

BUSINESS RECORDER

Simultaneously published from Lahore, Islamabad & Karachi.

www.brecorder.com

Founded by M.A. Zuberi

Lahore, Wednesday 8 May 2013, 27 Jamadi-us-Sani 1434

Loake's
SHOES
MADE IN ENGLAND

Now available at EBH

- Park Towers.
- Dolmen Mall Tariq Road.

Handsome, comfortable and durable gentlemen's shoes being produced in ENGLAND since 1880. Quality, that's recognised all over the world and available worldwide.

ENGLISH
BOOT
HOUSE (Pvt) Ltd.



BNU's report on economy

Factors effecting steep decline in reserves highlighted

RECORDER REPORT

LAHORE: Pakistan's economy is grim today. Low net foreign aid and foreign direct investment and large debt repayments to the International Monetary Fund (IMF) have led to a steep decline in foreign exchange reserves, which now stands at \$ 6.4 billion barely enough to finance one and a half months of imports.

This was revealed in the 6th Annual Report on the State of the Economy "From Survival to Revival" published by School of Public Policy Beacon House National University (BNU) on Tuesday. The report said that the fiscal situation visibly worsened over the course of the last year, and continues to deteriorate this year, with the budget deficit likely to exceed 8 percent of the GDP in both years.

The report suggests that in 2013-2014 budget government has to

address the twin problems of balance of payment and falling foreign exchange reserve (by June 2013 foreign exchange reserve could be down to about \$ 6 billion, providing import cover of less than 1.5 months following the lumpy payments to IMF due in May 2013 of \$ 576 million) and the burgeoning fiscal deficit which is likely to stand 8 percent of the GDP.

Revenue growth has been sluggish, and debt service payments have acquired an explosive character due to heavy dependence on relatively high cost domestic borrowings. On top of this, the subsidies to the power sector have been vastly in excess of the budget estimates.

The report recommended that newly inducted government will need to focus initially on the stabilization of the economy, by making major reforms in fiscal, monetary and trade policies, in the budget of 2013-2014.

According to the report, the average cost of power load shedding using various secondary data based approaches is estimated at Rs 1247 billion for the year 2011-2012, equivalent to 6 percent of the GDP. This implies that the growth rate of the economy could have been 1.5 percentage points higher that is at 4.5 percent if there had been no load shedding.

The report suggest that option of using Liquefied Natural Gas (LNG) as a fuel system must be given priority, as it has many advantages over coal and oil. Power generation by using coal as a raw material should be encouraged and even facilitated by all possible ways and means. The report also suggests that Water and Power Development Authority (WAPDA) needs to ensure that all the present hydro power projects which are under going should be completed on time.



BUSINESS RECORDER

Simultaneously published from Lahore, Islamabad & Karachi

www.brecorder.com

Founded by M.A. Zuberi

Lahore, Wednesday 8 May 2013, 27 Jamadi-us-Sani 1434

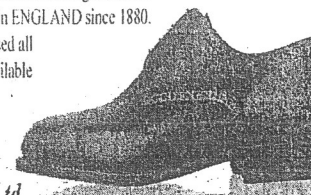
LOARE'S
SHOES
MADE IN ENGLAND

Now available at EBH

- Park Towers.
- Dolmen Mall Tariq Road.

Handsome, comfortable and durable gentlemen's shoes being produced in ENGLAND since 1880. Quality, that's recognised all over the world and available worldwide.

ENGLISH
BOOT
HOUSE (Pvt) Ltd.



BNU's report on economy

Factors effecting steep decline in reserves highlighted

RECORDER REPORT

LAHORE: Pakistan's economy is grim today. Low net foreign aid and foreign direct investment and large debt repayments to the International Monetary Fund (IMF) have led to a steep decline in foreign exchange reserves, which now stands at \$ 6.4 billion barely enough to finance one and a half months of imports.

This was revealed in the 6th Annual Report on the State of the Economy "From Survival to Revival" published by School of Public Policy Beacon House National University (BNU) on Tuesday. The report said that the fiscal situation visibly worsened over the course of the last year, and continues to deteriorate this year, with the budget deficit likely to exceed 8 percent of the GDP in both years.

The report suggests that in 2013-2014 budget government has to

address the twin problems of balance of payment and falling foreign exchange reserve (by June 2013 foreign exchange reserve could be down to about \$ 6 billion, providing import cover of less than 1.5 months following the lumpy payments to IMF due in May 2013 of \$ 576 million) and the burgeoning fiscal deficit which is likely to stand 8 percent of the GDP.

Revenue growth has been sluggish, and debt service payments have acquired an explosive character due to heavy dependence on relatively high cost domestic borrowings. On top of this, the subsidies to the power sector have been vastly in excess of the budget estimates.

The report recommended that newly inducted government will need to focus initially on the stabilization of the economy, by making major reforms in fiscal, monetary and trade policies, in the budget of 2013-2014.

According to the report, the average cost of power load shedding using various secondary data based approaches is estimated at Rs 1247 billion for the year 2011-2012, equivalent to 6 percent of the GDP. This implies that the growth rate of the economy could have been 1.5 percentage points higher that is at 4.5 percent if there had been no load shedding.

The report suggest that option of using Liquefied Natural Gas (LNG) as a fuel system must be given priority; as it has many advantages over coal and oil. Power generation by using coal as a raw material should be encouraged and even facilitated by all possible ways and means. The report also suggests that Water and Power Development Authority (WAPDA) needs to ensure that all the present hydro power projects which are under going should be completed on time.



Dated: 12 MAR 2015

FRONT PAGE

Indo-Pak talks to help reduce tension on LoC: Sartaj

RECORDER REPORT

LAHORE: Advisor to Prime Minister on National Security and Foreign Affairs, Sartaj Aziz, has expressed the hope that foreign secretary's level talks between Pakistan and India next week will help reduce tension on the Line of Control (LoC) between the two countries. "Dialogue with India will be held on all issues including long-standing Kashmir dispute", he added.

Talking to media here on Sunday, the advisor said India had cancelled Foreign Secretary level talks last year, they have

> P 4 Col 1

Indo-Pak talks to help reduce

> from page 1

restored the talks themselves this year,

"it is not possible for him to predict the outcome of foreign secretary level talks. However, chances of a decision regarding resumption of the composite dialogue are possible in upcoming or the follow-up meeting. Normalisation of relations is urgently needed to reduce the tension on the LoC, he added.

Regarding eight percent defence allocation by India in its recently-announced annual budget, he said Pakistan has never been involved in arm race. However, he added in the same breath that Pakistan would never compromise on availability of conventional weapons of its army. Pakistan has the capability to defend itself, he added. He dispelled the impression that foreign policy is being controlled by the army chief, saying that it is not possible to implement the priorities on security issues without coordination with army. "The civilian government and the army are on the same page

when it comes to foreign policy and the security policy", he assured.

He said there was no joint operation between Pakistan and Afghanistan on terrorism and both countries would take steps against terrorists in their respective territories. The period of blame game between the two neighbourly countries is over, he added.

The Advisor said confidence-building environment has been restored with Kabul and cooperation with Afghanistan in intelligence sharing and defence sector has improved. Pakistan will never allow its soil to be used against Afghanistan, nor Afghanistan would allow its soil to be used against Pakistan, he maintained.

He said the Operation Zarb-e-Azb is successfully continuing to eliminate terrorism from the country. He said reforms agenda to curtail the Taliban is underway and there was no repeat no difference between good Taliban and bad Taliban now.