



Ministry of Planning
Development &
Special Initiatives
Government of Pakistan

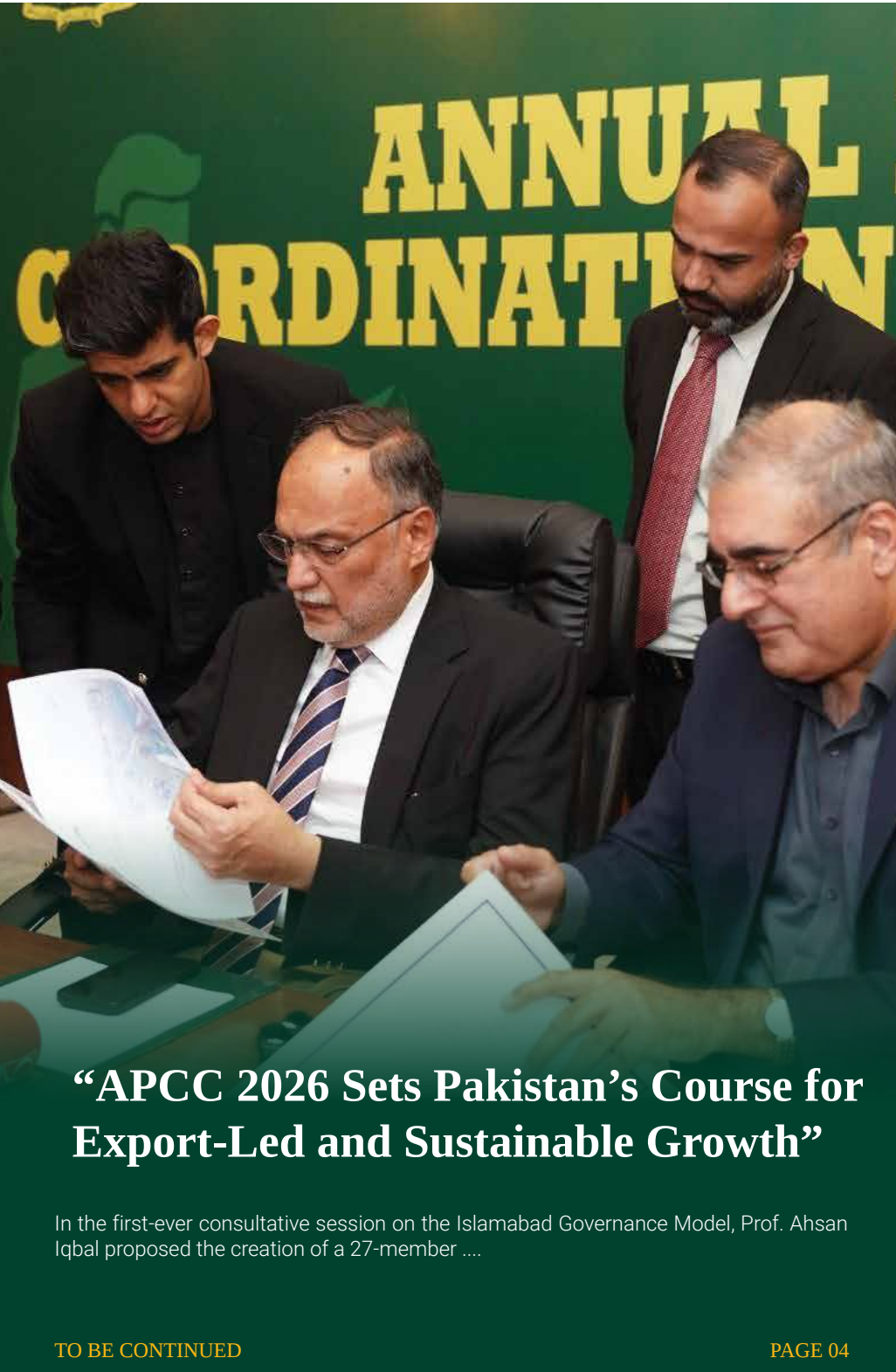


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NEWSLETTER

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“APCC 2026 Sets Pakistan’s Course for Export-Led and Sustainable Growth”

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SPOTLIGHT STORY

Pakistan Targets Export-Led Industrial Transformation at Chemical Expo 2026



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Highlights from the Previous Month

Sustaining the Momentum: Driving Economic Transformation through Strategic Planning

As Pakistan continues its journey toward sustainable economic transformation, the Ministry of Planning, Development and Special Initiatives has maintained a strong focus on strengthening macroeconomic stability, accelerating development planning, and advancing the vision of URAAN Pakistan. In the period preceding this edition, policy initiatives centered on improving public investment, enhancing institutional efficiency, promoting evidence-based governance, and creating the foundations for long-term, export-led growth. Simultaneously, efforts to modernize market systems, strengthen industrial competitiveness, and expand investment opportunities underscored the Government's commitment to building a more productive, resilient, and globally competitive economy.

The past month, May, also witnessed meaningful progress in climate resilience, disaster preparedness, and sustainable resource management. Development initiatives continued to strengthen flood recovery, water sector cooperation, and institutional capacity for emergency response while reinforcing climate adaptation as a national planning priority. At the same time, Pakistan deepened its engagement with international partners through CPEC 2.0 and other strategic collaborations, broadening cooperation in innovation, technology, infrastructure, knowledge exchange, and sustainable development to support long-term national priorities.

Equally important were initiatives aimed at strengthening human capital and institutional excellence. From promoting research, higher education, and skilled human resources to advancing governance reforms and export-oriented industrial development, the Government continued to reinforce the pillars of inclusive and sustainable growth. The stories featured in this edition build upon these achievements, reflecting a continued commitment to strategic planning, effective implementation, and transformative development that advances Pakistan's progress toward a more prosperous and future-ready economy.



FEATURED STORY

APCC 2026 Sets Pakistan's Course for Export-Led and Sustainable Growth



The government has proposed a Rs 1.126 trillion federal development programme for FY 2026-27 while positioning exports, productivity and human capital at the centre of Pakistan's next phase of economic transformation. The Annual Plan Coordination Committee (APCC) 2026 meeting highlighted both the constraints of limited fiscal space and the opportunity created by improving macroeconomic stability.

Chairing the APCC 2026 deliberations, Federal Minister for Planning, Development and Special Initiatives Prof. Ahsan Iqbal Chaudhary presented a development strategy focused on sustaining economic recovery while managing rising debt-servicing obligations. Federal ministries submitted development demands worth Rs 4.097 trillion, including more than Rs 3 trillion for ongoing projects and Rs 726 billion for new initiatives, but the proposed federal Public Sector Development Programme (PSDP) stands at Rs 1.126 trillion, reflecting the narrowing fiscal space available for development spending.

Despite these constraints, the government has prioritized high-impact and near-completion projects. Key allocations include Rs 125 billion for the strategic N-25 Pakistan Expressway, Rs 87 billion for coalition partners' development initiatives, and Rs 153 billion for Azad Jammu and Kashmir, Gilgit-Baltistan and merged districts, while Balochistan remains a special focus area.



Prof. Ahsan Iqbal highlighted significant improvements in macro-economic indicators. Inflation has declined from 38% to around 5-6%, the policy rate has fallen from 23% to 10-10.5%, GDP growth has improved from 3.2% to 3.7%, and foreign exchange reserves reached \$21.3 billion in April 2026. Workers' remittances also rose from \$31.2 billion to nearly \$34 billion during July-April.

The minister emphasized that Pakistan is moving away from the import-driven consumption model that previously produced growth alongside a trade imbalance exceeding \$50 billion. Instead, the government is pursuing an export-led strategy centered on agriculture modernization, industrial upgrading, technology adoption and skills development. As part of this effort, 1,000 agricultural experts have been trained in China to support higher productivity and value-added exports.

Calling for exports to become a national mission, Prof. Ahsan Iqbal argued that Pakistan must target more than \$100 billion in exports over the next decade to achieve lasting economic sovereignty and create the resources needed for sustained investment in infrastructure, education, energy and human development.



Pakistan Targets Export-Led Industrial Transformation at Chemical Expo 2026



Federal Minister Prof. Ahsan Iqbal outlined a vision for transforming Pakistan's chemical sector into a globally competitive export industry driven by innovation, research and industrial modernization.

Addressing industry leaders, researchers, entrepreneurs and academia at Pakistan Chemical Expo 2026, Federal Minister for Planning, Development and Special Initiatives Prof. Ahsan Iqbal Chaudhary said Pakistan's next development chapter must move beyond an agriculture-led economy toward a technology-driven industrial economy powered by science, innovation, knowledge and exports.

He emphasized that economic independence cannot be achieved through borrowing, but through production, competitiveness and export growth. Referring to the global chemical industry's estimated \$6 trillion potential, the minister noted that Pakistan possesses key advantages, including a youthful population, engineers and scientists, abundant raw materials and a growing industrial base.

A major focus of the address was the need to strengthen research and development and build stronger academia-industry linkages. The minister argued that Pakistan must move beyond imported technologies and develop original products, patents and solutions capable of competing globally.



Framing development as a national movement, he called for an "economic long march" uniting government, industry and academia behind the goals of a \$1 trillion economy by 2035 and a \$3 trillion economy by 2047. The message, he said, was clear: nations that innovate, invest in knowledge, and export competitively are the nations that prosper.



Development Highlights

Competitive Federalism Proposed as a New Growth Model



Federal Minister Prof. Ahsan Iqbal argued that Pakistan's future depends on a model of Competitive Federalism in which provinces compete through performance, reforms and innovation rather than relying on centralized provincial monopolies. He said the country's long-standing federalism debate has focused excessively on resource distribution while paying insufficient attention to productivity, investment and governance outcomes.

According to the minister, public policy should incentivize provinces to improve education, healthcare, industrial growth, ease of doing business and population management. He described competitive federalism as a framework that encourages innovation, exports, human development and economic efficiency, making provincial performance rather than political power the primary driver of national progress.

Altaf Hassan Qureshi Remembered as a National Institution



At a memorial gathering at the National Press Club Islamabad, Prof. Ahsan Iqbal paid tribute to the late journalist and intellectual Altaf Hassan Qureshi, describing him as "an institution and a university in himself." He said Qureshi's writings and editorial work played a major role in shaping Pakistan's intellectual and national discourse.

The minister noted that responsible, principled journalism has become even more important in the modern information age. To preserve his legacy, he announced that he would recommend to the Higher Education Commission the establishment of an "Altaf Hassan Qureshi Chair" at a leading university.

CPEC and Global Governance Highlighted at Pakistan-China Conference



Addressing the conference "75 Years of Friendship: Global Governance Initiative and Construction of CPEC", Prof. Ahsan Iqbal said effective global governance has become an urgent necessity in an increasingly fragmented world. He stressed that sustainable peace and development require adherence to international law, sovereign equality and multilateral cooperation.

He described CPEC Phase-II as a comprehensive roadmap for Pakistan's future development, built around economic growth, innovation, green development and regional connectivity. The minister also called for stronger Pakistan-China cooperation in media and cultural exchanges to counter misinformation and strengthen people-to-people ties.

Islamabad Governance Reform Proposes Assembly and Greater Autonomy



In the first-ever consultative session on the Islamabad Governance Model, Prof. Ahsan Iqbal proposed the creation of a 27-member Islamabad Assembly and a locally accountable Chief Minister/Mayor for the capital. The reforms aim to give Islamabad greater administrative and financial autonomy.

With the city's population exceeding 2.4 million, the minister said the existing governance structure is no longer adequate. The proposed model would devolve key sectors, including health, education, environment and public services, to an elected local government and position Islamabad as a smart, citizen-centered and globally competitive capital.

Record of 11 Federal Development Budgets Achieved

With the preparation of the FY 2026-27 development budget, Prof. Ahsan Iqbal has reached a unique milestone of 11 Federal Development Budgets prepared under his leadership. His contributions span the 1997-98 and 1998-99 budgets, the 2013-14 to 2017-18 PSDPs, and the 2023-24 to 2026-27 development budgets.

During these cycles, long-term frameworks such as Vision 2010, Vision 2025, Uraan Pakistan and the 5Es Framework were integrated into national planning. The government also announced a Rs 3,675 billion National Development Programme for FY 2026-27, including Rs 1,000 billion for the federal PSDP, Rs 451 billion for SOE projects and Rs 2,224 billion for provincial development programmes.



CPEC Leadership

- Helped transform CPEC into Pakistan's largest development initiative.
- Built national consensus across provinces, GB and AJK.
- Countered misinformation and promoted CPEC globally.
- Recognized as "Mr. CPEC".

Infrastructure & Energy

- 8,000+ MW added to the grid.
- 11,000+ MW energy projects facilitated.
- Motorways, highways, expressways and Optical Fiber Corridor completed.
- Gwadar connected to the national grid.
- CPEC Phase-II launched.

Human Development

- Higher education funding increased from Rs.10-11 billion to Rs.74 billion.
- 10,000 PhD scholarships launched.
- Universities expanded from 99 to 154.
- Enrollment increased from 1.1 million to 1.65 million.
- Human development placed at the center of planning.

Regional Development

- 147+ projects in Balochistan.
- Major investments in AJK and Gilgit-Baltistan.
- Road, connectivity and digital infrastructure projects across underserved regions.

PSDP Reforms

- Rs.700 billion national savings through project scrutiny.
- PSDP Portal launched.
- Development spending crossed Rs.1 trillion.
- Record Rs.1.046 trillion PSDP utilization in FY2024-25.

Technology & Innovation

- National Centers for AI, Cyber Security, Robotics, Big Data, Cloud Computing, Quantum Computing and Nanotechnology.
- Quantum Valley Pakistan and Quantum Communication initiatives.
- Focus on semiconductors and advanced technologies.

Water & Connectivity

- Diamer-Bhasha, Dasu, Mohmand, Tarbela 5th Extension, Kachhi Canal, Nai Gaj, K-IV and Chashma Right Bank Canal.
- Progress on 34 major water projects.
- ML-1, ML-3 and Thar Coal Railway initiatives.

Governance & Global Recognition

- Civil Service Reforms and STAR governance model.
- Digital census and governance reforms.
- Global South Compact proposal.
- ICESCO Lifetime Achievement Award.

Pakistan Welcomes US-Iran Peace Agreement

Prof. Ahsan Iqbal welcomed the historic peace agreement between the United States and Iran, calling it a major victory for diplomacy, dialogue and regional stability. He said the agreement opens new hope for economic recovery and shared prosperity across the Middle East and beyond.

The minister highlighted Pakistan's constructive role in facilitating dialogue and building trust between the two sides. He also congratulated Prime Minister Muhammad Shehbaz Sharif and Field Marshal Syed Asim Munir on their leadership, describing the Islamabad MoU as a landmark achievement that strengthened Pakistan's standing as a credible force for peace.

Prof. Ahsan Iqbal remarks:

"This landmark achievement reflects Pakistan's growing role as a force for peace and dialogue on the global stage, and will remain a proud chapter in our nation's history."

Pakistan did not just witness history. Pakistan made it.



Government Pushes Data-Driven Market Reforms



Chairing the National Price Monitoring Committee, Prof. Ahsan Iqbal reviewed inflation trends, commodity prices and market conditions while emphasizing a shift from reactive price management to proactive, data-driven governance. He called for stronger coordination among federal, provincial and district administrations.

The meeting reviewed supply-chain efficiency, wholesale-retail price gaps and quality assurance measures for cooking oil, ghee and milk. Authorities were also directed to explore the establishment and strengthening of wholesale markets in major urban centers to improve distribution networks and support consumers.

Roadmap Prepared for \$60 Billion Exports by 2030



In a high-level review meeting on export promotion, Prof. Ahsan Iqbal directed officials to prepare a comprehensive strategy for achieving \$60 billion in exports by 2030. The plan includes nationwide mapping of productive capabilities, industrial clusters and global value-chain opportunities.

Priority sectors identified include engineering goods, IT, auto parts, seafood, batteries, home appliances, agri value-addition and creative industries. The minister said Pakistan lacks not potential but the infrastructure and policy support needed to connect domestic strengths with global markets.

Flood Resilience Project Reviewed After 2022 Disaster



Chairing the steering committee of the Integrated Flood Resilience and Adaptation Project (IFRAP), Prof. Ahsan Iqbal reviewed progress on Pakistan's flood resilience agenda and recovery efforts in areas affected by the 2022 floods.

The meeting assessed resilient infrastructure, housing reconstruction and early warning systems in the context of growing climate risks. The minister said protecting vulnerable communities and future generations from the impacts of climate change remains a foremost government priority.

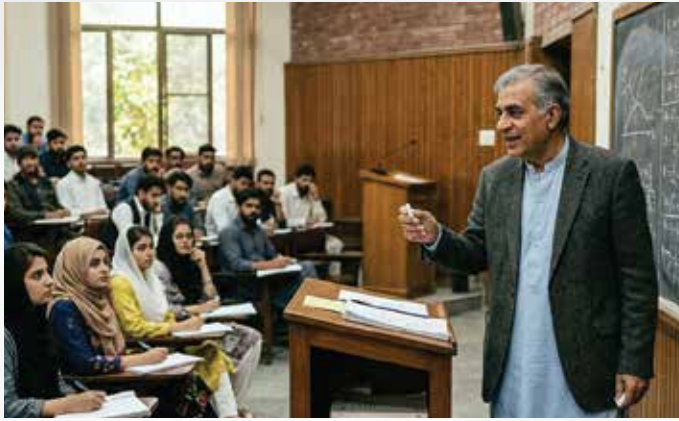
Strategic Consultations Launched to Boost Exports



To support Pakistan's ambition of achieving \$60 billion in exports by 2029 under Uraan Pakistan, Prof. Ahsan Iqbal has initiated a series of strategic consultations with business leaders, exporters, multinational companies and industry stakeholders.

These engagements aim to develop business-friendly policies, strengthen industrial competitiveness, enhance productivity and remove barriers to export growth, laying the foundation for a more dynamic, investment-driven and export-oriented economy.

Tenure Track University Salaries Approved After Years of Freeze



University professors on the Tenure Track System had been working on frozen salaries since 2021, raising concerns about a growing brain drain among researchers and PhD holders. Prof. Ahsan Iqbal constituted a Special Task Force to recommend competitive, market-aligned pay scales.

The recommendations have now been approved, reflecting the government's view that a knowledge economy cannot be built without investing in those who create knowledge. The move aligns with Prime Minister Shehbaz Sharif's vision of quality education and human-capital development.

Denmark-Pakistan Cooperation Expands in Water Sector



During a meeting with Danish Ambassador Maja Derrous Mortensen, Prof. Ahsan Iqbal discussed expanding cooperation in Pakistan's water sector. The discussions emphasized the role of water management in economic growth, climate resilience, public health and food security.

Recent Danish engagements have brought together researchers, technical experts and development financiers to identify areas where Danish expertise and investment can support Pakistan's long-term water priorities, highlighting the importance of international partnerships in addressing water challenges.

Pakistan-China Cooperation Advances Disaster Preparedness and Climate Resilience

Federal Minister for Planning, Development and Special Initiatives Prof. Ahsan Iqbal Chaudhary met the Pakistani participants selected for the Seminar on "Emergency Management and Disaster Prevention," hosted by China's National Development and Reform Commission (NDRC) from 23 to 29 June 2026. Congratulating them on their selection, the Minister recalled his meeting with the Chairman of the NDRC in September 2025, during which he emphasized Pakistan's need to strengthen its institutional capacity in emergency management and disaster prevention. Responding to this shared priority, the NDRC organized the seminar to facilitate knowledge exchange and capacity building. The Minister encouraged participants to learn from China's internationally recognized disaster management practices and serve as responsible ambassadors of the enduring Pakistan-China friendship.

Following the Minister's guidance, the seminar formally commenced with an opening ceremony at the NDRC Headquarters in Beijing on 23 June 2026, marking an important milestone in expanding bilateral cooperation on disaster preparedness, emergency response, and climate resilience. Addressing the ceremony, Ms. Wan Qian, Deputy Director-General, Department of International Cooperation, NDRC, and Mr. Liu Shunzhang, Deputy Director-General, Department of International Cooperation and Rescue, Ministry of Emergency Management, reaffirmed China's continued commitment to supporting Pakistan during natural disasters and national emergencies, recalling its assistance during the 2010 and 2022 floods, earthquakes, and the COVID-19 pandemic. Recognized as an initial step toward advancing the Green Corridor under CPEC 2.0, the seminar broadens Pakistan-China cooperation beyond infrastructure to institutional capacity building, climate resilience, early warning systems, flood management, urban resilience, and sustainable development. Bringing together representatives from federal and provincial departments, including Planning, Disaster Management, Climate Change, Water Resources, the Capital Development Authority, the National Disaster Risk Management Fund, the Forestry Department, the Pakistan Red Crescent Society, and the Pakistan Institute of Development Economics, the programme is expected to strengthen Pakistan's national resilience frameworks and support the country's broader climate policy agenda.



Population Stabilization Positioned as a National Development and Human Security Priority



Addressing the launch of the book *Impact of Population Growth on Human Security in Pakistan*, published by the Islamabad Policy Research Institute (IPRI), Federal Minister for Planning, Development and Special Initiatives Prof. Ahsan Iqbal Chaudhary emphasized that unchecked population growth has evolved beyond a demographic concern into a critical challenge for national security, human development, and economic sustainability. He underscored that Pakistan's long-term prosperity depends upon achieving a sustainable balance between population growth and national resources, stressing that population management is intrinsically linked with education, nutrition, women's empowerment, workforce participation, human capital development, and inclusive economic growth. The Minister observed that winning Pakistan's "Battle for the Economy (Marka-e-Maeeshat)" requires addressing rapid population growth alongside investments in people and productivity under the vision of URAAN Pakistan.

Highlighting the Government's ongoing initiatives under the directions of Prime Minister Muhammad Shehbaz Sharif, Prof. Ahsan Iqbal stated that a High-Level Task Force on Population has been established, while a national coordination committee comprising all provinces and key stakeholders has been constituted to harmonize population management efforts across the country. He further noted that duties on contraceptives have been abolished to improve accessibility, alongside the implementation of nationwide public awareness campaigns and a coordinated national strategy promoting responsible population management. Calling upon governments, academia, media, civil society, think tanks, and citizens to work collectively, the Minister emphasized that population stabilization must become a shared national priority to secure Pakistan's human development, economic resilience, and sustainable future.



Pakistan and Uzbekistan Expand Cooperation in Education, Connectivity and Regional Partnership



Ambassador of the Republic of Uzbekistan to Pakistan, H.E. Alisher Tukhtaev, called on Federal Minister for Planning, Development and Special Initiatives Prof. Ahsan Iqbal Chaudhary to discuss expanding bilateral cooperation in education, trade, transport, agriculture, and regional connectivity. Reaffirming the deep-rooted historical and cultural ties between the two countries, the Minister described Uzbekistan as one of Pakistan's closest partners in Central Asia and highlighted opportunities for joint research, student and faculty exchanges, capacity-building initiatives, and collaboration on academic accreditation to strengthen educational cooperation.

The meeting also explored greater collaboration in language learning, cultural exchanges, and connectivity. Prof. Ahsan Iqbal appreciated Uzbekistan's efforts to preserve Islamic heritage through the Imam Al-Bukhari Complex and the Center for Islamic Civilization, while proposing a joint historical drama on Zahir-ud-Din Muhammad Babur. Both sides discussed enhancing air connectivity through the existing Tashkent-Lahore route and proposed direct flights between Karachi and major Uzbek cities. Ambassador Alisher Tukhtaev also appreciated Pakistan's role in promoting regional peace, as both sides reaffirmed their commitment to strengthening economic, cultural, and people-to-people ties.



CDWP Clears Rs 435.665 Billion Development Portfolio to Advance URAAN Pakistan

Chairing the Central Development Working Party (CDWP) meeting, Federal Minister for Planning, Development and Special Initiatives and Deputy Chairman of the Planning Commission, Prof. Ahsan Iqbal Chaudhary, approved six development projects worth Rs 16.904 billion and recommended six major projects worth Rs 418.761 billion to the Executive Committee of the National Economic Council (ECNEC), bringing the total value of projects reviewed to Rs 435.665 billion. The meeting, attended by senior federal and provincial officials, considered projects in the power, information technology, physical planning and housing, and water sectors aligned with the Government's URAAN Pakistan agenda. Approved initiatives included Asset Performance Management System (APMS) projects for SEPCO, QESCO, PESCO and HAZECO, the BEST-PAK Capacity Building Programme, and the Smart Islamabad Initiative - Phase I, while the LESCO APMS project, Reactive Power Compensation Devices in the National Grid, Punjab Urban Land Systems Enhancement Project (PULSE), Babu Sabu Wastewater Treatment Plant, Jalalpur Irrigation Canal Project, and the Southern Punjab Poverty Alleviation Project were referred to ECNEC for final consideration.

During the meeting, Prof. Ahsan Iqbal emphasized that energy security remains a cornerstone of URAAN Pakistan, directing standardization of project cost estimates across major DISCOs, improved procurement planning, and comprehensive load assessments to ensure efficient implementation. He stressed the importance of modernizing power infrastructure, strengthening digital governance, improving urban services, enhancing water management, and accelerating poverty alleviation through well-governed development projects. The Minister also directed technical reviews of revised project costs where required and reaffirmed that these strategic investments will strengthen infrastructure, improve public service delivery, enhance climate resilience, and support Pakistan's long-term vision of sustainable and inclusive economic transformation.



June Development Update Highlights Economic Stability and Future Growth Priorities

Presenting the Monthly Development Update (June 2026), Federal Minister for Planning, Development and Special Initiatives Prof. Ahsan Iqbal Chaudhary highlighted Pakistan's resilient economic performance despite global challenges. The economy recorded 3.7% GDP growth in FY2025-26, while Large-Scale Manufacturing grew by 6.4%, services exports increased by 17.4%, FBR revenue collection reached Rs 11.2 trillion, and workers' remittances rose to \$38.1 billion, including a record \$4.3 billion in May 2026. The Minister also noted Rs 1.7 trillion in economic activity during Eid-ul-Adha and announced that the National Economic Council had approved a 4% growth target alongside a Rs 3.675 trillion National Development Programme for FY2026-27.

Prof. Ahsan Iqbal stated that the Ministry achieved 100% utilization of Federal PSDP funds for the second consecutive year, with over 90% allocated to ongoing projects. He reaffirmed export targets of \$60 billion by 2030 and \$100 billion by 2035, while identifying human resource development as a national priority through coordinated action on education, health, population, nutrition, and skills. The Minister also announced accelerated implementation of strategic infrastructure projects, including ML-1, the Chaman-Quetta-Karachi Balochistan Economic Corridor, the Karakoram Highway Phase-II, and the Sukkur-Hyderabad and Karachi-Hyderabad Motorways, alongside increased investment in artificial intelligence, Quantum Valley Pakistan, cybersecurity, robotics, and other emerging technologies to strengthen Pakistan's long-term competitiveness under URAAN Pakistan.



NEWS IN PICTURES



Minister for MoPD&SI, Prof Ahsan Iqbal Chaudhary, chairing "Economic Survey of Pakistan 2026-27" with Minister for Finance.



Federal Minister Prof Ahsan Iqbal Chaudhary, chairing a review meeting on CEPC.



Prof Ahsan Iqbal Chaudhary in a meeting with the Media Persons



The Minister, in discussions with NDRC Training officers



Federal Minister Prof. Ahsan Iqbal in a meeting with World Bank Country Director



The Planning Minister, Prof Ahsan Iqbal chairing a meeting with chairman beverages.





Ministry of Planning, Development and Special Initiatives

P Block, Pak Secretariat, Islamabad, Pakistan



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