

Transport and Communication

Transportation network of any country is of vital importance to its development and affects all sectors through economic linkages. It ensures safe and timely travel, encourages business activities and cuts down transportation costs while granting producers access to markets for their goods. A reliable transportation network also provides swift access to labor force and hence generates employment opportunities. It has been widely recognized that economies with better road and communication networks are positioned more advantageously in terms of overall competitiveness as compared to economies having poor networks. Enhancements in transportation and telecommunication benefit industry, agriculture, and the services sectors as well as improving the standard of living of the general public, it is therefore, crucial that investments be made to develop and maintain an efficient network of transportation and telecommunication to ensure cost efficient integration of markets both domestically and internationally.

An efficient transportation network provides safe and environmentally sustainable services in a manner that encompasses road, rail, aviation, and freight effectively so as to provide the maximum benefit to the public as well as both producers and consumers. Urban transportation is also a key component of a transportation network but is sometimes overlooked in many developing countries. A reliable, well-maintained, and least costly urban network is essential in getting the

masses to work and acts as a significant tool in fight against poverty.

I. Road Transport:

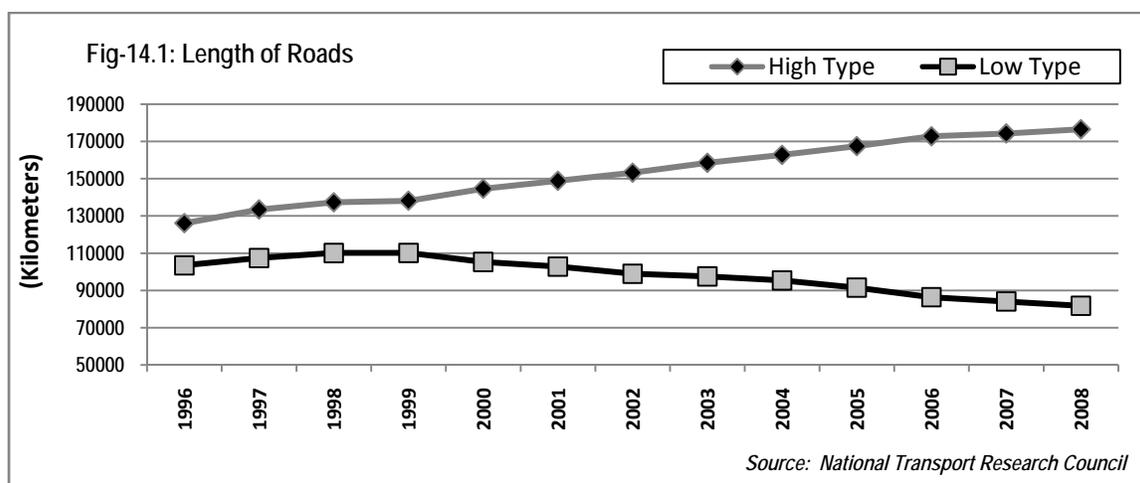
i. Road Network

Pakistan has a road network covering 258,350 kilometers including 176,589 KM of high type roads and 81,761 KM of low type roads. Total roads, which were 229,595 Km in 1996-97, increased to 258,350 Km by 2008-09 indicating an increase of 12.5 percent. During the out-going fiscal year, the length of the high type road network increased by 1.3 percent but the length of the low type road network declined by 2.7 percent because most of low typed roads have been converted to high type roads. A sizable and consistent improvement of the high type road network can be observed during 2001-2009, where the network grew at an average rate of 3.3 percent. The continuous improvement and rehabilitation of the existing roads reflects the government's enhanced focus on infrastructure. As a result of an emphasis on high type roads, many low typed roads were converted to high typed roads during 2001-2009. There are many ways by which availability of improved and wide spread modern road networks can facilitate for enhancing economic activity e.g., alleviate poverty by providing access to far flung rural areas, create more jobs by supporting economic activity along the road network and provide numerous small-scale investment opportunities. The annual growth

of roads in Pakistan since 1996-97 is given in Table 14.1 and Fig-14.1

Fiscal Year	High Type		Low Type #		Total	
	Length	% Change	Length	% Change	Length	% Change
1996-97	126,117	6.5	103,478	3.6	229,595	5.2
1997-98	133,462	5.8	107,423	3.8	240,885	4.9
1998-99	137,352	2.9	110,132	2.5	247,484	2.7
1999-00	138,200	0.6	110,140	0	248,340	0.3
2000-01	144,652	4.7	105,320	-4.4	249,972	0.7
2001-02	148,877	2.9	102,784	-2.4	251,661	0.7
2002-03	153,255	2.9	98,943	-3.7	252,168	0.2
2003-04	158,543	3.5	97,527	-1.4	256,070	1.5
2004-05	162,841	2.7	95,373	-2.2	258,214	0.8
2005-06	167,530	2.9	91,491	-4.1	259,021	0.3
2006-07	172,891	3.2	88,930	-2.8	261,821	1.1
2007-08	174,320	0.8	84,030	-5.5	258,350	-1.3
2008-09*	176,589	1.3	81,761	-2.7	258,350	0

***Estimated**
The percentage change in low type roads can be negative since most of these roads are being converted to high type roads.



a). National Highway Authority (NHA)

NHA is responsible for development, operation, maintenance and preservation of the national highway network. NHA has to secure delivery of efficient, reliable, safe and environment friendly national highway network with a view to improve quality of life in Pakistan. NHA network plays a major role in reducing transportation costs and increasing access to markets for local produce and products.

The NHA looks after nearly all of Pakistan's major Inter-provincial road links called the national highways. National Highway represents main transport corridors linking ports to major population centers and to neighboring/regional countries viz Afghanistan, China, Iran and India. National Highway takes 80 percent of the traffic load presently comprising 33 national highways, motorways, expressways, strategic roads. The length of this network which was 6564 km i.e in 1991 when NHA was created.

The current length stands at 11856 km detailed in Table 14.2-A and 14.2-B below:-

14.2-A. Description		No.	Km
i.	National Highways	20	9280
ii.	Motorways	7	1930
iii.	Expressways	3	384
iv.	Strategic Roads	3	262
Total		33	11856

Table-14.2-B: Province wise break-up of this network is given below:-

	Province	Km	%age
i.	Punjab	2659	22
ii.	Sindh	1975	17
iii.	NWFP	1651	14
iv.	Balochistan	4629	39
v.	NAs/AK	942	8
Total		11856	100

Source: National Highway Authority

The network also includes more than 5000 bridges, interchanges & flyovers and about 15000 culverts. Around 75 percent of NHA network is 2-lane, 20 percent is 4-lane & 5 percent is 6-lane. Substantial portion of this network has reached or reaching its capacity and will be excessively overburdened within the next 5 years. NHA is currently meeting maintenance costs primarily through toll and some maintenance grant by the Government. Development of the network is entirely through external financing. Maintenance cost is increasing, whereas toll rates were kept at the level of 1999 till October 2008, therefore lack of funds creating substantial maintenance backlog. Funds for development of NHA network are allocated by Government of Pakistan through the Public Sector Development Program (PSDP). Since its creation NHA's network and funds allocated by the Government through PSDP has been given in Table-14.3.

Keeping in view socio-economic requirements of the country and with the aim of integrating various regions with main national highway arteries, the Government of Pakistan is augmenting NHA network regularly through

federalization of various provincial links and construction of new links.

Table-14.3: Allocation of Funds for Road Net Works Under PSDP

Year	Network (Km)	PSDP (Rs.in million)
1991	6564	5152
1994	6564	6000
2001	8690	10900
2005	9518	20000
2006	10849	31000
8-Jul	11485	29000
9-Aug	11856	36500

Source: National Highway Authority

Operation & Maintenance (O&M)

NHA is emphasizing preservation of the existing highway infrastructure/ safety. The endeavor is to operate & maintain the network in worthy and safe condition at optimum expenses, ensuring user's satisfaction. The network is, however, burdened by immense traffic and is insufficient to meet the growing needs. Since road Operation & Maintenance (O&M) activities are dependent on toll special attention is being given to enhance the efficiency of tolling system and revenue management through installation of Electronic Toll and Traffic Management (ETTM) Systems under a phased program. NHA's current annual maintenance need is close to Rs.16 billion, whereas, resources available for financial year 2008-09 was less than Rs.11 billion (primarily toll). Because of this factor and depletion in purchase value of rupee due to abnormal price hike/inflation, it is apprehended that maintenance backlog of more than Rs.84 billion would be created during the next seven years if NHA's maintenance resources are not augmented. To partly bridge the gap in maintenance need vs. resources, NHA recently rationalized toll rates on different highways through 20 percent increase in toll for trucks, 25 percent for busses and 50 percent for cars. However, the road user would benefit more through improvement in condition of the road network and reduction in overall vehicle operating cost. The rationalization of rates will enhance NHA's

revenue by around Rs. 1800 million in financial years 2009-10.

A total of 98 toll plazas are currently approved for the NHA network, out of which 84 are operational. The responsibility for Operation & Management (O&M) of most of these toll plazas was entrusted to Frontier Works Organization (FWO) National Logistic Cell (NLC). However, NHA has commenced privatization of toll O&M through open competition. The 26 toll plazas vacated by

FWO/NLC are being handed over to private toll operators on guaranteed revenue basis. It is anticipated that this measure will add NHA's toll revenue to the tune of Rs. 543 million during financial year 2009-10.

Annual Maintenance Plan:

The O&M of NHA network is carried out systematically through annual maintenance plan. The maintenance expenditures have been categorized in the following Box.

Category of Maintenance		2007-08		2008-09		2009-10	
		Km	Rs in M	Km	Rs in M	Km	Rs in M
a.	Rehabilitation	114	1417	230	3019	229	3884
b.	Structural Overlay	287	1638	163	1514	219	1506
c.	Functional Overlay	514	1676	585	1925	396	1973
d.	Routine	8183	810	7604	1366	7362	1190
e.	Highway Safety	--	410	--	670	--	650
Total		9098	5951	8582	8494	8206	9203

Initiatives and Future Plans:

- ▶ NHA plans to launch a Motorway advisory Radio (MAR) system during financial year 2009-10 under the Public-Private Partnership. The MAR system will benefit the road users and will ultimately be extended to the national highways. This will provide updated information regarding fog/low visibility of areas & suggest precautionary measures traffic congestion and incidents/accident information accordingly.
- ▶ Government of Pakistan recognizes transport infrastructure as a prerequisite for sustained economic growth and plans to :- (i) Enhance road density from 0.32 to 0.64 km/km², (ii) Develop the country as a hub of sub regional connectivity through consolidation & up gradation of existing assets, (iii) Linkages with Gwadar, high speed N-S economic corridor & up gradation of existing highways.
- ▶ The National Trade Corridor (NTC) initiative envisages an investment program of Rs.325 billion, to be completed by 2017-18 through financial support of various development partners. The aim,

objective and targets of NTC program are as under:-

- ❖ Upgrading capacity, extending the network, and modernizing the national highways along the North-South (N-S) NTC through a network of high speed access controlled expressways/motorways.
- ❖ Improve trade by 10 percent decrease in road transport costs and 50 percent reduction in travel time.
- ▶ Besides paying attention to N-S Connectivity, NHA is also giving equal attention to improving East-West linkages. NHA has introduced the concept of tunnels on different roads for fast/smooth traffic flow.

II. Pakistan Railways

A well performing rail transport infrastructure is vital for a country's development. Investment in a country's infrastructure directly affects economic growth as producers find the best markets for their goods, reducing transportation time and cost, and generating employment opportunities. Pakistan

Railways plays a significant role by providing a safe, economical and environment friendly mode of transport.

Railways are a valuable source of employment while generating large amounts of revenue to the benefit of the economy. An effective railway system facilitates commerce and trade, reduces transportation cost (monetary and non-monetary), and promotes rural development and national integration while reducing the burden on commuters. However, there has been massive shift from railways to road transport, with latter now

accounting for 90 percent of passenger traffic and 96 percent of freight traffic.

Pakistan Railways has also improved the quality of its services punctuality and cleanliness of coaches. During the current financial year passenger traffic freight performance was satisfactory while it showed a negative growth during the last year so far as passenger traffic is concerned. However, during July-March 2008-09 both the passenger traffic and freight posted an increase of 7.5 percent and 19.4 percent respectively. This trend is reported in Table: 14.4.

Table-14.4: Passenger Traffic (Million Passenger km)					Freight Million ton km			
Fiscal Year	Road	% Change	Rail	% Change	Road	% Change	Rail	% Change
1996-97	163,751	5.9	19,114	1.1	84,345	5.6	4,607	-9.3
1997-98	173,857	6.2	18,774	-1.8	89,527	6.1	4,447	-3.5
1998-99	185,236	6.5	18,980	1.1	95,246	6.4	3,967	-10.8
1999-00	196,692	6.2	18,495	-2.6	101,261	6.3	3,753	-5.4
2000-01	208,370	5.9	19,590	5.9	107,085	5.7	4,520	20.4
2001-02	209,381	0.5	20,783	6.1	108,818	0.2	4,573	1.2
2002-03	215,872	3.1	22,306	7.3	110,172	1.2	4,830	5.4
2003-04	222,779	3.2	23,045	3.3	114,244	3.7	5,336	10.7
2004-05	232,191	4.2	24,238	5.2	116,327	1.8	5,532	3.6
2005-06	238,077	2.5	25,621	5.7	117,035	0.6	5,916	6.9
2006-07			26,446	3.2			5,453	-7.8
2007-08	--	--	24,731	-6.5	--	--	6,178	13.3
July-Mar 2008-09*			19,677	7.5	88,023		4,520	19.38

*Estimated

Source: Ministry of Railways & Ministry of Communications

In order to continue improvements and to consolidate reforms, Pakistan Railways has participation in order to increase its competitiveness, responsiveness and efficiency, Pakistan Railways is planning to take a series of interlinked initiatives, which will enable it to complete efficiency in the fast growing transport sector in Pakistan. Pakistan has awarded a contract to an international consortium to carry out a feasibility study for establishing a rail link with China. A rail link could further boost trade relations between the two countries by facilitating the already growing trade with China and operations of Gawadar Sea Port.

The PSDP allocations for the Railways sector were increased from Rs.3 billion during 2000-01 to Rs.11.280 billion in 2008-09. Pakistan Railway development projects have suffered badly due to

reduction of PSDP for the year 2008-09 from Rs.11.280 to Rs. 6.560 billion as a result of which many projects have been deferred. Major development schemes include track renewal of 240 KM of rails and 220 KMs of sleepers planned for main line. Additionally, contract agreement for procurement and manufacturing of 75 DE locos has been signed and five locomotives out of 10 shall be manufactured in Pakistan Locomotive factory Risalpur from completely knock down kits during next year. First shipment of locomotive is expected in last quarter of next year. 100 CKD wagons received from China will be manufactured of Pakistan Railways Workshop in Moghalpura this year thus completing the scheme for Procurement/Manufacture of 1300 high capacity wagons. Rehabilitation of 400 old coaches is underway with 120 coaches expected to be rehabilitated in this fiscal year. Another on-going

development project is the next phase in the doubling of track from Khanewal Lahore (246 KM). Doubling of track has been completed from Khanewal to Chichawatni Railway stations and track is in operation. In addition to these development projects, various feasibility studies have also been undertaken to explore future prospect and initiatives. Pakistan Railways is actively participating in National Trade Corridor Programme and is trying its best to increase its share particularly in the freight sector by assigning priority to the projects related to rolling stock and infrastructure for improvement of freight train operations to reduce the cost of doing business because Railway is cheaper and safe mode of transportation as compared to road.

Pakistan Railways has finalized following tenders for improvement of operation on the system and contracts are at various stages of implementation.

- ▶ Procurement/manufacture of 75 D.E. Locos.
- ▶ Procurement/manufacture of 530 High Capacity Wagons including brake vans.
- ▶ Procurement/manufacture of 202 high speed modern coaches.
- ▶ Replacement of old signaling gear on Lodhran Shahdara Bagh Section.

The earnings of Pakistan Railways since 1998-99 till 2008-09 are given in Table: 14.5

Year	Earnings	% Change
1998-99	9,310	--
1999-00	9,889	6.2
2000-01	11,938	20.7
2001-02	13,046	9.3
2002-03	14,812	13.5
2003-04	14,636	-1.2
2004-05	18,027	23.2
2005-06	18,184	0.9
2006-07	19,194	5.5
2007-08	19,973	4.1
2008-09 (Jul-Mar)	17,442	14.5

Source: Ministry of Railway

III. Pakistan Civil Aviation Authority

Civil Aviation Authority (CAA) is responsible for the promotion and regulation of Civil Aviation activities and development of infrastructure for safe, efficient, adequate, economical and properly coordinated air service in Pakistan. CAA plays an important role in the development of a country's economy by providing fast and efficient access between different parts of the country and around the world. Private participation on this front has been encouraged through concession and incentives for development of airports and airlines to increase the availability of air transport services both domestically and internationally. In order to facilitate economic activity in an increasingly globalize world, it is important to construct and maintain airports in the country the following major new/existing airports are being constructed /upgraded by CAA.

i) New Benazir Bhutto International Airport (NBBIA) at Islamabad.

The construction of New Benazir Bhutto International Airport (NBBIA) will play a major role in the national aviation sector. The airport will be developed by the Civil Aviation Authority (CAA) on a self-finance basis with an estimated cost of Rs. 37 billion on 3400 acres of land and is expected to become operational by the end of 2011.

ii) New Gwadar International Airport (NGIA)

To supplement the growth and development of Balochistan, the CAA has planned to construct the New Gwadar International Airport (NGIA) through the Public Sector Development Programme (PSDP), at a total estimated cost of Rs. 7.5 billion and is likely to be completed by December, 2011.

iii) Up gradation of Multan International Airport

Multan Airport is jointly used by CAA and Pakistan Air Force. CAA has, therefore, planned to upgrade the existing infrastructure for B-747/ B-777 operation on modern line to support the 21st century aircraft technology and to meet the operational requirements of next 15-20 years.

iv) Expansion of Peshawar International Airport

To enhance the trade route internationally with Afghanistan and central Asian countries, the CAA has therefore, plan to upgrade existing Terminal Complex, Car Park, Executive Lounge, Cargo Complex and allied facilities in area future.

a. Pakistan International Airline

The outgoing year (2008) was also exceptionally difficult for PIA, as the airline was equally affected by the unprecedented increase in fuel cost coupled with weaker Pakistani-Rupee severely hurt PIA and eventually it had to bear huge loss on its US \$ loans. At the same time, the fall in the value of Pound Sterling and Euro against US dollar was also a source of revenue dilution since it depressed yields in this important region. Moreover, higher inflation in the country also added pressure on the cost structure.

PIA international passenger traffic, excluding Hajj traffic registered an increase of 3.5 percent (3,069,717-year 2008 over 2,964,830-year 2007) passengers despite the seat (capacity) reduction of 2.3 percent. On domestic routes passenger traffic also registered increase of 3.6 percent (2,239,815-year 2008 over 2,160,589-year 2007) passengers, despite the seat (capacity) reduction of 7.4 percent.

Hence in terms of capacity utilization, overall Passenger Seat Factor (excluding Hajj) increased to 74.5 percent during the year 2008 as compared to 70.3 in 2007 although Airline was constrained to mount less ASKs (Available Seat Kilometers) by 5.7 percent. Similarly, though Cargo capacity was also lowered by 13.8 percent during the year 2008. However, load factor compared to the year 2007 improved by 2.7 percent.

Adoption of technological tolls, vigilant inventory management, proper product positioning, induction of new routes and timely catering of market demand through increased flights and product up gradation helped in

increasing sales of Rs. 17.8 billion adding handsome growth of 28.7 percent alone in passenger's revenue. This also posted increased system wide Passenger Market Share at 50.1 percent in 2008 as compared to 49.8 percent in 2007. PIA cargo revenue improved by 12.5 percent in 2008 when compared with last year.

In order to dispense away with conventional wisdom, PIA has decided to undertake a number of measures involving strategic planning initiatives, tactical moves in markets, rationalizing of work processes within the organization and enhancing morale of the employees.

IV. Ports and Shipping

a) Karachi Port Trust:

Karachi Port Trust (KPT) is contributing in the economic growth of the country, by its record cargo handled at KPT. There has been all time higher growth in cargo exports during 2007-08, while during the first seven months of the current fiscal year; it has shown a remarkable increase of 44.3% in export handled at Karachi Port Trust Table.14.6.

The existing port facilities are becoming inadequate to handle the cargo at the port due to continuous growth in cargo. In order to address these constraints, the KPT has launched a number of project, which are at different stages of execution. The projects have been formulated for phased implementation on Built, Operate & Transfer (BOT) basis covering various activities in port operations. The KPT has commissioned the project titled "Karachi International Container Terminal (KICT)." The project is already operational at the west wharf having annual capacity of 350,000 twenty equal units (TEU). An additional amount of \$ 65 million was invested to enhance its capacity up to 525,000 TEU. The 3rd phase of the project was launched on 7th March, 2005, with an investment of US \$ 55 million to extend the capacity up to 700,000 TEU. The III-Phase of KICT has started its commercial operation.

Table 14.6 : Cargo Handled at Karachi Port (000 Ton)

Year	Imports	%Change	Exports	%Change	Total	% Change
1996-97	18,362	-1.9	5,113	5.2	23,457	-0.4
1997-98	17,114	-6.8	5,570	8.9	22,684	-3.4
1998-99	18,318	7	5,735	3	24,053	6
1999-00	17,149	-0.9	5,613	-2.1	23,762	-1.2
2000-01	20,064	10.5	5,918	5.4	25,98	9.3
2001-02	20,330	1.3	6,362	7.5	26,692	2.7
2002-03	19,609	-3.5	6,273	-1.4	25,852	-3.1
2003-04	21,732	10.8	6,081	-3.1	27,813	7.6
2004-05	22,100	1.7	6,515	7.1	28,615	2.9
2005-06	25,573	15.7	6,697	2.8	32,270	12.8
2006-07	23,329	-8.77	7,517	12.24	30,846	-4.41
2007-08	25,517	9.38	11,675	55.31	37,192	20.57
2008-09 (Jul-Jan)	13,512	-10.46	7,874	44.34	21,386	4.09

Source: KPT

Since new generation ships have come on board, KPT is taking initiatives to be able to cater for high capacity fifth and sixth generation ships. This involves the development of 10 deep draughts with the total cost of US \$ 1,600 million.

A cargo Village and Industrial Park on an area of approx 2590 hectares in the Western backwaters of Karachi Port has been proposed to augment the growing cargo handling. Moreover, in order to provide connectivity between the Pakistan Deep Water Container Port and Cargo Village, KPT is planning to construct of Cable Stayed Bridge across the Channel with a height of 65 meters and wet span of around 470 meters at the estimated cost of US \$ 417 million. The bridge will also connect Clifton with Manora and Sandspit/Hawksbay etc. with a total length of around 12 kms.

b) Pakistan National Shipping Corporation (PNSC)

PNSC fleet includes 11 vessels with a total capacity of 477238 dead weight, consisting 7 multi purpose cargo vessels, 3 aframax crude oil tankers and one panamex built carrier vessel acquired through PNSC's own resources. The commercial and financial performance of the PNSC remained satisfactory during July-March 2008-09. The

consolidated revenues of the Group for the quarter ending March 31, 2009 were Rs. 9503 million during the period under review as against Rs. 7,471 million for the corresponding period last year showing an increase of 27 percent. Similarly, profit before tax stood at Rs. 2,341 million as against Rs. 1,957 million during the same period last year exhibiting an increase of 20 percent. The earning per share during this period witnessed a substantial increase of 28 percent over the corresponding period last year.

During July-March 2008-09, PNSC lifted 5762.2 million tones of liquid cargo and 865.0 million tons of dry cargo. PNSC is presently planning to replace and as well as expand its present fleet strength through induction of crude oil tankers, general cargo and bulk carrier vessels by purchasing secondhand, resale and new buildings. The Corporation is also planning to replace two of its existing tankers and two Multipurpose General Cargo vessels with similar modern vintage vessels under its fleet replacement plan 2008-09.

c) Gwadar Port

Gwadar Deep Water Port (GDWP) is the 3rd port of Pakistan, Karachi and Port Qasim being the other two ports. GDWP is situated on the Balochistan coast about 537 KM from Karachi and 120 KM from Iranian border. It is located

at the mouth of Persian Gulf and out side the straits of Hurmoz thus enjoying high commercial and strategic importance.

The Development of Gwadar Deep Water Port was planned to be undertaken in two phases. The Phase-I, comprising of three multipurpose berths, having a total of 602m length, a 100m service berth, 4.25 KM approach channel berthing area, cargo handling/operational facilities, all ancillary buildings and operation equipment and floating crafts. As an extension of this Phase, channel has been deepened to 14.5m, so that the mother ships can call on the port and Transshipment take place from this port. This multipurpose terminal will be extended by 900m and than a further 2700m to permit one continued berthing format of 4.2 KM.

For the construction of Phase-I, the People's Republic of China provided funding of US\$ 220.26 million, comprising of grant, soft loan & buyer's credit. The Government of Pakistan is contributing US\$ 67.54 M as counter financing. After successful completion and operation of Phase-I, the work on Phase-II will follow.

In order to expedite the operationality of the Gwadar Port, a Concession agreement was signed with the Port of Singapore Authority International during February 2007 who have taken over the existing facilities of the Port through the Concession holder namely PSA Gwadar and have started functioning. The first commercial ship bringing 66000 tons of cargo was handled on Gwadar Port during March 2008. A number of ships have been handled so far and more Ships are expected to be handled during coming times.

d) Port Qasim:

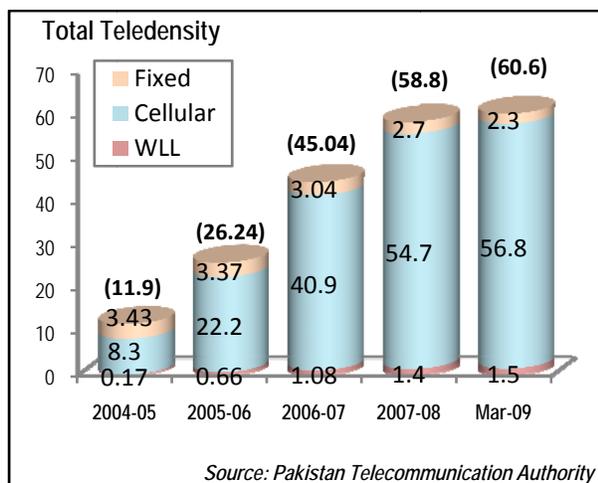
Port Qasim is the first industrial and commercial port of Pakistan .At present, it caters for around 40% shipping requirements of national economy. During the last financial year 2007-08, PQA handled a record volume of 26.4 million tones cargo showing an impressive growth of around 9% over corresponding period. However, during first nine months of current financial year 2008-09, PQA handled 18.01 million tones cargo depicting a shortfall of 9% over Jul 07- Mar 08 owing to global economic crisis. Cargo volume, however, surpassed the budget targets by 4% during the period under review. Table14.7 below shows cargo handled at the Port over a period of 12 years.

Period	Import	%Change	Export	%Change	Total	%Change
1997-98	13823	39	1144	65	14967	41
1998-99	12191	-12	1742	52	13933	-07
1999-00	13238	09	1703	-02	14941	07
2000-01	11841	-11	1747	03	13588	-11
2001-02	10932	-08	2385	36	13317	-02
2002-03	11980	10	3129	31	15109	13
2003-04	11264	-06	2859	-09	14123	-07
2004-05	16006	42	3431	20	19437	37
2005-06	17588	10	3985	16	21573	11
2006-07	19511	11	4839	21	24350	13
2007-08	21502	10	4922	02	26424	09
July-Mar						
2007-08	16146		3654		19800	
2008-09	14243	-12	3773	03	18016	-09

Source: Port Qasim Authority

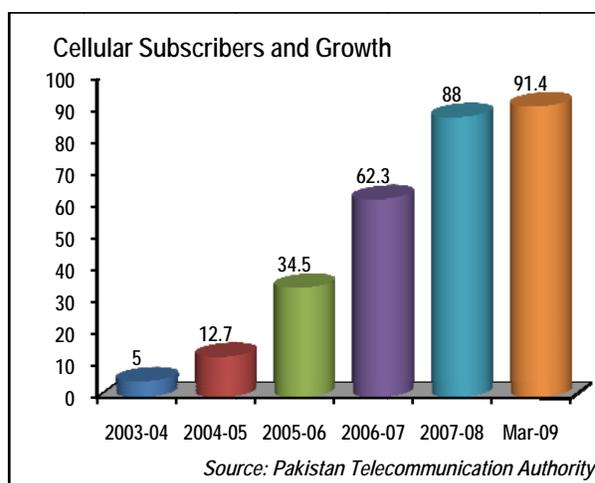
Telecom Sector

After experiencing phenomenal growth for last couple of years, Telecom sector of Pakistan exhibits positive but slow growth in terms of revenue, subscribers and teledensity. At the end of third quarter (March 2009), total teledensity reached 60.6%. However, cellular segment leads the share in total teledensity by 93.7% followed by FLL 3.8% and WLL 2.5%.



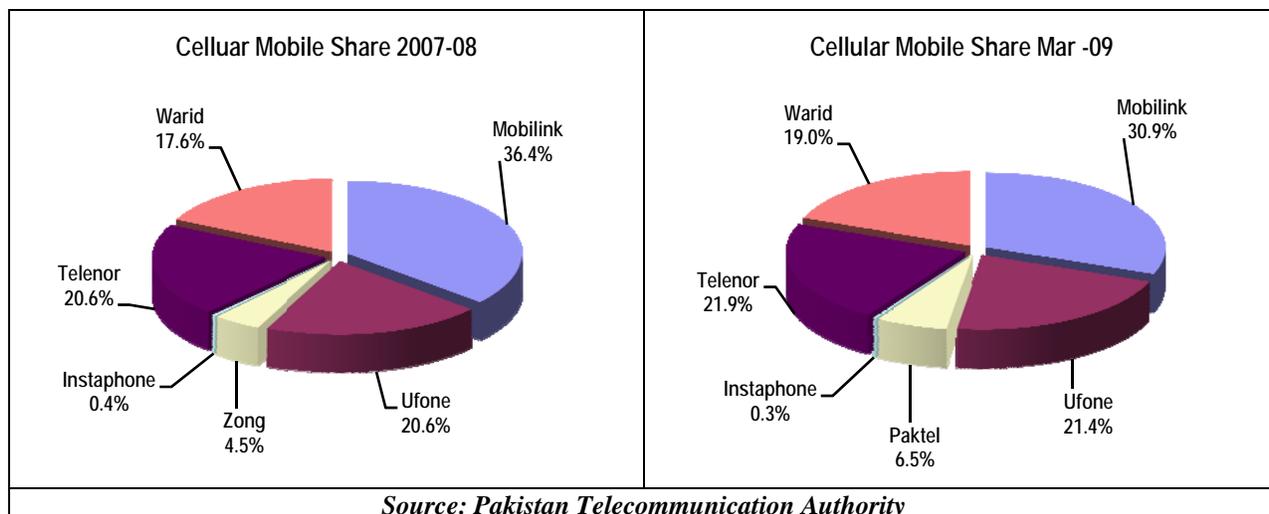
weak economy. Government policy of blocking unverified SIMs and increased GST rate on telecom services in the last budget have slowed down the growth of the sector.

During the first 9 months of 2008-09, cellular Market added 3,422,599 subscribers with average of 0.3 million per month and total subscribers reached 91.4 million. During the last three quarters, cellular industry has grown its subscribers by 4%. Currently (Mar – 09) there are total 10,001 cities/towns/villages covered and 26,300 cell sites installed by all cellular operators



Cellular Mobile

After years of exponential growth, The Pakistan mobile market is slowing down due to unstable and

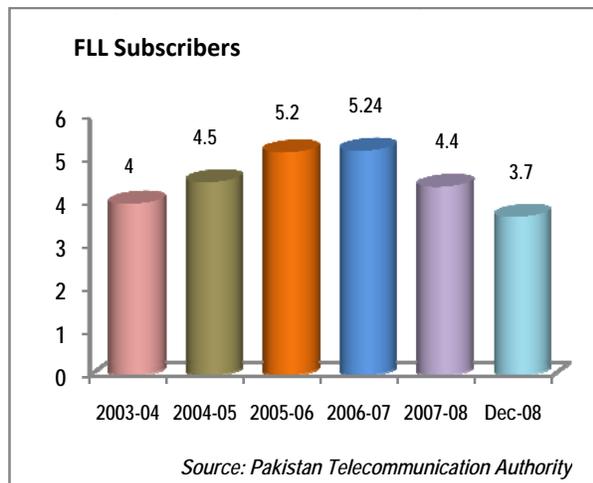


Fixed Local Loop

Fixed line services are experiencing declining trend across the globe, due to introduction of new

services that are more economical, cost effective, easy to deploy and have array of value added services attached to it. Out of 4 major operators, PTCL and NTC have the privilege of being the

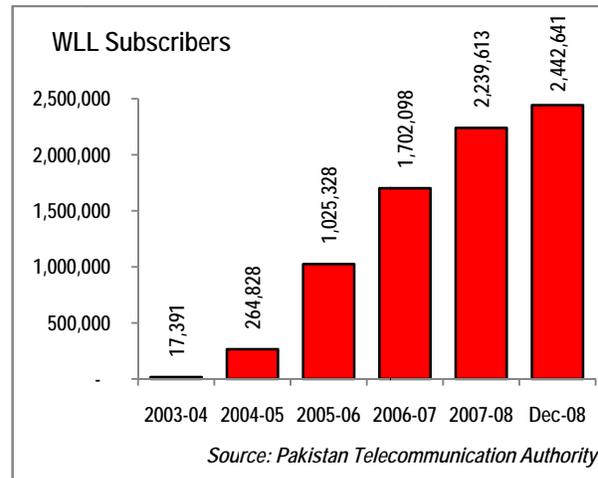
mature operators. Nayatel and Worldcall have joined in very aggressively; especially the innovative new value added services provided by Nayatel have made it a popular service provider in the local market. Brain and Union communication have still not been able to make a mark in the fixed line sector and are providing services to very small market. Availability of mobile service on lower rates and other attractive features also resulted in pushing down the popularity of fixed line. Total fixed line subscribers in Pakistan stand at a total of 3.7 million as of March, 2009, yielding total teledensity of 2.3%.



Wireless Local Loop

Wireless local loop services are becoming increasingly popular both for addressing the rural areas communication needs and low population density areas due to its deployment advantages and cheaper rates. The WLL solution in relation to fixed line requires less investment with high returns. Today WLL services are available across Pakistan in 14 telecom regions and value added services like EvDO are also available. Popularity of WLL services are also obvious from the dropping figures of fixed local loop subscription especially with reference to PTCL's case where a balancing effect of gain and drop in WLL and FLL subscriber is going on for last one year. There are currently 7 operators providing services in their licensed areas in addition to PTCL which is offering WLL services across Pakistan. Total WLL subscribers stood at 2.5 million and density in the country touched 1.5% in March, 09. There are

currently more than 12,000 cities/ towns/villages covered by WLL services.



Long Distance & International

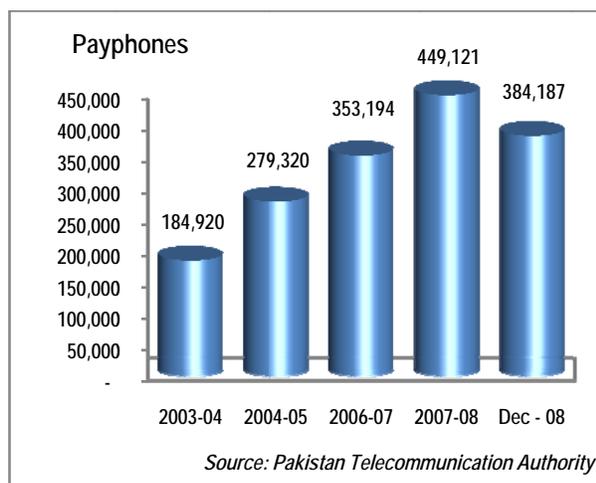
The Long Distance & International (LDI) segment of the Pakistan telecom sector has gone through developmental and growth phases in a very small period. The LDI when opened to liberalization actually attracted strong investor groups who visualized the high margin opportunity in it. However, the effect of closely integrated telecom services, unexpected market reactions and illegal activities due to advancement in technology resulted in an unsteady development and then growth of the LDI segment. To ensure maximum share in the market the companies went far beyond their limitations and dropped per minute rates to as low as 1 cent per minute. Also the grey traffic and absence of any defined system of reconciliation of international traffic resulted in drastically falling profits of LDI's operators. Currently 13 LDI operators are operational in the country, and the new mobile operator CMPAK has also requested the regulator for issuance of LDI license.

The regulator is aware of its responsibility to provide level playing field and make sure that the investors do not go into default and the telecom consumers are not exploited. In this regard the Authority has recently issued the new regulation "Monitoring and Reconciliation of International Telephony Traffic Regulations 2008" that would particularly record traffic, billing, billing traffic and quality of LDI services. The Authority is now

able to do automated blocking of Internet Protocol Addresses (IPs), involved in illegal termination/origination of international traffic. In this regard the Authority has requested all the ISPs to declare their IP addresses along-with the antecedents of their customers so that illegal telecom traffic could be monitored. PTA has also directed all LDI operators to maintain approved settlement rates for international calls at the level determined by the Authority.

Card Payphone Services (CPPS)

Card Payphone (CPP) services started in Pakistan in early 1990's, when only PTCL was the main operator followed by the Telecard. However, in late 1990's, the Value Added Services were made open to competition. With this a new era of communication started in Pakistan which resulted in increased telecom access around the country, increased employment opportunities and better returns on small investment. However, issues like provision of access network by PTCL, fake companies, introduction of liberalization in around 2007, CPP companies started facing down trends and number of shutdown and mergers took place. Today there are 384,187 fixed, mobile and WLL payphones available across Pakistan.

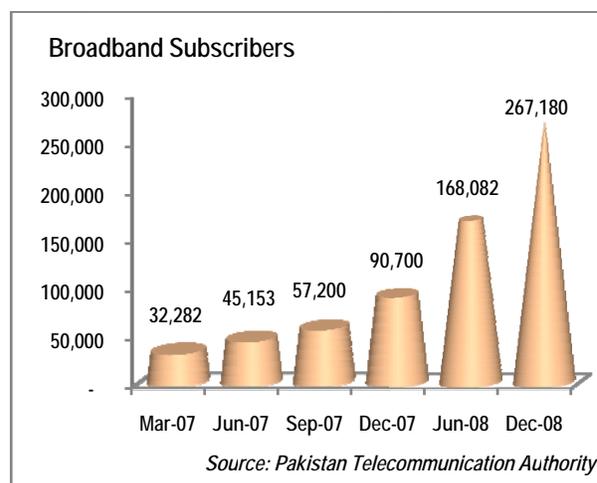


Broadband Services

Broadband is experiencing healthy growth since last year and companies are providing broadband services with DSL, Cable, FTTH and WiMax technologies across Pakistan whereas DSL is the

most popular technology. There are currently 267,180 broadband subscribers showing almost 59% growth in 6 months time. Broadband penetration in the country has also been raised from 0.04% in Dec 07 to 0.17% in Dec, 08. Service providers are concentrating mainly on increasing the subscriber base by providing attractive tariff packages and bundled services like cable TV, fixed line and broadband etc. The operators are building their own networks to the door step of the users in order to avoid delays in last mile provision. Similarly Wimax is becoming a popular broadband technology in Pakistan where Wateen is the major service provider.

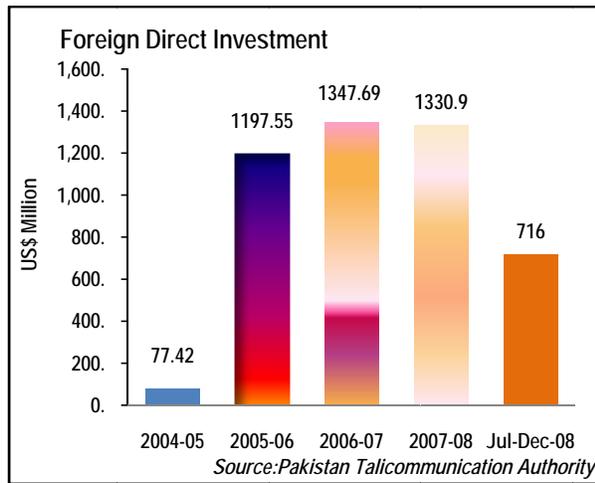
In order to enhance the broadband penetration, PTA has taken number of initiatives including issuing of determination for putting in place the SOP and SLA for bandwidth provision. Workshop on broadband had been organized for operators, academia and policy makers. Similarly, PTA being active member of USF has asked the company to concentrate on provision of broadband facilities in rural areas. In addition, PTA has also formed a focus group on broadband proliferation which would work towards devising a strategy for increasing broadband proliferation in the country. According to an estimate total broadband subscribers would reach 5 million by end of 2010 while PTA would continue working with stake holders including players and policy makers.



Telecom Economy

Foreign Direct Investment

Stable economy, consistency in policies, sound financial environment and strong economic fundamentals such as low inflation, low fiscal deficit and freedom to investors to repatriate their profits are considered prerequisite to attract foreign investment in any country of the world. Despite a slow down in economy as well as of telecom sector, Foreign Direct Investment in telecom sector of Pakistan continued in last few years which indicate the confidence of foreign investors in our policies. Telecom sector continued to attract major share of FDI in the country. During the last 6 months (Jul-Dec, 2008), telecom sector received over US\$ 716 million FDI inflows which becomes 31% of total FDI landed in Pakistan during this period. Operators particularly, CMPak, Warid and Telenor have planned to expand the infrastructure using foreign sources.



Taxes on Telecom Sector

Telecom is an important sector of Pakistan economy contributing about 3% in the national GDP. The Sector is contributing a handsome amount in national exchequer through taxes and duties. During the last year, its contribution in terms of taxes was more than Rs. 101 billion, which has risen to Rs. 111 billion in 2007-08. Rise is mainly attributed to GST, which has increased from Rs. 36 billion in 2006-07 to Rs. 44 billion in the year 2007-08. Activation Tax is another area where government collection has increased by about 11% and stood at Rs. 19.6 billion.

Telecom Imports

During the budget of 2008-09, Government of Pakistan imposed custom duty @ Rs. 500 per mobile hand set on import and subsequently further Regulatory Duty @ Rs. 250 was imposed by FBR on the import of mobile hand sets in Pakistan in Aug, 2008. It was an effort to discourage the import of mobile hand sets which has been considered an extra burden on Foreign Exchange reserves. Policy makers have succeeded to curtail the import of mobile handsets significantly during the first half of Fiscal year 2008-09.

During first six months of Fiscal Year 2008-09, cellular Mobile handsets worth US\$ 88.7 million have been imported. Previously, during January to June, 2008 mobile handsets worth US\$ 425.6 million were imported in Pakistan. It is evident that during last six months, the growth in import of mobile handsets declined by 79%.

Telecom Contribution to Exchequer					(Rs. in Billions)
Period	GST	Activation Tax	PTA Deposits	Others	Total
2005-06	26.80	11.40	17.38	21.55	77.10
2006-07	36.28	17.60	9.72	36.95	100.55
2007-08	44.61	19.20	10.86	36.96	111.63

Source: Central Board of Revenue and Pakistan Telecommunication Authority.

Regulatory Steps for promoting Telecom in Pakistan

Establishment of Consumer Protection Directorate (CPD)

Pakistan Telecommunication Authority (PTA) has recently established **Consumer Protection Directorate** (CPD) at its Headquarters in

Islamabad. The Directorate works under Technical Services Division. Against the backdrop of a large inflow of complaints being received by the Regulator from telecom consumers relating to services provided by the telecom operators, it was felt by the Authority that the matter be tackled in a broader perspective.

The Directorate is mandated to work towards evolving institutionalized consumer grievances redressing mechanisms at the service providers' end – who the Authority believes bear the primary responsibility for the redressing of consumers' complaints. In this regard, the Directorate has engaged the concerned quarters at the operators' end to formulate comprehensive complaint redressing mechanisms that shall work round the clock under dedicated focal persons for the speedy resolution of services issues being faced by their respective consumers.

For the larger benefit of telecom consumers, PTA also plans to undertake a comprehensive nationwide media campaign in order to educate and create awareness among the general public on the Consumer complaint Resolution mechanisms.

PTA Establishes 350 Telecenters

PTA is committed to provide telecommunication services to every nook and corner of Pakistan. To fill the gap between rural and urban areas, PTA initiated a project of Telecenters in rural areas of Pakistan. So far, PTA has completed establishment of around 350 telecenters across the country for the provision of basic telecom services in rural areas. These telecenters, called Rabta Ghars, are equipped with modern communication facilities such as computer, fax, printer, scanner, telephone and internet. They were sponsored by PTA, PTCL, Mobilink, Instaphone, Ufone, World Call and Intel. These telecentres have been established in all four provinces and AJK & NAs. According to details 104 telecenters were installed in Sindh, 82 in Punjab, 86 in NWFP, 62 in Baluchistan and 15 in AJK and Northern Areas. These 350 Rabta Ghars are now fully operational and providing fastest communication facilities to the communities of rural areas.

Continued Efforts to Block Unregistered SIMs

PTA is striving hard to block unregistered SIMs which are causing security problem in Pakistan. PTA continued its efforts to block unregistered SIMs under the directive of Ministry of IT and Telecom and guidelines given by the Senate Standing Committees on Interior, IT and Cabinet. A standard operating Procedures (SOP) has been

devised to verify SIMs from NADRA data base and PTA checks for violations in its surveys. After considerable efforts total 10.5 million connections have been blocked so far.

Activation of New SIMs after Verification

PTA is taking concrete steps to get registered all cellular mobile users so that cellular mobile technology can not be misused. In this regard, PTA is closely working with law enforcement agencies and cellular mobile operators. Recently, PTA has decided to implement a system for activation of new mobile SIMs after verification of customers' antecedents from January 31, 2009. It has been decided that from January 31, 2009 onwards non-active mobile SIMs will be sold which will be activated only after the verification of consumer data from NADRA, subsequently sale of pre-activated SIMs will be stopped. In this new system, a non activated SIM would be sold to the consumer after checking his original CNIC and filling of Cellular Service Agreement (CSA) form. The consumer will then call 789 from same SIM and Call Center would ask few questions to verify the data provided by the consumer. After online verification from NADRA, if answers were correct SIM would be activated. In case of incorrect answers consumer will contact NADRA Swift Center or Customer Services Center of the concerned mobile operator.

Pakistan Telecommunication Authority is constantly monitoring the sale of new SIMs according to the newly launched System of SIM Activation through NADRA verification. PTA Zonal Offices located at Karachi, Lahore, Peshawar, Quetta, Rawalpindi and Muzaffarabad are checking authorized Customer Services Centres, Franchises and retailers of mobile operators to ensure that no SIM is sold and activated without adopting new procedure already in place from February 1, 2009.

Efforts towards Elimination of Grey Traffic

Grey traffic is a menace that not only incurs revenue loss to national exchequer but also denies level playing field to LDI operators who have paid large amounts as license fees to terminate and originate legal international traffic. In order to

effectively deal with this problem, several steps have been taken by PTA and the Government. These include regulatory, such as issuance of guidelines for operators, as well as technical measures, such as deployment of technical solution to curtail grey traffic.

Technical Facility to monitor grey traffic has been acquired by PTA for addressing the issue of grey telephony. The facility has been deployed at a total cost of US\$ 3.5 million which has been shared by a consortium of PTA, PTCL and Long Distance & International (LDI) community. The facility became operational on 1st May, 2008 and since then it is being used to scrutinize IP backbone of the country.

The stake-holders have been briefed about the facility who appreciated PTA's efforts against the menace of grey telephony and asked PTA to upgrade the system so that 100% traffic may be scrutinized. Accordingly, the expansion plan has also been finalized. The expansion project of the technical facility would be entirely funded by PTCL and the LDI community, covering 100% international links of the country. It would help in elimination of grey traffic once and for all.

Blocking of Unsolicited SMS, Obnoxious Calls and Fraudulent Payment

It has been observed that subscribers of Cellular Mobile Operators are continuously receiving spam and unsolicited messages which include doubling the balance or award of prize by replying to the particular SMS. This is a fraudulent activity and PTA has taken serious notice of the unsolicited SMS and obnoxious calls issue.

To curb this menace, PTA instructed all Mobile Companies to make an awareness campaign and warn the ones who are involved in such kind of illegal activities. Further more; PTA established a complaint cell in August 2007 which is operational 24 hours a day, seven days a week in order to register the unsolicited SMS/obnoxious calls complaints. The registered complaints are sent to mobile companies on regular basis for evaluation followed by warning SMS to the harassers in first phase and closure of numbers and/or blocking of

cell phones in the second phase should the harasser does not stop its involvement in illegal activities

Expert Group Forum on ICT Security Framework

PTA organized an Expert Group Forum meeting on "Information Security Guidelines for the Government of Pakistan" on November 25, 2008 with the aspiration to setup comprehensive, pragmatic and implementable security guidelines that could be followed to ensure that country's national asset and information, does not reach unauthorized personnel. These guidelines would not only prevent information loss, but would also detect and identify such incidents as and when they happen.

PTA intends to establish working coordination with ICT Industry in order to discuss and scrutinize potential security threats faced by information and communication networks of the country. In this regard PTA has formulated an expert group forum on "Information and Communication Security" to carry out extensive discussion and exchange information with respect to information security issues in the country. He also apprised the audience that "Information Security Guidelines" for the Government of Pakistan were bifurcated to cater for three types of information users namely The Government Organizations, The Telecom Industry and The End User. Each Information user guidelines were to be based upon metrics such as International Best Practices, Government Information Security Policy, ICT Infrastructure Security Guidelines, Physical Security Guidelines and Departmental Security Plan/Policy.

Other areas under consideration of PTA include Assessment of ICT assets, Impact of Distributed ICT assets environment, Security guidelines for physical access to assets, Backup strategy guidelines, Disaster recovery guidelines, Access Control Guidelines, Integration with ICT Infrastructure Security Guidelines, Security training and capacity building of Personnel, Prevention and detection system guidelines, Hierarchy and escalation paths, Analysis of Information Security Policies of select countries with respect to their telecom infrastructure,

Analysis of Applications in Pakistan and Technology Updates and guidelines for inclusion of future technological changes.

V. Electronic Media

a) Pakistan Electronic Media Regulatory Authority (PEMRA)

Present landscape of broadcasting and distribution media explicitly articulates the efforts rendered by the PIMRA during the past few years for its development. Unprecedented growth of satellite televisions, FM radios and cable TV networks during the past few years has not only broadened the choices of the local viewers but also contribute in raising Pakistani voice in the global arena. Pakistani satellite TV channels have attained significant credibility in the international arena. These channels are combating venomous propaganda against Pakistan in a convincing manner. Moreover, Pakistani satellite TV channels are contributing effectively in enhancing country's positive image at international level and acting as strong advocacy groups amidst international media warfare.

Development of Broadcast and Distribution Media during 2008-09

- ▶ PEMRA issued ten licenses for establishing satellite TV channels and four of these were conferred to Ms Independent Media Corporation Pvt Ltd (Geo Group) including Geo Entertainment, Geo News, Aag and Geo English. Overall seventy-one licenses have been conferred so far for establishing satellite TV channels.
- ▶ Silver Screen and Star Light were granted two permissions for marketing and distributing foreign satellite TV channels. So far twenty eight licenses have been issued for foreign satellite TV channels by PEMRA.
- ▶ During the last one year, six licenses for establishing FM radios network were awarded making the total number of licenses issued under this category to one hundred seventeen till date.

- ▶ Additional six hundred three cable TV networks were licensed all across the country during the last one year, making the total number of licenses issued two thousand two hundred twenty four till date.

PEMRA has generated considerable employment opportunities for the skilled workforce in Pakistan; eventually the broadcast media in the country emerged as one of the key sectors for employment accommodating sizable youth on jobs. Moreover, the Authority is encouraging private sector for incorporating state-of-the-art technologies in broadcasting and distribution media.

Future Plans

Few of the emerging technologies under regulatory appraisal by the Authority are as follows:

- ▶ Digital Cable TV Networks
- ▶ IPTV Networks
- ▶ Direct Home (DTH)
- ▶ Satellite Radio
- ▶ Digital Terrestrial Television
- ▶ Mobile Television etc.

PEMRA is full aware of the challenges being faced by the Broadcasting Media vis-à-vis content, manpower etc and formulating strategies to overcome these challenges in future. The Authority has also rationalized tariff for satellite TV channels so as to encourage potential investors and enhance voice of Pakistan in an effective manner.

b) Pakistan Television Corporation Limited (PTV)

Pakistan Television is providing quality entertainment; education and information to the masses inculcate in them a greater awareness of their own, history, heritage, current problems and development as well as

knowledge at the world at large. PTV is gradually extending its signal to remote and backwards areas of the country in order to uplift the socioeconomic conditions of these areas and to eliminate the existing disparity. The government has also desired to extend the TV signal by setting up Re-broadcast centers in AJ&K at Bhimber, Mirpur, Neela Butt, Palandri, Jura, Athmuqam, Karan Dhudhnial, Sharda and Kel, in Sindh at Badin, in Punjab at Multan at Mian Channu, at Kharan, Bar Khan in Balochistan and at Kohat in NWFP during the current fiscal year.

c) Pakistan Broadcasting Corporation (PBC)

Pakistan Broadcasting Corporation (PBC) with 32 Radio Stations has the largest radio network in the country with highest listenership than all the private radio channels. PCB main objectives are i) Inform people about the policies, programmes and achievements of the government, opposition and other stake holders', ii) Give viewpoint on different issues, iii) Counter adverse foreign propoganda and negative perceptions, iv) Educate people on social issues and problems i.e. (public service programmes covering Health, Education, Environment, Population Welfare, Agriculture, special persons, Human Rights, Media Freedom etc), v). Entertain people through music programmes, disc jockey programmes, features and plays.

National Broadcasting Service (NBS) was launched on 28th August, 2008 with 17 hours daily transmission from 07:00 am 12:00 midnight. Its Programmes radiate from Islamabad, Peshawar, Lahore, Faisalabad, Bahawalpur, D.I. Khan, Quetta, Zhob, Loralai, Turbat, Khuzdar, Hyderabad and Karachi. World Service programmes are broadcast for 9 hours daily in Urdu language on short-wave transmitters. It is directed towards Middle East and Western Europe. Similarly, External Services broadcast programmes for 7 hours 45 minutes daily in 7 foreign languages covering Afghanistan, Iran, China, India & Bangladesh. In October 1998 Radio Pakistan started FM

Transmission. Currently Eight Radio Stations are operating. In order to augment the activities of PBC, the station director's conference was held from Feb. 18 to 20, 2009.

PBC has started local news bulletin in Sindhi Language for five minutes duration from Radio Pakistan Larkana w.e.f 1-7-2008 and broadcast of hourly news bulletins on FM-101 w.e.f 29-12-2008. PBC has 32 Broadcasting Houses, 22 AM Station (including High Power and Low Power Transmitting Stations), 07 Short wave transmitter and 25 FM transmitters which radiate programmes for listeners at home and abroad. In addition, Moreover, PBC broadcasts are also available on internet round the world at www.radio.gov.pk.

In order to meet tremendous challenges of present day broadcasting, following development projects are being taken up:

- ▶ Balancing & Modernization of Equipment Phase-V.
- ▶ Two 100 KW Shortwave Transmitters & High Frequency Aerial System Landhi, Karachi.
- ▶ 100 KW MW transmitters at Chaman.
- ▶ Replacement of Medium Wave transmitter at Multan, Hyderabad and Muzaffarabad.
- ▶ Establishment of Pakistan Broadcasting Academy & IT Centre Islamabad.
- ▶ FM coverage of G.T. Road.
- ▶ FM coverage of Motorway.
- ▶ Establishment of 47 FM Radio Stations.
- ▶ 100 KW medium Wave transmitter Gawadar.
- ▶ 100 KW medium Wave transmitter Parachinar.

- ▶ Upgradation of PBC Larkana from 10 KW to 100 KW Medium Wave transmitter.

VI. Pakistan Post Office

Pakistan Post Office is a cheap, convenient and efficient state enterprise providing services to the entire population of the country. Thus Pakistan Post Office is playing a vital role in the advance era of courier services covering the whole country with a network of 12343 (Urban 1849, Rural 10494) postal offices. In order to promote the welfare policies of the government, the Pakistan Post Office has launched a multi-pronged services strategy information technology projects both at federal and provincial levels during the current fiscal year detailed below

During the current fiscal year Pakistan Post Office has started some of the information technology projects as below:-

- ▶ A complete web-based tracking and monitoring system has been developed for disbursement of prescribed amount to the beneficiaries through money order under Benazir Income Support Program.
 - ▶ Web-based tracking and monitoring system has been developed and implemented for the Scheme for disbursement of amount for the beneficiaries through money orders.
 - ▶ All GPOs and renovated post offices have been provided with counter computerization facility for providing better quality service to the customers.
 - ▶ A web-based system the Express Mail Track and Trace System has been developed to provide end-to-end information relating to the express mail articles.
 - ▶ Computerization of Military Pension accounts at all GPOs has been completed.
 - ▶ Online complaint lodging facility from the web-portal of Pakistan Post www.pakpost.gov.pk has been provided to the public.
 - ▶ As a result of settlement, Pakistan received Rs. 102, 983,596 in Foreign Exchange on Account of Terminal Dues during July-March 2008-09 and payment made during this period stood at Rs. 2,242,587. The net earning of the Pakistan Post Department in Foreign Exchange during the aforementioned period was Rs. 100, 74 million.
 - ▶ During the period under review, the remittances in Foreign Exchange were received in the shape of money orders were Rs. 3919793.01.
 - ▶ Pakistan Post Office collected 47,189,115 no of utility bills and earned Rs. 377.513 million from the utility bills collection in the form of commission during current fiscal year.
-

TABLE 13.1

TRANSPORT

Fiscal Year	Railways						Length of Roads		
	Route (Kilometres)	Number of Passengers carried *(Million)	Freight carried (Million Tonnes)	Freight Tonne (Kilometres Million)	Locomo- tives (Nos.)	Freight Wagons (Nos.)	Kilometers		
							Total	High Type	Low Type
1990-91	8,775	84.90	7.72	5,709	753	34,851	170,823	86,839	83,984
1991-92	8,775	73.30	7.56	5,962	752	30,369	182,709	95,374	87,335
1992-93	8,775	59.00	7.77	6,180	703	29,451	189,321	99,083	90,238
1993-94	8,775	61.72	8.04	5,938	676	29,228	196,817	104,001	92,816
1994-95	8,775	67.70	8.11	6,711	678	30,117	207,645	111,307	96,338
1995-96	8,775	73.65	6.85	5,077	622	26,755	218,345	118,428	99,917
1996-97	8,775	68.80	6.36	4,607	633	25,213	229,595	126,117	103,478
1997-98	8,775	64.90	5.98	4,447	611	24,275	240,885	133,462	107,423
1998-99	7,791	64.90	5.45	4,330	596	24,456	247,484	137,352	110,132
1999-00	7,791	68.00	4.77	3,612	597	23,906	248,340	138,200	110,140
2000-01	7,791	68.80	5.89	4,520	610	23,893	249,972	144,652	105,320
2001-02	7,791	69.00	5.90	4,573	577	23,460	251,661	148,877	102,784
2002-03	7,791	72.40	6.18	4,820	577	23,722	252,168	153,225	98,943
2003-04	7,791	75.70	6.14	4,796	592	21,812	256,070	158,543	97,527
2004-05	7,791	78.18	6.41	5,014	557	21,556	258,214	162,841	95,373
2005-06	7,791	81.43	6.03	4,971	544	20,809	259,021	167,530	91,491
2006-07	7,791	83.89	6.42	5,453	544	19,638	261,821	172,891	88,930
2007-08 (Jul-Mar)	7,791	79.99	7.23	6,187	555	18,638	258,350	174,320	84,030
2008-09 P	7,791	63.00	5.36	9,520	520	17,000	258,350	176,589	81,761

P: Provisional

(Contd.)

TABLE 13.1

TRANSPORT

(Contd.)

Fiscal Year	Cargo Handled at Karachi Port (000 tonnes)			Shipping		Gross Earnings (Million Rs)	
				No. of Vessels	Dead Weight Tonnes	Pakistan Railways	Pakistan National Shipping Corp.
	Total	Imports	Exports				
1990-91	18,709	14,714	3,995	28	494,956	6696	3,865.0
1991-92	20,453	15,267	5,186	28	494,956	8236	4,063.0
1992-93	22,170	17,256	4,914	29	518,953	9031	3,137.0
1993-94	22,569	17,610	4,959	27	595,836	9134	3,302.0
1994-95	23,098	17,526	5,572	15	264,410	9224	4,311.0
1995-96	23,581	18,719	4,862	17	290,353	8365	6,962.0
1996-97	23,475	18,362	5,113	15	261,817	9394	7,761.5
1997-98	22,684	17,114	5,570	15	261,836	9805	4,597.0
1998-99	24,053	18,318	5,735	15	261,836	9310	3,707.0
1999-00	23,761	18,149	5,612	15	261,836	9572	3,483.0
2000-01	25,981	20,063	5,918	14	243,802	11938	5,458.7
2001-02	26,692	20,330	6,362	14	243,749	13346	4,555.5
2002-03	25,852	19,609	6,273	13	229,579	14810	5,405.0
2003-04	27,813	21,732	6,081	14	469,931	14635	6,881.9
2004-05	28,615	22,100	6,515	14	570,466	18027	7,860.0
2005-06	32,270	25,573	6,697	15	636,182	18184	7,924.6
2006-07	30,846	23,329	7,517	15	636,182	19195	9,089.1
2007-08	37,192	25,517	11,675	14	536,821	19973	10,753.5
2008-09 (Jul-Mar)	21,386	13,512	7,874	11	477,238	17442	9,503.9

Source: (i): Ministry of Railways

(ii): National Transport Research Center

(iii): Karachi Port Trust

(iv): Pakistan National Shipping Corporation

.. Not available

* Till Jan-08

Estimated

TABLE 13.2

PAKISTAN INTERNATIONAL AIRLINES CORPORATION

Fiscal Year	Route Kilo-metres	Revenue Kilo-metres Flown (000)	Revenue Hours Flown	Revenue Passengers Carried (000)	Revenue Passengers Kilo-metres (mln)	Available Seat Kilo-metres(mln)	Passenger Load Factor %
1990-91	255,336	60,255	116,616	5,033	8,998	13,401	67.1
1991-92	258,558	66,570	127,423	5,584	9,925	15,066	65.9
1992-93	270,536	69,377	132,775	5,780	10,102	15,733	64.2
1993-94	303,321	69,024	131,122	5,645	10,108	15,159	66.7
1994-95	353,221	72,544	134,683	5,517	10,382	15,848	65.5
1995-96	310,205	74,288	138,014	5,399	10,592	16,573	63.9
1996-97	336,230	78,796	143,686	5,883	11,661	17,528	66.5
1997-98	325,744	73,663	136,104	5,531	11,147	16,952	65.8
1998-99	335,348	70,697	129,379	5,086	10,722	16,752	64.0
1999*	332,417	75,483	135,136	4,914	10,653	17,839	59.7
2000*	317,213	76,212	134,066	5,297	12,056	18,692	64.5
2001*	324,815	40,158	65,615	2,729	6,305	9,885	63.8
2001-02	291,428	62,974	110,136	4,290	10,843	15,778	68.7
2002-03	311,152	63,863	108,942	4,391	11,276	16,264	69.3
2003-04	294,082	58,146	96,765	4,796	12,769	18,299	69.8
2004-05	354,664	80,699	131,262	5,132	13,634	20,348	67.0
2005-06	343,525	87,273	141,666	5,828	15,260	21,991	69.4
2006-07	446,570	80,302	141,479	5,732	15,124	22,092	68.5
2007-08	383,574	80,759	132,416	5,415	13,680	20,313.3	67.4
(Jul-Mar)							
2008-09	311,131	79,580	132,378	5,617	13,925	19,528.2	71.3

*: PIA's Financial Year is based on Calendar Year.

(Contd.)

TABLE 13.2

PAKISTAN INTERNATIONAL AIRLINES CORPORATION

Fiscal Year	Revenue Tonne Kilo-metres (Mln)	Available Tonne Kilo-metres (Mln)	Revenue Load Factor (%)	Operating Revenue (Million Rupees)	Operating Expenses (Million Rupees)	PIA Fleet No. of Planes
1990-91	1,228	2,045	60.0	16,849	16,966	44
1991-92	1,304	2,265	57.6	20,441	18,861	45
1992-93	1,333	2,352	56.7	21,970	21,347	45
1993-94	1,365	2,347	58.2	23,631	22,713	47
1994-95	1,408	2,452	57.4	25,417	24,199	47
1995-96	1,402	2,526	55.5	27,505	27,150	47
1996-97	1,495	2,649	56.4	32,732	32,809	47
1997-98	1,425	2,435	58.5	..	..	47
1998-99	1,313	2,403	54.6	..	..	45
1999 *	1,307	2,560	51.0	35,492	36,395	51
2000 *	1,452	2,631	55.2	39,228	42,033	46
2001 *	769	1,438	53.5	21,966	23,296	45
2001-02	1,325	2,270	58.4	42,844	39,377	44
2002-03	1,389	2,401	57.8	45,442	39,125	43
2003-04	1,456	2,528	55.0	51,041	47,197	42
2004-05	1,657	3,033	54.6	61,308	62,360	42
2005-06	1,818	3,302	55.1	67,574	73,074	42
2006-07	1,801	3,369	53.5	70,587	79,164	39
2007-08	1,593	3,125	51.0	70,480	76,415	44
(Jul-Mar)						
2008-09	1,580	2,934	53.9	89,201	120,579	44

.. Not available

Source: Pakistan International Airlines Corporation

*: PIA's Financial Year is based on Calendar Year.

TABLE 13.3

NUMBER OF MOTOR VEHICLES REGISTERED

Calendar Year	Motor Cars Jeeps & Station Wagons	Motor Cabs/ Taxis	Buses	Trucks	Motor Cycle (2 Wheels)	Motor Cycle (3 Wheels)	Others	Total
1990	682,636	32,304	84,016	105,245	1,250,749	50,862	507,025	2,712,837
1991	731,960	33,235	89,094	107,171	1,381,136	52,439	528,878	2,923,913
1992	819,350	41,245	94,988	111,391	1,497,017	56,267	558,926	3,179,184
1993	868,159	47,897	98,681	114,394	1,573,370	59,510	589,281	3,351,292
1994	902,654	52,444	107,440	118,389	1,679,259	62,183	615,497	3,537,866
1995	923,577	53,400	113,516	119,174	1,754,737	63,370	642,174	3,669,948
1996	966,747	54,501	114,415	123,658	1,842,531	69,756	666,549	3,838,157
1997	1,068,116	83,182	119,365	131,322	1,995,421	76,224	700,315	4,173,945
1998	1,085,969	83,687	125,929	132,895	2,068,730	81,777	724,309	4,303,296
1999	1,162,876	83,844	150,108	145,111	2,175,488	95,345	746,718	4,559,490
2000	1,182,307	83,892	154,401	148,569	2,260,772	99,376	772,279	4,701,596
2001	1,201,738	93,940	158,694	157,027	2,346,056	103,407	797,840	4,843,702
2002	1,282,371	83,954	162,672	170,615	2,407,466	115,919	825,552	5,048,549
2003	1,292,888	84,277	162,957	178,883	2,444,567	122,448	846,017	5,132,037
2004	1,301,406	84,311	163,242	181,150	2,681,066	124,076	860,480	5,395,731
2005	1,321,590	85,619	165,775	183,962	2,722,645	126,004	873,825	5,479,417
2006	1,375,419	89,105	172,530	191,454	2,833,540	131,134	909,416	5,702,598
2007	1,444,190	93,560	181,157	201,027	2,975,217	137,691	954,887	5,987,729
2008	1,487,516	96,367	186,592	207,058	3,064,474	141,822	983,534	6,167,363
(Jul-Mar)								
2009 E	1,115,637	72,275	139,944	155,293	2,298,355	106,366	737,650	4,625,520

E: Estimated

Source: Federal Bureau of Statistics

TABLE 13.4

MOTOR VEHICLES ON ROAD (000 Number)

Year	Mcy/ Scooter	Motor Car	Jeep	Stn. Wagon	Tractor	Buses	M.Cab Taxi	Motor Rck
1991-92	971.80	429.10	31.60	43.60	275.30	45.00	33.50	42.40
1992-93	1,165.50	465.80	35.60	48.80	353.00	51.70	40.00	46.70
1993-94	1,287.30	493.70	38.00	52.70	376.60	56.40	44.50	50.50
1994-95	1,482.00	516.80	41.30	56.00	399.80	60.90	47.90	53.40
1995-96	1,481.90	538.40	43.50	59.00	424.80	64.50	51.40	58.70
1996-97	1,576.00	564.50	45.50	62.00	439.80	68.20	54.10	65.60
1997-98	1,691.40	593.00	47.80	65.00	463.60	72.50	57.30	74.60
1998-99	1,833.70	731.30	16.70	60.60	489.80	84.40	68.50	56.70
1999-00	2,010.00	815.70	17.00	73.90	528.40	92.80	69.80	59.90
2000-01	2,218.90	928.00	18.30	93.80	579.40	86.60	79.80	72.40
2001-02	2,481.10	1,040.00	43.40	122.70	630.50	96.60	96.40	80.80
2002-03	2,656.20	1,110.00	44.40	126.40	663.20	98.30	104.10	80.90
2003-04	2,882.50	1,193.10	47.80	132.40	722.70	100.40	112.60	81.00
2004-05	3,063.00	1,264.70	51.80	140.50	778.10	102.40	120.30	81.30
2005-06	3,791.00	1,999.20	65.70	140.80	822.30	103.60	122.10	77.80
2006-07	4,463.80	1,682.20	85.40	169.10	877.80	108.40	119.10	79.00
2007-08 (Jul-Mar)	5,037.01	1,853.46	82.87	163.22	900.52	109.88	129.80	89.34
2008-09 *	5,367.86	2,029.16	79.02	155.58	911.69	111.06	138.57	88.40

* Estimated

(Contd.)

TABLE 13.4

MOTOR VEHICLES ON ROAD (000 Number)

Year	D.Van	Trucks	Pickup	Ambu- lance	Tankers		Others	Total
					Oil	Water		
1991-92	61.40	75.80	30.20	1.70	4.00	0.60	49.50	2,095.50
1992-93	69.80	84.20	39.50	2.00	4.30	0.70	52.70	2,460.00
1993-94	74.00	92.00	44.10	2.30	4.70	0.70	73.60	2,690.40
1994-95	78.20	98.30	47.10	2.70	5.10	0.80	60.70	2,951.60
1995-96	81.30	104.20	50.50	3.30	5.60	0.90	63.70	3,000.20
1996-97	84.30	110.30	50.20	3.70	6.10	1.10	66.50	3,195.80
1997-98	87.60	117.10	56.10	4.30	6.80	1.30	69.70	3,405.30
1998-99	51.70	121.00	56.40	1.50	6.80	0.70	74.70	3,651.70
1999-00	55.50	127.40	61.60	1.70	7.00	0.70	78.80	3,997.20
2000-01	72.40	132.30	68.40	1.70	7.20	0.80	89.00	4,471.00
2001-02	116.90	145.20	78.30	4.10	7.60	0.90	71.50	5,016.80
2002-03	120.30	146.70	80.60	4.30	7.60	0.90	71.40	5,315.00
2003-04	121.30	149.20	84.40	4.40	7.60	0.90	71.30	5,711.20
2004-05	121.90	151.80	87.60	4.50	7.70	0.90	69.40	6,048.30
2005-06	143.30	151.80	93.50	4.50	7.70	0.90	60.20	7,084.50
2006-07	148.90	173.30	104.50	4.60	7.80	0.90	38.50	8,063.60
2007-08 (Jul-Mar)	163.50	177.80	115.30	5.20	8.80	1.00	40.80	8,878.50
2008-09 *	167.20	181.90	125.50	5.65	9.70	1.20	41.40	9,413.80

* : Estimated

Source: National Transport Research Center

TABLE 13.5

PRODUCTION AND IMPORTS OF MOTOR VEHICLES

Fiscal Year/ Type of Vehicles	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
PRODUCTION (Nos.)									
Trucks	2,222	1,394	703	3,030	2,916	1,850	1,131	977	952
Buses	1,177	427	312	438	862	425	1,220	1,508	1,337
L.C.Vs	11,478	5,128	5,154	6,834	9,817	4,886	8,079	6,656	6,965
4x4 Vehicles	1,324	816	1,310	2,274	792	651	622	380	459
Tractors	17,127	14,907	17,144	16,208	10,417	14,144	26,885	35,038	32,533
Motor Cycle/Scooters/ Rickshaw	95,793	63,958	60,960	121,809	117,188	96,991	93,167	94,881	117,858
Cars	26,945	19,514	20,955	31,079	33,462	33,683	38,682	32,461	39,573
IMPORTS (Nos.)									
Cars	100,188	38,216	31,743	35,100	31,817	36,851	46,363	34,988	62,187
Jeeps	1,484	343	1,535	959	542	1	165	48	338
Motor Rickshaw	2,773	548	250	..	..	900	..	8	20
Station Wagon	746	251	326	265	173	143	97	71	115
Buses Including Trolley Buses	2,247	893	267	344	396	498	603	917	588
Lorries/Trucks Includ- ing Ambulance special Lorries, Trucks & Vans	4,743	2,673	882	1,948	2,101	1,034	443	500	545
Motor Cycle	119,970	86,349	62,100	115,235	135,220	90,435	79,738	85,592	15,771
Scooter	308	3	40	..	..	7	8	145	..
Motorised Cycles	426	26	234	1,305	990	925	44	3	..
Passengers M. Cars (n.S)	212	88	224	919	338	318	162	161	99
Road Tractors for Trailers	10	27	4	193	340	38	37	7	36
Tractor Agricultural	..	952	10,084	6,805	2,020	1,086	3,281	2,469	55
Tractor Caterpillar	..	3	2	1	6	..	1	..	..
Tractor Heavy Duty for const.	115	14	2	..	14	28	..	5	13
Tractor Roads	..	..	..	..	8	..	..	3	25,964
Tractor (NES)	78	115	80	323	179	113	436	1	15
Car's Chassis with Engine	11	1	..	..	28	2	..	10	4
Bus etc. Chassis	102	24	48	..	12	..	..	277	57
Spl. Truck etc. Chassis	..	26	..	..	..	..	..	..	4
Rickshaw, Chassis with Engine	..	..	..	..	..	..	..	..	17
Pickup	17,931	6,099	5,751	5,506	5,511	6,314	3,734	3,672	2,703
Delivery Van	22,343	2,823	1,940	1,831	4,851	5,218	3,149	3,379	1,573
Chassis Un-Mounted Motor Vehicles No Bicycle	457	..	127	1	194	9	..	..	62
Motor Vehicles for Goods	468	928	9,916	8,303	3,618	7,844	29,218	22,211	14,505
Passenger Vehicles Public No	134	57	43	151	22	18	146	160	..
Tractor Chassis with Engine	17	15	8	27	22	4	61	183	62
.. not available	..	..	480	..	..	..	..	..	..

(Contd.)

TABLE 13.5

PRODUCTION AND IMPORTS OF MOTOR VEHICLES

Fiscal Year/ Type of Vehicles	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	July - March	
								2007-08	2008-09 P
PRODUCTION (Nos.)									
Trucks	1,141	1,950	2,022	3,204	4,518	4,410	4,993	3,317	2,169
Buses	1,099	1,340	1,380	1,762	627	993	1,146	838	408
L.C.Vs	8,491	12,174	14,089	23,613	29,581	19,672	21,354	15,652	13,653
Tractors	24,331	76,501	36,103	43,746	49,439	54,610	53,607	37,514	41,766
Motor Cycle	133,334	176,591	327,446	571,145	751,667	839,224	1,057,751	782,080	619,460
Cars	41,171	63,267	100,070	128,381	163,114	179,314	166,300	123,107	63,984
IMPORTS (Nos.)									
Cars	40,079	60,554	88,130	66,338	36,563	202,785 *	540,025	341,565	315,886
Jeeps	666	6,010	11,435	5,409	2,108	1,938 *	210	204	17
Motor Rickshaw		101	3	3	15	1,727	60,519	1,029	3,131
Station Wagon	165	440	154	37	284	2,817 *	345	345	22
Buses Including Trolley Buses	700	1,230	2,429	411	2,104	652	217	178	240
Lorries/Trucks Including Ambulance special Lorries, Trucks & Vans	728	14,036	2,883	2,616	13,463	16,610	61,533	7,952	24,932
Motor Cycle	111,711	143,952	127,861	189,721	167,626	164,078 *	209,098	189,986	137,264
Scooter	..	..	..	..	..	..	..	..	..
Motorised Cycles		509	675	4,143	9,472	12,467	18,512	12,528	17,368
Passengers M. Cars (n.S)	161	194	243	244	1,587	1,174	690	566	527
Road Tractors for Trailers	18	122	124	117	498	997	5,500	1,938	11,185
Tractor Agricultural	220	14,000	11,420	6,543	20,769	30,588	71,388	69,296	5,275
Tractor Caterpillar	44	1	30	91	12	1	1	1	-
Tractor Heavy Duty for const.	4	120	219	563	632	845	744	638	406
Tractor Roads	15,174	1,115	2,104	1,646	2,284	904	1,924	1,189	382
Tractor (NES)	115	496	736	2,167	3,378 *	7,213	16,364	10,108	9,087
Car's Chassis with Engine	1	..	..	..	..	6	-	..	25
Bus etc. Chassis	60	46	164	18	7	24	314	177	519
Spl. Truck etc. Chassis	..	..	..	..	38	48	335	335	10
Rickshaw, Chassis with Engine	36	10	2	144	315 *	421 *	187	187	10
Pickup	3,600	5,162	6,857	5,394	23,303	21,898	63,800	19,710	28,818
Delivery Van	2,120	471	26	178	2,586	1,583	21,324	8,491	11,154
Chassis Un-Mounted Motor Vehicles No Bicycle	168	..	..	..	..	..	..	..	..
Motor Vehicles for Goods	20,240	37,836	39,894	61,187	52,022	28,509	38,249	24,239	22,780
Passenger Vehicles Public No	2	234	511	269	3,844	297	22	19	..
Tractor Chassis with Engine	6	473	721	1,519	5,228	2,123	836	722	335

.. not available

P: Provisional

* : Data has been revised according to new codification and introduction, shifting and deleting of new HS code for 2005-06 onwards

TABLE 13.6

POST AND TELECOMMUNICATIONS

Fiscal Year	No of Post Offices			No of Telegraph Offices			Telephones (000 Nos.)	Internet Connections (Million)	No. of Internet Cities connected	No of PCO *	Mobile Phones
	Urban	Rural	Total	Urban	Rural	Total					
1990-91	1,867	11,546	13,413	195	302	497	1188	..	..	3,861	..
1991-92	1,909	11,471	13,380	299	210	509	1461	..	..	4,676	..
1992-93	1,983	11,213	13,196	320	210	530	1548	..	..	5,618	..
1993-94	1,970	11,315	13,285	327	85	412	1801	..	..	6,422	..
1994-95	2,026	11,294	13,320	330	86	416	2126	..	..	4,600	..
1995-96	2,092	11,327	13,419	319	104	423	2376	..	..	9,410	68,038
1996-97	2,024	11,192	13,216	340	93	433	2558	..	..	10,040	135,027
1997-98	2,044	11,250	13,294	356	92	448	2756	0.01	..	10,071	196,096
1998-99	2,103	10,751	12,854	308	93	401	2861	0.20	..	10,107	265,614
1999-00	2,103	10,751	12,854	293	91	384	3124	0.50	..	10,400	306,463
2000-01	2,302	9,932	12,234	293	91	384	3340	0.80	..	66,968	742,606
2001-02	1,983	10,284	12,267	258	104	362	3656	1.00	..	97,751	1,698,536
2002-03	1,808	10,446	12,254	239	87	326	4940	1.60	1,350	139,493	2,404,400
2003-04	2,267	9,840	12,107	215	73	288	4460	2.00	1,898	180,901	5,022,908
2004-05	1,831	10,499	12,330	215	77	292	5191	2.10	2,210	217,597	12,771,203
2005-06	1,845	10,494	12,339	..	..	..	5128	2.40	2,389	353,194	34,506,557
2006-07	1,849	10,494	12,343	..	..	..	4806	3.50	2,419	387,490	63,160,874
2007-08	1,849	10,793	12,342	..	..	..	4546	3.70	3,002	449,121	88,019,812
<u>Jul-Mar</u>											
2008-09	1,849	10,494	12,343	..	..	..	3,700	3.70	3,002	384,187	91,442,411

.. Not Available

* Included Cardpay Phones

Note : Telegraph offices closed in 2006

Source:

(i): Pakistan Post Office

(ii): Pakistan Telecommunications Company Ltd

(iii): Pakistan Telecommunication Authority