

Introduction

Pakistan is a country located in South Asia. It has a coastline along the Arabia Sea and the Gulf of Oman and is bordered by Afghanistan, China, India, and Iran. The geography of Pakistan is diverse with the Thar Desert in the east and the Hindu Kush and Pamir mountain ranges in the north. The government system is a federal parliamentary republic; the chief of state is the president, and the head of government is the prime minister. Pakistan has a mixed economic system with a combination of free-market activity and government intervention. Pakistan is a member of the South Asian Association for Regional Cooperation (SAARC).



Location: Southern Asia

Capital City: Islamabad (+5 GMT)

Chief of State: President Arif Alvi Zardari

Head of Govt.: Prime Minister Shahbaz Sharif

Currency: Pakistani rupee (PKR)

Major Languages: Punjabi 48%, Pashto (alternate name, Pashtu) 18.2%, Sindhi 14.6%, Saraiki (a Punjabi variant) 12.2%, Urdu (official) 7.1%, Balochi 3%, Hindko 2.4%, Brahui 1.2%, English (official; lingua franca of Pakistani elite and most government ministries), and other 2.4%

Primary Religions: Muslim (official) 96.5% (Sunni 85-90%, Shia 10-15%), other (includes Christian and Hindu) 3.5% (2020 est.)

Calling Code: 92

Voltage: 230

Key Websites

Main Government Page: mofa.gov.pk

Commerce Ministry: commerce.gov.pk

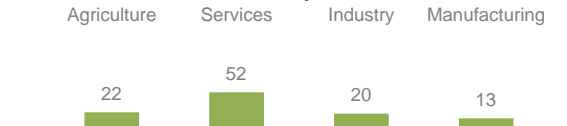
Export Promotion Agency: tdap.gov.pk

Investment Promotion Agency: invest.gov.pk

Key Economic Facts

Income Level (by per capita GNI):	Lower Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$1,518.04 billion (2022)
GDP growth (annual %):	6.19% (2022)
GDP per capita, PPP (current international \$):	\$6,437.16 (2022)
External debt stocks, total (DOD, current US\$):	\$130,433,056,375.40 (2021)
Manufacturing, value added (% of GDP):	13.23% (2022)
Current account balance (BoP, current US\$):	-\$12.13 billion (2022)
Inflation, consumer prices (annual %):	19.87% (2022)
Labor force, total:	78,909,456 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	6.42% (2022)
Imports of goods and services (current US\$):	\$82.28 billion (2022)
Exports of goods and services (current US\$):	\$39.42 billion (2022)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	137 / 178
EY Globalization Index	50 / 60
Global Competitiveness Index	110 / 141
Global Enabling Trade Index	122 / 136
Global Services Location Index	31 / 60
Index of Economic Freedom	152 / 176
International Logistics Performance Index (LPI)	122 / 160
Inward FDI Potential Index	123 / 139
KOF Index of Globalization	112 / 185
Networked Readiness Index (NRI)	110 / 139
Open Budget Index	54 / 114

Risk Assessment (Provided by Coface)

Country rating: D - A high-risk political and economic situation and an often very difficult business environment can have a very significant impact on corporate payment behavior. Corporate default probability is very high.

Business Climate rating: C - The business environment is difficult. Corporate financial information is often unavailable and when available often unreliable. Debt collection is unpredictable. The institutional framework has many troublesome weaknesses. Intercompany transactions run major risks in the difficult environments rated C.

Strengths

- Large domestic market (241.5 million inhabitants) benefiting from expatriate remittances (8.5% of GDP)
- Large and inexpensive workforce
- Development of economic corridors with China and Central Asia, gateway to the Indian Ocean
- A major player in Islamic finance

Weaknesses

- Tensions in border countries, political fragility, and domestic insecurity
- Large informal sector (80% of jobs not covered by social security), low tax revenues (12.5% of GDP) and risk of default on public debt
- Large and inefficient state-owned enterprises
- Inadequate education (40% illiteracy rate), health, infrastructure, and agriculture
- Delayed development of Balochistan, which is encouraging separatism, and of rural areas, which favours the development of radical Islamism
- Energy dependency, deficient electricity production
- Weak manufacturing industry (13% of GDP) and export base

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