fiscal year 2025-26


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# 1. Budget at Glance (2025-26)

## At Glance
## Federal Budget 2025-26

(Rs. in Billion)

| RESOURCES | | EXPENDITURE | |
|---|---|---|---|
| **Revenue Receipts** | | **Revenue Expenditure** | |
| **Tax Revenue (FBR) - Federal (i+ii)** | **14,131** | **Current Expenditure** | **16,286** |
| I Direct Tax: Income | 6,902 | I Defense Services | 2,550 |
| : Income tax | 6,811 | II Mark-Up | 8,207 |
| : Workers' Fund & Participation profit | 74 | : Foreign Debts | 1,009 |
| : CVT | 17 | : Domestic Debts | 7,197 |
| ii Indirect Tax: Custom duties | 7,229 | | |
| : Custom duties | 1,588 | III Grants | 1,928 |
| : Sales Tax | 4,753 | : Provincial (S+KPK+B)(52+80+18) | 150 |
| : FED | 888 | : Others(Con Libilites +PR+ Others | 1,778 |
| | | VI Emergency & Other reserves | 389 |
| III Non-Tax Revenue | 5,147 | V Subsidies | 1,186 |
| : Levies & Fee-Cell Phone & ITC Adn) | 30 | VI Govt. Running Expenses (Admin) | 971 |
| : Income from Property & Entp | 519 | VII Pension | 1,055 |
| : Rgulator /Admin(SBP,Law & Oder, C/S | 2,450 | | |
| :P.Levy,Gas,F.grants, ES, Royalty,GIDC, | 2,148 | | |
| a) Gross Revenue Receipts | 19,278 | | |
| b) Less Provincial Share<br>(P+S+KPK+B) = (4076+2044+1343+743) | (8,206) | | |
| **I. Net Revenue Receipts (a-b)** | **11,072** | **Total Revenue Expenditure** | **16,286** |
| **Capital Receipts** | | **Capital Expenditure** | |
| II. Recovery of loans & Adv (Provinces, PSEs, Net lending & Others.) | 603 | Development (PSDP) - Minintries, divisions, departments, corporation &relief | 683 |
| III. Public Debts:<br>Permanent Debts ( PIB, Ijara, Sukuk, F.Currency Certificates, Prize bonds etc) | 1254 | NHA( Infrastrcture) | 227 |
| IV. Floating Debt: P.Bond, T.Bill, Bai-Ijara | 1410 | Power Division | 90 |
| V. Public Account (Net) -Non banking borrowings (NSS s 7 Others) | 3,042 | | |
| External Sources- Foreign Loans Net (5,776-5,472)-199.8 | 105 | | |
| Privatization | 87 | Net Lending | 287 |
| Net Capital Receipts | 6,501 | Total Capital Expenditure | 1287 |
| **TOTAL RESOURCES** | **17,573** | **TOTAL EXPENDITURE** | **17,573** |

**Mazhar Mahmood F-937** **Mazhar Mahmood & Co - Rawalpindi**

## Management of Fiscal Deficit

(Rs. in Billion)

| Fiscal Deficit | | Financing | |
|---|---|---|---|
| A) Federal Revenue (Net) | 11,072 | A) Net External Financing( I +ii) | 106 |
| i) Current Expenditure ( Budget) | (16,286) | | |
| ii) Development and Net | (1,287) | | |
| | | Commercial Sources / Euro Bond | |
| | | B) Total internal Resources | 6,395 |
| | | I) Non Bank Barrowings<br>(Nan Banking &Others) | 3,147 |
| | | ii) Bank Barrowing : Permanent<br>( T.Bills, PIBs, Sukuk) | 1,254 |
| | | ii) Bank Barrowing : Floating<br>( T.Bills, PIBs, Sukuk) | 1,410 |
| | | iii) Privatization Proceeds | 87 |
| | | IV) Net Lending | 287 |
| | | V) National Seving Scheems | 210 |
| C) Federal Deficit | (6,501) | Total Financing | 6,501 |

**Performance of Government to stabilize the economy during 2024-25**

## 2. Preamble

Pakistan was just at the verge of default, when PDM government took over, with $19 billion CAD and SBP reserves only $2 billion ($6b with private banks + $ 3 billion each of UAE, KSA & China+ $2 billion with SBP). Few of the other major killers of economy, the then, were including exchange rate Rs 290, Fiscal deficit Rs, 5,600 b in (2021-22), inflation as high as 36%, loan 88% of GDP, interest payment, almost, half of budget ie 9.775 trillion in 2024-25 while it was only in 1.18 trillion in 2018-19, IMF held up due trench of loan, V- curve growth rate of 5.8 %, below poverty line 53% of population and loan surged from Rs.24,000 to Rs. 44,000 b etc.

Current government, during both phases, very smartly manage the most vernalable macroeconomic indicators including import to avoid import led growth, increase policy rate to slow down the V-cover growth & inflation, increased utility prices to feed budget requirements and arranged the loan to repay long term obligations in term of loan and bonds to avoid default. The major achievements in their credit are given as under;

- **Inflation:** Down from 29% in 2023 to **4.6%** in FY25 as against target of 12%
- **Policy Rate:** Policy slashed from 22% to **11%**.
- **Growth Rate:** Increased **2.68%**, from **2.51%** in FY24, yet below the target of 3.6% target.
- **Primary Surplus**: Achieved roughly **3% of GDP** (July–March), improving from ~1.5% last year.
- **Forex Reserves**: Increased from USD 9.2 billion (June 2024) to **$10.0 billion** by April this
- **Current Account**: Turned from a $ 200 million deficit in FY24 to a $ 1.9 billion Surplus**.**
- **Fiscal deficit**: Reduced from 8% to 3.9 %.
- **Debit:** Reduced from 68% to 65% of GDP**.**
- **Agricultural Growth**: Mild growth **+0.56%**, with livestock (+4.7%) - the major driver.
- **Services & Construction**: Services sector grew over 2%, real estate and construction around +3%.
- **Per Capita Income**: Rose from US $1,662 to $1,824, a 9.7% increase.
- **Industrial sector**: showed a robust recovery, with 4.77 percent growth from -1.4%

In FY25, Pakistan's economy demonstrated notable resilience, stabilizing amidst challenging global conditions and domestic pressures. The economic Survey of Pakistan 2024-25 shows that the period was marked by significant improvements in macroeconomic indicators, signaling cautious optimism for future growth prospects, though structural challenges persist. This FY 2015-26 will be growth budget with 4.2% target of GDP, inflation with 7.5% and fiscal deficit with 3.9% of GDP.

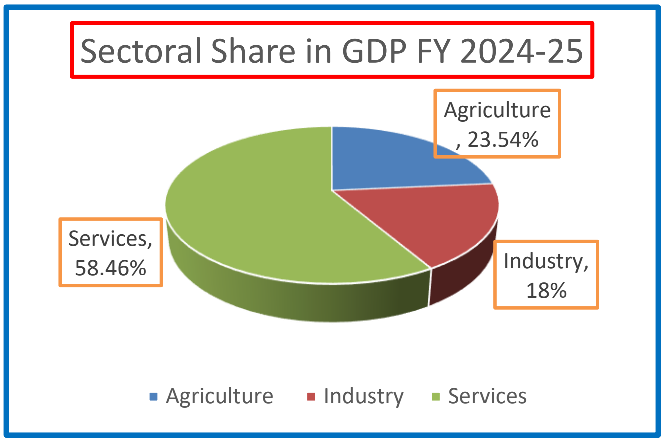
## 3. Agriculture Sector

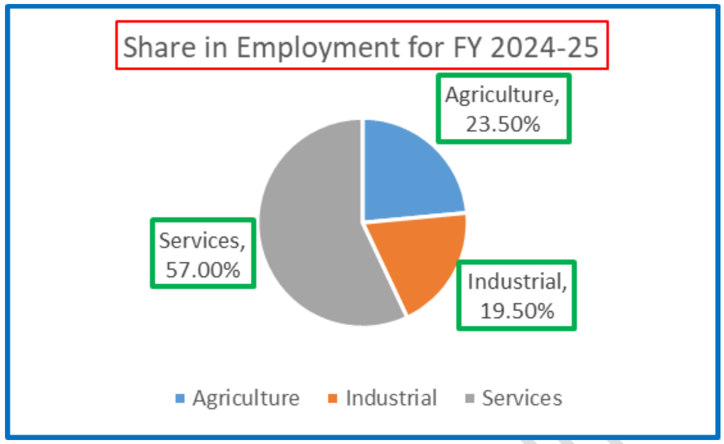
Agriculture sector is comprises of four subsectors called crops, live stock, forestry and fishery. Performance of all subsectors is club on certain formula to arrive at the overall performance of Agriculture sector. Pakistan’s agriculture sector continues to play a pivotal role in economic resilience and rural livelihood, contributing 23.5 % to GDP and employing over 37 % of the labour force. Despite climatic challenges during the current year, the agriculture sector has shown resilience, especially through sustained growth in livestock. In FY 2025, the sector recorded a nominal growth of 0.56 %, primarily led by a 4.72 %t rise in livestock, despite diverse challenges. Other major contributing sub-sectors include fisheries and forestry, which grew by 1.42 % and 3.03 %, respectively. As a result of weather-related adverse challenges, the crop sub-sector witnessed negative growth (-6.82 %). Similarly, important crops’ growth plummeted to -13.49 % from 17.09 % last year. However, better performance in other crops, with a growth of 4.78 percent, partially offset the decline in important crops, which highlighting the potential for diversification within the crop sector. Cotton ginning also faced significant challenges during FY 2025, resulting in a decline of 19.03 %t.

The agriculture sector expanded by **just 0.56%**, marking the **lowest growth in nine years**—a steep drop from **6.4%** in FY 2023–24**. Major crops** declined by roughly **13.5%**, significantly dragging down sector Specific commodity drops include:

| Segments | FY 2024–25 Growth | | |
|---|---|---|---|
| | Individual | Subsector | **Sectoral** |
| Agriculture Overall | | | **0.56%** |
| Major Crops | | –13.5% | |
| - Cotton | –30.7% | | |
| - Wheat | –8.9% | | |
| - Maize | –15.4% | | |
| - Sugarcane | –3.9% | | |
| - Rice | –1.4% | | |
| Other Crops | +4–16% | | |
| Livestock | | 4.72% | |
| Forestry | | 3.03% | |
| Fisheries | | 1.42% | |

Important crops declined by 13.49% due to reduced cultivation area and adverse weather conditions, significantly affecting cotton (-30.7%), wheat (-8.9%), sugarcane (-3.9%), maize (-15.4%), and rice (-1.4%). Cotton production was recorded at 7.08 million bales, sugarcane 84.24 million tonnes, wheat 28.98 million tonnes, and rice at 9.72 million tonnes.




Other crops grew by 4.78%, driven by robust performances in potato (11.5%), onion (15.9%), and mash (4.7%). Cotton ginning lost momentum, declining by 19.03% compared to the growth of 47.23% in the previous year.

The Economic Survey added that while Pakistan achieved overall macroeconomic stability, it missed the chance to fully harness agriculture's potential as a growth driver. Livestock and poultry prevented an outright collapse, but the stagnation in crop output remains troubling.

Bad performance of agriculture sector is attributed to rigorousness of weather, short of rainfall / water shortage and drop in area of cultivation.

4. **Food Security:** A shortfall in agricultural growth poses a serious threat to food security, particularly in vulnerable regions. Addressing it requires coordinated efforts across agricultural policy, economic planning, environmental management, and social safety nets. Per Capita wheat consumption in Pakatan is 134 Kg which very high. Total production of wheat is 28.98 million with 8.95 decline from 31million in FY 2024.
**Wheat availability per capita for Fy 2025-26**= 28.98/250 *1000 = 115.92 Kg per capita.
**Short fall per capita is 18.**08 Kg per capita.

There are number of FOLLOWING problems arises when there is short fall in staple commodities like wheat, rice, maize and sugarcane etc.

- **Direct impact:** Supply of particular commodity goes in trouble.
- **Prices of Commodity**: Shoots up in very short of time span.
- **Dependency on Import**: Surely import dependency will be increased and also inflation will further increase due to import duties and high price of imported commodity.
- **Government Political Capital**: Government face serious political consequences in next election if could manage the supply along with smoot supply chain.

- **Cobweb Theorem:** High price of today will induce the former to grow more. Under such impression, surplus production will reduce the prices unacceptable to the former.
- **Double dent to formers:** They will lose profit when production is low and, next year, high production under cobweb theory, prices will be plummeted automatically due to market forces (Demand & Supply).
- **Health issue**: Imported commodity may be not conducive with addiction of local inhabitant.
- **Miscellaneous**: There may be a long list of such issue related to imported commodities.

The government has allocated, for FY 2025-26, Rs. 4.25 billion for National Food Security and for different research projects under the department.

**Countries Most Vulnerable to Food Insecurity (2024–2025)**

**1. Sub-Saharan Africa**

- **Somalia** – Ongoing conflict, drought, famine risk
- **South Sudan** – Civil unrest, flooding, economic crisis
- **Ethiopia** – Drought in some regions; conflict in others (e.g., Tigray)
- **Sudan** – War, displacement, food production collapse
- **Chad** – Chronic food insecurity, poor infrastructure
- **Central African Republic (CAR)** – Conflict, displacement, low food access
- **Burkina Faso**, **Mali**, **Niger** – Violence, climate change, limited access to markets

**2. South Asia**

- **Afghanistan** – Economic collapse, drought, aid dependency
- **Pakistan** – Climate change (e.g., floods, heat), economic challenges, food price inflation
- **Bangladesh** – Vulnerable to floods and cyclones; pressure from refugee crisis

**3. Middle East & North Africa**

- **Yemen** – One of the world's worst food crises due to war and economic blockade
- **Syria** – Prolonged conflict, displacement, inflation
- **Lebanon** – Economic collapse, food inflation, loss of currency value
- **Palestinian Territories (Gaza & West Bank)** – Conflict-related disruptions

**4. Latin America & Caribbean**

- **Haiti** – Political instability, gang violence, food shortages
- **Venezuela** – Economic collapse, hyperinflation, food unaffordability
- **Guatemala**, **Honduras**, **El Salvador** – Climate-driven crop failures, poverty

**5. Asia-Pacific**

- **North Korea** – Chronic food shortages, isolation, poor harvests
- **Myanmar** – Conflict, displacement, economic instability

## 5. Government incentives for Agriculture Sector.

**Agriculture**

**1. Tax & subsidy support**

- **Kissan package**: Includes markup subsidies and risk-sharing for mechanisation—financing for tractors, harvesters, dryers, etc.—with ₨ 5 billion earmarked for FY 2024-25's scheme.

**2. Sales tax & tax holiday proposals**:

- **Input & Irrigation Incentive**: Suggested exemptions and holidays for agri-investments—especially in rural processing and formal dairy—to level the playing field with informal vendors and boost rural jobs Input management & irrigation initiatives

- **Land Information and Management System (LIMS)**: A GIS-based platform launched to boost farmer access to climate data, soil monitoring, water use guidance, and inputs distribution—backed by government and military partnership.

**3. Mixed fiscal stance**

- Some proposed budget moves have aimed to reduce fertilizer subsidies through tax hikes—e.g., doubling excise on fertilizers to 10%—but subsidies for tubewell irrigation and farm mechanisation remain in place, albeit declining

6. **Industrial Sector:** The industrial sector is one of the biggest sectors with too many dynamics. Basically, it has three subsectors called manufacturing, Construction and

utility. Manufacturing sector has 11 key subsectors, Construction 5 and Utility 3 further key subsectors. It is also known as the secondary sector, involves the transformation of raw materials into finished goods. Here is a list of **key subsectors** within the industrial sector:

| Industrial Sector Performance in 2024-25 | |
|---|---|
| **Subsectors** | **Growth Rate** |
| LSM - Large Scale Manufacturing | -1.50% |
| Textile Growth | 2.20% |
| Wearing & Apparels | 7.60% |
| Food | -0.50% |
| Coke & Petroleum Products | 4.50% |
| Chemical | -5.50% |
| Pharmaceutical | 2.30% |

- **Industrial Sector Growth (overall)**: The sector grew **4.77%** year-on-year in FY25, up from the contraction in the previous year.
- **Sectoral Contribution to GDP**: Manufacturing and mining together comprised **13.2%** of GDP. Within that, **Large-Scale Manufacturing (LSM)** accounted for 67.5% of total manufacturing, equivalent to about 8% of GDP.

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**Subsector Breakdown**

Industrial Sector Growth (overall): The sector grew 4.77% year-on-year in FY25, up from the contraction in the previous year**.**

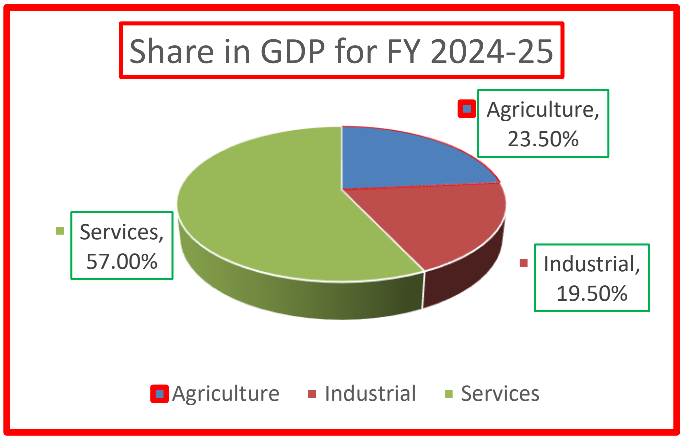
**Sectoral Contribution to GDP:** Manufacturing and mining together comprised 13.2% of GDP. Within that, Large-Scale Manufacturing (LSM) accounted for 67.5% of total manufacturing, equivalent to about 8% of GDP profit.pakistantoday.com.pk.

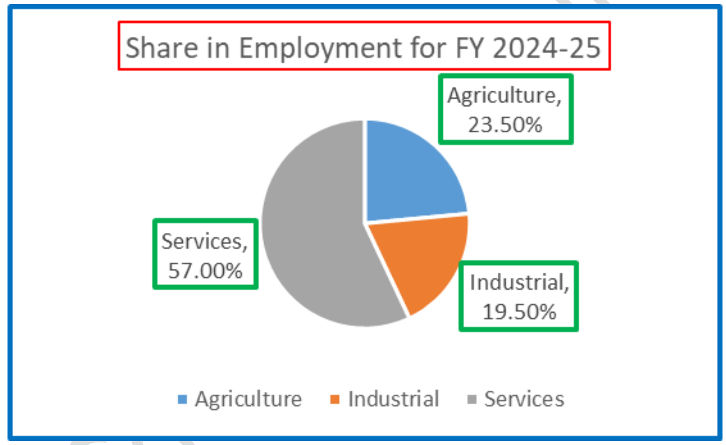
## 7. Breakdown by Sub-Sectors

- **Large-Scale Manufacturing (LSM):**
  Experienced a **contraction of about 1.5%**, troubled by rising costs and supply chain disruptions.
- **Small-Scale Manufacturing (SSM):** Recorded **robust growth**, with concepts such as slaughtering up 6.3% and other small-scale industries contributing strongly
- **Construction & Utilities (Electricity, Gas, Water):**
  - **Electricity, gas & water supply** rose sharply by about 28–29%.

- The **construction sector** grew roughly **6.6%**, adding significant weight.

- **Automotive Sector:** Remarkable **42% rebound** in auto production underscored a notable resurgence.
- **Cement Output:** This was an exception—declined by 7.2% despite broader industrial gains.




## 8. Government incentives to promote industrial sector.

**1. Industrial Energy Relief;** The government has **reduced electricity prices for the industrial sector by up to 31%**, easing one of the major cost burdens for manufacturers

**2. Tax & Regulatory Incentives;**

- **Corporate tax/super-tax**: Super-Tax rate slashed by 0.5 percent for companies with annual income of Rs 200–500 million.
- **Import duty relief**: Federal Excise Duty on commercial property transfers abolished—encouraging growth in industries tied to real estate and logistics.
- **Decreased withholding tax** rates on property purchases, supporting infrastructure expansion
- New **digital production tracking** introduced across cement, fertilizer, beverage, and textile sectors to streamline tax compliance and reduce underreporting.

**3. SME & Green-friendly Subsidies**

- **SME financing** supported via refinance and credit-guarantee schemes like "SME Asaan Finance" with mark-up subsidies.
- Continued **subsidies on import of urea fertilizer** and support for fertilizer plants—strengthening agro-industrial linkages.

- **Electric vehicle scheme subsidy** shows initial push toward EV adoption, potentially stimulating ancillary industries.

**4. Development Program Fund Allocation**

- A robust **Rs 1 trillion Public Sector Development Programme (PSDP)** fund includes allocations for industrial/public infrastructure critical for industrial expansion.
- Budget materials emphasize support to **industrial and agricultural sectors**, giving priority to SMEs

**5. Growth Projections & Macroeconomic Confidence**

- Industrial growth forecast at **4.3%** for FY 2025–26 (versus 4.77% growth in FY 2024–25), with manufacturing recovery creating optimism.
- The budget's focus on macro-stability, fiscal consolidation, and tax-base expansion creates a **confidence boost for investors.**

**6. Industry**

- **Industrial policy & export support:** Duty drawback scheme & Export Development Fund, designed to bolster exporters by reimbursing duties and levies; actively promoted under national industrial policy nipapeshawar.gov.pk.
- **Make in Pakistan initiative**: Offers incentives and supports development to reduce import dependence and build domestic capacity in heavy industries, textile, automotive, etc. medium.com.
- **Special Economic Zones (SEZs) & EPZs:** Gwadar SEZ: Offers 20–40-year tax holidays on income, sales, customs, and duties for zone-based investments pbc.org.
- **Economic zones under CPEC** (e.g., Bannu EZ): Provide infrastructure, subsidised land/utilities, and tax facilitation support.
- **EPZA & BOI**: The Export Processing Zones Authority and Board of Investment extend tax exemptions, customs relief, and facilitation services to attract investors.

**Conclusion**: Agriculture is back bone of our economy. But unfortunately, government has neglected the million hectors arable land of Pothowar. I have developed an economic model for Pothowar and expect the Government will pay attention to tap this big potential of this area. Model is attached for your consideration.

**9. Health & Nictitation**

Adequate health and nutrition are fundamental pillars for building a national human capital that facilitates achieving more productivity and helps reduce poverty and hunger. Pakistan has, also, made steady progress toward achieving SDG 3 — Good Health and Well- Being. The Government of Pakistan, under Article 38 of the constitution, is committed to ensuring the well-being of the people through a multifaceted strategy to improve healthcare access and reduce malnutrition. Significant progress has been made in Pakistan's health sector, including an increase in life expectancy and other indicators given in both the scheduled;

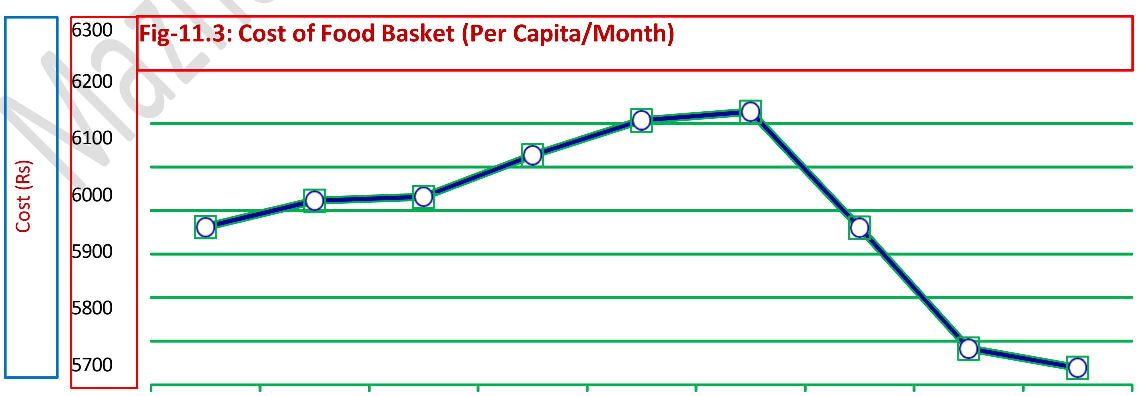
A-Comparison of indicators of two periods.

| Pakistan | | |
|---|---|---|
| **Indicators** | **2015** | **2023** |
| Life expectancy at birth (years) | 65.6 | 67.6 |
| Immunization, Measles (% of children ages (12-23) months) | 75 | 84 |
| Prevalence of HIV, Total (% of population ages 15-49) | 0.1 | 0.2* |
| Immunization DPT (%age of children under 12-23 months) | 72 | 86 |
| Incidence of Tuberculosis (per 100,000 people) | 278 | 277 |
| Maternal mortality ratio (per 100,000 births) as per PDSH/PMMS | 276(2007) | 186(2019) |
| Neonatal Mortality rate (per 1000 live births) | 45.3 | 37.6 |
| Mortality rate, Infant (per 1000 live births) | 64.1 | 50.1 |

See the comparison of South Asia which reveals that still Pakistan is lagged behind the average South Asian countries in heath related issues though it has made tremendous progress from 2015 to 2024.

| Comparison with South Asia with Pakistan | | |
|---|---|---|
| **Indicators** | **South Asia** | **Pakistan** |
| Life expectancy at birth (years) | 71.6 | 67.6 |
| Maternal mortality ratio (per 100,000 births)* | 120 | 186 (2019) |
| Birth rate (Crude) per 1000 people | 18.4 | 27.8 |
| Mortality rate, Infant (per 1000 live births) | 30.2 | 51 |
| Prevalence of HIV (total %age of population 15-49 years of age) | 0.19 | 0.2 |

Self-Explanatory graph for food basket.



Following are initiatives taken by the Government to improve health and nutrition during FY 2024-25:

1. National Action Plan for Health Security (NAPHS 2024-28): As a signatory to the International Health Regulations (IHR 2005), Pakistan is committed to enhancing its core public health capacities to prevent, detect, and respond to potential health emergencies and threats. Despite Pakistan's commitment expressed during the COVID-19 pandemic, the country has struggled to meet the required IHR core capacities, posing risks not only to public health but also to trade, travel, and economic stability. NAPHS (2024-28) has been developed based on the findings and recommendations of the Joint External Evaluation (JEE 2023).
2. Prime Minister’s National Programme for Elimination of Hepatitis C Infection: The Prime Minister’s National Programme for the Elimination of Hepatitis C Infection (2024- 27) is a comprehensive initiative to address this public health challenge. The program me aims to screen, test, and treat 50 percent of the eligible population (aged 12 years and above) and provide free access to antiviral medicines. The Programme utilizes WHO pre-qualified rapid diagnostic testing (RDT) kits for screening, PCR tests for confirmation, and effective antiviral treatment. The PC-1, with a duration from July 2024 to June 2027 (3 years), amounting to Rs 67.77 billion, was approved by the ECNEC, with a shared funding ratio of 51:49 between the Federal and Provincial Governments. This initiative is expected to enhance public health, reduce long-term healthcare expenditures, and improve economic productivity, aligning with Pakistan’s Sustainable Development Goals (SDGs) and WHO’s global elimination targets.

3. Prime Minister National Programme for prevention and control of Diabetes: Diabetes has also emerged as a critical public health challenge in Pakistan, with prevalence rates rising at an alarming pace. According to the International Diabetes Federation (IDF) Diabetes Atlas 2021, the overall prevalence of diabetes among adults in Pakistan stands at 26.7 percent, affecting approximately 32.9 million individuals. Of these, 22 percent have previously been diagnosed, while 4.7 percent represent newly identified cases. The prevalence is notably higher in urban areas (28.8 percent) than in rural regions (25.3 percent), underscoring disparities in lifestyle and healthcare access. In response, the government has introduced the Programme for the Prevention and Control of Diabetes under the PSDP 2024-25.
4. Pakistan Deworming Initiative (PDI): Pakistan Deworming Initiative (PDI) was launched in 2018 by the Ministry of Planning, Development and Special Initiatives (M/o PD&SI). PDI established a robust multi-sectoral governance structure to support its efforts, bringing together federal and provincial health, education, planning, and local government stakeholders. This structure informs strategic and technical decision-making and oversees the implementation of mass drug administration (MDA) rounds.

The program primarily works through a school-based model in all areas. Still, in some districts, there is a hybrid model in collaboration with health workers, with Sindh being the only province where the program is solely executed through health workers.

5. Common Management Unit (CMU) for AIDS, TB & Malaria (ATM): The current governance arrangement of the Global Fund to manage AIDS, Tuberculosis, and Malaria, i.e., GFATM support to Pakistan, similar to other countries that receive GFATM's support, comprises the Country Coordinating Mechanisms, Common Management Unit, Principal and Sub-Recipients, and Local Fund Agent. In Pakistan, the coordination mechanism has representation from the federal and provincial governments, the private sector, non- government organizations, and persons living with the disease as voting members, with the federal secretary of health as the chair, representing the Government of Pakistan. The following are the primary measures and initiatives taken by the CMU regarding control and prevention of Malaria, TB, and HIV/AIDS:

6. Expanded Programme on Immunization (EPI): The Government of Pakistan has been providing free immunization services against vaccine- preventable diseases since 1978. At present, vaccination against Childhood Tuberculosis, Poliomyelitis, Diphtheria, Pertussis, Hepatitis B, Streptococcal Meningitis, Haemophiles Influenza type b (Hib), Tetanus, Measles, Rubella, and Typhoid is being provided under the Expanded Programme on Immunization. The programme targets almost 6.8 million children nationwide and approximately the same number of pregnant women against Tetanus in one year. Over time, a number of new vaccines, e.g., Hepatitis B, Haemophiles Influenzae type b (Hib), Pneumococcal Conjugated Vaccine (PCV), Inactivated Polio vaccine (IPV), Rotavirus vaccine, Typhoid Conjugated Vaccine (TCV), and Rubella, were introduced. EPI plans to introduce Human Papillomavirus (HPV) in a phased manner from 2025 to 2027.

7. Cancer treatment: Pakistan Atomic Energy Commission (PAEC) supports the peaceful, safe, and secure application of nuclear science and technology for sustainable socioeconomic development. It is the pioneer in using radiation in the health sector and has made significant contributions to the management, prevention, and control of cancer and other non-communicable diseases in Pakistan.

8. Capacity building and Specialized Trainings for Health Sector preparedness and response during disasters: The National Disaster Management Authority (NDMA) took various measures to avoid humanitarian crises during disasters. The following are capacity-building and training programs conducted to respond to the health issues immediately during disasters. Gender and Child Cell (GCC) in NDMA facilitated two key Minimum Initial Service Package (MISP) training sessions to bolster emergency reproductive health service delivery. From 29th - 31st July 2024, a national training was conducted in Islamabad, with 28 participants from governmental and non-governmental organizations across Azad Jammu & Kashmir (AJK), Khyber Pakhtunkhwa (KP), and Islamabad. The training equipped program managers and policymakers with

tools to prioritize Reproductive Health and Gender-Based Violence (GBV) advocacy, particularly in climate-induced disaster scenarios. The second MISP training, held in Gilgit Baltistan from 25th to 27th September 2024, focused on strengthening frontline responders' capacities to address reproductive health needs during emergencies.

9. Uraan Pakistan: The government has undertaken various initiatives at the federal and provincial levels to address malnutrition holistically. Nutrition is a key development priority in the URAAN Pakistan Economic Transformation Plan, the 13th Five-Year Plan, Annual Plan, and the 5Es and 4RFs Frameworks. Interventions are increasingly designed to be nutrition-sensitive, ensuring that policies and programs across sectors contribute meaningfully to improving nutrition outcomes.

## 10. Nutrition:

Due to some incentives in FY 2024-25 in this regard, the nutrition position improved through increased in per capita intake.

| Food Availability per Capita per Annum | | | |
|---|---|---|---|
| **Food Items** | **2022-23** | **2023-24** | **2025(Projected** |
| Cereals | 151.94 | 163.11 | 170.47 |
| Pulses | 6.87 | 5.88 | 6.12 |
| Milk (liter) | 163.79 | 164.73 | 165.8 |
| Meat | 22.79 | 23.12 | 24.17 |
| Fish | 2.55 | 2.55 | 2.36 |
| Eggs (dozen) | 8.22 | 8.48 | 8.76 |
| Edible Oil/ Ghee | 13.97 | 12.96 | 13.05 |
| Fruits & Vegetables | 60.3 | 65.32 | 59.81 |
| Sugar | 27.65 | 27.91 | 27.77 |
| Calories/day | **2585.83** | **2658.84** | **2719.69** |
| E: Estimated on the basis of previous trend | | | |

## 11. Major Health Initiatives & Incentives in FY 2025-26

1. Prime Minister's National Programmes - Continued

- Hepatitis C Elimination: Rs.5 billion allocated in FY25 for the federal share of the ambitious Hepatitis C elimination drive (total estimated at Rs.70.84 billion over five years, shared equally with provinces.
- Diabetes Prevention: Rs.2 billion dedicated to the National Diabetes Prevention Programme, aimed at diagnostics, awareness, medicines, and training.

2. Public Sector Development Programme (PSDP)

Under the PSDP 2024 25, the government earmarked Rs.27 billion to the health ministry—this includes:

- Rs.7.13 billion for ongoing schemes and Rs.19.87 billion for new initiatives
- Key expenditures include:
    - o Rs.3 billion for stroke treatment expansion and critical care at PIMS

- Rs.2.05 billion for cancer hospital equipment in Islamabad
- Rs.1.5 billion to enhance cardiology and other services at FGPC Islamabad
- Rs.0.55 billion to roll out Phase II of the Sehat Sahulat Programme
- Rs.0.8 billion for a 200 bed A&E facility at PIMS
- Rs.0.307 billion for upgraded electro-medical equipment.

3. Sehat Sahulat Programme.

- Rs.550 million (in addition to the above) allocated to Phase II of the national health insurance scheme, aiming to expand coverage to low-income households .

4. Special Infrastructure Projects

- Rs.1.06 billion specifically for establishing a Cancer Hospital in Islamabad.
- Rs.609.65 million allocated for upgrading radiology at Shaikh Zayed Hospital, Lahore

5. R&D & Pharma Sector Support

- The 2024 25 budget introduced tax incentives for pharmaceutical companies investing in R&D, and streamlined regulatory approvals for new drugs—meant to boost innovation and enhance Pakistan's export potential.
- The federal budget prioritised disease control, especially Hepatitis C and diabetes, combining preventive measures with large-scale investment.
- Emphasis on infrastructure upgrades (cancer hospitals, emergency facilities, cardiology services).
- Strengthening universal health coverage via Sehat Sahulat Phase II.
- Boosting the pharmaceutical ecosystem through R&D tax breaks and faster drug approvals.

## 12. Critical Analyses of Health & Nutrition Sector in Pakistan.

1. Policy and Governance Issues

- Fragmented programs: Poor coordination between health and nutrition services.
- Underfunding: Insufficient budgets allocated to public health and nutrition programs.
- Monitoring gaps: Weak data systems for tracking nutritional outcomes and healthcare quality.
- Administrative Problems.

2. Government Focus three-chapter cities.

All the political governments, present or past, focused on three chapters cities. All mega hospitals, research centres and medical colleges and medical universities are concentrated in these three-chapter cities (Karachi, Lahore & Islamabad) while creating the following problems;

- Patients all over the countries are constrained to travel these cities for medical facilities. These hospitals have been botanized extraordinary.
- Second tier cities would have been utilized to accommodate the patients from small towns in vicinities had the government launched mega hospitals and colleges there.
- Urban-rural divide: Rural areas often lack access to quality healthcare and nutrition services as compared to three-chapter cities.
- Economic disparity: Low-income populations cannot afford nutritious food or healthcare.
- Marginalized groups: Women, children, indigenous populations, and the elderly often face neglect in services and support in mega cities.

3. Malnutrition

- Undernutrition: Includes stunting, wasting, and micronutrient deficiencies, particularly in children.
- Overnutrition: Rising obesity and non-communicable diseases due to poor diets, especially in urban areas.
- Hidden hunger: Micronutrient deficiencies that are not always visible but severely impact health and development.

4. Poor Health Infrastructure

- Inadequate facilities: Especially in low-income and remote regions.
- Shortage of professionals: Lack of trained doctors, nutritionists, and health workers.
- Weak supply chains: Disruptions in delivery of essential medicines and fortified foods.

4 Low Public Awareness and Education

- Nutrition ignorance: Lack of understanding about balanced diets, breastfeeding, and food safety.
- Cultural practices: Dietary taboos or preferences that hinder proper nutrition.
- Health misinformation: Spread of myths, especially online, affecting public choices.

5 Food System Challenges

- Unhealthy food environments: Prevalence of ultra-processed, high-calorie, low-nutrient foods.
- Agricultural focus: Often prioritizes yield over nutritional quality.
- Climate change: Impacts food security and nutrient quality of crop

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7. Emergency and Humanitarian Crises

- Conflict zones: Disrupt food systems and healthcare services.
- Displacement: Refugees and internally displaced people often suffer extreme nutritional deficiencies.
- Pandemics: Like COVID-19, which disrupted food supply chains and health services globally.

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**XXXXXXXXXXXXXXXXXXXX The End XXXXXXXXXXXXXXXXXXXX**