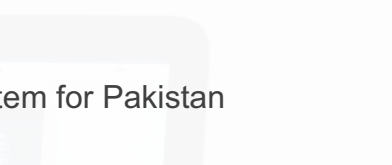




# CDPR

## NEWSLETTER

### OCTOBER



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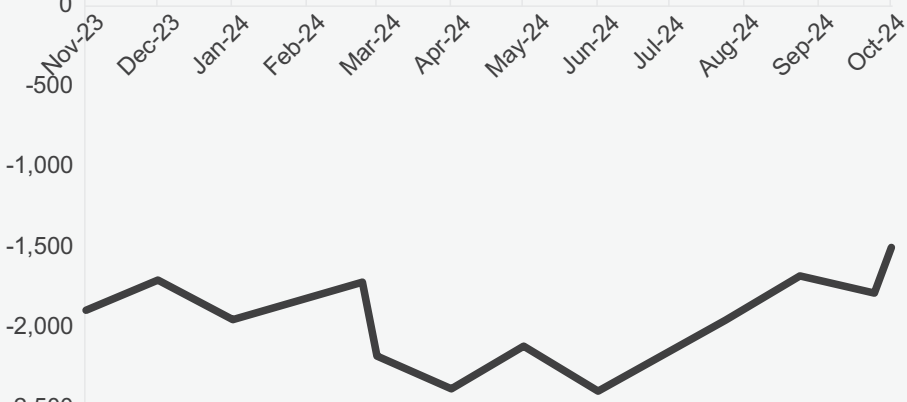
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## Macrodata

- Trade
- Balance of Payments
- Prices
- Energy
- Air Quality

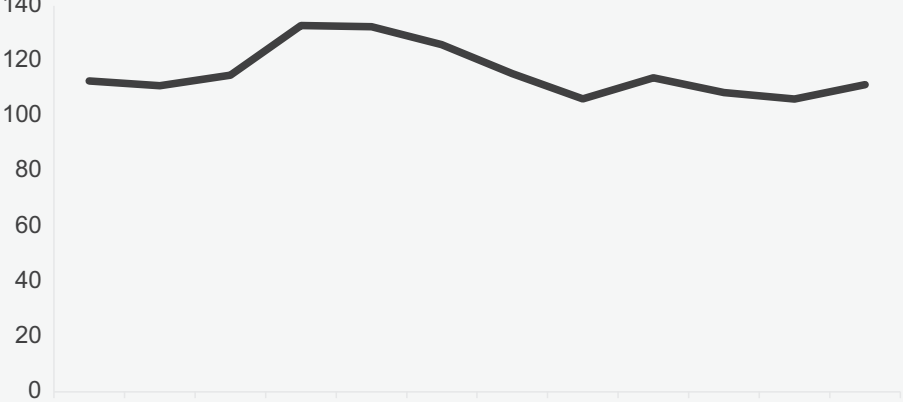
## TRADE

Exports (Monthly in Million USD)



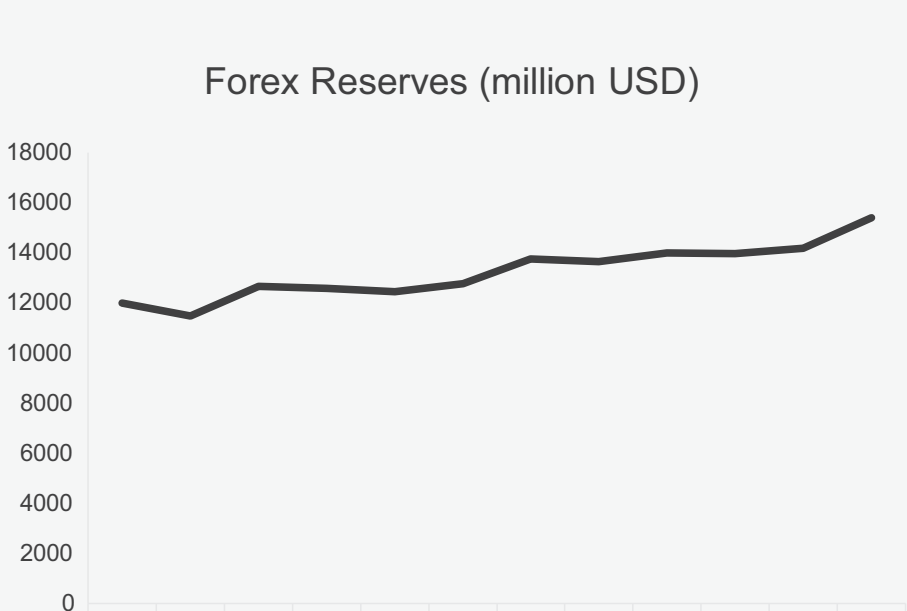
Source: Pakistan Bureau of Statistics, External Trade Statistics

Imports (Monthly in Million USD)



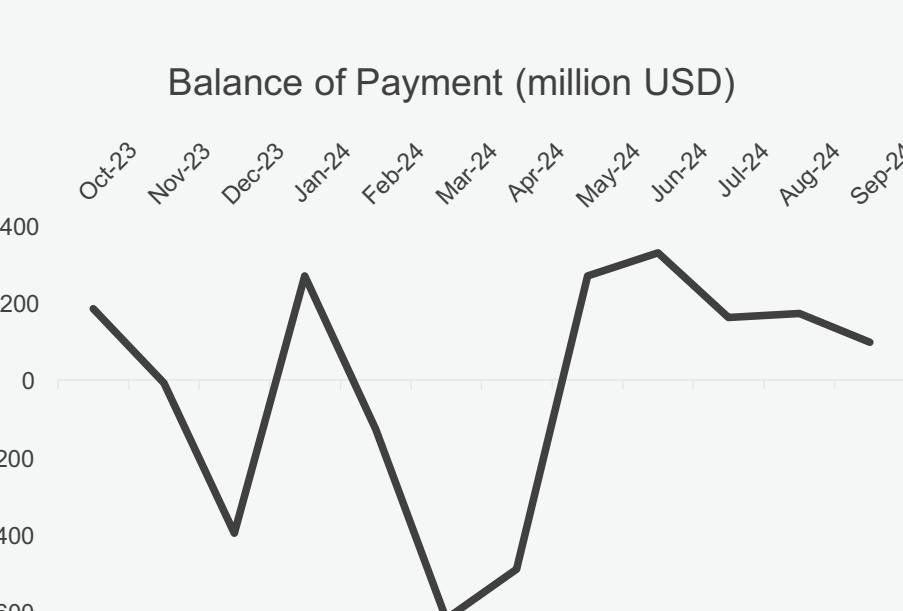
Source: Pakistan Bureau of Statistics, External Trade Statistics

Balance of Trade (Monthly in Million USD)



Source: Pakistan Bureau of Statistics, External Trade Statistics

Quantum Index of Manufacturing



Source: State Bank of Pakistan, Statistical Bulletin & Pakistan Bureau of Statistics

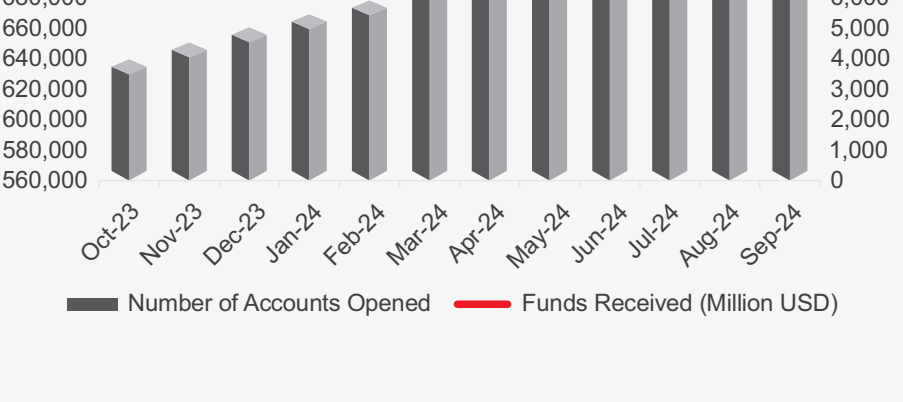
## BALANCE OF PAYMENTS

Forex Reserves (million USD)



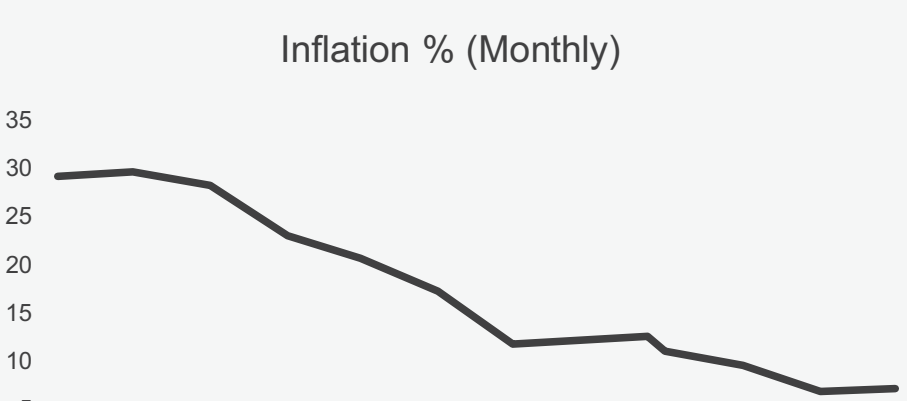
Source: State Bank of Pakistan, Foreign Exchange Reserves

Balance of Payment (million USD)



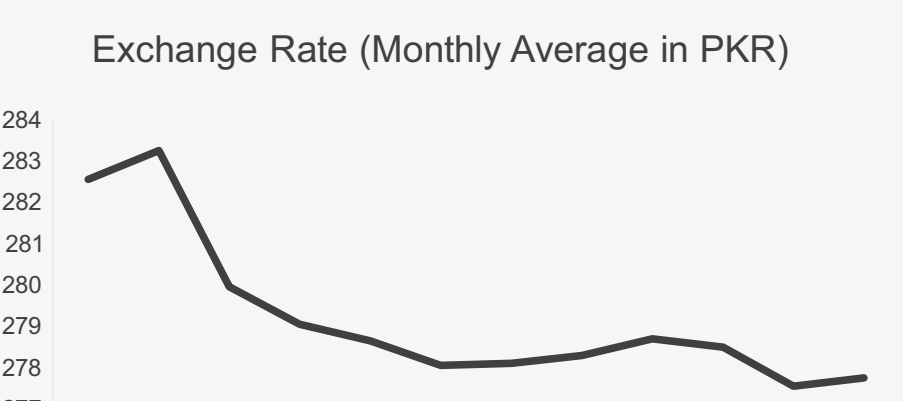
Source: State Bank of Pakistan, Annual Report

Workers' Remittances (Monthly in Million USD)



Source: State Bank of Pakistan, Annual Report

Roshan Digital Account (Monthly)



Source: State Bank of Pakistan, Key Statistics on Roshan Digital Account

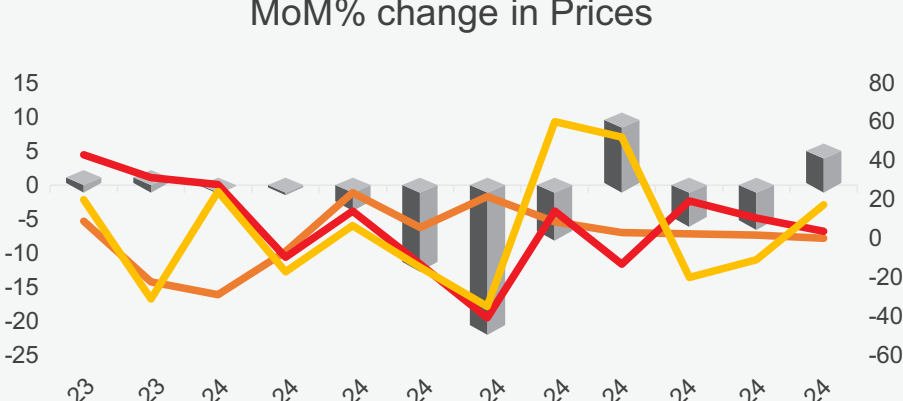
## PRICES

Inflation % (Monthly)



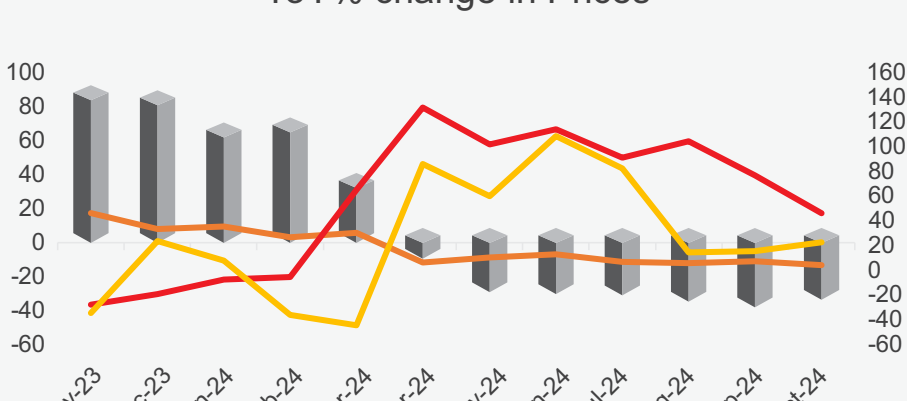
Source: Pakistan Bureau of Statistics, Monthly Review on Price Indices

Exchange Rate (Monthly Average in PKR)



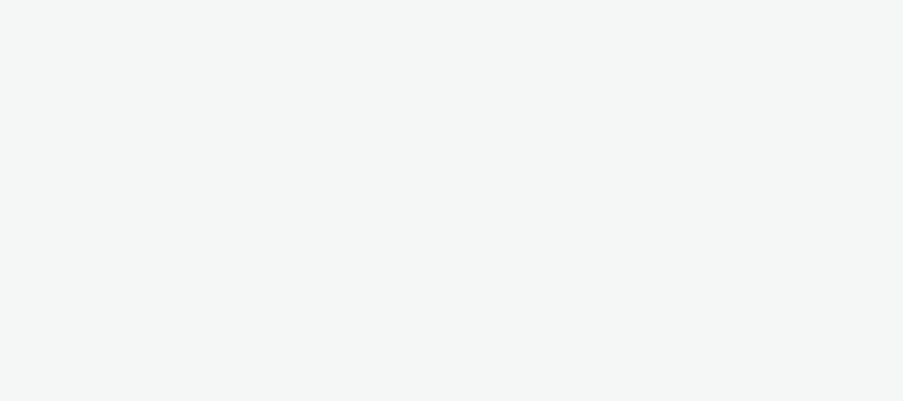
Source: State Bank of Pakistan, Monthly Average Exchange Rates

Monthly Prices



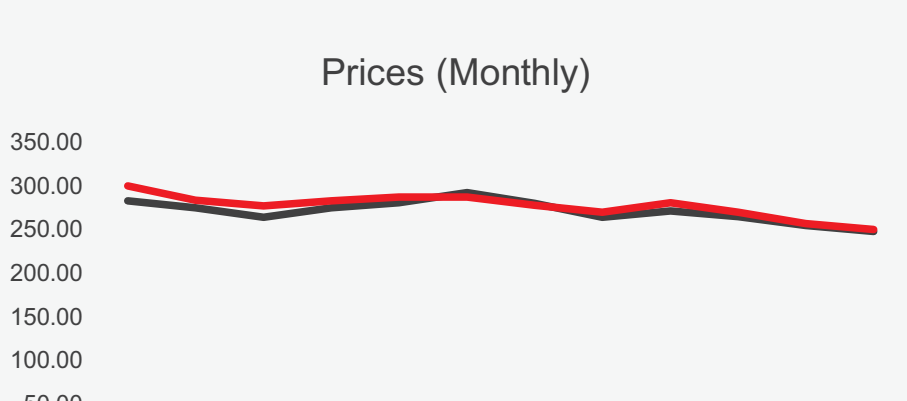
Source: Pakistan Bureau of Statistics, Monthly Review on Price Indices

MoM% change in Prices



Source: Pakistan Bureau of Statistics, Monthly Review on Price Indices

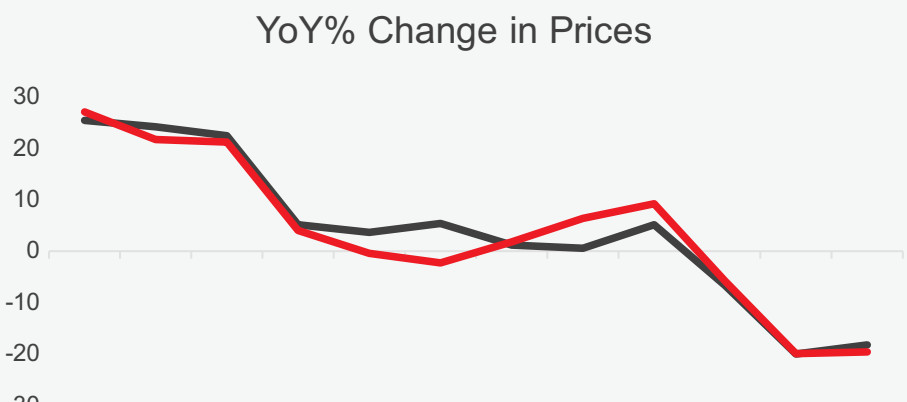
YoY% change in Prices



Source: Pakistan Bureau of Statistics, Monthly Review on Price Indices

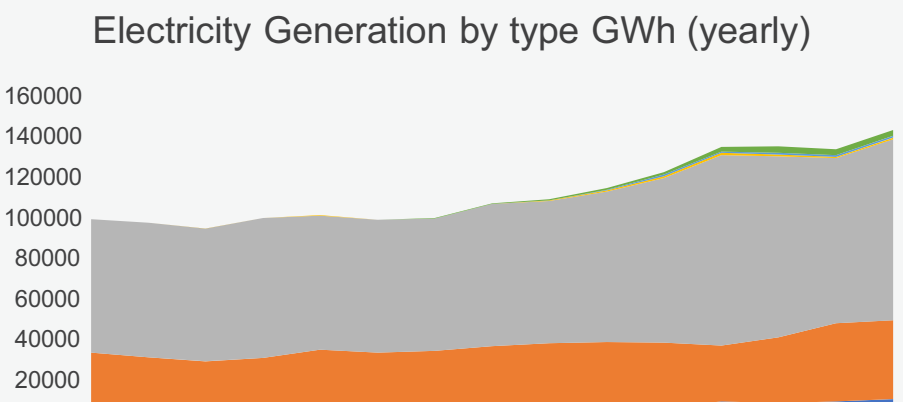
## ENERGY

Prices (Monthly)



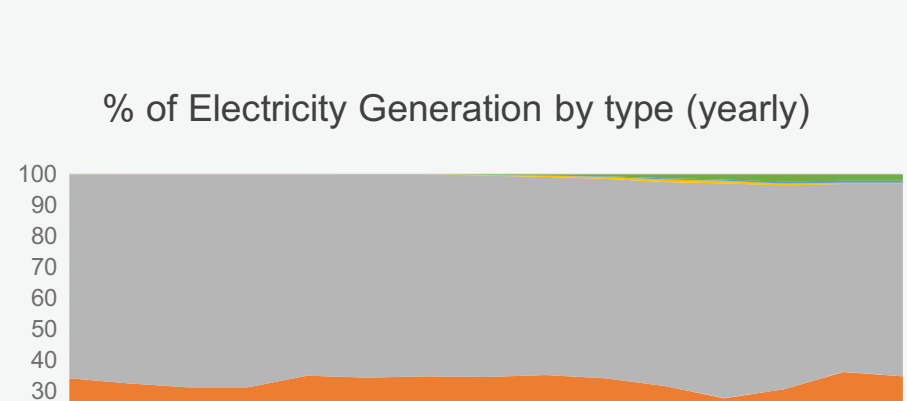
Source: Pakistan Bureau of Statistics, Monthly Review on Price Indices

MoM% Change in Prices



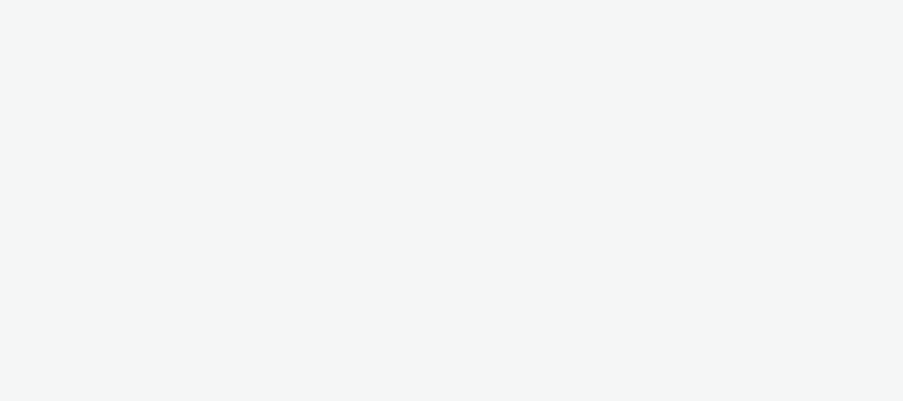
Source: Pakistan Bureau of Statistics, Monthly Review on Price Indices

YoY% Change in Prices



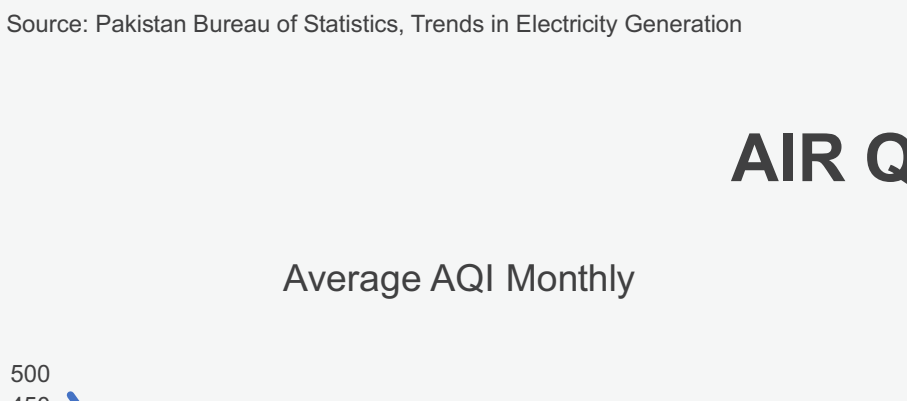
Source: Pakistan Bureau of Statistics, Monthly Review on Price Indices

Electricity Generation by type GWh (yearly)



Source: Pakistan Bureau of Statistics, Trends in Electricity Generation

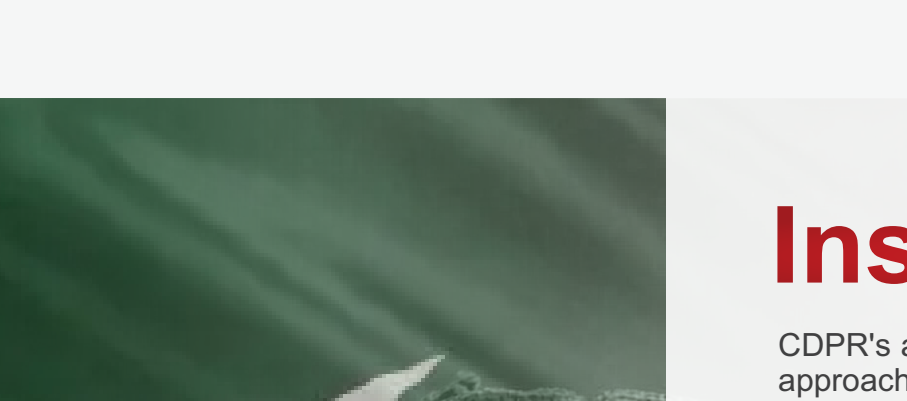
% of Electricity Generation by type (yearly)



Source: Pakistan Bureau of Statistics, Trends in Electricity Generation

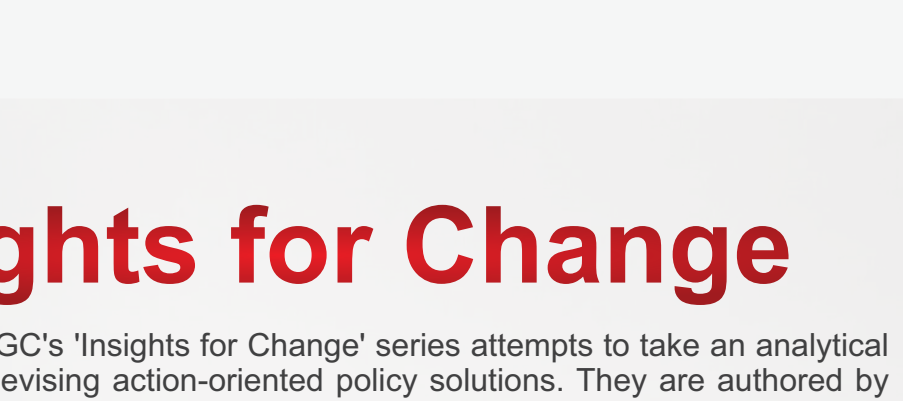
## AIR QUALITY

Average AQI Monthly



Source: Air Quality Index (AQI)

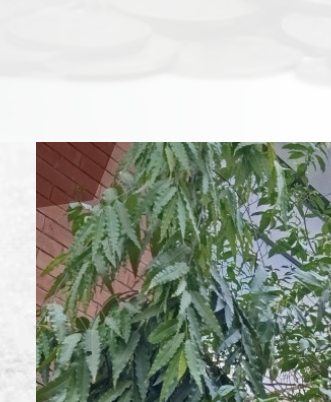
Average PM2.5



Source: Air Quality Index (AQI)

## Insights for Change

CDPR's and IGC's 'Insights for Change' series attempts to take an analytical approach to devising action-oriented policy solutions. They are authored by economists and practitioners who are experts in their field.



### Deferred Dreams: Building a Sustainable Pension System for Pakistan

The latest Insights for Change article is the third and the final part in a series of articles on Pakistan's pension crisis. The first article describes Pakistan's growing pension crisis and its threat to the country's fiscal stability. The second piece conducts an international comparative analysis of pensions crises in countries like India and Chile, offering key insights and lessons learned. The final article shifts the focus from examining the challenges and international practices, to offering actionable and sustainable reform strategy to stabilize the country's fiscal outlook.

The author of this series, Hasaan Khawar, is a former civil servant, a public policy and international development expert.

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## Policy Analysis

### Are Overseas Remittances a Source of Dutch Disease in Pakistan?

This research was a collaboration between CDPR and Finance for Development Lab, Paris School of Economics. The principal investigators included Saqib Jafary (Professor of Economics, City University, London), Aziz Khan Maak (Independent consultant), Ijaz Nabi (Executive Director, CDPR, Country Director, IGC Pakistan) and Irfan Qureshi (Asian Development Bank). Martin Kessler (FDL) provided detailed comments on the paper.

Pakistan's once-promising economy has been in the doldrums for the past three decades, experiencing erratic growth, recurrent trade deficits and frequent balance of payment crises. Over the same period, overseas worker remittances have increased significantly, both in absolute terms and in proportion to Gross Domestic Product (GDP). The question has been asked whether remittances contribute to the phenomenon known as Dutch Disease (Chami et. al., 2008), which can arise when a country receives large unrequited inflows of foreign currency. This paper examines to what extent can Pakistan's economic performance of the last 23 decades be attributed to remittance-induced Dutch Disease.

This paper thus concludes that remittances appear to be associated with Dutch Disease symptoms in Pakistan but not in its neighbours. Remittances alone are not causing Dutch Disease but the weak economic structures of Pakistan are more susceptible to vulnerabilities. On the other hand, Pakistan's regional comparators have been better at evolving their economic structures in directions that strengthen export capacity and thus reduce reliance on remittances as a source of foreign exchange. The importance of reducing such reliance was highlighted by the pandemic and the ensuing disruption of migrant labour.

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## Let's Talk Development

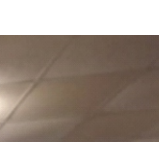
CDPR and IGC's podcast series called 'Let's Talk Development' is about understanding Pakistan's crucial economic and development problems. We engage experts in exploring critical development issues and trends in Pakistan.

### Climate Action through Climate Finance

Climate finance is a multifaceted concept, referring to finance activities that are aimed towards mitigating and adapting to the impacts of climate change. As per the Nationally Determined Contributions, Pakistan aims to reduce its greenhouse gas emissions to 50% by the year 2030, which calls for about USD 151 billion of investment just for energy sector mitigation by 2040, this is where climate financing comes into play for Pakistan. In the latest episode of Let's talk Development, Dr. Abrar Chaudhury and Sara Hayat talk about climate finance, focusing on what climate change really encompasses and the obstacles for Pakistan's climate finance mobilisation.

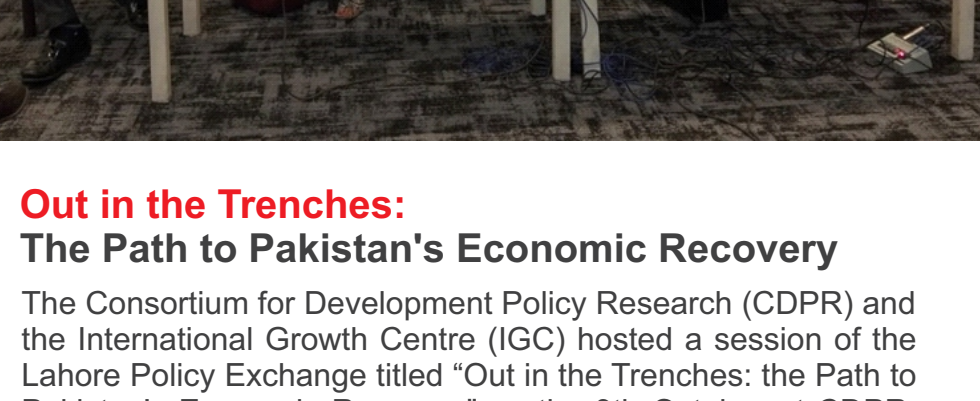
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## Events

### LAHORE POLICY EXCHANGE



### Out in the Trenches:

#### The Path to Pakistan's Economic Recovery

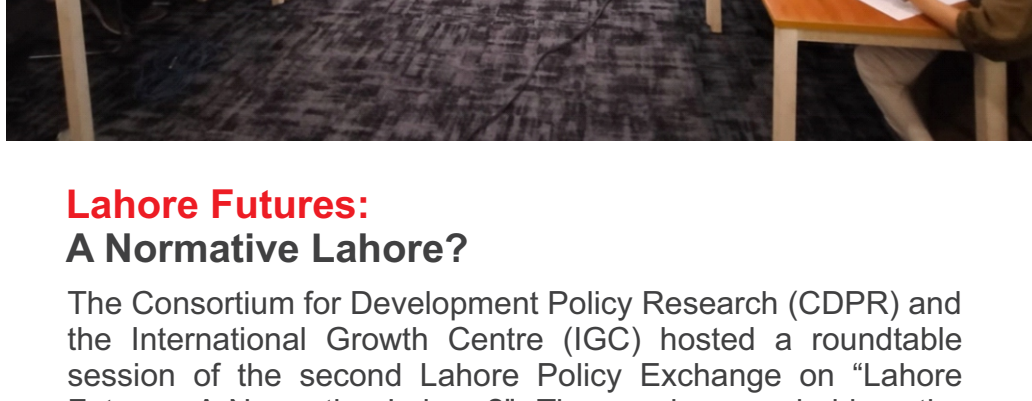
The Consortium for Development Policy Research (CDPR) and the International Growth Centre (IGC) hosted a session of the Lahore Policy Exchange titled "Out in the Trenches: the Path to Pakistan's Economic Recovery" on the 9th October at CDPR, Lahore. The session dug deep into the issues pertaining to insufficient manufacturing activity, limited export competitiveness, energy crisis and the high cost of servicing debt and pinpointed prudent policy efforts and reforms required to maintain a positive momentum.

The speakers for this session were

- Ijaz Nabi**  
Executive Director, CDPR, Country Director, IGC
- Ishrat Hussain**  
Economist and Former Governor, State Bank of Pakistan
- Hadia Majid**  
Associate Professor and Economics Department chair, LUMS
- Aqueela Mumtaz**  
VP of Finance, Jazz
- Ali Khizar Aslam**  
Head of Research, Business Recorder

Full Session

[WATCH](#)



### Lahore Futures:

#### A Normative Lahore?

The Consortium for Development Policy Research (CDPR) and the International Growth Centre (IGC) hosted a roundtable session of the second Lahore Policy Exchange on "Lahore Futures: A Normative Lahore?". The session was held on the 21st October at CDPR, Lahore. The second session of the Lahore Futures policy exchange series aimed towards identifying the tenets of an ideal city of Lahore focusing on aspects of city financing, public transport and air quality. The goal was to pinpoint challenges and to take actionable solutions to tackle these problems in a sustainable and productive manner with the goal to build a normative city.

The roundtable discussion featured the following speakers

- Ijaz Nabi**  
Executive Director, CDPR, Country Director, IGC Pakistan
- Ahmad Rafay Alam**  
Environmental Lawyer
- Farah Said**  
Assistant Professor, Department of Economics, LUMS
- Mohammad Omar Masud**  
CEO, Urban Unit
- Omar Hassan**  
Dean, Razia Hassan School of Architecture at BNU
- Qudsiya Rahim**  
Co-Founder and Executive Director, Lahore Biennale Foundation
- Kamil Khan Mumtaz**  
Architect
- Raza Ali Dada**  
Managing Partner, Architect, Nayyar Ali Dada & Associates

Full Session

[WATCH](#)

## Fellows' Articles



### For the people?

SOMETIME ago, I had to apply for a visit visa to a country that issued a 'police certificate' as well. This was the first time I had heard of the police certificate. I asked around and was told that the police in Lahore had Khidmat Centres and I could go to anyone of them and apply for a certificate. I did exactly that.

On the day I did not have to teach in the afternoon, I reached a Khidmat Centre at about 2pm. There was a long queue of some 45 men waiting to submit their applications. It was hot and all had to queue under the sun. I stood for a couple of hours and then came back.....

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### Restless Natives

IN the national security perspective on Pakistan, the country is besieged by hostile forces seeking to undermine the security apparatus and/or alter its geographic integrity altogether.

On this list, the identity of external hostile forces remains largely unchanged since 1947, though the Americans tend to drop in and out depending on regional considerations.

The list of internal collaborators/ fifth columnists sees a bit more churn. At various times, it has featured communists, socialists, mainstream political parties questioning.....

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### Three-year Reform Plan for IMF Exit Strategy

THE country requires a comprehensive three-year action plan for domestic reforms, in addition to solidifying external accounts, to ensure a smooth exit from the International Monetary Fund (IMF) programme and transition to a self-sustained, non-inflationary growth path.

The broad contours of such reforms are quite well known. What is needed is to build a consensus among political parties, federal and provincial governments, and the private sector.

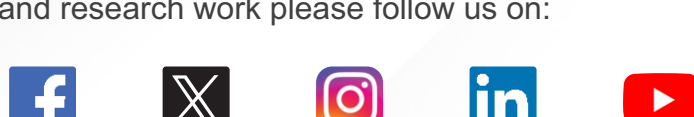
Key elements of the plan should be finalised with timeliness.....

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In Pakistan, policy decisions and public discourse are often uninformed by available research. The Consortium for Development Policy Research (CDPR) bridges this gap by communicating cutting-edge, evidence-based research on development issues in Pakistan to an audience of policymakers, students, the media and the wider public. With support from the International Growth Centre (IGC), CDPR disseminates policy briefs, hosts events, engages with the media and produces digital content to make topics in development research such as economic growth, energy, education, health and governance intelligible to both decision makers & the public.