



Transparency in Governance Pakistan's Seaport Practices

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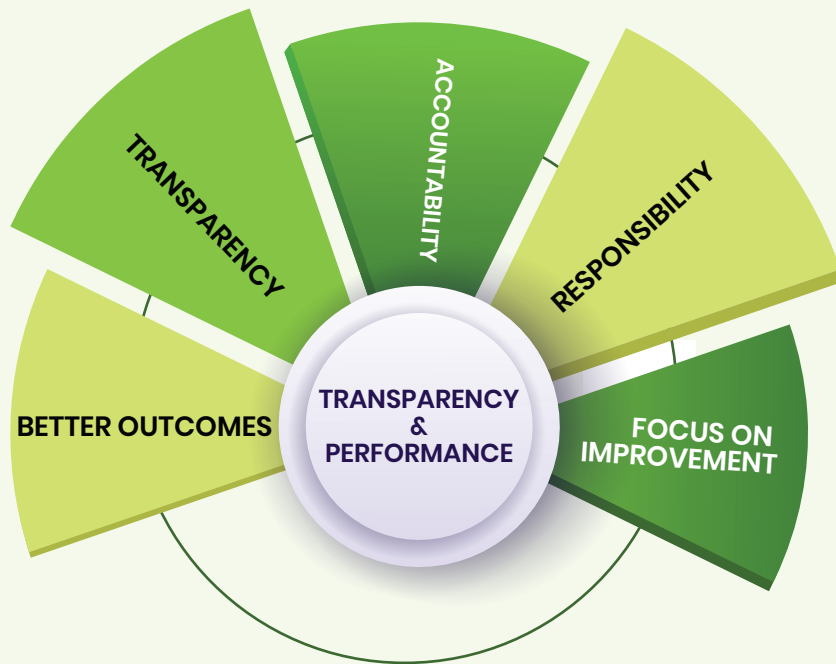
EXECUTIVE SUMMARY

The governance of a port plays important role towards effective flow of goods and thus shaping the economic development of the region. The increase in global trade has also led to the increased need for transparent, efficient and accountable port governance. With this backdrop, this knowledge brief aims to explore the existing state of transparency in Pakistan's three ports, i.e. the Karachi Port, Port Qasim and the newly operationalized Gwadar Port. The main objective for this document has been kept to highlight the significant gaps in governance practices of our country's ports, while comparing them to the international transparency indicators, as identified by Brooks, et al. (2020). While examining lessons from global examples and the existing literature, this study concludes by providing some recommendations for practice implications that can allow Pakistani Ports to align with global standards.

RESEARCH CONTEXT & RATIONALE

Transparency is described as "openness, communication and accountability", thus in governance terms, it refers to the principle of empowering stakeholders to have complete information regarding the operations and structures of a given entity. Transparency is linked to various notions based on the idea that proper and timely dissemination of information is important for empowering people. Following this foundation, Figure 1 illustrates the link among accountability, responsibility, and focusing on development, with transparency. By contrasting an organization's declared objectives with its actual performance and that of others, it empowers stakeholders to hold it accountable, while also improving an organization's performance through accessible information. enabling stakeholder groups and other businesses to compare outcomes in the same market.

Figure 1: Links between transparency, accountability, responsibility and performance

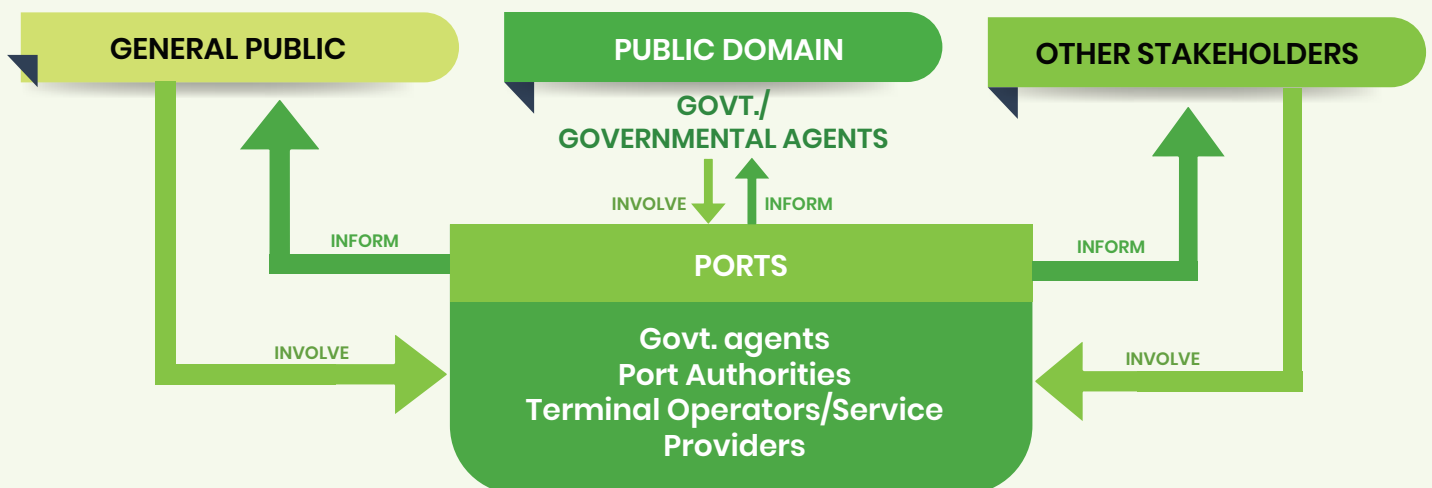


In the context of Port Governance, transparency can be defined as the visibility of information, both in terms of quantity and quality. Availability and accessibility in publicly accountable organizations is essential for the general public to assess the when, how and why of certain management and financial decisions, so that the stakeholders can participate in the review and oversight processes, thus leading to the accountability of management and ultimately, responsible outcomes. The information needs to be timely available, and must be understood, including being available in the majority speaking language; and it must accurately reflect the things for which the organization is responsible (i.e in complete report formats; abstracts or summaries are therefore not transparent).

Additionally, transparency also needs to be considered in relation to its intended audience, as depicted in Figure 2, where various port stakeholders are represented.

Transparency for Whom?

Figure 2: Preliminary Framework for Evaluating Transparency of Port Policy & Regulation



The idea that transparency leads to increased accountability can be supplemented by various literature. In the light of New Public Management principles, (Vazquez et al, 2024) discusses the role of governance as an integrative mechanism in public governance, highlighting that transparency and performance evaluation is critical for any reforms in port governance. Marburn and Gabriella (2025) have also highlighted that information flow increases the efficiency of the policy implementation, and digitalization helps in increased services accountability,

Nevertheless, Pakistan's port industry, which includes Karachi Port, Port Qasim, and Gwadar Port, still has difficulties implementing thorough transparency and governance reforms in spite of these worldwide trends, which has resulted in inefficiencies and diminished stakeholder confidence, as noted by a number of academics, including Michener and Bersch (2013).

In this regard, this knowledge brief aims to explore the existing gaps in port governance at the three ports of Pakistan, through comparisons of transparency indicators as identified by Brooks, et al. (2020). The main aim of this brief will be to highlight practical suggestions, for enhancing the country's governance port structures in line with international standards. Through an examination of available literature, the brief will identify the reforms needed to improve operational efficiency and transparency in Pakistan's port sector.

CROSS-CONTEXTUAL INSIGHTS INTO THE TRANSPARENCY PRACTICES ACROSS PAKISTANI PORTS

With the aim of providing a thorough overview of our country's ports' current procedures and pinpoint areas that require improvement in order to comply with international standards, the study has compared them across important transparency indicators, as indicated by the study by Brooks et al. Since, the study focuses on transparency through analyzing the public availability of critical financial and management related information, all of the data is compiled through official website analysis, and through a systematic online search of the available secondary sources, including a structured review of publicly available reports and different government databases. The indicators are then divided into three main categories, i.e. Management Information, Operational Performance and Public Disclosure. Pakistan's standing across all these indicators, across the three ports, the Karachi Port, Port Qasim and the Gwadar Port, have been compared in the tables provided below:

For Comparative purposes, the study also analyzes the available information for the country's regional competitors aimed at providing examples from the global practices. The three ports selected for comparison are the Port of Singapore, the Jawaharlal Nehru Port in India and the Port of Columbo in Sri Lanka.

The rationale behind choosing these exact regional competitors were as following: the Port of Singapore was selected being a global benchmark for transparent governance practices within a state-led framework. The Port of Columbo was chosen to be a regional example of successful port governance in South Asia, through its reform focusing on institutional restructuring, enhanced stakeholder engagement, and increased transparency despite similar political and administrative challenges as our country, and lastly Jawaharlal Nehru

Port for being the India's largest container port, with a public-sector-dominated governance model.

**In the following tables, a ✓ indicates that the information is available easily on the official website. ✗ indicates that it's not available, and a --- indicates that partial information is available. The exact details about the partiality are provided against the respective footnote.

Table 2: Transparency Indicators (Management Information) for Ports and Pakistan's Performance

Management Information Indicator	Karachi Port	Port Qasim	Gwadar Port	Port of Singapore	Port of Colombo	Jawaharlal Nehru Port
Board of Directors visibility	✓	✓	----- ¹	✓	✓ Even separate contact information for all board members is available	✓ Separate profiles (with experiences and work histories) and contact information for every member is also available.
Public access to Board meetings	✗	✗	✗		✗	
Availability of port executive salaries	✗	✗	✗		✗	

Table 3: Transparency Indicators (Operational Performance) for Ports and Pakistan's Performance

Operational Performance Indicator	Karachi Port	Port Qasim	Gwadar Port	Port of Singapore	Port of Colombo	Jawaharlal Nehru Port
Annual reports availability	✓ ²	----- ³	✗	✓	✓ Yearly Report and Quarterly updates through newsletters	✓ Annual reports as well as regular highlights are easily available in both Hindi and English. Even Accounts and Financial reports are available online.
Port tariffs visibility	✓ ⁴	✓ ⁵	✗	✓	✓	✓ Public dissemination of information regarding changes in port tariffs. Also, a tariff calculator is also provided on-site for ease.
Sailing schedules availability	✓	✓	✗	✓	✓	✓
Port operational activities	✓	✓	✗	✓	✓	✓

Table 4: Transparency Indicators (Public Disclosure) for Ports and Pakistan's Performance

Public Disclosure Indicator	Karachi Port	Port Qasim	Gwadar Port	Port of Singapore	Port of Colombo	Jawaharlal Nehru Port
Community/stakeholder meetings	✓ ⁶	✓	----- ⁷		✓ ⁸ In fact, a complete stakeholder plan, including all of the relevant authorities and institutions, has also been published	
Public communication channels (email/phone) ⁹	✓	✓	-----	✓	✓	✓
Use of social media for transparency ¹⁰	-----	-----	-----	✓	✓	✓
Annual meeting agendas posted in advance	x	x	x			
Availability of meeting minutes	x	x	x			

The above table provides a comprehensive overview of the transparency practices currently prevalent in the country's three ports, i.e. the Karachi Port, managed by the Karachi Port Trust, Port Qasim, governed by the Port Qasim Authority, and the new Gwadar Port, overseen by the Gwadar Port Authority.

From the analysis, it can be seen that, while Karachi Port and Port Qasim show a relatively higher level of transparency across all of the identified indicators, including operational activities and community engagements and management information publicly available, there are still noticeable gaps in some major indicators. It can also be observed that major shortcomings are in areas requiring disclosure of financial data and decision making. While on the other hand, Gwadar Port is lagging extremely behind, with much fewer transparency measures in place.

1. GPA-Board Member (The members' list is available in terms of their respective positions held, but no names)
2. Evaluation Reports for various maintenance projects etc. are also available at Karachi Port Trust | The Gateway To Pakistan,
3. Brooks, M. R. (2015). Port governance as a tool of economic development: Revisiting the question. In P. T.-W. Lee & K. Cullinane (Eds.), Dynamic shipping and port development in the globalized economy (Vol. 2: Emerging trends in ports, pp. 128–157). London: Palgrave Macmillan.
4. Tariffs/port charges etc. are implemented through different SROs, and are available publicly at Karachi Port Trust | The Gateway To Pakistan, however, they can be a bit tricky for the newcomers to understand
5. Gaz-Tariff2010.pdf
6. Various engagement activities are scheduled and disseminated through quarterly newsletters
7. Regula meetings with the Government stakeholder, seldom with the private or community stakeholders
8. Report.pdf
9. For all of Pakistan's three ports, a general phone number and email address is listed, but not for the relevant persons
10. Social media is being used by the port authorities, but the use is extremely limited, with no actual management financial related information being shared in a timely manner.

Furthermore, none of the ports offer access to annual meeting agendas or minutes. The validity of these limitations is further underscored by the fact that the latest online available annual report for DG Ports & Shipping is for the Fiscal Year 2021-2022 .

Comparison with the regional competitors reveals that, while the public disclosure indicators are somewhat lacking in the regional competitors, as information regarding annual meetings, agendas and public inclusion in board meetings is not available, the rest of the transparency requirements are being fulfilled completely. Even among these, the Jawaharlal Nehru Port in India, takes a step further in transparency practices, while providing regular highlights and updates to major changes in both Hindi and English. They have also provided an online tariff calculator, to help shipping companies as well as importers, in calculating the exact costs incurred on their shipments. The Port of Colombo, also provides a complete stakeholder engagement plan on their official website, along with a list of all of the companies and business, and their contact information, hence enhancing their transparency practices.

Following these international benchmarks could be a starting point for our country's ports to enhance our transparency practices, and thus place our ports in a better position as compared to our regional partners.

IMPLICATIONS FOR PRACTICE

For the port authorities and policymakers this analysis highlights the urgent need for reforms aimed at strengthening governance, in order to build greater public trust in the country's logistics industry. In this regards, key implications for practice include:

1. Digital Transparency tools including real-time transparency dashboards should be adopted to provide stakeholders with access to real-time data on port operations, thus improving accountability. This would not only reduce paper-based processes by ensuring a single source of information, but would also help to transform the traditional opaque logistical processes into transparent, data-driven systems. Rolling out of the PortVerse (Pakistan's Port Community System) is an appreciable step in this regard, however, the system still needs to be expanded as for now it is only being used to streamline trade procedures/documentations, and other aspects of transparency still need to be included.
2. Public participation in decision-making processes is one of the crucial components of good governance practices. Thus, allowing public participation, through webcasting of the meetings, disclosing of meeting agenda beforehand, and meeting minutes after, would strengthen accountability of the Port Authorities.
3. Public disclosure of financial data is considered to be an essential aspect of good governance practices. Hence, transparent disclosure of executive salaries and their performance reviews should be made available, so as to help to minimize conflict of interests and foster increased public confidence.
4. Founding on the works of Brooks et al. (2020), the Pakistani Port authorities should adopt measurable performance indicators, while providing stakeholders with regular updates, in order to adapt a performance-based governance model, that have proven to be more effective at enhancing transparency.
5. As evidenced by several literature, maintaining transparency in port governance requires a robust legal framework. This means that clear regulations should be drafted detailing public disclosure of port operations and financial reports, while simultaneously outlining the consequences for non-compliance.

CONCLUSION

In conclusion, although accountability and transparency have occasionally been used interchangeably, accountability can be considered an outcome that is related to building stakeholder trust through openness. Therefore, an organization's duty to its stakeholders is the foundation of accountability.

In this context, strengthening the accountability and competitiveness of Pakistan's ports, significantly depends on improving the transparency practices. In this regards, this study's analysis concludes that while our older ports (Port Qasim and the Karachi Port) have made relatively better progress in several governance areas, some of the financial and decision-making data is still not available. Whereas on the other hand, the Gwadar Port, which was planned to be a regional hub, is still lagging far behind in transparency indicators, with minimal data available about its operations or the governance positions online.

By putting into practice international best practices like digital transparency platforms, granting public access to decision-making meetings, and holding regular stakeholder engagements, will allow to improve public trust in our port authorities. Hence, implementation of the identified reforms will allow Pakistani ports to be positioned as major participants in the international marine trade network.

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