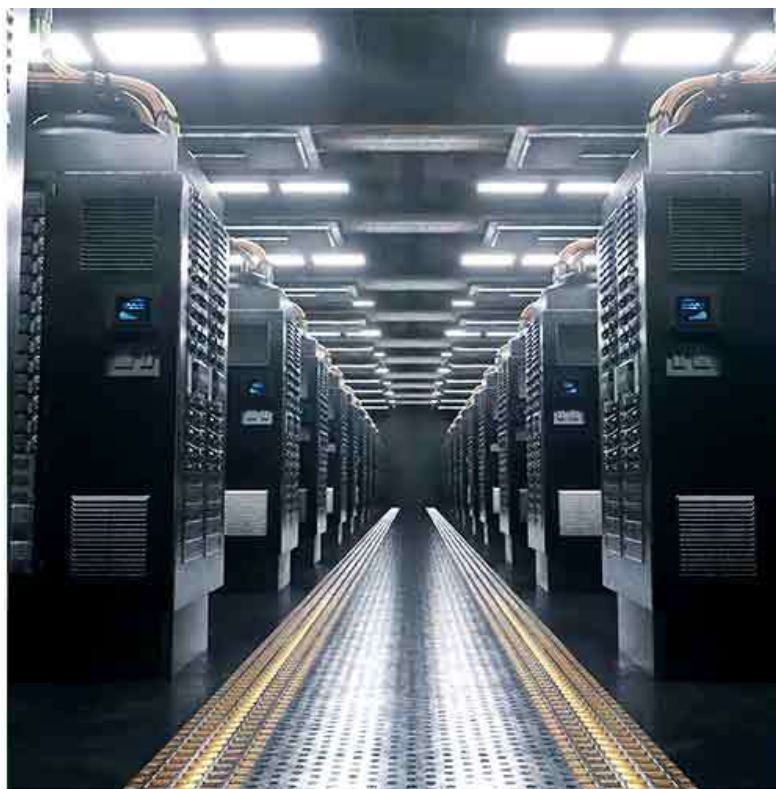


Pakistan's next leap

Dr. Muhammad Zeshan | 10th Feb 2025



Pakistan's economic future hinges on its ability to align industries with global demand trends and harness its comparative advantages. For decades, 'Made in Pakistan' was synonymous with textiles and agriculture.

While these sectors remain essential, the real game-changer lies elsewhere -- a shift toward innovation-driven, high-growth industries that can redefine the country's economic landscape. This transformation is no longer theoretical; it's happening now. From a booming tech ecosystem and fintech revolution to advancements in renewable energy, electric vehicles, and pharmaceuticals, Pakistan's sunrise industries are

emerging as the new engines of growth. The question is: Are we ready to embrace and accelerate this change?

Let's start with the elephant in the room: our tech revolution. Pakistani IT exports crossed \$3 billion in 2024, and that's not even counting the freelancers working through personal accounts. Systems Limited, our first tech unicorn, isn't just a local success story – it's a wake-up call.

But here's what really gets me fired up: our fintech explosion. For decades, we've scratched our heads over how to bank the unbanked. It turns out that the answer wasn't more bank branches – it was putting banking in people's pockets. Raast, our instant payment system, processed nearly 892 million transactions totalling around Rs20 trillion in about two weeks. Companies like Sadapay and Abhi are making payday loans and salary advances as easy as ordering biryani online. This isn't just banking; it's financial revolution 2.0.

Speaking of revolutions, let's talk about Pakistan's green transition. Yes, I can hear the sceptics: "But what about our energy crisis?" Fair point -- but consider this: Solar power is now cheaper than grid electricity in most parts of Pakistan. The Jhimpir wind corridor in Sindh is generating more power than a mid-sized dam. When the World Bank commits \$10 billion to Pakistan's clean energy transition, you know this isn't just environmental feel-good – it's serious business.

Here's another sunrise sector that deserves your attention: electric vehicles. Jolta Electric is already producing e-bikes in Lahore. Crown Group is setting up Pakistan's first electric vehicle plant in Karachi. Even our beloved rickshaws are going electric – Sazgar Engineering has launched electric three-wheelers.

Now, let's get personal about e-commerce. Remember when ordering groceries online seemed like science fiction? Today, my neighbourhood kiriyana store takes WhatsApp orders. Pakistan's e-commerce market is expected to hit \$6.7 billion by 2029, and it's not just the big players like Daraz driving growth. It's the Instagram baker selling custom cakes, the Facebook marketplace seller offering handcrafted jewelry, and the YouTube influencer selling products from China. This digital marketplace is creating entrepreneurs faster than our universities can produce graduates.

Here's a sunrise industry you might not expect: gaming and animation. Pakistani studios are now developing games for international markets. Caramel Tech Studios in Lahore has produced games with millions of downloads. Our animators are working on projects for Netflix and Disney

Agriculture might seem like an odd addition to the list of sunrise industries, but trust me – what's happening in our fields is revolutionary. Startups like Farmdar are using satellites and AI to help farmers increase yields while using less water. eFarm is connecting farmers directly to urban consumers, cutting out middlemen and increasing farmer profits by up to 50 per cent.

Here's a sunrise industry you might not expect: gaming and animation. Pakistani studios are now developing games for international markets. Caramel Tech Studios in Lahore has produced games with millions of downloads. Our animators are working on projects for Netflix and Disney. When a Pakistani gaming startup gets acquired by a US company for millions of dollars, maybe it's time to tell our kids that gaming isn't a waste of time.

The pharmaceutical sector is another dark horse. We're not just talking about generic drugs anymore. Companies like Searle and Getz Pharma

are investing in R&D. Pakistan aims to export \$1 billion in pharma in FY2025. With the government's new API (Active Pharmaceutical Ingredients) policy, we're finally moving up the value chain from pill-pressing to actual drug development.

But here's the reality check: these sunrise industries face serious challenges. Our education system isn't producing enough skilled workers. Our regulatory environment often feels like it was designed for the 1980s. Power outages still plague our industrial zones. And our financial sector needs to get better at funding innovation rather than just real estate.

Yet, I'm optimistic. Why? Because these new industries are fundamentally different from our traditional sectors. They're more resilient, more innovative, and more inclusive. They're creating opportunities for women to work from home, for young people to start businesses with just a laptop, and for rural communities to access urban markets.

The real question isn't whether these sunrise industries will grow – they already are growing. The question is whether we'll embrace this transformation fast enough. Will we update our regulations to support digital businesses? Will we reform our education system to prepare workers for these new jobs? Will we invest in the infrastructure these industries need?

Pakistan's economic future won't be built on the industries of yesterday. It will be built on the bold, innovative, and sometimes messy transformation that is happening right now. The sun is rising on a new economic era. Are we ready to shine?

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