

PRESS RELEASE (24th May 2023)
NATIONAL ACCOUNTS COMMITTEE MEETING

The 106th meeting of the National Accounts Committee (NAC) to review the final, revised and provisional estimates of Gross Domestic Product (GDP) for the years 2020-21, 2021-22 and 2022-23 respectively was held today in the Auditorium of Ministry of Planning Development & Special Initiatives (M/O PD&SI), P-Block Islamabad. The Secretary, M/O PD&SI chaired the meeting.

2. The provisional GDP estimates for the year 2021-22 and revised GDP estimates for the year 2020-21 presented in the 105th meeting of the NAC held in May 2022 have been updated on the basis of latest available data. The **final growth** rate of GDP for the year 2021-22 has been estimated at 5.77 % which was **5.74 %** in the revised estimates. The **revised growth rate of GDP** for the year 2021-22 is 6.10% which was provisionally estimated at 5.97 %. In the revised estimates, **agriculture** has slightly declined from 4.40% to 4.27%, despite improvement in crops sub-sector (from 6.58 % to 8.19 %) due to livestock (decreased from 3.26% to 2.25%) and forestry (from 6.13% to 4.07%). The **industrial sector** has slightly declined from 7.19 % to 6.83 % in the revised estimates due to decrease in electricity, gas and water supply (from 7.86% to 3.14%). However, growth in LSM improved from 10.48% to 11.90%). The **services sector** has improved from 6.19% to 6.59% due to wholesale and retail trade (from 10.04% to 10.32%), information & communication (from 11.90% to 16.32%), finance & insurance (from 4.93% to 7.18%), public administration and social security (from -1.23% to 1.81%), and other private services (from 3.76% to 4.77%) (**Table 1**).

3. The **provisional growth rate** of GDP for the year 2022-23 is estimated at 0.29%. The growth of the agricultural, industrial and services sectors has been estimated at 1.55%, -2.94% and 0.86% respectively. In the agriculture sector, provisional growth in important crops is -3.20% due to decrease in production of Cotton (41% from 8.33 to 4.91 million bales) and Rice (21.5% from 9.32 to 7.32 million tons). However, positive growth has been observed in wheat (5.4% from 26.208 to 27.634 million tons), sugarcane (2.8% from 88.65 to 91.11 million tons) and Maize (6.9% from 9.52 to 10.183 million tons). Other crops have posted a modest growth of 0.23% due to slight increase in production of pulses, vegetables, fodder, oil seeds, and fruits. The provisional growth in livestock, forestry and fishing is 3.78%, 3.93% and 1.44% respectively.

4. The provisional growth in **industrial sector** is -2.94%. The growth in mining and quarrying is -4.41% due to decline in production of natural gas, crude oil, and exploration cost). Large Scale Manufacturing driven by QIM has posted a negative growth of 7.98% due to Food (-8.71%), Tobacco (-23.78%), Textile (-16.03%), Coke and Petroleum Products (-10.24%), Chemicals (-6.29%), Pharmaceuticals (-23.20%), Fertilizers (-9.54%), Non-metallic products which includes cement (-10.75%), Iron & Steel Products (-4.02%), Electrical equipment (-11.15%), Automobiles (-46.01%) and other transport equipment (-38.91%). Electricity, gas and water industry shows a growth of 6.03% mainly due to higher output reported by the sources. The value added in construction industry, mainly driven by construction related expenditures by industries, has registered a negative growth of 5.53% mainly due to conservative reporting of construction related expenditure by private as well as public sector enterprises and unusual increase in relevant deflator i.e. WPI building material (**Table 1**).

5. The provisional growth in **services sector** shows a slow growth of 0.86% but with mixed trend within the industries. Wholesale and Retail Trade industry declined by -4.46% due to decline in the output of crops (-4.57%), LSM (-8.11%) and imports (-12.68%). Transportation & Storage industry has increased by 4.73% whereas accommodation and food services activities have grown by 4.11%. Information and communication increased by 6.93% due to increase in telecommunication. Finance and insurance industry shows an overall decrease of -3.82% mainly due to high CPI based deflator (26%). Real estate activities grew by 3.72% while public administration and social security (general government) activities posted a negative growth of 7.76% due to high deflator. Education has witnessed a growth of 10.44% due to public sector expenditure. Human health and social work activities also increased by 8.49% due to general government. The provisional growth in other private services is 5.0% (**Table 1**).

Table 1: Gross Domestic Product of Pakistan (at constant basic prices of 2015-16) (Rs. in Million)

S. No	Sector/Industry	2021-22/	2022-23 /
		2020-21	2021-22
A	Agriculture, Forestry and Fishing (1 to 4)	4.27	1.55
	1. Crops (i+ii+iii)	8.19	-2.49
	i) Important Crops	5.41	-3.20
	ii) Other Crops	11.93	0.23
	iii) Cotton Ginning	9.22	-23.01
	2. Livestock	2.25	3.78
	3. Forestry	4.07	3.93
	4. Fishing	0.35	1.44
B	Industrial Activities (1 to 4)	6.83	-2.94
	1. Mining and Quarrying	-7.00	-4.41
	2. Manufacturing (i+ii+iii)	10.86	-3.91
	i) Large Scale	11.90	-7.98
	ii) Small Scale	8.90	9.03
	iii) Slaughtering	6.29	6.31
	3 Electricity, Gas and Water supply	3.14	6.03
	4. Construction	1.90	-5.53
	Commodity Producing Activities (A+B)	5.43	-0.51
C	Services (1 to 10)	6.59	0.86
	1. Wholesale & Retail trade	10.32	-4.46
	2. Transportation & Storage	4.09	4.73
	3. Accommodation and Food Services Activities (Hotels & Restaurants)	4.08	4.11
	4. Information and Communication	16.32	6.93
	5. Financial and Insurance Activities	7.18	-3.82
	6. Real Estate Activities (OD)	3.69	3.72
	7. Public Administration and Social Security (General Government)	1.81	-7.76
	8. Education	5.66	10.44
	9. Human Health and Social Work Activities	2.68	8.49
	10. Other Private Services	4.77	5.00
D	GDP (Total of GVA at bp (A+B+C))	6.10	0.29

6. Under a special agenda item, the NAC reviewed, examined and approved the estimates of backward series of National Accounts for the Years 1999-2000 to 2014-15 on 2015-16 base year.

7. Overall the forum appreciated the efforts of PBS and key stakeholders including Ministry of Finance and State Bank of Pakistan in finalizaing the data.