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Statement by the Hon. **AHAD KHAN CHEEMA,**
Governor of the IBRD for **PAKISTAN**

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Governor of the IBRD for Pakistan

Mr. Chairman, President of the World Bank Group, Managing Director of the International Monetary Fund, Distinguished Governors, and Delegates,

It is an honour to represent Pakistan at the 2026 Annual Meetings of the World Bank Group and the International Monetary Fund.

We meet at a time of profound change in the global economy. Developing countries face pressures from economic uncertainty, climate change, technological transformation, and rising development needs. Yet this is also a time of opportunity. Countries that invest in their people, strengthen institutions, embrace innovation, and create space for private enterprise can build more resilient and prosperous economies.

Pakistan approaches this moment with a clear sense of purpose. We have made progress towards restoring macroeconomic stability, and our focus is now firmly on the next phase: accelerating growth, expanding investment, creating productive employment, and improving the quality of life of our people. We see the coming years as an opportunity to transform economic stabilisation into a stronger foundation for long-term prosperity.

From Stabilisation to Sustainable Growth
Pakistan's economy recorded provisional real GDP growth of **3.7% in FY2025-26**. This provides a foundation on which we intend to build. Our ambition is to move towards a higher and more sustainable growth path, supported by productivity, investment, exports, and innovation. The Government is pursuing reforms in fiscal management, energy, and the business environment to support this transition.

Our focus is increasingly forward-looking. We aim to create an economy in which businesses can invest with confidence, exporters can compete in global markets, farmers can benefit from modern technology and better market access, and young people can find meaningful employment. This requires continuity in reform, stronger institutions, and close coordination between federal and provincial governments.

We recognise that sustained growth cannot depend on consumption or periodic recoveries alone. It must be driven by productive investment, a more competitive industrial base, a diversified export sector, and higher labour productivity. We are committed to strengthening these foundations while ensuring that the benefits of growth reach communities across the country.

Pakistan’s Development Vision and the World Bank Group Partnership
Pakistan's development ambitions are reflected in its national economic transformation agenda and the **World Bank Group’s Country Partnership Framework for FY2026 - FY2035**. The ten-year Framework identifies six priority outcomes: reducing child stunting, reducing learning poverty, increasing climate resilience, improving energy sustainability

and air quality, mobilising more public resources for inclusive development, and increasing productive private investment.

We view this Framework as more than a financing arrangement. It is an opportunity to align policy reform, public investment, private capital, and institutional capacity around measurable national outcomes. Its ten-year horizon can help sustain priorities beyond individual projects and support the continuity required for lasting development.
The scale of our existing partnership provides a strong basis for this next phase. The World Bank's current portfolio comprises of **49 operations with approximately US$16.1 billion in commitments**. IFC's current commitments stand at approximately **US$1.5 billion across 56 projects.** Since 1959, IFC has invested and mobilised approximately **US$22 billion** in Pakistan.

These figures represent both the depth of our partnership and the opportunity to achieve more. Our priority is to translate financing into faster implementation, stronger institutions, better public services, and productive economic activity. We seek a closer link between project preparation, policy reforms, implementation milestones, and measurable results.
Looking ahead, Pakistan would welcome a partnership that is increasingly focused on large-scale, high-impact interventions capable of addressing structural constraints. This includes support for water and agriculture, energy infrastructure, human development, digital connectivity, and investment that creates jobs and strengthens exports.

IDA and Affordable Development Financing
The International Development Association remains an important partner for countries seeking to expand development opportunities while managing limited fiscal space.

Pakistan appreciates its continued access to IDA resources which helps to accelerate investment in areas where the social and economic returns are substantial but domestic resources alone are insufficient. These include foundational education, health and nutrition, climate-resilient infrastructure, water security, and improved access to essential services.

We encourage continued attention to the affordability, predictability, and development impact of financing. Resources should be aligned with national priorities, accompanied by strong implementation arrangements, and assessed against tangible improvements in people's lives. Development finance should also help crowd in private investment wherever commercially viable opportunities exist.

Pakistan also values close coordination between the World Bank Group, the IMF, and other development partners. Macroeconomic stability and development investment must reinforce one another. Fiscal discipline creates the space for investment, while investment in human capital, infrastructure, and productive capacity strengthens the foundations of future growth.

Mobilising Domestic Resources and Strengthening Institutions
A stronger economy requires the capacity to finance its own development over time. Pakistan is committed to improving domestic resource mobilisation, broadening the tax base, strengthening compliance, and improving the quality of public expenditure.

Our objective is to create greater fiscal space for development without compromising economic stability. Better revenue administration, more efficient public spending, transparent procurement, and stronger project management can help direct resources towards investments with the highest economic and social returns.

We see particular value in strengthening fiscal coordination across federal and provincial governments. The World Bank's recent work on fiscal federalism highlights opportunities to improve revenue effort, clarify financing responsibilities, and strengthen incentives for service delivery. A more effective fiscal framework can support both macroeconomic stability and better outcomes in education, health, water, and local infrastructure.

We look forward to working with the World Bank Group on data-driven planning, digital public systems, public financial management, and institutional reforms that improve accountability and delivery. Our goal is a public sector that is better equipped to convert available resources into visible and lasting results.

Private Investment, Exports, and New Sources of Growth

Pakistan has considerable potential to expand its role in regional and global value chains. Our priorities include export-oriented manufacturing, information technology and digital services, agriculture and agro-processing, logistics, renewable energy, and other productive sectors.

We intend to create conditions in which private businesses can grow, innovate, and invest for the long term. This requires predictable policies, competitive input costs, better access to finance, efficient regulation, and stronger connections between domestic producers and international markets.

The World Bank Group can play an important role in this transition. IFC investment, MIGA guarantees, and other risk-mitigation instruments can help mobilise domestic and foreign capital for commercially viable projects. The objective should be to use public and development finance strategically to unlock investment that might otherwise not materialise.

We would welcome deeper cooperation on bankable investment opportunities, export competitiveness, small and medium-sized enterprises, and the development of sectors with high employment potential. We also see opportunities to expand services exports, including information technology, professional services, and other knowledge-based activities.

Our ambition is to make private-sector-led growth a more durable source of employment, foreign exchange earnings, and productivity. Success should be measured not only by the amount of capital mobilised, but also by the jobs created, exports generated, and opportunities opened for women, young people, and smaller businesses.

Investing in People: Pakistan's Greatest Long-Term Opportunity

Pakistan's future prosperity will depend on the skills, health, and productivity of its people. Investment in human capital is therefore central to our economic strategy.

The CPF's focus on reducing child stunting and learning poverty reflects the importance of acting early in the human development cycle. Better nutrition, clean water and

sanitation, quality foundational education, and accessible health services can improve life outcomes while strengthening the economy's future productive capacity.

We aim to build stronger connections between education and employment. Technical and vocational training, digital skills, industry-linked curricula, and entrepreneurship support can help young people prepare for changing labour-market needs. Greater participation by women in education and economic activity can also expand Pakistan’s productive potential.
We encourage development partners to support programmes that deliver measurable improvements in learning, health, employability, and household welfare. These investments should be designed around results and supported by reliable data, effective delivery systems, and close coordination among public institutions.

For Pakistan, human development is not simply a social priority. It is an investment in a more productive workforce, a stronger domestic market, and a more competitive economy.

Climate Resilience, Water Security, and Sustainable Energy
Climate resilience is central to Pakistan’s development prospects. Floods, heatwaves, water stress, and other climate-related risks can damage infrastructure, disrupt agriculture, affect livelihoods, and place additional pressure on public finances.
We seek to move from responding to climate-related disasters towards systematically reducing vulnerability. This requires climate-resilient infrastructure, better water management, stronger disaster preparedness, improved agricultural practices, and protection for vulnerable communities.

The World Bank Group’s support for Pakistan’s electricity grid provides a practical example of how development finance can strengthen resilience while enabling economic transformation. The project announced in July 2026 incorporates climate-resilient specifications, including infrastructure designed to operate in temperatures of up to **55°C** and measures to reduce exposure to flooding.

We intend to build on this approach by integrating resilience into the planning and design of public infrastructure. Climate finance should support investments that protect development gains, improve resource efficiency, and strengthen communities' ability to withstand future shocks.

Energy-sector reform is equally important. A reliable, affordable, and cleaner energy system is essential for competitiveness and investment. We welcome cooperation on grid modernisation, improved system performance, renewable energy integration, and reforms that support a financially sustainable power sector.

We also encourage development partners to combine financing with technical expertise and private-sector participation. For countries facing significant climate risks, access to appropriate financing and technology is critical to ensuring that resilience becomes an integral part of economic development.

Digital Transformation and Innovation
Digital technology offers Pakistan an opportunity to improve public administration, expand access to services, increase productivity, and develop new sources of export earnings.

We aim to strengthen digital public infrastructure, improve interoperability across government systems, expand digital skills, and create an enabling environment for technology-based businesses. Responsible use of artificial intelligence and data-driven decision-making can help improve public service delivery, strengthen monitoring, and support more informed policy decisions.

We welcome further collaboration with the World Bank Group on digital connectivity, skills development, innovation, and the modernisation of public systems. Particular attention should be given to expanding opportunities beyond major urban centres so that smaller cities, rural communities, women, and young entrepreneurs can participate in the digital economy.

Our ambition is to ensure that digital transformation contributes directly to better governance, higher productivity, more competitive services exports, and broader access to economic opportunity.

Making Development Finance More Responsive to a Changing Global Environment
Recent geopolitical tensions, disruptions to energy and food markets, climate-related shocks, and elevated debt-service costs have made the development outlook more uncertain for many developing economies. In this environment, we see an opportunity for the World Bank Group to build further on its ongoing reforms by making crisis-response financing more agile, simplifying access to suitable instruments, and enabling timely adjustments to ongoing programmes when external shocks threaten development gains. Such support should remain country-led, protect high-return investments in human capital and resilience, and preserve debt sustainability.

The World Bank Group's record US$112 billion in private capital mobilised globally in FY2026 is an important achievement. The next opportunity is to ensure that guarantees, local-currency financing, blended finance, and other risk-mitigation tools reach countries where investment needs are substantial but perceived risks and project-preparation constraints remain high. Alongside this, independent evaluations have identified scope to strengthen monitoring and evaluation and to address implementation bottlenecks, including procurement, counterpart-funding, and disbursement delays. Further simplifying processes, strengthening project preparation, and resolving such constraints early would help translate the Group's substantial commitments into results more quickly and consistently.

A More Effective and Responsive Multilateral Development System
The scale of today's development challenges calls for multilateral institutions that are more efficient, responsive, and capable of mobilising resources at greater scale. We welcome efforts to strengthen the operational effectiveness of multilateral development banks, expand private-capital mobilisation, and improve the impact of development financing.
For Pakistan, this means a stronger focus on timely project preparation, faster implementation, innovative financing instruments, and measurable results. It also means ensuring that development partners remain responsive to country-specific priorities and that financing is accompanied by the knowledge and institutional support required to sustain progress.

We value a multilateral system in which developing countries have an effective voice in decisions affecting their development prospects. As the global economy evolves, governance arrangements and development priorities should continue to reflect the circumstances and aspirations of the full membership.

We look forward to working constructively with all partners to make multilateral development finance more effective, inclusive, and responsive to the needs of developing economies.

Looking Ahead: Turning Potential into Prosperity

Distinguished Delegates,

Pakistan's development journey is entering a phase in which the opportunities before us must be matched by sustained implementation and ambition. We have a clear set of priorities: maintain macroeconomic stability, raise productivity, mobilise investment, expand exports, develop human capital, strengthen climate resilience, and improve public institutions.

The CPF from FY26 to FY35 provides a long-term foundation for advancing these objectives. The scale of the World Bank Group's existing engagement, together with the potential of IDA, IFC, and MIGA, offers opportunities to deepen cooperation and achieve lasting results.

We invite our development partners to look ahead with Pakistan - not only to the challenges we must address, but also to the opportunities we can unlock together. With sustained reforms, stronger institutions, productive investment, and a skilled and healthy population, Pakistan can build a more diversified, competitive, and resilient economy.

Our shared measure of success should be the opportunities created for our people: better education and health, productive jobs, stronger businesses, more resilient communities, and a higher quality of life.

Pakistan looks forward to working with the World Bank Group, the International Monetary Fund, and all development partners to turn this shared ambition into measurable progress.

Thank you.