

NEWS

[PM Shehbaz welcomes \\$40 bn investment from World Bank](#)

Prime Minister Shehbaz Sharif has welcomed a \$40 billion investment from the World Bank under its recent Country Partnership Framework (CPF), stating that this inflow will initiate a new chapter in Pakistan's development across various sectors, including health, education, and youth development. The CPF outlines a comprehensive engagement over the next decade, combining technical assistance, advisory services, and financing. Of the total investment, \$20 billion is allocated to Pakistan's private sector through the International Finance Corporation, with the remaining \$20 billion designated for public sector development projects. The Prime Minister expressed gratitude for the World Bank's confidence in Pakistan's economic reforms, noting significant progress in institutional and economic restructuring. The World Bank delegation commended Pakistan's swift advancement in economic reforms, describing it as a positive development.

[Rupee weakened slightly against the US dollar in the inter-bank market on Monday](#)

The Pakistani rupee weakened by 0.16% against the US dollar, closing at 279.67 in the inter-bank market, slightly down from the previous week's 279.21. Geopolitics remained in focus, with reports that talks aimed at ending the Russia-Ukraine conflict will begin in Saudi Arabia this week, though uncertainty exists and the participants are not entirely clear. On the international front, the Japanese yen strengthened following positive GDP data, while the Australian and New Zealand dollars remained stable ahead of key policy decisions. The US dollar weakened as traders evaluated recent US economic data, leading to speculation about potential Federal Reserve rate cuts.

[Government aims to privatize up to 50 SOEs in the next 3-4 years](#)

Pakistan's Minister for Economic Affairs, Ahad Cheema, announced plans to privatize up to 50 SOEs over the next three to four years, aiming to improve efficiency and reduce the fiscal burden. Minister Cheema outlined the government's priority to privatize state-owned enterprises, acknowledging that approximately one-third of these SOEs are strategic assets. He reiterated the government's goal of privatizing the remaining SOEs in phases. In the first phase, the focus is on the privatization of power distribution companies, while the second phase will include Pakistan International Airlines (PIA) and other SOEs.

[Unfavorable policies, weather threaten cotton production](#)

Pakistan's cotton industry is confronting a severe crisis due to unfavorable import policies and adverse weather conditions. Government policies (duty free imports of cotton and yarn) have incentivized textile mills to import cotton and yarn, leading to a sharp decline in domestic cotton prices and financial hardships for local growers and ginning factories. Concurrently, unexpected rains in February and March last year, followed by heatwaves and additional rains in July and September, have drastically reduced cotton seed germination rates to 30-40%, well below the required 70-75% for certified seeds. In response, Prime Minister Shehbaz Sharif has directed the National Seed Development and Regulatory Authority to collaborate with stakeholders to ensure the availability of certified seeds to farmers. The Senate Standing Committee on National Food Security and Research has warned textile mills of legal action for defaulting on cess payments, a mandatory levy on cotton purchases that funds the Pakistan Central Cotton Committee (PCCC). The PCCC relies on this cess to finance research and development in the cotton sector, helping improve seed quality, pest control, and overall yield. However, widespread non-payment by mills has created a severe financial crisis, limiting the PCCC's ability to conduct research, develop better farming techniques, and even pay employee salaries, ultimately threatening the long-term sustainability of Pakistan's cotton industry.

[First phase of country's largest bio-methane plant inaugurated](#)

On February 17, 2025, the first phase of Pakistan's largest biomethane gas project was inaugurated in Gadap District, Karachi. Developed by Bio Waste Energy Ventures Private Limited, the plant aims to produce 23,000 cubic meters of biomethane daily from 380 tons of cow and buffalo dung, with the potential to generate 4 to 5 megawatts of electricity. Byproducts such as heat and ash will be utilized for brick manufacturing, and water used in the process will be recycled. The initiative is expected to enhance economic stability in the dairy sector and create employment opportunities, while promoting clean and sustainable energy solutions.

[EPCL launches Rs. 11.7 billion hydrogen peroxide plant](#)

Engro Polymer & Chemicals Limited (EPCL) has successfully commissioned a Rs 11.7 billion (\$42 million) hydrogen peroxide plant through its wholly owned subsidiary, Engro Peroxide (Private) Limited. The facility, equipped with advanced technology, boasts an annual production capacity of 28,000 tons. This initiative aims to reduce Pakistan's reliance on imports, potentially substituting approximately \$11 million worth of hydrogen peroxide imports annually. The plant will produce and market a high-quality hydrogen peroxide solution under the brand name "PureOxide," offering reliable delivery and safe packaging to local industries, particularly benefiting export-oriented textile manufacturers. EPCL's CEO, Abdul Qayoom Shaikh, emphasized that this development aligns with the company's growth objectives, diversifies its product line, and enhances operational efficiencies to meet market demand more effectively.

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