



MITIGATION STRATEGIES FOR TRANSPORT SERVICE PROVIDERS DURING AND AFTER COVID-19 IN THE OIC MEMBER COUNTRIES

MAY 2021

Pakistan Case Study



PGlobal Global Advisory and Training Services



► Profile

- Registered air carriers: 5
- Registered aircraft: 52
- Annual passenger traffic on registered air carriers: 6,880,637
- Annual freight traffic on registered air carriers: 217.53 million mt-km
- Roads: 263,775 km
- Railway network: 7,791 km
- Fleet - Ownership: 52 ships, 759 Thousands DWT
- Container port throughput: 3,367,850 TEU

- Population: 222 million
- Total Covid-19 cases: 908,576

► Effects on the transport sector

- Compared to 2019, the passenger demand for air travel was 52% lower in 2020
- Expected revenue loss of around USD 1.83 billion, as well as a job loss of 259,400
- Pakistan experienced a fall in daily departures to zero for a short period as a result of the outbreak of COVID-19.
- Daily departure remains positive after that short break
- Road transport services fall significantly during the COVID-19 period.
- This could be because of the closure of the border
- Public transport is the main means of transport in Pakistan
- To contain the outbreak of COVID-19 Pakistan implements various restriction measures related to public transport
- Public transport in Pakistan was closed from March to June 2020
- There were no restrictions on international travel

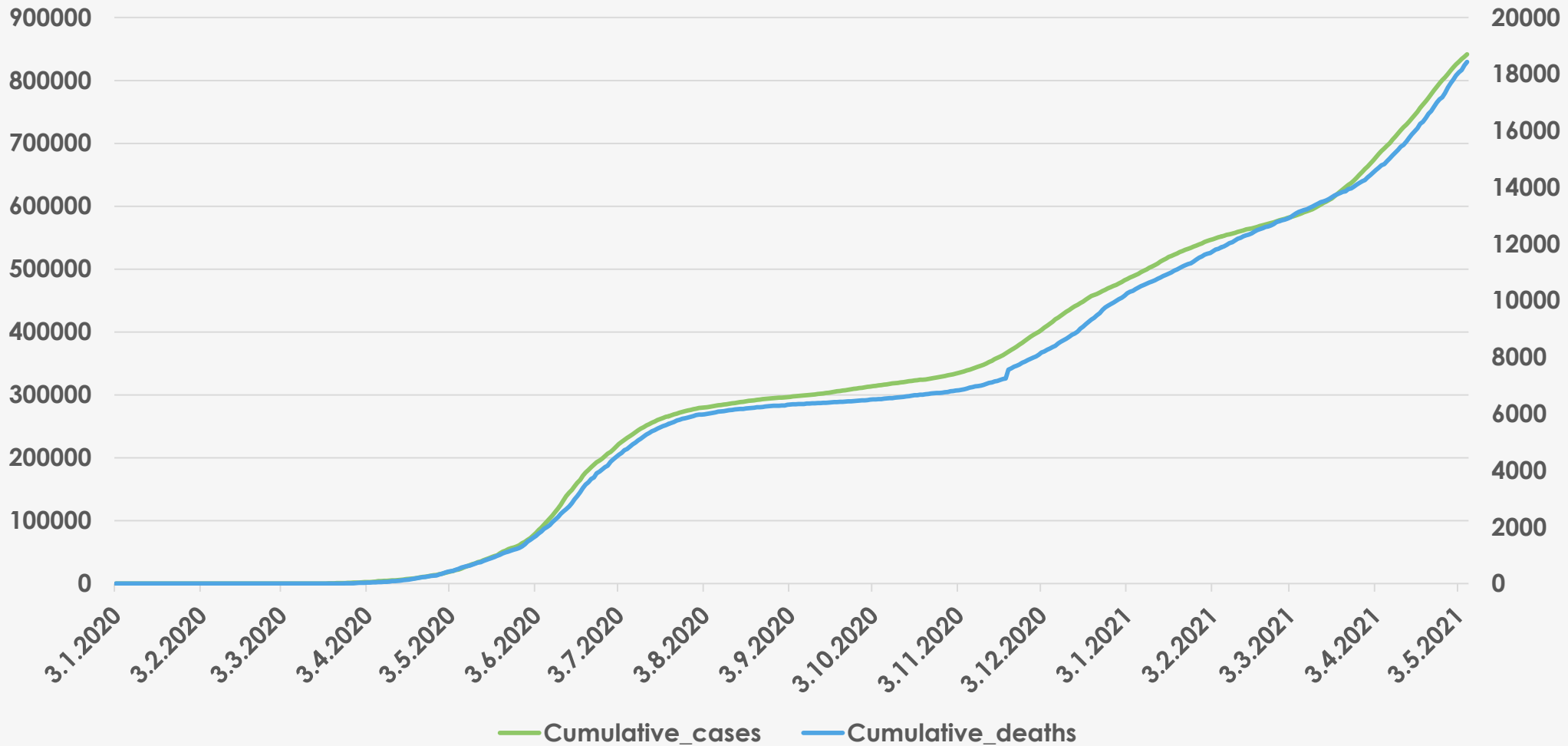
► Effects on the transport sector

- The informal transport sector of Pakistan is mainly dominated by the marginalized and refugee population of the country
- Informal workers engaged in the transport sector are the worst impacted by COVID-19
- 27.3 million informal at-risk workers about to lose their jobs and income security
3.14 million belong to transport, storage, and communications
- Loss or job disruption in the transport sector could vary between 60 to 90% as a percentage of total vulnerable employment
- Wage losses for the transport sector are estimated to vary between PKR 12.15 billion to PKR 18.22 billion
- About 6.5 million need support in the logistic/supply chain for COVID-19 response
- 2 million are targeted by the National Disaster Management Authority
- 8.5 million USD is required to provide support to the vulnerable in the sectors

► Effects on the transport sector

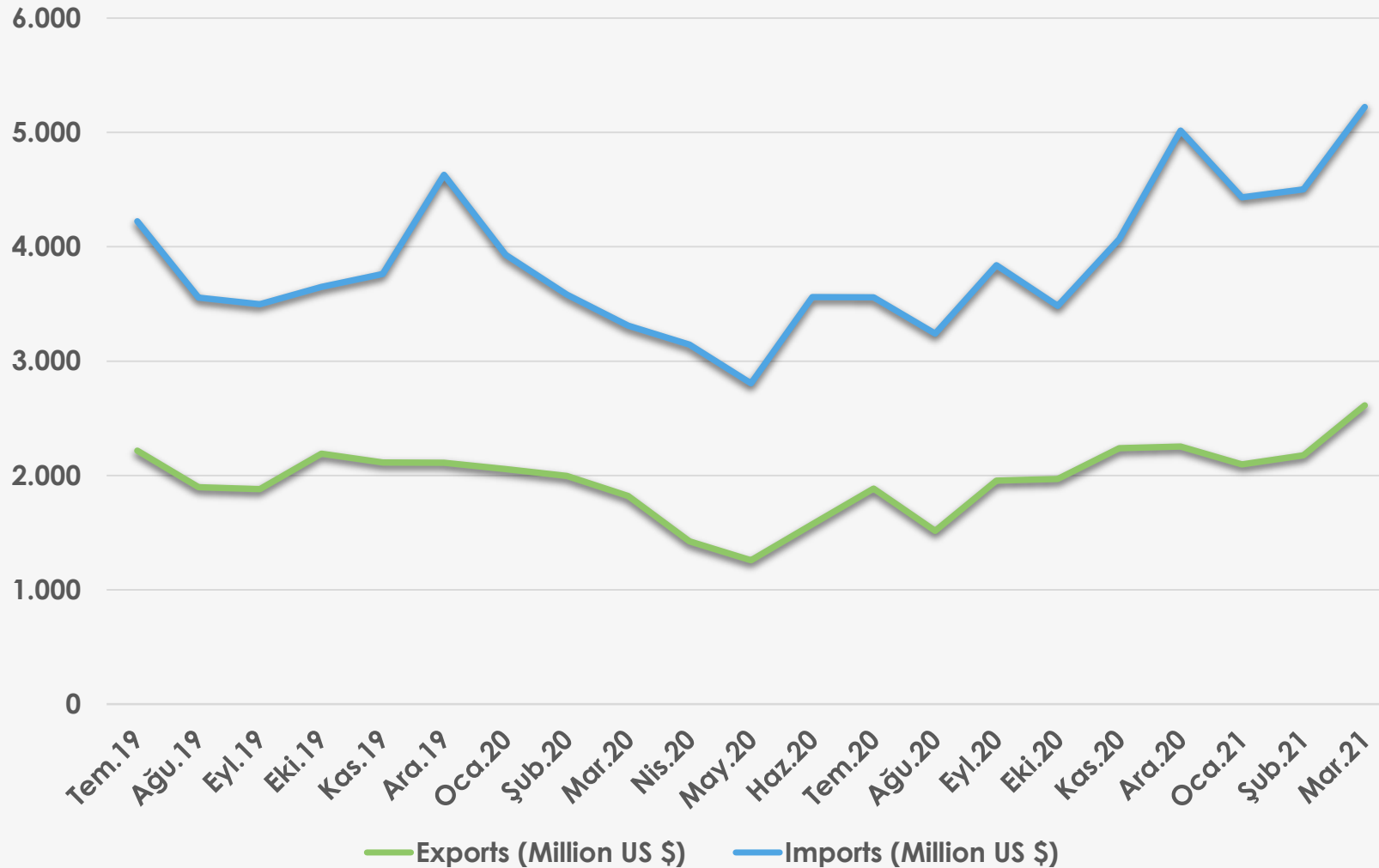
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▶ COVID-19 CASES IN PAKISTAN



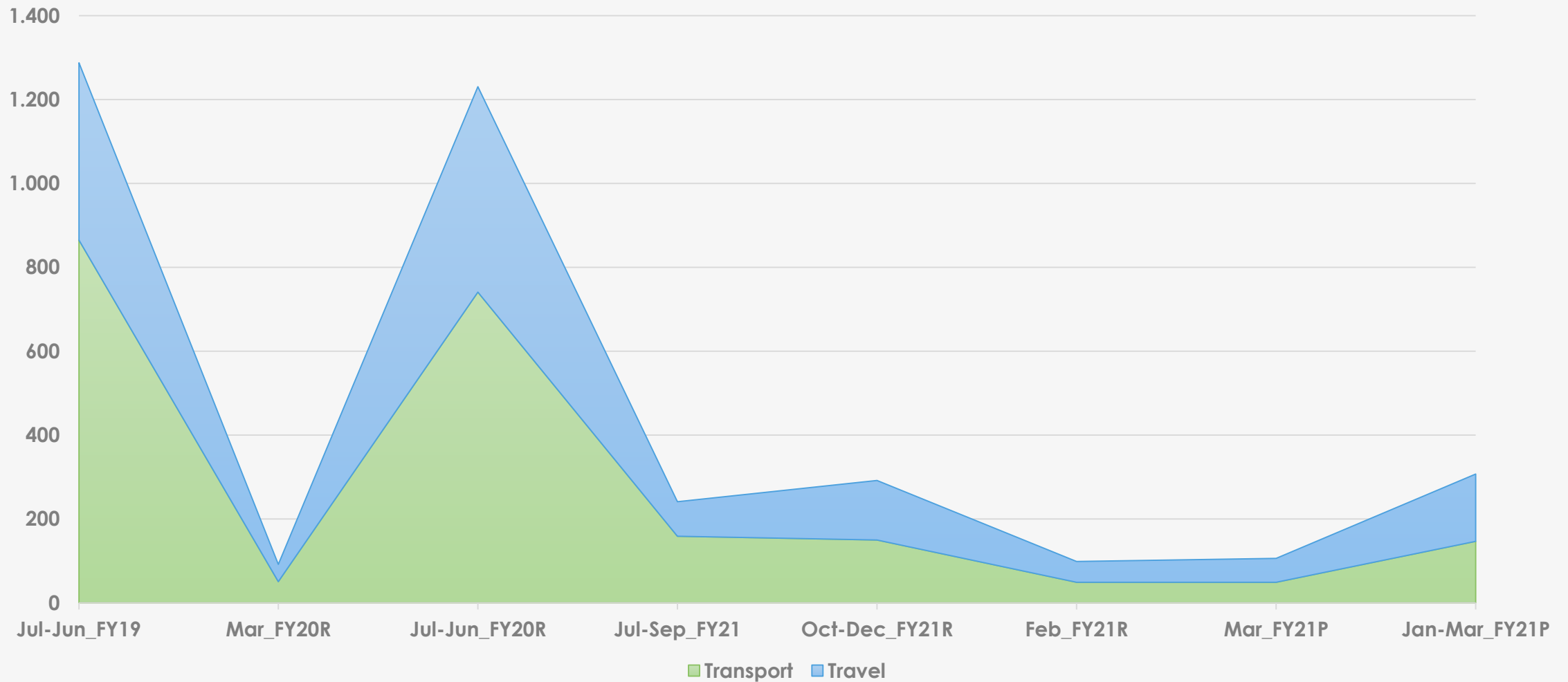
Source: WHO

► Response of exports and imports



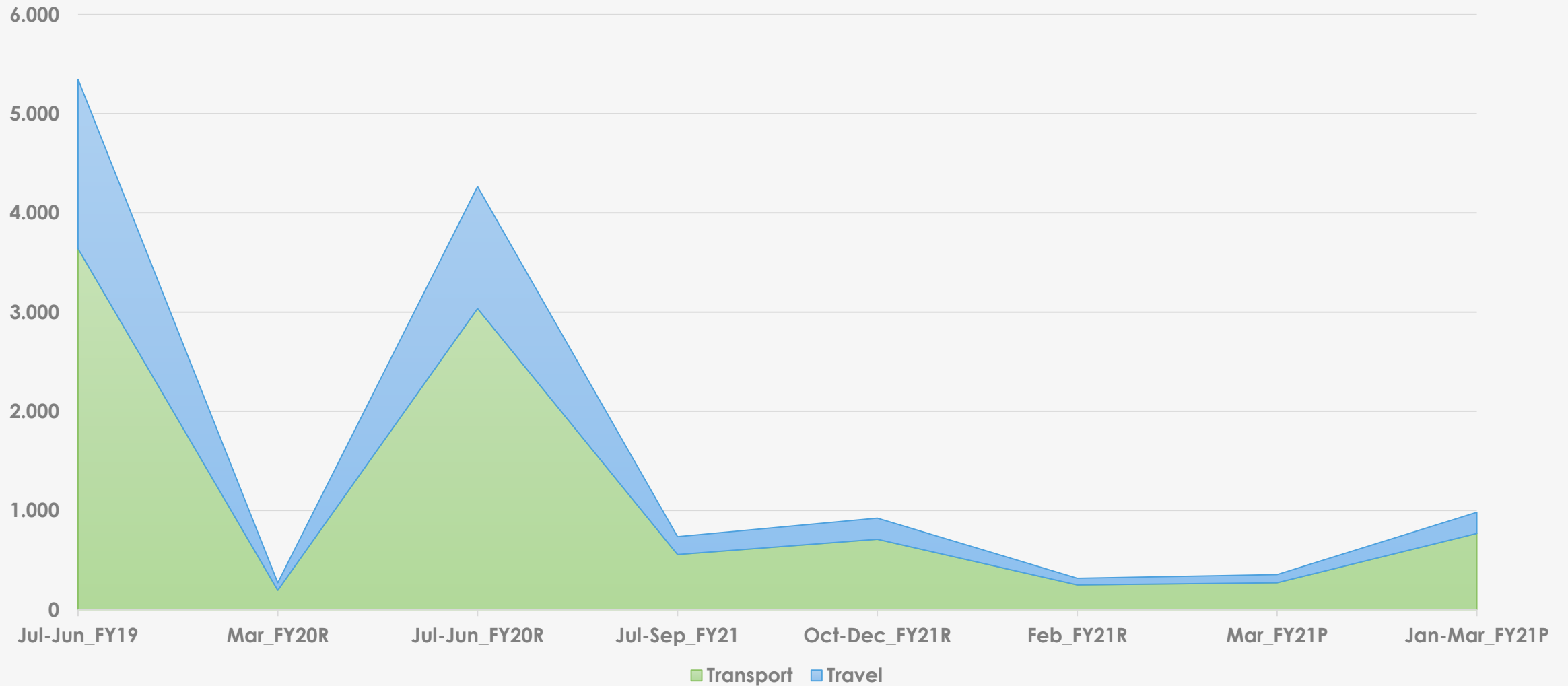
Source: State Bank of Pakistan

► Export of services (million US \$)



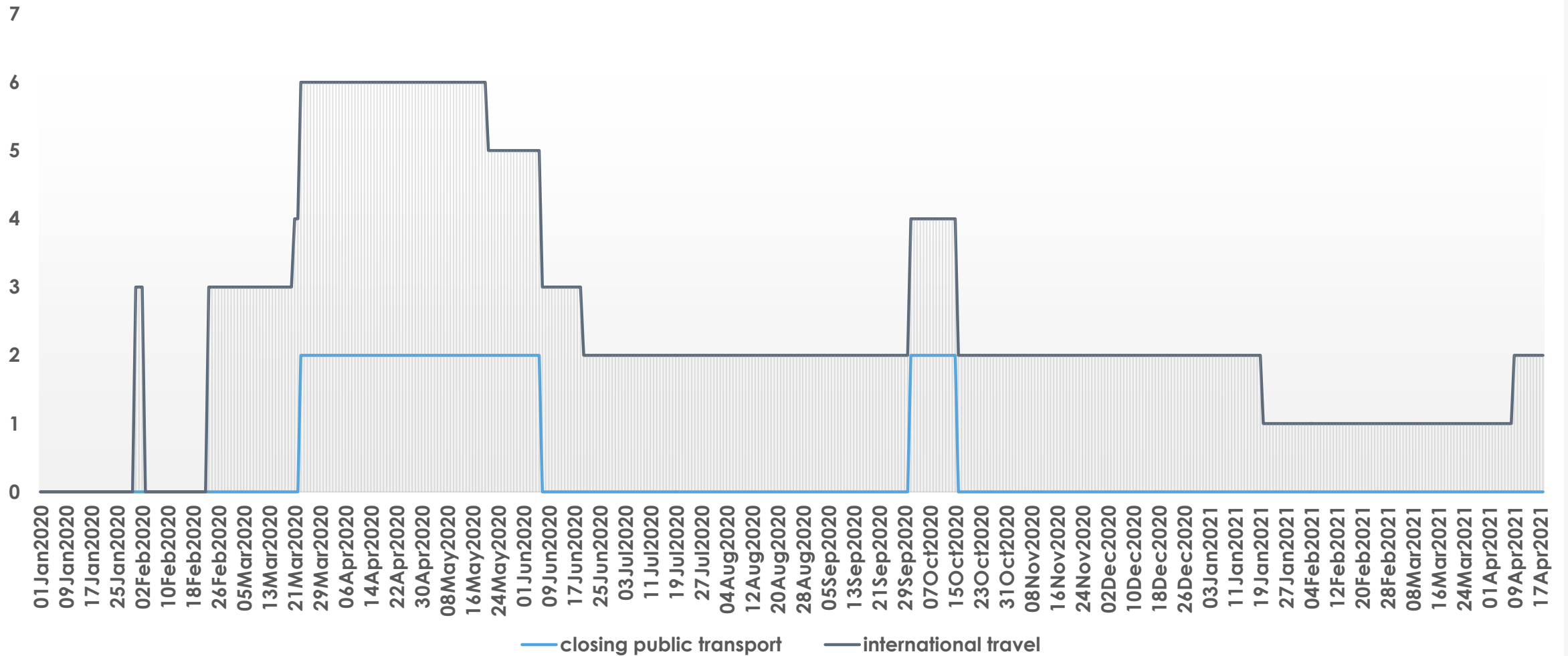
Source: State Bank of Pakistan

► Import of services (million US \$)



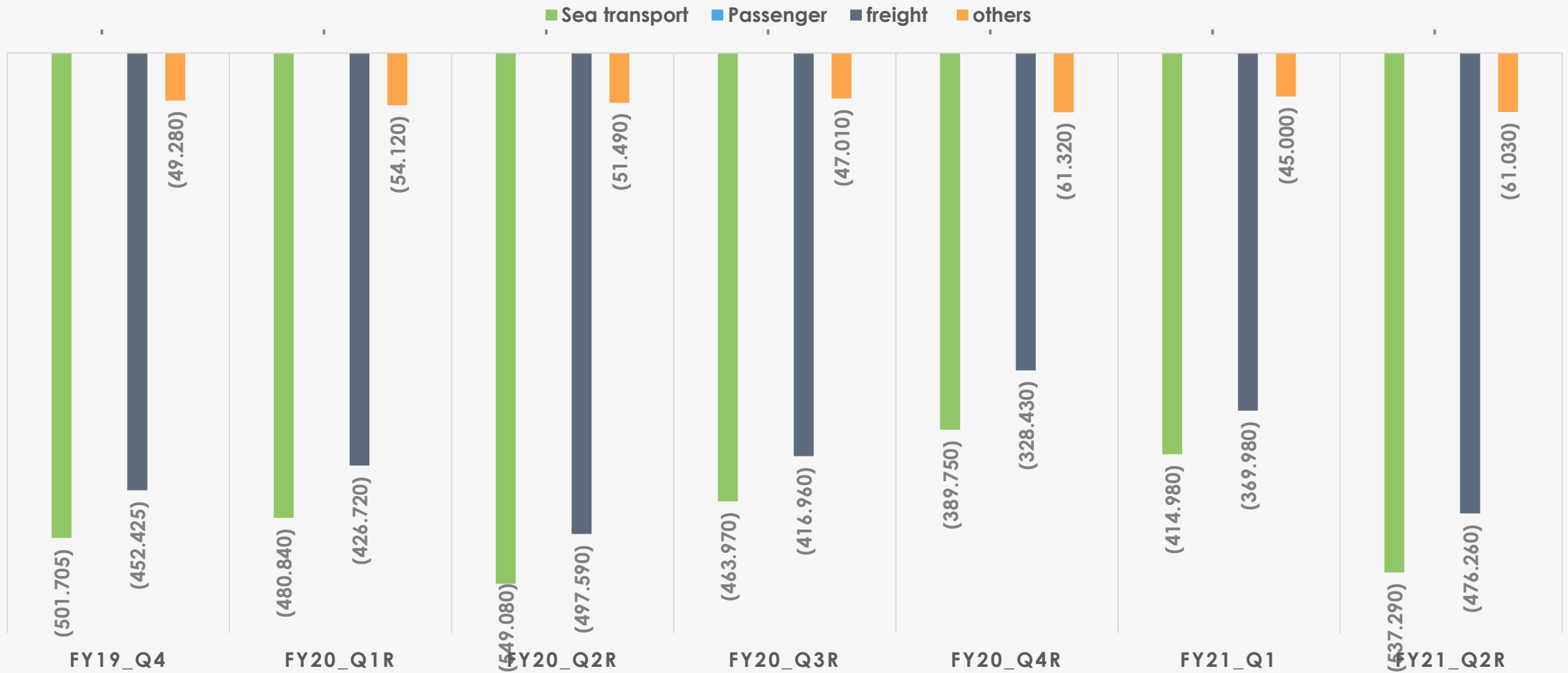
Source: State Bank of Pakistan

► Closing International travel and public transport



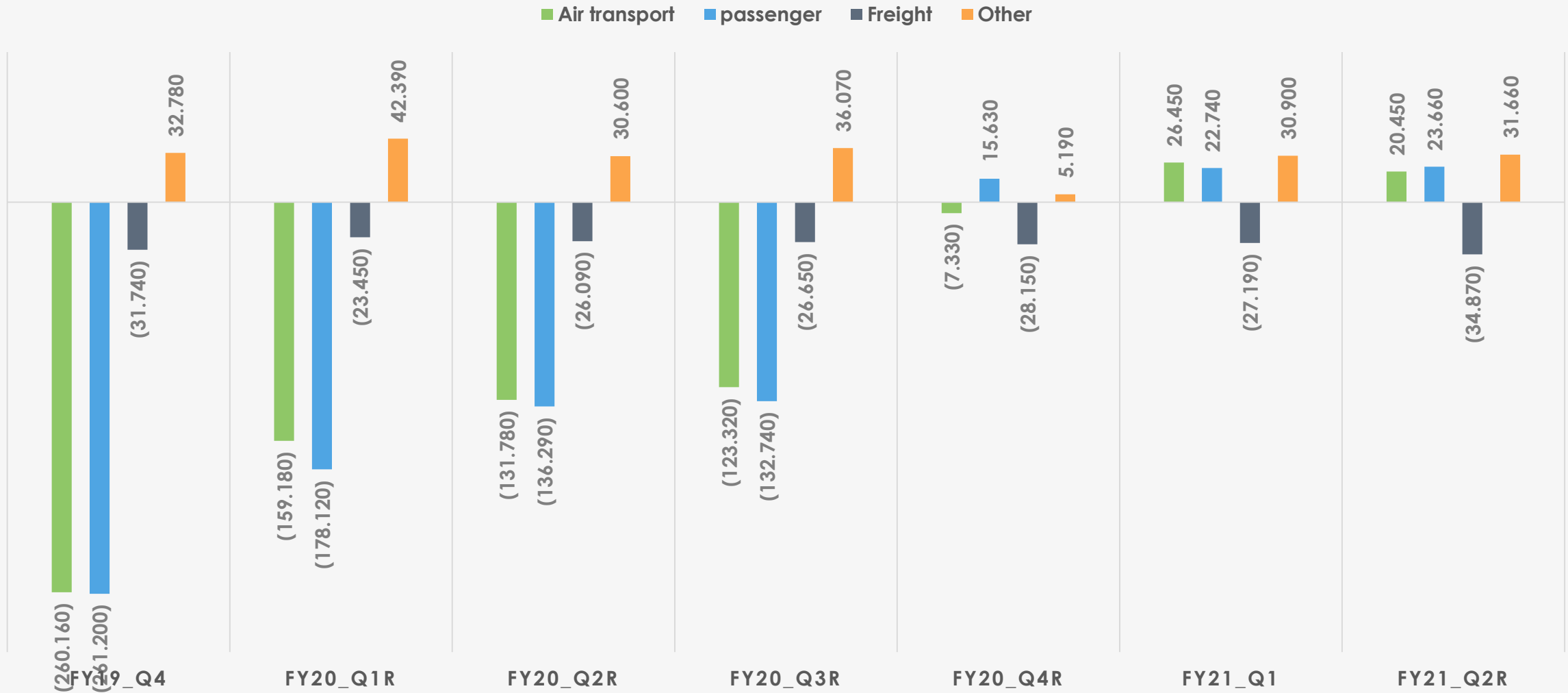
Source: Author construction based on OxCGRT

► Effect on sea transport (trade in thousand USD)



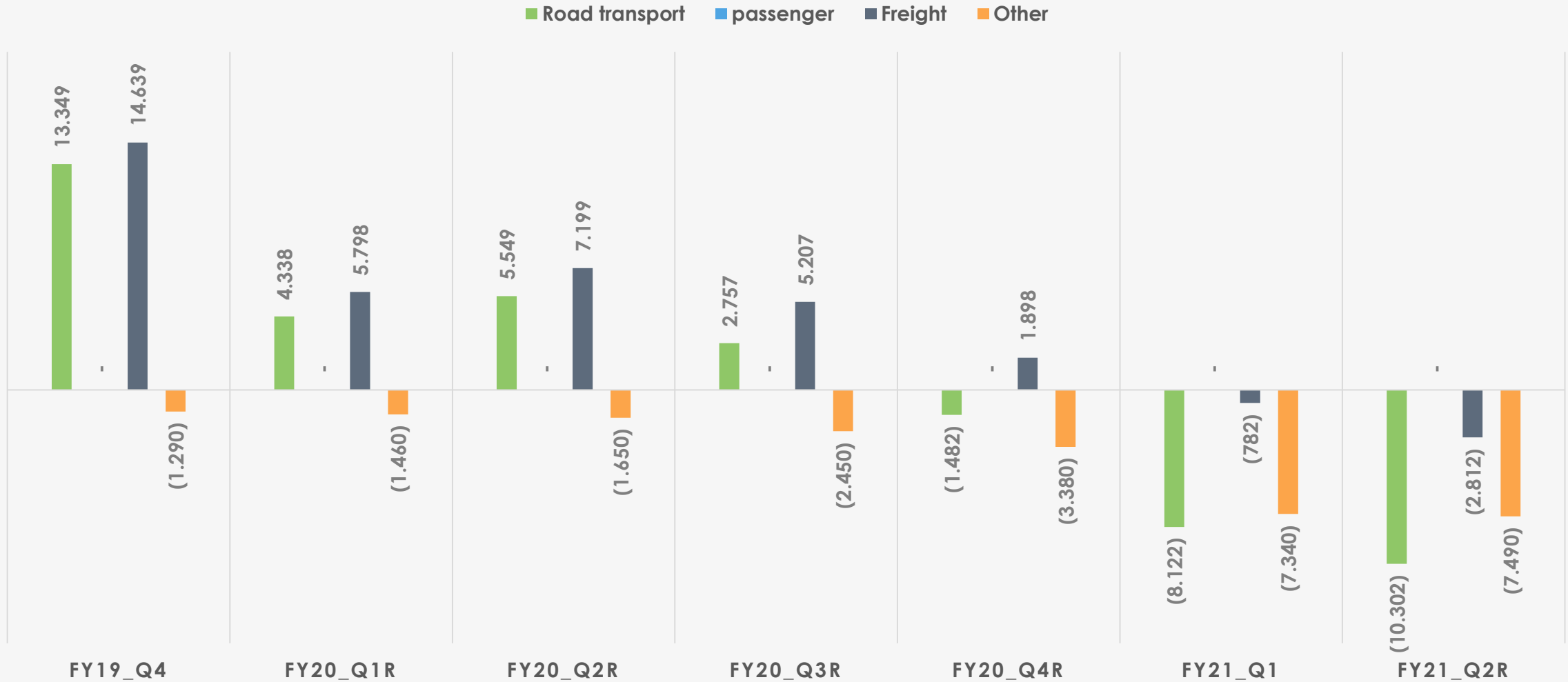
Source: State Bank of Pakistan

► Effect on air transport (trade in thousand USD)



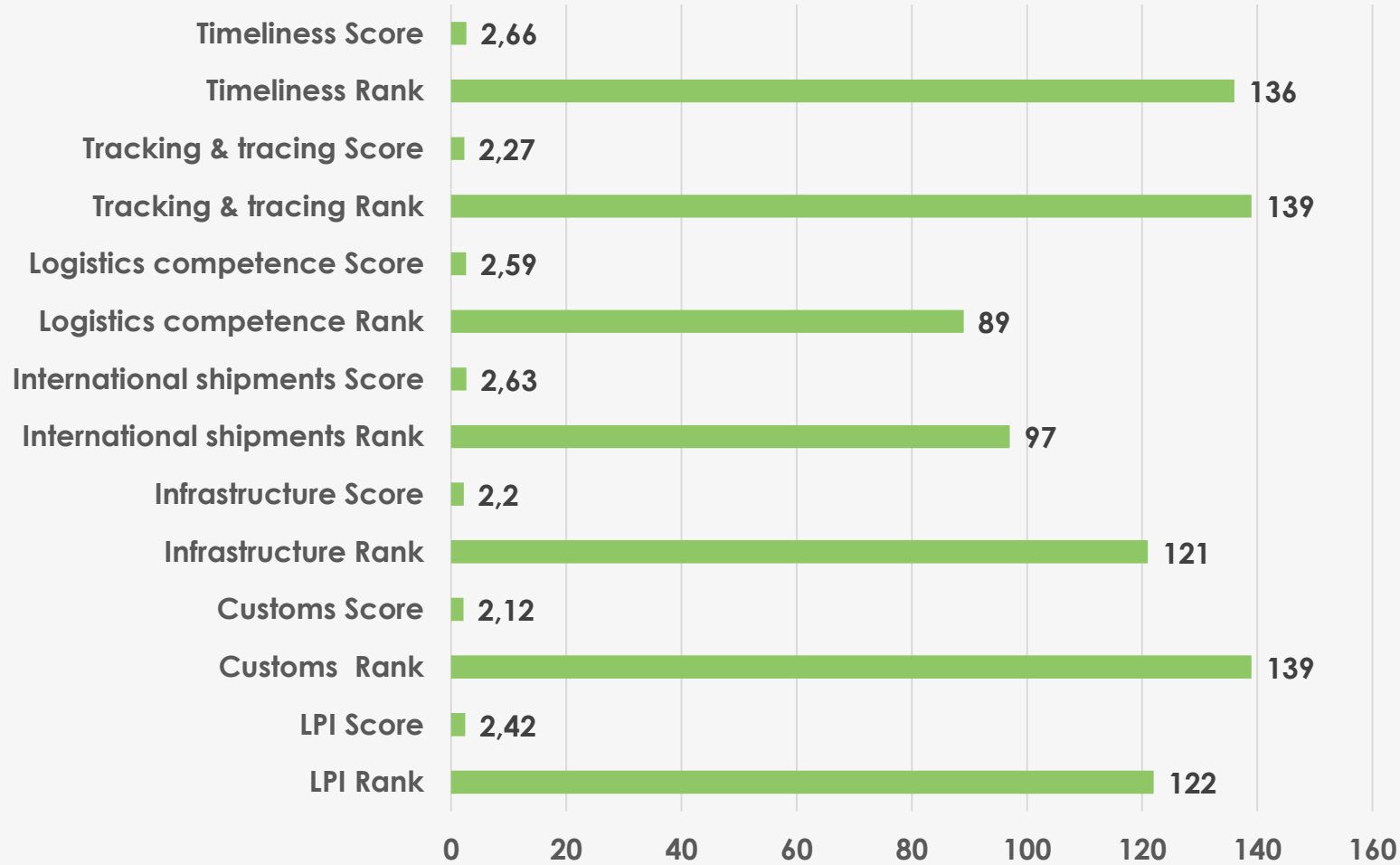
Source: State Bank of Pakistan

► Effect on road transport (trade in thousand USD)



Source: State Bank of Pakistan

► Logistics performance indicator



Source: World Economic Forum

► Responses

- PKR 200 billion as a fiscal stimulus package for workers and laborers who lost their work due to the pandemic
- National Command and Operation Centre was established, in which the representation from all stakeholders was ensured
- However, the policy announcement and incentives were not specific to the transport
- Political support was weak at the start of the pandemic
- Government compensates for the economic deterioration and other calamities on transport providers
- Government took different initiatives as a national action plan to support the families economically with Sheet Insaaf card through Ahsas program
- Subsidizing different sectors
- Government has waived off-airport fees, air navigation fees, landing and parking fees on domestic routes for the airline industry

► Responses

- Interprovincial personal and leisure travel was suspended and only essential trading was permissible
- Flights and rail transport modes were also shut down
- Ride-hailing services were also suspended in major metropolitan areas, and so were online delivery providers
- The administrative response was to implement the national plans and policies by the executive branch of the government
- They ran an awareness campaign to educate the public about the gravity of the situation for their cooperation by following SOPs and not breaking lockdown protocols
- Non-governmental organizations helped the administrative machinery by managing supplies of goods, food and ensuring health facilities to families in need
- Central bank introduced a payroll refinance scheme by the name of State Bank of Pakistan's Rozgar Scheme
- Loans worth Rs. 238 billion have been provided

► Responses

- Wearing of masks, sanitization, and disinfection is compulsory at airports, however, their use is very limited in other modes of transport
- SOPs are introduced for international trading sectors like seaports, airports and also for trains, buses, and stations. Social distancing is observed, wearing a mask is compulsory, the temperature is monitored and also the area is sanitized with disinfectant sprays
- In airports, masks are mandatory for staff and public/passenger
- Fines are imposed on violators
- Aircraft and lounges are frequently disinfected
- Hand sanitizers are placed inside the lounges at multiple places
- Zigzag queues and surface marking have been introduced to avoid close contact

► Summary

- Overall, the transport sector was not among those sectors which are affected most, as it was almost operational throughout the pandemic except for a short time
- The lack of proper implementation of SOPs was a big failure on the part of both the administration and transport providers
- A success factor is that the government addressed the matter, prioritizing it



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**MITIGATION STRATEGIES FOR TRANSPORT SERVICE PROVIDERS DURING AND
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Expert View Survey



May 2021

► Effects of COVID-19 on Trade and Customs

I	Key Criteria for Trade Facilitation Activity	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
DOMAINS	<ul style="list-style-type: none"> A. General Situation in the Covid-19 Process B. Government Support to The Transportation Sector during the Covid-19 Pandemic C. Administrative Measures Against the Transport Sector during the Pandemic D. Financial Sustainability of Transport Operators during the Pandemic E. Operational Measures of the Transport Sector during the Pandemic 	A score of 4 or higher out of 5	A score between 3 and 4 out of 5	A score between 2 and 3 out of 5	A score between 1 and 2 out of 5	A score less than 1 out of 5

► Overall Tier Placement

II	Overall Tier Placement	
	Tier 1	5 or more Tier 1 placements out of 6 or at least 4 Tier 1 placement and 3 Tier 2 placements across domains A to F
	Tier 2	5 placements out of 6 higher than or equal to Tier 2 or 4 Tier 2 placement and 3 Tier 3 placements across domains A to F
	Tier 3	4 placements out of 6 higher than or equal to Tier 3 or 3 Tier 3 placement and 2 Tier 4 placements across domains A to F
	Tier 4	3 placements out of 6 higher than or equal to Tier 4 or 3 Tier 4 placement and 2 Tier 5 placements across domains A to F
	Tier 5	3 or more Tier 5 placements out of 6 across areas A to F. Tier 5 placement has priority over all others

THANK YOU...

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