FY 2025-2026

JOB CREATION

Advisory Services for the

Government of Balochistan's

Initiative on Job Creation through Productive Sectors

GOVERNMENT OF BALOCHISTAN

CONTENTS

01

Introduction

Advisory Services for the Government of Balochistan's Initiative on Job Creation through Productive Sectors

Overview of Structural Issues Facing Balochistan

Balochistan is Pakistan's largest province by land area, accounting for roughly 44 percent of the country's total territory. It is a province where extraordinary natural wealth sits alongside some of the most persistent development challenges in the country. Vast reserves of copper, gold, natural gas and coal lie beneath land that also supports extensive agriculture and livestock rearing, together representing enormous untapped economic value. Yet a sparse population, a limited pool of skilled workers and underdeveloped infrastructure continue to stand between this potential and its realization.

The province's fiscal position compounds these difficulties. Because the National Finance Commission Award distributes resources primarily on the basis of population, Balochistan receives a comparatively small share despite the scale of its development needs, even though its per capita transfers are higher than those of larger provinces. Under the 7th NFC Award, the province's overall share of the divisible pool rose from around 5 percent to approximately 9.09 percent, yet this remains insufficient to fund large-scale infrastructure on its own. Public-private partnerships therefore have a particularly important role to play in Balochistan, since they allow private capital to shoulder part of the investment burden while mobilizing resources toward sustainable growth.

Unlocking the province's dormant potential will require sustained, coordinated effort across government departments over several years, because the challenges involved are layered and interconnected rather than isolated. Our sector-by-sector analysis points to substantial opportunities for growth and durable employment, but capturing them depends on a carefully phased approach built around detailed strategic plans that close the gap between investment opportunity and workforce readiness. This is the central paradox of Balochistan's development: major infrastructure and industrial projects can address the province's structural economic weaknesses, yet their initial benefits tend to bypass local communities where skills are scarce, while the absence of proactive government programmes to close that skills gap slows the pace of growth still further. Breaking this cycle requires physical infrastructure and human capital to be built in tandem, deliberately and simultaneously.

Six interlocking impediments emerge consistently across our sectoral analysis: limited value addition in primary sectors, inadequate processing facilities, poor connectivity and transport networks, significant human resource gaps, persistent security concerns and broader macroeconomic instability. Each reinforces the others — weak infrastructure discourages industrial investment, while security concerns and skills shortages deter the very capital that might otherwise fund the infrastructure needed to fix them. Understanding this reinforcing cycle has shaped every intervention proposed in the sections that follow. Meeting the province's target of creating 300,000 jobs within three years will accordingly require coordinated progress across multiple sectors at once, underpinned by parallel improvements in security, infrastructure and skills.

The Six Structural Impediments

Impediment	Description
Limited value addition	Balochistan primarily exports raw minerals such as coal, chromite, copper and gold, together with agricultural produce including dates, fruits and livestock. In the absence of value-adding industries, these resources are processed elsewhere and exported, eroding the margins available to local businesses.
Inadequate processing facilities	Industrial zones remain few, and most existing industries operate with outdated machinery that limits production efficiency. Gwadar and Hub host emerging industrial bases, but neither yet has the processing capacity needed for large-scale output.
Poor infrastructure	Road, rail and digital connectivity remain limited across the province, raising transportation costs for businesses. Despite continued CPEC investment, many districts still lack adequate road access, constraining trade and mobility.
Human resource gaps	Literacy rates remain below the national average and skilled workers, particularly in technical and industrial trades, are in short supply. Brain drain compounds the problem, as educated professionals migrate to Karachi, Lahore or overseas in search of better opportunities.
Security concerns	Insurgency and periodic attacks on infrastructure, particularly around Gwadar, discourage foreign investors and raise both security costs and risk premiums. Even as CPEC investment continues, foreign direct investment remains limited by safety concerns.
Macroeconomic instability	Exchange rate volatility and repeated sharp devaluations of the Pakistani rupee have weighed on investor confidence, while inflation and policy uncertainty raise the cost of doing business and make investment in Balochistan comparatively less attractive.

A Three-Pillar Strategy to Address Structural Issues

To address these interlocking challenges in a systematic way, we propose a synchronized three-pillar strategy that uses public-private partnerships as its principal delivery mechanism. Each pillar is designed to reinforce the other two, so that infrastructure investment, workforce development and ecosystem building advance together rather than in isolation.

Pillar One — Anchor Projects as Economic Catalysts
The first pillar establishes anchor projects in sectors where Balochistan holds a genuine competitive advantage, with government facilitating private investment through carefully structured Viability Gap Funding or risk and loss-sharing arrangements. These interventions are designed to overcome initial market barriers while preserving the efficiency benefits that come from private sector delivery.

Pillar Two — Targeted Skills Development Programmes
The second pillar builds human capital through skills programmes aligned directly with the requirements of the anchor projects and their supporting ecosystems, ensuring that workforce development is demand-driven and translates quickly into employment.

Pillar Three — Economic Ecosystem Development
The third pillar nurtures the broader economic ecosystem around each anchor investment, strengthening backward and forward linkages, local supply chains, and small and medium enterprises so that growth becomes self-sustaining rather than dependent on a single project.

Taken together, and supported by well-designed public-private partnership frameworks, these three pillars are intended to create self-sustaining economic clusters that generate multiplier effects in both employment and value addition. Ultimately, the strategy's success will depend on government's ability to structure bankable partnership projects that fairly allocate risk between public and private partners, while ensuring that development objectives are tracked through clear performance metrics and monitoring mechanisms.

TOOLS & INSTRUMENTS

02

Economic Transformation

Advisory Services for the Government of Balochistan's Initiative on Job Creation through Productive Sectors

Ten Tools for Economic Transformation

44% Share of Pakistan's land area	**5%** Share of national population	**71%** Multi-dimensional poverty rate
36% Electrification rate (vs 72% national)	**47%** Adult literacy rate (vs 62% national)	**19%** GDP contribution vs land potential

Balochistan possesses immense natural, mineral, agricultural, fisheries and strategic assets, yet remains Pakistan's least economically developed province. Translating this resource wealth into broad-based prosperity, employment and inclusive growth calls for a structured, multi-instrument approach. This section assesses ten high-impact economic transformation tools, together with their design parameters, expected outputs and strategic deployment priorities.

Instrument	Primary Objective
Entrepreneurship Development Fund (EDF)	Catalyze indigenous business creation
Technical & Vocational Education & Training (TVET)	Build a skilled, employable workforce
Microfinance & Islamic Microfinance	Financial inclusion for the unbanked poor
Special Economic Zones (SEZs)	Attract investment through facilitated infrastructure
Agriculture Value Chain Development	Transform primary production into processed exports
Mineral Development & Beneficiation Fund	Capture local value from mineral extraction
Digital Economy & E-Commerce Acceleration	Enable access to global markets for local producers
Public Works & Labour-Intensive Programmes	Immediate employment generation and infrastructure
Women Economic Empowerment Programme	Mobilize 50% of the potential workforce
Tourism & Creative Industries Development	Diversify the economic base through natural assets

i. Entrepreneurship Development Fund (EDF)

95% Of Balochistan SMEs are informal	**PKR 2B** Proposed initial fund size	**50,000** Target beneficiaries over 5 years	**3x** Employment multiplier per business

Balochistan's private sector remains embryonic: formal business registration is among the lowest in Pakistan, and startup capital is virtually unavailable to aspiring entrepreneurs outside Quetta. A blended-finance Entrepreneurship Development Fund, combining government grant capital, commercial debt and technical assistance, could systematically nurture micro and small enterprises across Agri-processing, fisheries, mining support services and construction.

Key features would include tiered financing — seed grants of up to PKR 500,000 for early-stage startups and growth loans of up to PKR 5 million for established SMEs — alongside dedicated funding tracks for women, youth and returning diaspora entrepreneurs. Business incubation centres in Quetta, Gwadar, Turbat, Khuzdar and Sibi would be paired with mentorship networks, preferential procurement quotas in government contracts, a credit guarantee scheme to de-risk commercial lending to first-generation entrepreneurs, and digital business registration that reduces setup time from weeks to 48 hours. An annual entrepreneurship summit would help celebrate success stories and attract angel investment.

If implemented as envisaged, the fund could support 50,000 new registered businesses over five years, generating approximately 150,000 direct jobs through a threefold employment multiplier, formalizing PKR 80 to 100 billion of previously informal economic activity, and helping stem the outflow of educated youth from the province.

Programme / Country	Key Lessons for Balochistan
Punjab Rozgar Scheme (Pakistan)	PKR 50B disbursed to 800,000 beneficiaries; a model adaptable to the Balochistan context
Saudi Arabia (Monsha'at)	USD 1.3B fund supporting 700,000 SMEs; digital-first registration and mentorship are the key lessons
Kenya (Youth Enterprise Fund)	A 70% repayment rate achieved through social collateral and group lending mechanisms
Bangladesh (PKSF Microfinance)	35 million clients served, demonstrating the scalability of graduated lending tiers

ii. Technical & Vocational Education & Training (TVET)

7%	62%	500,000	PKR 3B
TVET enrolment vs 30%+ in peer economies	Youth unemployment rate	Skilled workers needed annually by 2030	Required annual TVET investment

A skills deficit is arguably the single largest constraint on Balochistan's economic diversification. Without a trained local workforce, the province cannot capture the opportunities created by CPEC construction, Reko Diq mining, Gwadar port logistics or the expanding fisheries sector. The existing TVET system is under-resourced, concentrated in urban centres and poorly matched to actual labour market demand, making a restructured, demand-driven system — co-governed with the private sector — essential.

Fifty new district-level vocational institutes, aligned with local economic clusters, would prioritise trades such as construction, electrical work, plumbing, welding, mining safety, auto-mechanics, hospitality, IT support and Agri-processing. Competency-based curricula validated by employers, mandatory recognition of prior learning for informal workers, international skills partnerships with China, the Gulf states and Malaysia, and female TVET centres offering transport, childcare and residential facilities across all 36 districts would together widen access. A graduate employment tracking system would keep training aligned with market needs over time.

At scale, this programme could train 500,000 skilled workers by 2030, cut youth unemployment attributable to skills gaps from 62 percent to below 35 percent, lift average wages for TVET graduates by 30 to 40 percent relative to unskilled workers, and localize an estimated PKR 50 billion in annual wages from CPEC and Reko Diq that currently flow out of the province.

Sector	Priority Trades
Mining & Minerals (Reko Diq)	Blasting, heavy equipment operation, environmental safety, mine surveying
Construction & Infrastructure (CPEC)	Masonry, electrical, plumbing, steel fixing, carpentry, project supervision
Fisheries & Aquaculture	Boat maintenance, cold chain handling, net repair, fish processing, certification
Agriculture & Agri-Processing	Irrigation maintenance, storage management, food processing, quality testing
Digital Services & IT	Software development, digital marketing, e-commerce management, data entry
Tourism & Hospitality	Guiding, hotel management, food safety, cultural heritage interpretation
Healthcare Auxiliaries	Community health workers, lab technicians, pharmacy assistants, birth attendants

iii. Microfinance

14%	53%	5M+	0.1%
Financial inclusion rate in Balochistan	National financial inclusion rate	Unbanked adults in Balochistan	Microfinance outreach vs population

At only 14 percent, Balochistan has the lowest rate of financial inclusion in Pakistan, a structural constraint that prevents households from accumulating capital, traps subsistence farmers and fishermen in debt bondage with informal moneylenders, and limits women's economic independence. Because the province's population is predominantly Muslim and conservative, any effective intervention must offer Islamic financial products as the primary offering rather than a supplementary one.

A proposed Balochistan Microfinance Corporation would serve as a provincial apex institution, mandating Islamic products such as Murabaha trade financing, Qard-ul-Hasan benevolent loans, Musharakah partnerships and Ijara leasing. Loan tiers would range from PKR 10,000 to 50,000 for household enterprises and PKR 50,000 to 500,000 for growth enterprises, delivered through group lending for women borrowers using social collateral, and last-mile disbursement partnerships with Easypaisa, Jazz Cash and HBL Konnect. Zakat funds could subsidize lending to the ultra-poor, mandatory savings would build resilience, and bundled micro-insurance would protect livestock, crops and fishing boats against loss. Introducing digital loan management to reduce administrative costs and improve transparency.

Achieving these goals would extend financial services to 2 million previously unbanked adults by 2030, strengthen or create 400,000 micro and small enterprises, lift the financial inclusion rate from 14 to 40 percent, and displace informal moneylenders who currently charge 60 to 120 percent annual interest with formal Islamic products priced at 12 to 18 percent, generating PKR 40 to 60 billion in new productive activity annually while advancing a 40 percent female borrower mandate.

iv. Special Economic Zones (SEZs)

PKR 200B	3	8	300,000
CPEC SEZ investment pipeline	Operational or under-development SEZs	Potential SEZ sites identified	Direct jobs targeted by 2030

Balochistan sits at the epicenter of the China-Pakistan Economic Corridor, and the Gwadar Special Economic Zone, Bostan Industrial Estate and proposed Quetta SEZ together represent a generational investment opportunity. Progress, however, is constrained by inadequate infrastructure, energy shortfalls, security concerns and bureaucratic friction, all of which the SEZ framework must overcome to attract genuine private investment at the scale the province needs.

Priorities include accelerating Gwadar SEZ infrastructure through uninterrupted power, water desalination, road connectivity and broadband fibre; establishing Quetta Industrial City as a light manufacturing hub for Agri-processing, textiles and construction materials; developing a Bostan Agri-Processing Zone and a Turbat Fisheries Processing Zone; and offering a ten-year tax holiday, duty-free machinery imports and free profit repatriation. A single-window clearance system would cut business licensing time from 45 days, while a mandatory 50 percent local employment requirement, phased in over three years, would ensure the benefits reach Balochistan's own workforce, supported by an SEZ Authority with private sector, CPEC Authority and provincial government representation and affordable worker housing near each site.

Success on this front could attract PKR 500 to 800 billion in cumulative private investment by 2030, create 300,000 direct formal-sector jobs in manufacturing, logistics and processing, generate PKR 80 to 100 billion in annual provincial tax revenue by year seven, and establish Gwadar as a regional transshipment hub competitive with established regional ports.

v. Agriculture Value Chain Development Fund

PKR 600B	40%	50+	3%
Potential annual agriculture output	Post-harvest losses (vs 10% in comparators)	Fruit and vegetable varieties cultivated	Agriculture processing rate (vs 30% in Punjab)

Balochistan grows more than half of Pakistan's fruit, including apples, grapes, pomegranates, apricots and almonds, yet captures less than 15 percent of the final retail value of its own output because cold chain infrastructure, processing facilities and road connectivity remain absent, leaving the province dependent on intermediary traders from Punjab and Sindh. A dedicated Agriculture Value Chain Development Fund could close these gaps systematically, lifting farmer incomes by 40 to 60 percent and building a new class of Agri-processing enterprise.

Priorities include a network of 500 community cold stores across the Quetta, Kalat, Killa Abdullah, Pishin and Ziarat fruit belts; Agri-processing plants for dried fruit, pulp, juice and essential oils targeting GCC and Central Asian export markets; a certified organic produce programme that leverages the province's rain-fed, semi-arid production systems; and Farmer Producer Organizations that aggregate smallholders for better prices, inputs and finance. Drip irrigation and solar-powered pumping could cut water use by 40 percent, while a saffron development programme in Turbat and Panjgur would tap a premium global commodity with exceptional value per acre. Livestock value chains for leather, meat and dairy, together with a real-time agricultural market information system delivered by SMS and app, would round out the intervention.

If delivered at scale, post-harvest losses could fall from 40 percent to below 15 percent within five years, farm-gate prices for smallholder fruit growers could double through direct market access, 200,000 jobs could be created in Agri-processing, cold chain, logistics and retail, agriculture's share of provincial GDP could rise from 28 to 38 percent, and agricultural exports could reach PKR 50 billion annually by 2030.

vi. Mineral Development & Local Beneficiation Fund

USD 3T Estimated Reko Diq copper-gold value	**USD 45B** Reko Diq investment (Phase I+II)	**8,000** Direct jobs at peak Reko Diq operations	**3%** Current local mineral processing rate

Balochistan holds one of the world's richest mineral portfolios, spanning copper, gold, chromite, coal, natural gas, sulphur, marble, granite and rare earth deposits, yet the province exports raw material and imports finished products, capturing minimal value along the way. The Reko Diq copper-gold project, among the largest undeveloped deposits on earth, offers a transformational opportunity, provided the arrangements around it guarantee genuine technology transfer, local employment, supplier development and transparent reinvestment of fiscal revenue.

A dedicated Balochistan Mineral Beneficiation Fund, financed through a share of royalty and extraction revenue, would sit alongside mandatory local content requirements of 30 percent for Reko Diq and other large-scale projects. A copper wire and cable manufacturing facility in the Gwadar SEZ, a marble and granite processing cluster in Khuzdar, and coal beneficiation facilities to produce washed coal for cement and power plants would all add local value. Regularizing 50,000 artisanal miners with legal status, safety training and market access, completing modern geological surveys of remaining deposits, and publishing quarterly royalty receipts and expenditure on a public portal would together improve both productivity and governance.

Realizing this potential could generate PKR 100 to 150 billion in annual provincial revenue from mineral royalties by 2030, create 50,000 direct jobs in mining, processing and related services, establish Balochistan as Pakistan's primary domestic source of copper, chromite and marble products, reduce national copper import dependence, and cultivate a cluster of more than 300 small and medium enterprises across the mining supply chain.

vii. Digital Economy & E-Commerce

18% Internet penetration in Balochistan	**67%** Internet penetration nationally	**PKR 1T+** Pakistan e-commerce market size, 2025	**2%** Balochistan's share of e-commerce volume

Digital connectivity is the most cost-effective way to overcome Balochistan's geographic remoteness, reduce information asymmetries and open markets that were previously inaccessible to local producers, from carpet weavers to fruit farmers. It can also employ educated youth who cannot find work in the formal economy through freelancing, digital services and business process outsourcing, though this depends on a concerted push on connectivity infrastructure, digital literacy and logistics.

Universal broadband coverage across all 36 districts by 2027, a Quetta Digital Hub for freelancers and IT startups, an e-commerce portal listing Balochistan's embroidery, carpets, pottery and jewellery for national and international buyers, and a digital literacy programme reaching 500,000 adults through schools, mosques and community centres form the core of this intervention. An IT Park in Quetta with a ten-year tax exemption, digitized land records and business registration, partnerships with Upwork, Fiverr and Toptal to build a Balochistan freelancer registry, and a modernized postal and last-mile delivery network would complete the ecosystem.

Achieved fully, this programme could create 100,000 digital economy jobs by 2030, enable PKR 30 billion in annual e-commerce transactions originating from the province, lift internet penetration from 18 to 60 percent, cut market price differentials facing local producers from 40 to 60 percent down to below 15 percent, and generate USD 200 million in annual freelancing and IT services export revenue.

viii. Public Works & Labour-Intensive Employment Programmes

4.2M Unemployed and underemployed population	**18%** Road network paved (vs 65% national)	**PKR 400B** Infrastructure deficit (roads, water, sanitation)	**60%** Cost saving: labor-intensive vs machinery

Balochistan's infrastructure deficit is severe and pervasive: roads, water systems, irrigation canals, sanitation and school and health facilities all lag decades behind requirements. Labour-intensive public works offer the dual benefit of immediate employment for unskilled and semi-skilled workers alongside the infrastructure backbone that later enables private investment, provided such programmes are built with strict anti-corruption safeguards, including direct-to-account wage payment.

A proposed Balochistan Rural Employment Guarantee Scheme would guarantee 100 days of employment per household each year at minimum wage, prioritizing rural road construction and maintenance, flood protection bunds, irrigation canal de-silting, plantation drives and school and clinic construction. Wages would move exclusively through bank transfer or mobile wallet, muster rolls would be digitized with biometric verification to prevent ghost workers, and 20 percent of works would be reserved for women with separate worksites and female supervisors. Linking public works to TVET certification and registering community assets in the name of the relevant local government would extend the programme's benefits beyond the wage itself.

At scale, this scheme could guarantee employment to 500,000 households annually, injecting PKR 60 to 80 billion in wages directly into rural communities, construct or rehabilitate 5,000 kilometers of rural roads, 10,000 kilometers of irrigation canals and 2,000 kilometers of flood protection structures, and build 1,000 school rooms, 500 health clinics and 50 sports facilities, while developing a cadre of 50,000 certified community infrastructure workers.

ix. Women Economic Empowerment Programme (WEEP)

10% Female labour force participation rate	**57%** National average female participation	**PKR 2T** Estimated GDP loss from low female LFP	**5x** Return on investment in women's education

With a female labour force participation rate of only 10 percent, against 57 percent nationally and over 80 percent in leading East Asian economies, Balochistan is forgoing its most significant untapped economic resource. Raising participation by even 15 to 20 percentage points could add an estimated PKR 500 billion to the provincial economy each year. Women already contribute enormously through embroidery, carpet weaving, livestock management and agriculture, but this work remains largely unrecognized, unremunerated and uncounted, so any intervention must be designed with deep sensitivity to cultural norms and community trust.

Formalizing home-based embroiderers and carpet weavers through legal recognition, minimum wage protection and social security; establishing women's enterprise clusters with childcare and prayer facilities; and building a dedicated women's TVET programme with residential facilities across health, education, IT, handicrafts and agri-processing form the core of this intervention. Islamic microfinance delivered through female loan officers, a Balochistan Crafts Brand built on the province's textile heritage, a leadership programme fast-tracking women into supervisory roles, conditional cash transfers to keep girls in school, and legal aid clinics protecting property and inheritance rights would complete the picture.

Success would lift female labour force participation from 10 to 25 percent by 2030, adding PKR 300 to 400 billion annually to the economy, formalize the work of 500,000 home-based workers, create 200,000 new jobs for women in healthcare, education, IT and agri-processing, generate PKR 20 billion in annual export revenue from the artisanal and craft sector, and improve maternal and child health outcomes through the well-established link to women's economic empowerment.

x. Tourism Industry Development

780 km	200K	50+	PKR 30B
Pristine Makran coastline	Annual visitors (vs 14M in KPK)	UNESCO-worthy heritage sites	Tourism revenue potential by 2030

Balochistan holds an extraordinary, largely undiscovered range of natural and cultural assets: the pristine Makran Coastal Highway, Hingol National Park, the Ziarat Juniper Forest — the world's second-largest — Mehrgarh, one of the world's oldest urban settlements dating to 7,000 BCE, hammerhead shark beaches, the Princess of Hope rock formation, Kund Malir beach, and a rich nomadic heritage of music, handicrafts and cuisine. Fewer than 200,000 visitors reach the province each year, compared with 14 million in Khyber Pakhtunkhwa and 8 million in Gilgit-Baltistan, leaving considerable room for responsible tourism to serve as a genuine diversification instrument.

A Makran Coastal Tourism Master Plan would bring eco-resorts, seafood restaurants, boat tours and diving centres from Hub to Gwadar, while a Ziarat Heritage Conservation and Tourism Park would restore the Quaid-e-Azam residency and juniper forest character of the province's hill station. Mehrgarh archaeological tourism, an annual Balochistan Cultural Festival, a crafts export programme, incentives for film production, adventure tourism in Hingol, Makran and the Sulaiman Mountains, and a dedicated tourism security corridor with protection and emergency response would together build both the offer and the confidence needed to attract visitors.

Delivered fully, this strategy could raise annual tourist arrivals from 200,000 to 2 million by 2030, generate PKR 30 billion in annual tourism revenue, create 100,000 direct and indirect jobs across hospitality, transport, guiding and crafts, establish Balochistan as Pakistan's next major tourism destination after Khyber Pakhtunkhwa and Gilgit-Baltistan, and generate a further PKR 10 billion in annual crafts and creative industries export revenue.

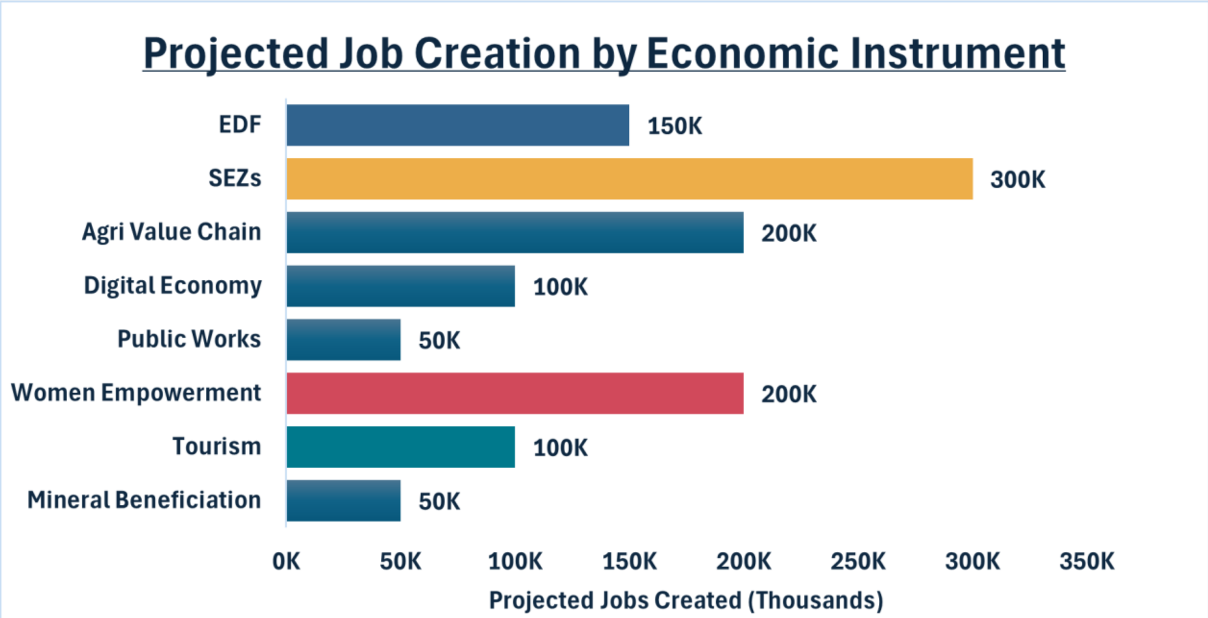

Figure 1. Indicative job creation potential across the ten economic transformation instruments outlined above.

SECTOR ASSESSMENT

03

Energy Sector

Advisory Services for the Government of Balochistan's Initiative on Job Creation through Productive Sectors

Overview

44%	36%	Rs 205.99B	14+ GW
Share of Pakistan's land area	Electrification rate (vs 95%+ Punjab)	PSDP allocation, FY 2025–26	Assessed renewable potential (5–10 yr)

Balochistan's energy balance illustrates the scale of the province's structural deficit with particular clarity. Installed provincial capacity stands at roughly 2,340 megawatts, supplemented by up to 200 megawatts imported from Iran, yet actual provincial supply reaches only about 600 megawatts against estimated demand of 2,500 megawatts — a structural shortfall of approximately 1,900 megawatts that is felt daily across the province in the form of load shedding.

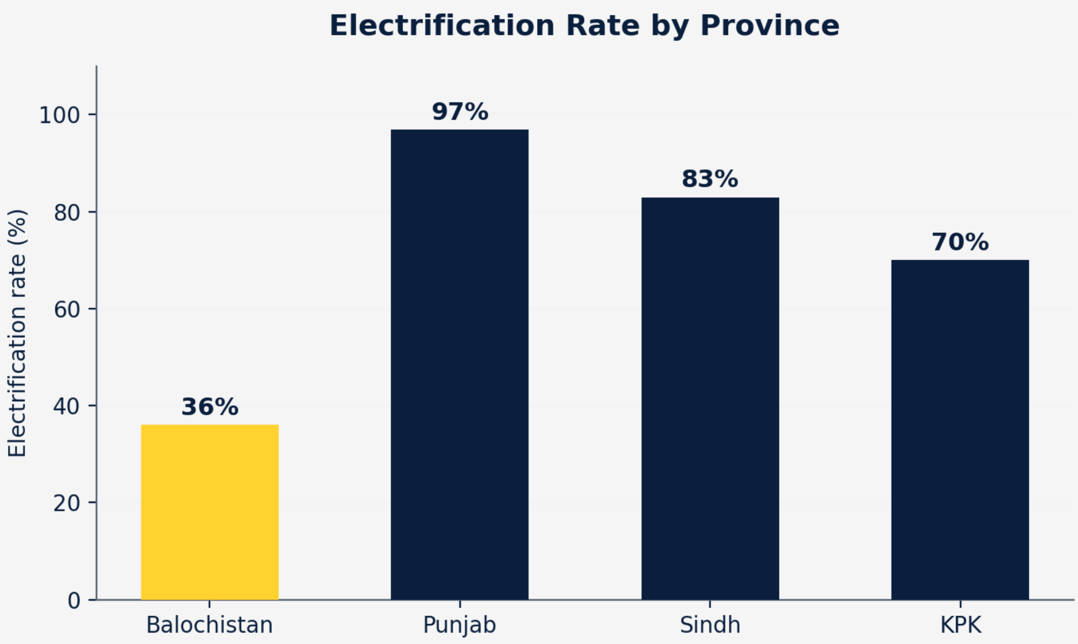

Figure 2. Electrification rate by province. Balochistan trails every other province by a wide margin.

Balochistan versus Other Provinces

Metric	Balochistan	Punjab	Sindh	KPK
Electrification rate	~36%	~97%	~83%	~70%
Urban load shedding	8–12 hrs/day	2–4 hrs/day	4–8 hrs/day	4–8 hrs/day
Rural load shedding	16–20 hrs/day	6–10 hrs/day	12–16 hrs/day	10–14 hrs/day
Per capita consumption	~50% of avg.	Above average	Near average	Below average
Gas consumer share	<3%	Highest	Significant	Moderate
Solar irradiance potential	Highest nationally	Moderate–High	High	Moderate
Wind Power Potential	High (coastal belt)	Low–Moderate	High (Jhimpir/ Gharo)	Moderate
Hydro Potential	Limited (micro-hydro)	Limited	Very limited	Highest nationally
Coal Reserves	617 mn tonnes	Limited	Thar coal (vast)	Moderate
Provincial DISCO	QESCO	LESCO/MEPCO/GEPCO/FESCO/IESCO	HESCO/SEPCO	PESCO/TESCO

Challenges

CHALLENGE QESCO's ageing, sparse transmission and distribution network limits effective power absorption to around 500 MW, and 85% of the rural population — where most Balochis live — remains largely off-grid, since grid extension costs are prohibitive given dispersed settlement and difficult terrain. QESCO also faces systemic operational challenges including high transmission and distribution losses, widespread billing inaccuracies, and irregular bill payment — particularly in peri-urban and rural areas. Circular debt dynamics at the national level compound this further.	**RECOMMENDED RESPONSE** Prioritise targeted grid rehabilitation and reduced technical losses in QESCO's core network, while channeling new rural electrification investment toward decentralized solar and micro-grid solutions rather than costly long-distance grid extension.
CHALLENGE Structural energy deficit and chronic load shedding: demand of roughly 2,500 MW against effective supply of no more than 600 MW leaves urban areas facing 8 to 12 hours of daily outages and rural areas up to 20 hours, suppressing agricultural productivity and deterring industrial investment.	**RECOMMENDED RESPONSE** Fast-track dedicated renewable and hybrid generation tied to anchor industrial and mining demand, and pursue near-term supply gains through solar tube well conversion and off-grid systems that free up scarce grid capacity for other productive uses.
CHALLENGE Security challenges, weak law-and-order perception, underdeveloped communications infrastructure, modest investment returns and limited regulatory protection have collectively deterred private developers from committing capital to the sector.	**RECOMMENDED RESPONSE** Structure bankable, creditworthy offtake arrangements anchored to Reko Diq and other large industrial consumers, paired with dedicated security and risk-mitigation frameworks for energy infrastructure.
CHALLENGE A critical shortage of trained energy engineers, renewable energy specialists and local research institutions, compounded by high illiteracy and dispersed demographics, limits both community participation in transition planning and the availability of skilled implementation labour.	**RECOMMENDED RESPONSE** Build dedicated energy-sector TVET tracks and technical scholarships aligned with the pipeline of solar, wind and grid-modernization projects identified in this assessment.

Opportunities

A World-Class Solar Resource Base

Balochistan records average daily solar irradiance of 5.9 to 6.2 kilowatt-hours per square meter, with 2,300 to 2,700 annual sunshine hours in key districts — among the highest values found anywhere in the world. Pakistan's total technical solar potential of 2,900 gigawatts is concentrated predominantly in Balochistan and Sindh; strikingly, fitting just 0.071 percent of Balochistan's land area with solar photovoltaic capacity would, in theory, meet the whole of Pakistan's current energy requirement.

A Significant Coastal Wind Corridor

Coastal areas around Pasni, Makran, Gwadar, Lasbela, Nushki and Nokundi record mean wind speeds of 5 to 7 meters per second, sufficient for commercial turbine operation. Pakistan's total coastal wind potential exceeds 50,000 megawatts, with Balochistan's coastline a meaningful contributor, yet as of 2025 no wind project exceeding 20 megawatts has been commissioned in the province.

Reko Diq and the Mining Sector as a Demand Anchor

The Reko Diq copper-gold mine, expected to begin operations around 2028 with 7,500 direct workers at full production, together with the existing Saindak operation, creates large, bankable, long-duration energy demand — open-pit copper mining requires an estimated 26 gigajoules per tonne of copper produced, and gold mining roughly 372 gigajoules per kilogram. This captive industrial load offers a creditworthy foundation for renewable and hybrid power projects that might otherwise struggle to reach financial close.

Decentralized Off-Grid Solutions for Rural Electrification

For communities the grid cannot reach economically, standalone solar home systems and solar-battery micro-grids of 50 to 500 kilowatts offer the most cost-effective path to electrification. More than 19,000 solar home systems are already installed in remote communities, and the province's PKR 55 billion tube well solarization programme, targeting 28,000 units by 2027, demonstrates that the decentralized model can scale.

Gwadar as a Renewable Energy Export Hub, and International Climate Finance

Gwadar's strategic position under CPEC opens a long-term pathway for Balochistan to develop surplus renewable generation, initially for provincial mining and industrial use. Meanwhile, the Climate Investment Funds, the World Bank, USAID, JICA and the Asian Development Bank have all shown willingness to fund well-structured renewable projects in Pakistan's underserved provinces, making Balochistan's resource quality and unmet need an attractive candidate for concessional climate finance.

PSDP Energy & Related Projects, FY 2025–26

Balochistan's record PSDP allocation of Rs 205.99 billion for FY 2025-26 represents 67.97 percent of the combined Balochistan, ICT and AJK total, and 4.23 times the Federal/ICT allocation, signaling a marked shift in federal development prioritization toward the province.

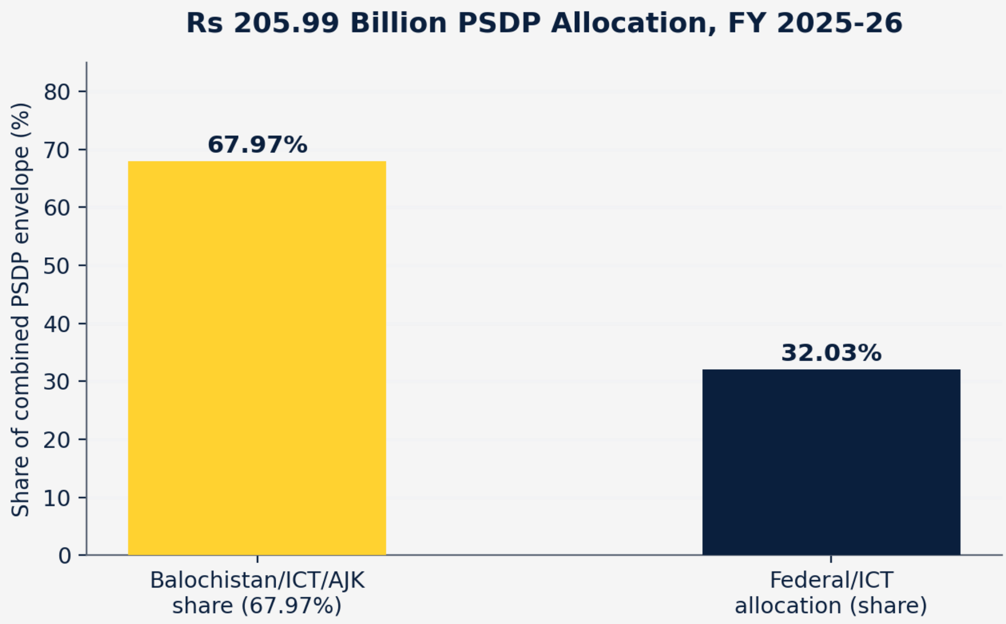

Figure 3. Balochistan's PSDP allocation relative to the combined federal envelope, FY 2025–26.

Rs 205.99B Total PSDP allocation, FY 2025–26	**148** Active development projects, all sectors	**Rs 55B** Solar tube well solarization (28,000 units by 2027)	**USD 542M** 300 MW Gwadar coal power project (CPEC IPP)

Socio-Economic Impact & Job Creation Potential

7,500+ Direct jobs, Reko Diq mine, by 2028- *Plus, significant indirect employment.*	**28,000** Tube wells to be solarized by 2027- *Frees 200–250 MW of grid capacity.*	**36,000+** Flood-affected houses under rehabilitation- *Rs 88 billion reconstruction programme.*	**19,000+** Solar home systems already installed- *In remote off-grid communities.*

Energy sector development is arguably the single most powerful lever available for reversing Balochistan's persistent ranking as Pakistan's least developed province. Solarizing 28,000 agricultural tube wells frees farmers from dependence on diesel generators costing PKR 40 to 60 per equivalent unit and from unpredictable grid supply, directly lowering irrigation costs, improving yield predictability and raising rural incomes in a province where most of the rural population depends on agriculture. Freeing 200 to 250 megawatts of grid capacity in the process carries multiplier benefits for other productive sectors as well.

World Bank analysis of renewable energy employment suggests 0.5 to 1.2 direct full-time-equivalent jobs per megawatt of installed solar and wind capacity during construction and operations, with a further two to threefold multiplier in indirect supply-chain employment. A 1,000-megawatt solar programme in Balochistan could therefore create an estimated 1,500 to 3,500 direct and 5,000 to

10,000 indirect jobs, and a structured just-transition framework could redirect a share of the province's roughly 40,000 registered coal mining workers toward emerging clean energy roles. A 2023 study by the 8.2 Group estimated that fully exploiting Balochistan's renewable potential could add approximately USD 3 billion a year to Pakistan's national GDP through lower-cost electricity, saving roughly USD 900 million annually in avoided generation cost, plus USD 250 million a year from electricity exports and USD 750 million a year from green hydrogen and ammonia exports. Converting the province's unprecedented PSDP allocation into measurable outcomes will now depend chiefly on accelerating disbursement and execution quality.

SECTOR ASSESSMENT

04

IT Sector

Advisory Services for the Government of Balochistan's Initiative on Job Creation through Productive Sectors

Overview

8–12% IT penetration vs 35–40% national	**21%** Internet access vs 62% in Punjab	**~3,000** IT graduates/year vs 25,000+ in Punjab	**PKR 2.1B** PSDP IT allocation, FY 2025–26 (est.)

An IT penetration rate of only 8 to 12 percent, against a national average of 35 to 40 percent, illustrates the structural digital divide that constrains the province's economic diversification, service delivery and youth employment. Balochistan's IT sector is nascent but growing, concentrated primarily in Quetta with minimal presence in Turbat, Khuzdar or Hub, and characterized by low formalization, limited exports and a significant gap between industry demand and graduate output.

Indicator	Balochistan	Punjab	KPK	Sindh
Internet penetration	21%	62%	38%	53%
Mobile broadband subscribers	0.8M	28M+	7M+	15M+
Registered IT companies	~120	3,500+	400+	1,200+
Annual IT graduates	~3,000	25,000+	8,000+	12,000+
IT parks / tech hubs	1 (planned)	5+	2	3
Avg. monthly IT salary (PKR)	45,000–70,000	80,000–150,000	60,000–110,000	75,000–140,000
IT export revenue (est. annual)	< USD 5M	USD 1.8B+	USD 180M+	USD 400M+
Electrification Rate	36%	95%+	78%	85%

Key IT Sub-Sectors and Activities

Despite its limited scale, the province has identifiable activity across freelancing in graphic design, web development and content writing, with an estimated 8,000 to 12,000 active freelancers, alongside emerging opportunities in the CPEC digital corridor and Gwadar as a data transit hub, agri-tech, mobile app development in Quetta, e-commerce enablement, government digitization for NADRA, FBR and health data, educational technology through BUITEMS and the University of Balochistan, telecom infrastructure rollout, mining technology and remote sensing, fisheries digitization along the Makran coast, satellite-enabled remote work, and cybersecurity services for a growing public-sector IT footprint.

Challenges Facing the IT Sector

Infrastructure Deficits

36% Electrification — lowest in Pakistan	**21%** Internet access vs 62% national goal	**18%** 4G coverage vs 85% in Punjab	**0** Undersea cable landings at Gwadar

Infrastructure constraints remain the most fundamental barrier to growth. Load shedding of 10 to 18 hours a day in rural areas renders sustained digital work nearly impossible; the fibre optic backbone is limited to the Quetta–RYK corridor, leaving only three of 35 districts with reliable connectivity; 4G and 5G coverage reaches just 18 to 22 percent of the province; a single data center in Quetta makes cloud and SaaS hosting infeasible; and international bandwidth costs run 60 to 80 percent higher than in Lahore or Karachi, eroding the competitiveness of any exports the sector might otherwise generate.

Human Capital and Education Gaps

3.8M Youth aged 15–29 — largest demographic	**~3,000** IT graduates/year from 8 universities	**48%** Literacy rate vs 62% national average	**32%** Female literacy rate

BUITEMS, the University of Balochistan, BUGT, BUITEMS Khuzdar, Turbat University and three other institutions together produce roughly 3,000 computer science and IT graduates annually, but with low industry alignment: most curricula date from the 1990s and 2000s and cover little cloud computing, artificial intelligence, data science or cybersecurity, while only 40 to 60 percent of required faculty positions are filled. Female participation in IT education stands at just 15 to 18 percent of enrolment, compared with 35 to 40 percent in Punjab, and more than 80 percent of IT-educated youth are concentrated in Quetta, leaving 90 percent of the province's population without meaningful access to quality IT education. Most freelancers remain self-taught in the absence of structured school-to-employment pathways, and an estimated 70 to 75 percent of IT graduates migrate to Karachi, Lahore or abroad within two years of graduation.

Ecosystem and Institutional Weaknesses

- **No** operational IT park or dedicated technology economic zone exists in the province.
- **Angel** investors, venture capital and tech-focused private equity are entirely absent.
- **There** is no formal incubator or accelerator with sustained government or private backing.

- **Government** IT governance is fragmented across P&DD, S&GAD and sector ministries, with no unified IT authority.
- **No** provincial IT export facilitation mechanism or PSEB-equivalent body currently exists.
- **Awareness** of PSEB registration benefits and tax incentives remains low among Balochistan-based firms.
- **Bank** account penetration of only 12% severely limits access to digital payment infrastructure.
- **Balochistan** has no representation in Pakistan's major IT clusters — STEP Lahore, NIC Karachi or TIP Peshawar.

Solutions and Recommendations

Infrastructure Solutions

Solution	Description	Responsible Entity	Timeline
Solar micro-grids for IT hubs	Solar-powered IT hubs with battery backup across Quetta, Turbat, Hub, Khuzdar and Zhob, ensuring 24-hour power	BESCO, PSDP	18–24 months
Fibre extension to secondary cities	Extend PTCL/USF fibre to Turbat, Khuzdar, Hub, Loralai and Kharan under the Universal Service Fund priority programme	USF, PTCL	24–36 months
Gwadar Digital Hub	A data center and IT park with submarine cable landing, creating Pakistan's western digital gateway	P&DD, CPEC Authority, PTA	36–48 months

Human Capital Development Solutions

Reform IT/CS University Curricula

Adopting a competency-based curriculum aligned with PSEB market demand surveys — covering cloud platforms, AI and machine learning fundamentals, full-stack development and cybersecurity — alongside industry advisory boards at BUITEMS and the University of Balochistan with mandatory two-year review cycles, final-year industry partnerships with Karachi and Lahore IT firms, and expanded fast-track bootcamps would substantially close the curriculum gap.

A Provincial IT Scholarship and Training Fund

A PKR 500 million provincial scholarship fund for BS IT and CS enrolment, with return-incentive bonuses for graduates who work in the province, could be paired with a 'Digital Balochistan' short-course programme training 3,000 people a year in freelancing, graphic design, digital marketing and web development, targeting 40 percent female participation through dedicated batches, home-based learning and stipends, delivered in partnership with DigiSkills.pk and Ignite.

A Talent Retention Return Incentive Programme

Offering PKR 2 to 5 million research or startup grants to Balochistan-origin IT professionals willing to return, three-year tax holidays and subsidized office space in the Quetta IT Park, a 'Balochistan Diaspora Tech Connect' virtual mentorship programme with PSEB, and remote-friendly government IT roles that allow hybrid work would help reverse the province's persistent brain drain.

Ecosystem Development Solutions

Intervention	Mechanism	Expected Outcome
Balochistan IT Authority (BITA)	An autonomous body under P&DD coordinating policy, PSEB liaison, export facilitation and investor outreach	Single-window IT governance
Quetta IT Park (Phase 1)	A 350,000 sq ft facility with power, fibre, co-working and five-year rent subsidies for anchor tenants	Central IT cluster; 2,000+ direct jobs
Provincial Startup Fund (PKR 1B)	Co-investment fund with private participation; grants up to PKR 5M for early-stage startups	50–100 startups in five years
IT Export Facilitation Desk	A dedicated PSEB desk in Quetta for registration, export documentation and USD account facilitation	Formalize USD 20–50M in exports over five years
Digital Payments and Banking Access	Partnership with SBP for Raast rollout and Wise/Payoneer collections for freelancers	Financial inclusion for 50,000+ freelancers

PSDP Projects — IT Sector Development

7,500+	15,000+	120,000	PKR 4B+
Direct IT jobs from PSDP projects (1–3 yrs)	Indirect jobs enabled by the IT ecosystem	Students reached through digital literacy	Projected 5-year GDP contribution

Ongoing IT Projects (Carry-Forward to FY 2025–26)

Project	Budget	Job Creation Potential
IT Park, Quetta	PKR 1.8B	1,500–2,000 direct; 800–1,200 indirect; 500–700 construction
Balochistan Land Administration System (BLAS)	PKR 640M	300–400 data entry/operator roles; 150–200 permanent government IT staff
Fiber Optic Connectivity — Phase II	PKR 920M	200–300 O&M technicians; 500–1,000 potential remote IT workers in 15 new districts
e-Governance & Digital Services Portal	PKR 480M	250–400 government IT roles; 50–80 private maintenance contracts

New / Planned IT Projects for FY 2025–26

Project	Budget	Job Creation Potential
IT Training & Freelancing Centres — 10 districts	PKR 380M	200–300 trainers/admin per year; 2,000–3,000 trainees entering employment yearly
Telemedicine & Digital Health Network	PKR 720M	500–700 health IT staff; 20–30 maintenance contracts
Gwadar Smart City & IT Hub — Phase I	PKR 350M	200–400 operations staff; 300–500 IT Hub jobs in Phase I
Digital Literacy Programme — Schools & Communities	PKR 290M	400–500 lab technicians; 2,000 trained teachers; 120,000+ students reached

SECTOR ASSESSMENT

05

Agriculture Sector

Advisory Services for the Government of Balochistan's Initiative on Job Creation through Productive Sectors

Overview

44% Share of Pakistan's land area	**~25%** Contribution to provincial GDP	**>40%** Labour force employed in agriculture	**~1 Mn t** Fruit produced annually
~19% Irrigated land share (national avg. ~80%)	**149,726 ha** Land under fruit cultivation	**PKR 10.17Bn** Agriculture allocation, FY 2025–26	**42** PSDP agriculture projects, FY 2025–26

Agriculture and allied activities, excluding livestock, contribute roughly a quarter of Balochistan's provincial GDP and employ more than 40 percent of the labour force, sustaining the livelihoods of over half the rural population. The provincial agricultural economy is largely rainfed, dependent on karez irrigation and tube wells, both under increasing stress from declining groundwater and erratic monsoon patterns.

Balochistan is often called Pakistan's 'fruit basket,' producing approximately 90 percent of the country's grapes, cherries and almonds, 70 percent of its dates, 80 percent of its apples and 75 percent of its pomegranates, yet post-harvest losses routinely exceed 35 to 40 percent because cold storage and road connectivity remain inadequate. Crop agriculture is split between the irrigated plains of Naseerabad and Jaffarabad, which grow wheat, rice and cotton, and the highland zones of Quetta, Pishin, Mastung, Kalat and Zhob, which specialize in temperate fruit and vegetables.

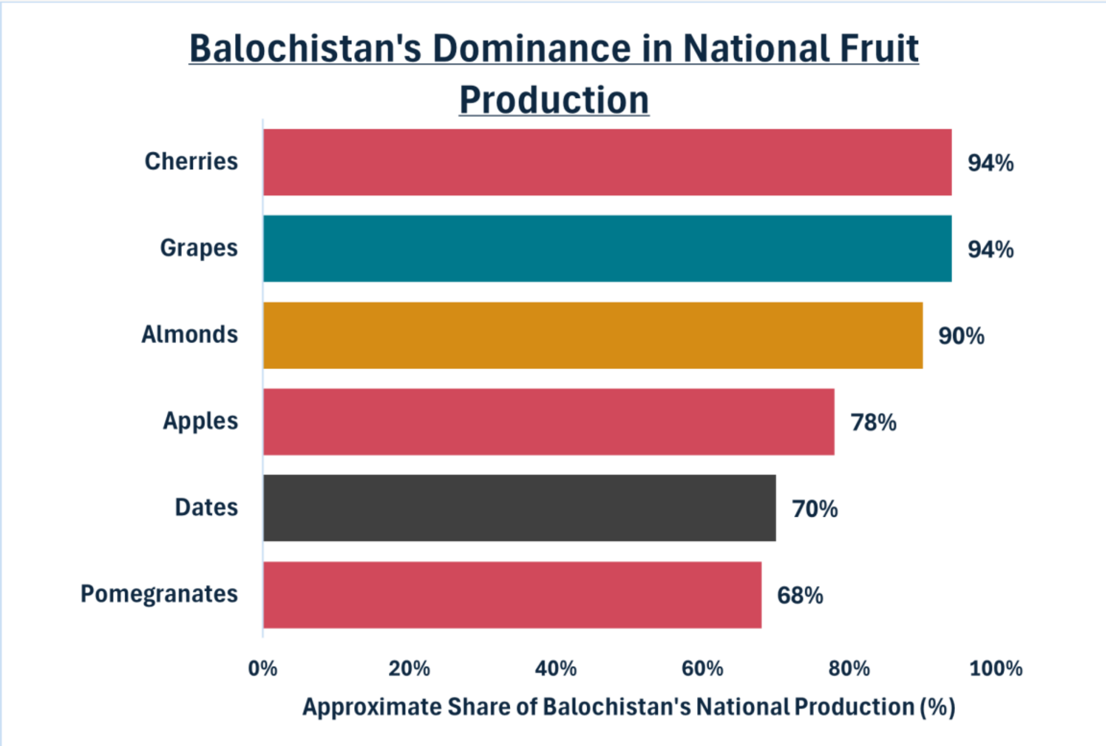

Figure 4. Balochistan's share of national production for key fruit crops.

Balochistan versus Other Provinces

Indicator	Balochistan	Punjab	Sindh	KPK
Land Area (km²)	347,190 (44%)	205,344 (26%)	140,914 (18%)	74,521 (9%)
Cultivated area (Mn ha)	~2.0–2.5	~15.2	~6.4	~2.1
Irrigated land (%)	~18–20%	~78–80%	~72%	~35%
Share of national agri. GDP	~4–5%	~54–56%	~24–26%	~8–10%
Agri. as % of Prov. GDP	~22–25%	~24%	~28%	~18%
Labour Force in Agri.	>40%	~40%	~39%	~42%
Dominant Crops	Wheat, fruits, vegetables, dates	Wheat, rice, cotton, sugarcane	Rice, cotton, sugarcane	Maize, wheat, fruits
Water Source	Rainfed, karez, tube wells	Canal irrigation	Canal (Indus)	River/canal & rain
Avg. wheat yield (t/ha)	~0.9–1.2	~3.1–3.4	~2.6–2.9	~1.8–2.2
Post-harvest loss (est.)	35–40%	~15–20%	~20–25%	~25–30%
Cold storage capacity	Very limited	Extensive	Moderate	Limited
Agri. Credit Access	Low (informal dominant)	High (ZTBL, banks)	Moderate	Low-Moderate
Comparative advantage	Premium horticulture, dates, herbs	Major crops, processing	Rice, fishing, cotton	Maize, orchards

Agro-Climatic Zones

Zone	Location	Major Crops	Irrigation
Highland Zone	Quetta, Pishin, Mastung, Ziarat, Zhob, Loralai	Temperate fruits, winter wheat, tunnel vegetables	Rainfed and karez
Midland/Plateau Zone	Kalat, Khuzdar, Awaran	Pomegranates, dates, melons, dryland wheat, bajra	Sparse karez irrigation

Zone	Location	Major Crops	Irrigation
Lowland/Plains Zone	Naseerabad, Jaffarabad, Kachhi	Rice, wheat, cotton, sugarcane	Pat Feeder and Kirthar canals
Coastal/Makran Zone	Turbat, Kech, Gwadar, Lasbela	Dates, bananas, papaya	Mirani Dam, tube wells

Crop Distribution

Crop Category	Key Districts	Approx. Area (000 ha)	Notable Share
Wheat (Rainfed)	Pishin, Zhob, Loralai, Killa Saifullah	~950	~65% rainfed
Wheat (Irrigated)	Naseerabad, Jaffarabad, Kachhi	~350	Canal irrigated
Temperate Fruits	Mastung, Pishin, Ziarat, Kalat, Quetta	~149.7	80% of national apples
Vegetables	Quetta Valley, Pishin, Loralai	~60–70	National supplier
Rice	Naseerabad, Jaffarabad	~80–90	Indica varieties
Cotton	Naseerabad Division	~25–30	Minor but growing
Dates	Turbat, Panjgur, Kharan, Lasbela	~35–40	70% of national dates
Pulses/Oilseeds	Various rainfed districts	~50–60	Subsistence level
Balochistan Total	All Districts	~1,700–2,000+	6–7% of total area

Balochistan as Pakistan's Fruit Basket — National Significance

Fruit	Balochistan Share (%)	National Context	Key Production Districts
Grapes	~90–98%	Near-exclusive producer nationally	Quetta, Pishin, Kalat, Zhob, Loralai
Cherries	~90–98%	Near-exclusive producer nationally	Ziarat, Quetta
Almonds	~90%	Dominant national producer	Chagai, Kharan, Dalbandin
Dates	~70%	Largest producer: Sindh is second	Turbat, Panjgur, Kharan, Lasbela
Apples	~75–80%	Balochistan leads; KPK second (25%)	Mastung, Quetta, Pishin, Ziarat
Pomegranates	~60–75%	Major exporter; international quality	Kalat, Mastung, Khuzdar
Apricots/Peaches	~50–60%	Shared with KPK	Ziarat, Pishin, Zhob
Melons/Watermelons	Significant	Large-scale seasonal production	Naseerabad, Turbat, Lasbela
Total Annual Production	~889,000–1,000,000 MT	From 149,726 ha fruit area	Province-wide

Export Potential - Untapped

Despite producing 75–80% of Pakistan's apples and near-total national supply of grapes and cherries, Balochistan's contribution to Pakistan's total agricultural exports remains marginal. Post-harvest losses of 35–40% and the absence of pre-cooling facilities, grading infrastructure, and export-quality packing houses result in significant value destruction. With appropriate investment in cold chain logistics and processing, Balochistan's horticultural exports could realistically increase 3–5 times current levels.

Key Challenges

Water Scarcity and Irrigation Deficit — the Primary Constraint

Water availability is the single most critical constraint on productivity. Pakistan's per capita water availability has fallen from 5,260 cubic meters in 1951 to approximately 1,000 cubic meters in 2024, and Balochistan is among the most acutely affected regions. The Pishin Lora, Nari River and parts of the Zhob River basin have seen near-complete aquifer depletion, largely a legacy of unregulated tube well use during the 1980s and 1990s when electricity subsidies encouraged over-extraction. The karez systems that have supported the province's agriculture for centuries are deteriorating from sediment, subsidence and inadequate maintenance, while average rainfall of just 100 to 200 millimeters a year, ageing canal infrastructure and climate-driven variability continue to disrupt traditional planting calendars.

Post-Harvest Losses and the Absence of Cold Chain Infrastructure

Losses of 35 to 40 percent on perishable fruit and vegetables are among the highest in the country. Existing cold storage is concentrated in Lahore, Karachi and Multan, effectively inaccessible to highland fruit growers, and no pre-cooling or field-heat removal facilities exist near key horticultural zones such as Mastung, Pishin or Ziarat, forcing farmers to sell at distressed farm-gate prices or accept spoilage. Poor last-mile road connectivity and the absence of grading, sorting and standardized packaging compound the problem and keep produce below export specifications.

Low Productivity and the Technology Gap

Rainfed wheat yields average just 0.9 to 1.2 tonnes per hectare, compared with 3.1 to 3.4 tonnes in Punjab, reflecting water limitation, low-quality seed, minimal fertilizer use and limited extension services. Mechanization remains low, with most tillage, harvesting and threshing performed manually or with draught animals, while modern practices such as precision irrigation, drip systems and improved seed varieties see minimal adoption, and extension services reach fewer than 15 to 20 percent of farmers.

Climate Change, Environmental Vulnerability, and Structural Weaknesses

Balochistan was among the hardest-hit provinces in the 2022 super-floods, which accounted for 82 percent of national crop sub-sector losses, while soil degradation, desertification and salinity continue to erode farmland productivity. Access to formal agricultural credit remains extremely limited, forcing farmers toward informal moneylenders and commission agents who take significant margins, and land tenure insecurity discourages long-term investment in irrigation and orchard establishment. With 63 percent of Balochistan's population living below the poverty line, limited human capital further slows the adoption of improved techniques.

Recommended Solutions

CHALLENGE	RECOMMENDED RESPONSE
Water scarcity across highland and rainfed districts limits both cropping frequency and orchard establishment.	Rehabilitate the province's roughly 6,000 karez systems with modern lining and solar-pump augmentation; establish community-managed micro-watershed structures in Kalat, Awaran and Khuzdar; scale drip irrigation, which cuts water use by 40 to 60 percent; expand Pat Feeder Canal capacity from 3,178 to 6,700 cusecs with equitable Water User Associations; and license and meter tube wells in critically depleted aquifer zones.
CHALLENGE Post-harvest losses of 35 to 40 percent erode farmer income and undermine export competitiveness.	**RECOMMENDED RESPONSE** Scale district-level cold storage under public-private partnerships in Mastung, Pishin, Ziarat, Turbat and Kalat, building on projects already approved at Killa Saifullah, Ziarat and Barshore/Kan Mehtarzai; deploy mobile pre-coolers near orchard clusters; establish standardized grading and packing centres; and prioritise farm-to-market road upgrades.
CHALLENGE Yields lag national and international benchmarks due to limited technology adoption and weak extension coverage.	**RECOMMENDED RESPONSE** Deploy mobile advisory platforms shown to raise yields by 25 to 30 percent; establish certified seed multiplication farms for drought-tolerant wheat; introduce soil moisture sensors and precision tools for orchards; scale subsidized tunnel farming; and implement indexed crop insurance to cushion smallholders against climate shocks.
CHALLENGE Farmers lack collective bargaining power, market information and formal export linkages.	**RECOMMENDED RESPONSE** Establish commodity-level Farmers' Cooperative Societies; build a real-time market information system; designate agri-processing zones near Gwadar and Turbat linked to CPEC; and formalize export protocols with Afghanistan and Central Asia at Chaman and Taftan.

PSDP FY 2025–26: Agriculture Projects

13	29	PKR 13.36Bn	PKR 1.31Bn
Ongoing agriculture schemes	New/planned schemes, FY 2025–26	Total estimated cost, ongoing	FY 2025–26 allocation, ongoing

Balochistan's 42-project PSDP agriculture portfolio for FY 2025-26 is weighted toward small-scale, community-level water and solar interventions by count, though three high-value schemes — the Green Tractor Programme, Dera Bugti infrastructure, and Sustainable Water Resource Management at Killa Saifullah — together account for more than 90 percent of ongoing project cost. The programme reflects two priorities that recur throughout this assessment: water access through solar bores, trickle irrigation and storage, and productivity enhancement through mechanization and on-farm water management.

Thematic Category	No. of Projects	Approx. Share of Project Value	Primary Districts
Solar Bores / Solar-powered Irrigation	18	~5–7%	Ziarat, Harnai, Pishin, Kech, Loralai, Zhob
On-Farm Water Management (OFWM)	5	~4–6%	Kachhi, Washuk, Zhob, Harnai, Killa Saifullah
Water Storage / Ponds / Conservation	4	~2–3%	Chagai, Harnai, Ziarat
Cold Storage Infrastructure	4	~4%	Killa Saifullah, Ziarat, Provincial (PPP)
Mechanization (Green Tractor Programme)	1	~26%	Province-wide
Large-Scale Infrastructure (GBI / Dera Bugti)	1	~65%	Dera Bugti
Mobile Workshops	1	<1%	All 7 divisions
TOTAL	42	PKR ~14–15 Bn	Province-wide

Socio-Economic Impact Assessment

If fully executed, the PSDP 2025-26 agriculture portfolio carries significant socio-economic transformative potential for Balochistan. The combined portfolio directly addresses the province's three most critical agricultural constraints: water access, mechanization, and post-harvest infrastructure. Solar bore and OFWM projects improve year-round food security for thousands of farming households in remote districts. Cold storage facilities prevent income loss from spoilage, potentially doubling net farm income for fruit growers. The tractor programme accelerates mechanization across multiple districts, reducing per-hectare input costs and enabling timely cultivation.

Impact Dimension	Assessment	Key Driver Projects
Food Security	HIGH — Solar bores and water management directly expand irrigated area and cropping frequency in food-insecure remote districts.	Z2024.0001, Z2023.0100, Solar bore cluster
Income Enhancement	HIGH — Cold storage reduces post-harvest losses (35-40% currently); potential to increase farmer income 30–50% per harvest cycle.	Z2020.1073, Z2025.0856, Z2025.1384
Poverty Reduction	MODERATE–HIGH — Directly targets marginalized farming communities in Washuk, Awaran, Dera Bugti, and remote Ziarat/Harnai areas.	Z2023.0118, Z2024.0001, Z2023.0100
Employment Generation	MODERATE — Primarily construction-phase employment; permanent employment in cold storage, workshops, and bore operation.	Green Tractor, Mobile Workshops, Dera Bugti
Women's Empowerment	LOW–MODERATE — Mechanization reduces female burden of manual farm labour; limited direct programming for women.	Green Tractor Programme
Climate Resilience	MODERATE — Solar energy reduces grid dependency; water harvesting increases drought resilience.	Solar bore cluster, pond construction

Impact Dimension	Assessment	Key Driver Projects
Export Competitiveness	MODERATE — Cold storage is a prerequisite for export-quality fruit; PPP cold storage projects are strategically well-placed.	Z2025.1384 (PPP Cold Storage), Z2020.1073

Job Creation Potential

The aggregate job creation potential of the PSDP 2025-26 agriculture portfolio is estimated as follows, distinguishing between construction-phase (temporary) and permanent employment:

Category	Est. Construction-Phase Jobs	Est. Permanent Jobs
Solar bores / water channels (18 projects)	400–600	80–120 operators/maintainers
Green Tractor Programme	50–80	300–500 operators & mechanics
Cold storage (4 projects)	200–350	120–200 per facility
Dera Bugti infrastructure (GBI)	500–1,000	200–500 (irrigation management)
OFWM / water management (5 projects)	300–500	100–150 (WUA, maintenance)
Mobile workshops	10–20	40–70 technicians (7 divisions)
Total (direct)	1,460–2,550	840–1,540

Two execution concerns warrant close attention from oversight authorities: the Dera Bugti GBI project, valued at PKR 8.74 billion, remains only 1 percent physically complete despite multi-year approval, and the Green Tractor Programme, valued at PKR 3.51 billion, is at 0 percent physical completion despite a PKR 500 million allocation for FY 2025-26 — both pointing to procurement or institutional bottlenecks that should be resolved before further disbursement.

SECTOR ASSESSMENT

06

Livestock Sector

Advisory Services for the Government of Balochistan's Initiative on Job Creation through Productive Sectors

Overview

~44M Total livestock (sheep, goats, cattle, camel)	**15.99M** Sheep population: highest in Pakistan	**19.58M** Goats: 2nd largest share nationally	**0.50M** Camels: largest population in Pakistan
4.55M Cattle (cows/bullocks)	**70–80%** Rural population livelihood dependency	**14–16%** Livestock's share of provincial GDP	**4.72%** National Livestock Growth FY 2024-25

As Pakistan's largest province by area, Balochistan holds a livestock sector of considerable national and provincial significance. With approximately 43 to 44 million head, the province accounts for the largest concentration of both sheep and camels in the country, holding around 51 percent of Pakistan's sheep and 41 percent of its camels. Livestock is the primary livelihood for an estimated 70 to 80 percent of the rural population and contributes 14 to 16 percent of provincial GDP, yet the sector remains substantially underdeveloped relative to this potential, held back by rangeland degradation, veterinary service gaps, weak market infrastructure, limited credit access and the compounding effects of climate-induced drought. The 2022 floods caused significant losses, with livestock mortality and fodder scarcity exacerbating pre-existing vulnerabilities.

Pakistan's national livestock sector contributes 14.97% to GDP and 63.6% of agriculture value addition (FY 2024-25). The sector employed 37%+ of the national labour force and accounts for 2.9% of total exports. National livestock population: Cattle 52.8M | Buffalo 43.6M | Sheep 31.4M | Goats 76.1M | Camels 1.2M (PBS Agricultural Census 2024). Balochistan holds ~51% of Pakistan's sheep and ~41% of its camels.

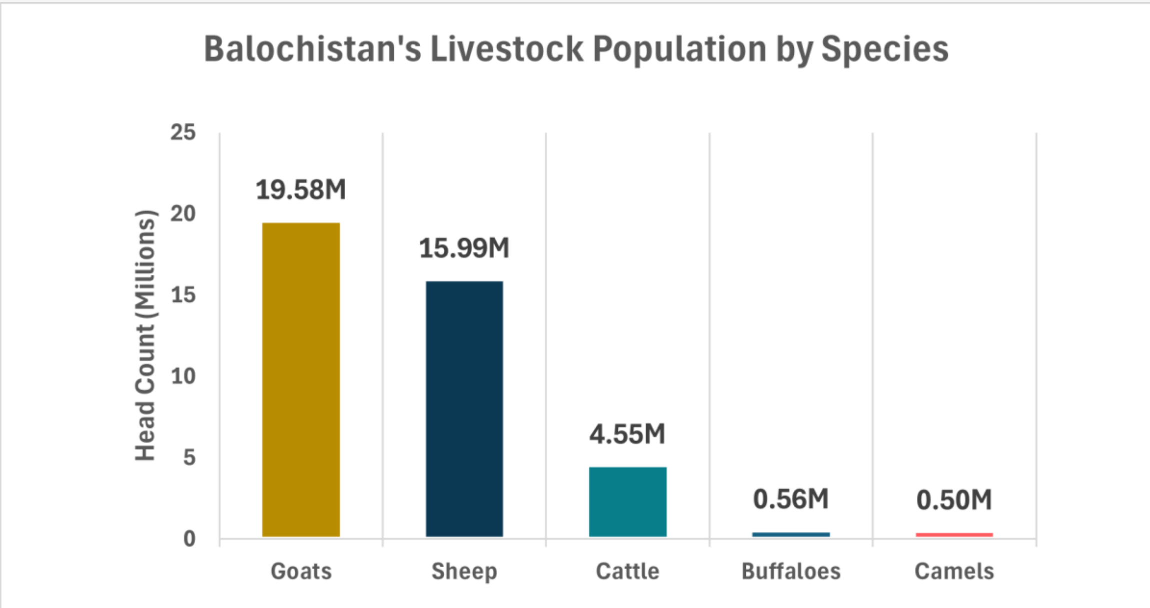

Figure 5. Balochistan's livestock population by species, in millions of head.

Production Systems and Key Sub-Sectors

Three production systems shape the sector. Roughly 30 percent of the small ruminant population is owned by nomadic herders from the Barozai, Mengal, Rind and Bugti communities, who migrate seasonally between lowland winter pastures and highland summer rangelands with herds of 100 to 200 animals per family. The majority of livestock holders, however, are settled agro-pastoral farmers who combine crop cultivation with livestock as a risk-diversification strategy, while a growing number of peri-urban dairy operations near Quetta, Turbat, Khuzdar and Kharan serve urban milk demand, though most buffalo stock is imported from Sindh and Punjab given the province's limited indigenous buffalo population of only 0.56 million head.

Sub-Sector	Population (M)	Key Breeds	Primary Output	Key Districts
Sheep	15.99	Balochi, Rakhshani, Khurasani, Lehri	Meat, wool, skins	Chagai, Mastung, Kharan, Nushki, Kalat
Goats	19.58	Pateri, Kajli, Lohri, Beetal	Meat, milk, skins	Quetta, Pishin, Loralai, Sibi, Kech
Cattle	4.55	Desi crossbreds, Friesian crossbreds	Draught power, milk, meat	Naseerabad, Jaffarabad, Bolan, Lasbela
Camels	0.50	Brela, Kharani	Milk, meat, transport	Chagai, Kharan, Nushki, Washuk
Buffaloes	0.56	Nili-Ravi (imported)	Milk, meat	Peri-urban Quetta, Khuzdar

Key Challenges

- **Rangeland** degradation and feed scarcity: decades of overgrazing and recurring droughts have left rangelands supporting only 30 to 40 percent of their original carrying capacity, chronically depressing reproductive performance and off-take rates.
- **Inadequate** veterinary services and disease burden: coverage remains among the lowest in the country, and diseases including Foot and Mouth Disease, Peste des Petits Ruminants and Brucellosis take a heavy toll — a 27.4% seroprevalence of Bluetongue Virus has been documented in the province's sheep and goat flocks.
- **Limited** market linkages: the commercial sector contributes less than 4 to 5 percent nationally, live animal trade dominates, and the absence of sanitary abattoirs and cold chain results in large value leakage outside the province.

- **Climate** vulnerability: the 2022 floods caused 97% livestock mortality among affected households and USD 1.2 billion in nationwide livestock losses, with 99% of flood-affected households reporting distress sales.
- **Inadequate** credit access: pastoralists lack collateral and formal land titles, leaving most dependent on informal, usurious moneylending.
- **Poor** infrastructure: 45% of livestock-dependent households report inadequate water access, and slaughterhouse facilities fall short of the sanitary standards needed for certified meat exports.
- **Absence** of a livestock identification and traceability system, which is a primary barrier to premium export markets in the Gulf, China and the EU.
- **Low** productivity and weak genetic improvement, reflected in below-average carcass weights, modest milk yields and limited artificial insemination coverage.

Key Opportunities

Export Market Potential for Meat and Live Animals

Balochistan's position on the borders of Afghanistan and Iran, combined with sea access through Gwadar, creates substantial export potential toward Saudi Arabia, the UAE, Qatar and Kuwait. The government's decision to establish meat packaging plants in Chaman, Gwadar, Turbat and Chagai, announced in the FY 2025-26 budget, represents a strategic step toward formalizing export-oriented value chains, with CPEC connectivity further widening access to Chinese and Central Asian markets.

Domestic Demand, By-Product Value Chains and the Camel Economy

Pakistan's growing middle class and the annual Eid-ul-Adha demand spike for sacrificial sheep and goats offer a well-established market channel that organised fattening and digital marketing platforms could multiply. Wool, hides, skins and cashmere are currently exported largely unprocessed; establishing wool processing units, tanneries and leather manufacturing within the province could dramatically increase value retention. Balochistan's camel population — the largest in Pakistan — remains a largely underutilized asset, with camel milk and by-products attracting growing demand in health-conscious and specialty food markets.

Solutions and Recommendations

i. Rangeland Management & Feed Security: Establish a Rangeland Management Authority with statutory powers; introduce Participatory Rangeland Management Committees at community level; invest in strategic fodder reserves in drought-prone districts (Chagai, Kharan, Washuk, Nushki); promote drought-tolerant fodder crops

(Sorghum, Guar, Rhodes Grass); leverage carbon credit frameworks (UNFCCC Verified Carbon Standard).

ii. Veterinary Services Strengthening: Establish at least one Veterinary Hospital per tehsil; deploy mobile veterinary units with cold chain; launch mass vaccination for PPR, FMD and Hemorrhagic Septicemia targeting 70%+ coverage in five years; train Female Community Animal Health Workers (FCAHWs); strengthen diagnostic labs in Quetta with sub-regional labs in Turbat, Khuzdar and Dera Bugti.

iii. Market Infrastructure & Value Chain: Construct modern livestock markets with standardized grading in Quetta, Sibi, Khuzdar, Turbat, Chaman and Gwadar; fast-track meat packaging plants with HACCP certification; develop cold chain logistics along major corridors; introduce digital price boards; develop CPEC-aligned export corridors at Gwadar, Chaman, Taftan and Angoor Adda.

iv. Genetic Improvement: Establish a Provincial Animal Genetic Resources Conservation Centre; expand AI services; introduce ram performance testing; leverage ADB/FAO/IFAD cooperation.

v. Financial Inclusion: Develop collateral-free Livestock Microfinance Products aligned to animal sale cycles; introduce indexed Livestock Insurance; facilitate linkage with NRSP and RSPs.

vi. Livestock Identification & Traceability: Implement provincial LITS using ear tags/RFID; digitize birth registrations, vaccination records and movement permits.

vii. Institutional Reforms: Strengthen Livestock & Dairy Development Department; develop a Balochistan Livestock Sector Development Strategy (2026-2031); establish a Livestock Technopark in Quetta; invest in DVM training through ADP scholarships.

PSDP 2025–26 — Impact Assessment by Project Category

Category	Direct Beneficiaries	Est. Direct Jobs
Meat packaging plants (4 units)	20,000–30,000 households	2,000–3,000 direct + 8,000–12,000 indirect
Livestock markets / mandis	50,000–75,000 traders/producers	500–800 direct
Veterinary hospitals / dispensaries	100,000+ households	600–900 direct
Rangeland rehabilitation	80,000–100,000 herders	300–500 direct
Breed improvement / fattening centres	25,000 farmers, 10 districts	200–350 direct + 1,500–2,000 indirect

Category	Direct Beneficiaries	Est. Direct Jobs
Women poultry / para-vet programme	15,000–20,000 households	500–700
Cold chain / CPEC corridor	Dairy and meat producers	400–600 direct

Aggregated across categories, the PSDP livestock portfolio is estimated to reach 290,000 to 350,000 households, generating roughly 4,500 to 6,350 direct jobs and 12,000 to 17,000 indirect jobs province-wide. Value chain development, particularly meat processing and organised markets, could raise farmgate prices by 15 to 30 percent by removing exploitative intermediary margins, while breed improvement and fattening centres could lift per-animal income by 20 to 35 percent. Operational meat packaging plants at Gwadar, Chaman, Turbat and Chagai, if certified for Gulf and Chinese markets, could generate an estimated USD 100 to 200 million in annual export revenue within five to seven years, meaningfully adding to Pakistan's roughly USD 700 million in current annual livestock export earnings.

Broader Socio-Economic Impacts

Poverty Alleviation: Livestock is the primary income source for 5–6 million rural residents. Value chain projects can increase farmgate prices by 15–30% and per-animal income by 20–35%.

Export Revenue: Operational meat packaging plants, if certified for Gulf and Chinese markets, could generate USD 100–200 million annually within 5–7 years. The vaccination programme targeting PPR and FMD will reduce production losses estimated at **PKR 10–15 billion annually** nationwide.

Women & Youth Empowerment: Para-veterinary training and backyard poultry schemes can create 10,000–15,000 micro-enterprise livelihoods. The CM's announcement of **pink scooters** and livestock entrepreneurship programmes for youth further reinforces this dimension.

Climate Resilience: Rangeland rehabilitation and fodder banks improve resilience against future droughts and floods. Insured and registered herders will be better positioned to access government relief in disaster events.

SECTOR ASSESSMENT

07

Industrial Sector

Advisory Services for the Government of Balochistan's Initiative on Job Creation through Productive Sectors

Overview

~90% Provincial industrial output from Hub District	**~70%** Provincial tax revenue from Hub District	**1.04%** Balochistan share of national SME financing	**Rs 478B** Total national SME debt portfolio (Sep 2024)
0.78% Share of National MSE Borrowers (Sep 2024)	**49%** Balochistan SME Finance Under-penetration vs. Share		

The industrial sector, spanning SMEs, small-scale manufacturing, mineral processing, fisheries and agro-industry, remains largely nascent across most of Balochistan. Hub District in Lasbela alone produces roughly 90 percent of the province's industrial output and 70 percent of its tax revenue, while the remaining 34 districts stay virtually unindustrialized. This extreme concentration renders the provincial industrial economy acutely vulnerable: a single security incident, natural disaster or energy disruption in Hub could effectively eliminate Balochistan's manufacturing base, making geographic and sectoral diversification a strategic imperative rather than merely a development objective. The Bostan SEZ, covering 1,000 acres in Pishin, and the Hub SEZ are the primary industrial zone assets currently under development.

Existing Industrial Infrastructure

Estate / Zone	Location	Status	Key Industries
Hub Industrial Estate	Hub, Lasbela	Operational	Manufacturing, FMCG, chemicals
Quetta Industrial & Trading Estate	Quetta	Operational	Light industry, trade
Marble City Balochistan	Balochistan	Operational	Marble processing
Uthal Industrial Estate	Uthal, Lasbela	Operational	Mixed industry
Bostan SEZ (CPEC)	Pishin	Under development	Mineral processing, agro, textile
Gwadar Free Trade Zone (CPEC)	Gwadar	Phase-I near complete	Trade, logistics, light industry
Gaddani Ship-Breaking Zone	Gaddani, Lasbela	Active / restructuring	Ship recycling, steel

Estate / Zone	Location	Status	Key Industries
Saindak & Dudar EPZs	Chagai / Central Balochistan	Operational (limited)	Copper, mineral export

Key Challenges

Category	Selected Findings
Energy deficit	75% of population lacks grid access; 80 feeder load-shed events in the textile sector in FY 2023-24; Sui gas increasingly depleted
Connectivity & infrastructure	Road density of only 0.09 km/km²; no rail connectivity to most industrial zones; rural internet penetration below 30%
Security environment	Militant activity deters domestic and foreign investment; high insurance premiums add to operating costs
Skilled labour shortage	70% of the population lacks access to formal education; vocational centres remain extremely limited
Access to finance	Balochistan holds only 1.04% of the national SME loan portfolio; KIBOR peaked at 24.7% in 2023
Governance & regulatory barriers	Complex land acquisition, weak property rights in tribal areas, and bureaucratic approval delays
Water scarcity	85% of the population lacks access to safe drinking water; industrial water needs cannot be reliably met outside Hub
Market linkage gaps	Raw material exports dominate; cold-chain infrastructure for horticultural exports remains absent

Opportunities and Growth Potential

Mineral Wealth — Transformational Potential

2B tonnes	20M oz	$65B+	$5–7B
Copper ore reserves (Reko Diq)	Gold reserves (Reko Diq)	Estimated value of Reko Diq deposits	Projected annual GDP contribution, post-2028

The Reko Diq copper-gold deposit ranks among the seven largest copper reserves on earth. Additional deposits including chromite at Zhob, coal at Sor Range, Degari and Chamalang, marble across multiple districts, gypsum, iron ore, zinc and silver mean that properly structured downstream processing mandates could unlock tens of billions of dollars in annual export revenue.

Gwadar Port and CPEC as a Strategic Gateway

Gwadar Port connects Xinjiang to the Arabian Sea, offering the shortest trade route between Central Asia and global maritime lanes. The New Gwadar International Airport, 77.7 percent complete as of 2025 and financed at Rs 54.98 billion through a Chinese grant, together with the near-complete Gwadar Free Trade Zone, is building a logistics-industrial ecosystem capable of attracting significant light manufacturing, processing and re-export industry once fully operational. The Eastbay Expressway Phase-I is already complete, linking the port to the broader road network.

Agro-Processing, Fisheries and Export Potential

The Makran Coast and Turbat-Panjgur belt hold significant agro-industrial potential, and Balochistan's 770-kilometre coastline supports an estimated sustainable catch potential exceeding 500,000 tonnes a year. Developing fish processing plants, cold storage and fish meal facilities along the coast could generate thousands of SME-scale jobs and substantial export earnings from Gulf and East Asian demand. Olive cultivation is an emerging sector with strong economic potential, as Balochistan's terrain and climate are conducive.

Export Sector	Target Markets	Estimated Potential (USD)	Key Barrier
Copper Concentrate (Reko Diq)	China, Japan, Korea	$1.2B+/yr (Phase 1)	Infrastructure / timeline
Gold (Reko Diq)	Global commodities markets	$500M–$700M/yr	Infrastructure / timeline
Marble & stone products	Gulf, Italy, China	$200–400M	Processing machinery
Fruits & horticulture	Gulf, Iran, Central Asia	$300–600M	Cold chain, packaging
Fisheries & seafood	Gulf, East Asia, EU	$150–300M	Processing plants / cold chain
Coal & Chromite	India, China (constrained)	$100–200M	Trade policy / transit routes
Gwadar re-export & trade hub	Central Asia, Afghanistan, Iran	$500M–$2B	FTZ operationalization

Export Sector	Target Markets	Estimated Potential (USD)	Key Barrier
Olive Oil & Agro-Processed Products	Gulf, Pakistan domestic	$50–100M (medium-term)	Investment in cultivation scale

International Benchmarks for Industrial Transition

Mongolia — Mineral-to-Industry Transition
Mongolia structured resource royalties from the Oyu Tolgoi copper-gold mine into a sovereign development fund. Key lessons for Balochistan include mandatory domestic value-addition clauses, local hiring quotas of at least 90% unskilled and 50% skilled labour, and ring-fenced royalties for provincial infrastructure.

Ethiopia — Industrial Parks for Export-Led Growth
Ethiopia's Industrial Parks Development Corporation built plug-and-play infrastructure and single-window approvals; Hawassa Industrial Park alone attracted USD 2 billion in FDI within three years, a model directly applicable to Bostan SEZ and the Gwadar Industrial Estate.

Bolivia — Artisanal Miner Formalization
Bolivia formalized artisanal miners into cooperative structures with access to credit and export markets, a template for regulating Balochistan's informal coal, chromite and marble mining sector.

PSDP Projects – FY 2025-26

Industrial, SEZ & Mining-Sector Projects

Project	Status	Investment	Key Partners	Expected Outcome
Reko Diq Copper-Gold Mining Project	Construction Phase (from 2025)	$7B (Phase 1); $3.5B financed (ADB, US EXIM, others)	Barrick Gold, GoP, Balochistan (25% equity)	200,000T copper + 400,000oz gold/year by ~2028
Bostan Special Economic Zone (CPEC SEZ)	Development Phase	Federal PSDP + Provincial + Chinese	BEZA, BOI, Chinese Enterprise	1,000-acre mineral & agro-industrial park

Gaddani Ship-Breaking / Steel Industry Project	Restructuring / Under Review	PSDP + Private	Industries Dept., Private Sector	Steel re-rolling industry; coastal employment
Hub Special Economic Zone Development	Planning / Ongoing	PSDP + Provincial	BEZA, Hub Industrial Estate Authority	Formal SEZ structure around existing Hub industries
Saindak Copper Extraction Project	Ongoing (PSDP-supported)	Govt. of Pakistan + Chinese JV	MCC (Chinese), GoP, BEZA	Copper blister export; limited local processing
Marble City Balochistan (Processing Facility)	Operational (Expansion Planned)	PSDP / Industries Dept.	Provincial Industries Dept.	Marble polishing & export value-add
Quetta Solid Waste to Energy Project (Proposed)	Planned	TBD (PPP)	BBOIT, Private Sector	Urban energy from waste; green manufacturing enabler
Balochistan Economic Zone Authority (BEZA) Operationalization	Ongoing	PSDP (Institutional)	BOI, Provincial Govt.	Institutional capacity for SEZ management

Human Capital & Skills Projects

- 17 universities and colleges being established or expanded across Balochistan.
- Scholarship programme for master's and PhD studies — producing technical and management graduates. Rs 4 billion to Balochistan Education Endowment Fund for scholarships.
- Vocational training initiatives being scoped for Gwadar Port area under CPEC Phase-II.
- World Bank $194 million approval (June 2025): $100M for GRADES-Balochistan education initiative.

Socio-Economic Impact

Employment projections for large-scale industrial projects require careful qualification: historical experience at Saindak and Gaddani shows that projects lacking enforceable local content requirements generate far less local employment than headline figures suggest, often relying on imported skilled labour from Punjab and Sindh. Realizing the projections below therefore depends on enforceable local hiring quotas of at least 70 percent unskilled and 40 percent semi-skilled labour, pre-project skills development, and SME subcontracting mandates.

Project	Direct Jobs (Construction)	Permanent Jobs (Operational)	Indirect Employment Multiplier	Primary Socio-Economic Benefit
Gwadar FTZ & Port Expansion	~3,000–5,000	5,000–15,000 at full capacity	4–6x (regional trade hub)	Re-export hub; foreign exchange earnings
Bostan SEZ (CPEC)	~1,500–3,000	10,000–20,000 at full occupancy	3–4x	Industrialization of Quetta region; FDI attraction
Gaddani Ship-Breaking Upgrade	~1,000–2,000	3,000–5,000	2x (steel sector linkages)	Steel input supply for construction sector; coastal employment
Marble City Expansion	~500–800	2,000–4,000	2–3x	Value-added marble exports; artisanal miner incomes

SECTOR ASSESSMENT

08

Mineral Sector

Advisory Services for the Government of Balochistan's Initiative on Job Creation through Productive Sectors

Overview

55%	50+	$6T	4.5%
Share of national outcrop area	Minerals discovered in Balochistan	Estimated national mineral wealth	Balochistan's share of national GDP

Balochistan is Pakistan's most mineral-rich province, accounting for 55 percent of the national outcrop area, and yet contributes only about 4.5 percent to national GDP, remaining among the country's most economically underdeveloped regions. This paradox, resource abundance alongside chronic underdevelopment, sits at the heart of the challenge facing the provincial minerals sector. The province lies at the intersection of the Tethyan Metallogenic Belt and the collision zone between the Arabian and Eurasian plates, a geology that has produced some of the world's most significant mineral deposits across its 347,190 square kilometers. Of more than 50 distinct minerals identified, 39 are commercially exploited under approximately 1,610 active licenses, with nine key minerals accounting for roughly 95 percent of extracted volume.

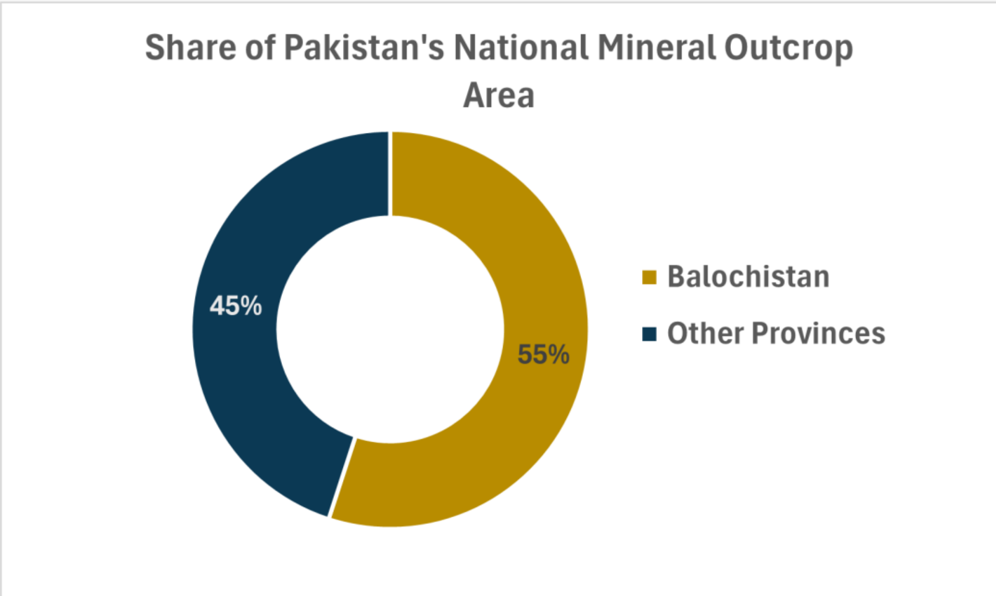

Figure 6. Balochistan's share of Pakistan's national mineral outcrop area.

Key Mineral Resources

Mineral	Known Reserves	Annual Production (approx.)	Primary Districts	Status
Copper & Gold	5.9 bn t ore (Reko Diq); 83-63 t (Saindak)	~15,600t copper/yr (Saindak)	Chagai, Lasbela, Zhob	Active/Under development
Coal	~1 billion tonnes (developed)	~2.5 million t/yr	Mach, Duki, Chamalang, Shahrag	Active
Chromite	~500 million tonnes est.	~20,000 t/yr	Muslimbagh, Pishin, Khuzdar, Zhob	Active – export-oriented
Lead & Zinc	~69 mt (Gunga, Khuzdar)	Ramp-up phase	Khuzdar, Lasbela	Development (Duddar project)
Barite	~13.71 million tonnes (nat.)	~220,000 t/yr	Khuzdar, Lasbela	Active – major export
Marble & Onyx	Significant; contributes 90% of Pak exports	Large-scale	Khuzdar, Lasbela, Mastung, Washuk	Active
Gypsum	Substantial	Moderate	Khuzdar, Kalat, Kech	Active
Iron Ore	Significant (Dilband, Chagai)	Limited	Kalat, Chagai, Lasbela	Under exploration
Fluorite	Moderate	Limited	Dilband, Khuzdar	Limited exploitation

Provincial Mineral Profile Comparison

Dimension	Balochistan	Punjab	Sindh	Khyber Pakhtunkhwa
Primary Strength	Metallic minerals: copper, gold, chromite, lead-zinc, marble	Rock salt (Khewra), limestone, coal, iron ore (Chiniot)	Coal (Thar — world's 7th largest lignite deposit, 175 bn t)	Gemstones (emerald, ruby, topaz), chromite, gypsum, coal
Share of Outcrop Area	~55% of national total	Moderate	Moderate (dominantly alluvial)	Significant (mountainous terrain)
Coal Reserves	~1 bn tonnes (sub-bituminous to bituminous, higher quality)	Limited	~185 bn tonnes (lignite; 99%+ of national total)	Moderate (Hangu, Orakzai, Kohat)
Key Projects	Reko Diq, Saindak, Duddar, chromite mines	Chiniot iron ore, salt, limestone-based cement	Thar coal block I-VI, salt	KPK Minerals Authority projects, gemstone mines
Institutional Framework	Mines & Minerals Dept. Balochistan; BMMB; CMSRL	Punjab Minerals Dept.; Punjab Mineral Co.	Sindh Mineral Development Corp.	KPK Minerals Development Authority (KPKMDCA)
Mining Governance Maturity	Nascent; recently modernized (Act 2025)	Moderate	Moderate; SECMC well-structured for Thar	More advanced due to KP Minerals Governance Act 2017
Infrastructure Access	Severely constrained; sparse roads & power	Good road network, industrial clusters	Thar developing; Karachi port proximity	Difficult terrain; improving
Security Environment	High-risk; ongoing insurgency	Stable	Largely stable	Moderate risk in erstwhile FATA areas

Value-Addition	Very limited; mostly raw export	Moderate (cement, chemicals)	Thar coal-to-power in situ	Limited; gemstone cutting improving
Contribution to Prov. GDP	<5% despite resources	Marginal from mining	Growing (Thar coal power)	~2-3%

Challenges in Balochistan's Minerals Sector

- **Infrastructure** & connectivity: over 70% of mineral-rich districts lack paved road access, and ore transport from remote areas such as Chagai, Kohlu and Awaran is prohibitively expensive.
- **Security** & political stability: violence targeting infrastructure and foreign workers has historically deterred international operators and required significant security expenditure.
- **Governance**, regulatory & institutional deficits: illegal and artisanal mining, particularly of coal and chromite, is widespread, resulting in revenue leakage and among the highest coal mine fatality rates in South Asia.
- **Environmental** & water scarcity issues: with over 85% of the population lacking clean water access, large-scale operations such as Reko Diq raise legitimate concerns over aquifer depletion and groundwater contamination. Pakistan's Supreme Court has previously raised concerns regarding water scarcity exacerbation from the Reko Diq project.
- **Limited** value-addition: no significant copper smelting, zinc refining or chromite processing facilities exist in the province, so most output leaves as raw ore or primary concentrate.
- **Revenue** leakage and distribution inequity: the Saindak project transferred only about 6.5% of revenues to Balochistan, and even under the revised Reko Diq framework, local communities report negligible visible development benefit.
- **Workforce** and skills gap: no significant mining-specific technical and vocational training institutions currently exist in the province.
- **Fiscal** & financing constraints: Geological Survey of Pakistan mapping at 1:50,000 scale covers only about one-third of the national outcrop area, leaving much of Balochistan geologically under-mapped.

Strategic Opportunities

Global Critical Minerals Demand and the Reko Diq Project

The global transition to renewables and electric vehicles has sharply increased demand for copper, essential to solar panels, wind turbines, EV motors and grid infrastructure, and facing an anticipated structural supply deficit. Reko Diq's 7.3 million tonnes of recoverable copper and 15 million ounces of gold position Balochistan as a globally significant source for this transition. Under the 2022 joint venture structure — Barrick Gold with 50 percent, federal state-owned enterprises with 25 percent, and the Government of Balochistan with 25 percent — Balochistan's equity stake is fully funded, with production expected to begin in 2028. Peak construction will create approximately 7,500 direct jobs, with 4,000 long-term positions over the mine's estimated 37-year operational life, and annual export revenue could reach USD 2.5 to 3 billion. The United States has committed USD 1.3 billion through the US Export-Import Bank under its Project Vault critical minerals initiative, the IFC approved USD 700 million in June 2025, and the ADB has approved USD 410 million, while Saudi Arabia has expressed interest in a 15 percent stake and Canada, Germany, South Korea and the UAE have signaled further investor interest.

New Discoveries, CPEC Leverage and Marble Export Growth

At the Pakistan Minerals Investment Forum in April 2025, National Resources Limited disclosed exploration results across 16 mineral-rich locations spanning 500 square kilometers in Chagai District, with drilling at Tang Kor confirming copper concentrations of 0.23 to 0.48 percent, suggesting the district's resources may significantly exceed current known reserves. CPEC's road, energy and Gwadar port infrastructure can substantially reduce mineral export logistics costs, while Balochistan already contributes roughly 90 percent of Pakistan's marble exports to 52 countries, with China the leading importer and the global marble market growing at a 4.2 percent compound annual rate.

Solutions and Recommendations

CHALLENGE	RECOMMENDED RESPONSE
Remote mineral zones lack the roads and power needed to make extraction commercially viable.	Prioritise road connections to Chagai, Khuzdar, Kohlu and Awaran mineral zones, develop dedicated power transmission and renewable micro-grids for mining clusters, and operationalize Gwadar port with mineral export logistics capacity, including a Quetta-to-Gwadar rail link.
CHALLENGE	**RECOMMENDED RESPONSE**
Weak governance and licensing systems allow revenue leakage and unsafe artisanal mining.	Establish an independent Balochistan Minerals Revenue Authority with digital licensing and real-time production monitoring, complete 1:50,000 scale geological mapping, and enact transparent revenue-sharing legislation with timely transfers to district funds.

CHALLENGE	RECOMMENDED RESPONSE
A severe shortage of mining engineers, geologists and metallurgists' limits both project execution and local employment.	Establish a Balochistan Mining & Earth Sciences Institute in Quetta, fund scholarships through Reko Diq social development mechanisms, and scale the Reko Diq International Graduate Development Programme, now in its second cohort.
CHALLENGE Minimal downstream processing means the province exports raw ore and imports finished products.	**RECOMMENDED RESPONSE** Establish SEZs for copper smelting, zinc refining, chromite processing and marble finishing, offer accelerated depreciation and duty exemptions for downstream investment, and mandate incremental domestic beneficiation with defined timelines.
CHALLENGE Large-scale mining projects risk displacing pastoral communities and generating local opposition without structured community engagement.	**RECOMMENDED RESPONSE** Establish a dedicated Mineral Zone Security Framework with military and community-based co-management. Implement Free, Prior, and Informed Consent (FPIC) protocols adhering to IFC Performance Standards and the UN Declaration on the Rights of Indigenous Peoples. Create binding community development fund mechanisms allocating at least 5% of royalties directly to affected districts. Mandate 100% local employment for unskilled roles and at least 50% for skilled roles, increasing to 90% over 10 years, with legally enforceable penalties for non-compliance.

PSDP FY 2025-26 — Minerals Sector

Rs 249.5B	Rs 567.6M	3,633	2,550
Total provincial PSDP, FY 2025–26	Mines & minerals allocation	Ongoing schemes, all sectors	New development projects

Ongoing PSDP Minerals Projects

Project	District/Scope	Estimated Cost (PKR M)	Status	Key Objective
Establishment of Mines Rescue & Safety Training Centre	Provincial	Multi-year	Ongoing	Improve mine safety; reduce fatality rates in coal mines
Geological Mapping (1:50,000 scale)	Balochistan (GSP-led)	Multi-year	Ongoing	Fill data gap; attract investment; improve

— Balochistan Areas				exploration confidence
Modern Petrographic/Gemology & Geochemical Laboratories	Provincial	Multi-year	Ongoing	Rapid, accurate research outcomes; attract JV partners
Systematic Drilling & Exploration: Coal & Mineral Deposits	Targeted districts	Multi-year	Ongoing	Assess coal/mineral potential; identify viable extraction sites
Saindak Copper-Gold Operations	Chagai	Operational (JV with China MCC)	Ongoing — lease renegotiation phase	Copper and gold extraction; ~15,600 t/yr copper concentrate
Reko Diq Copper-Gold Project (RDMC/Barrick)	Chagai	USD 6.6 billion total	Construction phase — targeting 2028 production	World-scale copper-gold mine; 40-yr mine life
Duddar Lead-Zinc Project (BME/PPL JV)	Khuzdar	Multi-year	Operational — 30-year lease	Lead-zinc extraction; 69 mt resource base

New/Planned PSDP Projects for FY 2025-26

Project	Sector	Planned Allocation (PKR M)	Objective
Establishment of Mineral Investment Facilitation	Governance	Included in overall allocation	Streamline licensing, attract FDI, centralize investment facilitation
Authority (MIFA) — Balochistan Wing			

Digital Mine Licensing & Monitoring System	Governance/ Technology	Part of allocation	Reduce corruption; track production; improve royalty collection
Technical Assessment & Feasibility Studies: Iron Ore (Dilband, Chagai, Lasbela)	Exploration	Part of allocation	Establish resource base for iron ore development
Expansion of Chromite Production Zones (Muslimbagh, Pishin, Zhob)	Production enhancement	Part of allocation	Increase chromite production and export earnings
Balochistan-Specific Mineral Training & Capacity Building	Human Capital	Part of allocation	Technical skills for provincial mining workforce
Road Connectivity to Mineral Zones (coordination with C&W Dept.)	Infrastructure enabler	Funded under roads portfolio	Reduce logistics costs; enable commercial viability of remote deposits
Environmental Baseline Studies for Reko Diq and Saindak areas	Environmental	Part of allocation	Establish pre-production baselines; compliance with IFC/ADB standards
Small-Scale Mining Formalization Programme	Regulatory	Part of allocation	Register artisanal miners; improve safety; capture tax/royalty revenue

Socio-Economic Impact & Job Creation

Employment Category	Phase	Estimated Jobs	Key Skills Required
Reko Diq — direct construction	2025–2028	7,500	Civil engineering, heavy equipment, logistics
Reko Diq — long-term operational	2028–2065+	4,000	Mining engineers, metallurgists, geologists, operators
Reko Diq — indirect & induced	Community/supply chain	15,000–20,000 (est.)	Services, transport, agriculture, retail
Saindak — current	Operational	~1,000	Mining, processing, administration
Duddar Lead-Zinc — operational	Production	500–800	Mining, beneficiation
Chromite/coal mines (existing)	Ongoing	~50,000+ artisanal/small	Unskilled/semi-skilled mining
Marble sector — formal & artisanal	Ongoing	~10,000–15,000	Quarrying, cutting, polishing
Post-2028 catalytic effect	Multi-sector, 10-yr horizon	50,000–100,000+	Cross-sector as infrastructure improves

SECTOR ASSESSMENT

09

Fisheries Sector

Advisory Services for the Government of Balochistan's Initiative on Job Creation through Productive Sectors

Overview

780 km Coastline (Sindh: 350 km)	**240,000 km²** Exclusive Economic Zone area	**800,000 MT** Annual fish potential (current catch: ~200,000 MT)	**300+** Marine fish species, incl. 18 shrimp species
~120,000 Fishing communities along the Makran coast	**$465M** Pakistan seafood exports, FY 2025	**$4B+** Aquaculture potential by 2044	**8** Major fish landing harbors

Balochistan possesses the longest coastline in Pakistan, stretching approximately 780 kilometers from Hub in the east to Jiwani at the Iranian border, and encompasses an Exclusive Economic Zone of 240,000 square kilometers in combination with Sindh's adjacent waters. Marine capture fisheries from the province account for roughly 34 percent of Pakistan's total fisheries production, yet the sector remains structurally underdeveloped: only eight major landing harbors are operational, infrastructure is largely outdated, aquaculture remains nascent, and post-harvest losses stay chronically high. With effective policy implementation, the sector has the potential to generate more than USD 4 billion annually within two decades.

In early 2025, the Government of Balochistan adopted the Balochistan Sustainable Fisheries and Aquaculture Policy 2025-2035, the first standalone provincial fisheries policy in Pakistan's history, developed with technical support from the FAO and financial assistance from IFAD, providing a structured framework for transforming the sector over the coming decade.

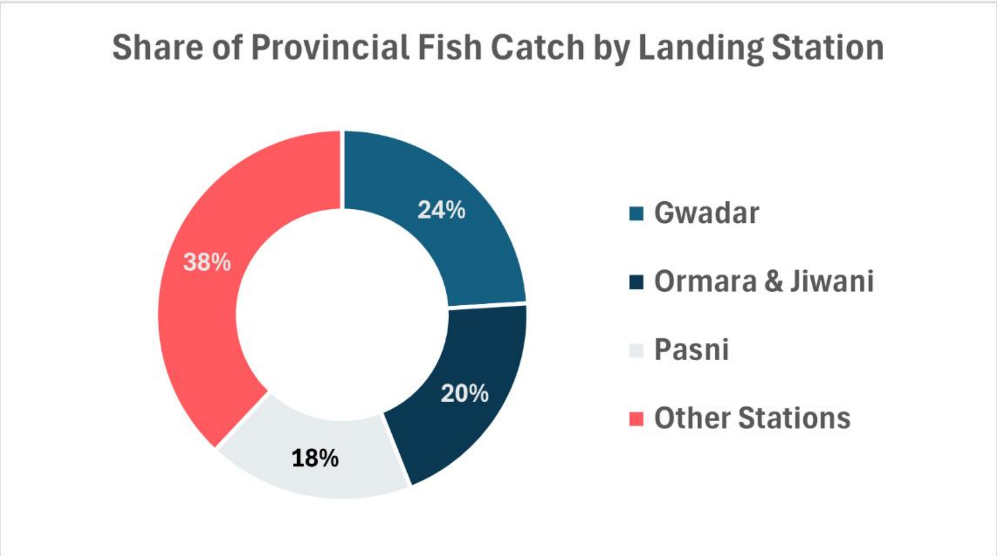

Figure 7. Approximate share of provincial fish catches by major landing station.

Major Landing Stations

Four stations — Gwadar, Jiwani, Pasni and Ormara — together account for approximately 80 percent of commercial fish production, 58 percent of the fisher-folk population and 59 percent of the registered fishing fleet. Gwadar alone lands roughly 159,800 metric tonnes annually, around 24 percent of the provincial total, followed by Pasni at approximately 116,000 metric tonnes, or 18 percent, with Ormara and Jiwani rounding out the top four and the balance spread across Damb, Gaddani and smaller artisanal communities.

Challenges

Challenge Area	Description & Impact
Over-exploitation & stock depletion	Marine resources declined by 62.3% in 2021 per FAO assessment, driven by overfishing and illegal bottom-trawling; about 80% of catch is dried and exported at low value, masking the severity of depletion
IUU fishing by industrial trawlers	Sindh-based industrial trawlers operating illegally in Balochistan waters deplete stocks systematically; the province lacks a functional Vessel Monitoring System or adequate coast guard coverage
Inadequate port & cold-chain infrastructure	Post-harvest losses estimated at 40% or higher due to the absence of ice plants, cold storage and refrigerated transport
Low value addition & export realization	Dried and semi-processed fish sell at an average of USD 2.15/kg, well below the price commanded by chilled or certified products
Underdeveloped aquaculture	Marine aquaculture is virtually non-existent despite 780 km of coastline; inland aquaculture covers only about 3,500 acres
Fragmented regulatory framework	Jurisdictional overlap between the federal Ministry of Maritime Affairs and the provincial Fisheries Department limits enforcement capacity
Fisher-folk welfare & vulnerability	Fisheries account for up to 70% of local employment in coastal areas, yet access to credit, insurance, healthcare and education remains severely limited
Climate change & environmental degradation	Rising sea temperatures and mangrove degradation along the Makran coast are disrupting migration patterns and nursery habitats

Opportunities

Pakistan's total seafood exports reached USD 465.4 million in FY 2024-25, up 13.44 percent on the prior year with a record volume of 216,350 metric tonnes, yet the average unit export value of USD 2.15 per kilogram remains far below comparable exporters such as Thailand at USD 4 to 6, Vietnam at USD 3 to 5, and Norway at USD 8 to 12 for salmon, underscoring the scale of Balochistan's low-value-addition problem — and the scale of the opportunity in fixing it.

Marine Aquaculture & Shrimp Farming
The Makran coast offers prime conditions for large-scale shrimp and finfish mariculture. Government has earmarked 50,000 acres of coastal land for corporate aquaculture under a 25-year build-operate-transfer model, plus 10-acre plots for 5,000 individual coastal fishermen under 25-year rent-free leases, with aquaculture projected to generate over USD 4 billion in exports within 15 to 20 years.

Gwadar as a Seafood Export Hub
Chinese trawler companies have expressed interest in using Gwadar as an offloading base with fish processing facilities, positioning seafood alongside minerals and dates as a priority cargo category for Gwadar-Persian Gulf transshipment routes.

Value Addition & Certified Exports
Global markets increasingly demand traceable, certified seafood. Pursuing MSC certification and HACCP-compliant processing plants would unlock premium European, Japanese and Korean markets currently closed to Balochistan's largely unprocessed catch.

Blue Economy & EEZ Utilization:
Pakistan's EEZ of 240,000 km^2 off Sindh and Balochistan remains significantly under-exploited. Deep-sea fishing beyond the 50-metre isobath is virtually non-existent. Licensed deep-sea fishing, combined with fish aggregating devices and modern sonar technology, can unlock marine resources currently inaccessible to artisanal fishermen.

Renewable Energy for Fishing Operations:
Solar-powered ice plants, cold storage, and vessel refrigeration can significantly reduce post-harvest losses and operating costs. Balochistan has requested a 20-year federal import duty exemption on renewable energy and aquaculture technology, which would catalyze rapid adoption if granted.

PPP Investment Framework:
The Balochistan PPP legal instrument provides a foundation for large-scale private and foreign investment in coastal aquaculture. The 25-year BOT model for 50,000 acres invites multinational corporations and domestic investors through joint ventures, offering long-term land security without upfront capital exposure for the government.

Key Solutions from the 2025–2035 Policy

- Implement functional Vessel Monitoring System (VMS) with MCS Complex at Gwadar operational by 2027
- Establish evidence-based Total Allowable Catch (TAC) limits with annual stock assessments
- Enforce seasonal fishing bans with compensation via a dedicated Fisheries Welfare Fund
- Establish 5 marine fish sanctuaries by 2027 and 20 inland fish sanctuaries by 2030
- Pursue MSC certification for select species at Gwadar and Pasni
- Deploy onboard freezing systems for medium/large vessels
- Establish refrigerated container depots along the Coastal Highway
- Develop 3 HACCP-compliant processing facilities (Gwadar, Pasni, Ormara) under PPP
- Operationalize 10 shrimp/fish hatcheries by 2027
- Negotiate inter-provincial fishing boundary agreement with Sindh
- Establish dedicated fisheries courts for IUU adjudication
- Implement 25% gender and youth quota in aquaculture lease allocations
- Deploy digital market information systems (mobile/SMS price alerts)

PSDP Projects — Fisheries Sector

400,000+ Current direct fisher-folk employment	**700,000+** Total employment, direct + ancillary	**50,000+** Households targeted by GLLSP-II	**20,000–50,000** Projected new jobs at full aquaculture scale-up

Total fisheries-specific PSDP 2025–26 allocation is Rs 22.334 million under provincial allocations, with additional federal PSDP contributions. The programme is complemented by the Gwadar Lasbela Livelihoods Support Project II (GLLSP-II) supported by IFAD.

Ongoing Projects

Project Name	Socio-Economic Impact & Job Potential
Development of Fisheries Training Centre, Gwadar (Devolved)	Capacity building for fishermen and technicians; trains up to 500+ persons annually in modern fishing, aquaculture and post-harvest handling. Estimated 1,000–2,000 indirect job creation via skill upgrade.
Basic Infrastructure Development for Balochistan Fisheries Department	Institutional strengthening of provincial department; improves regulatory and extension services for 400,000+ fisher-folk. Enhances enforcement capacity and data collection.
Gwadar Lasbela Livelihoods Support Project II (GLLSP-II) — IFAD-supported	Targets coastal livelihoods across Gwadar and Lasbela districts; supports 40% post-harvest loss reduction via cold-chain infrastructure; directly benefits 50,000+ coastal households.
Two Modern Fishing Jetties — Gwadar Development Authority (Federal/GDA)	Reduces berthing and unloading costs for local fishing vessels; improves catch freshness; enables 500–1,000 additional fishing trips per season; estimated 2,000–3,000 fishermen beneficiaries.
Gwadar Fish Processing Plant (in progress)	When operational, estimated 500–800 direct processing jobs; enables value-added exports at USD 3–5/kg vs. current USD 0.80–1.20/kg for dried fish; multiplier effect on upstream fishing activity.
Fishermen Cooperative Housing Society	Improves housing and social welfare for fisher-folk; reduces displacement-related income losses; stabilizes coastal community workforce engaged in fisheries.
Sea Ambulances for Coastal Medical Emergencies	Critical welfare measure for isolated coastal communities; reduces occupational mortality; improves fisher-folk willingness to continue at-sea operations, sustaining employment.
Boat Monitoring System (BMS)	Enables search and rescue; reduces at-sea fatalities; precursor to full VMS for IUU enforcement; expected to improve insurance eligibility for fishing vessels.

Coastal Highway Upgrades (Gwadar connectivity)	Reduces transit time from Makran coast to Karachi markets; enables higher-quality fresh fish delivery; reduces transport-related losses; essential backbone for cold-chain development.

Planned / New Projects (FY 2025–26 and beyond)

Planned Project	Timeline	Expected Impact
10 shrimp & fish hatcheries: Gwadar-Lasbela coast	Target 2027	Seed supply security for 5,000 plots; 3,000–5,000 direct jobs
MCS Complex, Gwadar	Target 2027	Curtails IUU fishing; protects stock recovery
E-governance system: vessel registration & licensing	Target 2027	Formalizes fleet; underpins export certification
50,000-acre corporate aquaculture scheme (BOT)	Investor roadshows pending	USD 4B+ export potential by 2044; 20,000–50,000 jobs
Cluster-based shrimp farming (PM directive, Dec 2024)	Funding pending	Could break the USD 1B national seafood export barrier; 10,000+ jobs
5,000 coastal aquaculture plots: fisher-folk lease scheme	Operationalization pending	5,000 households directly benefited; 25% youth/women quota
120-Acre Aquaculture Park — Korangi/Replication in Balochistan	Feasibility under preparation (announced July 2025)	360–1,200 MT annual yield; multiple thousands of jobs
Gwadar as Seafood Export Hub — Chinese Trawler Processing	Discussions ongoing (July 2025)	FDI inflow; technology transfer; 1,000–3,000 processing jobs

Fisheries remain the single most important source of coastal livelihoods in Balochistan, accounting for up to 70 percent of local employment in harbor towns such as Gwadar, Pasni, Jiwani and Ormara. Investment in training, aquaculture, processing and cold-chain infrastructure should accordingly be understood as high-impact welfare intervention as much as economic development, since it addresses poverty, food insecurity and out-migration from coastal communities in a single stroke.

SECTOR ASSESSMENT

10

Tourism Sector

Advisory Services for the Government of Balochistan's Initiative on Job Creation through Productive Sectors

Overview

780 km Pristine Makran coastline	**200K** Annual visitors (vs 14M in KPK)	**50+** UNESCO-worthy heritage sites	**PKR 30B** Tourism revenue potential by 2030

Balochistan's tourism assets span an extraordinary range of geography and history, approximately 9,000-year-old ruins of Mehrgarh, one of the oldest known settlements in South Asia, to the otherworldly terrain of Hingol National Park. Coastal attractions include Gwadar Beach, Astola Island, Ormara, Pasni Beach and Jiwani Lagoon; adventure tourism draws on Ziarat, Quetta Valley, the Chaman mountains, Koh-e-Murdar and Hanna Lake; heritage tourism centres on Mehrgarh, links to Moenjodaro, the Quetta Museum, Bolan Pass and Kalat Fort; and eco-tourism spans Hingol and the Kirthar range, desert wetlands, mangroves and rich birdwatching. Awareness, accessibility and infrastructure, however, remain critically underdeveloped relative to this potential.

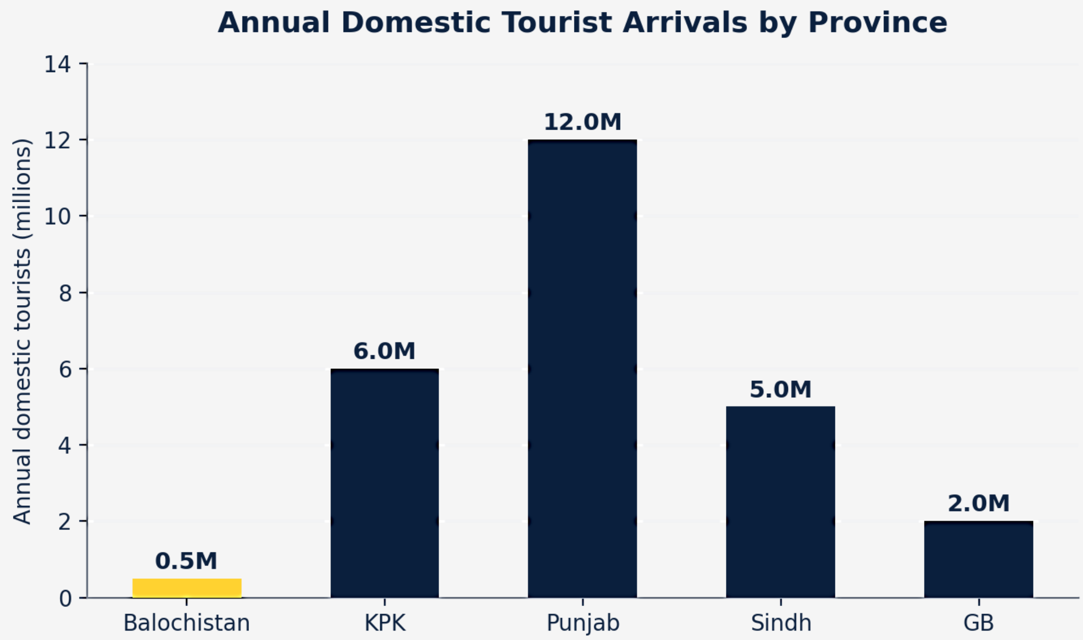

Figure 8. Annual domestic tourist arrivals by province — Balochistan trails every peer province by a wide margin.

Key Statistics — Balochistan versus Peer Provinces

Indicator	Balochistan	KPK	Punjab	Sindh	GB
Annual domestic tourists	~0.5M	~6.0M	~12M	~5M	~2M
Annual foreign tourists	~8,000	~80,000	~350,000	~200,000	~150,000
Tourism GDP contribution	<0.5%	~3%	~4%	~3.5%	~5%
Registered hotels	~180	~2,200	~5,000	~1,800	~400
Tourism workforce	~25,000	~400,000	~800,000	~300,000	~120,000
Dedicated tourism budget	PKR ~1.5B	PKR ~8B	PKR ~15B	PKR ~6B	PKR ~4B
Security Classification	High Alert	Moderate	Stable	Moderate	Stable

Challenges, Solutions and Recommendations

Balochistan faces a genuine paradox: its residents are acutely aware of the province's natural and cultural wealth, yet external promotion generates limited tangible tourism activity because of prevailing security perceptions. This is not simply a marketing problem but a structural constraint requiring a dual-track approach, pursuing infrastructure development now, while security improvements gradually translate into greater visitor accessibility.

CHALLENGE Terrorism and insurgency make investor engagement, tourist travel and project implementation extremely difficult in remote coastal and mountain areas.	**RECOMMENDED RESPONSE** Establish dedicated Tourism & Investment Protection Units, a fast-response security escort system for investors and journalists, and a risk-zoned map distinguishing higher-risk corridors from safer tourist areas such as Ziarat and Hanna Lake.
CHALLENGE International travel advisories classify Balochistan as a 'do not travel' zone, regardless of actual risk variation across the province.	**RECOMMENDED RESPONSE** Engage the Ministry of Foreign Affairs to pursue recalibration of advisories for specific low-risk zones, and develop a 'Safe Corridor' certification programme with credible international monitoring.
CHALLENGE The Makran Coastal Highway lacks service stations, rest areas, emergency medical facilities and digital connectivity.	**RECOMMENDED RESPONSE** Develop a five-year Coastal Tourism Highway Upgrade Programme with GPS-monitored emergency response points every 50 km and solar-powered rest areas, prioritized within the PSDP.
CHALLENGE	**RECOMMENDED RESPONSE**

Gwadar suffers persistent water and power shortfalls that make sustained tourism activity difficult.	Accelerate the Kachhi Canal Water Supply Project and Gwadar Desalination Plant, and link hospitality investment to confirmed utility availability timelines.
CHALLENGE Tourism promotion for Balochistan is negligible, and the province rarely appears in national campaigns.	**RECOMMENDED RESPONSE** Allocate dedicated PTDC and provincial funding for a Balochistan Tourism Campaign, produce high-quality documentary content, and partner with travel bloggers and universities for familiarization visits.
CHALLENGE No accredited hospitality or tourism training institutions currently exist in the province.	**RECOMMENDED RESPONSE** Establish a Balochistan Tourism & Hospitality Institute in Quetta with TEVTA, covering hotel management, coastal guiding, marine adventure sports and cultural heritage interpretation.
CHALLENGE Heritage sites such as Mehrgarh receive inadequate conservation funding and lack visitor infrastructure.	**RECOMMENDED RESPONSE** Designate key sites as National Heritage Priority Sites with dedicated conservation funding, build visitor centres with digital interpretation, and pursue UNESCO nomination for eligible sites.
CHALLENGE Coastal and adventure tourism lack an enabling regulatory and safety framework.	**RECOMMENDED RESPONSE** Develop a Balochistan Adventure & Coastal Tourism Safety Code mandating guide certification, emergency protocols, vessel safety standards, and environmental conduct codes. Create an online permit system for access to national parks and restricted coastal areas.

PSDP Projects — FY 2025–26

Ongoing PSDP Projects

Project	Allocation	Job Creation	Impact
Gwadar Free Zone Tourism Corridor	PKR 2.1B	6,000 direct / 18,000 indirect	Hospitality infrastructure within Gwadar FTZ; catalytic private investment
Hingol National Park Facilitation	PKR 680M	800 direct / 3,000 indirect	Visitor center, eco-lodges, trekking trails
Ziarat Valley Tourism Development	PKR 920M	1,200 direct / 4,000 indirect	Road upgrade, tourist lodges, Quaid residency enhancement

Project	Allocation	Job Creation	Impact
Makran Coastal Highway Rest Areas	PKR 1.4B	2,500 direct / 7,000 indirect	8 rest areas with food, fuel, sanitation, emergency services
Mehrgarh Archaeological Site Development	PKR 320M	400 direct / 1,500 indirect	World-class site conservation and visitor center
Quetta Tourism Master Plan (Phase II)	PKR 850M	2,000 direct / 6,000 indirect	City beautification, heritage precinct, hotel zone

Planned New Projects — FY 2026

Project	Allocation	Job Creation	Impact
Astola Island Marine Reserve & Eco-Tourism	PKR 1.2B	1,000 direct / 4,000 indirect	Pakistan's only offshore island developed for eco-tourism
Balochistan Tourism & Hospitality Institute	PKR 480M	500 staff / 3,000 students yr	First dedicated tourism training college in the province
Coastal Zone Management & Mangrove Restoration	PKR 350M	2,000 direct (community)	Restores 5,000 ha of mangroves; carbon credit potential
Ormara Beach Tourism Development	PKR 620M	900 direct / 3,000 indirect	Second Makran coastal tourism hub after Gwadar
Digital Tourism Promotion & Virtual Heritage Platform	PKR 120M	300 direct (tech/media)	AR/VR tours and a multilingual tourism app