

Highlights from the Previous Month

Looking Back: Momentum, Reform, and Strategic Direction in March 2026

March 2026 marked a period of renewed momentum in Pakistan's development trajectory, led by significant progress under the China–Pakistan Economic Corridor (CPEC) as the partnership entered its second phase. At the Annual Awards Ceremony 2026, key agreements were signed between Pakistan and China, alongside the formalization of outcomes from the 14th Joint Cooperation Committee, signaling a shift toward industrialization, digital integration, and climate-focused initiatives under CPEC 2.0. Parallel to this, Pakistan accelerated its digital transformation agenda through strategic engagement with global technology partners, advancing artificial intelligence integration, expanding digital infrastructure, and laying the groundwork for inclusive, data-driven governance. Economic indicators further reflected signs of stabilization, with easing inflation, growth in large-scale manufacturing, rising remittances, and improved tax collection, supported by prudent macroeconomic management. At the same time, the government remained cautious of external risks, particularly global energy volatility, while continuing to strengthen international partnerships with countries such as Kazakhstan and institutions including the Islamic Development Bank.

Across governance and development, March witnessed a strong emphasis on reform, institutional strengthening, and inclusive growth. Key policy actions included reforms in higher education pay structures to retain academic talent, recalibration of development strategies amid fiscal pressures, and enhanced digital monitoring systems to improve project efficiency and transparency. The Central Development Working Party approved and recommended major projects across sectors such as education, health, infrastructure, and energy, reinforcing the Uraan Pakistan agenda. Focused initiatives were also advanced for youth empowerment, entrepreneurship, and skills development, alongside targeted programs for former FATA districts aimed at improving infrastructure, energy access, and employment opportunities. Efforts to strengthen disaster recovery planning, governance reforms through performance-based systems, and national coordination on economic stability further underscored a comprehensive policy approach. The month also reflected a continued commitment to national identity and social development, marked by preparations for commemorating founding leaders, observance of International Women's Day, and renewed emphasis on the role of youth, unity, and responsible citizenship in driving Pakistan's long-term progress.



SPOTLIGHT STORY

Navigating Global Crisis with Stability and Strategic Clarity



April 2026 unfolded against the backdrop of an extraordinary global crisis, as disruptions in the Strait of Hormuz sent shockwaves through international energy markets. For Pakistan, an oil-import-dependent economy, the implications were immediate and profound. Yet, amid rising global uncertainty, the Government demonstrated calibrated leadership, balancing fiscal discipline with citizen relief while maintaining uninterrupted fuel supply nationwide.

In a comprehensive media briefing, Federal Minister for Planning, Development and Special Initiatives, Prof. Ahsan Iqbal, outlined the government's response to the crisis. Despite a sharp surge in global oil prices, from \$80 to over \$200 per barrel, the country avoided fuel shortages, reflecting robust supply chain management and coordinated institutional response. The government absorbed a fiscal burden of Rs. 129 billion to shield citizens, while targeted subsidies were introduced to protect the most vulnerable, particularly farmers and public transport users.

"The government's foremost priority is to ensure that the impact of the global crisis on the public is minimized," the Minister stated, emphasizing a shift away from blanket subsidies toward targeted interventions. He further noted that while price adjustments were unavoidable due to global factors, relief measures, including reductions in petroleum levies and subsequent price cuts, were strategically deployed to ease pressure on households and the agriculture sector.

Beyond domestic measures, Pakistan also played a proactive diplomatic role in easing regional tensions. The Minister highlighted that Pakistan's efforts to facilitate dialogue in the Iran-US context were widely acknowledged internationally, reinforcing the country's position as a responsible and stabilizing actor.

This moment underscored a broader reality: global shocks are inevitable, but resilience lies in preparedness, policy coherence, and collective responsibility. As Prof. Iqbal remarked, "This is a national challenge, not a political issue," calling for unity, responsible consumption, and institutional coordination to navigate the evolving global landscape.



FEATURED STORY

Early Childhood Development: Reframing Pakistan's Development Priorities



A defining shift in Pakistan's development narrative emerged this month as early childhood development (ECD) was positioned at the core of national transformation. Addressing the 5th International Conference on Early Childhood Development, Prof. Ahsan Iqbal articulated a compelling vision: that the future of Pakistan is shaped not in universities, but in the earliest years of life.

Drawing on global research, including insights from UNICEF, WHO, and Nobel Laureate James Heckman, the Minister emphasized that investments in the first 1,000 days of life yield the highest returns in human capital development. Yet, the national context presents stark challenges, over 40% of children under five are stunted, more than half are at risk of poor developmental outcomes, and early education enrolment remains limited.

"These are not just statistics, but warning signals," he noted, linking early childhood outcomes directly to Pakistan's long-term competitiveness in a global knowledge economy.

Under the Uraan Pakistan framework, the government is shifting from infrastructure-centric growth toward a human development model, integrating health, nutrition, education, and social protection into a unified ECD ecosystem. The newly developed Early Childhood Development Policy Framework marks a foundational step, but the Minister stressed that implementation, financing, and accountability must now take precedence.

Calling for a National ECD Compact, he urged alignment across federal and provincial governments, alongside academia and civil society. The message was clear: sustainable economic reform begins with investing in people, and the earliest years offer the strongest foundation for a resilient and equitable future.

In Other News

From Geopolitics to Geoeconomics: Pakistan's Vision at Georgetown University

Addressing the Fourth Annual Pakistan-US Conference at Georgetown University, Federal Minister for Planning, Development and Special Initiatives Prof. Ahsan Iqbal outlined Pakistan's strategic shift from geopolitics to geoeconomics, presenting a development narrative anchored in economic value, connectivity, and global engagement. He emphasized that Pakistan's geostrategic location positions it as a potential hub for trade, transit, and investment across South Asia, Central Asia, the Middle East, and China. Highlighting Pakistan's diplomatic role in facilitating dialogue in the Iran-US context, he noted that the country is increasingly recognized as a responsible global actor, advancing an "economy of peace" where stability enables trade and development. Reflecting on economic progress, he pointed to a transition from the challenges of 2022 to a more stable outlook, with inflation easing, growth recovering to 3.8 per cent, external balances improving, and international confidence strengthening, while stressing that stabilization is only the foundation for long-term transformation.

Under the Uraan Pakistan framework, the Minister outlined a roadmap to transform Pakistan into a trillion-dollar economy by 2035, driven by export-led growth, digital transformation, energy and infrastructure reform, environmental resilience, and equity-focused human development. He underscored the importance of strengthening global partnerships in education, technology, and research, including initiatives such as the Pakistan-US Knowledge Corridor, while highlighting the Pakistani diaspora as a strategic asset connecting the country to global markets and innovation networks. Emphasizing the centrality of youth, he called for investing in education, skills, and emerging technologies such as artificial intelligence and robotics to convert demographic potential into productivity. Concluding, he noted that Pakistan's trajectory now depends on its ability to turn stability into confidence, confidence into investment, and investment into sustained, inclusive growth.



Pakistan's Development Trajectory: Resilience, Reform, and Responsible Leadership

At the virtual launch of the April 2026 Monthly Development Update in Islamabad, Federal Minister for Planning, Development and Special Initiatives Prof. Ahsan Iqbal Chaudhary presented a measured yet forward-looking account of Pakistan's economic journey, one shaped by resilience amid global turbulence. He noted that despite a challenging external environment, the economy has shown clear signs of stabilization, with inflation easing to 5.5 percent and growth recovering to 3.8 percent during the first eight months of the fiscal year, supported by improved external and fiscal indicators. This progress, however, has unfolded alongside significant global pressures, particularly the Middle East conflict, which has pushed oil prices upward and led the IMF to revise global growth down to 3.1 percent while projecting inflation to rise to 4.4 percent. In response, the government adopted a calibrated approach, absorbing a fiscal burden of Rs. 129 billion, rationalizing fuel prices in line with global trends, and subsequently passing relief to citizens through reductions in petrol and diesel prices, including targeted support for the agriculture sector. These measures, the Minister emphasized, were aimed at containing inflation while protecting purchasing power. He further highlighted Pakistan's proactive diplomatic engagement in facilitating dialogue in the Iran-US context, noting that such efforts have contributed to regional stability and have been widely acknowledged at the international level.



The broader economic picture reflects a gradual strengthening of confidence and momentum. Large-scale manufacturing recorded 5.9 percent growth, FBR revenues reached Rs. 9.3 trillion with a 10 percent increase, remittances rose to \$30.3 billion, and exports touched \$30.6 billion, with services exports growing by 17 percent. The current account posted a \$1.07 billion surplus in March, indicating improved external stability. On the development front, PSDP utilization reached Rs. 415 billion (42 percent), alongside savings of Rs. 10.5 billion through enhanced project scrutiny, reflecting stronger fiscal discipline. Looking ahead, the Minister underscored a clear strategic direction: investing in human capital and future-ready skills through Pakistan-China collaboration in artificial intelligence, robotics, and Industry 4.0, while advancing major initiatives such as the Jinnah Medical Complex to strengthen social infrastructure. He also highlighted ongoing international partnerships, including engagements with the Islamic Development Bank, cooperation under CPEC 2.0, and knowledge-sharing initiatives with Türkiye. Concluding, Prof. Iqbal reaffirmed that despite global uncertainty, Pakistan is steadily advancing through disciplined reforms, responsible governance, and proactive diplomacy, laying the foundation for sustained, inclusive, and long-term economic growth.

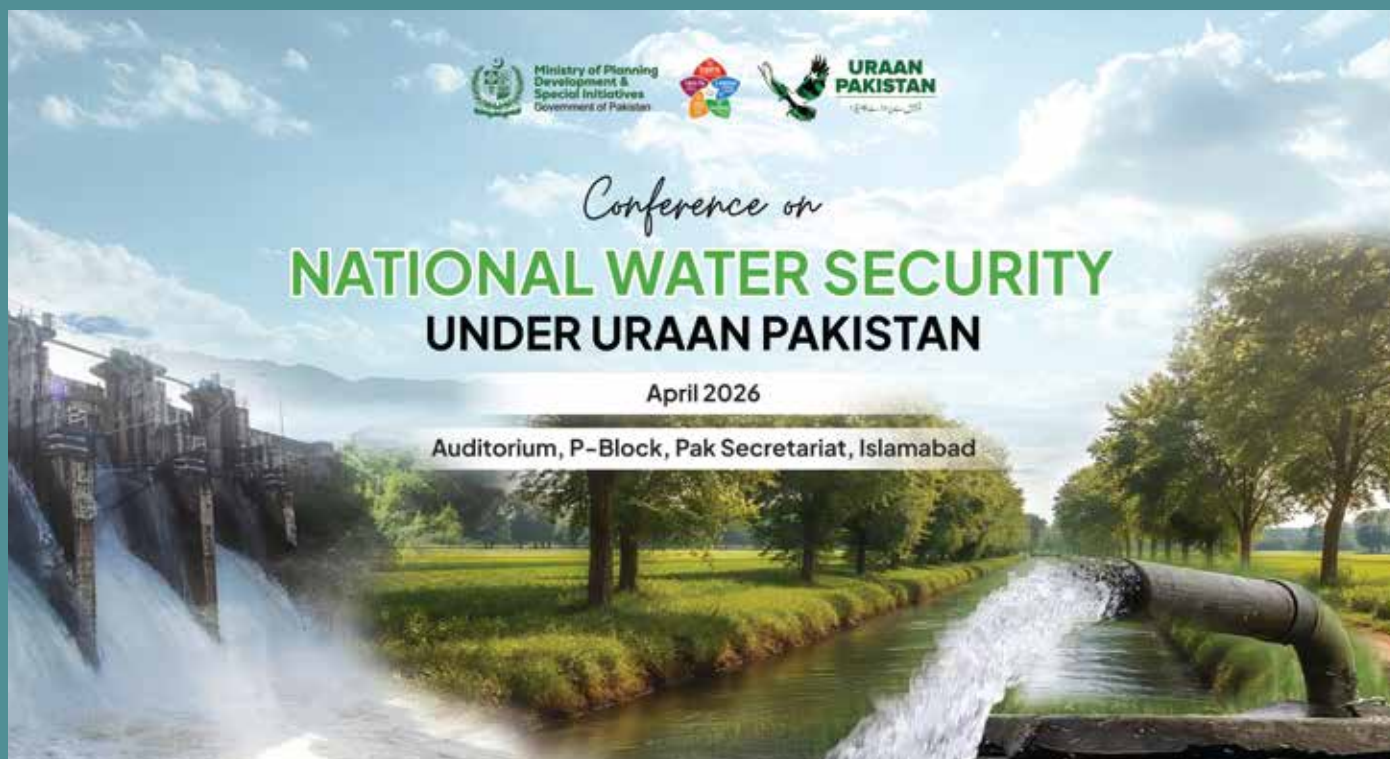
CDWP Approves Key Development Projects Under Uraan Pakistan

The Central Development Working Party (CDWP), chaired by Federal Minister for Planning, Development and Special Initiatives and Deputy Chairman of the Planning Commission Prof. Ahsan Iqbal Chaudhary, convened to review a broad portfolio of development initiatives aimed at strengthening key sectors of the national economy and advancing the government's reform agenda. The meeting, attended by the Chief Economist, Vice Chancellor of PIDE, Members of the Planning Commission, Federal Secretaries, heads of Provincial Planning and Development Departments, and senior representatives from federal and provincial institutions, approved seven projects worth Rs. 24.385 billion under the Uraan Pakistan initiative. Spanning sectors including education, governance, health, environment, and physical planning, these projects align with the government's broader vision of strengthening human capital, modernizing governance, improving infrastructure, and promoting inclusive and sustainable growth. Among them, the "Air Quality Monitoring Network for Air Quality Management Improvement in Sindh" worth Rs. 1,418.400 million was conditionally approved, with directions for the DCPC to coordinate with the Economic Affairs Division for required funding. A governance-focused project, "Strengthening of Counter Terrorism Department (CTD) in Azad Jammu & Kashmir," costing Rs. 1,981.650 million, was also approved subject to rationalization of ammunition costs. Emphasizing its importance, the Minister underscored the project's role in enhancing counter-terrorism capacity and institutional preparedness in AJK.



Significant attention was given to the education and health sectors. A revised project for the "Establishment of Daanish School in ICT Kuri" worth Rs. 6,996.586 million was approved strictly in line with the Prime Minister's directions, limited to the girls' hostel component, with clear instructions to maintain standardized models and avoid cost escalations. The Minister further directed the Ministry of Education, in coordination with the Ministry of Finance, to develop a comprehensive five-year financial plan and submit detailed operational and budgetary proposals within two weeks, stressing fiscal discipline amid a shrinking PSDP envelope. Another Daanish School project in Tandoo Muhammad Khan, Sindh, worth Rs. 3,693.836 million, was approved with directions to rationalize costs in line with existing PC-I standards. In the health sector, the Sindh Health Support Program worth Rs. 2,266.997 million, primarily financed by the World Bank with a provincial contribution, was approved, with the Minister reiterating the centrality of healthcare in human capital development. Additionally, two projects in the Physical Planning and Housing sector were cleared, including the construction of a Federal Tribunals/Courts Complex in Hayatabad, Peshawar (Rs. 628.816 million), and a Model Prison in H-16 Islamabad (Rs. 7,399.120 million), reflecting a continued focus on institutional infrastructure and service delivery.

From Water Crisis to Water Security: A National Imperative under Uraan Pakistan



Chairing the Roundtable Conference on Water Security at the Planning Commission, Federal Minister for Planning, Development and Special Initiatives Prof. Ahsan Iqbal Chaudhary called for an urgent shift from fragmented water crisis management to a comprehensive, unified water security framework. He underscored that in the 21st century, national security extends beyond territorial boundaries to include water, food, energy, climate resilience, public health, and economic stability. With per capita water availability declining sharply from over 5,000 cubic meters at independence to nearly 1,000 today, Pakistan faces what he described as a national water emergency. The Minister highlighted the compounded pressures of rapid population growth, urbanization, groundwater depletion, glacier stress, erratic rainfall, and the increasing frequency of floods and droughts. The devastating floods of 2022, which affected over 33 million people, exposed not only water scarcity but also systemic mismanagement. Stressing that water is no longer a sectoral concern but a national security issue, further intensified by risks such as the potential weaponization of water resources, he called for national consensus and a coordinated approach addressing irrigation, drought resilience, flood protection, hydropower, and glacier management across all provinces.

Outlining a clear roadmap, the Minister emphasized the need for decisive, science-driven, and long-term action under the Uraan Pakistan vision. Strategic priorities include expanding water storage through large, medium, and small reservoirs, launching a National Water Efficiency and Conservation Mission, establishing a robust groundwater governance framework, and adopting technology-driven solutions such as telemetry, satellite monitoring, artificial intelligence, and digital water accounting. He further stressed integrating climate-resilient planning, advancing institutional and financing reforms aligned with PSDP and provincial ADPs, and promoting modern practices such as canal modernization, drip irrigation, wastewater recycling, and precision agriculture guided by the principle of “more crop per drop and more value per drop.” Emphasizing that “we cannot manage what we do not measure,” he called for the deployment of a National Water Information System and stronger regulation of groundwater use and aquifer recharge. Concluding that water security is central to economic growth, food security, and national cohesion, Prof. Iqbal reiterated that Pakistan must transition from reactive responses to proactive, integrated water governance, ensuring that water becomes a driver of national strength rather than a constraint.



Ensuring Market Stability: National Price Monitoring Committee Intensifies Oversight

In response to rising fuel prices and their cascading impact on essential commodities, the National Price Monitoring Committee, chaired by Prof. Ahsan Iqbal, undertook decisive measures to protect consumers. With transport fares increasing by as much as 50% in certain regions, the Minister directed provinces to issue revised fare notifications within 24 hours and ensure strict enforcement. Weekly monitoring mechanisms have now been institutionalized, supported by district-level price reporting and data from the Pakistan Bureau of Statistics. Emphasizing zero tolerance for hoarding and profiteering, the government also moved to curb urea smuggling, ensuring supply stability for farmers. These measures reflect a coordinated federal-provincial effort to contain inflationary pressures and safeguard public relief.



Driving Competitiveness: Economic Governance Reforms Take Center Stage



A high-level meeting on economic governance focused on structural reforms aimed at enhancing Pakistan's competitiveness. The Minister emphasized simplifying the tax regime, making it investment-friendly, and introducing targeted incentives for export-oriented industries. Stressing urgency, he termed exports a "national emergency," calling for annual growth of \$5 billion to reduce reliance on external financing. Islamabad's potential as a regional investment hub was also highlighted, with policy direction geared toward improving transparency, ease of doing business, and investor confidence under the broader 5Es Framework.

Reimagining Exports: Strategic Shift Towards Diversification and Scale



At a roundtable on export sector challenges, Prof. Ahsan Iqbal underscored the need for a fundamental transformation in Pakistan's export strategy. Noting that the export basket has remained largely unchanged for decades, he called for diversification, value addition, and expansion into non-traditional markets, particularly Africa. The Minister highlighted the imbalance between remittances and exports as a structural concern and urged a shift toward an aggressive export-led growth model targeting over \$100 billion in the medium term. Data-driven policymaking, cluster-based strategies, and stronger global positioning were emphasized as essential pillars for reform.

Strengthening Governance: Steering Committee Advances Accountability and Cohesion



A high-level Steering Committee meeting on socio-political affairs reinforced the government's commitment to transparency, accountability, and national cohesion. Key directives included results-based budgeting, third-party audits, and measurable performance indicators across development initiatives. The Minister also emphasized proactive media engagement to counter misinformation, alongside initiatives to promote youth engagement, interfaith harmony, and zero tolerance for extremism. Proposals for NFC allocations to underserved regions and an Akhuwat-based district partnership model further reflected a focus on inclusive development.

Building Resilience: Climate Adaptation and Flood Recovery Initiatives Accelerated



At a high-level workshop under IFRAP, Pakistan's shift toward resilience-driven development planning was reinforced. With climate shocks increasingly affecting vulnerable regions, particularly Balochistan and Sindh, the government is advancing major initiatives, including a \$400 million World Bank-supported program and over Rs. 200 billion in PSDP allocations. The Minister emphasized expanding water storage, integrating climate resilience into development planning, and strengthening data-driven decision-making to address long-term environmental challenges.

Accelerating Regional Connectivity: Progress Under CPEC 2.0



A high-level meeting on CPEC 2.0 focused on advancing infrastructure and strategic cooperation with China. Key directives included timely submission of project proposals, alignment with national development frameworks, and acceleration of financing for priority projects. Progress on major infrastructure initiatives such as the Karakoram Highway realignment and Babusar Tunnel was reviewed, reinforcing Pakistan's commitment to regional connectivity and economic integration.

Enhancing Institutional Capacity: Engagement with UNOPS



In a meeting with the Deputy Executive Director of UNOPS, discussions focused on modernizing project management systems and strengthening transparency through data-driven monitoring. The engagement highlighted the importance of international collaboration in improving governance frameworks and delivering high-impact development outcomes.

A Leap into Space: Pakistan's First Human Spaceflight Mission

Pakistan marked a historic milestone as its first astronauts departed for advanced training in China under the Human Spaceflight Program. This initiative represents a significant step in the country's scientific advancement and signals its entry into human space exploration. Federal Minister Prof Ahsan Iqbal Chaudhary, met the two astronauts selected for Pakistan's first human space mission under SUPARCO's Human Spaceflight Program. Khurram Dawood & Muhammad Zeeshan Ali will depart for China tonight to begin advanced training at the Tiangong Space Station, in collaboration with the China Manned Space Agency. The Minister emphasized the importance of setting ambitious national goals, including a long-term vision of reaching the Moon by 2035. From satellites to space missions, Pakistan is moving forward with ambition, capability, and purpose.

Expanding Global Partnerships: EU–Pakistan Business Forum Engagement



At the EU–Pakistan Business Forum dinner, a forward-looking vision for economic cooperation was presented, focusing on high-value partnerships, technology transfer, and sustainable development. The Minister underscored Pakistan's potential as a regional hub for investment, driven by its strategic location and young workforce, while inviting European partners to expand collaboration across key sectors.

Data-Driven Governance: Modernization of Survey of Pakistan



During a visit to the Survey of Pakistan Headquarters, the Minister reviewed progress on the Pakistan National Spatial Data Infrastructure (Pak-NSDI), a key initiative aimed at integrating geospatial data across institutions. The effort is expected to enhance transparency, reduce duplication, and improve decision-making efficiency. Strengthening coordination among national data institutions was highlighted as essential for building a modern, digital governance ecosystem.



NEWS IN PICTURES



Prof Ahsan Iqbal Chaudhary, met the two astronauts selected for Pakistan's first human space mission under SUPARCO's Human Spaceflight Program.



Federal Minister Prof Ahsan Iqbal Chaudhary, in discussions with a delegation from UNOPs



A high-level meeting "Review of Scenario Based Planning" chaired by the Planning Minister.



The Minister at a high-level workshop under IFRAP,



Federal Minister Prof. Ahsan Iqbal in a meeting with MD China Energy in Islamabad



The Planning Minister at the EU-Pakistan Business Forum dinner





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