

# FOREWORD

After nine years, economy witnessed a growth of 5.3 percent due to prudent policies of the government. Credit goes to the economic team of the government for expansion in industrial sector, revival of agriculture, significant growth in services, construction and electricity generation, and large scale manufacturing sectors. The economy has started to show signs of sustained growth momentum owing to restoration of peace, macroeconomic stabilization and fiscal consolidation. International economic agencies and donors are appreciating revival of Pakistan economy. Positive ratings for financial and economic stability and upward revision of Pakistan's growth targets by IMF and World Bank are positive signs.

The overall sentiment in the economy is upbeat. Pakistan Stock Exchange was the best performing market in Asia in 2016. Businesses, particularly foreign investors and companies operating in Pakistan are optimistic about the prospects and profits. Single digit inflation at 4.1 percent during July-April 2016-17 is a healthy sign. China-Pakistan Economic Corridor (CPEC) has given impetus to foreign investment and industrial sector to further spur GDP growth and transform Pakistan into a regional economic hub. The early harvest energy projects under CPEC will have a discernible impact on the economy. The energy and infrastructure projects are expected to attract further foreign direct investment and bridge the energy shortfall. The enhanced power generation capacity resulting from CPEC projects is thus expected to augment growth in medium to long term.

In this backdrop, economic growth prospects are positive for 2017-18. However, we are mindful of the challenges regarding current account deficit and export sector and these will be addressed adroitly. Keeping in view the achievements in macroeconomic stabilisation and untapped enormous potential of the economy, a growth target of the GDP at 6.0 per cent has been set for 2017-18 with contributions from agriculture at 3.5 per cent, industry 7.3 per cent and services 6.4 per cent. The Plan outlines various projects under the Public Sector Development Programme to be initiated in 2017-18, which will further strengthen the economy, besides contributing towards socioeconomic uplift.

Preparation and compilation of the Annual Plan 2017-18 in light of Pakistan Vision 2025 is an outcome of studious job carried out by the professionals of all the sections of the Ministry of Planning, Development and Reform. We are committed to our journey of putting Pakistan in top 25 economies by 2025 step by step and year by year. At the end, I appreciate the efforts of the Review Committee for working hard to ensure the overall quality and consistency of this document.

**Prof Ahsan Iqbal**

Minister for Planning, Development and Reform  
Deputy Chairman Planning Commission  
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