Eighth Five Year Plan (1993-98)

The Eighth Five Year Plan was approved by the National Economic Council (NEC) on May 31, 1994. the primary aim of the plan is to attain a sustained economic growth in an environment of macroeconomic stability, equity and justice. The Eighth Plan aims to achieve the following five basic balances:

(a) Balance between planning for the public and private sectors.
(b) Inter and intra-sectoral balances,
(c) Balance between new investment and use of existing capital stock,
(d) Balance between project preparation and implementation,
(e) Balance between committed and available resources.

Objectives:

(a) To attain 7% p.a. growth in GDP (including 4.9% in agriculture and 9.9% in manufacturing sector) by mobilising domestic and foreign resources and efficient use of existing resources;
(b) To encourage participation of all people in the development process and a more equitable sharing of the benefits;
(c) To generate additional employment opportunities by expanding productive avenues through private initiative as well as Government policies and programmes;
(d) To alleviate poverty through an integrated approach of income generation, well dispersed access to social and community services, human resource development, extension of physical infrastructure, population welfare and special programmes for targeted groups and areas;
(e) To ensure greater self-reliance, particularly in food, energy, public finance and external balance;
(f) To conserve natural resources and ensuring protection of environment;
(g) To promote good governance; and
(h) To ensure macroeconomic stability and discipline.

Size:

On 1992-93 prices, the size of the plan was Rs. 1701 billion while its size goes to Rs. 2092 billion on 1993-94 prices.

Strategy:

(a) The development strategy of the Eighth Five Year Plan will focus on ensuring and strengthening individual initiative, private enterprise and market mechanism;
(b) Efficiency will be the criterion on all investments;
(c) Employment will be promoted by expanding productive revenues;
(d) Poverty alleviation and income distribution will be addressed through equitable and well-dispersed access to social and community services and dispersal of income generating activities;
(e) Public sector will also support and protect the poor and other vulnerable groups;

(f) Fiscal discipline and monetary stability will be ensured to encourage higher levels of saving and investment;
(g) Self-reliance will be promoted through expanding exports and foreign exchange earnings, attaining self-sufficiency in the production of food grains, and exploitation of indigenous source of energy and fuels. Import substitution would not be dismissed out of hand. Efforts would be made to bridge the gap between actual and potential capacity in selected sectors; and
(h) Local technologies development would be encouraged.

Targets:

(a) To attain 7% p.a. growth in GDP.
(b) The agriculture growth rate is projected at 4.9%. Wheat production to grow by 22%, cotton production to grow by 61% and rice production to grow by 31%.
(c) The industrial growth rate is projected at 9.9%. Fertilizers production to grow by 60%, cement production to grow by 54%, sugar to grow by 54%, petroleum products to grow by 50% and steel billets to grow by 124%.
(d) Population planning coverage to increase from 20% to 80%. Population growth rate to decline from 2.9% to 2.7%.
(e) Coverage of rural water supply to increase from 47% to 71%. Rural sanitation to go up from 14% to 32%.
(f) Gas production to grow by 38%, refining capacity to grow by 183%, Ghazi Barotha Hydel Power Project to construct, ongoing Hub Power Project to complete with the cooperation of private sector, thermal plants of WAPDA to privatise, and electrification of 19700 villages.
(g) Indus Highway to complete, Lahore-Islamabad Motorway to complete, Makran Coastal Highway to complete, to construct deep sea port at Gwadar with the collaboration of private sector, to increase telephone connections by 125%.

Performance:

The formal approval of the Eighth Plan is one year late. The economic growth in the first year of the Plan 1993-98 was only 4%. Due to consecutive damage to the cotton crop and decreased wheat production, and the worst political conditions in the country, the achievement of 7% GDP growth in the next four years becomes difficult. See the following table:

GDP Growth Rate during the Eighth Five Year Plan

Year	GDP Growth Rate (%)
1993-94	4.4
1994-95	5.1
1995-96	6.6
1996-97	1.7
1997-98	3.5

GDP Growth during
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