

HALF-YEARLY REPORT FY 2024-25

Pakistan Single Window (PSW), incorporated on 15th April, 2020, under the Companies Act, 2017, serves as the designated operating entity for the PSW system, as notified under the PSW Act, 2021. Overseen by a Governing Council (GC) chaired by the Minister of Finance and Revenue, PSW operates under the strategic guidance of key federal secretaries and private sector representatives, ensuring streamlined regulation of cross-border trade. With offices in Islamabad and Karachi, the PSW platform officially launched in June, 2022, marks Pakistan's commitment to the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA).

The Board of Directors and the management of PSW are delighted to present this report that highlights the operational and financial performance of PSW for the half-year ended 31st December, 2024, showcasing its progress in achieving strategic objectives and expanding its role as a key enabler of trade facilitation.

Progress on System Implementation

The system began rolling out in July, 2021, and achieved Phase 1 completion status in June, 2022, in line with Pakistan's commitment under the WTO's TFA. Following its initial rollout in 2021, PSW has continually expanded its ecosystem, accelerating the digitalization of trade-related processes to meet international standards and increase efficiency across various sectors. As of 1st July, 2024, PSW has commenced Phase 4 of its operations during which several new government agencies and services are being integrated on the PSW platform.

Key highlights of the system implementation for the period 1st July to 31st December, 2024, are as follows:

Increase in coverage

As of 31st December, 2024, PSW has expanded the trade coverage from 65% to 75% with the integration of Drug Regulatory Authority of Pakistan (DRAP) - Imports, Pakistan Tobacco Board (PTB), and Trade Development Authority of Pakistan (TDAP) bringing the total number of government agencies integrated with the platform to 15 including Pakistan Customs. In addition, the system integrates 29 banks, 6 Pre-Shipment Inspection (PSI) companies, authorized by the Department of Plant Protection (DPP), and 39 treatment providers. The number of users has expanded from 84,000 to 86,000. Till date, more than 600,000 Licenses, Permits, Certificates and Other Documents (LPCOs) have been processed at the platform.

Performance benchmarks from FY 2024-25 to FY 2026-27

PSW successfully met most of the first set of performance benchmarks agreed with the PSW GC for the period FY 2021-22 to FY 2023-24 in terms of Section 5 (3) of the PSW Act, 2021, and Clause 4.2.1 of the Memorandum of Understanding (MoU) dated 30th March, 2022, signed between the PSW GC and PSW. The benchmarks set the strategic direction for single window implementation in the country as well as strengthen the oversight of the PSW GC over PSW. In line with the above-mentioned provisions of law, PSW has proposed a new set of performance benchmarks covering the FY 2024-25 to FY 2026-27 which are under consideration by the PSW GC.

PSW as a Strategic Data Hub

PSW has established itself as a critical data hub, providing stakeholders with access to vital information and metrics related to international trade. In today's data-driven world, the availability and effective utilization of accurate data are essential for informed decision-making and the development of strategies that drive growth and progress.

Recognizing the immense scope and value of this data, PSW has established the Enterprise Data Management Office (EDMO), led by the Chief Enterprise Data Officer (CEDO).

The EDMO is tasked with harnessing the power of data to develop actionable insights and statistical analyses, enabling data-driven decision-making and innovation in trade facilitation. This strategic initiative underscores PSW's commitment to leveraging data as a critical asset for driving growth and excellence in international trade.

Other activities

- A third-party assessment of the PSW system was conducted under the United Nations' Centre for Trade Facilitation and Electronic Business (UN/CEFACT) methodology involving international experts. The assessment found substantial reduction in the time and cost of doing business as a result of PSW system's implementation.
- PSW successfully integrated DRAP with the PSW system for imports and is currently in the process of digitalizing and integrating DRAP's export related processes with PSW.
- The pilot phase of the Port Community System (PCS) was successfully launched in September, 2025, at the ports of Karachi, Port Qasim, and Gawadar.
- The PSW Data Centre funded by the Asian Development Bank (ADB) was successfully operationalized in August, 2024, by the PSW team culminating a 2 year long process.
- PSW won the inaugural "International Prize for Gender Equality in Trade", awarded by the WTO, for its groundbreaking Khadijah Women Entrepreneurship Program.

In addition to digitizing Business-to-Government (B2G) processes, PSW is streamlining Business-to-Business (B2B) services related to cross-border trade by integrating labs, PSI companies, and marine insurance providers into the system. It onboarded the first private sector Financial Technology (fintech) company on the PSW platform for utilizing PSW's trade data to enhance Financial Action Task Force (FATF) and Anti-Money Laundering (AML) compliances by banks. It is also working closely with Ali Baba Group of China to develop a digital platform for streamlining Electronic Commerce (e-commerce).

Financial Performance and Self-Sustainability

In 2024, PSW again reported an operational surplus over its expenditures, marking a significant milestone in its journey toward self-sustainability. The Company operates without reliance on subsidies or financial support from the Government of Pakistan, reflecting its robust financial management. Detailed financial statements, along with accompanying notes, are annexed to this report, while an overview of the Company's financial position as of 31st December, 2024, is given below:

Details	As on 31 st December, 2024
Operational Income	Rs. 789,706,962
Other Income	Rs. 165,066,944
Operational Expense	Rs. 566,979,176
Administrative Expenses	Rs. 112,955,881
Amortization of deferred Capital Grant	Rs. 204,360
Finance Cost	Rs. 6,947,666
Taxation	Rs. 200,958,989
Surplus	Rs. 66,932,194

Key Financial Risks

PSW faces several qualitative and quantitative financial risks that could impact its sustainability and operational goals. These include:

- **Insufficient Income from PSW Service Fees:** The approved PSW Service Fee is almost half of the revenue estimated in the original PC-1, which may be inadequate to meet the Company's growing needs. Macroeconomic factors, such as inflation and reduced trade volumes, could further constrain revenue. To address this, an upward revision of the fee is essential. Alternatively, PSW must explore additional funding sources, such as grants, donor partnerships, or monetizing new services, to bridge the operational income gap.

- **Delayed Receivables from Pakistan Customs:** Timely receivables or advance cash payments for services related to digital customs are critical for maintaining cash flow. Delays in these payments could strain operational budgets and disrupt ongoing projects. A structured receivables management system and stronger agreements with Pakistan Customs may help mitigate this risk.
- **Delays in Funding Approvals:** Capital-intensive projects, such as the establishment of a data centre, require a revised funding plan and updated PC-1 for approval. Delays in securing these approvals or disbursing funds could hinder PSW's ability to execute its long-term plans. To address this, PSW must streamline its funding approval processes and actively engage with relevant stakeholders to ensure timely disbursements.

By proactively addressing these risks, PSW can safeguard its financial stability, support ongoing operations, and achieve its strategic objectives.

Governance

Effective corporate governance serves as a foundational pillar for building a sustainable organization. Since its establishment, PSW has prioritized strict compliance with corporate governance laws, ensuring a balanced approach to addressing the interests of its key stakeholders, including customers (cross-border traders), management, the Government, and the broader economy. This commitment to governance excellence has enabled PSW to achieve its organizational objectives efficiently and consistently.

The Board of Directors of PSW comprises of 7 Members, including the Chief Executive Officer (CEO) as the Executive Director, as of 31st December, 2024. Representing a diverse mix of expertise, the Board includes senior officials from key government agencies and representatives from the business sector. The Board is supported by 3 Committees, namely the Audit Committee, Human Resource (HR) Committee, and Procurement Committee which are tasked with overseeing specific aspects of governance, strategy and operations of the Company.

During the reporting period from 1st July to 31st December, 2024, the Board convened 3 Meetings, alongside 3 Audit Committee Meetings, 2 HR Committee Meetings, and 1 Procurement Committee Meeting. The details of the Board Members and their respective Committee roles are provided below, highlighting PSW's commitment to effective governance and decision-making.

- **Mr. Muhammad Junaid Jalil Khan**, Member Customs (Operations), FBR
Member Board of Directors, PSW
- **Syed Aftab Haider**, Chief Executive Officer (CEO), PSW
Executive Director, PSW

- **Ms. Ambreen Iftikhar**, Additional Secretary/Executive Director General (EDG), Board of Investment (BOI)
Member Board of Directors, PSW
- **Mr. Muhammad Imran Khan**, Director General (DG) Reforms & Automation (Customs), FBR
Member Board of Directors, PSW
- **Mr. Muhammad Waqas Azeem**, Joint Secretary (JS), Exports & Imports (EXIM), Ministry of Commerce (MoC)
Member Board of Directors, PSW
- **Mr. Muhammad Anees**, Nominee of Pakistan Business Council (PBC)
Member Board of Directors, PSW
- **Mr. Khurram Ijaz**, Nominee of Federation of Pakistan Chamber of Commerce & Industry (FPCCI)
Member Board of Directors, PSW

Committees of the Board

Audit Committee

- Mr. Khurram Ijaz (Chairman)
- Ms. Ambreen Iftikhar (Member)

HR Committee

- Mr. Muhammad Anees (Chairman)
- Ms. Ambreen Iftikhar (Member)
- Mr. Muhammad Imran Khan (Member)

Procurement Committee

- Mr. Muhammad Waqas Azeem (Chairman)
- Mr. Muhammad Anees (Member)

Vision for Expansion and Global Integration

PSW envisions a prosperous future, driven by innovation and a commitment to excellence in trade facilitation. In line with the directives of the honorable Prime Minister of Pakistan, PSW is expanding its scope nationwide, positioning itself as a pivotal player in global trade. With a data-centric approach, PSW is forging strategic connections with countries such as Tajikistan, Uzbekistan, and Egypt to enable seamless integration. Additionally, PSW is engaging with international e-commerce platforms like Ali Baba to support Pakistan's Small and Medium Enterprises (SMEs) in accessing global

markets.

As PSW continues its evolution, it aims to harness the power of Artificial Intelligence (AI) to unlock the full potential of its data. AI is recognized as a transformative tool capable of enhancing data analysis, decision-making, and operational efficiency. By integrating AI technologies, PSW seeks to optimize its data-driven processes, enabling more accurate insights and fostering innovation in trade facilitation.

Moving forward, PSW remains dedicated to enhancing trade-related services, simplifying business processes, and driving innovation. The organization continues to evolve, leveraging its experience to build a more agile, customer-focused, and future-ready enterprise, thereby fostering economic growth and facilitating ease of doing business.