PARTNERING FOR GROWTH IN PUNJAB, PAKISTAN

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Pakistan, a country of 187 million, has an economy of around $255 billion and growing @ 4.1%

12.4% people live below poverty line, unemployment rate of 6.2% with 1.5 million joining labor force every year

Punjab is 52% of population and over 60% of labor force

Contributes 57% of services sector, 63% of agriculture and over 50% of all industry
Our Vision

Growth Strategy

Jobs

Energy

Infrastructure

Investment climate

Productivity

Social Sector

Broad Reforms to achieve a Growth Rate of about 8% which currently is 4.3% of GDP
Drivers of Growth

- Higher GDP growth to create jobs
- Private sector-led growth
- Higher productivity and value addition
- Better performing social sectors
Resources to Achieve GROWTH

**Public Resources**
- Development Funds

**Donor Funding**
- Development Partners, World Bank, ADB and others

**Private Sector**
- Investment climate
- Regulations
- Infrastructure
- Partnerships
In Energy sector two major conferences held with the private sector on Captive Power Generation, Energy wheeling and Private Grids with over 300 participants.

Where are we now?

- Informal PPDs in major sectors conducted.
- Legal framework amended adequately.
- Land Security System digitized.
- PPP projects initiated related to infrastructure and vehicle inspection.

The Green paper, highlighting the issues & recommendations regarding Wheeling and Private Grids, is the first major outcome of the critical Public Private Dialogue.
Strategy is to work with the private sector

What is the right balance?

Markets

Regulation

Increase dialogue with private sector

Facilitate & incentivize the Private Sector

… Let markets work…

Regulate when necessary

But

- How to get real-time feedback from private sector?
Need for PPD

- Over 2 billion people in developing world are confronted with extreme violence
- Pakistan is not included in fragile and conflict affected states, yet it is threatened by terrorism and extremism
- To overcome development challenges PPD is essential to:
  - Create a platform for dialogues
  - Fill the gap resulting from the lack of legitimate institutions
  - Create transparency and trust between stakeholders, and
  - Identify need for reforms and interventions that can improve the business environment and attract investment
Possible Challenges

- Absence of formal structure to communicate between the public and private sectors for eliminating mistrust
- Coordination between the public and private sectors
- Lack of quality data (data gathering, analysis)
- Limited capacity of drafting, management and enforcement of contracts

In disturbed areas, special challenges faced were:
  - Identification of local representatives to moderate PPDs
  - Security of business community / investors and transit routes
  - Flight of capital and skilled workforce to safe jurisdictions
Our Approach

Strengthening Public-Private Dialogue for Sustainable Development and Reforms

New PPD UNIT

Planning and Development Board

Chief Minister

Policy and Strategy
Budget
Coordination
Monitoring and Evaluation

Private Sector
Academia
Civil Society

Departments
THANK YOU