

Transport & Logistics

Logistics industry contributes about 9.6% in Pakistan's GDP with a significant share of the sector outside the formal economy. The sector holds immense importance within any economy because it helps streamline the processes and improve efficiency. However, in Pakistan the sector is marred with fragmentation, unorganized businesses, and poor infrastructure. With the advent of CPEC and resulting upgradation of infrastructure, the sector is expected to grow at a fast pace. Besides, the sector might experience increased share of formal industry as a result of increasing infrastructure activity. The total length of new road network under the economic corridor is estimated at 966 km along with expansion and reconstruction of 1,830 km rail network.

Did you know?

- According to Logistics Performance Index (LPI) of the world Bank, Pakistan is ranked at 122nd position lower as compared to India (44th) and Bangladesh (100th).
- Pakistan ranks at 22nd position worldwide for 263,775Km length of its road networks. 13,000 Km of National Highways and Motorways along with 93,000Km of provincial highways and district roads.

Market Size:

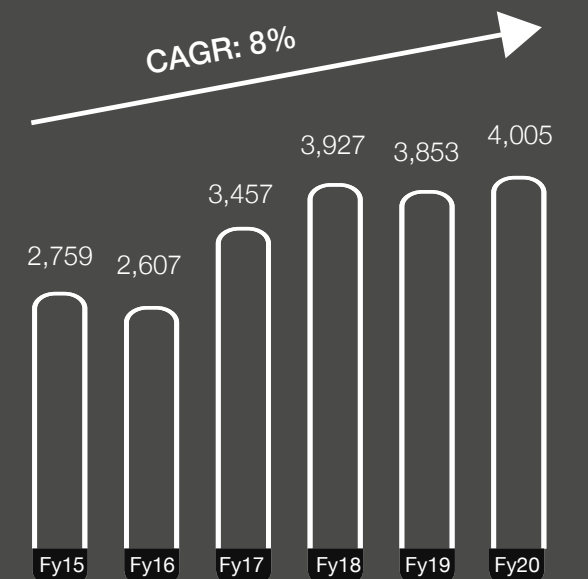
According to Cyan's estimate, the market size of the industry is around PKR 4,005 billion (USD 25 billion). The sector has overdependence on road transportation due to weak rail infrastructure, which if countered, could make the industry more profitable and efficient.

CAGR

8%

(last 5 years)

Logistics Expenditure (PKR Billion)



Source: Pakistan Economic Survey, State Bank of Pakistan, CPEC, Cyan Research