Gallup Pakistan Analysis of Punjab Development Statistics (50 Years)

Public Finance

PRESS RELEASE

Gallup Pakistan Analysis of Punjab Development Statistics (50 Years)

Foreign Financing of Punjab's Development Fell from 48% to 5% in Two Decades

Islamabad, June 10th, 2026

Punjab's development spending has expanded dramatically over the past five decades, reflecting the province's growing fiscal capacity, rising infrastructure ambitions, and increasing dependence on externally financed development programmes. Data from the *Punjab Development Statistics for 50 Years (1972–2021)* shows that the size of Punjab's Annual Development Programme (ADP) increased from Rs. 318 million in 1971–72 to Rs. 560 billion in 2021–22. The long-term trend also reveals a major structural transformation in how development projects are financed. While federal cash development loans dominated financing in earlier decades, provincial contribution and foreign project assistance became increasingly important over time. By the late 2010s, Punjab's development financing had shifted toward a much larger provincially driven programme supported by substantial external project financing.

What is the Big Data Analysis Series by Gallup?

Gallup Pakistan's Big Data series was initiated by Bilal I. Gilani, Executive Director of Gallup Pakistan. As he explains: *"Pakistan does not suffer from a lack of data, but from limited accessibility and weak translation of numbers into understanding. Gallup Pakistan bridges this gap by analyzing large, often under-used datasets — from PSLM and Labour Force Surveys to Economic Surveys and National Census data — so these statistics can meaningfully inform policy and public discourse."*

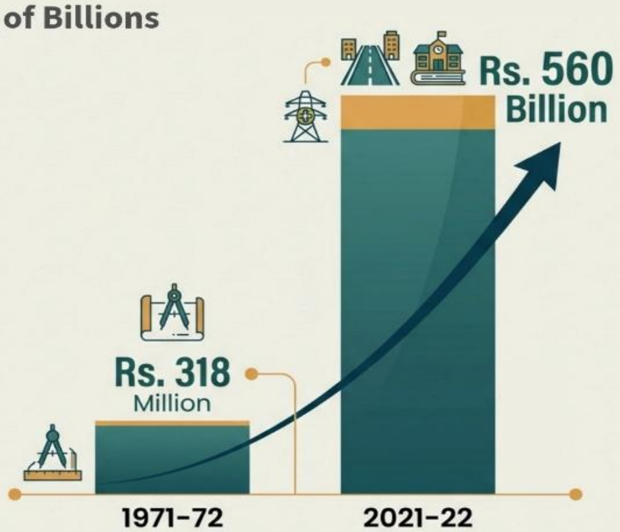
What data points this current edition covers:

This edition is based on Table 18.1: Annual Development Programmes & Sources of their Financing, The Punjab from the *Punjab Development Statistics for 50 Years 1972–2021* report published by the Bureau of Statistics, Planning & Development Board, Government of Punjab. The table tracks the annual size of Punjab's development programme from 1971–72 to 2021–22 and provides a breakdown of financing sources including provincial contribution, federal assistance, and foreign project assistance in the form of loans and grants.

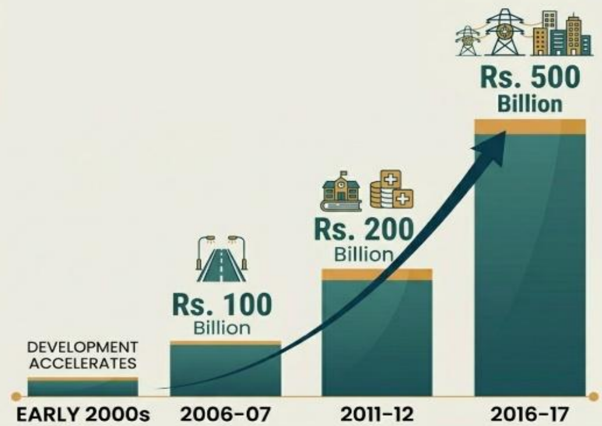
Gallup Pakistan Analysis of Punjab Development Statistics (50 Years)

Punjab's Annual Development Programme Expanded Nearly 1,800 Times Over Five Decades

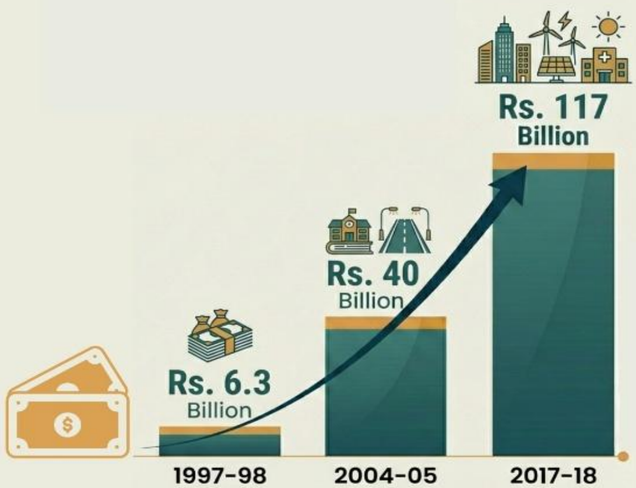
Punjab's Development Spending Expanded From Millions to Hundreds of Billions



Development spending accelerated sharply after the early 2000s with the ADP crossing Rs. 100 billion in 2006–07.



Foreign Project Assistance Emerged as a Major Development Financing Source



Earlier development programmes relied heavily on federal cash development loans, but over time Punjab increasingly financed development spending through its own provincial resources.

The data reflects how Punjab's fiscal priorities shifted toward large-scale infrastructure, transport, energy, irrigation, and urban development projects over successive decades.

Bureau of Statistics, Planning & Development Board, Government of the Punjab — Punjab Development Statistics for 50 Years (1972–2021).

Key Findings:

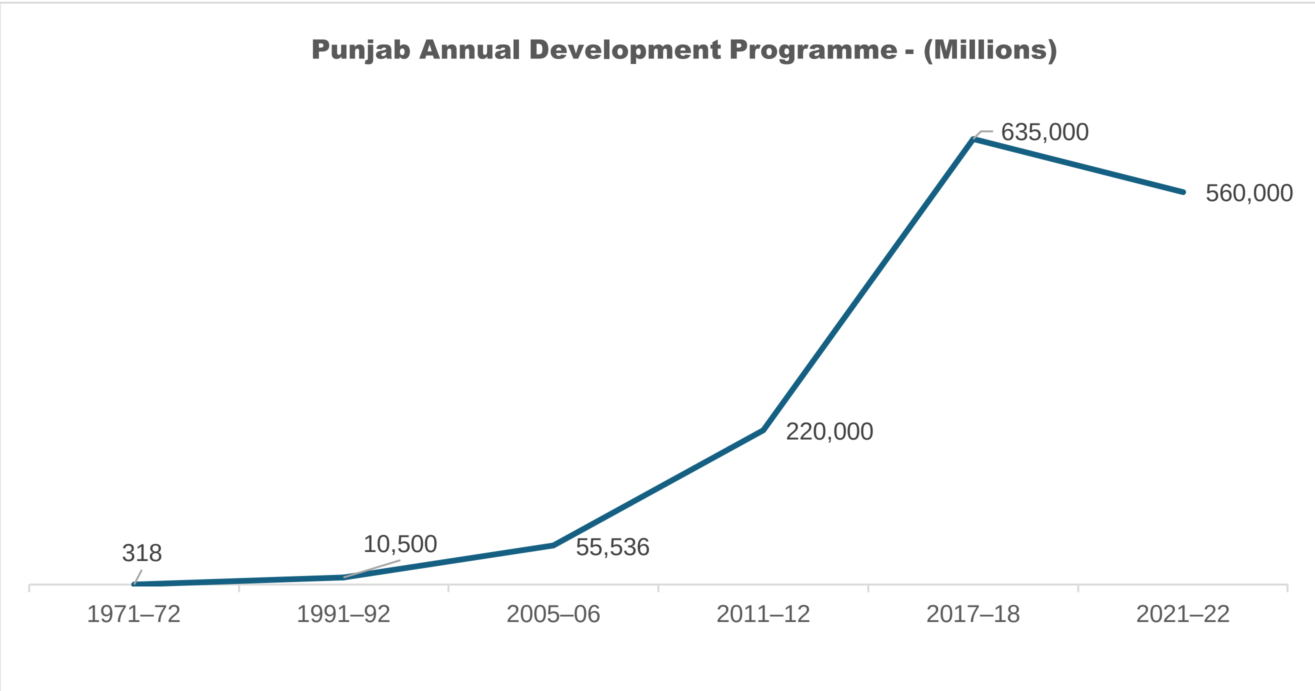
1. Punjab's Annual Development Programme increased from Rs. 318 million in 1971–72 to Rs. 560 billion in 2021–22, representing one of the largest long-term expansions in provincial development spending in Pakistan's history.
2. Development spending accelerated sharply after the early 2000s, with the ADP crossing Rs. 100 billion in 2006–07, Rs. 200 billion in 2011–12, and Rs. 500 billion in 2016–17.
3. Earlier development programmes relied heavily on federal cash development loans, but over time Punjab increasingly financed development spending through its own provincial resources.
4. Foreign project assistance became a major financing pillar in the 2010s, peaking at Rs. 117 billion in 2017–18.
5. The data reflects how Punjab's fiscal priorities shifted toward large-scale infrastructure, transport, energy, irrigation, and urban development projects over successive decades.

1. Punjab's Development Spending Expanded From Millions to Hundreds of Billions

Punjab's Annual Development Programme remained relatively modest during the 1970s and early 1980s. The programme size increased gradually from Rs. 318 million in 1971–72 to Rs. 3.6 billion by 1981–82. During this period, development spending growth was steady but constrained, reflecting the smaller fiscal capacity of provincial governments and Pakistan's comparatively limited public-sector development model at the time.

A major structural acceleration began after the 1990s. Punjab's ADP crossed Rs. 10 billion in 1991–92, reached Rs. 55.5 billion in 2005–06, and then expanded rapidly during the following decade. By 2011–12 the development programme had exceeded Rs. 220 billion, before crossing Rs. 500 billion by 2016–17. The programme ultimately reached Rs. 650 billion in both 2017–18 and 2018–19 before moderating to Rs. 560 billion in 2021–22.

The pace of expansion after the mid-2000s highlights how development policy increasingly became central to Punjab's governance model. The scale of spending visible in the data corresponds with a period marked by rapid investment in road infrastructure, urban transport systems, irrigation modernization, energy projects, health infrastructure, and public service delivery expansion.



***Source**: Bureau of Statistics, Planning & Development Board, Government of the Punjab — Punjab Development Statistics for 50 Years (1972–2021).*

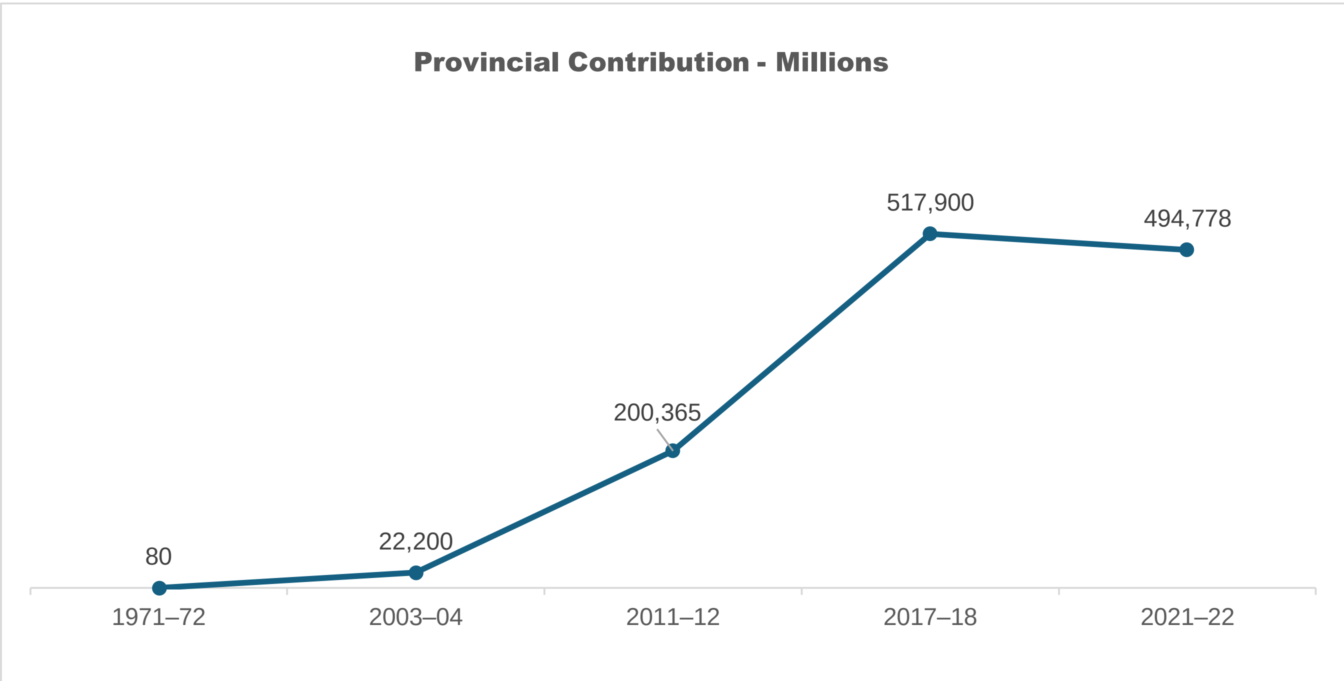
2. Federal Financing Once Dominated Punjab's Development Model

The composition of financing changed substantially across decades. In the earlier years of the series, federal cash development loans represented the overwhelming majority of financing for Punjab's development programme. In 1971–72, federal assistance accounted for Rs. 170 million out of the total Rs. 318 million programme — more than half of total development financing.

Throughout the 1970s and 1980s, federal financing consistently remained the dominant source supporting provincial development spending. Provincial contribution during these decades remained comparatively limited, often staying below Rs. 1 billion annually. This reflected the broader fiscal structure of Pakistan at the time, where provinces relied heavily on federal transfers and centrally supported development planning.

The financing pattern began shifting during the 2000s. Provincial contribution increased sharply, particularly after 2003–04, when Punjab's own contribution rose to Rs. 34.7 billion. By 2011–12, provincial contribution had reached Rs. 200 billion, nearly equaling the scale of total ADP spending from just a few years earlier.

This shift reflects Punjab's growing fiscal autonomy and enhanced provincial resource mobilization capacity after decentralization reforms and expanding provincial budgetary space. The data suggests that Punjab increasingly moved from a federally dependent development model toward one where provincial financing became the primary driver of large-scale public investment.



***Source**: Bureau of Statistics, Planning & Development Board, Government of the Punjab — Punjab Development Statistics for 50 Years (1972–2021).*

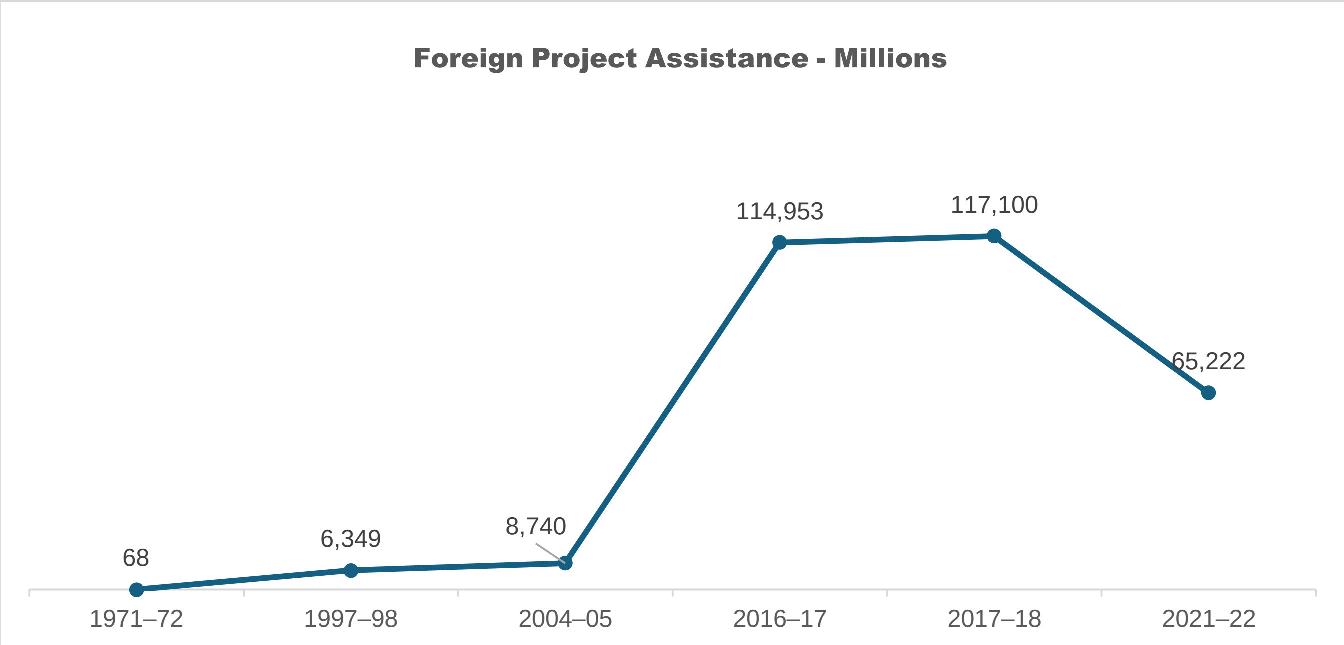
3. Foreign Project Assistance Emerged as a Major Development Financing Source

Foreign project assistance remained relatively small during the earlier decades of the dataset. Through most of the 1970s, annual foreign assistance generally remained below Rs. 100 million. Even during the 1980s and early 1990s, external financing remained modest compared to federal and provincial contributions.

However, the role of foreign project assistance expanded dramatically after the late 1990s. External financing rose to Rs. 6.3 billion in 1997–98, crossed Rs. 40 billion by 2004–05, and reached Rs. 117 billion in 2017–18 — the highest level recorded in the series.

The increasing role of foreign assistance likely reflects Punjab's growing engagement with multilaterally financed infrastructure and development programmes. Many large-scale transport, urban infrastructure, irrigation, governance reform, and public-service projects during this period relied partially on external financing from international institutions and bilateral development partners.

At the same time, the data also shows that foreign financing remained supplementary rather than dominant. Even at its peak, provincial contribution remained substantially larger, suggesting that Punjab's development expansion was ultimately driven more by rising domestic fiscal capacity than by external borrowing alone.



***Source**: Bureau of Statistics, Planning & Development Board, Government of the Punjab — Punjab Development Statistics for 50 Years (1972–2021).*

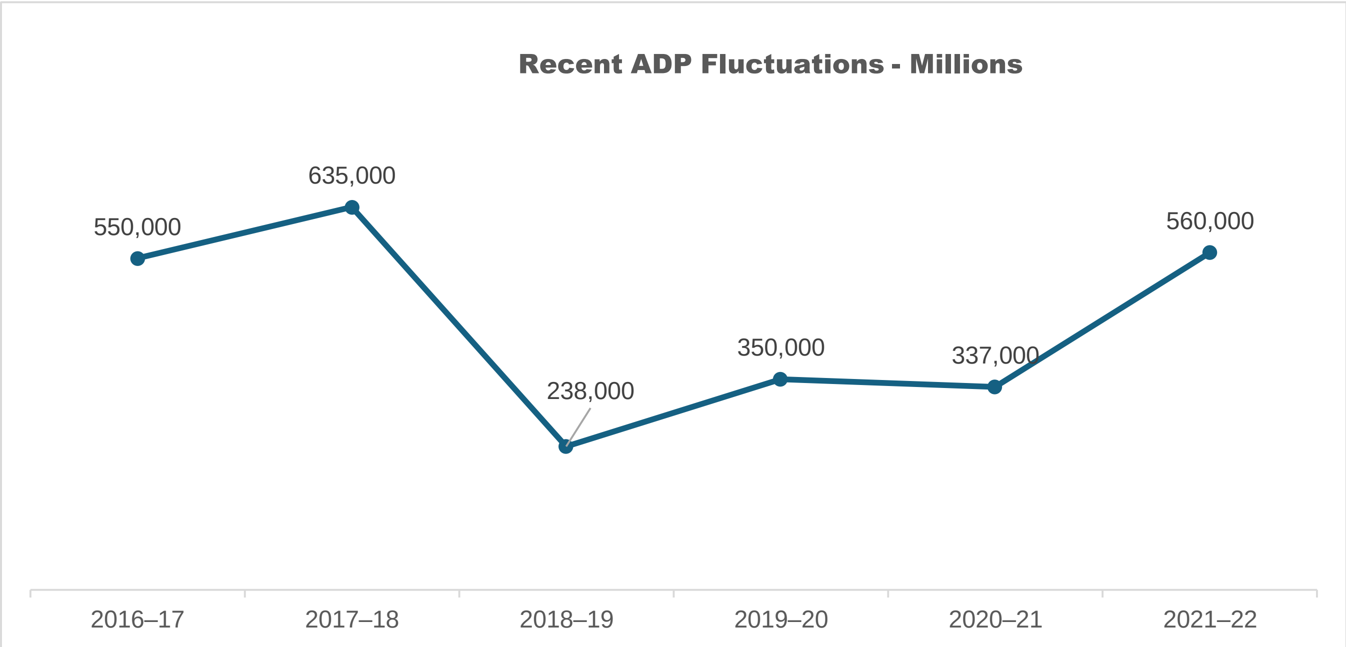
4. Development Spending Became Increasingly Concentrated in the 2010s

One of the most striking patterns in the dataset is the concentration of spending growth during the 2010s. Punjab's ADP rose from Rs. 117 billion in 2006–07 to Rs. 650 billion in 2017–18 — an increase of more than five times within just over a decade.

This rapid expansion suggests a significant transformation in the scale and ambition of provincial development planning. The period coincided with major investments in metro transport systems, road corridors, public hospitals, energy initiatives, urban infrastructure, and social sector expansion projects.

The data also indicates that Punjab's development financing structure became increasingly diversified during this phase. Provincial contribution, foreign assistance, and federal support all expanded simultaneously, enabling the province to sustain historically large development programmes.

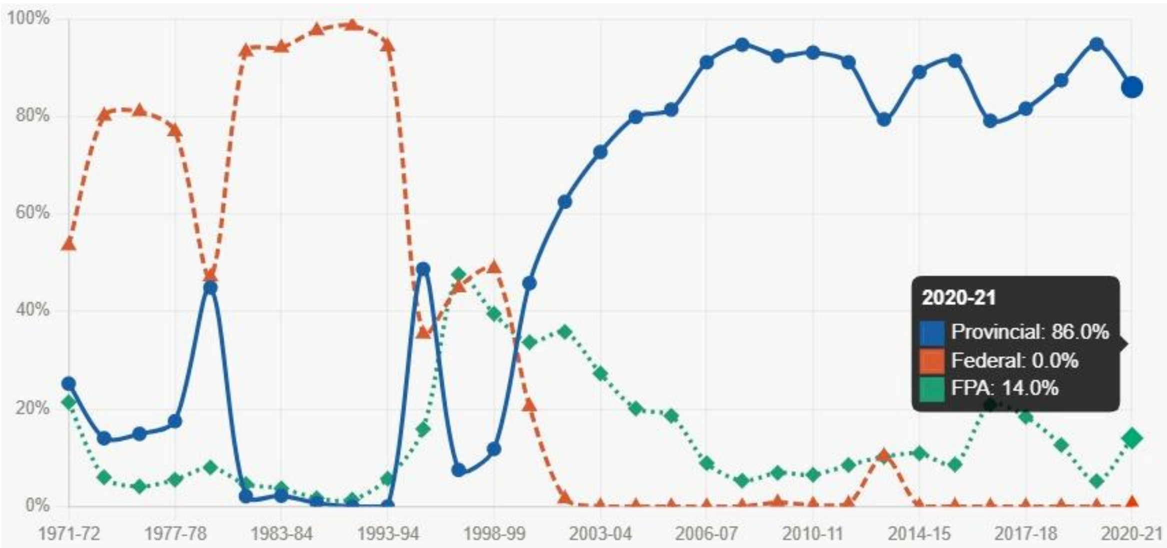
However, the decline from Rs. 650 billion in 2018–19 to Rs. 560 billion in 2021–22 also suggests that maintaining exceptionally high development spending levels became fiscally difficult amid broader macroeconomic pressures and tightening fiscal conditions in Pakistan.



***Source**: Bureau of Statistics, Planning & Development Board, Government of the Punjab — Punjab Development Statistics for 50 Years (1972–2021).*

5. Shifting Foundations: How Punjab's Development Financing Transformed Over Five Decades

For much of the 1970s and 1980s, Punjab's Annual Development Programme was almost entirely bankrolled by federal transfers, which consistently commanded over 75% of total financing — peaking at nearly 99% in 1988–89 — while the provincial government contributed little of its own. Foreign project assistance played a modest but volatile supplementary role, briefly surging to nearly 48% in the late 1990s as external loans filled gaps left by a declining federal share. The most dramatic structural shift came after 2001, when provincial contribution reversed course entirely, climbing steeply to dominate the financing mix and holding above 85–95% through the 2010s. Federal assistance, by contrast, had effectively vanished from the picture by 2003. This transformation reflects a broader fiscal decentralization in Pakistan — provinces were pushed, and eventually empowered, to finance their own development agendas rather than depend on the federal center.



***Source**: Bureau of Statistics, Planning & Development Board, Government of the Punjab — Punjab Development Statistics for 50 Years (1972–2021).*

6. Foreign Project Assistance in Punjab's Development Financing: A Story of Declining Leverage

Foreign Project Assistance was never Punjab's primary financing source, but its role was far from negligible. Through the 1970s it contributed a quiet 5–20% of total development spending, serving as a reliable supplementary cushion. The late 1990s marked a sharp anomaly — FPA's share spiked to 48% in 1997–98 and remained elevated at nearly 40% in 1998–99, almost certainly reflecting emergency external borrowing during Pakistan's severe fiscal stress following the nuclear tests and subsequent international sanctions of 1998, which choked off both federal transfers and domestic revenues simultaneously.
After that brief surge, FPA entered a long structural decline. By the mid-2000s its share had fallen to the high teens, and by 2006–07 it had dropped to under 9% — a level it has broadly held since, with occasional upticks around 2016–17 and 2020–21 touching 20% and 14% respectively, likely tied to CPEC-related foreign lending and COVID-era external support.

The overall trajectory is one of shrinking foreign leverage over Punjab's development agenda. Whether that reflects improved provincial fiscal capacity, reduced appetite for external conditionalities, or simply fewer willing lenders is worth interrogating — but the data makes clear that foreign assistance has moved from a meaningful swing factor to a marginal and increasingly unreliable line item.

7. Closing Editor's Note

With this edition on Public Finance, Gallup Pakistan Digital Analytics concludes the **"50 Years of Punjab"** series based on the *Punjab Development Statistics for 50 Years (1972–2021)* report. Across this series, the data has documented major long-term transformations in Punjab's economy, industries, infrastructure, population, transport systems, social sectors, public finance, and media landscape.

Taken together, these historical trends reveal not only the scale of Punjab's development over five decades, but also the structural shifts that reshaped how people live, work, travel, consume information, and participate in the economy. From industrial expansion and rising public investment to changing transport patterns, educational outcomes, mining activity, and the contraction of traditional print media, the data captures a province that has undergone deep economic and social transition over time.

This series was developed to make long-term administrative and statistical data more accessible, interpretable, and publicly engaging through evidence-based analysis grounded directly in official historical records.

— **Aisha Aamir**

Assistant Manager Research

Gallup Pakistan

<u>Wish to Contribute to Gallup Big Data Analysis?</u>

Gallup Pakistan is looking for collaboration with researchers to expand the Big Data Analysis project. If you have any ideas, please write to Bilal I Gilani, Project Director, Big Data Analysis at Gallup Pakistan.

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