

Sectorwise Situation of state-owned Enterprises in Pakistan:

i) Power sector:

Power Sector in Pakistan facing tremendous in last years -
It includes:

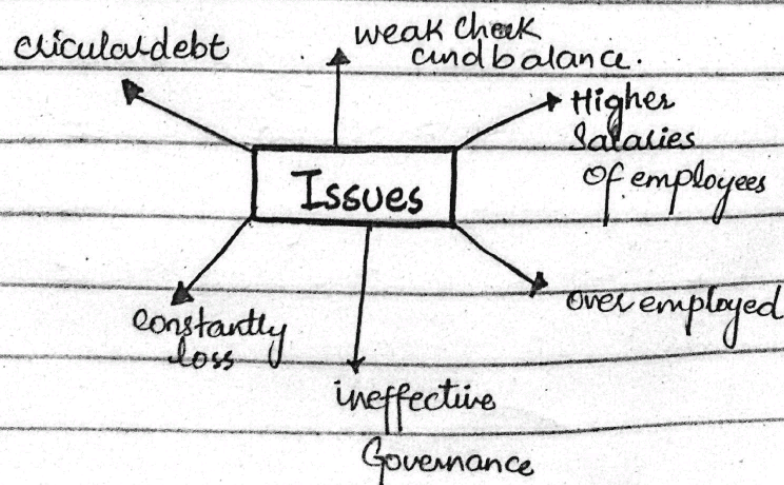
a) collective losses of major DISCOs:

QESCO, PESCO, SESCO, HESCO which is around more than 17 bnf -

b) PTCL : that faced tremendous losses and finally sold to UAE in 2006 -

c) IPPs : partially privitised -

Issues related to these Sector:



ii) Transport Sector:

Transport sector constantly faces losses of around \$61bn mainly it includes National Highway authority - (NHA)

The main issues is:

- i) overemployed staff
- ii) Absence of technical training
- iii) poor quality of material used.

iii) Pakistan International Airlines: (PIA)

PIA, which is one of the best airlines in the era of 1990's constantly faced debt crisis and losses of about last 5-10 years.

Recently, PIA is also privatized and sold to Arif Habib Limited for about 135bn\$ -

iv) Pakistan steel Mill
company: (PSM)

PSM is also a state owned
enterprises that faces tremendous
losses and closed-

Issues:

- i) overemployed
- ii) from 2016 onward it is
closed but salaries given
to the staff still -

Why we do privatization?

i) **Conditions of IMF:**

The IMF conditions for proper
funding mainly consist of the
privatization of the state owned
enterprises to increase the
FER of the country-

e-g: PIA Privatization.

ii) To enhanced productivity:
Privatization enhanced the productivity and increase the profit by reducing losses -
E-g: K-electric recover its 16% loss after privatization.

iii) Reduced the risk of corruption:

As in the state-owned enterprises, the risk of corruption is too high - so, by privatization the chances of corruption is slow down -

iv) Help to reduced circular debt:

The high circular debt in the any institutions leads towards harming its productivity and reducing its efficiency. So, by initiative of privatization it is slowdown -

v) Good Governance and transparency:

The government unable to govern all the institutions fairly at the same time - So, separate private institution. govern the institution so efficiently with transparency.

Recommendations:

i) Increased Market Competition:

Increase competition in the market leads towards the good productivity and good economy of the country.

ii) Loss minimization:

Minimizing loss can leads towards the better performance and increase confidence.

iii) Strengthen Regulatory institutions:

By strengthen the regulatory institutions it is quite possible to reduced the risk of corruption and increase transparency.

iv) End political interference:

The end of political interference in decision making and increase merit based appointments and decision is good initiative.

v) Ensure Social and Strategic protection:

Ensure the safety of the employees of any institutions enhance there will to perform better that enhanced there productivity.

Conclusion:

"Privitization is not about selling assets: it's about improving efficiency and performance."

In conclusion, it seems that privatization is a good initiative if taken with proper check and balance, structuring and planning - It helps to reduced circular debt and increase the profit with better efficiency and performance -

Question No: 02

Pakistan-KSA Defense Pact would have far reaching geopolitical achievement for both the countries and economic opportunities for Pakistan?

Introduction:

The Pakistan-KSA defense pact signed on Sep 17, 2025 during the visit of Prime Minister Shehbaz Sharif to Saudi Arabia.

As Pakistan foreign office Spokesperson says:

"The agreement is signed between Pakistan and Saudi Arabia to increase its geostrategic security beyond borders."

Core point of the agreement:

The main point or Article of the agreement is stated as:

"An attack against one is considered to be attack against the other"

FACTORS LEADS TOWARDS THIS AGREEMENT:

- i) Doha attack by Israel
- ii) Iran - Israel war
- iii) Assessment of Pakistan in the recent May escalation
- iv) Increasing threat to the security of Holy places (Haramain Shareef) by Israel
- v) Rising KSA - Iran rivalry
- vi) Increasing geostrategic security beyonds borders
- vii) US non supportive behaviour

i) Doha attack by israel:

Recent attack on Doha, in Qatar by Israel rise a security threat for the Saudi Arabia that give rise to, this defense pact.

ii) Assessment of Pakistan in ... recent escalation with India:

Recently, the escalation of May 7-10
between India and Pakistan
and performance and win of
Pakistan can tilt the
Saudi Arabia towards us.

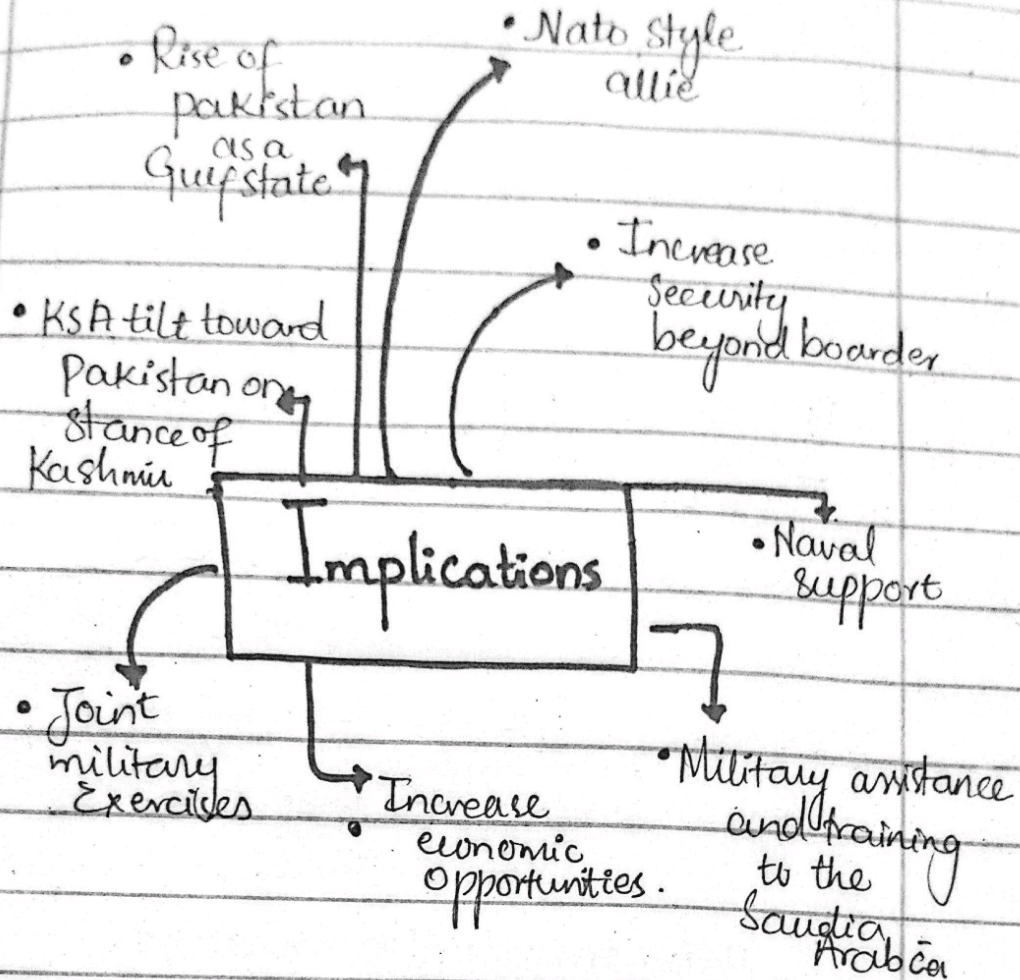
iii) Threat to KSA - Holy places:

Increasing threat to the holy
places in the Saudi Arabia
can lead towards the
accomplishment of security of
Haramain Sharif to Pakistan.

iv) USA non-supportive measures:

The US non-supportive measures
during recent Doha attack
can lead towards the alarming
situations for the Arab countries
to move out of US umbrella.

Implications:



Economic Opportunities for Pakistan:

i) Increase in Foreign
Direct investment :

The Pakistan-Saudi defense pact rise toward
the large scale investment
in our countries- Investment
in the Sector of:

a) Investment in REKODIK:

Many countries like KSA, USA,
China and Japan are ready
to approximate 1 trillion dollar
investment in REKODIK project.

b) Investment in industrial sector,

c) Agriculture sector:

To meet the demand of
food security issue -

d) Hydropower projects

e) Subsidise on oil payment

f) Investment in Refinery
related projects.

conclusion:

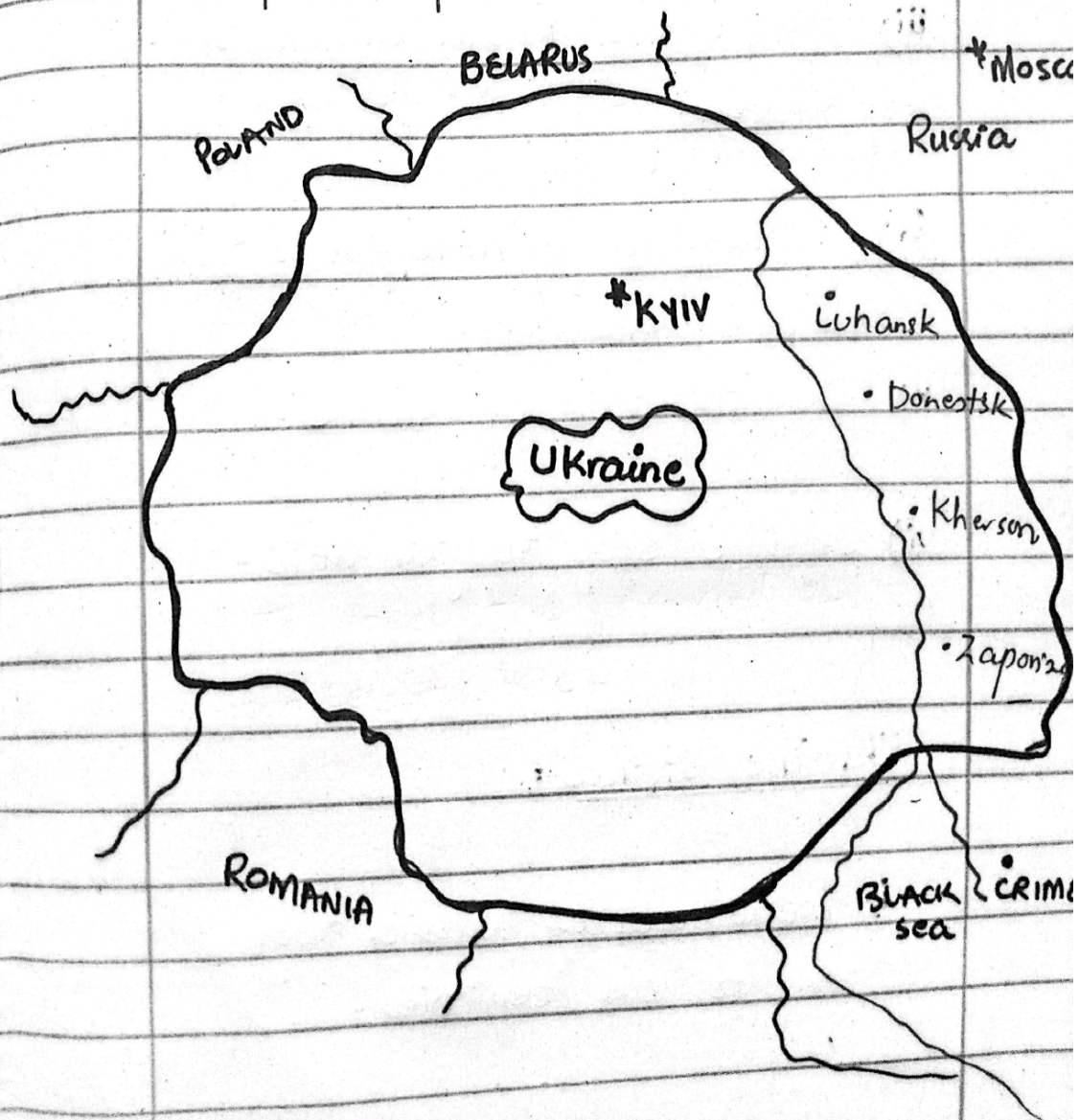
Pakistan-KSA Agreement
is a landmark agreement and
geopolitical win of Pakistan -
it gives rise to enhance our
strategic defence beyond
boundaries.

Question No: 03

Russia and NATO have outrightly
opposing stance on how to end
Ukraine's war. Trump on the
other hand opposing stance -
critically analyze the situation
and give recommendations?

(Introduction to
Ukraine - Russia
war:)

Russia invaded Ukraine on February 2022. This leads towards the deadliest war in the Europe after world war II - Russia captured the multiple areas of Ukraine like Crimea, Luhansk, Donetsk, Kherson and Zaporizhzhya -



Russia stance :

- i) The territory and provinces that is captured and claimed by Russia given to it.
- ii) Removed all the sanctions imposed by Europe and US.
- iii) Accept the Russia annexation of Crimea.
- iv) withdrawal of NATO forces from western borders.
- v) Demilitarization of Ukraine.
- vi) Ukraine stop to join NATO.

Ukraine stance :

- i) withdrawal of Russia troops from its all territories.

ii) withdrawal from crimea and other captured ~~country~~ territory of Ukraine -

iii) security garranty for Ukraine -

iv) Demilitarization of Russian forces -

Trump Shift ~~from~~ ^{from} immediate ceasefire to Peaceful Settlement:

Trump recently shift from the stance of immediate ceasefire to peaceful settlement of dispute from which all the NATO leaders are not satisfied -

NATO Leaders stance:

- a) Immediate ceasefire
- b) Firm support to Ukraine
- c) All type of assistance in the war.

Negotiations for Russia-Ukraine war:

- i) Istanbul talks
- ii) Alaska Summit

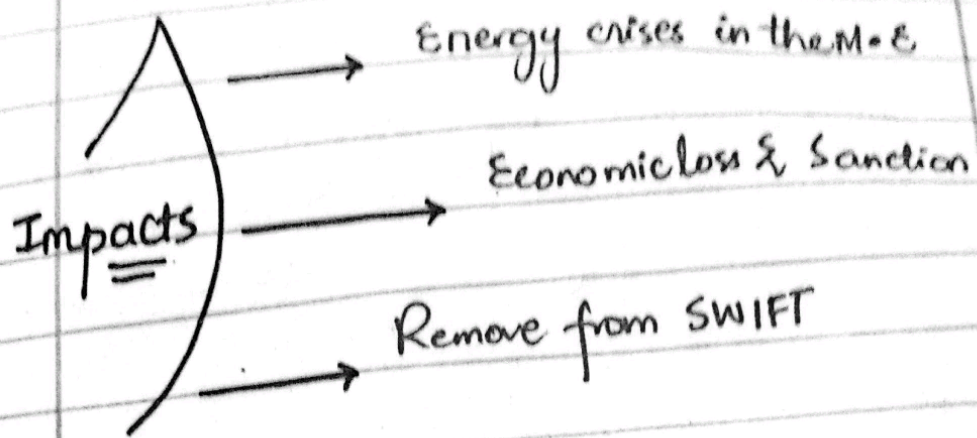
⇒ Istanbul talks:

Istanbul talk is host by the turkey in the Istanbul - Both parties not stepback from there terms resulted in no firm decision -

⇒ Alaska Summit 2025:

Alaska Summit held in the mid of August 2025 and result in ^{formal} no agreement or ceasefire -

Impacts on Russia :



Recommendations:

i) Strengthen diplomacy:

Strengthen diplomacy and US should play role as a third party mediator and guarantor for both the countries -

ii) Guarantees for Ukrainian Sovereignty:

NATO style guarantee for security of civilian and the sovereignty of the Ukraine -

ii) Negotiations:

Although the negotiations is failed but take on board both the countries by accepts its conditions.

iii) International Monitoring and arm control:

International monitoring and arm control by the international monitoring body to peaceful settlement of dispute.

Conclusion:

In conclusion, both the countries should be back on diplomatic table and negotiate. Although US play its role as a third role mediator to end up this war.