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Editorial

Dear Readers,

Assallamo alliekum;

As envisioned by the Honorable Speaker National Assembly/ President PIPS Board of Governors, Sardar Ayaz Sadiq, the team Pakistan Institute for Parliamentary Services (PIPS) proactively enhanced its outreach to the Members of Parliament by setting up an Information and Services Desk at the Parliament House, stationed at the National Assembly Library.

The Economy and Budget Desk at the Institute's research wing continued its research support to Members through anticipated research services by sharing economic indicators and analysis with over 270 MPs (194 Hon'able MNAs and Hon'able 76 Senators) immediately after the presentation of Budget on June 12, 2024. The Institute also held comprehensive technical sessions on state of economy and annual budget for the Members of National Parliament as well as Provincial Assemblies, in close support by the Mustekhkam Parliaman EU-GIZ-PIPS project. The events witnessed interactive participation by more than 250 Honorable MPs at the national and provincial legislatures.

This June-July 2024 Issue of the PIPS Parliamentary Research Digest being BUDGET SPECIAL includes an absorbing analytical article on State of Pakistan Economy: Issues, Challenges and Way Forward by renowned economist Dr Hafiz Pasha, the demands for grants as approved by the National Assembly of Pakistan as well as the Senate of Pakistan recommendations of federal budget 2024-25. We welcome feedback of our invaluable readers. Please send your feedback or contact for any of our technical services at research@pips.gov.pk

Muhammad Rashid Mafzool Zaka
Director General (Research)

Honorable Sardar Ayaz Sadiq, Speaker National Assembly/ President PIPS Board of Governors chairing the meeting of Pakistan Institute for Parliamentary Services Board of Governors on Thursday, July 11, 2024

PIPS Capacity Building Initiatives (June 2024)

Pakistan Institute for Parliamentary Services organized a two-day Orientation for the newly-elected Honorable Members of the Provincial Assembly of Khyber Pakhtunkhwa on May 31 to June 01, 2024 at Peshawar.

Pakistan Institute for Parliamentary Services organized a Pre-Budget Technical Assistance Session for the Honorable Members of Senate of Pakistan on Tuesday, June 11, 2024

Pakistan Institute for Parliamentary Services organized a Post-Budget Technical Assistance Session for the Honorable Members of Provincial Assembly of Balochistan on Sunday, June 23, 2024

CONCEPT **(Continued from previous Issue)**

Exploring the Economic Potential of Geographical Indications (GIs) in Pakistan: Challenges and Way forward

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Chief Executive Officer
Intellectual Property Experts' Consultancy (IPEC)

3.2. Uniqueness of Pakistan's Indigenous Products and Economic Potential Through GI Registration

Highlighting the distinctive characteristics of Pakistani products is imperative for their success in the fiercely competitive global market. Geographical Indications (GIs) emerge as indispensable tools in this endeavor, ensuring the genuineness of these products while underscoring their specific regional origins.[1] Products like Ajrak, Phulkari, Pink Rock Salt, and various gemstones encapsulate Pakistan's profound cultural heritage, echoing centuries of artisanal finesse and tradition. The shield provided by GI registration ensures that these products preserve their singular identity, shielding them from misappropriation or counterfeit replication.[2]

Central to the global showcase of Pakistani products are the development of effective commercialization strategies. These strategies are meticulously designed to spotlight the inherent uniqueness of these goods. Products like Ajrak and Phulkari, with their rich cultural legacy and intricate craftsmanship, transcend mere aesthetics, narrating tales of tradition, artistry, and heritage. By communicating these narratives, commercialization endeavors aim to captivate global consumers seeking authenticity and cultural depth in their purchases. Moreover, the historical eminence of Pink Rock Salt from Khewra and the rarity of gemstones from regions like Gilgit-Baltistan impart additional layers of allure to these products, carving out distinct niches for Pakistani goods in global markets.

Branding emerges as a pivotal bridge between the inherent distinctiveness of Pakistani products and their recognition on the international stage. Storytelling assumes a potent role in branding efforts, weaving narratives that resonate with consumers worldwide.[3] By articulating the journey of artisans, the regions, and the traditions behind each product, branding adds depth and emotional resonance to otherwise tangible commodities. Quality assurance measures and innovative packaging further bolster the authenticity and uniqueness of these products, establishing a distinctive identity in the minds of consumers.[4]

Pakistan stands poised to secure a coveted position in global markets by showcasing its unique products effectively. By meticulously presenting these products and accentuating their distinctive

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[1] Bo Rundh, "International expansion or stagnation: market development for mature products," *Asia-Pacific Journal of Business Administration* 15, no.4 (May 2022): 626-645.

[2] Asra Khan, & Zohaib Tariq, "Effective Marketing Strategy – Confectionery Industry of Pakistan," *International Journal of Emerging Business and Economic Trends* 2, no.1 (June 2023): 66-101.

[3] Lili Jantyik, "The food quality schemes of the European Union and their implications on the Hungarian market," (PhD Diss., Corvinus University of Budapest, 2022).

[4] GianCarlo Moschini, Luisa Menapace, & Daniel Pick, "Geographical Indications and the Competitive Provision of Quality in Agricultural Markets," *American Journal of Agricultural Economics* 90, no.3 (2008): 794-812.

attributes and cultural significance, Pakistan can elevate them into coveted items worldwide. The intricate patterns of Ajrak, the vibrant hues of Phulkari, the health benefits of Pink Rock Salt, and the allure of gemstones like Emeralds and Topaz collectively contribute to this immense potential. With a strategic approach to showcase these unique and compelling features, Pakistan can effectively compete on a global scale, fostering both economic growth and cultural recognition.[5] This strategic alignment, facilitated through GI registration, commercialization, and effective branding, holds the promise of propelling Pakistan into a formidable player in the global marketplace.

Enacted in 2020, Pakistan's Geographical Indications (Registration and Protection) Act serves as a cornerstone legal framework aimed at safeguarding the nation's indigenous products.[6] This legislation underscores Pakistan's commitment to protecting and promoting its unique offerings by providing legal mechanisms for the registration and protection of Geographical Indications (GIs). These GIs symbolize products deeply entrenched in specific geographical regions across the country, reflecting the Act's efficacy in formalizing their recognition and safeguarding their authenticity. However, despite its merits, challenges persist in the effective implementation and enforcement of the Act. Resource constraints, capacity building, and stakeholder awareness remain areas necessitating attention. Strengthening institutional capacities and augmenting awareness regarding the significance of GIs among producers, traders, and consumers are indispensable steps toward maximizing the benefits offered by this legal framework[7].

Successful GI registrations in Pakistan, including Basmati rice, Sindhri Mango, Chaunsa Mango, Pink Rock Salt, Hyderabad Bangles, Aseel Dates, among others, have exerted a profound influence on market recognition, economic development, and social dynamics within the country.[8] These registrations have not only conferred a distinct identity upon these products but have also spurred transformations in Pakistan's socio-economic landscape. Basmati rice, celebrated for its aroma and elongated grains, has garnered global recognition, positioning Pakistan as a leading exporter of this premium rice variety. Similarly, mango varieties like Sindhri and Chaunsa have garnered international acclaim, significantly bolstering Pakistan's fruit export industry. The registration of Pink Rock Salt from Khewra has amplified its marketability, enticing health-conscious consumers worldwide and carving out a niche market for its purported health benefits.[9] Moreover, these successful registrations have catalyzed economic development by furnishing small-scale enterprises and local economies with a substantial impetus, uplifting rural areas and enhancing the livelihoods of farmers and artisans.[10] Additionally, they have positively influenced Pakistan's

[5] Hofmeier Marion, Menapace Luisa, & Rahbauer Sebastian, "Adoption of Geographical Indications and origin-related food labels by smes – A systematic literature review," *Cleaner and Circular Bio-economy* 4, (2023).
[6] John Wilkinson, Claire Cerdan, & Clovis Dorigon, "Geographical Indications and "Origin" Products in Brazil – The Interplay of Institutions and Networks," *World Development* 98, (October 2017): 82-92.
[7] Xinzhe Song, & Xiaoyan Wang, "Fair Use of Geographical Indications: Another Look at the Spirited Debate on the Level of Protection," *World Trade Review* 21, no.5 (2022): 597-618.
[8] Daniel Ackerberg, Keisuke Hirano, & Quazi Shahriar, "Identification of time and risk preferences in buy price auctions," *Quantitative Economics* 8, no.3 (2017): 809-849.
[9] Mas Rahmah, "The Protection of Agricultural Products under Geographical Indication: An Alternative Tool for Agricultural Development Indonesia," *Journal of Intellectual Property Rights* 22, no. 2, (March 2017): 90-103.
[10] Zhu, "An Analysis of China's System of Protecting Geographical Indications."

international standing, portraying the country as a bastion of authentic and high-quality products, and catalyzing policy reforms towards sustainable development initiatives.[11]

4. Navigating Geographical Indications (GIs) in Pakistan: Challenges and Opportunities

The domain of Geographical Indications (GIs) in Pakistan presents a multifaceted landscape characterized by a blend of challenges and opportunities, where factors such as global trade intricacies, intellectual property protection, and stakeholder collaboration play pivotal roles. A significant hurdle lies in the complexity of global trade dynamics, where diverse international regulations and agreements pose challenges to harmonizing GI protection across borders, thereby hindering the seamless global recognition of regional products.[12]

Ensuring robust safeguards for intellectual property protection, which forms the bedrock of the GI landscape, remains challenging. Threats like counterfeiting and misappropriation persist, necessitating global harmonization of legal frameworks to combat these infringements, which can be particularly daunting for smaller producers and communities safeguarding their regional products. Effective GI protection hinges on stakeholder cooperation, but divergent interests and a lack of consensus often hinder progress. Overcoming these challenges requires encouraging participation, fostering dialogue, and streamlining cooperative efforts to ensure comprehensive GI protection.[13]

Amidst these challenges lie substantial opportunities for Pakistan. Well-managed GIs have the potential to drive economic growth, cultural preservation, and sustainable development. Leveraging GIs can propel regional products onto the global stage, tapping into the rising consumer demand for authenticity and unique provenance. Additionally, GI recognition adds value to products and fosters rural development, empowering local communities while preserving traditional craftsmanship.[14]

The evolving landscape of international trade agreements presents an opportunity to standardize GI protection. Strategic negotiations and cooperation among nations can facilitate mutual GI recognition, paving the way for smoother international trade and market access for regional products.[15] Moreover, advancements in technology offer avenues for effective enforcement and monitoring, bolstering GI protection against infringements. Despite persistent challenges, Pakistan has ample opportunities to navigate and overcome these hurdles. Addressing global trade complexities, reinforcing intellectual property protection, and fostering stakeholder cooperation can yield substantial benefits, not only for individual producers but also for preserving cultural heritage and fostering sustainable development on a global scale.

Pakistan's ongoing Geographical Indications (GI) registration processes hold immense potential to enhance the country's global competitiveness by solidifying its position in international markets.

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[11] Muhammad Hamid Ali, "Geographical Indications in Pakistan: The Need for Legal and Institutional Reforms and Economic Development," (PhD Diss., Queen Mary University of London, 2014).

[12] Xiaohang Ren, Jingyao Li, Feng He, & Brian Lucey, "Impact of climate policy uncertainty on traditional energy and green markets: Evidence from time-varying granger tests," *Renewable and Sustainable Energy Reviews* 173, (2023).

[13] Maria Hayes, "Maximizing Use of Pelagic Capture Fisheries for Global Protein Supply: Potential and Caveats Associated with Fish and Co-Product Conversion into Value-Add Ingredients," *Global Challenges*, (2023).

[14] Martijn Huysmans, "Exporting protection: EU trade agreements, geographical indications, and gastronationalism," *Review of International Political Economy*, (2020).

[15] Riccardo Crescenzi, Fabrizio De Filippis, Mara Giua, & Cristina Vaquero-Pineiro, "Geographical Indications and local development: the strength of territorial embeddedness," *Regional Studies* 56, no. 3 (2022): 381-393.

Various products, including agricultural, non-agricultural, and crafts, are currently undergoing GI registration. These registrations signify Pakistan's commitment to preserving the authenticity and geographical uniqueness of its products, offering opportunities for global recognition and market differentiation. Once registered, these products can enhance Pakistan's reputation as a source of high-quality, distinctive goods, providing a competitive edge in global trade.[16]

To harness the potential of these ongoing GI registrations, strategic approaches are pivotal for sustainable growth. Technological advancements play a crucial role, offering innovative solutions for authentication, traceability, and quality assurance. Implementing digital platforms, such as blockchain, can ensure transparency in the supply chain, strengthening the credibility and authenticity of GI-protected products. Embracing technology also opens avenues for e-commerce, facilitating global accessibility and sales of these products.[17] Collaborations, both domestically and internationally, stand as catalysts for sustainable growth in GI protection. Strengthening partnerships between government bodies, local producers, research institutions, and trade organizations fosters a conducive environment for GI management. Additionally, fostering international collaborations and adhering to global standards and agreements can pave the way for mutual recognition of GIs, broadening market access and trade opportunities for Pakistani products.[18]

Strategic branding and marketing initiatives are instrumental in promoting GI-protected products on a global scale. Crafting compelling narratives around the cultural heritage, craftsmanship, and unique qualities of these products captivates consumers' attention. Leveraging storytelling through digital and social media platforms amplifies the reach and engagement with potential consumers worldwide. Effective branding initiatives ensure differentiation, reinforcing the premium status of GI-protected products and stimulating consumer demand.[19]

Furthermore, prioritizing quality control and continuous innovation remains pivotal. Encouraging research and development, investing in modern farming techniques, and enhancing product quality bolster the competitiveness of GI-protected goods. Continuous improvement in production processes and product innovation not only ensures quality but also sustains consumer interest and loyalty.[20] The ongoing GI registration processes in Pakistan hold promise for elevating the country's global competitiveness. Strategic approaches focusing on technological advancements, collaborations, branding, and quality enhancement are key for sustainable growth. Leveraging these strategies will not only amplify the market recognition of GI-protected products but also contribute to Pakistan's economic growth, cultural preservation, and global prominence in the international marketplace.[21]

[16] C. Bramley, & J. Kirsten, "Exploring the economic rationale for protecting geographical indicators in Agriculture," *Agercon* 46, no. 1 (2007): 47-71.
[17] Yaeko Suzuki, "Achieving Food Authenticity and Traceability Using an Analytical Method Focusing on Stable Isotope Analysis," *Analytical Sciences* 37, (2021); 189–199.
[18] Rakhal Sarker, & Sampath Jayasinghe, "Regional trade agreements and trade in agri-food products: evidence for the European Union from gravity modeling using disaggregated data," *Agricultural Economics* 37, no.1 (2007): 93-104.
[19] FOA, "FAO enhances GIS professionals capacities for effective land monitoring in Pakistan," (2020).
[20] UNCTAD, "TRADE AND DEVELOPMENT Report 2020."
[21] Claire Durand, & Stephane Fournier, "Can Geographical Indications Modernize Indonesian and Vietnamese Agriculture? Analyzing the Role of National and Local Governments and Producers' Strategies," *World Development* 98, (2017): 93-104.

5. Recommendations/ policy options / Key Proposals for Annual Budget 2024-25:

In preparing the Annual Budget for 2024-25, it is imperative to allocate significant funds towards upgrading and strengthening the infrastructure related to Geographical Indications (GIs). This includes establishing dedicated Collective Management Offices (CFOs), equipped with modern technology and providing comprehensive training programs for stakeholders involved in GI registration and protection. Furthermore, substantial financial resources should be allocated to expedite and streamline the GI registration process, providing financial assistance and logistical support to producers, small and medium enterprises (SMEs), and artisanal communities. Collaboration with reputable think tanks specializing in intellectual property (IP) can facilitate smoother registration processes.

To promote Pakistan's agricultural GIs domestically and internationally, it is recommended to allocate funds for extensive promotional campaigns. Partnering with private associations and industry experts can aid in developing targeted marketing strategies that highlight the unique qualities and cultural significance of agricultural GIs such as Basmati rice, Sindhri mangoes, and Sargodha Kinnow. Additionally, robust financial incentives and support should be provided for the registration and promotion of artisanal GIs. Collaboration with private associations and community-based organizations representing artisans and craftsmen can help identify and protect traditional crafts like Chinioti Inlay Furniture, Phulkari embroidery, and Multan blue pottery.

Non-agricultural GIs also deserve attention, with funds specifically allocated for research and development initiatives. Collaborating with research institutions, private sector entities, and relevant stakeholders to explore the potential of products like Pink Rock Salt, gemstones, and Salajeet can unlock their economic value. Moreover, resources should be allocated for capacity building programs and stakeholder engagement initiatives focused on GIs. Organizing workshops, seminars, and training sessions in collaboration with think tanks, academia, and industry associations can enhance understanding and awareness of GIs among all stakeholders.

Ensuring quality assurance and continuous innovation in GI-protected products is essential, warranting allocation of funds for research and development. Investing in improving production standards, enhancing product quality, and introducing innovative varieties is crucial. Facilitating partnerships between academia, private sector firms, and relevant government agencies can drive technological advancements and ensure compliance with international quality standards. Finally, allocating resources to foster international collaboration and cooperation on GI-related matters is recommended. Actively engaging in bilateral and multilateral discussions to promote mutual recognition of GIs and facilitate market access for Pakistani products abroad can expand opportunities for GI development and promotion. Establishing partnerships with foreign institutions and organizations to exchange best practices, share knowledge, and explore joint opportunities is integral to maximizing the benefits of GIs for Pakistan's economic growth.

ANALYSIS

State of the Economy and Appraisal of the 2024-25 Federal Budget

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1. State of the Economy

The year, 2023-24, will end with a very mixed picture of the national economy. The positive development is the virtual elimination of the current account deficit in the external balance of payments. It is down to only $202 million in the first ten months.

The other welcome change is the return to a positive GDP growth rate of 2.4%, from a negative 0.2% in 2022-23, due largely to the devastation caused by the floods. The crop sector has shown an exceptional recovery with a growth rate of 16.8%. But the manufacturing sector continues to be in trouble. It declined by 10% in 2022-23 and is likely to show zero growth this year.

Also, the rate of inflation has been showing a declining trend since December 2023. It is now down to only 11.8% in May 2024, partly due to a 'high-base effect' of the peak rate of inflation in May 2023 of 38%. However, the Sensitive Price Index for last week continues to show a high year-to-year rate of inflation of 21.7%. The year is likely to conclude with an overall rate of inflation close to 23%.

The level of foreign exchange reserves has remained in the range of $8 to $9 billion after the commencement of the IMF Stand-by Facility in July 2023. The stability has been achieved by the big reduction in the current account deficit. However, external inflows have been much lower than projected. The annual target of $17.5 billion has been met only to the extent of 62% in the first ten months. Private creditors have stopped lending to Pakistan.

The budget deficit in the first three quarters of 2023-24 was 3.7% of the GDP, compared to 3.5% of the GDP in the corresponding quarters of 2022-24. It may exceed somewhat the target of 7.7% of the GDP for the year and the primary surplus may be very small. This is attributable to shortfall in FBR revenues and Federal non-tax revenues. Also, there may be a shortfall in the generation of the cash surplus by the Provincial Governments.

The level of fixed investment in Pakistan has fallen to its lowest level in the last 50 years. It is down to 11.4% of the GDP. Five years ago, it was 15.4% of the GDP. Both public and private investment have fallen sharply.

The living conditions of people have been badly affected by the cumulative inflation of 59% since 2021-22 and the rise cumulatively in food prices by 69%. The low growth in the economy has severely restricted labor demand, while the labor force increases annually by 2 million.

Consequently, while the unemployment rate was 6.5% in 2020-21, it has now approached a high of 10%. The youth unemployment rate has risen to 17.5%.

The fall in real per capita income and the jump in food prices and utility tariffs during the last two years have also resulted in a quantum jump in the incidence of poverty to 43% of the population. Today, almost 103 million people are below the poverty line in Pakistan.

Therefore, the Federal and Provincial Budgets have to be framed in a socio-economic environment characterized by low growth and investment, continuing high double-digit inflation, large budget deficit, low foreign exchange reserves and decline in inflows of external financing. The people have seen a fall in living standards due to big increases in the incidence of unemployment and poverty. The fundamental question is how far will the budgetary operations in 2024-25 help in reducing these problems.

2. Appraisal of the Federal Budget - 2024-25

The Federal budget of 2024-25 is an ingenious exercise in increasing the overall envelope of resources such that the wide range of competing claims can be reconciled and fulfilled. Simultaneously, IMF's expectation of fiscal stabilization through a big increase in the primary surplus of the Federal and Provincial Government budgets combined is to be more than achieved.

This is being accomplished by an unprecedented jump anticipated in FBR tax revenues and Federal non-tax revenues combined of almost 45%. The target is to raise Federal revenues from a likely 11.2% of the GDP in 2023-24 to 14.4% of the GDP next year. An increase in total revenues of as much as 3.2% of the GDP has never been achieved before. Further, 66% of the increase in tax revenues is to come from indirect taxes.

Needless to say, this will lead to severe contractionary effects on the economy, making the 3.5% GDP growth rate difficult to attain. Further, the proposed big increase in, for example, income tax on exports will greatly handicap our exporters. The large component of indirect taxation, with a bigger levy on POL products and higher rates of sales tax and excise duty on goods hitherto subject to reduced rates of tax, along with forthcoming increase in energy tariffs, will lead to the inflation rate rising well above the target rate of 12%.

Various claims and pressures are being handled through the larger expected revenues. Defense expenditure is budgeted to increase by over 18%, significantly above the projected rate of inflation. Subsidies and grants, especially to the SOEs, are being raised by over 25%. Competing claims for projects in different sectors and regions are being reconciled by a more than doubling of development spending. Interests and real incomes of Federal employees are being protected by 22% to 25% increase in salaries and 15% in pensions. There is no evidence whatsoever at efforts to economize in current expenditure.

The good news is that despite all these large increases, the consolidated budget deficit is expected to come pummeling down to 5.9% of the GDP, as compared to the likely 7.7% of the GDP in 2023-24. The primary surplus will approach 2% of the GDP. This is based also on a more than doubling of the cash surplus of the Provincial Governments. This is highly unlikely as these governments will also have to give big increases in salaries and pensions like the Federal Government, with a combined cost of over Rs 600 billion.

This process of satisfying competing claims, has, however, left the people out in the cold. As highlighted above, the rate of inflation is likely to rise well above 12% due to the widespread increases in indirect taxes and energy tariffs. Further, as opposed to the other big increases, there is only a moderate enhancement in the BISP program to Rs 590 billion. This is a at a time when the ‘poverty gap’ in the country has exceeded Rs 2800 billion. As a signal of equity and concern for the poor, the BISP program should have been increased by at least 40%, equivalent to the increase in the tax burden, such that its size would have exceeded Rs 700 billion, equivalent to 25% of the poverty gap.

The budget has been designed to get the blessings of the IMF. This is likely given the targeted big increase in revenues and generation of a large primary surplus of 2% of the GDP. However, it is a fragile budget with a number of risk factors especially related to the achievement of almost 40% growth in FBR revenues and 64% growth in Federal non-tax revenues. As there will be significant shortfalls, then we are likely to see a spate of mini budgets in 2024-25, so as to keep operational the IMF program.

PARLIAMENTARY BUSINESS

Federal Budget 2024-25: Demands for Grants and Appropriations as Approved by the National Assembly of Pakistan

Compiled by
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1. Charged Expenditure

S. No.	Service and Purpose	Demand No. as per Budget 2024-25	Budget Estimates Financial Year 2023-24	Budget Estimates Financial Year 2024-25	% Wise Increase/ Decrease with Prev. FY Original Estimates
1	Pakistan Post Office Department	26.	10.00	5.00	-100%
2	Superannuation Allowances and Pensions	44.	4,017.00	5,187.72	23%
3	Grants, Subsidies and Misc. Expenditure	45.	26,400.00	47,000.00	44%
4	Foreign Missions	49.	50.00	50.00	0%
5	Law and Justice Division	66.	369.11	388.29	5%
6	National Assembly	74.	4,999.79	7,292.88	31%
7	The Senate	75.	3,281.84	5,178.20	37%
8	External Development Loans and Advances by the Federal Government	129.	658,644.14	617,000.00	-7%
9	Staff, Household and Allowances of the President (Public)	—	596.65	862.60	31%
10	Staff, Household and Allowances of the President (Personal)	—	812.38	1,417.50	43%
11	Servicing of Foreign Debt	—	872,218.50	1,038,601.75	16%
12	Foreign Loans Repayment	—	4,398,067.50	4,989,963.35	12%

13	Repayment of Short Term Foreign Credits	—	46,690.00	29,500.00	-58%
14	Audit	—	7,561.13	8,639.48	12%
15	Servicing of Domestic Debt	—	6,430,305.00	8,736,398.25	26%
16	Repayment of Domestic Debt	—	28,898,039.59	19,050,034.32	-52%
17	Supreme Court	—	3,555.00	4,401.72	19%
18	Islamabad High Court	—	1,543.32	1,874.36	18%
19	Election	—	7,786.26	9,635.00	19%
20	Federal Ombudsman Secretariat for Protection against Harassment of Women at work place	—	115.00	184.43	38%
21	Wafaqi Mohtasib	—	1,250.20	1,526.70	18%
22	Federal Tax Ombudsman	—	390.62	430.37	9%
	Total Charged		**41,366,703.02**	**34,555,571.92**	**-20%**

2. **Voted Expenditure:**

S. No.	Service and Purpose	Demand No. as per Budget 2024-25	Budget Estimates Financial Year 2023-24	Budget Estimates Financial Year 2024-25	% Wise Increase/ Decrease with Prev. FY Original Estimates
1	Aviation Division	1	3,381.12	4,484.69	25%
2	Airports Security Force	2	12,295.76	14,383.41	15%
3	Cabinet	3	293.27	351.90	17%
4	Cabinet Division	4	2,741.71	3,334.40	18%
5	Emergency Releif and Repatriation	5	838.03	889.34	6%
6	Intelligence Bureau	6	12,247.33	18,324.91	33%
7	Atomic Energy	7	16,633.50	19,266.44	14%
8	Pakistan Nuclear Regulatory Authority	8	1,644.02	1,861.66	12%
9	Naya Pakistan Housing Development Authority	9	1,001.45	1,564.22	36%

10	Prime Minister's office (Internal)	10	625.39	793.74	21%
11	Prime Minister's office (Public)	11	634.99	860.52	26%
12	National Disaster Management Authority	12	700.24	822.98	15%
13	Board of Investment	13	428.54	1,271.64	66%
14	Prime Minister's Inspection Commission	14	131.54	146.90	10%
15	Special Technology Zone Authority	15	1,070.00	750.30	-43%
16	Establishment Division	16	8,237.33	9,669.27	15%
17	Federal Public Service Commission	17	1,207.16	1,338.44	10%
18	National School of Public Policy	18	2,903.16	3,368.51	14%
19	Civil Services Academy	19	1,336.00	1,725.24	23%
20	National Security Division	20	182.30	230.56	21%
21	Council of Common Intrest (Secreatriat)	21	130.04	103.49	-26%
22	Climate Change and Environmental Coordination Division	22	785.98	1,010.27	22%
23	Commerce Division	23	9,260.18	20,530.47	55%
24	Communications Division	24	252.41	303.50	16.8%
25	Other Expenditure of Communications Division	25	30,177.97	33,714.33	10%
26	Pakistan Post office Department	26	20,425.11	23,469.23	13%
27	Defence Division	27	6,354.66	7,864.90	19%
28	Federal Government Educational Institutions In Cantonments and Garrisons	28	12,515.86	14,319.24	13%
29	Defence Services	29	1,804,000.00	2,122,000.00	15%
30	Defence Production Division	30	997.65	1,094.95	9%
31	Economic Affairs Division	31	800.85	905.15	12%
32	Miscellaneous Exp. of Economic Affairs Division	32	16,424.00	29,775.12	45%
33	Power Division	33	450,565.50	681,754.34	34%
34	Petroleum Division	34	51,503.62	19,304.39	-167%
35	Geological Survey of Pakistan	35	1,287.81	1,103.40	-17%
36	Federal Education and Professional Training Division	36	26,974.47	39,337.35	31%
37	Higher Education Commission (HEC)	37	66,300.00	66,331.45	0.0%

38	National Rehmatul-Lil-Alameen Wa Khatamun Nabiyyin Authority	38	211.44	101.75	-107.8%
39	National Vocational & Technical Training Commission (NAVTTC)	39	1,032.85	716.06	-44%
40	National Heritage & Culture Division	40	2,646.69	2,294.68	-15%
41	Finance Division	41	4,232.51	4,391.62	4%
42	Other Expenditure of Finance Division	42	6,185.34	7,076.34	13%
43	Controller General of Accounts	43	11,878.97	13,268.12	10%
44	Superannuation Allowances and Pensions	44	796,983.00	1,008,812.28	21%
45	Grants Subsidies & Miscellanious Expenditure	45	1,523,513.00	1,815,567.00	16%
46	Revenue Division	46	75.89	109.27	31%
47	Fedral Board of Revenue	47	40,557.23	52,231.01	22%
48	Foreign Affairs Division	48	3,873.57	4,316.10	10%
49	Foreign Missions	49	43,055.00	47,547.18	9%
50	Housing and Works Division	50	7,134.48	8,552.50	17%
51	Human Rights Division	51	2,242.67	1,158.79	-94%
52	National Commission for Human Rights	52	172.87	183.71	6%
53	National Commission on the Rights of Child	53	-	81.30	
54	National Commission on the Status of Women	54	-	118.32	
55	Industries and Production Division	55	62,182.40	75,931.18	18%
56	Financial Action Task Force (FATF) Secretariat	-	78.94	-	
57	Information and Broadcasting Division	56	4,768.00	5,326.84	10%
58	Miscellaneous Exp. of Information & Broadcasting Division	57	10,259.95	11,518.00	11%
59	Information Technology and Telecommunication Division	58	9,952.98	40,126.86	75%
60	Interior Division	59	13,239.66	15,361.81	14%
61	Other Expenditure of Interior Division	60	9,303.12	10,778.28	14%
62	Islamabad Capital Territory (ICT)	61	18,015.96	20,411.97	12%

63	Combined Civil Armed Forces	62	194,701.05	232,371.79	16%
64	National Counter Terrorism Authority	63	819.38	1,015.32	19%
65	Inter-Provincial Coordination Division	64	2,378.00	2,451.00	3%
66	Kashmir Affairs and Gilgit Baltistan Division	65	1,350.86	1,518.97	11%
67	Law and Justice Division	66	7,208.00	8,273.38	13%
68	Federal Judical Academy	67	290.00	324.93	11%
69	Federal Shariat Court	68	827.03	928.36	11%
70	Council of Islamic Ideology	69	224.77	237.39	5%
71	National Accountability Bureau	70	6,158.61	7,110.06	13%
72	District Judiciary, Islamabad Capital Territory	71	1,261.18	1,368.40	8%
73	Maritime Affairs Division	72	2,056.20	2,150.47	4%
74	Narcotics Control Division	73	5,123.07	7,603.95	33%
75	National Assembly	74	3,308.21	5,443.87	39%
76	The Senate	75	1,774.92	2,063.96	14%
77	National Food Security and Research Division	76	12,579.28	14,786.16	15%
78	Pakistan Agriculture Research Council	77	8,348.72	6,410.22	-30%
79	National Health Services, Regulations and Coordination Division	78	23,947.51	27,867.63	14%
80	Overseas Pakistanis and Human Resource Development Division	79	3,085.81	3,885.44	21%
81	Parliamentary Affairs Division	80	704.77	794.63	11%
82	Planning, Development And Special Initiatives Division	81	8,077.35	9,437.15	14%
83	Poverty Alleviation and Social Safety Division	82	1,752.22	5,178.79	66%
84	Benazir Income Support Programe	83	471,682.58	598,718.25	21%
85	Pakistan Bait-Ul-Mal	84	7,674.62	14,008.53	45%
86	Privatisation Division	85	310.29	355.72	13%
87	Railways Division	86	55,384.01	64,439.40	14%
88	Religious Affairs and Inter-Faith Harmony Division	87	1,767.36	1,956.10	10%
89	Science and Technology Division	88	12,968.51	14,411.07	10%

90	States and Frontier Regions Division	89	893.90	978.21	9%
91	Water Resources Division	90	3,589.39	3,885.64	8%
92	Federal Miscellaneous Investments & Other Loans and Advances	91	163,601.00	148,976.00	-10%
93	Development Expenditure of Aviation Division	92	5,450.00	7,303.00	25%
94	Development Expenditure of Cabinet Division	93	90,065.00	75,271.78	-20%
95	Development Expenditure of Board of Investment	94	1,114.76	1,658.00	33%
96	Development Expenditure of Special Technology Zones Authority	95	55.00	501.22	89%
97	Development Expenditure of Establishment Division	96	439.13	921.00	52%
98	Development Expenditure of SUPARCO	97	6,900.00	36,604.08	81.1%
99	Development Expenditure of Climate Change and Environmental Coordination Division	98	4,050.00	6,256.96	35%
100	Development Expenditure of Commerce Division	99	1,100.00	2,205.28	50%
101	Development Expenditure of Communications Division	100	12,020.89	7,828.00	-54%
102	Development Expenditure of Defence Division	101	3,400.00	5,636.00	40%
103	Development Expenditure of Defence Production Division	102	2,000.00	3,776.00	47%
104	Development Expenditure of Power Division	103	5,839.08	22,604.89	74%
105	Development Expenditure of Federal Education & Professional Training Division	104	10,428.36	19,333.88	46%
106	Development Expenditure of Higher Education Education Commission	105	69,700.00	66,315.00	-5%
107	Development Expenditure of National Vocational & Technical Training Commission (NAVTTC)	106	8,071.64	6,417.12	-26%
108	Development Expenditure of National Heritage & Culture Division	107	540.00	1,015.00	47%

109	Development Expenditure of Finance Division	108	3,220.00	6,084.00	47%
110	Other Development Expenditure	109	164,750.00	220,456.10	25%
111	Development Expenditure of Revenue Division	110	3,200.00	17,696.00	82%
112	Development Expenditure of Human Rights Division	111	5,814.00	104.00	-5490%
113	Development Expenditure of Information & Broadcasting Division	112	981.34	1,075.00	9%
114	Development Expenditure of Information Technology and Telecommunication Division	113	11,000.00	28,929.00	62%
115	Development Expenditure of Interior Division	114	9,950.00	9,070.00	-10%
116	Development Expenditure of Inter Provincial Coordination Division	115	6,900.00	3,650.00	-89%
117	Development Expenditure of Law and Justice Division	116	1,400.00	1,230.00	-14%
118	Development Expenditure of Narcotics Control Division	117	150.00	169.51	12%
119	Development Expenditure of Natioanal Food Security and Research Division	118	43,850.00	41,250.00	-6%
120	Development Expenditure of National Health Sevices, Regulation & Coord. Division	119	13,100.00	27,000.00	51%
121	Development Expenditure of Planning, Development and Special Initiatives Division	120	29,896.63	64,015.34	53%
122	Dev Exp of Poverty Alleviation & Social Safety Division	-	500.00	-	
123	Development Exp of Science & Technology Division	121	8,000.00	7,149.51	-12%
124	Development Expenditure of State and Frontier Regions Division	122	964.22	1,434.06	33%
125	Development Expenditure of Water Resources Division	123	107,500.00	259,598.14	59%

126	Capital Outlay on Development of Atomic Energy	124	26,100.00	25,000.00	-4%
127	Capital Outlay on Development of Pakistan Nuclear Regulatory Authority	125	150.00	256.33	41%
128	Capital Outlay on Petroleum Division	126	1,500.00	3,225.71	53%
129	Capital Outlay on Federal Investments	127	254.65	324.21	21%
130	Development Loans and Advances By the Federal Government	128	157,313.56	206,911.41	24%
131	External Development Lonas and Advances by the Federal Government	129	41,878.61	128,317.64	67%
132	Capital Outlay of Civil Works	130	41,880.87	28,188.07	-49%
133	Capital Outlay on Industrial Development	131	13,000.00	4,918.76	-164%
134	Capital Outlay on Maritime Affairs Division	132	2,572.26	5,300.00	51%
135	Capital Outlay on Railways Division	133	33,000.00	45,000.00	27%
	Total Voted		**7,092,734.02**	**8,883,292.40**	**20%**
	Total Charged and Voted		**48,459,437**	**43,438,864**	**-12%**

Source: *Website of Finance Division - Federal Budget 2024-25*

PARLIAMENTARY BUSINESS

Recommendations on Federal Budget 2024-25 by the Senate of Pakistan

Compiled by
PIPS Budget and Economy Desk

A. General Consensus Recommendations on Budget 2024-25

1. The Senate of Pakistan recommends to the National Assembly that credit/debit card transaction should be made mandatory on purchases above Rs.35000/- to encourage the documentation of the Economy.

2. The Senate of Pakistan recommends to the National Assembly that a uniform rate of sales tax should be imposed on the parts related to solar industry whether imported or produced locally.

3. The Senate of Pakistan recommends to the National Assembly that sales tax imposed on eight stationery items through Finance Bill, 2024, should be withdrawn in order to maintain the pre-budget status co under the fifth and sixth schedule of the Sales Tax Act.

4. The Senate of Pakistan recommends to the National Assembly that prices should be printed on all consumer and retail goods available for sale in the market to facilitate the consumer for rational decision regarding purchase.

5. The Senate of Pakistan recommends to the National Assembly that agrarian economy should also be taxed like other sectors i.e. industries, organizations etc.

6. The Senate of Pakistan recommends to the National Assembly that FBR should identify the organizations taking advantage of tax exemptions under the garb of charitable organizations.

7. The Senate of .Pakistan recommends to the National Assembly that to increase the capacity of FBR to broaden the tax net, the 5000 vacant posts in FBR should be filled on priority following the proper meritorious procedure of appointment.

8. The Senate of Pakistan recommends to the National Assembly that disabled persons should be given an extra allowance equivalent to 100% of their basic pay, as they are in number less than 2% of the total employees.

9. The Senate of Pakistan recommends to the National Assembly that "Remote Workers" should not be treated at par with the Free Lancers for taxation purposes.

10. The Senate of Pakistan recommends to the National Assembly that corporate debit card transactions should be exempted from the additional 5% tax to avoid double taxation and promote the use of ESFCAs on foreign exchange earned by the IT Companies which are registered with Pakistan Software Export Board (PSEB)

11. The Senate of Pakistan recommends to the National Assembly that SBP Circular should be implemented on all banks to start online Forex banking and issuance of debit cards for ESFCA on foreign exchange earned by the IT Companies which are registered with Pakistan Software Export Board (PSEB)

12. The Senate of Pakistan recommends to the National Assembly that doubled taxation has to be avoided on IT Companies with respect to payment to their non-resident vendors contractors.

13. The Senate of Pakistan recommends to the National Assembly that to revise the retention limit of Forex up to 50% to be allowed to the IT Companies and for that purposes to minimize the processes of approval on the allowed 50% funds retained by the IT Companies.

14. The Senate of Pakistan recommends to the National Assembly that no additional taxes should be imposed on mobile phones and the original tiers of taxation be retained.

15. The Senate of Pakistan recommends to the National Assembly that sales tax imposition on poultry feed should be withdrawn as it will increase the prices of poultry products which will affect the consumers.

16. The Senate of Pakistan recommends to the National Assembly that tax should be collected from the people owning property outside Pakistan at the rate of 1 percent of rental value of property instead of actual property value.

17. The Senate of Pakistan recommends to the National Assembly that the existing limit amounting to 30,000 USD per annum on Credit Card usage should be enhanced at least amounting to 50,000 USD per annum.

18. The Senate of Pakistan recommends to the National Assembly that rates of FED should be reduced on the imported / local production of acetate two and filter rods so that the local industry engaged in its production may survive.

19. The Senate of Pakistan recommends to the National Assembly that in clause (17), after sub-clause (ix) of the Income Tax Ordinance, 2001, following shall be inserted namely.-"in Schedule I, in part II, in the Table, in column (1), against S.NO.3, in column (3), for the expression "5.5", the expression "2.2"" shall be substituted'"

20. The Senate of Pakistan recommends to the National Assembly that in the Fifth Schedule, in Part I, in the Table, Column (1), against S.No.21, in Column (iii), against PCT code 7020.0090, in Column (4), for the expression "30%", the expression "0%° shall be substituted.

21. The Senate of Pakistan recommends to the National Assembly that a system should be evolved to give relief to the motorbike users through fuel price mitigation.

22. The Senate of Pakistan recommends to the National Assembly that 10% GST imposed on newsprint imports should be withdrawn and revive the zero-rated status for the print industry.

23. The Senate of Pakistan recommends to the National Assembly that to facilitate charitable hospitals the GST exemption for Medical equipment, medicines, Intra Ocuł ar Lens used in cataract surgery & other medical devices should be revived.

24. The Senate of Pakistan recommends to the National Assembly that the measures be taken to broaden the tax base and reduce the tax load on the salaried class.

25. The Senate of Pakistan recommends to the National Assembly that the new development programs and schemes be announced for Balochistan, to address the needs of the deprived province.

26. The Senate of Pakistan recommends to the National Assembly that the youth development programs, scholarships, and schemes be included in the federal budget to benefit the students and youth of Balochistan.

27. The Senate of Pakistan recommends to the National Assembly that the special attention be given to improve the education and health infrastructure in Balochistan in the federal budget 2024-25, to ensure that these critical areas are not overlooked.

28. The Senate of Pakistan recommends to the National Assembly that incentives and support programs be introduced for SMEs, which can drive economic growth and create jobs, especially in underdeveloped regions like Balochistan.

29. The Senate of Pakistan recommends to the National Assembly that funds be allocated for energy projects in Balochistan, including LPG plant, to address power shortages in the province.

30. The Senate of Pakistan recommends to the National Assembly that sufficient funds be allocated for water management infrastructure in Balochistan, including dams and irrigation systems, to address water scarcity issues.

31. The Senate of Pakistan recommends to the National Assembly that funds be allocated to enhance transportation infrastructure, such as roads and railways, in Balochistan to improve connectivity and support economic activities.

32. The Senate of Pakistan recommends to the National Assembly that funds be allocated to enhance security measures in Balochistan, fostering a safer environment for residents and investors.

33. The Senate of Pakistan recommends to the National Assembly that funds be allocated to enhance disaster management capabilities in Balochistan, preparing for natural calamities and ensuring rapid response and recovery.

34. The Senate of Pakistan recommends to the National Assembly that exemption of Local supplies made in the region of FATA/PATA in line with Income Tax Ordinance, 2001 should be reinstated till June 30, 2025.

35. The Senate of Pakistan recommends to the National Assembly that local supplies in the region of FATAPATA be taxed at the reduced rate of 16% instead of standard rate of 18%.

36. The Senate of Pakistan recommends to the National Assembly that rate of sales tax on imported supplies in the region of FATA/PATA should be reduced to 3% till 30 June, 2025 and 6% from 1st July, 2025 to 30th June, 2026.

37. The Senate of Pakistan recommends to the National Assembly that consumption certificate should be issued within six months of submission of application by the taxpayer.

38. The Senate of Pakistan recommends to the National Assembly that pay-orders or postdated cheques issued to Commissioner should be returned to the taxpayer within one month of presentation of consumption or installation certificate with custom authorities.

39. The Senate of Pakistan recommends to the National Assembly that resident persons (individuals, partnerships and companies) in erstwhile FATA and PATA should be provided exemption from minimum tax under section 113(1) of ITO, 2001. This exemption should be provided in Part IV of Second Schedule.

40. The Senate of Pakistan recommends to the National Assembly that resident persons (individuals, partnerships and companies)in erstwhile FATA and PATA should be provided exemption from advance tax applicable on distributors, dealers and wholesalers.

41. The Senate of Pakistan recommends to the National Assembly that tax regime for construction sector should be reverted prior finance Act 2019 and construction sector should be treated either in final tax regime (FTR) or maximum tax @3% of turnover.

42. The Senate of Pakistan recommends to the National Assembly that contractor should not be treated as withholding tax agent against purchase of material or allowed 40% of turnover to be exempt from withholding regime.

43. The Senate of Pakistan recommends to the National Assembly that the super tax introduced through Finance Act, 2015 for the construction sector should be abolished/withdrawn.

44. The Senate of Pakistan recommends to the National Assembly that FBR should not require the time-based records (record after lapse of 5 years).

45. The Senate of Pakistan recommends to the National Assembly that blocking of company bank accounts without prior notice to party may be stopped.

46. The Senate of Pakistan recommends to the National Assembly that hurdles and problems for granting legitimate refund of income tax and sales tax may be reviewed and resolved.

47. The Senate of Pakistan recommends to the National Assembly to convert the existing sick construction industry into a workable industry.

48. The Senate of Pakistan recommends to the National Assembly that GORs be sold in different cities especially Lahore & Islamabad to generate revenue.

49. The Senate of Pakistan recommends to the National Assembly that measures be taken for case of business, one window operation and other perks to encourage the overseas Pakistanis to invest money in Pakistan.

50. The Senate of Pakistan recommends to the National Assembly that 1.3 trillion increase in general sales collection/GST which is expected to increase by 36% to Rs.4.9 trillion next year, should be withdrawn.

51. The Senate of Pakistan recommends to the National Assembly that Rs.7458 billion under the head of Indirect Taxes, including sales tax, excise duty, customs duty, and service tax should be reduced by 50 percent in order to lower the prices of essential goods and food items for a poor person;

52. The Senate of Pakistan recommends to the National Assembly that Rs.5512 billion under the head of direct taxes must be increased through broadening the tax net and inclusion of big industries such as sugar, cement, tobacco, fertilizers, power sector entities, and big business chains under the direct tax net.

53. The Senate of Pakistan recommends to the National Assembly that the minimum wage that has been raised to Rs.37,000 must be brought Rs.45,000 at the threshold level keeping in view of the duty hours of laborers, poor workers working in undocumented sectors and factories.

54. The Senate of Pakistan recommends to the National Assembly that instead of imposing concession of custom duties on import of Electric vehicles having value above US$ 50,000, the same concession shall be given on import of vehicles of 660 cc.

55. The Senate of Pakistan recommends to the National Assembly that zero rated exemptions should be continued in the sectors such as pharmaceuticals, books and newspapers, agriculture produce and medical supplies as they were exempted from any application of sales tax.

56. The Senate of Pakistan recommends to the National Assembly that in terms of the standard rate, standardized Sales Tax i.e., 18 percent proposed, should be levied on services of banking, construction, shipping, telecom, advertising and event organization, hotels and restaurants.

57. The Senate of Pakistan recommends to the National Assembly that instead of allocating Rs.2 billion for the establishment of Danish School in Islamabad, the same amount should be allocated to repair and renovate the hundreds of public schools in Islamabad.

58. The Senate of Pakistan recommends to the National Assembly. that to avoid discrimination section 4B inserted through Finance Act 2015 for rehabilitation of Temporary Displaced Persons (TDPs) be completely abolished.

59. The Senate of Pakistan recommends to the National Assembly that levying of tax on property falls under the jurisdiction and ambit of Provincial Governments and provincial tax authorities are responsible to administer collection of such tax. Considering properties as deemed income and then impose income tax on these properties is unjustified and

contradictory to the basic principle of taxation. Provincial Governments may amend their laws accordingly to address the matter, if required.

60. The Senate of Pakistan recommends to the National Assembly that in order to discourage parking of black money in real estate sector FBR should collect tax u/s 236C & 236K of the Income Tax Ordinance, 2001 on realistic/actual value of property.

61. The Senate of Pakistan recommends to the National Assembly that capacity payments of around Rs2.1 trillion to IPPs for 2024 should be done away through renegotiating the IPPs agreements in order to reduce government expenditures.

62. The Senate of Pakistan recommends to the National Assembly that persons, sectors and entities involved in Tax Evasion of approximately Rs5.8 trillion annually, which constitutes about 6.9% of the country's Gross Domestic Product (GDP) should be brought under the Tax Net in order to reduce government expenditures.

63. The Senate of Pakistan recommends to the National Assembly that a complete ban should be imposed on smuggling of goods, to save huge revenue every year.

64. The Senate of Pakistan recommends to the National Assembly that to place system-based controls to track those commercial importers involved in under invoicing and importing under the garb of registration as manufacturers. This will promote documentation of the economy & providing a level playing field for the formal sector.

65. The Senate of Pakistan recommends to the National Assembly that to insert PCT 99.29 in the Clause 167 of Sixth Schedule of Sales Tax Act and in Custom Tariff in last column of PCT 99.29 to change 17% with 0%.

66. The Senate of Pakistan recommends to the National Assembly that the increase in petroleum levy on petroleum products should be withdrawn.

67. The Senate of Pakistan recommends to the National Assembly that the hospitals having no cash counter or billing system are charitable hospitals which shall come under the ambit of zero rate of Custom Duty and Federal Excise Duty. These exemptions on import of goods for charitable hospitals shall apply herewith as the mutatis-mutandis of Income Tax exemption. This recommendation may be read with the amendment proposed in Clause 5, Sub-Clause (21), paragraph (ii) of the Finance Bill, 2024 for harmonization of tax exemption for charitable hospitals.

68. The Senate of Pakistan recommends to the National Assembly to reduce turnover tax rate from 1.25% to 0.5% for Steel manufacturers and increase the Turnover tax adjustment from 3 to 10 years.

69. The Senate of Pakistan recommends to the National Assembly to rectify the Tariff Anomalies in primary raw materials of iron & steel sector.

B. Recommendations For Public Sector Development Programme (PSDP) In Federal Budget 2024-2025

1. The Senate of Pakistan recommends to the National Assembly of Pakistan for correction in amount of throw forward from Rs.l,237.146 million to Rs.49.9 million for Capacity Building on Water Quality Monitoring SDG 6(6.1) Reporting (PSDP Sr# 24)

2. The Senate of Pakistan recommends to the National Assembly of Pakistan for allocation of funds under the PSDP 2024-2025 for timely completion of project Expo Centre Quetta (PSDP Sr#29) and within already approved allocation of funds

3. The Senate of Pakistan recommends to the National Assembly of Pakistan for deletion of new Scheme Holding of National Games (PSDP Sr# 689) having total outlay of Rs. 697.400 million as it is current expenditure in nature and should not be included as a development programme under PSDP as it does not contain any developmental component

4. The Senate of Pakistan recommends that the Ministry of Planning, Development & Special Initiatives to facilitate acquisition of land collaboration for Construction of Faiz Ahmed Faiz Complex Narowal (Department of Pakistan Academy of Letters Islamabad) (Quaid Azarn Mazar Management Board) (PSDP Sr# 805)

5. The Senate of Pakistan recommends to the National Assembly of Pakistan for correction in amount of total cost from Rs.5,000 million to Rs.500 million for Designing and Construction of National Library and Learning Centre (PSDP Sr# 807)

6. The Senate of Pakistan recommends to the National Assembly of Pakistan for allocation of funds under the PSDP 2024-2025 and to prioritize all the projects for completion of Indus Highway (N-55) (PSDP Sr# 39, 40, 41)

7. The Senate of Pakistan recommends to the National Assembly of Pakistan for allocation of funds under the PSDP 2024-2025 and to prioritize the project of Construction of Hyderabad -Sukkur (306 KM), 6-Lane divided, fenced Motorway on Build Operate Transfer (BOT) basis (PSDP Sr#84)

8. The Senate of Pakistan recommends to the National Assembly of Pakistan for inclusion of project and allocation of Rs. 20 million funds under the PSDP 2024-2025 for initiation of project for Digitization of 3,000 Post Offices in Pakistan funded by Exim Bank

9. The Senate of Pakistan recommends to the National Assembly of Pakistan for inclusion of project and allocation of Rs.165 million funds under the PSDP 2024-2025 for the Establishment of Recycle Plant for Shaheed Quran Paper, Islamabad under the Ministry of Religious Affairs & Inter Faith Harmony

ANALYSIS

Statistical Snapshot of Annual Budget 2024-25 in Comparison to Annual Budget 2023-24

Muhammad Rizwan Manzoor
Incharge PIPS Budget and Economy Desk

Values in PKR Billion

	FY 2023-24 (B.E)	FY 2023-24 (R.E)	FY 2024-25 (B.E)
Total Revenue	**6,979**	**6,772**	**10,377**
Tax Revenue	9,415	9,252	12,970
Direct Taxes	4,255	3,721	5,512
Indirect Taxes	5,160	5,531	7,458
Non – Tax Revenue	2,963	2,947	4,845
Provincial Share	5,399	5,427	7,438
Total Expenditure	**14,485**	**15,160**	**18,877**
Current Expenditure	13,344	14,232	17,203
Debt Servicing	7,302	8,251	9,775
Defence	1,804	1,854	2,122
Grants and Transfers	1,408	1,482	1,776
Subsidies	1,064	1,071	1,363
Federal PSDP	950	659	1,400
Budget Deficit	**6,906**	**7,849**	**7,283**
Nominal GDP	105,817	106,045	124,150
Fiscal Deficit	6.5%	7.4%	5.9%
Primary Surplus	0.38%	0.40%	2.0%

Source: *Budget in Brief & Annual Budget Statements, Ministry of Finance*

PIPS Outreach Activities during June-July 2024

Pakistan Institute for Parliamentary Services organized a two-day orientation of newly inducted Senate's Interns under Senate of Pakistan's Summer Internship program on June 27-28, 2024

Pakistan Institute for Parliamentary Services organized an Outreach Session on Working of the Parliament for faculty and students of Muslim Youth University on Wednesday, July 03, 2024

Pakistan Institute for Parliamentary Services organized an Outreach Session with Members of Civil Society Organizations on Working of the Parliament on Thursday, July 04, 2024

Pakistan Institute for Parliamentary Services organized a Pre-Budget Technical Assistance Session for the Honorable Members of Provincial Assembly of the Punjab, on Friday, June 07, 2024 at Lahore

PAKISTAN INSTITUTE FOR PARLIAMENTARY SERVICES
DEDICATED TO PARLIAMENTARY EXCELLENCE

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