Transport and Communications

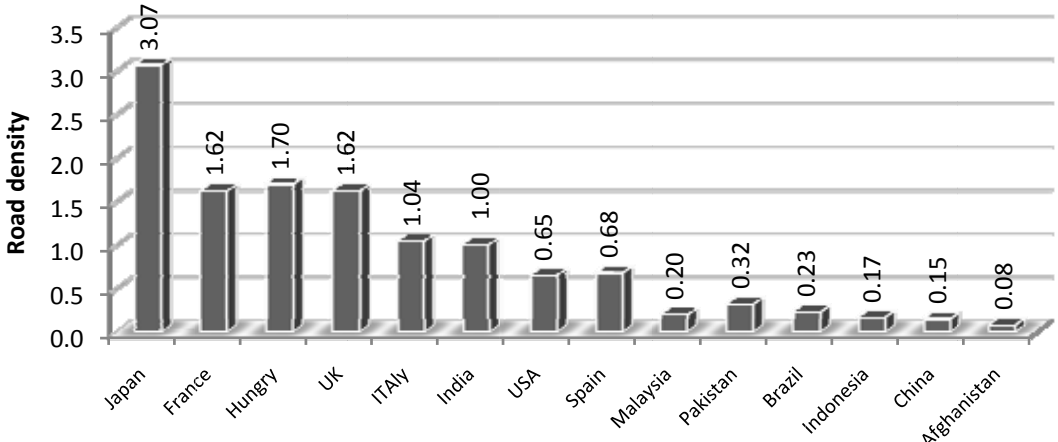
14

An efficient transport system contributes to economic growth by lowering domestic production cost through timely delivery of raw materials, enhancing economies of scale in the production process, integrating markets, creating economic opportunities and communication links among people. In this fashion it also enhances the competitive advantage of the economy in production of goods and thereby promotes trade. A competent transport system will also encourage tourism and foreign investment. This sector generates a large number of employment opportunities, currently 6 percent of employed labour force is said to be engaged with this sector. The sector also contributes to the government revenues through taxes and duties on production and import of vehicles and parts, petroleum products, and fees on ownership and operation of vehicles.

Globally transport and communication is changing every aspect of human life, from trade to manufacturing, education, research, entertainment, culture and defence. Most emerging economies being aware of the strength of these services are transforming their economies towards knowledge and communications. In order to keep pace with the global environment, Pakistan is also developing efficient and well integrated transport and communication system. With this it will emerge as a competitive economy, enhancing its trade performance and thereby attaining sustainable growth.

Road density of any country is an indicator of the level of prosperity and development. Current road density in Pakistan is 0.32km/km^2 which is much less even from regional standard. Government of Pakistan is endeavouring hard to double road density to 0.64 km/km^2 as shown in Fig 14.1

Fig-1: Road Density Comparison



Source : NHA

14.1 ROAD TRANSPORT

Roads have become the most important segment of transport sector in Pakistan with ever increasing reliance on road transportation. In 1947, reliance on roads was only 8%, however, the roads now carry over 96% of inland freight and 92% of passenger traffic and are undoubtedly the backbone of Pakistan's transport sector. From only around 50,000 km in 1947, Pakistan's current road network is now more than 260,000 km. This includes NHA network of around 12,000 km, which despite being merely 4% of the overall road network takes 80% of Pakistan's commercial traffic

14.1-1 ROAD NETWORK:

Pakistan's road network is vital for the movement of people and goods and plays an important role in integrating the country, facilitating economic growth and reducing poverty. Pakistan has a road network covering 259,618 kilometres including 179,290 KM of high type roads and 80,328 KM of low type roads. Total roads, which were 229,595 KM in 1996-97, increased to 259,618 KM by 2009-10 (Jul-Mar) an increase of 13 percent. A sizable and continuous improvement of the high type road network can be observed from 1996-97 to 2009-10 (Jul-Mar), in table 14.1.

Table 14.1: Length of Road **(Kilometers)**

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	240,340	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	172,827	3.2	86,370	-2.8	259,197	1.1
2007-08	175,000	0.8	84,038	-5.5	259,038	-1.3
2008-09	177,060	1.3	83,140	-2.7	260,200	0
2009-10 (Jul-Mar)	179,290	1.2	80,328	-3.4	259,618	0

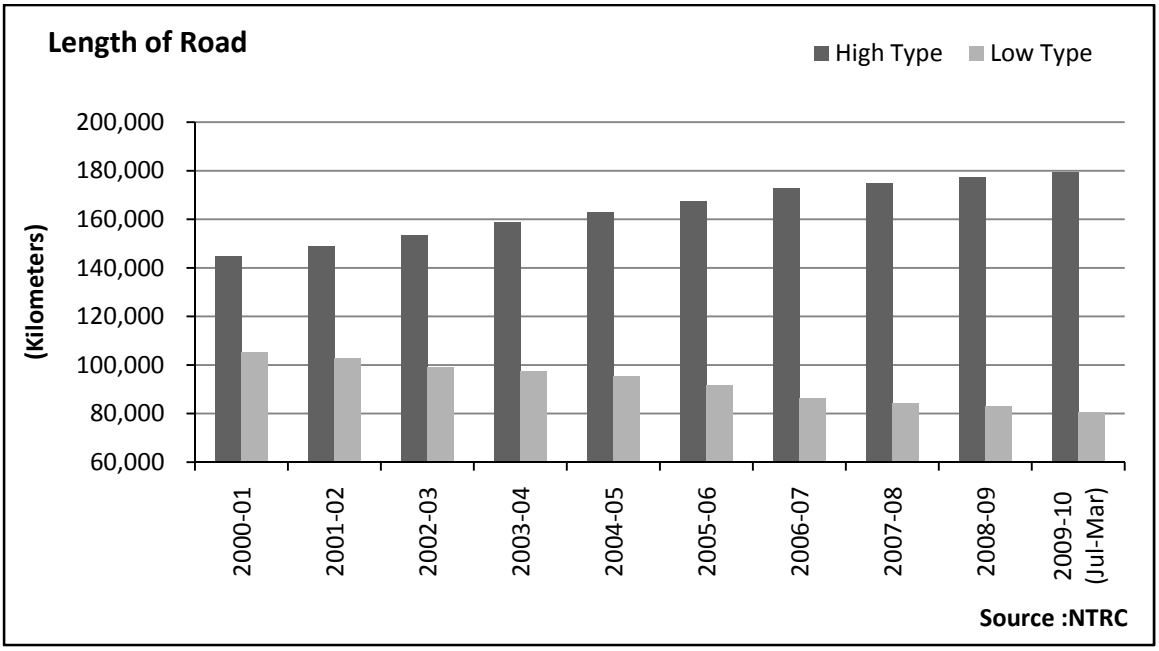
Sources : National Transport Research Centre

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

Graphical representation of high type and low type of roads in Pakistan since 1996-97 are shown in Fig-1

14.1-2 National Highway Authority (NHA)

National Highway Authority (NHA) network plays a major role in the all-weather reliability, reduced transportation costs and increased access to markets for local produce and products, access to new employment centres, employment of local workers on the project, better access to health care and other social services, strengthening of local economies.



NHA has performed reasonably well during the current and previous financial years, as could be appreciated from following facts and Table 14.2.

a. NHA launched 30 new development projects covering a length of almost 1000 km inclusive of a number of bridges, flyovers & interchanges

b. NHA completed 23 development projects costing Rs. 41 billion NHA has targeted completion of different projects with a total length of well above 2000 km during 2010

c. Launching of new projects entailed creation of 2500 PC-I vacancies within NHA of different nomenclature/cadres. Besides these direct job opportunities, the development projects of NHA have indirectly resulted in creation of thousands of jobs, which the masses in Pakistan so desperately need.

Table 14.2: COMPLETION OF DEVELOPMENT PROJECTS SINCE 2008

	Project/Section	Route	Km	(Cost in M)	Completion
	Sindh				
1.	Lyari Expressway (SBC)	LEP	6	11870	Feb-08
2.	Sir Shah Suleman – Sohrab Goth (NBC) including Interchanges	LEP	6		Jul-09
3.	Manghopir Interchange (SBC)	LEP	---		Feb-10
4.	Larkana-Khairpur Bridge (Rive Indus)	---	---	1445	Dec-09
	Balochistan				
5.	Gwadar-Pleri-Jiwani	N-10	69	1996	Oct-08
6.	Pleri-Gabd	N-10	37	330	Dec-09
7.	Quetta Western Bypass	N-25	23	375	Aug-08
8.	Lakpass Tunnel (with 5km approaches)	N-25	180m	921	Jun-09
9.	Hub – Uthal	N-25	83	3023	Jan-10
10.	Khanozai-Muslim Bagh	N-50	50	1169	Apr-09
11.	Muslim Bagh – Qila Saifullah	N-50	50	1713	Sep-09
	NWFP/GB				

Table 14.2: COMPLETION OF DEVELOPMENT PROJECTS SINCE 2008

	Project/Section	Route	Km	(Cost in M)	Completion
12.	Naran – Jalkhad	N-15	40	1969	Dec-08
13.	Timergrah – Akhagram	N-45	25	570	Oct-09
14.	Lowari Rail Tunnel Project (excavation)	N-45	8.6	5546	Jan-09
15.	South access road to LRTP	N-45	9	245	Jun-09
16.	Dargai – Chakdara	N-45	25	622	May-09
	Punjab				
17.	Zahir Pir – TM Panah (Section-II)	N-5	45	1531	Jun-08
18.	Baba Farid Bridge (River Sutlej)	---	---	913	Jan-10
19.	Shershah Bridge (River Chenab) (with 13 km approaches)	N-70	---	950	Sep-08
20.	Satra Mile – Lower Topa	N-75	43	2949	Mar-10
	National Highway Improvement Program				
21.	Ubauro – Sh Wahan	N-5	50	1200	Jan-10
22.	Mian Channu – Sahiwal	N-5	46	863	Dec-09
23.	Nowshera-Peshawar	N-5	58	789	Aug-09

Source : NHA

Operation and maintenance

By adopting the principle of awarding toll operation & management contracts on guaranteed revenue basis, NHA has been able to increase the toll revenue which is the lifeline for maintenance of NHA network by 36% as shown in Table 14.3.

Table 14.3 Comparison of Gross toll collection **(Rs in Million)**

Revenue source	(July-Feb) 2008-09	(July-Feb) 2009-10	Increase	% Changes
Motorways	1332	1512	180	13.54
N-5	2300	3367	1066	46.35
Other Highways	810	1177	367	45.29
Total	4442	6056	1613	36.32

Source : NHA

14.2 Pakistan Railways

An efficient transportation system plays a vital role in the economic development of a country. The government vision for economic growth and poverty reduction requires massive investment and development of infrastructure for sustainable economic growth. Pakistan Railways has a definite edge over roads for long haul and mass scale traffic movement both for passenger and freight in addition to providing a safe, economical and environment friendly mode of transport.

Throughout world history, rail traffic has played an important part in the development and economic prosperity of nations. 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. Pakistan Railways was the primary mode of transportation in the country till the seventies. However, owing primarily to a diversion of already scarce resources towards the expansion of the road network, the performance and condition of Pakistan

Railways declined and it's share of inland traffic reduced from 41 percent to 10 percent for passenger and 73 percent to 4 percent for freight traffic.

During the last nine years (2000-2009), Pakistan Railways has shown improving trend in both passenger and traffic registering an average increase of 3.2 percent and 4.0 percent per annum, respectively (See Table 14.4).A decrease in passenger traffic was seen for the year 2009-2010 (Jul-Mar) with a negative growth rate of 7.15 percent due to less travelling as a result of deterioration in internal security whereas freight traffic has decreased by 13.1 percent over the same period of last year. The negative growth trend can be attributed to the recession in the economic growth in the country as well as law and order situation created in the country by the miscreant. The fall in growth rates for freight traffic during the current financial year has been attributed to the less availability of locomotives for freight traffic because of non procurement of spares due to financial constraint. Many part of the railway track have been destroyed with immense damage being caused to the rolling stock and stations of Pakistan Railways during riots in December, 2007. The damaged assets during riots have not been repaired due to reduction in PSDP allocation last year. However, Pakistan Railways is undertaking a number of development projects and adopting better policies aimed at modernization of Pakistan Railways.

Table: 14.4 Passenger Traffic (Million Passenger Km) Freight Million Ton Km

Fiscal Year	Passenger Traffic (Million) Passenger Km						Freight Million Ton Km	
	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	3.1	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
2008-09			25,702	3.95			5,896	-4.10
2009-10* (Jul-Mar)			18,270	-7.15			3,925	-13.2

**Estimated* *Source: Ministry of Railways & Ministry of Communications*

14.2-1 Future Outlook:

In order to continue improvements and to consolidate reforms, Pakistan Railways is struggling to increase its competitiveness, responsiveness and efficiency. Pakistan Railways is planning to take a series of interlinked initiatives as discussed below, which will enable it to compete effectively in the fast growing transport sector in Pakistan.

- Pakistan has already completed pre-feasibility study for establishing a rail link with China. This 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.

- Pakistan Railways has signed contract with Chinese supplier for the maintenance of Chinese locomotives to improve reliability and availability of locomotive.
- Pakistan Railway is encouraging private sector to bring rolling stock for running of passenger and freight trains by paying track access charges.
- A contract agreement for procurement and manufacturing of 202 Nos. coaches has been signed. 150 Nos. Coaches out of 202 Nos. shall be manufactured in Pakistan Carriage Factory Islamabad from completely knock down kits during next three years.
- 150 Nos. out of 500 Nos. completely knock down (CKD) wagons received from China will be manufactured in Pakistan Railways workshop in Moghalpura this year against the project for Procurement/Manufacture of 530 high capacity wagons.
- Rehabilitation of 400 old coaches is underway with 80 coaches expected to be rehabilitated during the current financial year.
- Another on-going development project is the doubling of tracks from Khanewal-Raiwind (246 Km).
- Doubling of track will be completed from Chichawatni to Okara stations during the period under review.

Pakistan Railways has finalized loan agreements for various projects for improvement of operation on the system and letter of credit are being established for the following projects:-

- Procurement/manufacture of 75 diesel electric locomotives (DE Locos).
- Procurement/manufacture of 202 high speed modern coaches.
- Replacement of old signaling gear on Lodhran-Shahdara Bagh Section.
- Rehabilitation of signals system damaged during riots.

The earnings of Pakistan Railways since 1998-99 are given in Table 14.5

Table 14.5: Earnings of Pakistan Railways

(Rs. Million)

Fiscal Year	Earning	% 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	23,160	16.0
2009-10 (Jul-Mar)	16,875	-3.3

Source: Ministry of Railways

14.3 PAKISTAN CIVIL AVIATION AUTHORITY (CAA)

Civil Aviation Authority is responsible for the promotion and regulation of Civil Aviation activities and development of infrastructure for safe, efficient, adequate, economical and properly coordinate air service in Pakistan. CCA plays an important role in the development of a country's economy by providing fast and efficient access between different parts of the country as well as different destination 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 it is important to construct and maintain airports in the country to facilitate economic activity in an increasingly globalize world. The following major new/existing airports air being constructed by CAA currently.

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

The New Benazir Bhutto International Airport (NBBA) will be a state-of-the-art with modular facilities for both domestic and international passengers and cargo capacity to accommodate the projected demands. The facilities planned include Passenger and Cargo Terminal Buildings, Runway System, Aprons, Taxiways, Airfield Lighting System, Air Traffic Control Tower, NAVAIDs, utilities and infrastructure including roads, car parking facilities, power supply systems, storm water drainage, swage treatment plant, etc. The project is planned to be completed by the end of 2012.

ii) New Gwadar International Airport (NGIA)

In order to encourage development of Gwadar, Govt. of Pakistan has approved construction of a new international airport at Gwadar. The Govt. of Pakistan also approved execution of the project as a PSDP scheme. Sultanate of Oman has also agreed to provide a grant of 17.5 M US$ for this project. The entire project is planned to be completed by December, 2012.

iii) Up gradation of Multan International Airport

The facilities including Terminal Building at Multan International Airport are inadequate. CAA has therefore, planned to upgrade the existing infrastructure at the airport for B-747/B-777 operations on modern lines to support the 21st century aircraft technology and to meet the operational requirements of next 15-20 years.

iv) Expansion of Peshawar International Airport

Scheme for the up-gradation and expansion of existing facilities at Peshawar Airport has been prepared by CAA. M/s NESPAK has been appointed as Consultant for Planning, Designing and Supervision of the Project.

14.3-1 PAKISTAN INTERNATIONAL AIRLINE (PIA):

The airline industry provides services to virtually every segment of the country and plays an integral role in the development of economy. The airline industry itself is a major economic force, in terms of both its own operations and its impacts on related industries such as trade and tourism.

The year 2009 was worst for the airline industry. According to IATA, passenger demand all over the world declined by 3.5 % and it is expected that industry will post US $ 11 billion losses. Although there was some relief on the fuel bill but the passenger and freight demand continued to disappear because of economic recession and airlines faced over capacity.

Asian Pacific carriers continued to be the hardest hit by the current economic turmoil. Passenger demand declined by 5.6 % and expected losses surged to US $ 3.4 billion for year 2009.

Despite uncertain environment in the country, global economic recession and a stiff competition from the regional carriers, PIA to some extent, has manage to maintain its passenger traffic during year 2009. There was some reprieve on fuel bill but the depreciation of Pak Rupee as compare to US$ and financing cost on fleet and non fleet loans severely hurt PIA.

During the year 2009 PIA increased its overall capacity by 1.7% while its passenger traffic and seat factor witness a drop of 0.2% and 1.3 pp respectively over same period last year, mainly due to weak domestic traffic. Number passengers carried on international sectors increased by 1.0% as compare to previous

year. Whereas on domestic sectors number of passengers carried decreased by 4.2 % as compare to last year. Decline in domestic traffic can be attributed to economic downturn, law and order situation in the country and increasing competition from the domestic carriers.

Despite the economic downturn and the situation in country, during year 2009, compared to last year, overall revenue of the airline increased to Rs.94.6 billion, an increase of around 6%.

PIA reduced its losses by Rs.30.3 billion to Rs.5.8 billion during the year 2009 compare to same period last year. The reduction in losses was mainly due to reduction in cost and increase in revenues. The main contribution to the loss of Rs.5.8 billion includes foreign exchange translation loss of Rs.6.7 billion on US $ dominated fleet loans/lease obligations and finance cost of Rs.9.2 billion.

14.4 PORTS AND SHIPPING

a) Karachi Port Trust:

The steady and continuous progress made by KPT has helped boost the national economy. The Karachi Port Trust established an annual cargo handling record of over 38.7 million tons during 2008-09, showing a slight increase of 4.1 percent over last years record cargo handling of 37.2 million tons. However, there has been a rise in activity during the first six months of the current fiscal year, showing remarkable increase in all types of cargo handling including bulk, Break bulk and containers. During the first six months of the current fiscal year, 20.5 million tones of cargo have been handled. Statistics of cargo handled during last many years are given in Table 14.6.

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	23,475	-0.4%
1997-98	17,114	-6.8%	5,570	8.9%	22,684	-3.4%
1998-99	18,318	7.0%	5,735	3.0%-	24,053	6.0%
1999-2000	17,149	-6.4%	5,613	-2.1%	22,762	-5.4%
2000-01	20,064	17.0%	5,918	5.4%	25,982	14.1%
2001-02	20,330	1.3%	6,362	7.5%	26,692	2.7%
2002-03	19,609	-3.5%	6,273	-1.4%	25,882	-3.0%
2003-04	21,732	10.8	6,081	-3.1%	27,813	7.5%
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	-8.8%	7,517	12.2%	30,846	-4.4%
2007-08	25,517	9.4%	11,676	55.3%	37,193	20.6%
2008-09	25,367	-0.6%	13,365	14.5%	38,732	4.1%
July-Dec 2009-10	14,009	-	6,536	-	20,545	-

Source: KPT

b) Pakistan National Shipping Corporation (PNSC)

Pakistan National Shipping Corporation (PNSC) manages 14 with a total capacity of 649703 metric tones dead weight. The consolidate revenues of the Group for the quarter ended December 31, 2009 were Rs 1,833 million (including Rs595 million from PNSC), making a total of Rs3,566 million (including Rs 1,133 million from PNSC)for the half-year under review as against Rs.6,767 million for the half year ended December 31, 2008.

The earnings per share for the period under review were Rs.2.54 as against Rs.9.77 of last year. PNSC made a net after tax profit of Rs.336 million as against Rs.1, 291 million of last year. The decline in revenues and profitability was as expected, due to downturn in global shipping activities.

Future Prospects

As part of its fleet replacement program, PNSC has contracted to purchase two AFRAMAX oil tankers. The vessels are expected to be delivered soon in the current financial year. PNSC is in the process of replacing its ageing fleet, which will have a positive impact on its profitability.

c) Gawadar Port

The Gawadar Port started its ship handling operations during March 2008 by berthing the first biggest ship ever handled in Pakistan. This was 76,000 DWT Panamax Bulker named POS Glosy which offloaded 63,000 M. Tons of Wheat. The full operationalization of Gawadar Port will be possible after completion of the road linkage. A 949 km Expressway from Gawadar to Rathodero is already under construction and is about 65% complete. Similarly in order to meet the electricity demands of the Port, a new 132 KVA Grid Station is under construction near Gawadar Port which will be fed from 220 KVA main Grid connected from Iran.

d) Port Qasim Authority :

Port Qasim is the first industrial and commercial port of Pakistan operating under landlord concept. Today it caters for around 40 % shipping requirements of national economy. PQA handled a volume of 18.8 million tonnes cargo during the first nine months of current financial year, showing an impressive growth of 5 percent over corresponding period of last year.

The volume of import has declined by 6 percent from 14,243 thousands tones to 13,383 thousands tones in the current financial year. However, the volume of export increased by 44 percent from 3,773 thousands tones to 5,448 thousands tones in on going fiscal year (see Table 14.7)

Table-14.7 : Cargo handled at Port Qasim **(000 Tonnes)**

Period	Import	% Change	Export	% Change	Total	% Change
1997-98	13,823	39	1,144	65	14,967	41
1998-99	12,191	-12	1,742	52	13,933	-07
1999-00	13,238	09	1,703	-02	14,941	07
2000-01	11,841	-11	1,747	03	13,588	-11
2001-02	10,932	-08	2,385	36	13,317	-02
2002-03	11,980	10	3,129	31	15,109	13
2003-04	11,264	-06	2,859	-09	14,123	-07
2004-05	16,006	42	3,431	20	19,437	37
2005-06	17,588	10	3,985	16	21,573	11
2006-07	19,511	11	4,839	21	24,350	13
2007-08	21,502	10	4,922	02	26,424	09
2008-09	19,445	-10	5,584	16	25,030	-05
July-March						
2008-09	14243	-12	3773	03	18016	-09
2009-10	13383	-6	5448	44	18831	5

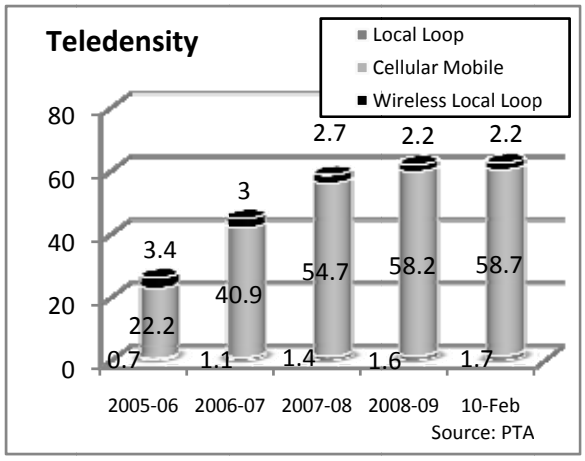
Source : Port Qasim Authority

Future Plans

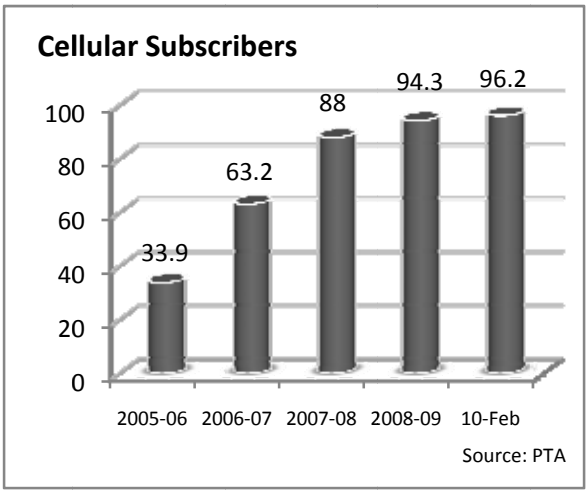
- There has been marked improvement in cargo handling over last five years. Average annual growth has been around 13% over last five years which calls for development of new berths/terminal for capacity enhancement. The current handling capacity of port with eleven berths is 40 million tonnes per annum. To meet growing requirements for capacity enhancement, PQA has chalked out an ambitious development plan. As against 3 private sector projects in 25 years of Port Qasim existence, 8 private sector projects which include 2nd Container Terminal, Grain & Fertilizer Terminal, Coal & cement/Clinker Terminal, GasPort LNG Floating Terminal, 2nd IOCB, 2nd Oil jetty are currently under construction/planned in private sector since 2006. With the completion of these terminals by 2013, PQA handling capacity shall be increased to 86 million tonnes per annum showing an increase of 115%.
- To accommodate bigger vessels, PQA plans deepening of navigation channel of a cost of US$ 200 million for all weather 14 meter draught at PQA.
- PQA is also vigorously pursuing development of industrial complex. PQA plans to spend more than 18 billion rupees on infrastructure facilities in various industrial zones.

14.5 Telecom Sector

The year 2009 has been a tough patch for Pakistan's economy in general, the ripple effects of which, reached the telecom sector as well. Although the aftermaths of precarious security situation and unstable political and economic condition has slowed down the pace of telecom growth, yet timely interventions by the Authority and extraordinary efforts by telecom companies have ensured that the sector maintains at least a linear growth pattern. With technological revolutions like SIM Verification System '789', SIM Information System '668' and achievements like Reduction in Taxes/Duties, formulation of various regulations; PTA has become a front runner among the successful telecom regulators of the world.



In terms of statistics, industry has shown positive growth of 2.43% in the last two quarters of 2009. Teledensity has reached 62.4% (Feb – 10), a sign of continuous growth in the industry. Cellular industry has a 94% share in total telecom teledensity followed by fixed local loop (FLL) 3.5% and wireless local loop (WLL) 2.5%, therefore, performance of cellular industry is of utmost importance to the overall sector growth.



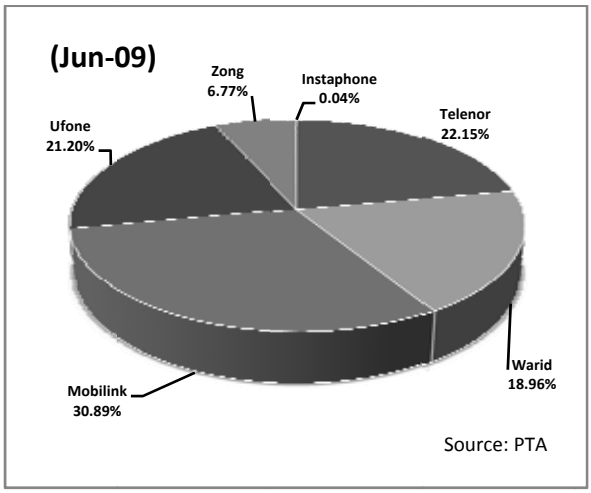
14.5-i Cellular Mobile

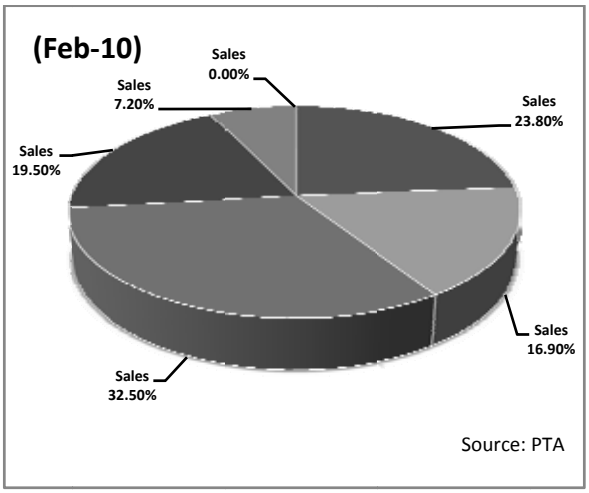
At the end of Feb - 2010, Cellular subscribers reached 96.2 million depicting a net addition of

1,889,199 subscribers (Jul-Feb 10) with the average of 209,911 per month. Cellular Subscribers growth rate of 2.0% has been achieved during Jul 09–Feb 10. Condition of cellular industry was quite topsy-turvy in the last two quarters. Cellular growth rate came to a gradual halt in the period from August to October, 2009 mainly due to Ufone's churn. We can see a definite positive trend after October, 2009 which suddenly dropped in January, 2010 mainly due to Warid's churn of subscribers based on the 'Active Subscriber' definition of PTA. But, the industry is back on its feet and continues to gain momentum since last four months. Mobilink and Telenor added the highest number of subscribers with 2.1 mn and 2.0 mn respectively while Warid and Ufone lost about 1.6 mn and 1.2 subscribers. Zong also added 0.96 new subscribers respectively.

In terms of share in cellular industry (Feb – 10), Mobilink, being the SMP, leads with overall share of 32.5%. Telenor continues to hold the second spot with 23.8% share. Ufone and Warid share 19.5% and 16.9 respectively. Zong follows with market share of 7.2%.

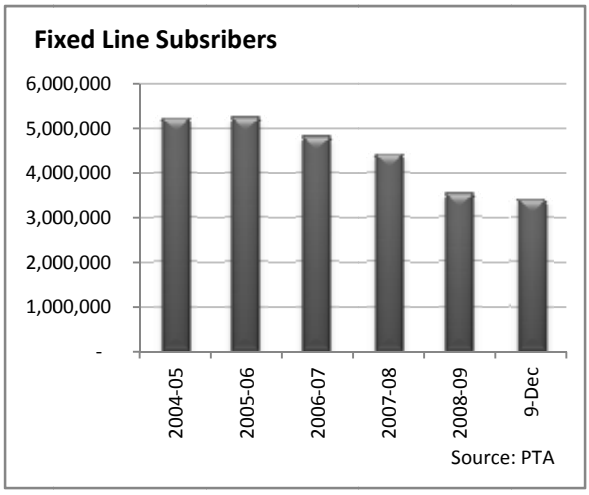
Cellular Mobile Share





14.5-ii Fixed Local Loop

Fixed Local Loop is one of the oldest means of communication in the country's telecom industry. Since Deregulation of telecom sector in 2003, a total of 84 licenses were issued to 37 operators for 14 telecom regions in Pakistan. It was expected that fixed line teledensity would increase, as PTCL would be forced to reduce the tariffs and improve its standards in lieu of intense competition in the market.

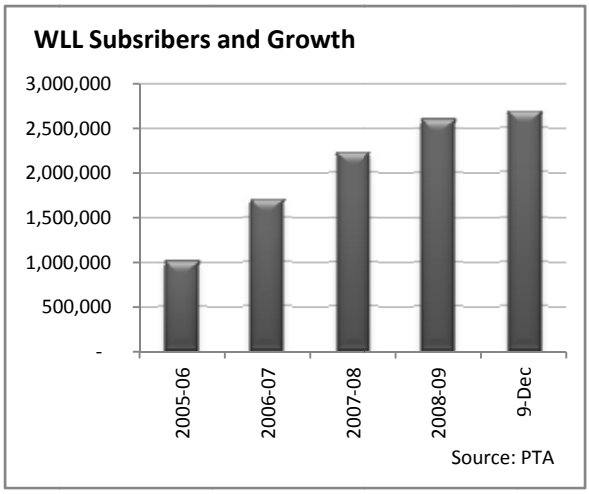


Fixed line services have been declining world over due to increasing popularity of wireless solutions. Pakistan is also experiencing a fast decline in subscription during last few years with the introduction of wireless based technologies which

provide easy and cheap alternate of such services. Figure depicts the declining trend of fixed line services in Pakistan. In the current year, Pakistan lost over 106,825 subscribers reaching at 3.4 million at the end of Dec 2009 as compared to 4.5 million subscribers at the end of June 2009.

14.5-iii Wireless Local Loop

Wireless local loop is an important part of Pakistan's telecom sector as it provides a feasible last mile solution for rural telephony due to relatively low cost of deployment and maintenance. Pakistan opened the WLL market in 2003 by awarding 93 licenses to 16 operators for 14 telecom regions across the country. The emergence of new operators has proved as an important factor development of WLL sector, as they are pushing the existing giants like PTCL, Worldcall and Telecard to improve their coverage and service standards.

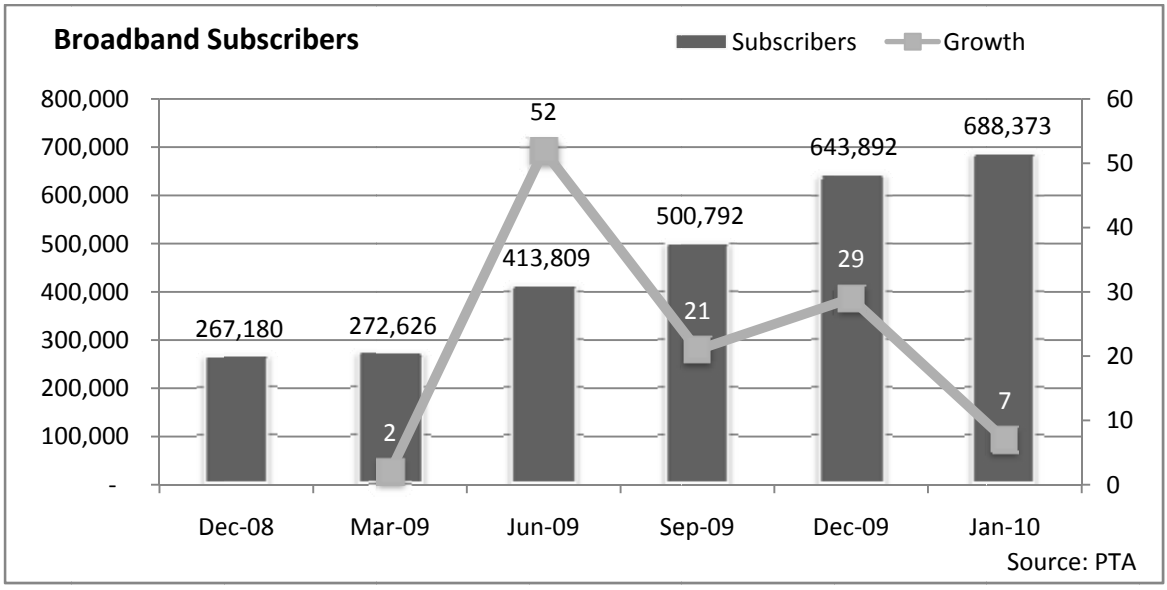


WLL industry has been growing at a rapid pace since its inception in 2004. During first six months of FY2009-10, WLL subscriber tally reached 2.69 million from 2.6 million (2008-09). A total of 78,864 subscribers have been added by WLL operators showing a growth of 3%. Although the growth rate is less when compared to 17% in 2008-09, the performance of WLL has been convincing if factors like recession, cellular growth and security situation are considered. WLL teledensity has also been steady last year, similarly, total WLL penetration level increased to 1.65% from 1.60% in first two quarters of FY 2009-10. Although WLL is ideal for coverage in far flung areas, slow roll out of services by operators in rural areas is diminishing the potential of wireless media.

14.5-iv Broadband

Broadband has often been compared with the cellular industry of Pakistan due to the exemplary growth of the latter in the last few years. It is a fact that broadband penetration levels are low but the extent of this infant industry's success should be gauged by its growth rates not its penetration level. The inherent constraints of broadband also effect its propagation such as literacy rate, computer skills, high tariffs, reservations among parents regarding cyber security and child safety, language barrier, service availability, high cost of computer equipment etc. A close scrutiny of all these factors would reveal that broadband is actually propagating at a rapid pace even exceeding estimations by various renowned broadband experts. For example, Business Monitor International (BMI) in its last quarterly report (Q3 2009) had forecasted that there will be a 12% broadband penetration by end of 2013 but revised its estimate to 33% by end of 2014 in the most recent publication. (Q1 2010).

Broadband has long been termed as 'The Next Big Thing' for Pakistan primarily because not only it is a fast and reliable but also a cheap source of information dissemination and communication. Broadband market has experienced unmatched growth rates and steadily rising penetration level coupled with injection of latest technologies like WiMax and EvDO. Pakistan is ranked amongst top five most dynamic economies in terms of increased internet penetration in South Asian region (*Source: UNCTAD 2009*)



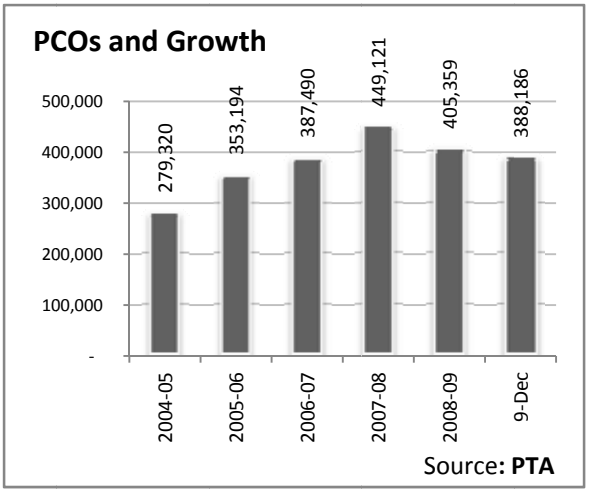
At the end of Jan-2010, Broadband subscribers have reached 688,373 with a growth rate of 7% with the net addition of 44,481. Compared with December 2008, a remarkable growth rate of 141% and 376,712 net additions depict the unmatched success of the sector. Broadband penetration level has also been steadily improving and stands at 0.42%, up from 0.16% from December 2008. Pakistan has been ranked 6th in terms of quarterly growth and 10th in terms of annual growth in the global broadband market (Source: *Point Topic*). However, industry statistics as collected by PTA place Pakistan at the top of both the lists when compared with other country's figures in the said report.

PTCL and Wateen are the two major operators of broadband in Pakistan while other companies like Worldcall, Link dot net, Link direct and Wi-Tribe are catching up fast.

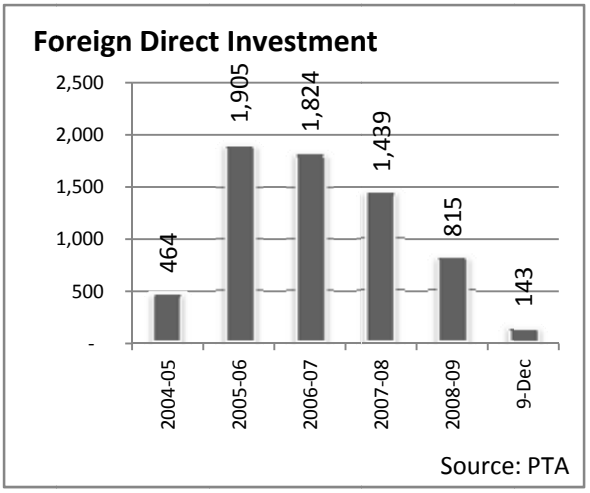
PTA as a regulator of the sector is actively involved in nurturing this new born field by providing a common platform for broadband experts via establishment of Broadband Stakeholder's Group and facilitating the new entrants in every possible way. Being an active member in USF board, PTA has mandated the broadband projects for rural areas. Billions of Rupees are being invested in the broadband projects for rural areas via USF since 2007. The first results of the tenacious work by PTA, USF and industry has brought 1-Mbps PTCL broadband connection for only Rs. 299/- to far furlong areas of Faisalabad and Multan like Jhang, Sargodha, Toba Tek Singh, Khushab, Bhakkar, Bahawalpur, D.G Khan, Khanewal, Rahim Yar Khan etc. Such a low price of broadband connection is unmatched anywhere in the world and a major achievement for broadband stakeholders. To maintain fairness, these are subsidized rates only for rural areas where no broadband service was previously available. This step will also encourage a shift in people's dependency on dial up internet in these areas and eventually convert this huge pool of 'internet users' into 'broadband internet users'. Other projects of USF like laying optical fiber in rural areas and establishment of Educational Broadband Centers and Community Broadband centers will bring more awareness and elevate the power of Broadband among masses. It is hoped that with such initiatives, broadband will soon be present in every nook and corner of the country.

14.5-v Card Payphone

Card payphone service has been a part of Pakistan's telecom engine for decades. In its early days, the market was dominated by PTCL and Telecard, which provided prepaid card services to the people across Pakistan. With the advent of de-regulation in 2003, new CPP companies emerged opening the market for a tough competition. Hard competition coupled with remarkable growth of cellular industry translated into financial crippling of CPP companies, a situation which a lot of newcomers could not cope with. As a result, only a few big companies are dominating the CPP market these days.



Growth of CPP has been topsy-turvy over the last few years in Pakistan. Currently, there are 388,186 PCOs all over Pakistan, as compared to 405,359 during the 2008-09. This shows a negative trend of 4%, in the CPP industry of Pakistan. The main reason for this downfall is availability of affordable tariffs by cellular companies, low cost of mobile phones and cellular coverage across Pakistan.



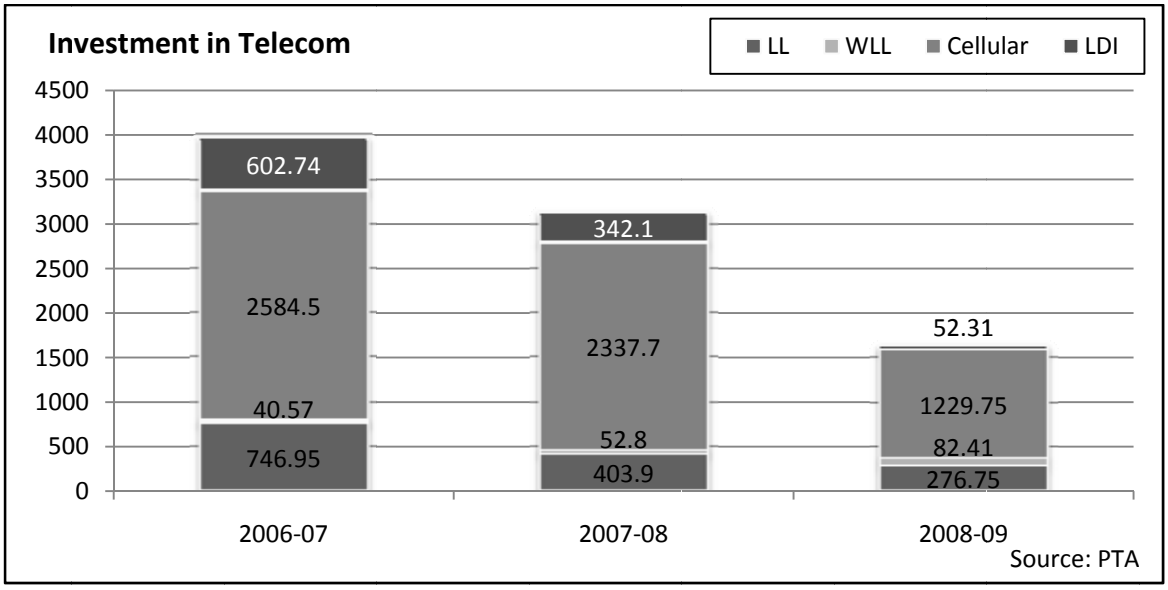
14.5-vi Telecom Economy

14.5-vi(a) Foreign Direct Investment

Pakistan's Economy experienced slow economic growth ending at 2% rather than the target of 5.5% mainly due to the adverse effects of global financial crisis, however, telecom sector continued to grow positively in terms of subscription, revenue and teledensity. As Pakistan provides lucrative investment environment for foreign investors in the telecom, it managed to attract US$ 815 million in 2008-09. During the last 6 months (Jul-Dec 09) telecom sector received over US$143 million FDI inflow which becomes 18% of total FDI during this period.

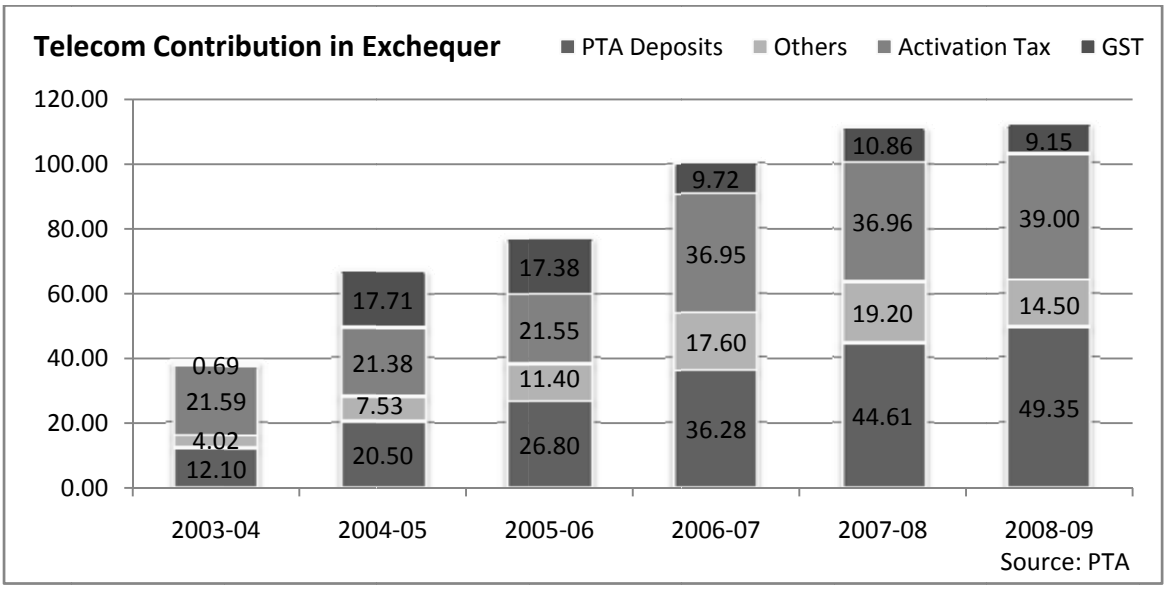
14.5-vi(b) Telecom Sector Investment

Owing to economic slowdown, saturation in the market and global financial crisis, the total investment in the telecom sector during 2008-09 reduced by nearly 47%. Despite the fact that the operators have speedily rolled out their infrastructure, reaching out to most of the population, there still remains huge areas like Broadband, WLL and manufacturing etc, where investment opportunities exist. During 2008-09, a total of US$ 1.6 billion worth of investment has been made by all the operators.



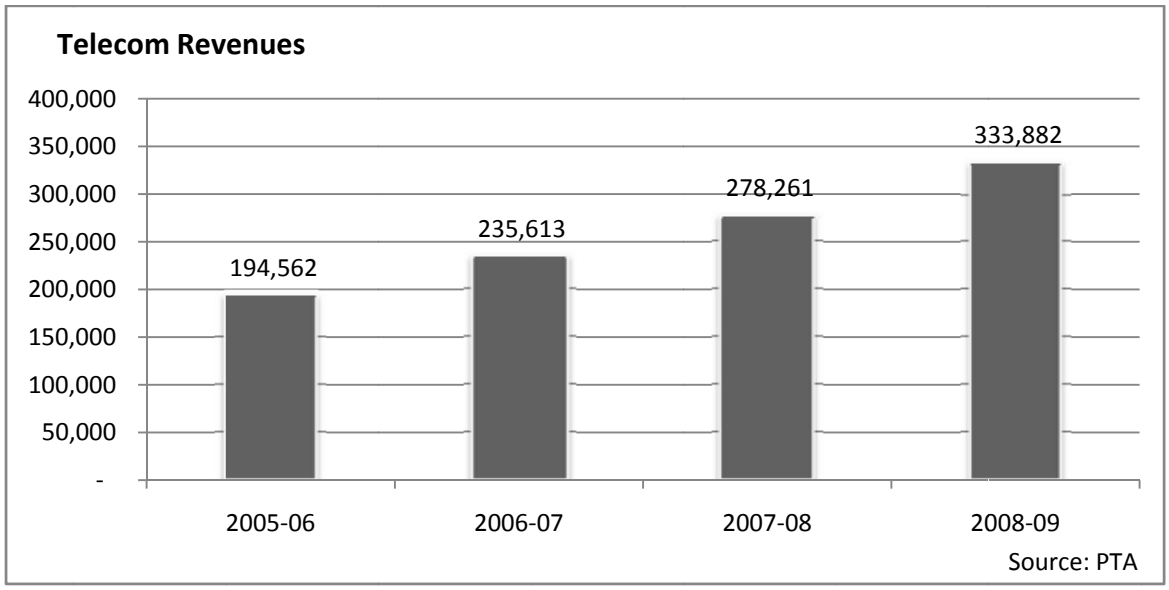
14.5-vi(c) Taxes on Telecom Sector

Telecom sector contributes 1-2% in the total GDP, making its share in total tax revenue as 6-7% per annum. During the year 2008-09, the sector continued to contribute handsome amount in national kitty through various taxes and regulatory charges. Telecom sectors' contribution to national exchequer rose to Rs. 112 billion in 2008-09 compared to Rs. 111 billion the previous year. The government has reduced the GST/FED rate from 21% to 19.5%, besides providing relief to cellular mobile operators in Activation Tax by 50% i.e. from Rs. 500 to Rs. 250 per new connection. This will certainly enable the sector to contribute more to GST collection in the next year.



14.5-vi(d) Telecom Revenues

Telecom sector revenue showed a 19.8% growth during 2008-09 compared to 18.2% in previous year. During the year 2008-09, the telecom sector generated revenue to the tune of Rs. 333.9 billion compared to the last year's Rs. 278.5 billion. The cellular mobile sector continued to be the leader in telecom revenue, whose share came out to be 64% in the total telecom revenues. The cellular mobile sector showed about 17% positive growth during the fiscal year 2008-09.



14.5-vi(e) Regulatory Measures for promoting telecom Sector in Pakistan

- Pakistan Telecommunication Authority (PTA) launched a new service named "SIM Information System - 668" to enable the mobile subscribers to know the total number of SIMs issued against their respective CNIC number with each mobile operator.
- Pakistan Telecommunication Authority (PTA) has introduced an online facility for overseas Pakistanis in order to get their SIMs data regularized or to block the extra SIMs/connections issued against their Computerized National Identity Card (CNIC).
- Pakistan Telecommunication Authority (PTA) has removed the condition of CNIC copy being provided by the consumers in order to facilitate both CSCs/franchisees and consumers to handle and process maximum number of complaints in short span of time.
- Pakistan Telecommunications Authority (PTA) has formulated two sets of Key Performance Indicators (KPI's) to improve and monitor the Quality of Service (QoS) of "Fixed Broadband" and "GPRS/EDGE" networks. The objective of introducing these KPIs is to create transparency and set monitor-able standards in fixed broadband and GPRS/EDGE services.

14.6 Electronic Media

a) Pakistan Electronic Media Regulatory Authority (PEMRA)

Pakistan Electronic Media Regulatory Authority (PEMRA) has entered into 8th year of its existence. The efforts rendered by the Authority during the past few years for its development and diversified choices to the people for access to current affairs, education, information and entertainment. The Authority

believe that freedom of speech and expression needs to be exercised in such a fashion that sentiments of any segment of the society are not hurt. Fabric of social and religious harmony in the society has to be kept intact.

Contribution Towards Development of Broadcast and Distribution Media During The FY 2009-10

- PEMRA has issued 05 new licenses for establishing satellite TV channels. It is pertinent to mention that 2 of these were conferred to M/s Eye Television Network (PCT). Ltd. This includes Style-360 and OYE. Altogether 83 licenses for establishing satellite TV channels have been conferred so far and from which 64 are operational.
- During current financial year, 08 licenses for establishing FM radios network were awarded making the total number of licenses issued under the category till date to 135.
- Additional 149 cable TV networks were licensed all across Pakistan during the last one year, making the total number of licenses issued till date to 2373.
- This year the Authority has established new offices across the country for the close monitoring of the quality distribution services by stakeholders to the viewers.
- During the current fiscal year, Authority has created considerable employment opportunities against the vacant posts for skilled workers in Pakistan and appointed near 146 staff members.
- The Authority has also rationalized tariff for satellite TV channels so to encourage potential investors and enhance voice of Pakistan in an effective manner.
- Combating cultural invasion by various foreign satellite TV channels, the Authority has remained steadfast in performing its social and moral obligations and succeeded in formulating a draft for Code of conduct for the local satellite TV channels and restricting foreign content in the regular broadcasting with the cooperation of private TV channels, owners.

Future Plans

Technological advancements will also have an impact on the industry. The Authority has already decided that in pursuance of Millennium Development Goals (MDGs), further licencing for analogue distribution system shall be discouraged while the systems equipped preferably with the digital technology shall be granted licences. In rural areas, Authority has planned that the analogue system will be phased out to be replaced with the digital systems gradually starting from tehsil headquarters to small villages by end of year 2015.

A few of the merging technologies under regulatory appraisal by the Authority are as follows:

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

b) Pakistan Television Corporation Limited (PTV)

Pakistan Television is gradually extending its signal to remote and economically backward areas of the country in order to uplift the socio-economic conditions in these areas to eliminate the existing

disparity.

Future Plans

- Rebroadcast centers at Jura, Athmaqam, Karan, Dhudhnial, Sharda & Kel in AJ & K.
- Rebroadcast Centers at Badin and News Bureau at Larkana in Sindh.
- Permanent TV Centre at Multan and Rebroadcast Station at Mian Channu, Jhang, Patriata, Sadiqabad, Ladhawala Waraich Gujranwala in Punjab.
- Rebroadcast Centers at Buneer, Besham, Khund Bangla, Puran, Kohat, Salam Baba, Shamali (Batagram) Shaikh Badin (D.I.Khan) and 8 Rebroadcast centers at upper Dir in NWFP.
- Rebroadcast Centers at Qilla, Kharan, Sohrab &Bar Khan in Baluchistan.
- Rebroadcast centers at Aliabad/Karimabad, Chilas, Gahkuch, Khaplu, Jaglot/Banju, Astore and Shigar in Northern Areas.
- PTV National has also been introduced Regional Language programmes. An independent Sports-channel through terrestrial network has also been planned.
- PTV Abaseen (NWFP) & PTV Bolan (Baluchistan) channels have been planned.
- Project of Terrestrial Digitalization DVB-T & H of all Centers, as per ITU requirement has also been forwarded.
- High Definition (H.D) TV has been planned. Procurement of Vehicle Mounted DSDNG & Digitalization of all TV Rebroadcast stations has been planned.

c) Pakistan Broadcasting Corporation (PBC)

Pakistan Broadcasting Corporation has 65 broadcasting units. The largest radio network in the country with a listener-ship that is bigger than all private radio channels put together.

Programme & new wings achievements during current financial year

- Re-orientation of programme in line with peoples aspirations, democratic norms and participatory spirit.
- Radio Pakistan has become the voice of the people's government against terrorism and extremism by supporting the armed forces and security agencies carrying out difficult operations in the country. The PBC has launched special interactive programmes containing music, talk's shows and interviews by prominent personalities and public participatory programmes.
- We have helped install, establish and sustain Radio Swat and other FATA radio stations. The PBC and ISPR have set new examples in collaboration for national cohesion and elimination of terrorism and extremism.
- Live Broadcast from IDP camps in NWFP are aired from provincial network and portions of which are also aired on NBS.
- A new pubic outreach campaign was launched by arranging cultural and intellectual discourse programmes all over the country. Besides special on air programme, major fund-raising cultural shows were held all over the country to sow solidarity with the IDPs and promoting awareness

against terrorism. An amount of more than Rs. 6 million has been collected for deposit in PM's fund.

- All PBC Stations have been linked with the tools of SMS and LIVE phone calls to ensure public participation resulting in the creation of new audience as well as the retention of the old.
- To restore the credibility now the news value is driving the structure and timing of the news bulletins. Breaking news is aired as and when they occur.

Future Plans

- A new plan about the revival of Pakistan Broadcasting Academy is underway, as 2009-2010 has been declared by PBC as the Academy year.
- A new digitization plan has been conceived to create a digital platform with the help of IBM at an estimated cost of $ 2 million (Rs.166 million).
- The PBC will have a survey conducted by an independent organization to evaluate the effect to the new initiatives launched in December, 2009.
- Pakistan needs national consensus on major issues (terrorism, sectarianism, extremism, Pakistan identity, linguistic and cultural diversity). PBC is planning a national network programmed involving celebrities and leading public opinion and newsmakers of Pakistan as a part of the efforts to achieve this goal in August 2009.

14.7 Pakistan Post Office

Pakistan post office is covering the whole country with a network of 12340(Urban 1846, Rural 10495) post offices. Pakistan Post has taken various measures to streamline the Post Office System on modern lines. During current financial year 2009-10(July-Dec.), following ongoing IT related projects have been strengthened and continued providing efficient services to the clients.

a. Benazir Income Support Program (BISP)

Complete web-enabled tracking and monitoring system for disbursement of funds for Benazir Income Support Program continued processing, monitoring and reconciliation of the specialized money order scheme.

b. Call Center

A call center has been established for receiving the complaints from the customers as well as BISP beneficiaries for quick redressal. The center also facilitates disbursement of inward foreign remittances. Online complaint lodging facility on the web-portal of Pakistan Post www.pakpost.gov.pk has been provided for the public.

c. Counter Automation

Over one hundred GPOs including renovated post offices throughout Pakistan have been provided with counter computerization facility for better service quality to the customers. This number is being increased in a phased manner.

d. Express Mail Track & Trace System (EMTTS)

Provision of tracking information to the articles under receipt has become a de-facto standard in the courier industry. The web based Express Mail Track and Trace System of Pakistan Post provides valuable information relating to the dispatch and delivery of Express Mail articles from

end-to-end. The system has been enhanced and now covers 14 main stations throughout Pakistan. In additional 46 District Mail Offices throughout Pakistan Post have been covered through the system.

e. Computerized Pension Payment System

Over 1.3 million Pensioners are served by Pakistan Post. Through computerization of Military Pension payments, at all GPOs have efficiently been disbursing the pensions in a hassle free environment.

14.7-2 International Postal Services.

Pakistan Post has mail inks with all countries of the world except Israel. The mail exchange with these countries takes place under Universal Postal Union's Rules & Regulations. Direct mail links exist with 165 Postal Administrations. For the Remaining countries, the mail is exchanged by utilizing the transit facilities of intermediary Postal Administrations. The net earning of the Pakistan Post Department from international postal services stood at Rs. 50, 854,719 the current financial year.

14.7-3 Remittance Services.

During the first six months of current financial year, the remittances in foreign exchange were received in the shape of money orders were Rs. 2, 446,904.8.

TABLE 14.1

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	7,791	79.99	7.23	6,178	555	18,638	258,350	174,320	84,030
2008-09 (Jul-Mar)	7,791	82.54	6.94	5,896	551	17,259	260,200	177,060	83,140
2009-10 P	7,791	58.97	4.63	3,925	520	16,450	259,618	179,290	80,328

P : Provisional

(Contd.)

TABLE 14.1

TRANSPORT

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	6,696	3,865.0
1991-92	20,453	15,267	5,186	28	494,956	8,236	4,063.0
1992-93	22,170	17,256	4,914	29	518,953	9,031	3,137.0
1993-94	22,569	17,610	4,959	27	595,836	9,134	3,302.0
1994-95	23,098	17,526	5,572	15	264,410	9,224	4,311.0
1995-96	23,581	18,719	4,862	17	290,353	8,365	6,962.0
1996-97	23,475	18,362	5,113	15	261,817	9,394	7,761.5
1997-98	22,684	17,114	5,570	15	261,836	9,805	4,597.0
1998-99	24,053	18,318	5,735	15	261,836	9,310	3,707.0
1999-00	23,761	18,149	5,612	15	261,836	9,572	3,483.0
2000-01	25,981	20,063	5,918	14	243,802	11,938	5,458.7
2001-02	26,692	20,330	6,362	14	243,749	13,346	4,555.5
2002-03	25,852	19,609	6,273	13	229,579	14,810	5,405.0
2003-04	27,813	21,732	6,081	14	469,931	14,635	6,881.9
2004-05	28,615	22,100	6,515	14	570,466	18,027	7,860.0
2005-06	32,270	25,573	6,697	15	636,182	18,184	7,924.6
2006-07	30,846	23,329	7,517	15	636,182	19,195	9,089.1
2007-08	37,192	25,517	11,675	14	536,821	19,973	10,753.5
2008-09 (Jul-Dec)	38,732	25,367	13,364	14	50,750	23,160	11,474.0
2009-10	20,545	14,009	6,536	11	649,703	16,875	3,566.0

Source: (i) : Ministry of Railways
(ii) : National Transport Research Center
(iii) : Karachi Port Trust
(iv) : Pakistan National Shipping Corporation

TABLE 14.2

PAKISTAN INTERNATIONAL AIRLINES CORPORATION

Fiscal Year	Route Kilometres	Revenue Kilometres Flown (000)	Revenue Hours Flown	Revenue Passengers Carried (000)	Revenue Passengers Kilometres (mln)	Available Seat Kilometres (mln)	Passenger Load Factor %
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
2008-09	311,131	79,580	132,378	5,617	13,925	19,528.2	71.3
2009*	380,917	80,108	132,155	5,535	13,891	19,859.0	70.0

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

(Contd.)

TABLE 14.2

PAKISTAN INTERNATIONAL AIRLINES CORPORATION

Fiscal Year	Revenue Tonne Kilometres (Mln)	Available Tonne Kilometres (Mln)	Revenue Load Factor (%)	Operating Revenue (Million Rupees)	Operating Expenses (Million Rupees)	PIA Fleet No. of Planes
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
2008-09	1,580	2,934	53.9	89,201	120,579	42
2009*	1,525	2,933	52.0	94,564	98,629	40

.. : Not available

Source: Pakistan International Airlines Corporation

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

TABLE 14.3

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	1,553,499	95,204	184,104	204,179	3,123,252	150,049	975,980	6,286,267
2009 (Jul-Mar)	1,608,154	96,026	185,578	205,755	3,197,270	156,228	986,527	6,435,538
2010 E	1,688,562	100,827	194,857	216,043	3,357,134	164,039	1,035,853	6,757,315

E : Estimated

Source: Federal Bureau of Statistics

TABLE 14.4

MOTOR VEHICLES ON ROAD (000 Number)

Year	Mcy/ Scooter	Motor Car	Jeep	Station 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	5,037.01	1,853.46	82.87	163.22	900.52	109.88	129.80	89.34
2008-09 (Jul-Mar)	5,368.00	2,029.10	79.00	155.60	911.70	111.10	138.60	88.40
2009-10 *	5,469.63	2,076.16	89.68	176.73	1,009.85	120.24	144.41	97.29

* : Estimated

(Contd.)

TABLE 14.4

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	163.50	177.80	115.30	5.20	8.80	1.00	40.80	8,878.50
2008-09 (Jul-Mar)	167.20	181.90	125.50	5.60	9.70	1.10	41.30	9,413.70
2009-10 *	180.13	195.85	129.13	4.42	3.19	1.07	70.48	9,768.26

* : Estimated

Source: National Transport Research Center

TABLE 14.5

PRODUCTION AND IMPORT 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 Trolly Buses	2,247	893	267	344	396	498	603	917	588
Lorries/Trucks Includ- ing Ambulance	4,743	2,673	882	1,948	2,101	1,034	443	500	545
special Lorries, Trucks & Vans	535	461	219	102	198	99	152	109	138
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 Caterpiller	..	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	457	..	127	1	194	9	..	..	62
Bicycle	468	928	9,916	8,303	3,618	7,844	29,218	22,211	14,505
Motor Vehicles for Goods	134	57	43	151	22	18	146	160	..
Passenger Vehicles Public No	17	15	8	27	22	4	61	183	62
Tractor Chassis with Engine	..	..	480	..	..	..	..	..	..

.. : not available

(Contd.)

TABLE 14.5

PRODUCTION AND IMPORT OF MOTOR VEHICLES

Fiscal Year/ Type of Vehicles	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	July - March 2008-09	July - March 2009-10 P
PRODUCTION (Nos.)										
Trucks	1,141	1,950	2,022	3,204	4,518	4,410	4,993	3,135	1,559	1,493
Buses	1,099	1,340	1,380	1,762	627	993	1,146	657	294	320
L.C.Vs	8,491	12,174	14,089	23,613	29,581	19,672	21,354	16,158	11,341	7,455
Tractors	24,331	76,501	36,103	43,746	49,439	54,610	53,607	60,107	26,793	34,110
Motor Cycle	133,334	176,591	327,446	571,145	751,667	839,224	1,057,751	913,611	424,348	655,645
Cars	41,171	63,267	100,070	128,381	163,114	179,314	166,300	85,240	46,331	54,493
IMPORTS (Nos.)										
Cars	40,079	60,554	88,130	66,338	36,563	202,785 *	540,025	425,721	308,354	1,442,755
Jeeps	666	6,010	11,435	5,409	2,108	1,938 *	210	14	13	23
Motor Rickshaw		101	3	3	15	1,727	60,519	125	125	907
Station Wagon	165	440	154	37	284	2,817 *	345	28	28	108
Buses Including Trolly Buses	700	1,230	2,429	411	2,104	652	217	232	210	183
Lorries/Trucks Including Ambulance	728	14,036	2,883	2,616	13,463	16,610	4,331	2,405	1,529	1,327
special Lorries, Trucks & Vans	157	54	95	1,544	551	573	875	1,203	963	3,610
Motor Cycle	111,711	143,952	127,861	189,721	167,626	164,078 *	209,098	200,745	134,310	163,938
Scooter	..	..	..	..	..	..	..	..	..	..
Motorised Cycles		509	675	4,143	9,472	12,467	18,512	20,726	13,332	19,554
Passengers M. Cars (n.S)	161	194	243	244	1,587	1,174	690	557	495	154
Road Tractors for Trailers	18	122	124	117	498	997	2,409	2,149	1,146	1,404
Tractor Agricultural	220	14,000	11,420	6,543	20,769	30,588	8,914	2,636	1,373	11,890
Tractor Caterpiller	44	1	30	91	12	1	1	..	..	..
Tractor Heavy Duty for const.	4	120	219	563	632	845	744	402	331	273
Tractor Roads	15,174	1,115	2,104	1,646	2,284	904	1,892	434	370	164
Tractor (NES)	115	496	736	2,167	3,378 *	7,213	16,364	10,927	11,573	112,587
Car's Chassis with Engine	1	..	..	..	..	6	-	20	20	..
Bus etc. Chassis	60	46	164	18	7	24	314	1,017	550	1,952
Spl. Truck etc. Chassis	..	..	..	..	38	48	335	9	9	23
Rickshaw, Chassis with Engine	.. 36	10	2	144	315 *	421 *	187	6	6	6
Pickup	3,600	5,162	6,857	5,394	23,303	21,898	1,869	1,871	1,564	821
Delivery Van	2,120	471	26	178	2,586	1,583	311	37	37	5
Chassis Un-Mounted Motor Vehicles No	168	..	..	..	..	..	..	..	..	..
Bicycle	20,240	37,836	39,894	61,187	52,022	28,509	38,249	42,966	20,472	90,325
Motor Vehicles for Goods	2	234	511	269	3,844	297	22	2	..	631
Passenger Vehicles Public No	6	473	721	1,519	5,228	2,123	836	363	336	239
Tractor Chassis with Engine		..	..	..	..	..	..	..	..	..

.. : 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 14.6

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
2008-09	1,852	10,514	12,366	..	..	..	3523	3.50	**	405,359	94,342,030
Jul-Mar											
2009-10	1,846	10,495	12,340	..	..	..	..	3.50	**	..	97,579,940

.. : Not Available

* : Included Cardpay Phones

** : All over country

Note : Telegraph offices closed in 2006

Source: (i) : Pakistan Post Office
(ii) : Pakistan Telecommunications Company Ltd
(iii) : Pakistan Telecommunication Authority