

Pulse of the Business community In Islamabad

December 8, 2025



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- Business climate & Operations
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- Business association & representation
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EXECUTIVE SUMMARY

Parking, High Rents, and Municipal Gaps Top Concerns of Islamabad's Business Community, Finds New Gallup Pakistan Study

Islamabad, December 8, 2025 — A new Gallup Pakistan study, *Pulse of the Business Community in Islamabad*, reveals that while businesses express moderate satisfaction with some civic services, they also report persistent challenges in infrastructure, regulation, and the rising cost of doing business. The study is based on extensive fieldwork with business owners across Islamabad's commercial areas.

Key Findings

Civic Services: Mixed Satisfaction, Deep Frustrations with Parking & Traffic

The study highlights wide disparities in satisfaction with civic amenities:

- **Street lighting (57%) and police presence (56%)** received the highest satisfaction levels.
- **Parking and traffic flow** received the lowest rating, with **47% dissatisfied**, the only category to register a **negative net score (-2%)**.
- **Cleanliness, water and sewage, and garbage collection** saw satisfaction levels around **52–55%**, but dissatisfaction remained high (38–39%).

A striking **40%** of businesses reported **traffic congestion** as their most common problem in the last six months, followed by water/sewage issues (38%) and power or lighting interruptions (34%).

Government Interaction & Regulation: Tax System Seen as Unfair

Businesses expressed strong concerns about regulatory burdens:

- **57%** believe the **tax system (FBR)** is unfair to SMEs.
- **38%** acknowledged having to make **unofficial payments (“speed money”)**, highlighting continued informal practices.
- **Tax filings and audits** were identified as the **most burdensome regulation (56%)**.

Interactions with government authorities were lukewarm at best, with only **45%** reporting positive engagement with the FBR and similar patterns for CDA, EOBI, and police/local administration.

Business Climate: Majority Report Decline in Performance

The business outlook shows signs of strain:

- **58%** of owners say their business performance has worsened over the past year.
- **High rent and utilities** emerged as the **top challenge**, cited by **51%** of respondents.
- Looking ahead, **39%** plan to maintain their current size, **33%** plan to expand, and a small number consider downsizing or exiting their current location.

Formal credit uptake remains extremely low: only **8%** applied financing in the past year, with incomplete documentation and banks' reluctance to lend to SMEs emerging as top barriers.

Business Profile: Small, Service-Oriented, and Mostly Renting

Islamabad's business landscape is dominated by:

- **Service sector businesses (24%)**, followed by retail (14%) and real estate (10%).
- **81%** of businesses operate on **rented premises**, and **72%** say commercial rents are **high**, with over half terming them very high.
- **63%** of businesses have **1–5 employees**, and **58%** have been operating for more than 10 years.

Unexpected rent increases affect 38% of businesses, contributing to instability.

Business Associations & Representation: Low Engagement, High Demand for Better Platforms

- Nearly **65%** of businesses are **not part of any association**.
- Of those who are, the **Islamabad Chamber of Commerce & Industry (ICCI)** dominates membership at **54%**.
- Only **24%** say their association seeks input for policy advocacy, and just **40%** consider their association effective.
- Crucially, **55%** express interest in joining a **stronger business platform** for collective representation.

Local Government: Strong Demand for Elected Leadership

A clear **61% majority** supports establishing an elected local government in Islamabad. Business owners most frequently expect such a government to:

- Resolve business/local issues (14%)
- Improve facilities (13%)
- Address taxes, parking, cleanliness, and sewage problems.

About Gallup Pakistan

Gallup Pakistan is the country's oldest and most trusted survey research organization, and the Pakistani affiliate of Gallup International Association. We require our surveys to be credited fully as **Gallup Pakistan** (not Gallup or Gallup Poll). Gallup Pakistan has no affiliation with Gallup Inc., headquartered in Washington D.C.

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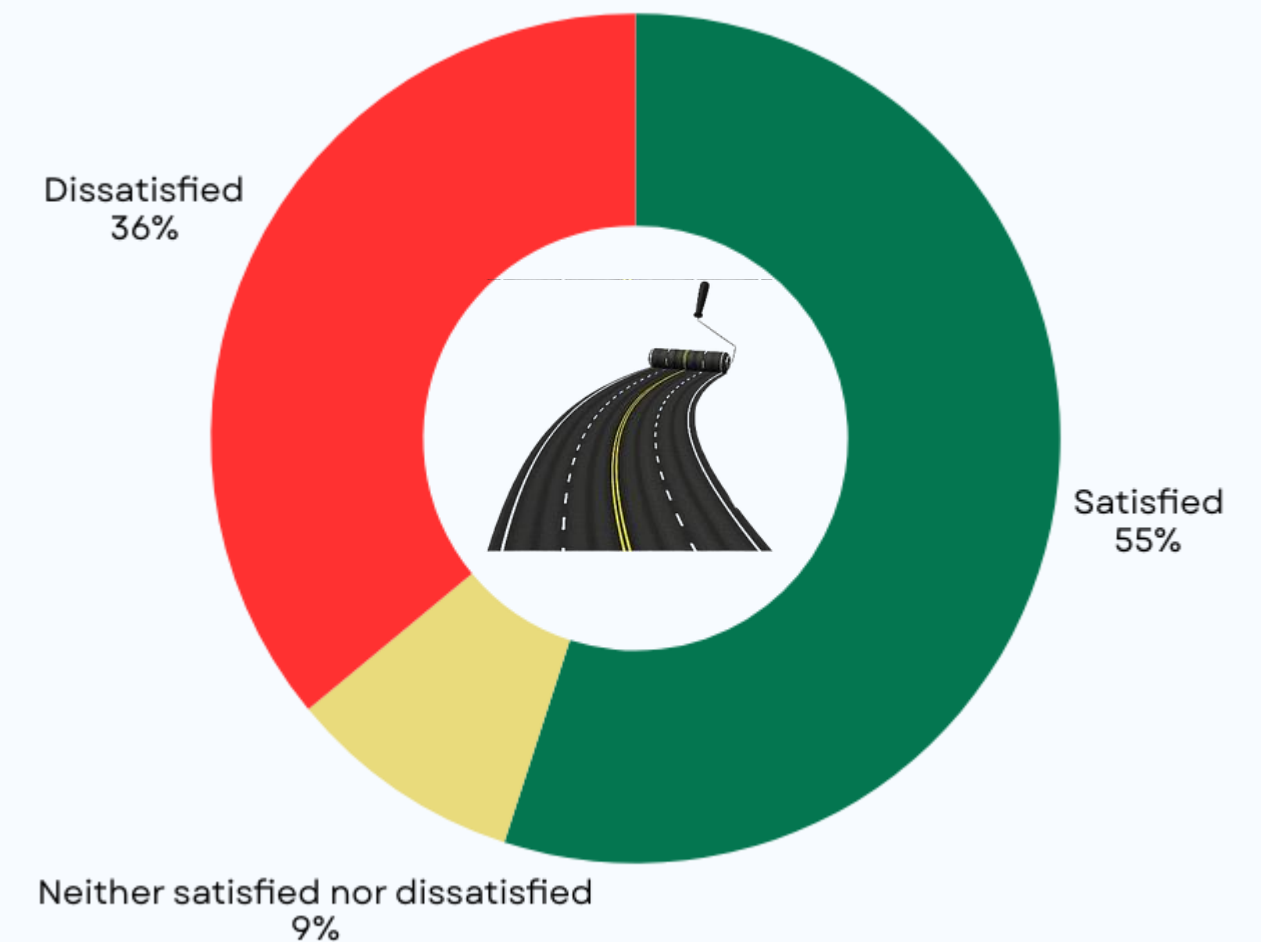
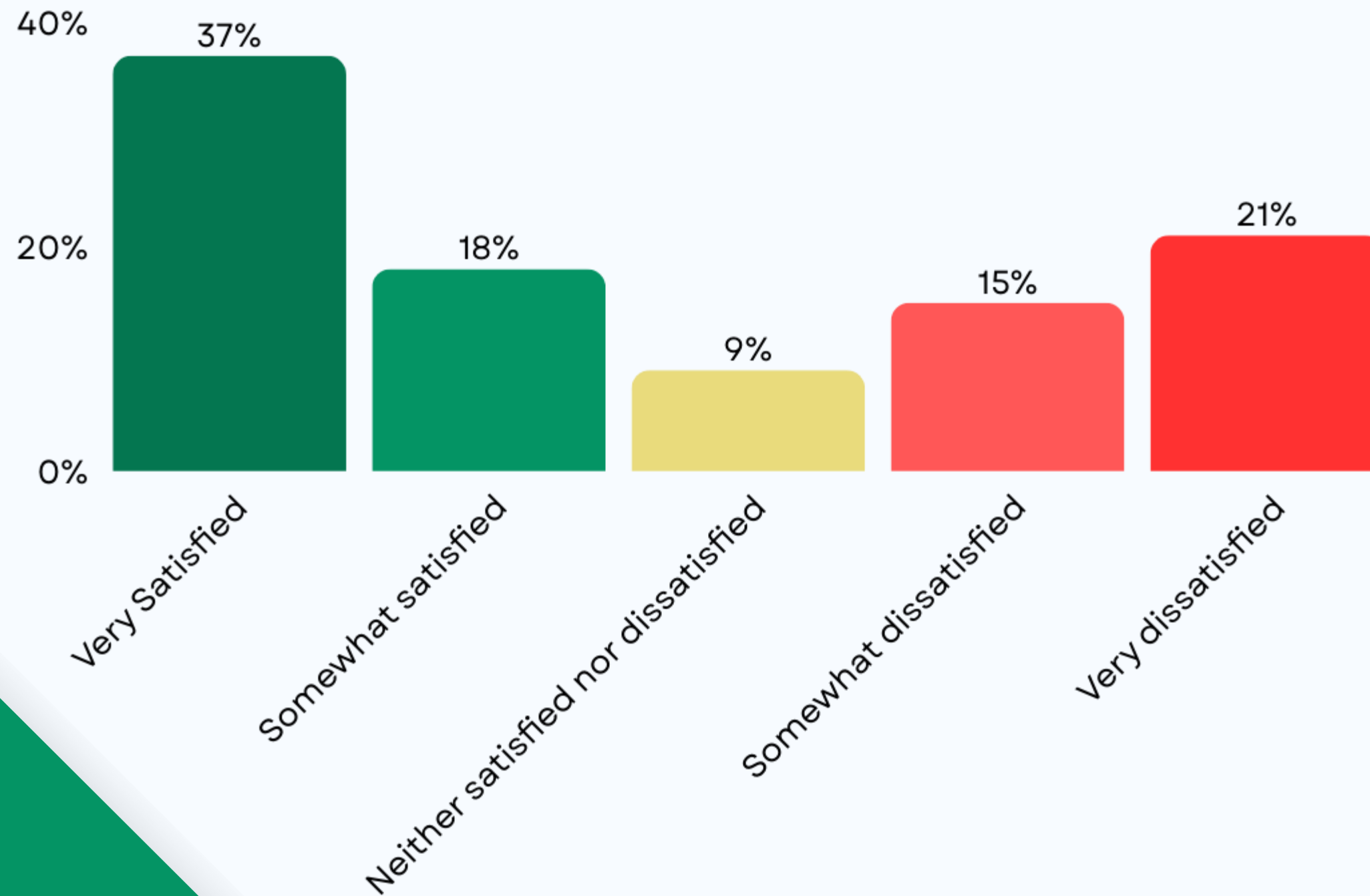
SECTION 1:

CIVIC SERVICES IN ISLAMABAD



A Majority (55%) Rate Roads and Pavements as Satisfactory—But Strong Dissatisfaction at 21% Shows Clear Gaps in Service Delivery.

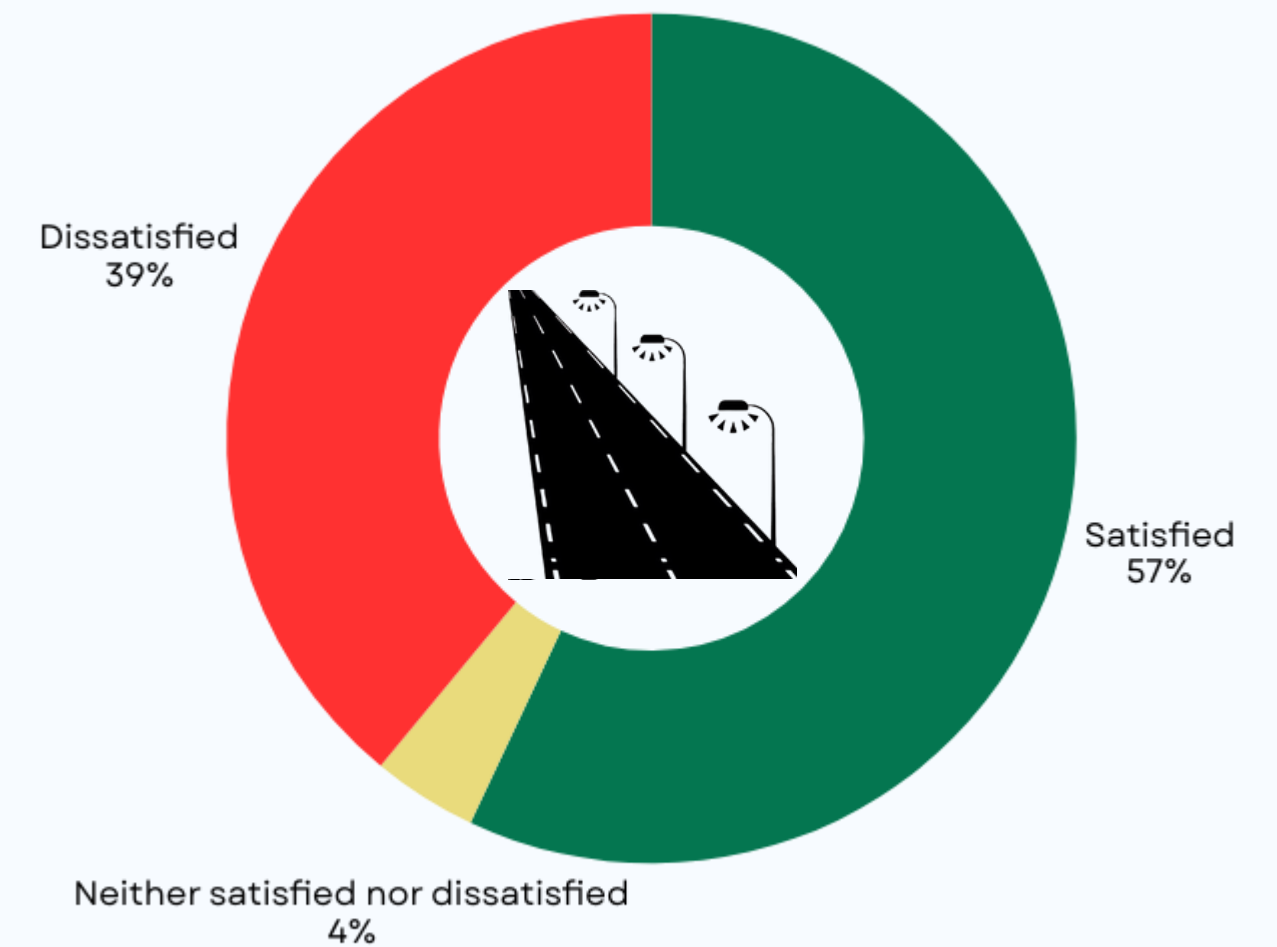
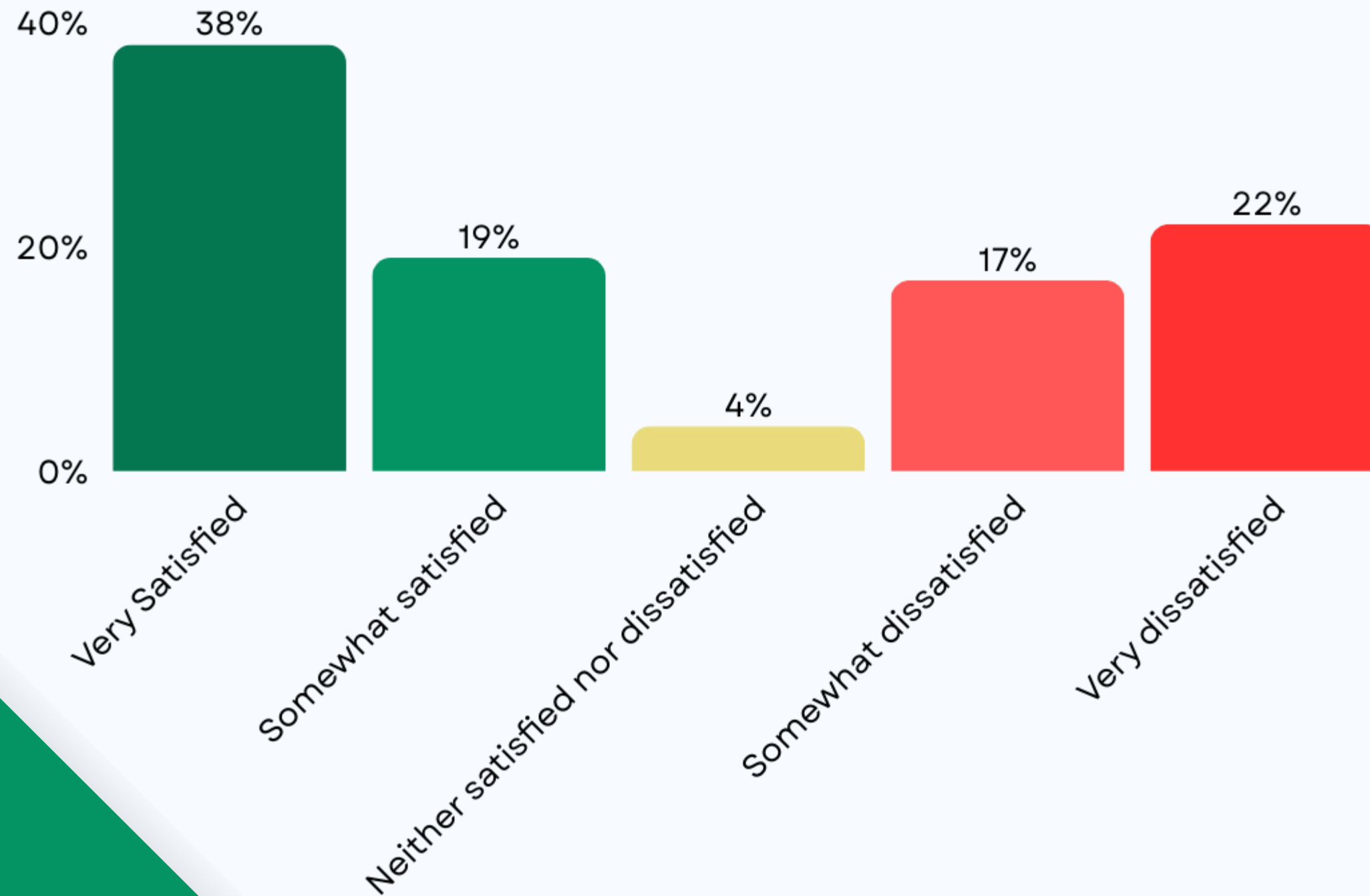
Q. HOW WOULD YOU RATE THE FOLLOWING SERVICES IN YOUR BUSINESS AREA? - **ROADS AND PAVEMENTS**



NET = 19%

While 38% Are 'Very Satisfied' with Street Lighting, A Significant 22% Are 'Very Dissatisfied,' Revealing Sharp Differences in Service Quality Across the Area.

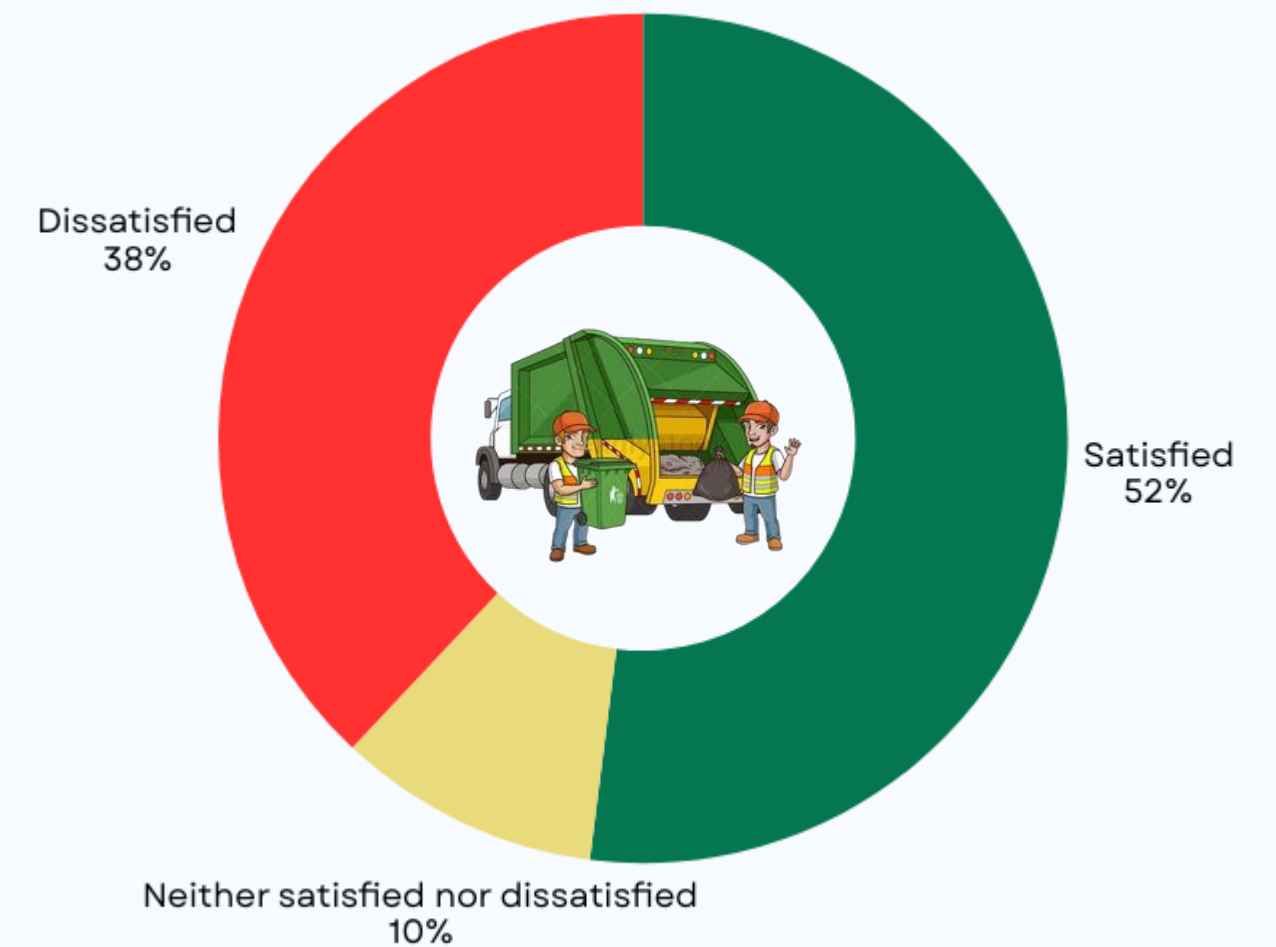
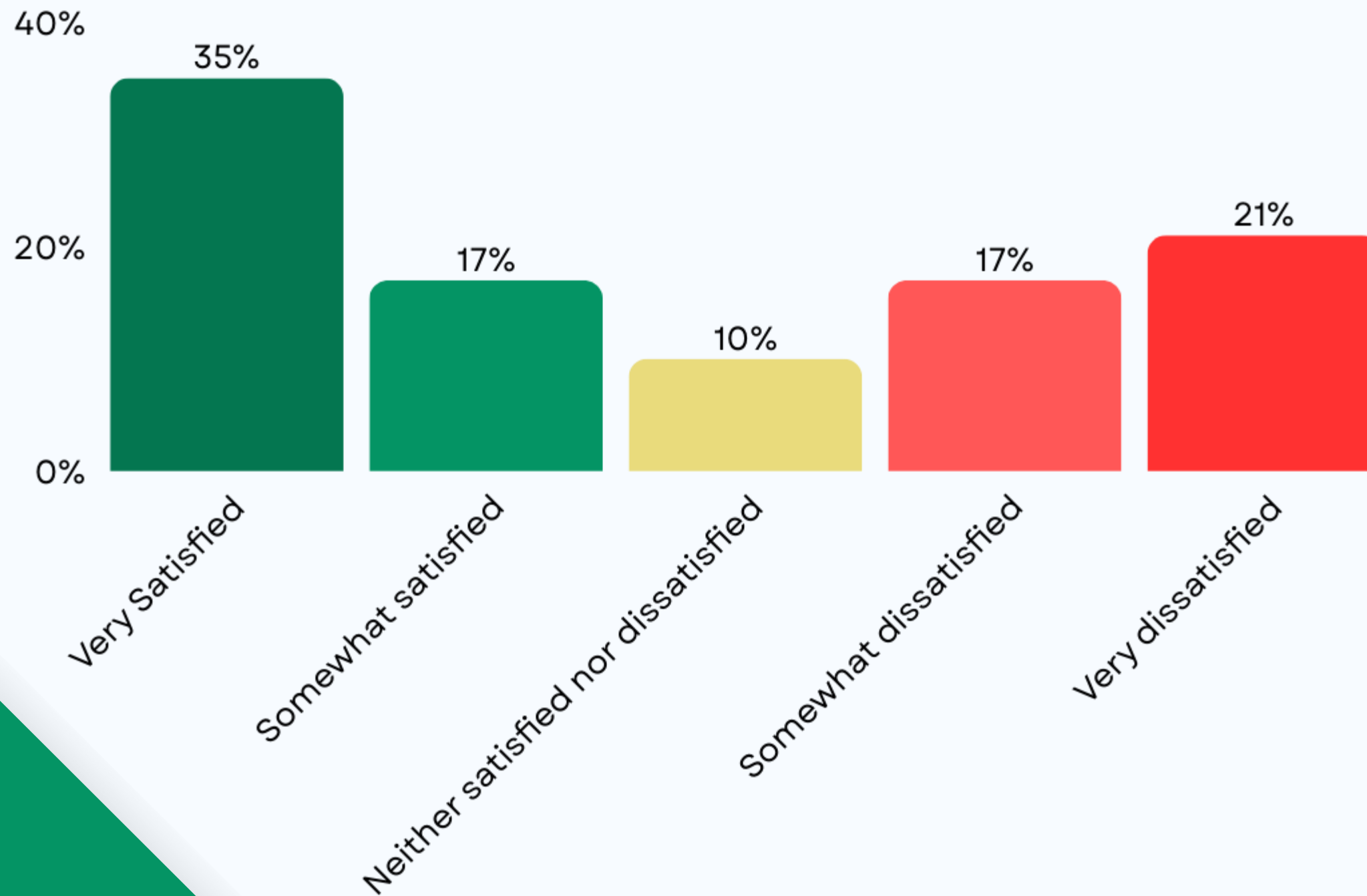
Q. HOW WOULD YOU RATE THE FOLLOWING SERVICES IN YOUR BUSINESS AREA? - STREET LIGHTING



NET = 18%

While **Over Half** of Businesses (**52%**) Are **Satisfied with Garbage Collection**, A High **38%** Report **Dissatisfaction**—Pointing to Uneven Service Performance.

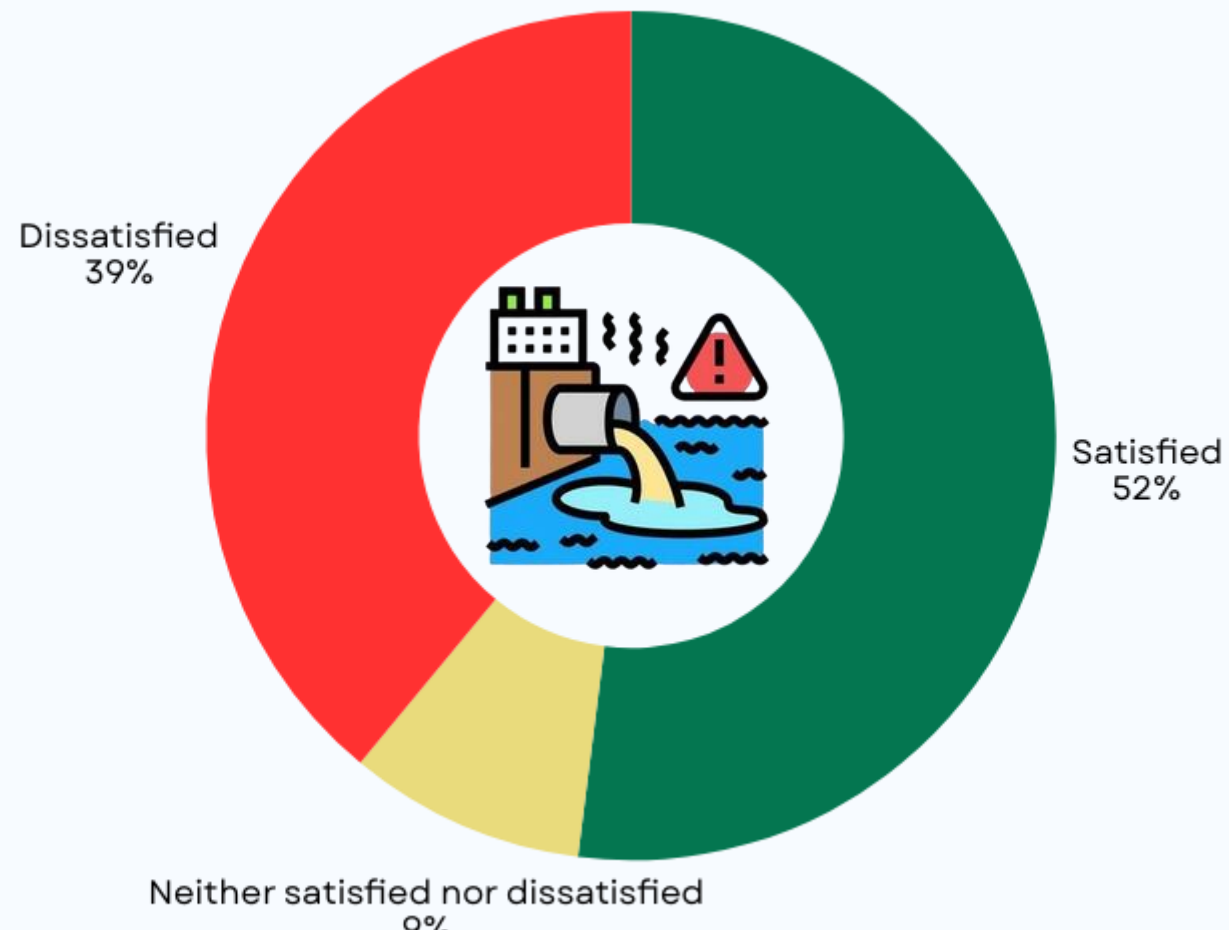
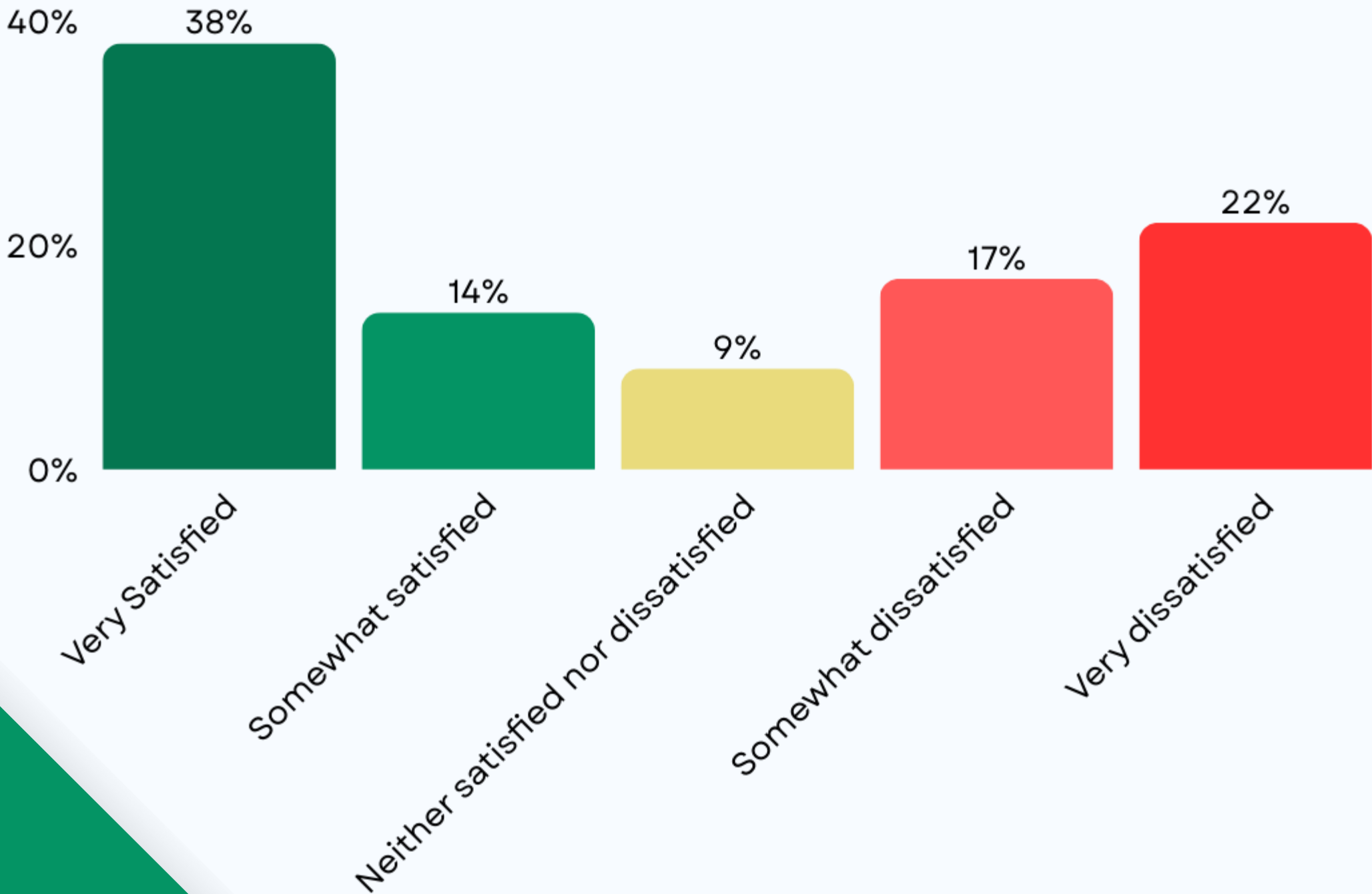
Q. HOW WOULD YOU RATE THE FOLLOWING SERVICES IN YOUR BUSINESS AREA? - **GARBAGE COLLECTION**



NET = 14%

Despite 52% Expressing Satisfaction, High Dissatisfaction (39%) Signals Persistent Issues in Water Supply and Drainage Management.

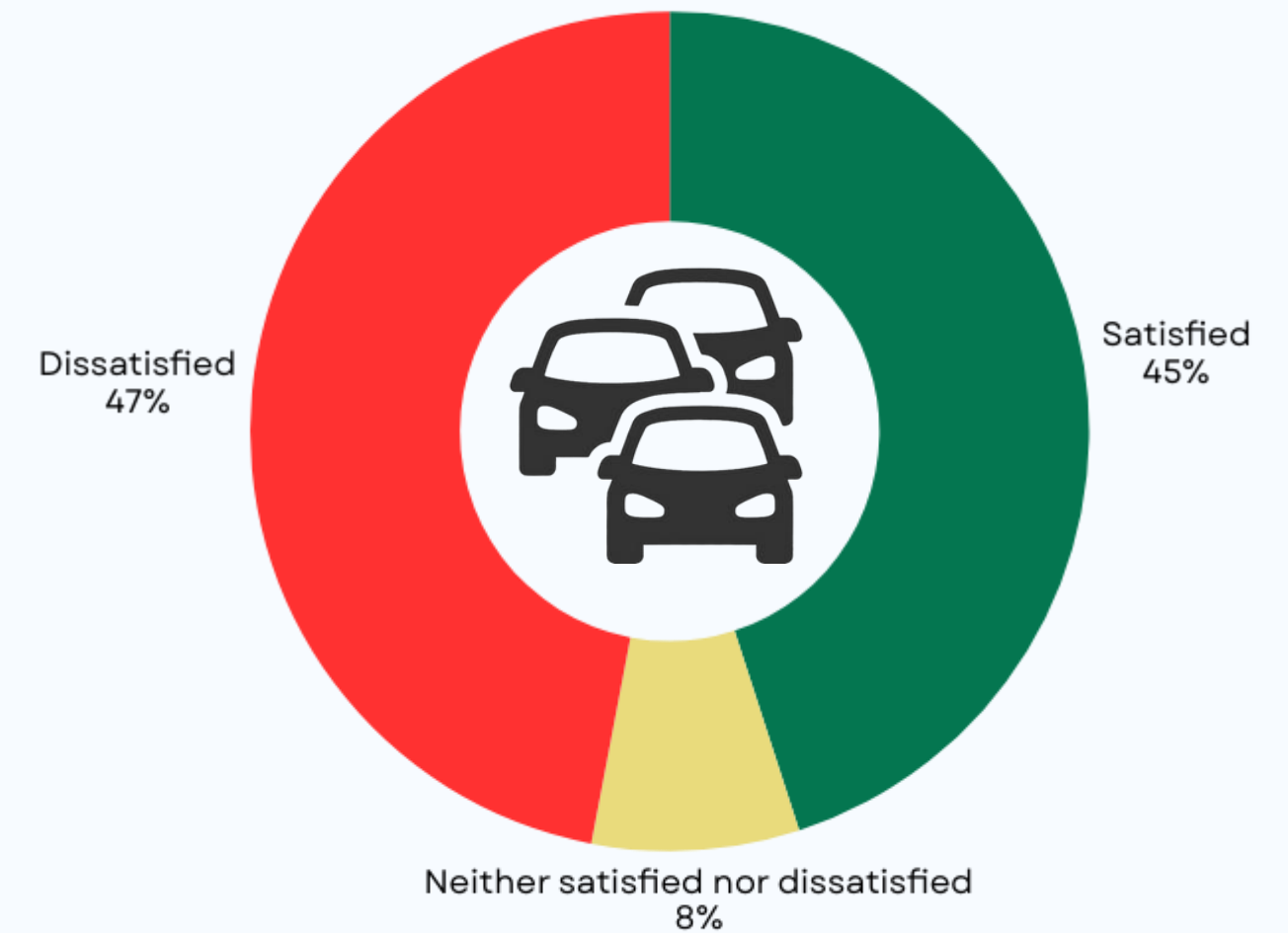
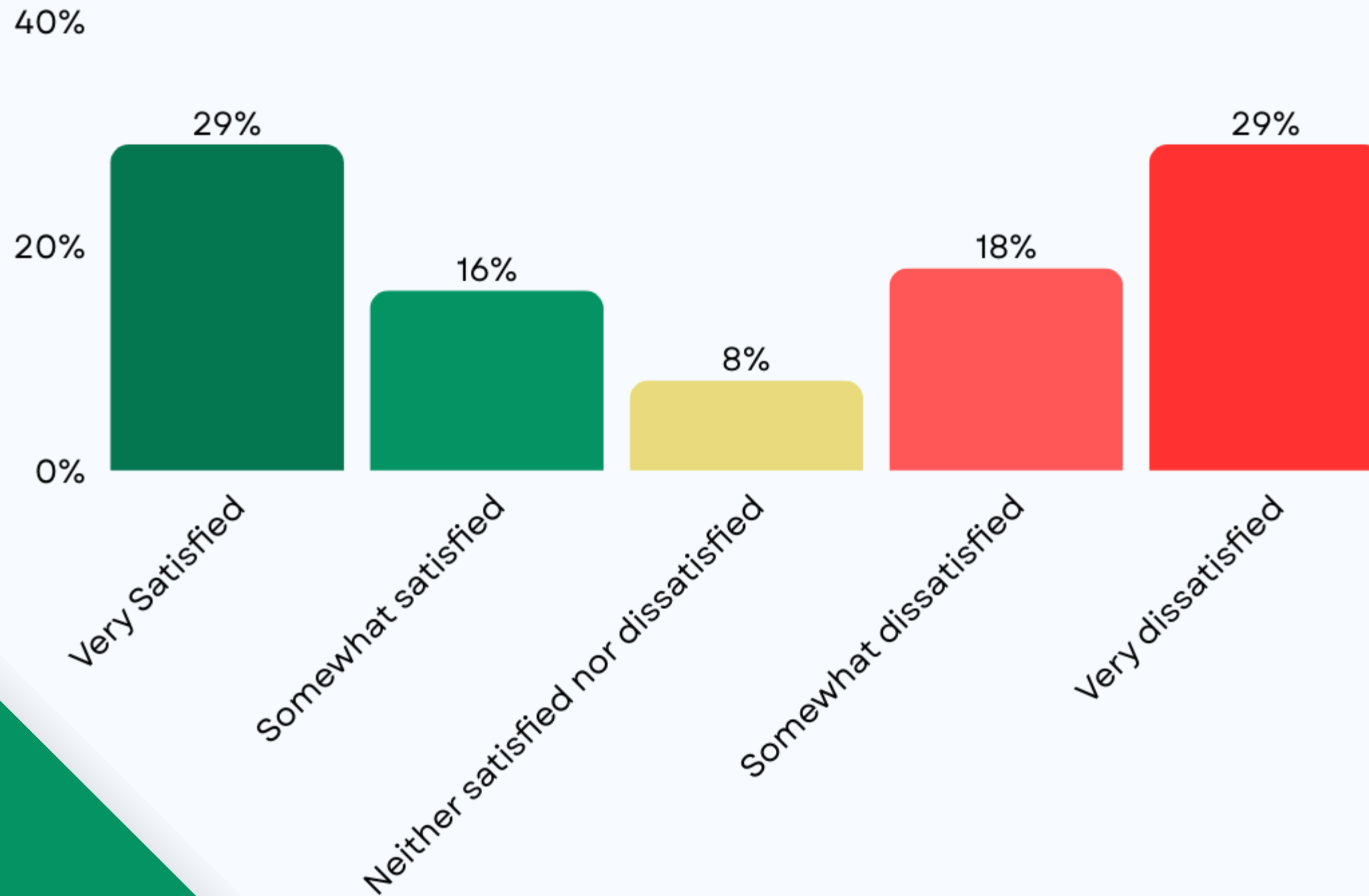
Q. HOW WOULD YOU RATE THE FOLLOWING SERVICES IN YOUR BUSINESS AREA? - WATER AND SEWAGE MANAGEMENT



NET = 13%

With **Dissatisfaction (47%)** Slightly Outpacing **Satisfaction (45%)**, Parking and Traffic Flow Emerge as a Persistent **Pain Point** for Businesses.

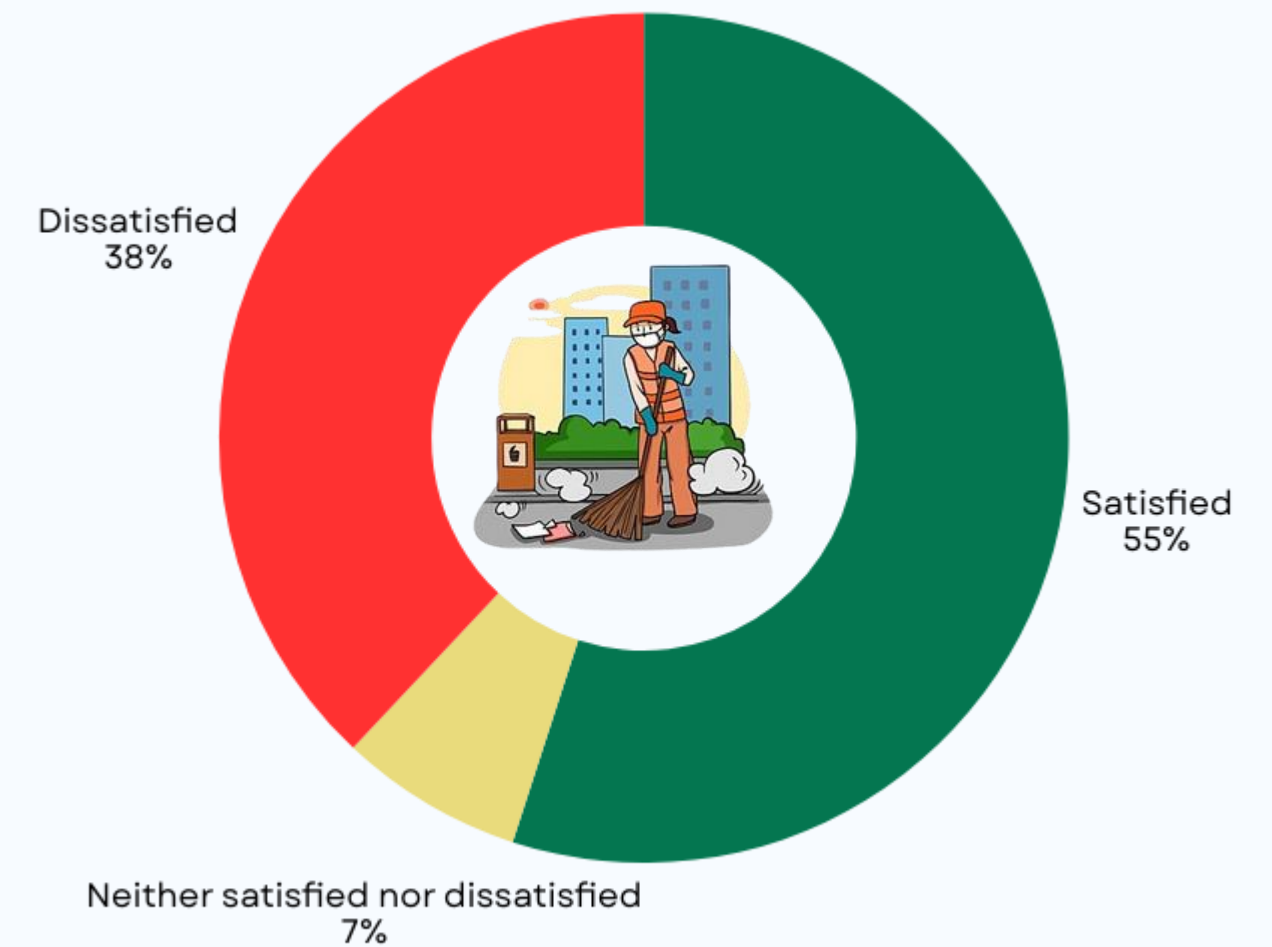
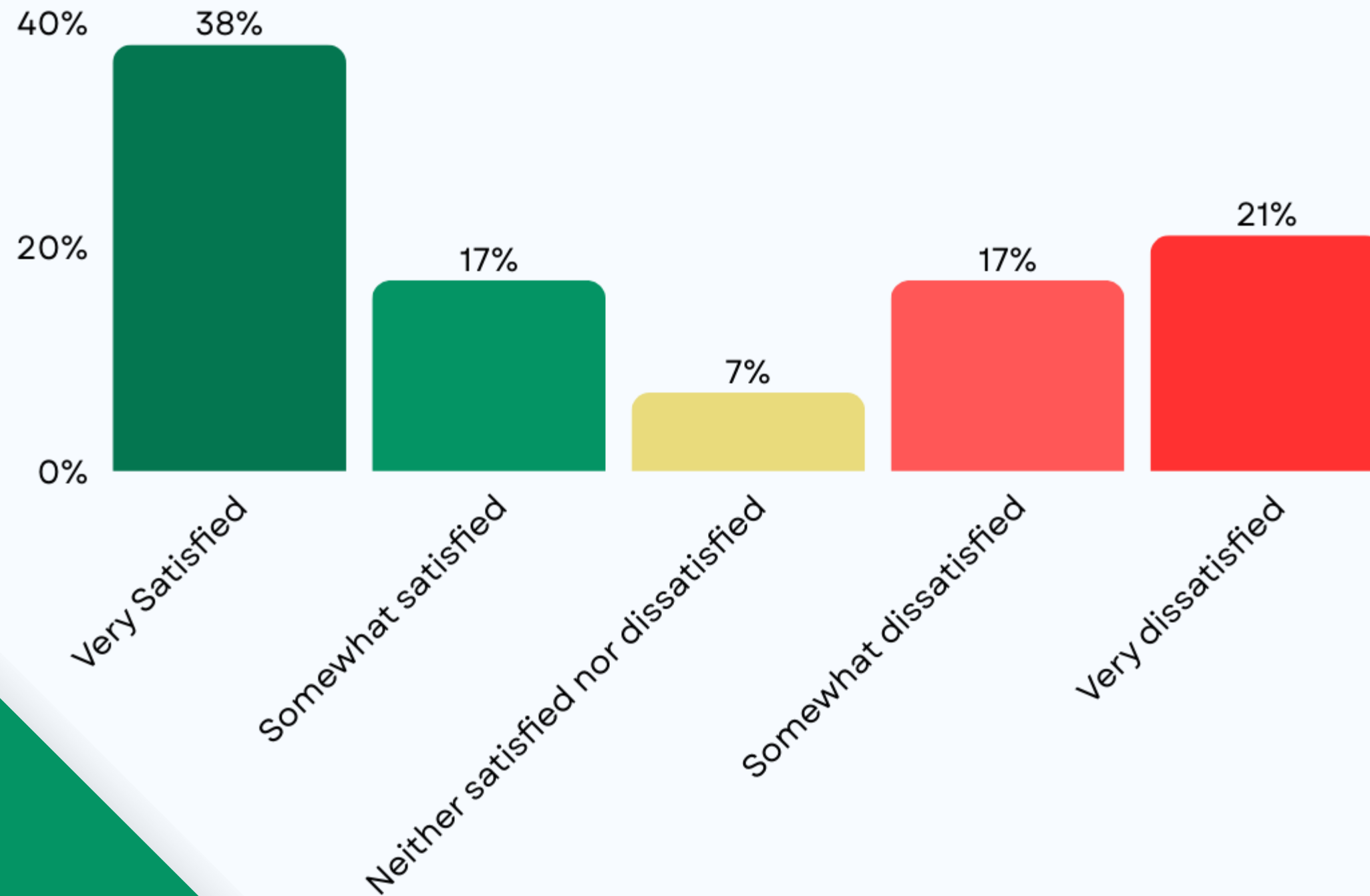
Q. HOW WOULD YOU RATE THE FOLLOWING SERVICES IN YOUR BUSINESS AREA? - **PARKING AND TRAFFIC FLOW**



NET = -2%

While 55% Are Satisfied with Public Cleanliness, A High 38% Express Dissatisfaction—Signaling Uneven Maintenance Across the Area.

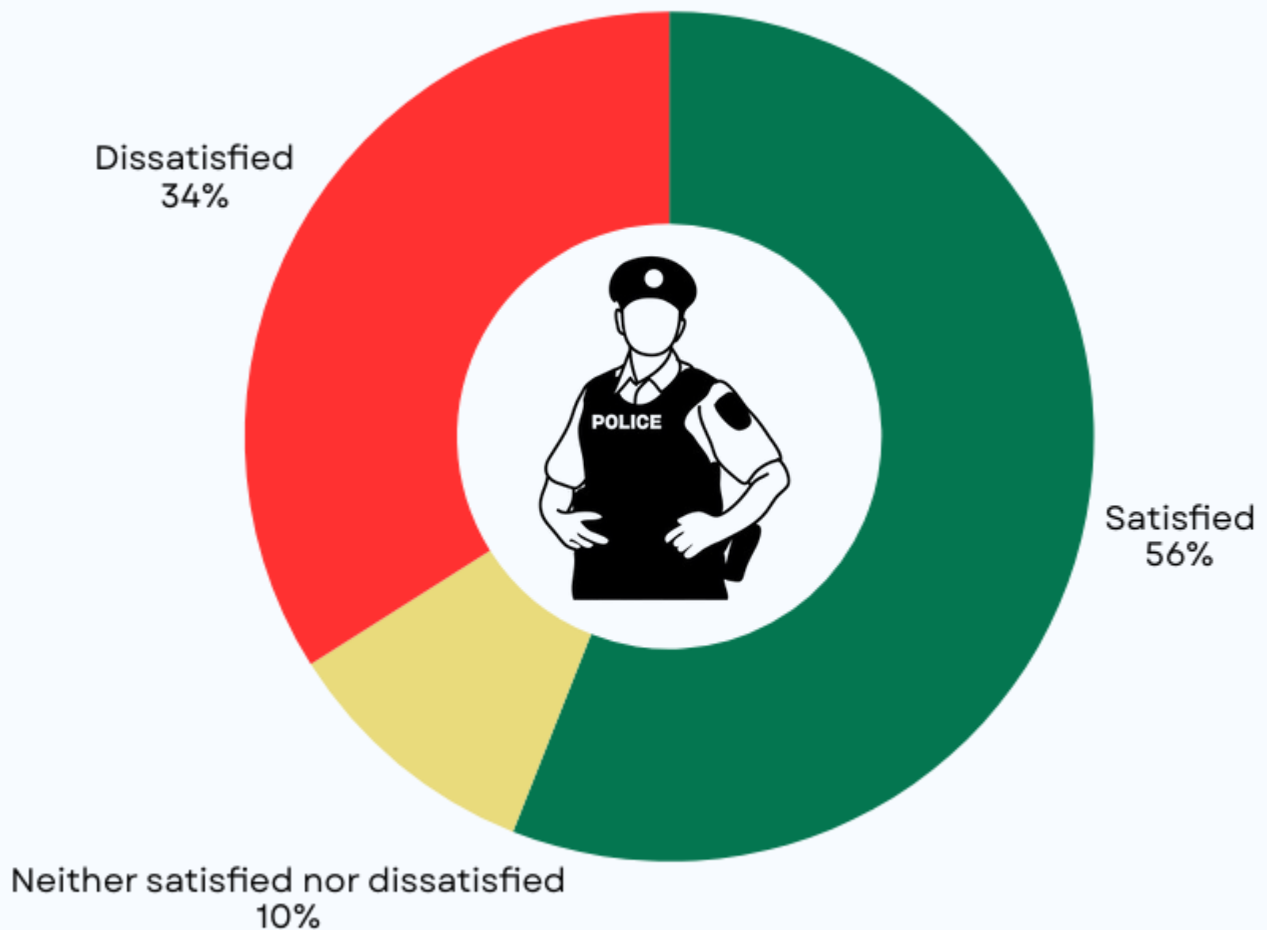
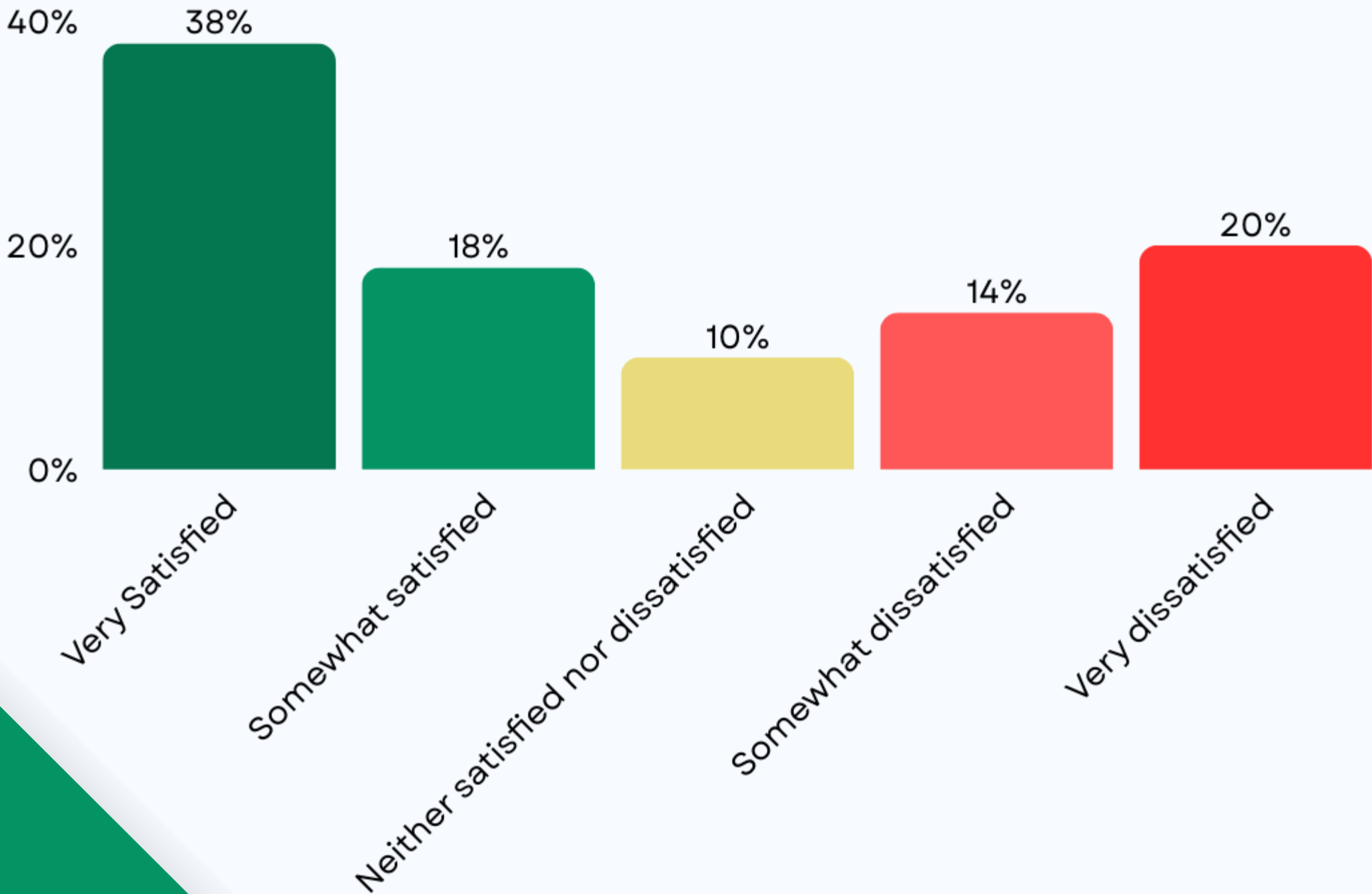
Q. HOW WOULD YOU RATE THE FOLLOWING SERVICES IN YOUR BUSINESS AREA? - CLEANLINESS OF PUBLIC SPACES



NET = 17%

Police Presence and Response Receive a Stronger Approval Margin—56% Satisfied Compared to 34% Dissatisfied, Resulting in a Net Score of 22%.

Q. HOW WOULD YOU RATE THE FOLLOWING SERVICES IN YOUR BUSINESS AREA? - **POLICE PRESENCE AND RESPONSE**



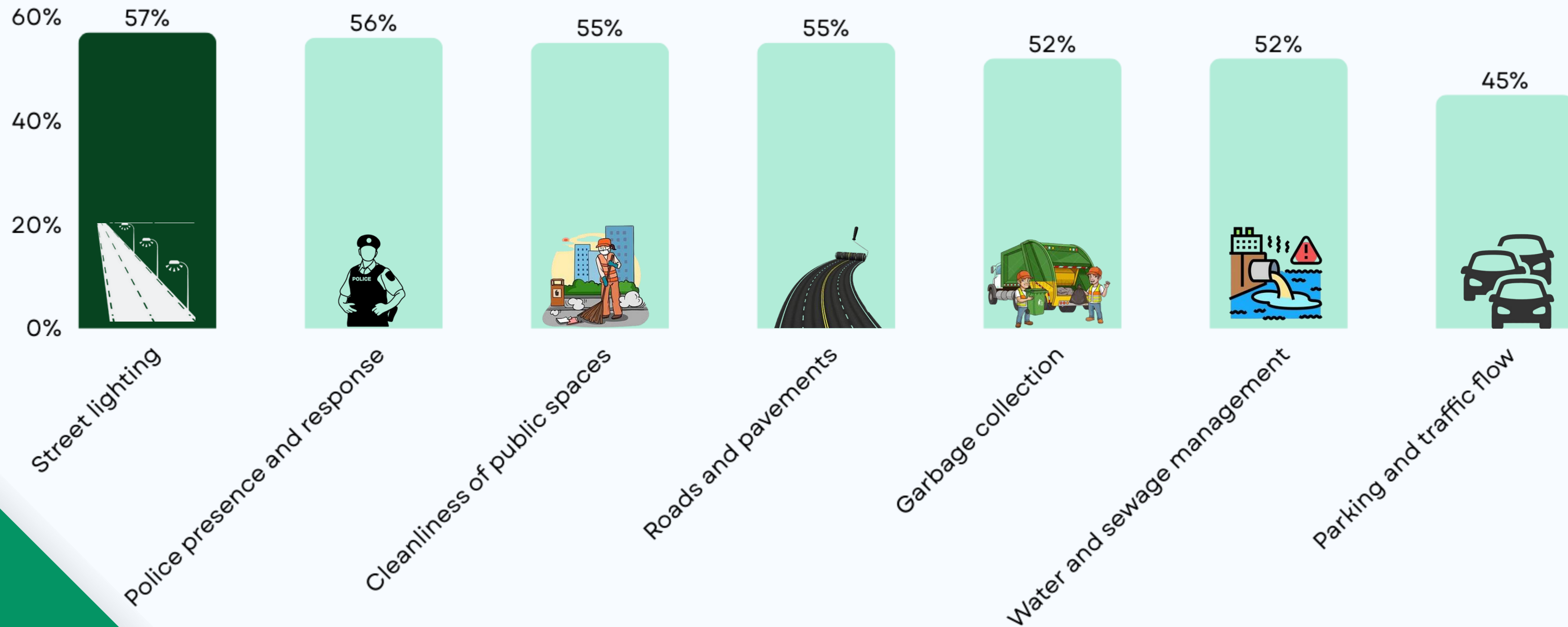
NET = 22%

Street Lighting (57%) and Police Presence (56%) Lead Satisfaction Levels, While Parking and Traffic Flow Trails Significantly at 45%.

SUMMARY CHART

Q. HOW WOULD YOU RATE THE FOLLOWING SERVICES IN YOUR BUSINESS AREA?

"SATISFIED" RATING

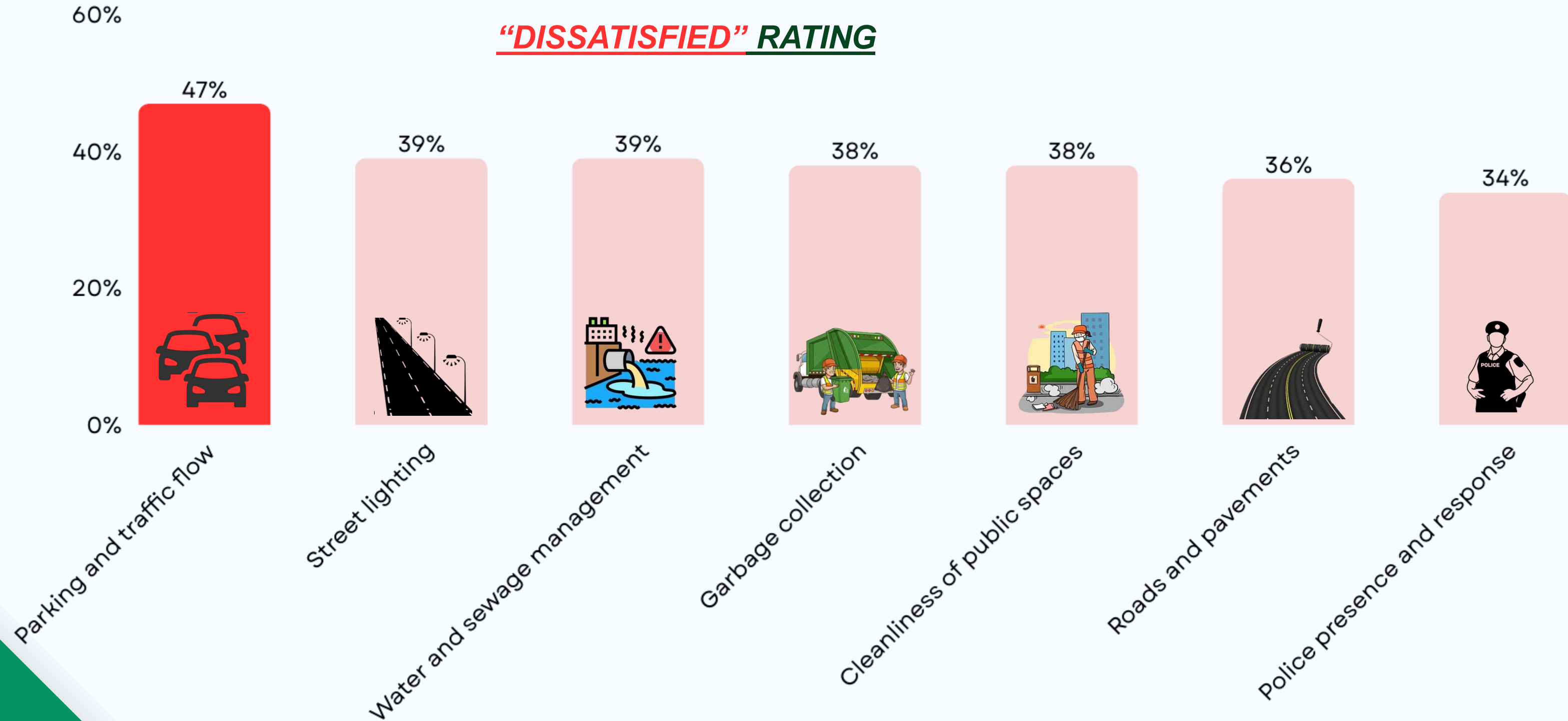


SOURCE: POWERED BY GALLUP PAKISTAN

Parking and Traffic Flow Draws the Highest Dissatisfaction at 47%, Far Exceeding All Other Services.

SUMMARY CHART

Q. HOW WOULD YOU RATE THE FOLLOWING SERVICES IN YOUR BUSINESS AREA?



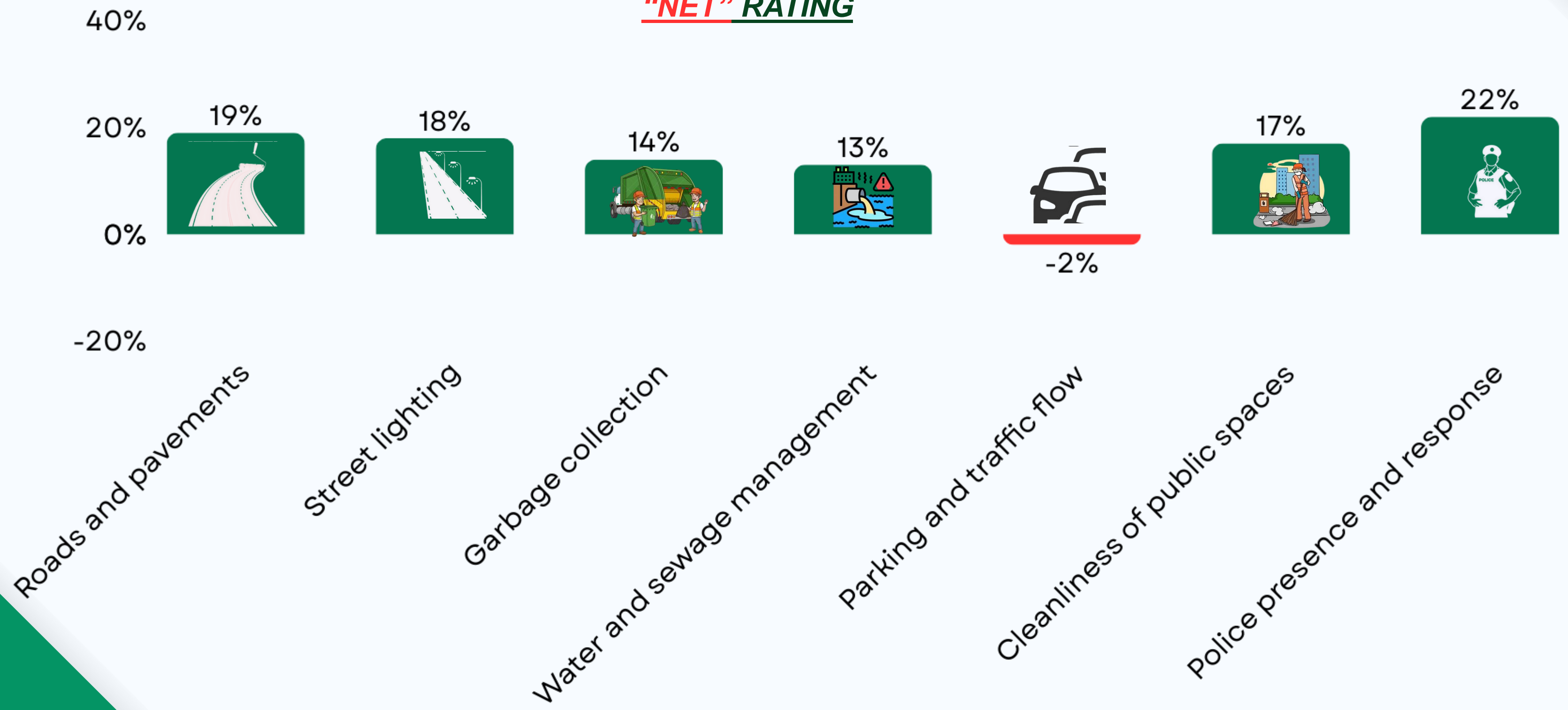
SOURCE: POWERED BY GALLUP PAKISTAN

Net Ratings Show Strongest Approval for Police Response (+22%) and Cleanliness (+17%), Whereas Parking and Traffic Flow Is the Only Service with a Negative Score (-2%).

SUMMARY CHART

Q. HOW WOULD YOU RATE THE FOLLOWING SERVICES IN YOUR BUSINESS AREA?

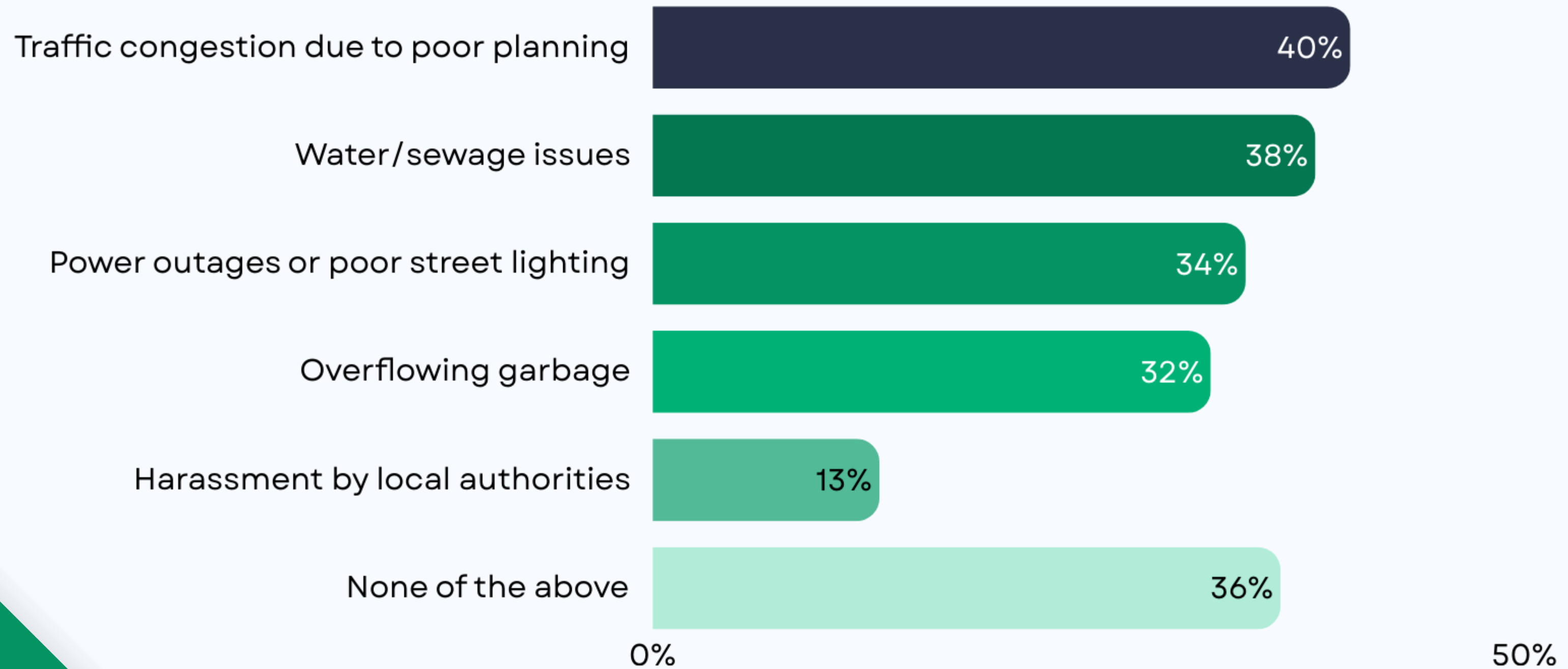
"NET" RATING



SOURCE: POWERED BY GALLUP PAKISTAN

Traffic Congestion Is the Most **Commonly** Experienced **Issue (40%)**, Closely Followed by **Water/Sewage Problems (38%)** and **Power or Lighting Interruptions (34%)**.

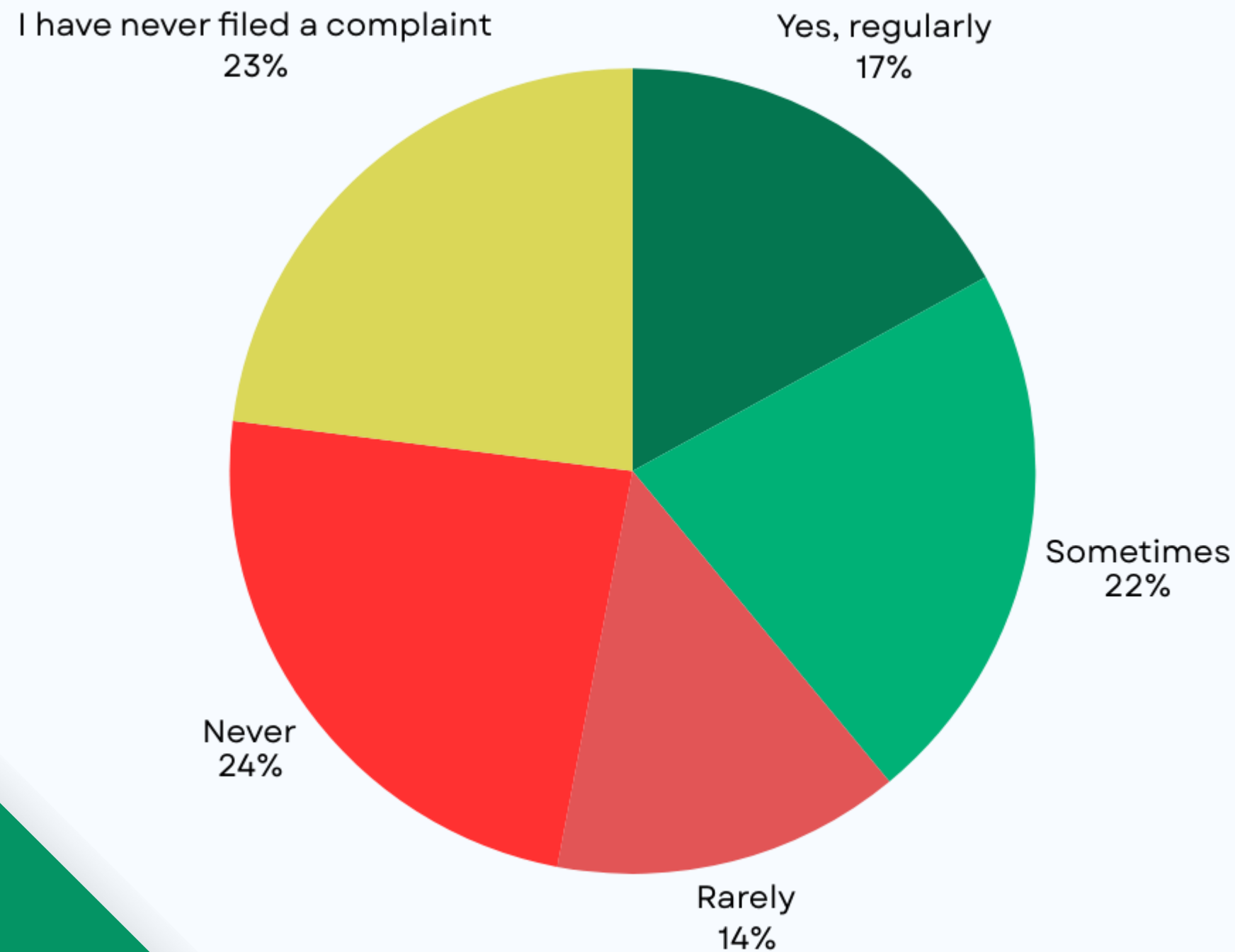
Q. WHICH OF THE FOLLOWING HAVE YOU PERSONALLY EXPERIENCED IN THE LAST 6 MONTHS?



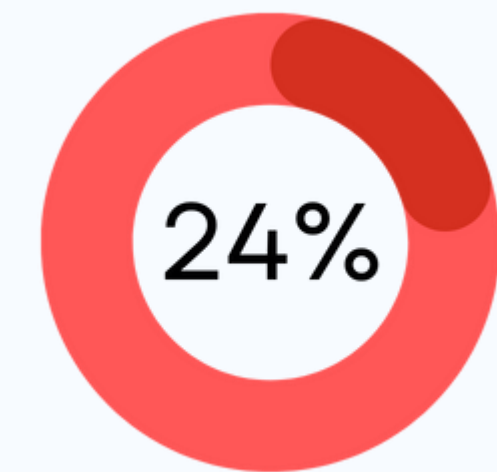
SOURCE: POWERED BY GALLUP PAKISTAN

More Than Half (53%) Report at Least Some Effective Response from CDA/ICT, But a Significant 24% Say Complaints Are Never Resolved.

Q. DO YOU BELIEVE CDA OR ICT ADMINISTRATION RESPOND EFFECTIVELY TO COMPLAINTS?



POSITIVE RESPONSE

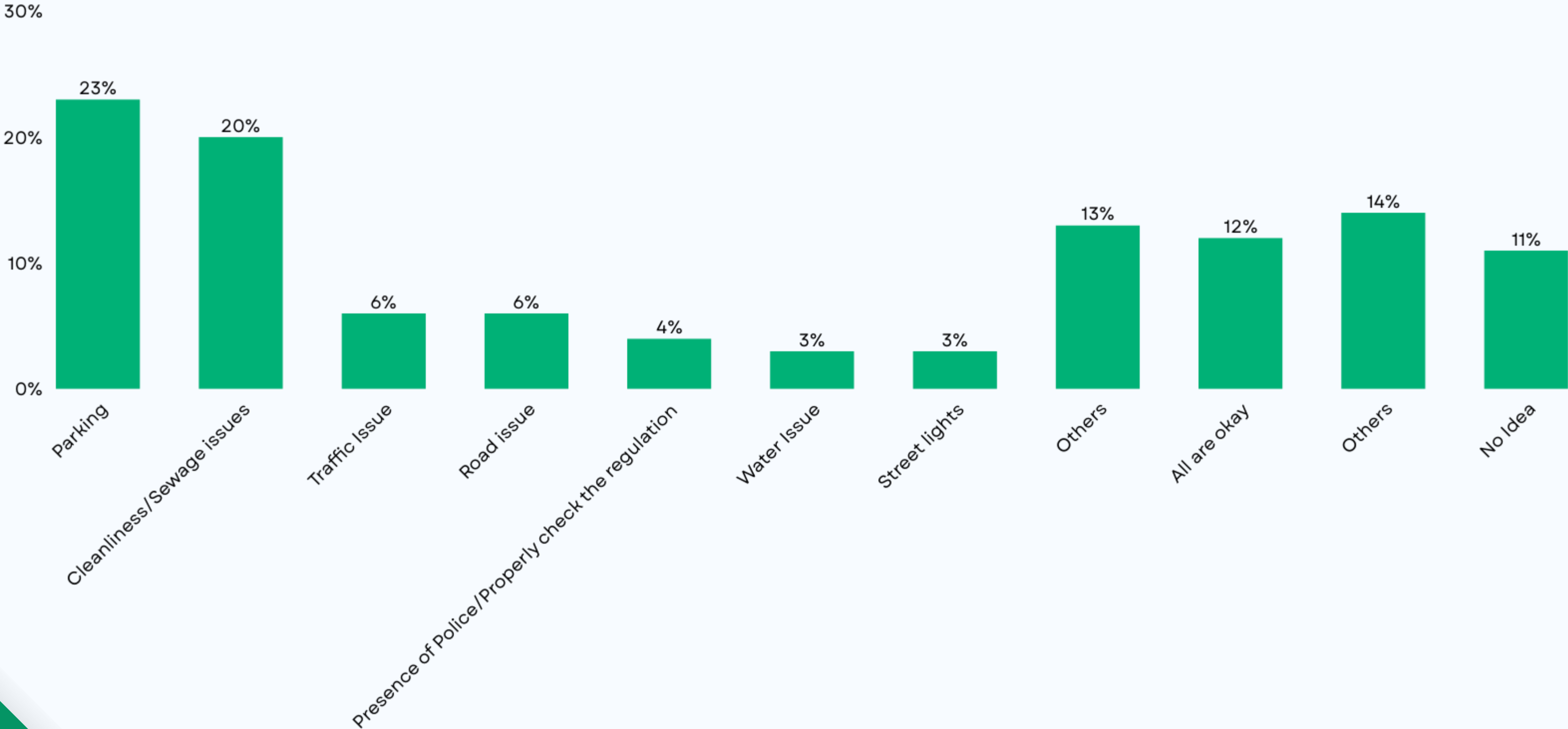


NEVER

SOURCE: POWERED BY GALLUP PAKISTAN

Parking Emerges as the Top Improvement Priority (30%), Followed by Cleanliness and Sewage (23%) and Traffic Issues (20%).

Q. IF YOU COULD IMPROVE ONE CIVIC SERVICE IN YOUR AREA, WHAT WOULD IT BE?



SOURCE: POWERED BY GALLUP PAKISTAN

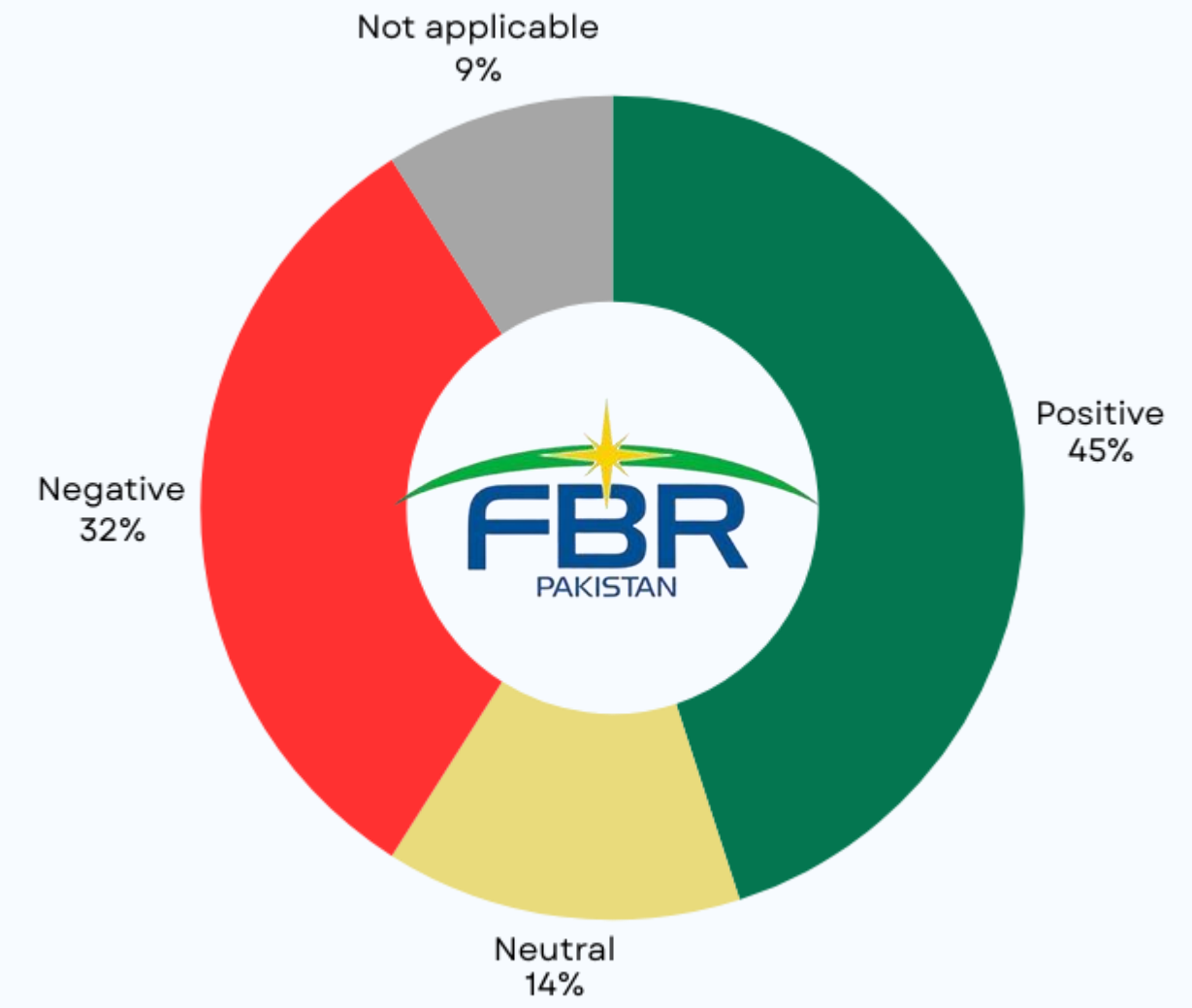
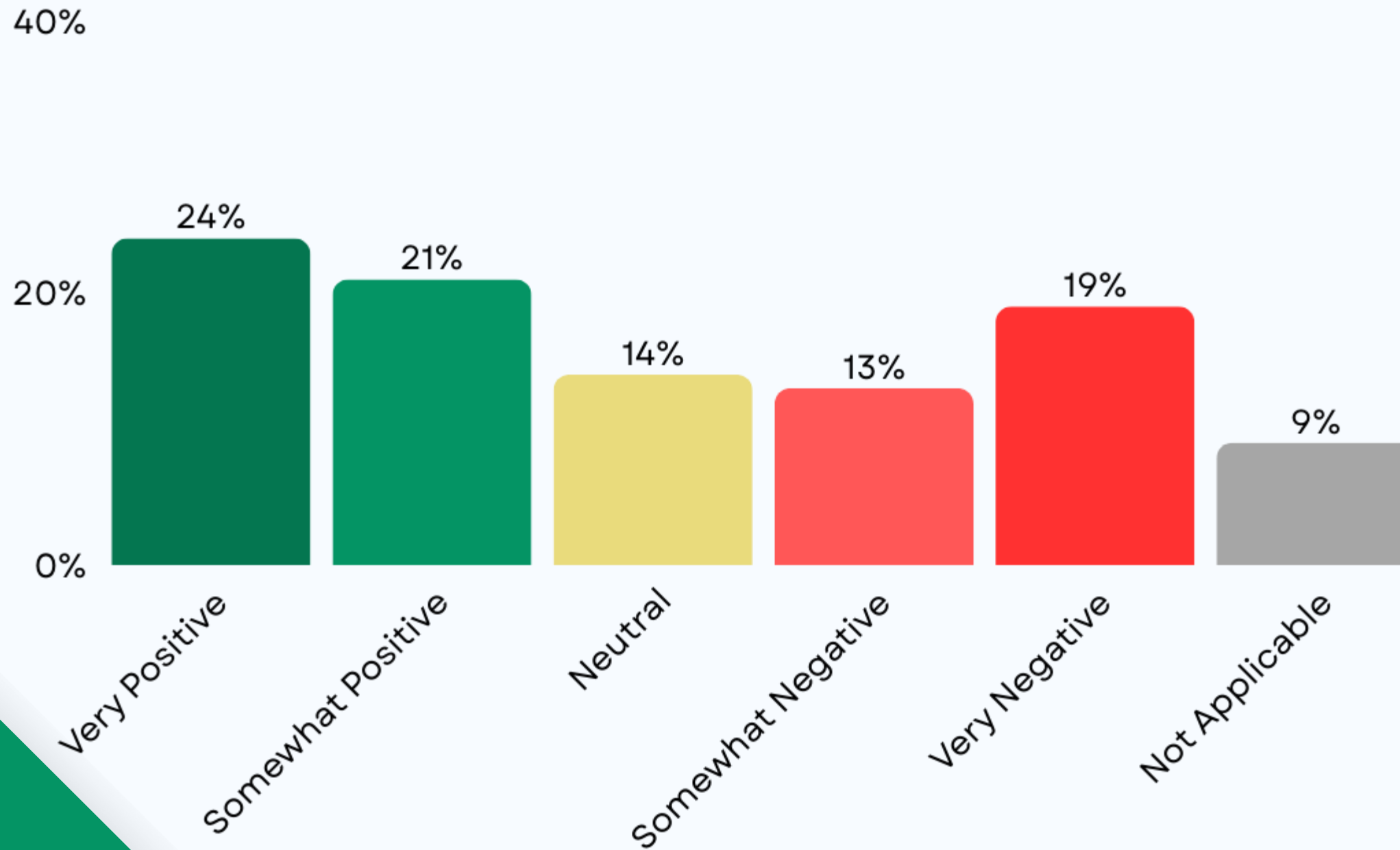
SECTION 2:

**GOVERNMENT
AUTHORITIES
&
REGULATIONS**



Perceptions of FBR Are Mixed: 45% Report Positive Interactions, While 32% Describe Their Experience as Negative.

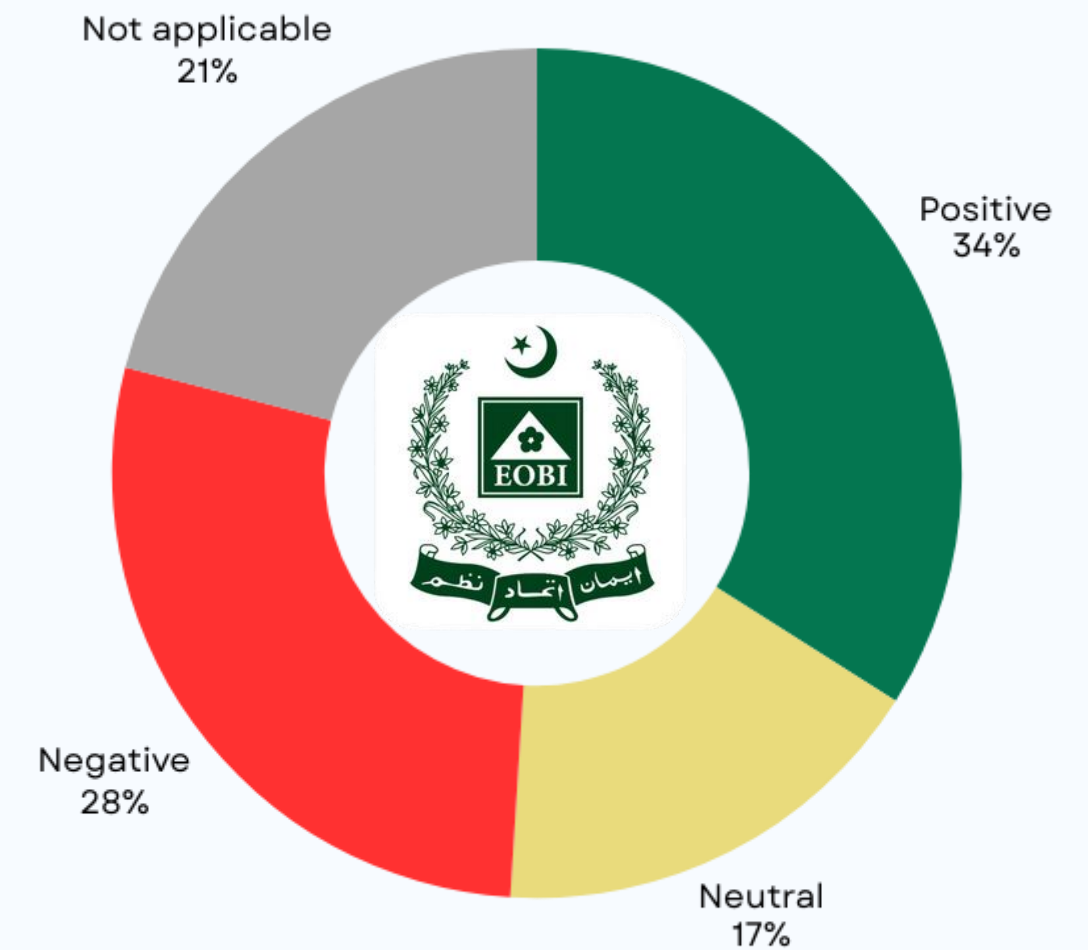
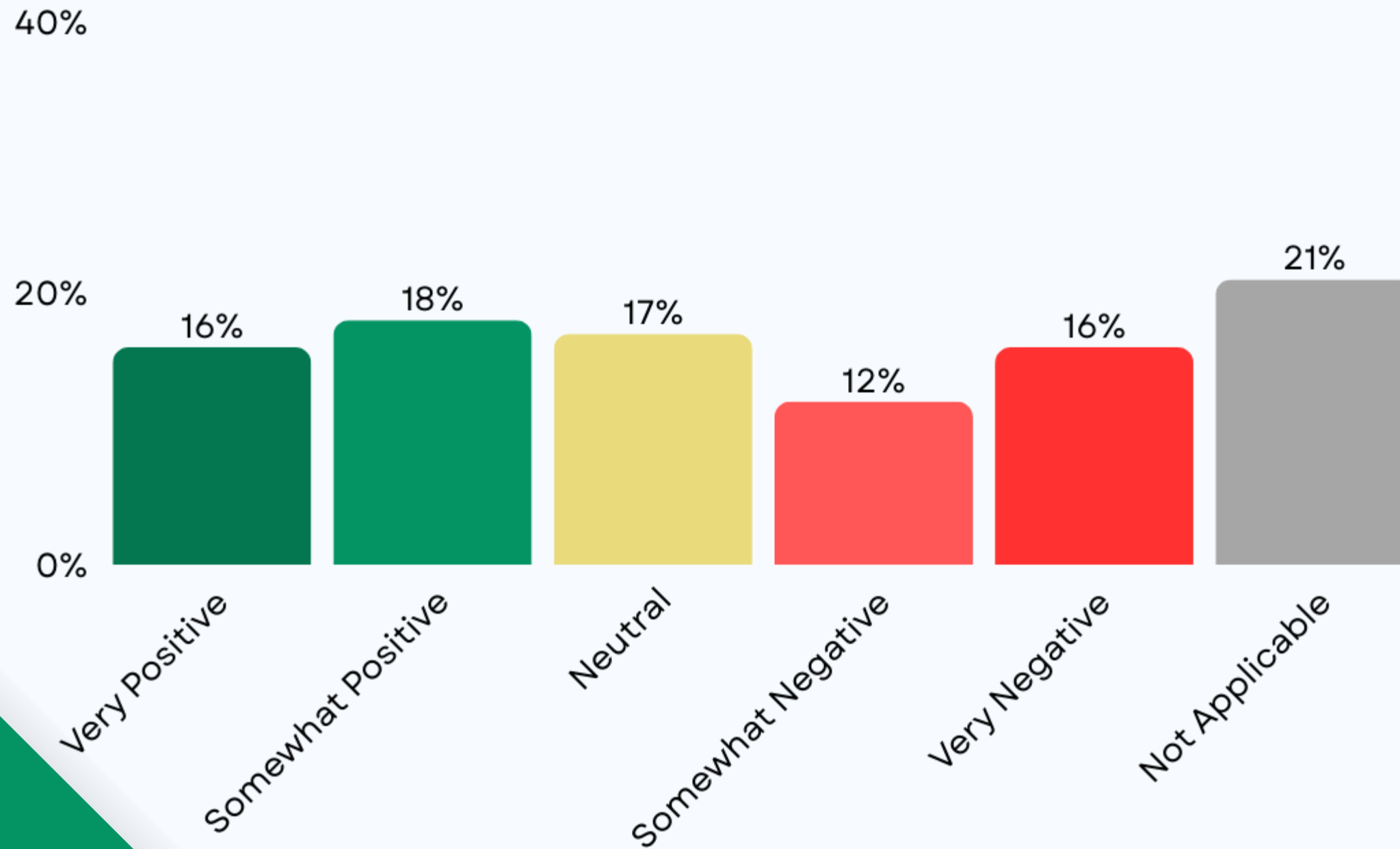
Q. HOW WOULD YOU RATE YOUR INTERACTIONS WITH THE FOLLOWING AUTHORITIES? - FBR (FEDERAL BOARD OF REVENUE)



NET = 13%

Perceptions of EOBI Are Mildly Positive—34% Report Good Interactions Compared to 28% Who Report Negative Ones.

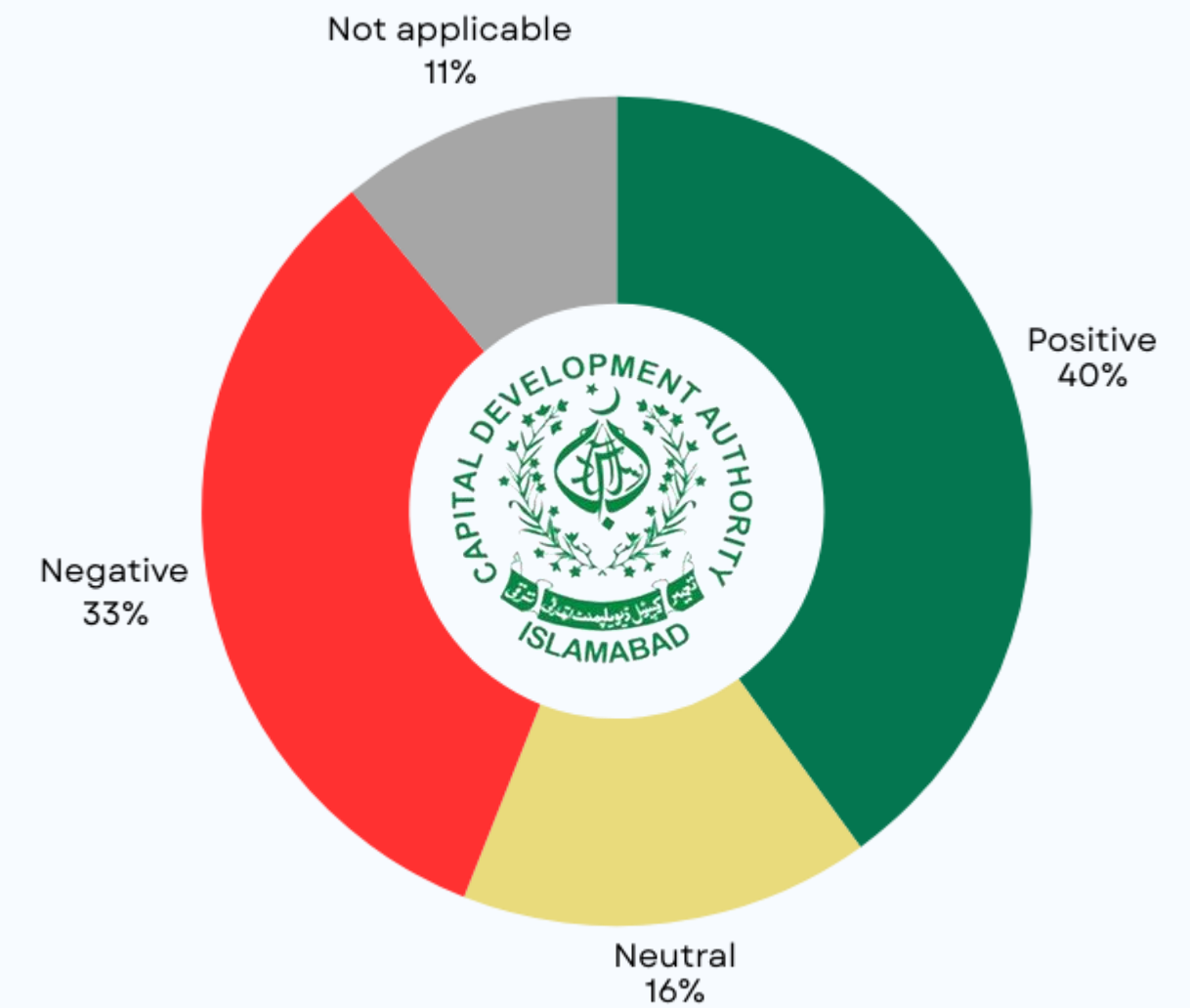
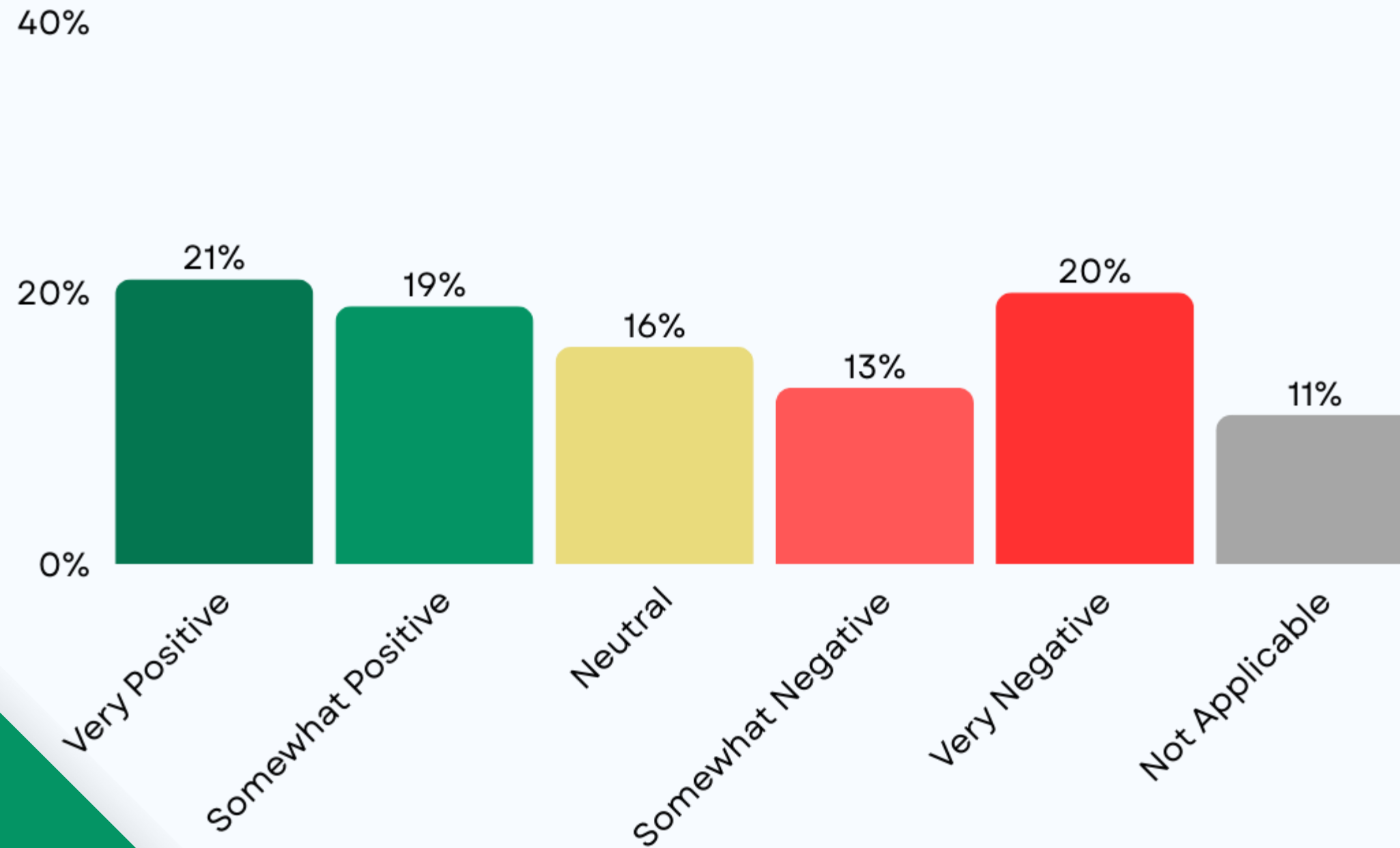
Q. HOW WOULD YOU RATE YOUR INTERACTIONS WITH THE FOLLOWING AUTHORITIES? - EOBI



NET = 6%

CDA Receives a Mildly Positive Rating—40% Report Good Interactions, While 33% Share Negative Experiences, Resulting in a Net Score of 7%.

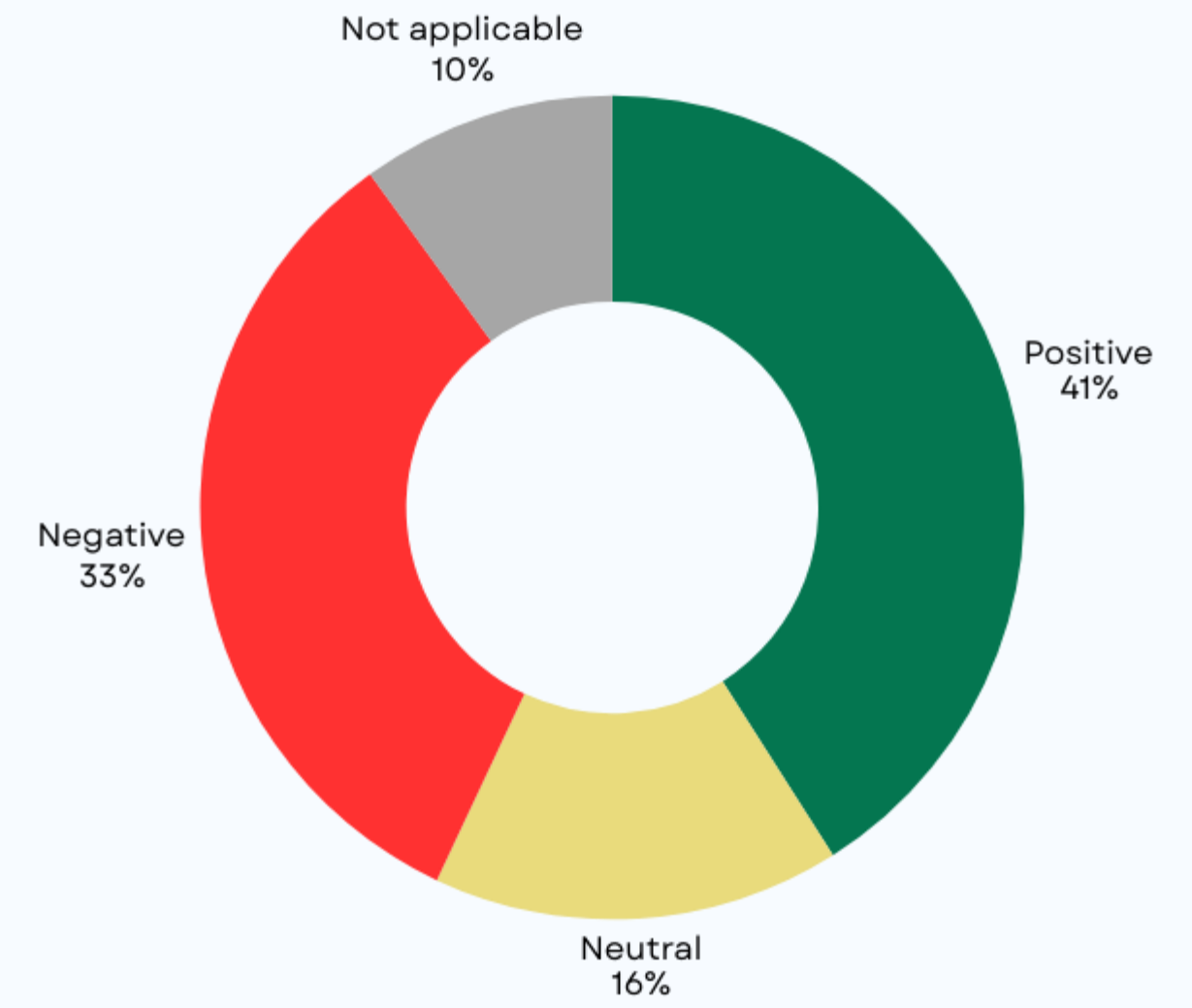
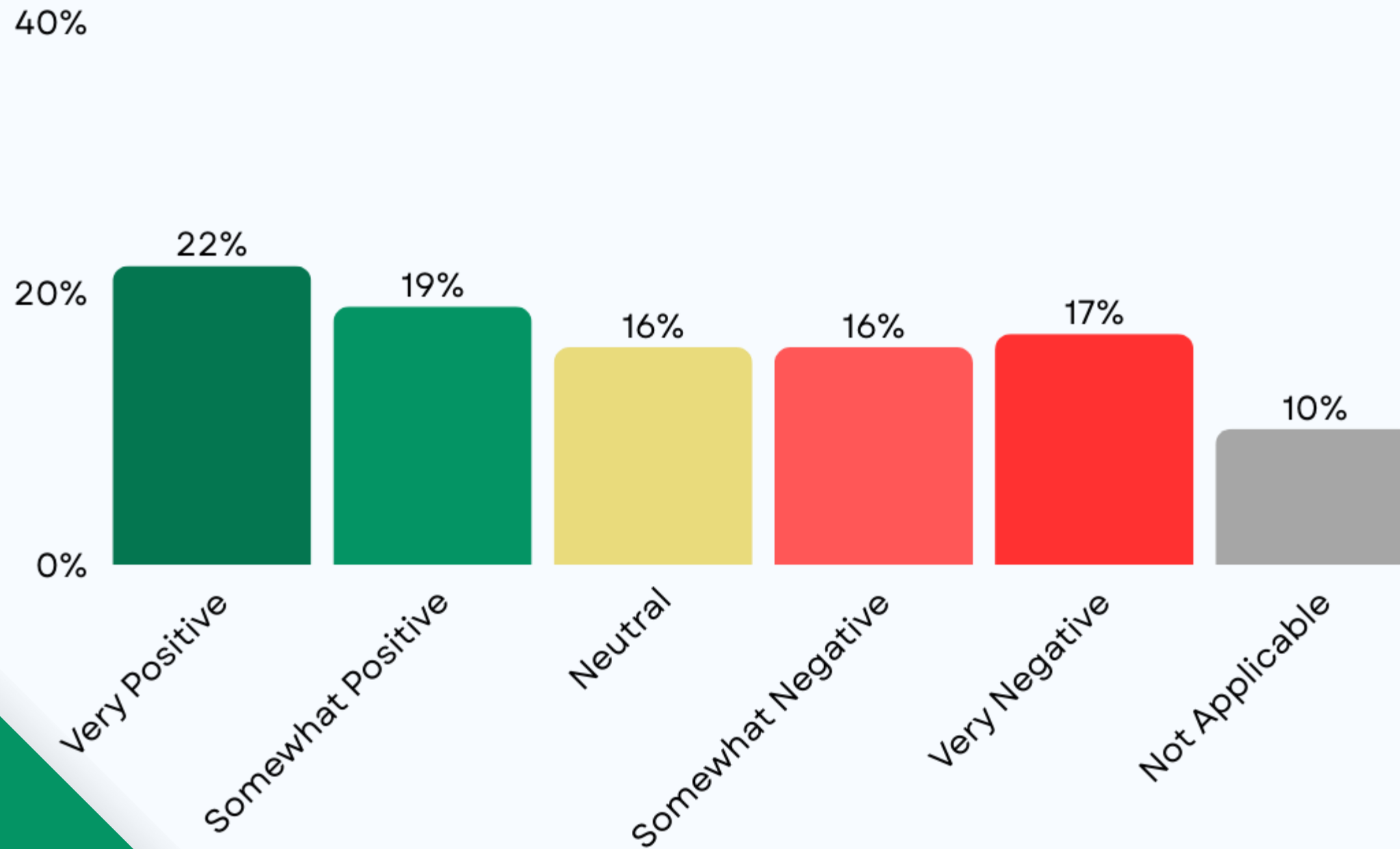
Q. HOW WOULD YOU RATE YOUR INTERACTIONS WITH THE FOLLOWING AUTHORITIES? - CDA



NET = 7%

Views on Police/Local Administration Are Nearly Evenly Split—41% Positive Against 33% Negative—Yielding Only a Modest Net Score of 8%.

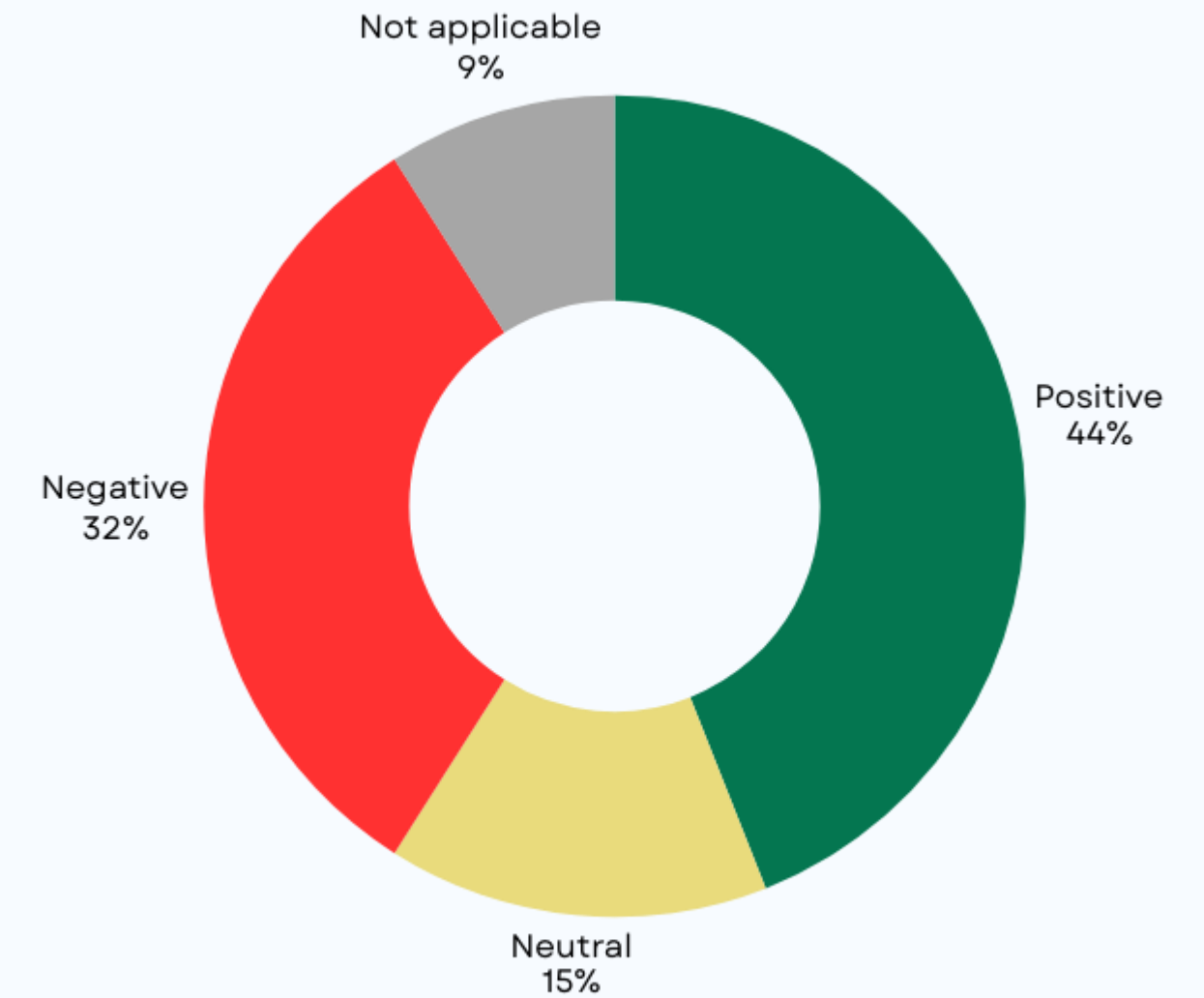
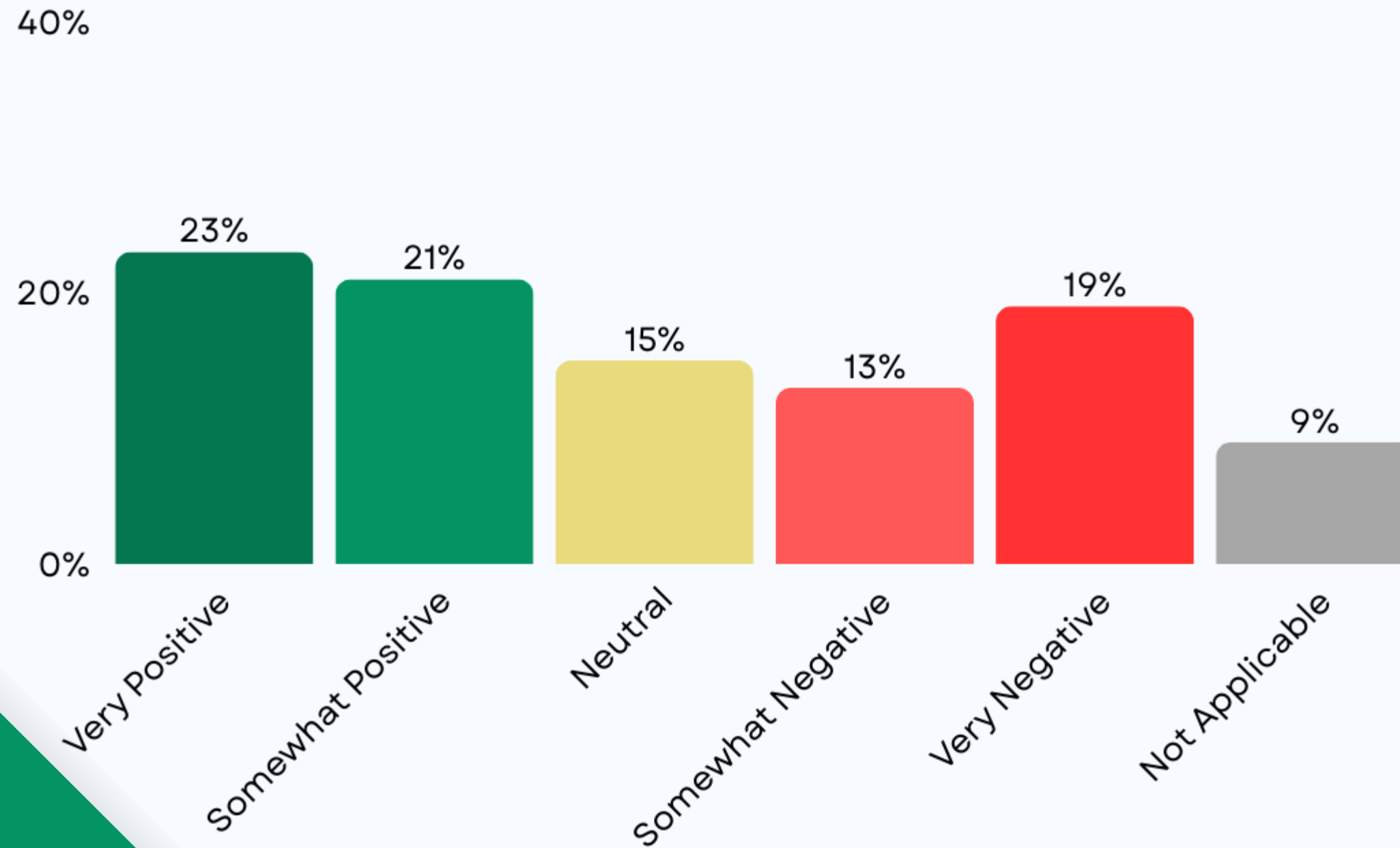
Q. HOW WOULD YOU RATE YOUR INTERACTIONS WITH THE FOLLOWING AUTHORITIES? - POLICE OR LOCAL ADMINISTRATION



NET = 8%

Utility Providers Earn a Net Positive Rating of 12%, With Favorable Interactions (44%) Only Moderately Outweighing Negative Ones (32%).

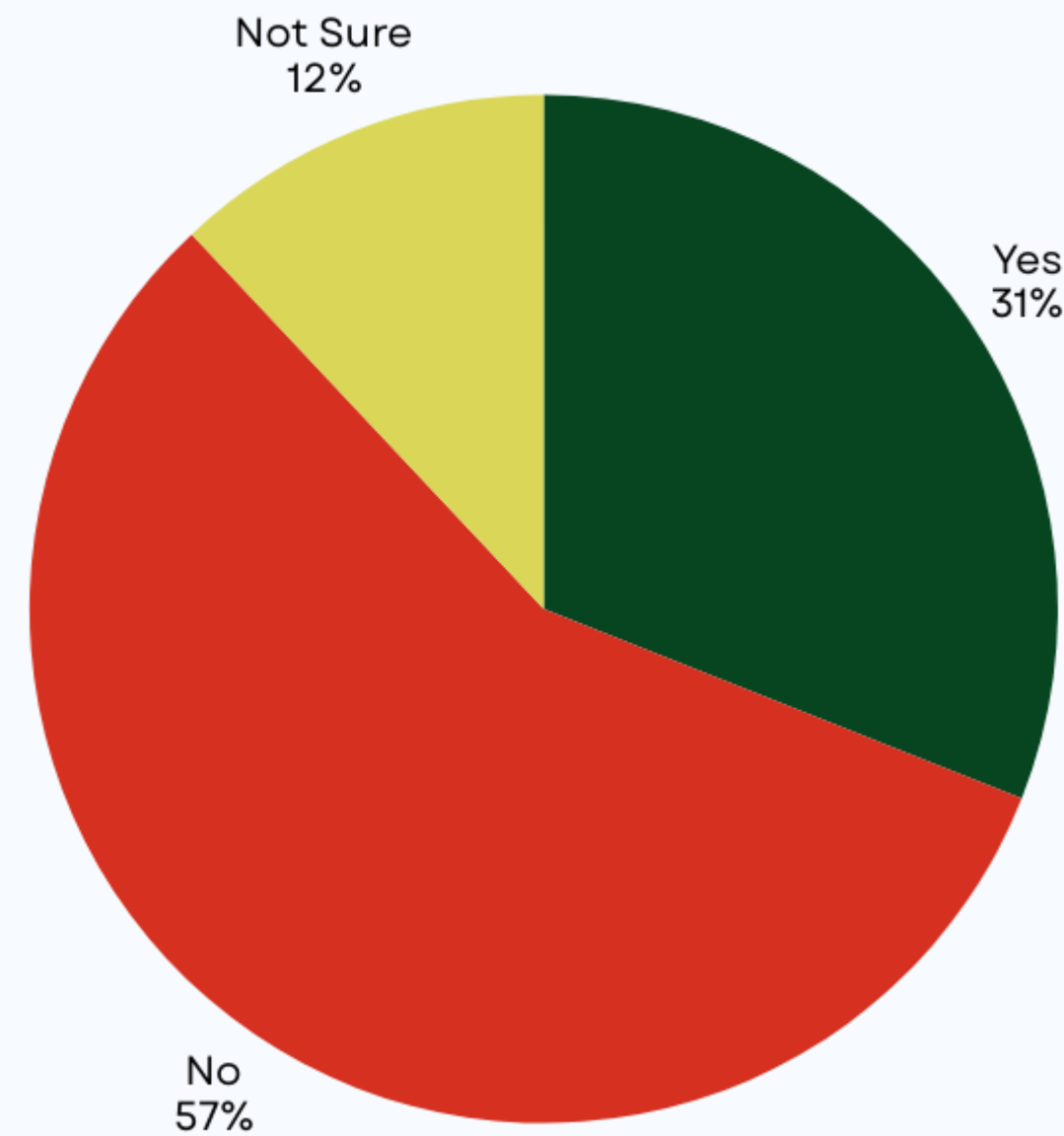
Q. HOW WOULD YOU RATE YOUR INTERACTIONS WITH THE FOLLOWING AUTHORITIES? - **UTILITY PROVIDERS (IESCO, SNGPL)**



NET = 12%

A Majority of Businesses (57%) Believe the Tax System Is Unfair to SMEs, While Only 31% View It as Fair.

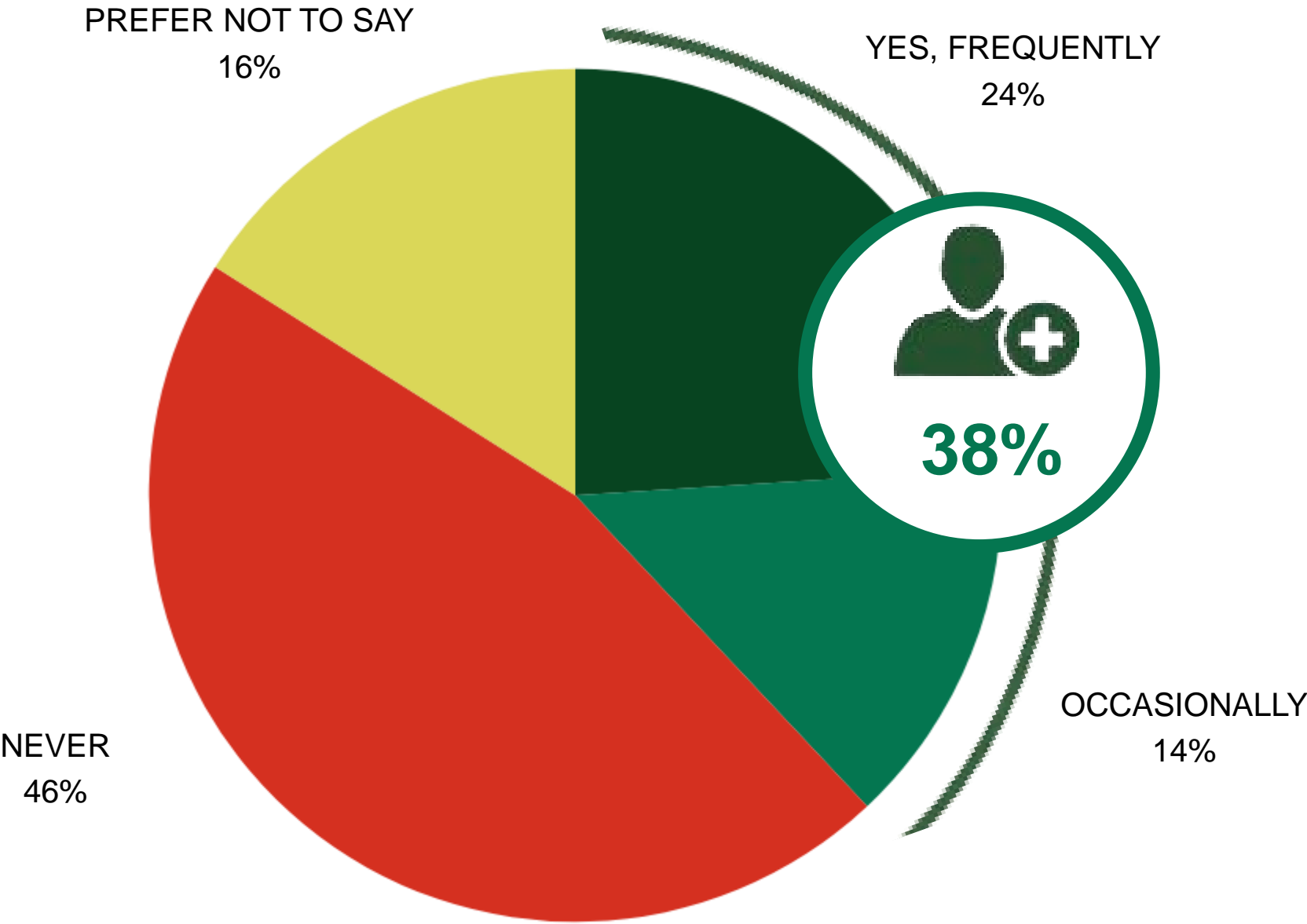
Q. DO YOU FEEL THE TAX SYSTEM (FBR) IS FAIR TO SMALL AND MEDIUM BUSINESSES?



SOURCE: POWERED BY GALLUP PAKISTAN

About **38% of businesses** acknowledge making **unofficial payments**, underscoring the continued presence of informal practices—while **46%** report **never having done so**.

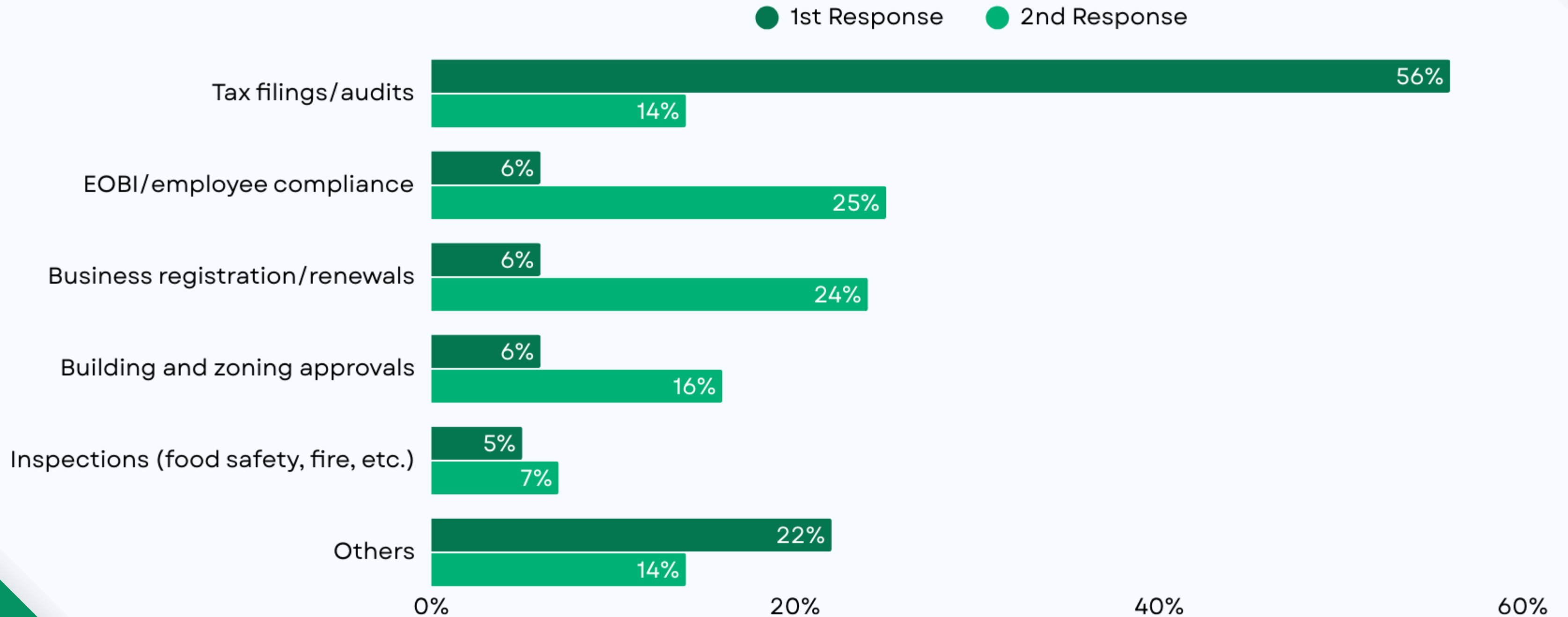
Q. HAVE YOU EVER HAD TO MAKE UNOFFICIAL PAYMENTS (“SPEED MONEY”) TO ANY OFFICIAL?



SOURCE: POWERED BY GALLUP PAKISTAN

More Than Half of Businesses (56%) Identify Tax Filings/Audits as Their Top Regulatory Burden—Well Ahead of EOBI and Registration Requirements.

Q. WHICH REGULATIONS/PROCESSES CREATE THE MOST BURDEN FOR YOUR BUSINESS?



SOURCE: POWERED BY GALLUP PAKISTAN

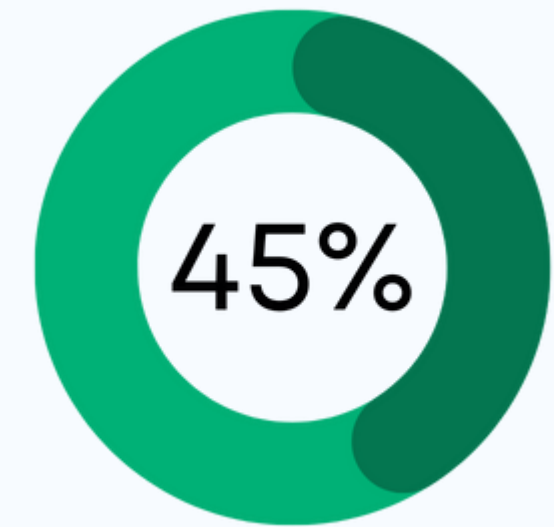
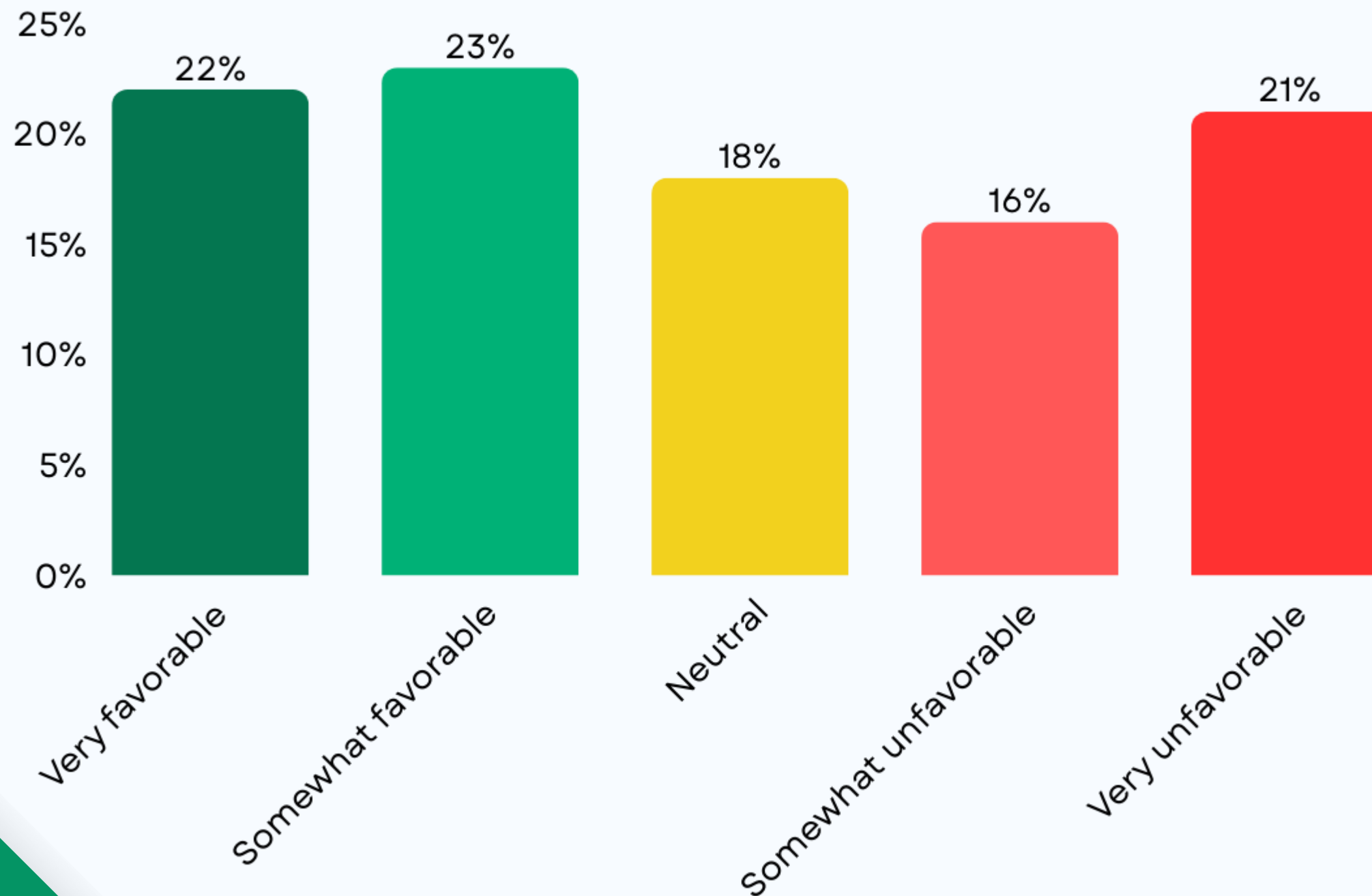
SECTION 3:

BUSINESS CLIMATE & OPERATIONS

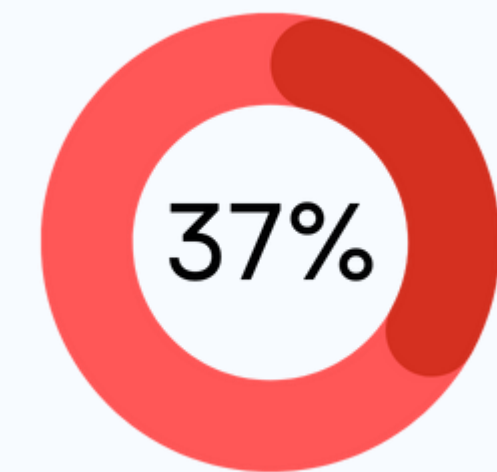


Nearly Half (45%) View the Business Climate as Favorable, Though a Significant 37% Hold Unfavorable Opinions.

Q. HOW WOULD YOU DESCRIBE THE CURRENT BUSINESS CLIMATE IN ISLAMABAD?



FAVORABLE

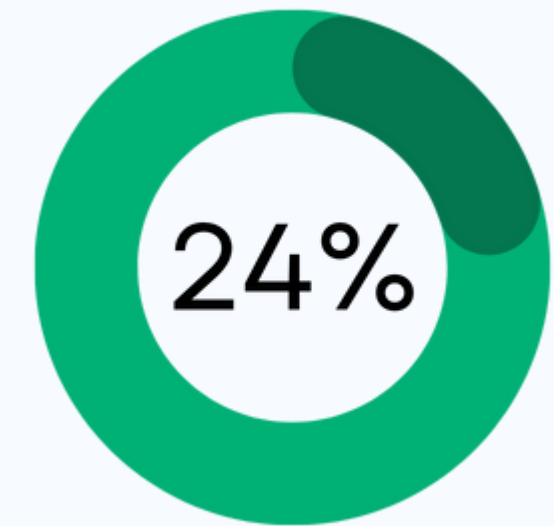
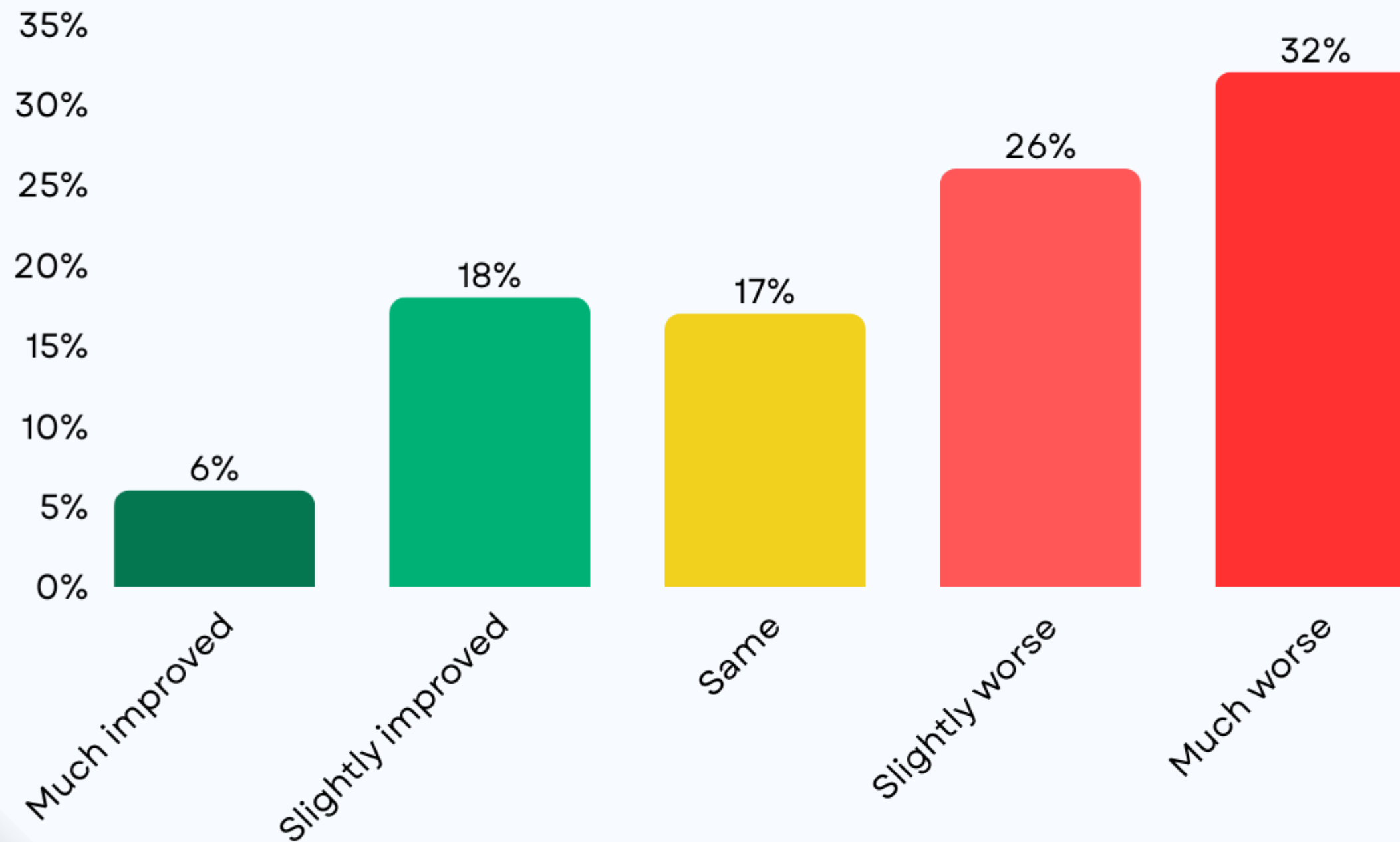


UN-FAVORABLE

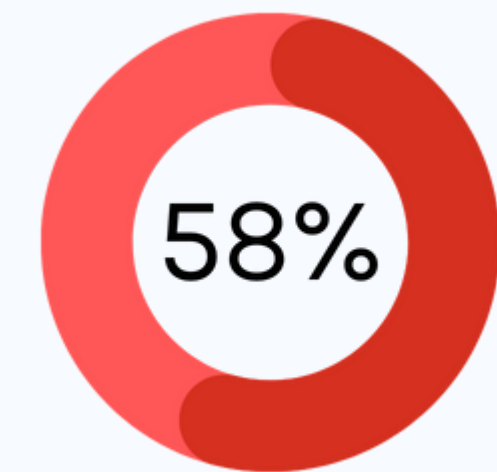
SOURCE: POWERED BY GALLUP PAKISTAN

A Majority (58%) Say Their Business Performance Has **Worsened** Over the Past Year—With **32%** Reporting It Is **Much Worse**.

Q. COMPARED TO ONE YEAR AGO, YOUR BUSINESS PERFORMANCE IS...?



IMPROVED

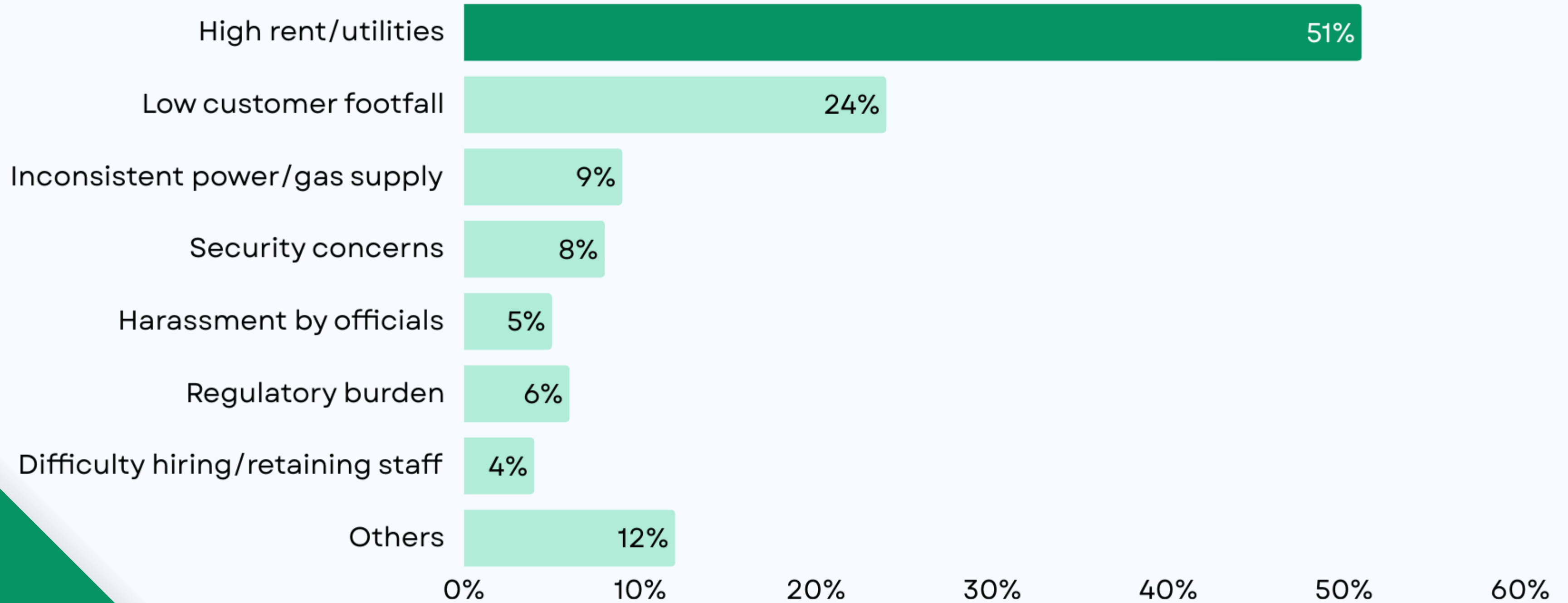


WORSE

SOURCE: POWERED BY GALLUP PAKISTAN

High Rent and Utilities Stand Out as the Top Challenge (51%), Far Outpacing All Other Business Concerns.

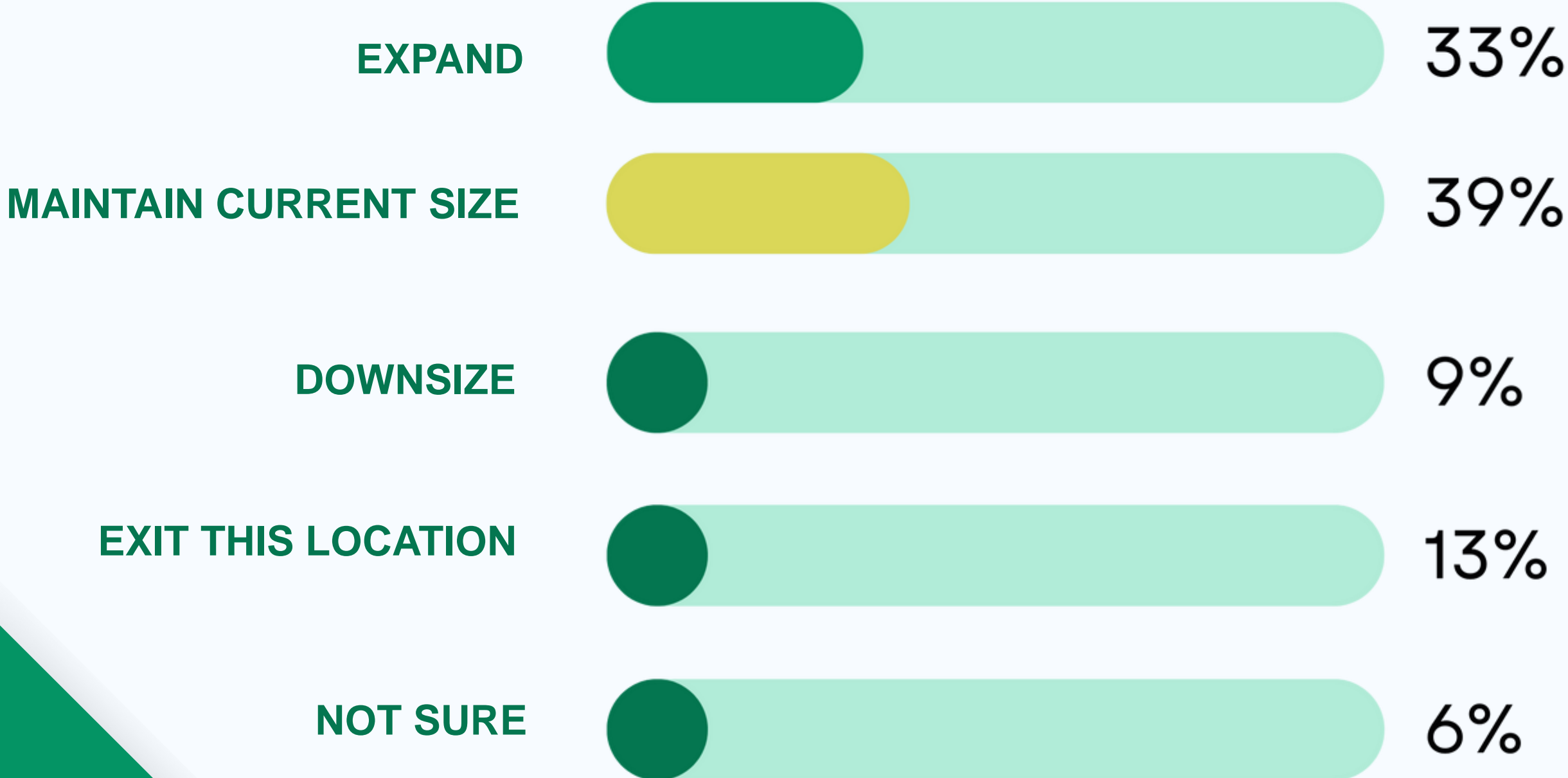
Q. WHAT ARE THE BIGGEST CHALLENGES YOUR BUSINESS CURRENTLY FACES?



SOURCE: POWERED BY GALLUP PAKISTAN

Most Businesses Plan to Hold Steady—39% Expect to Maintain Their Current Size, While Only 33% Aim to Expand.

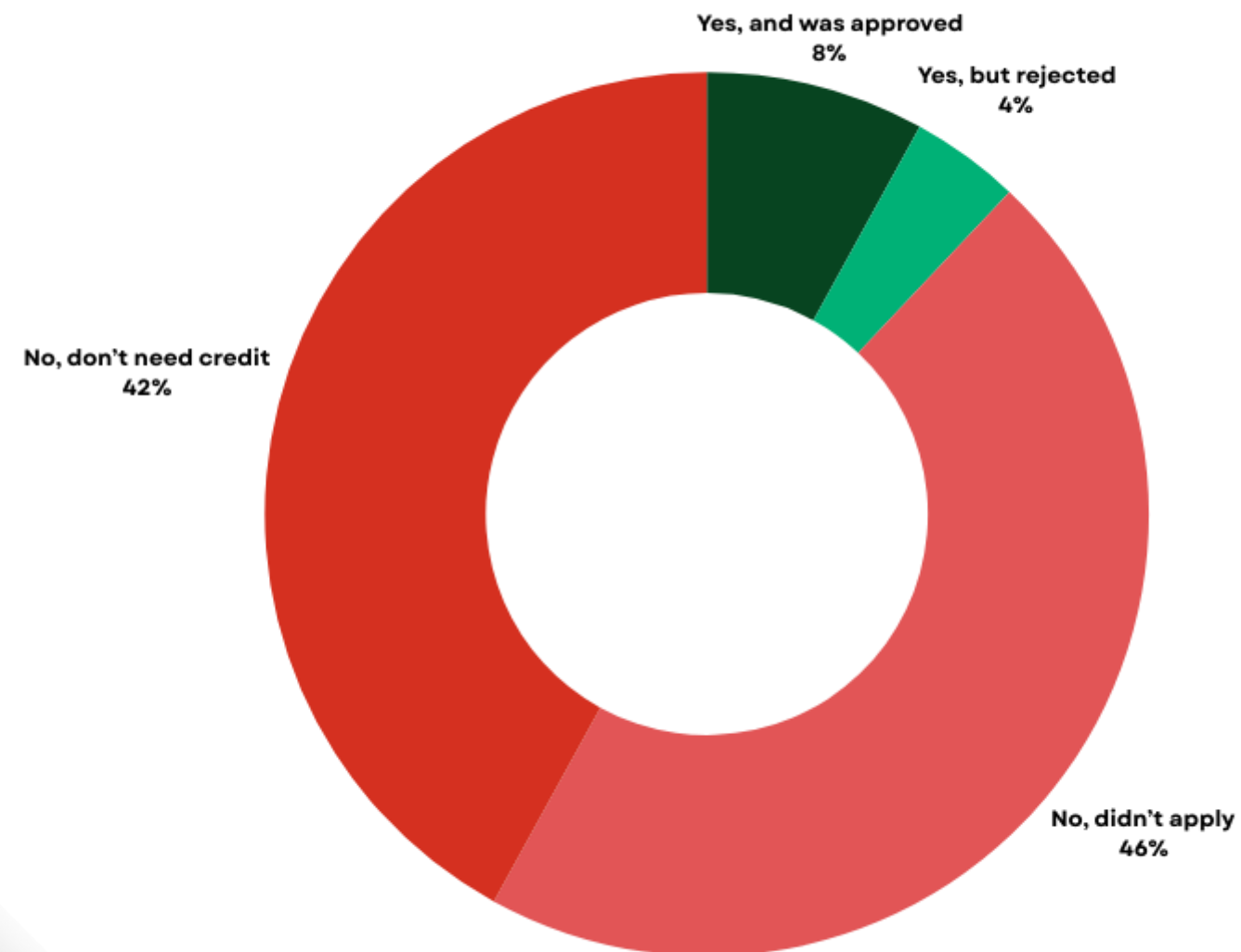
Q. IN THE NEXT 12 MONTHS, DO YOU PLAN TO...?



SOURCE: POWERED BY GALLUP PAKISTAN

Formal Credit Uptake Is Extremely Low—Only 8% Applied for Financing, While 46% Did Not Apply at All. Among those rejected, incomplete documentation (25%) and banks’ reluctance to lend to SMEs (25%) are the top barriers.

Q. HAVE YOU APPLIED FOR BANK CREDIT/FINANCING IN THE PAST YEAR?



IF REJECTED, WHAT WAS THE REASON?

Lack of collateral	6%
Incomplete documentation	25%
Informal business setup	13%
Bank unwilling to lend to SMEs	25%
Others	31%

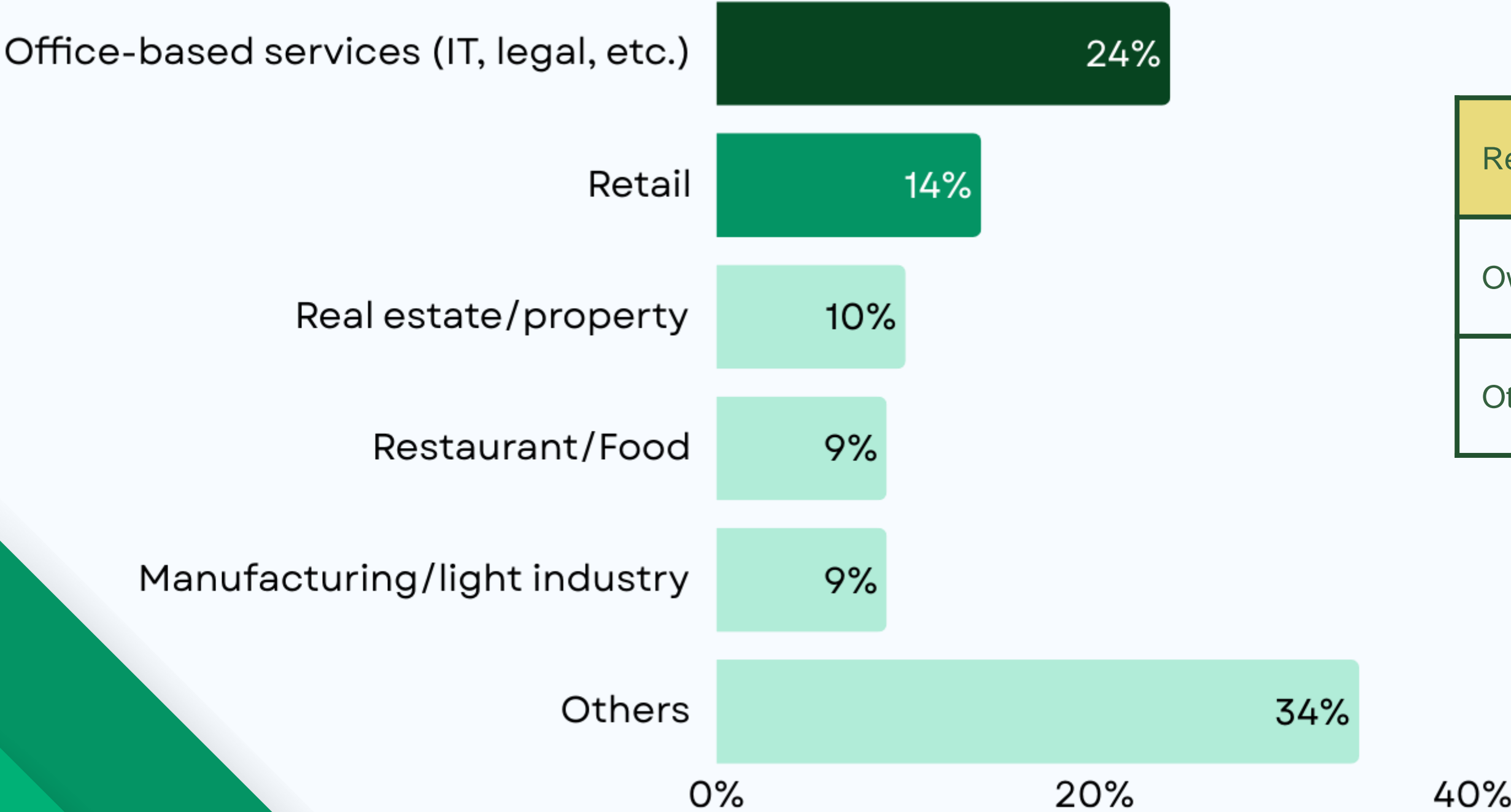
SECTION 4:

BUSINESS PROFILE & RENT SITUATION



Islamabad Remains **Dominated** by Service Businesses (**24%**), with **8 in 10** Operators **Working** from **Rented Spaces**. Retail (14%) and real estate (10%) follow, reflecting Islamabad Area's service-oriented commercial profile.

Q. TYPE OF BUSINESS?



Q. DO YOU RENT OR OWN YOUR PREMISES?

Rent	81%
Own	18%
Others	1%

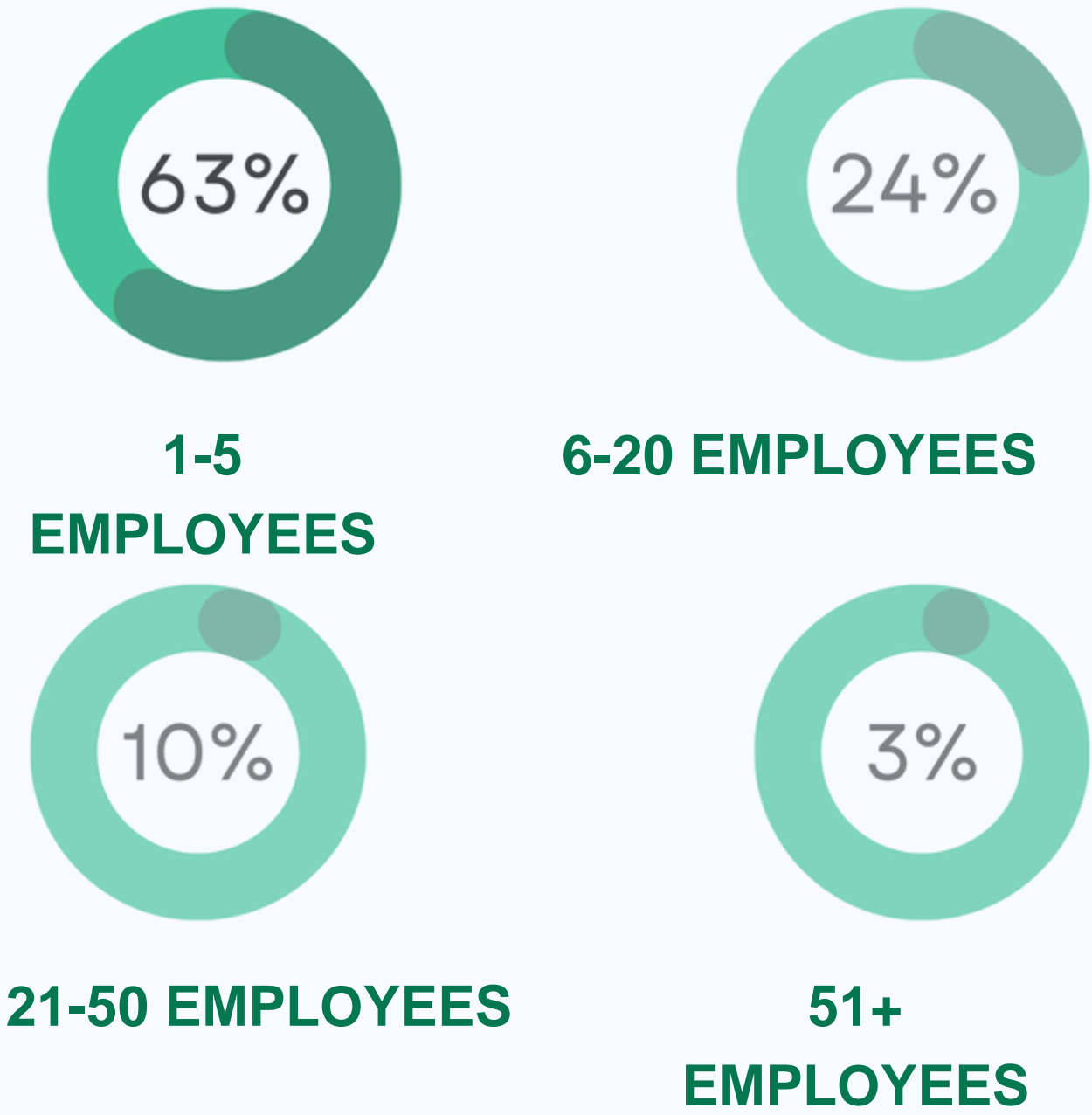
SOURCE: POWERED BY GALLUP PAKISTAN

Most Businesses Have Been Operating for **Over 10 Years (58%)**—And a Large **Majority** Are Small Firms with **1–5 Employees (63%)**.

Q. YEARS IN OPERATION?



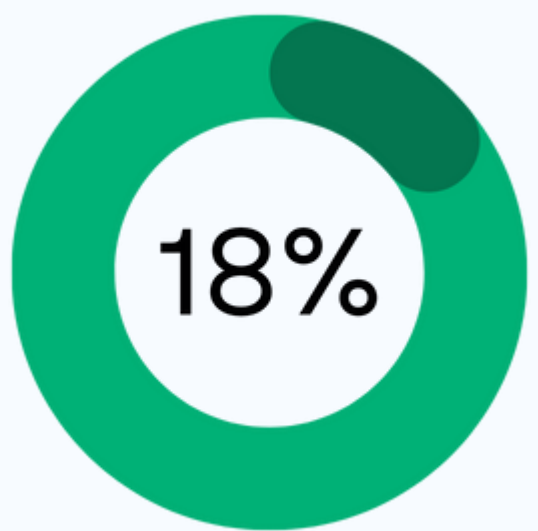
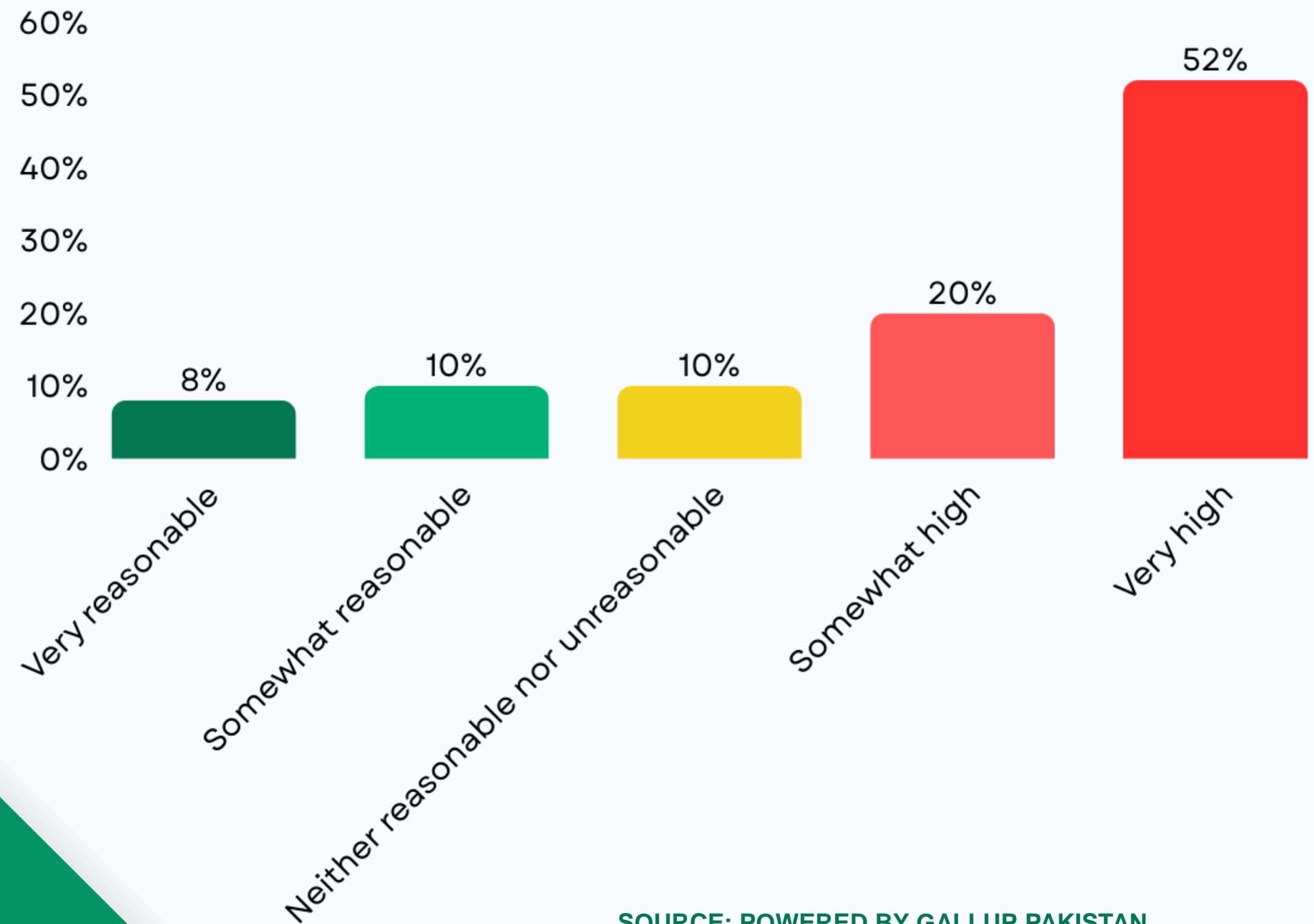
Q. NUMBER OF FULL-TIME EMPLOYEES?



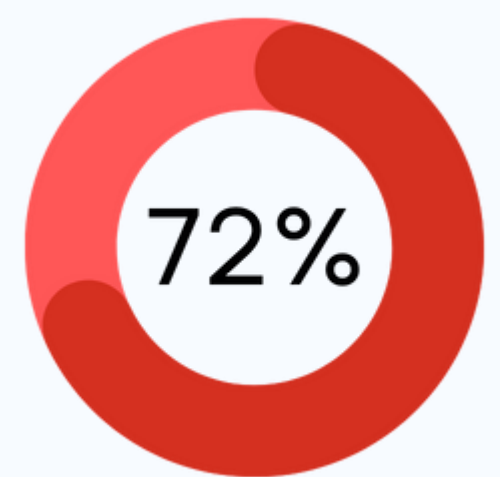
SOURCE: POWERED BY GALLUP PAKISTAN

A Striking 72% Say Commercial Rents in Islamabad Are High—With Over Half (52%) Calling Them Very High.

Q. HOW REASONABLE ARE COMMERCIAL RENTS IN ISLAMABAD?



REASONABLE

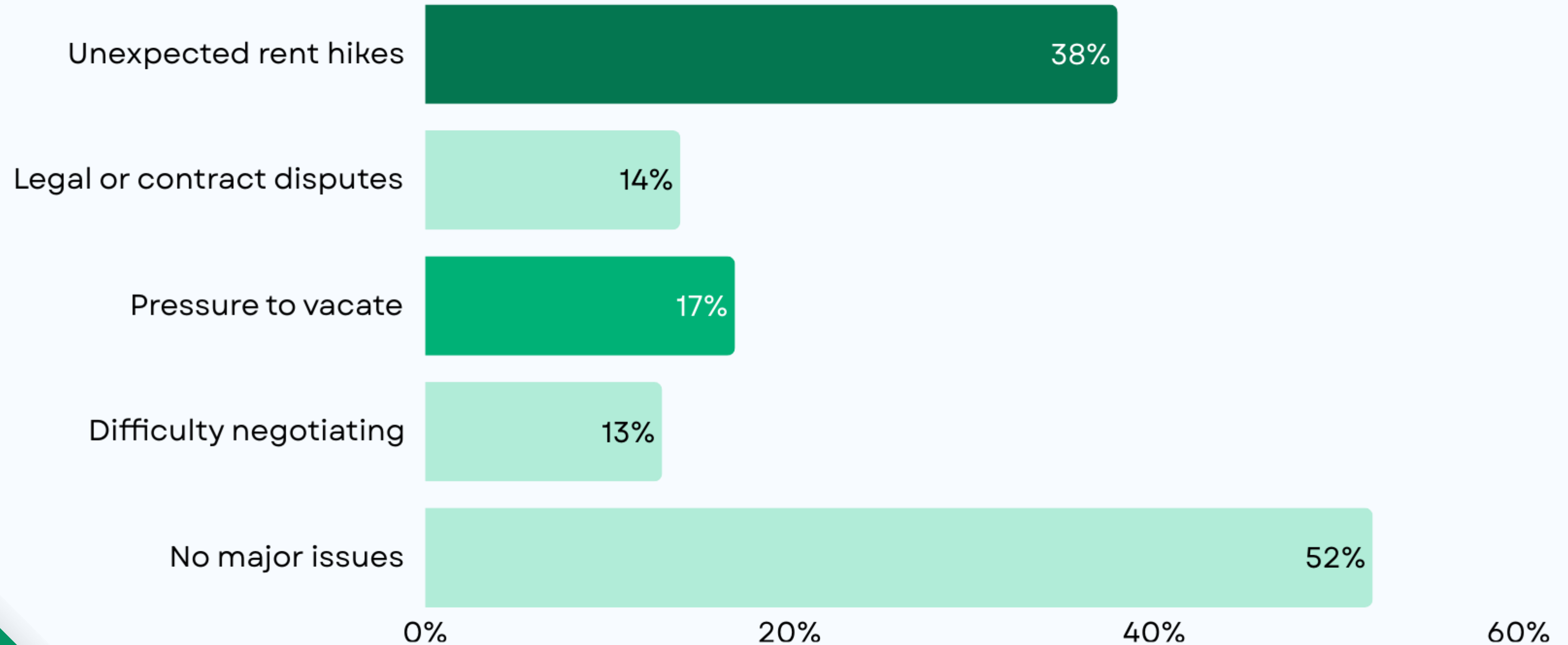


HIGH

SOURCE: POWERED BY GALLUP PAKISTAN

Half of Businesses Experience Stability (52%), Yet 38% Still Face Unexpected Rent Increases—A Major Source of Volatility in Islamabad.

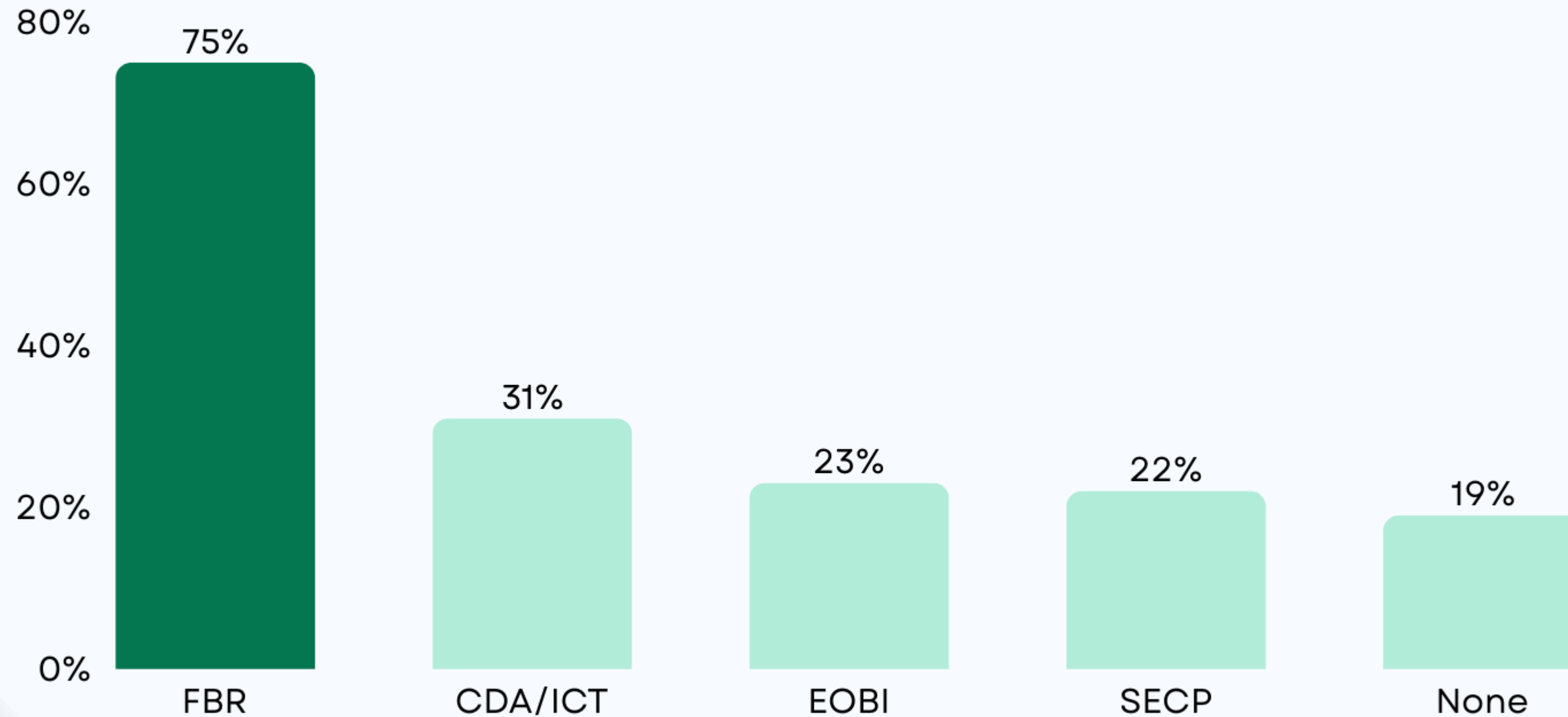
Q. HAVE YOU FACED ANY OF THESE RENT-RELATED CHALLENGES?



SOURCE: POWERED BY GALLUP PAKISTAN

Tax Compliance Is High—75% Registered with FBR—But Engagement with Other Bodies Such as CDA/ICT (31%) and SECP (22%) Is Significantly Lower.

Q. ARE YOU REGISTERED WITH ANY OF THE FOLLOWING?



SOURCE: POWERED BY GALLUP PAKISTAN

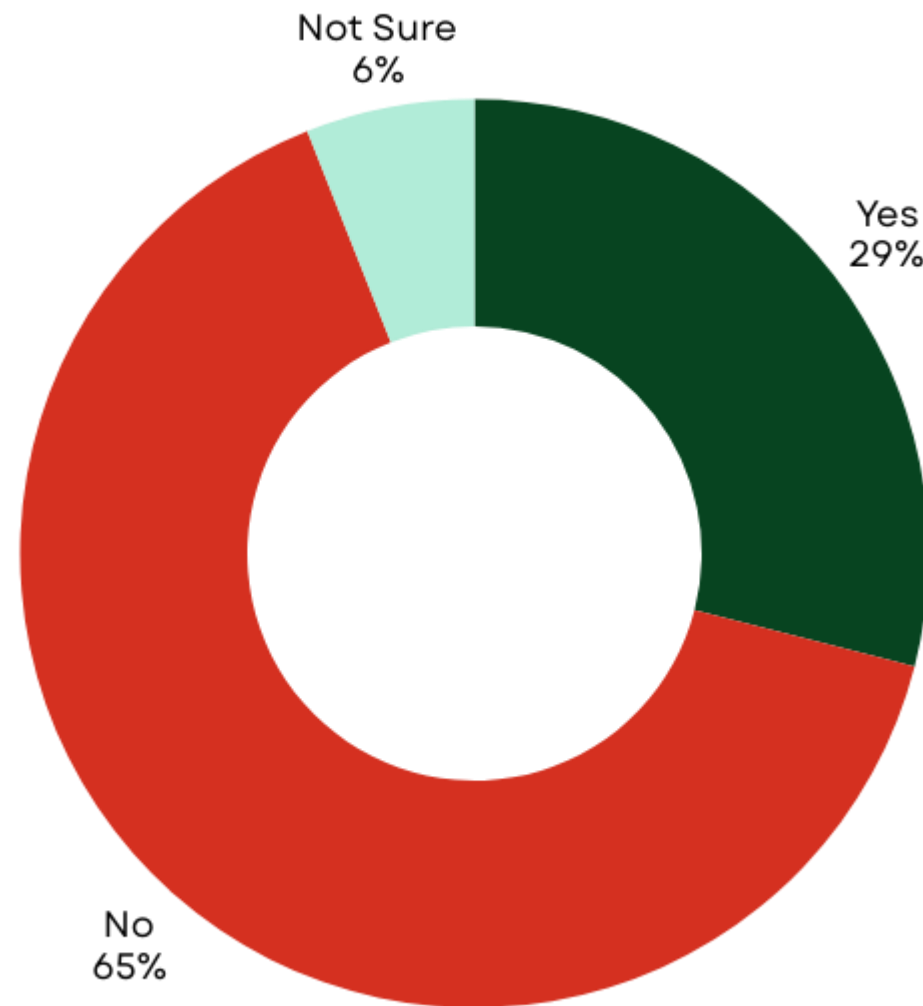
SECTION 5:

**BUSINESS ASSOCIATION
&
REPRESENTATION**



Nearly 7 in 10 Businesses (65%) Are Not Part of Any Association—Yet ICCI Leads Strongly Among Those Who Are, Holding 54% of Membership.

Q. ARE YOU A MEMBER OF ANY BUSINESS ASSOCIATION OR CHAMBER?

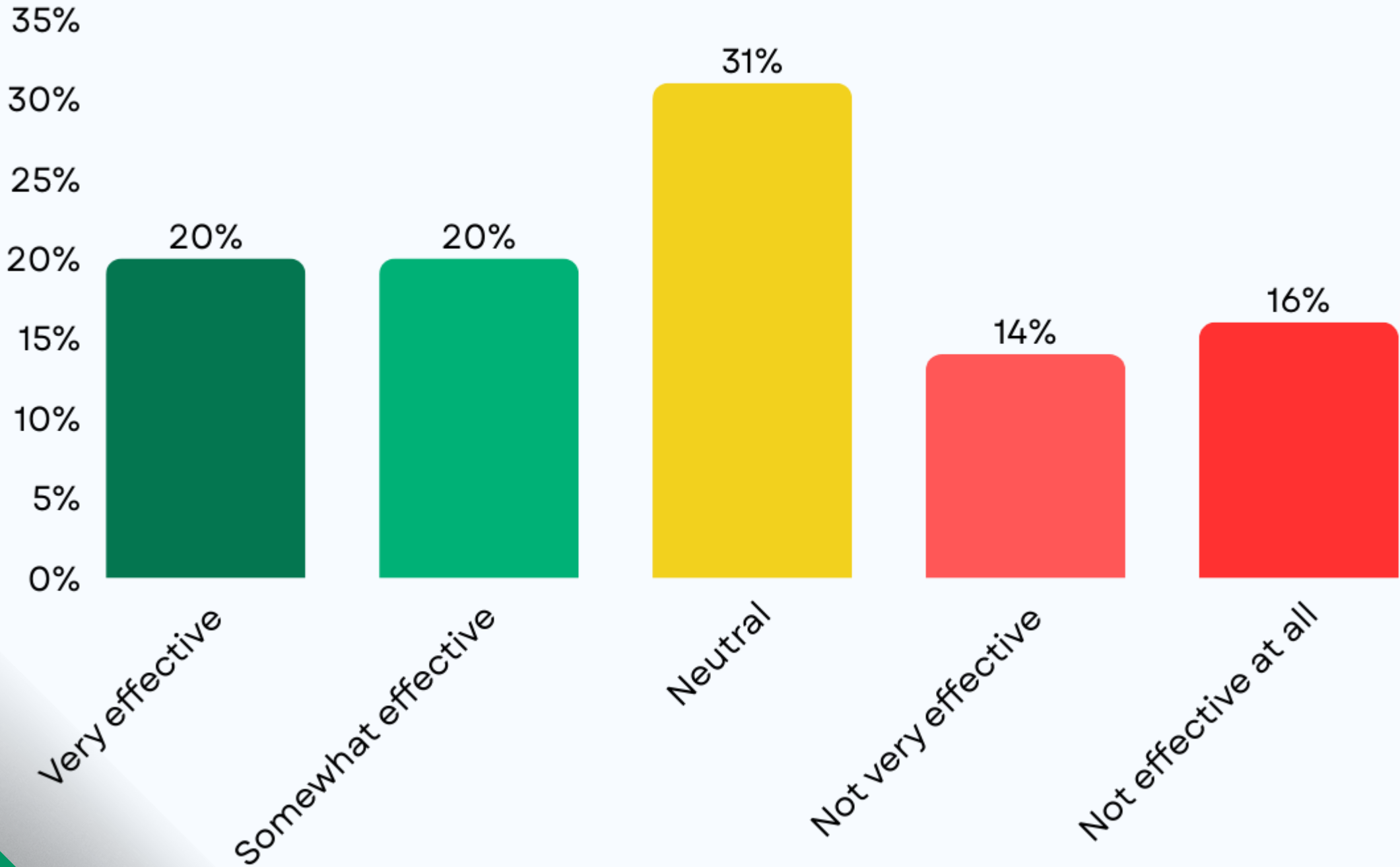


IF YES, PLEASE SPECIFY NAME OF THE ASSOCIATION?

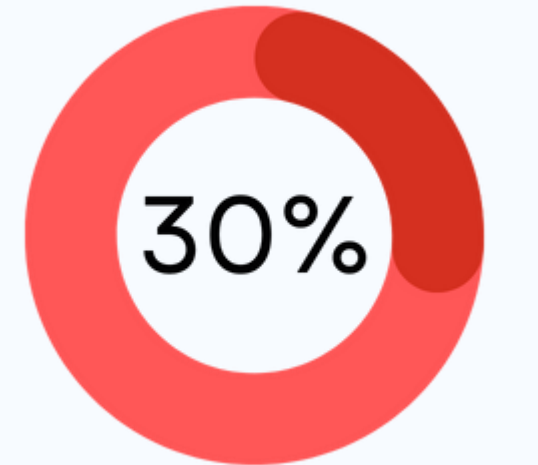
Islamabad Chamber of Commerce and Industry (ICCI)	54%
Islamabad Chamber of Small Traders and Small industries	9%
Business Facilitation Center (BFC)	2%
SECP	2%
Hotel Association/Guest House	2%
Rawalpindi Chamber	2%
Others	15%
No Response	15%

Just 40% of Members Consider Their Association Effective, Compared to 30% Who Say It Falls Short of Representing Their Interests.

Q. HOW EFFECTIVE IS YOUR BUSINESS ASSOCIATION IN REPRESENTING YOUR INTERESTS?



EFFECTIVE

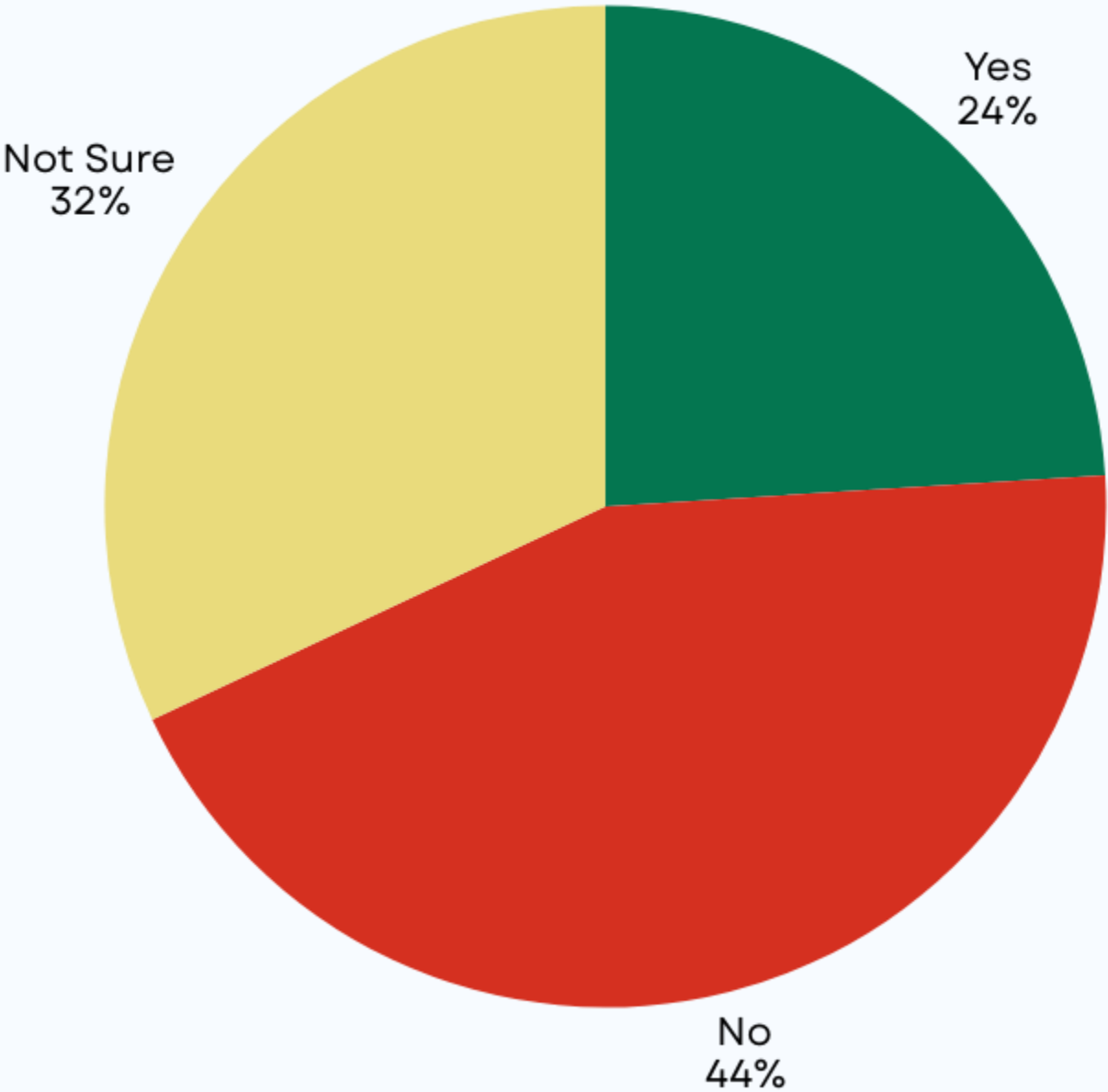


NOT EFFECTIVE

SOURCE: POWERED BY GALLUP PAKISTAN

**Less Than 1 in 4 Members (24%) Say Their Association Seeks Their Input—
While 44% Report No Engagement in Policy Advocacy.**

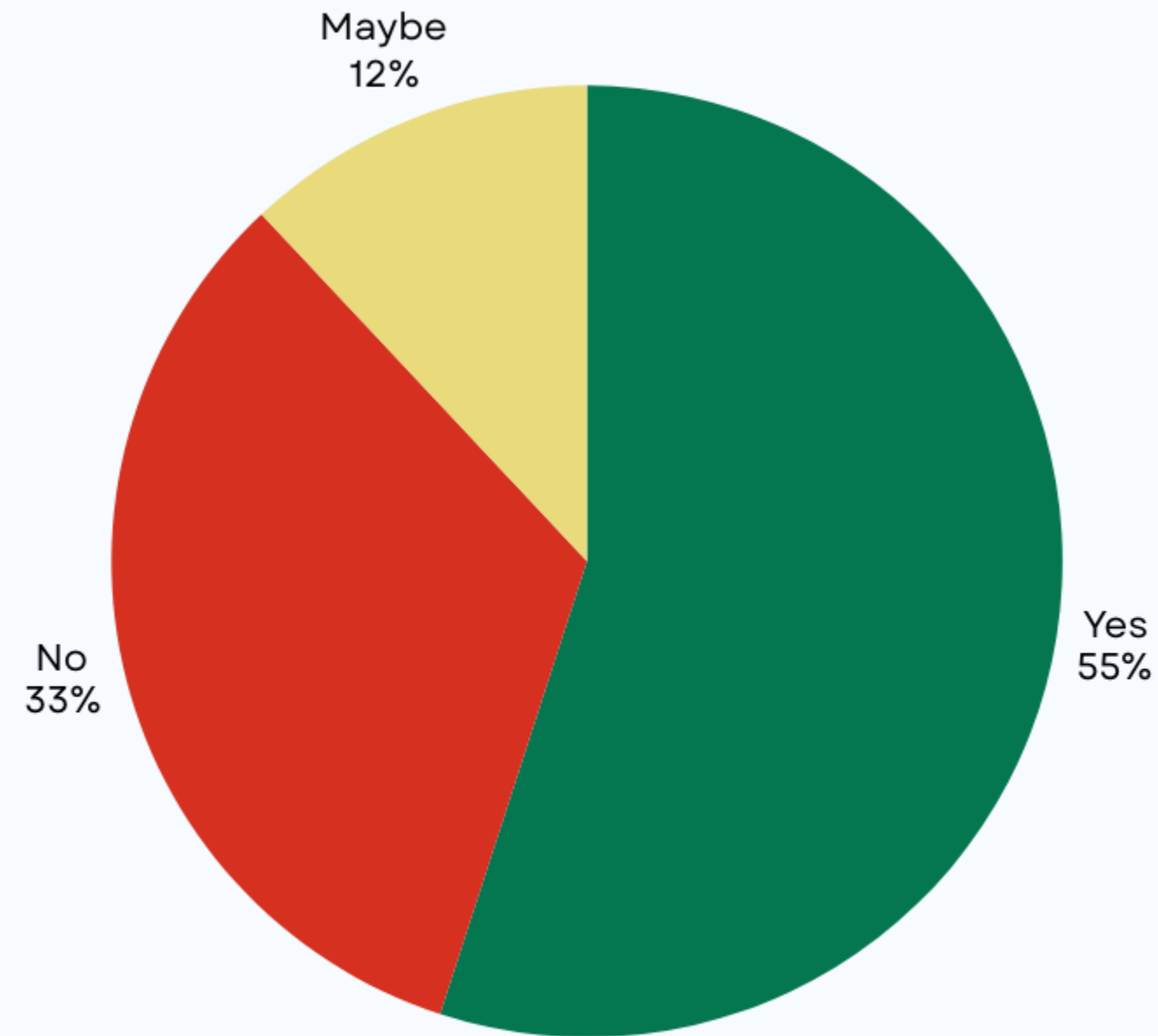
Q. HAS YOUR ASSOCIATION EVER SOUGHT YOUR INPUT FOR POLICY ADVOCACY?



SOURCE: POWERED BY GALLUP PAKISTAN

More Than Half of Businesses (55%) Express Interest in a Stronger Business Platform—Signaling Demand for Unified Representation in Islamabad.

Q. WOULD YOU BE INTERESTED IN JOINING A STRONGER PLATFORM REPRESENTING ISLAMABAD BUSINESSES?



SOURCE: POWERED BY GALLUP PAKISTAN

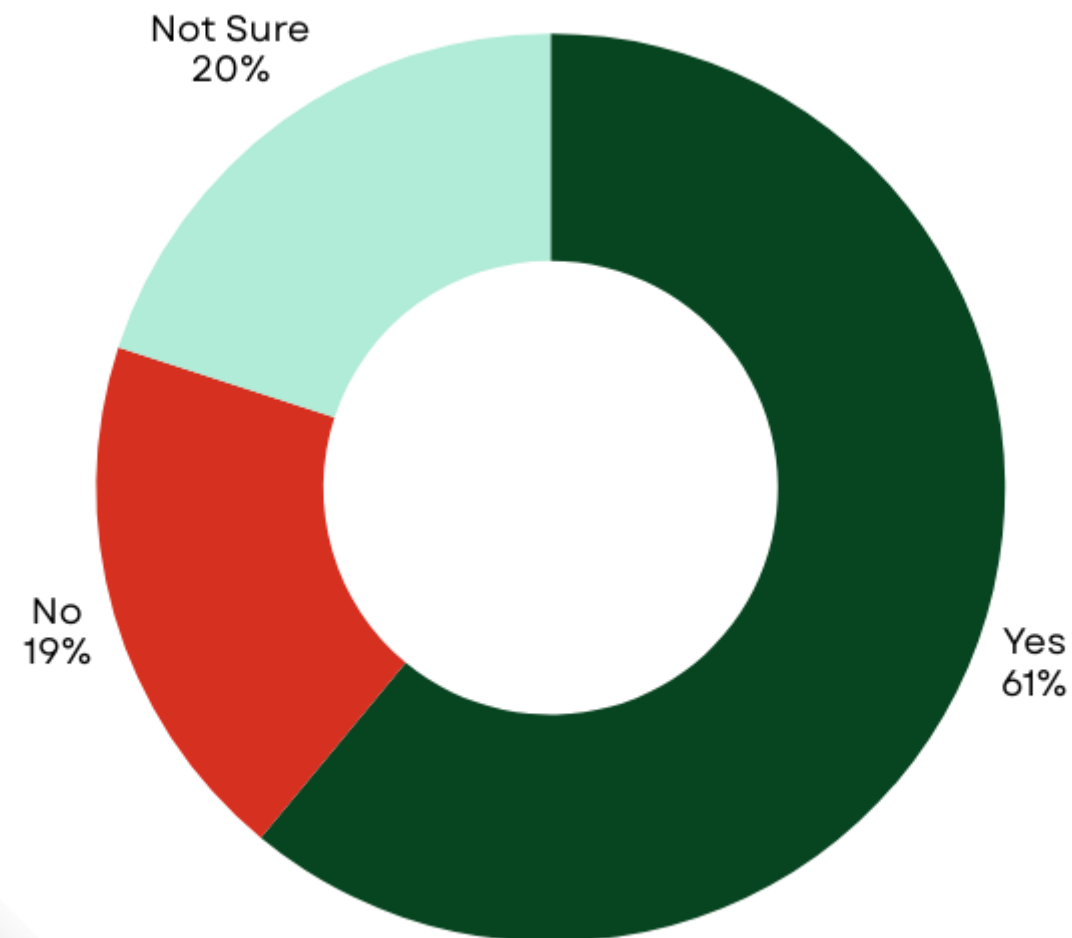
SECTION 6:

VIEWS ON LOCAL GOVERNMENT



A STRONG MAJORITY (61%) OF ISLAMABAD RESIDENTS SUPPORT AN ELECTED LOCAL GOVERNMENT—WITH BUSINESS OWNERS PRIORITISING ISSUE RESOLUTION (14%) AND BETTER FACILITIES (13%).

Q. DO YOU THINK ISLAMABAD SHOULD HAVE AN ELECTED LOCAL GOVERNMENT (MAYOR OR LOCAL COUNCIL)?



IF YES, WHAT ROLE SHOULD LOCAL GOVERNMENT PLAY FOR ISLAMABAD BUSINESSES?

Resolve Business/Local issues	14%
Provide facilities	13%
Tax reduction	8%
Resolve Parking issues	5%
Cleanliness/Sewage issues	5%
Established rule and regulation/Make policies	4%
Ease to Business/Promote business	3%
Civil rights	3%
Easy to approach	3%
Resolve Rental issues	2%
Free Election	2%
Able to listen common people	2%
Others	17%
No idea	15%
No Response	1%

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