

EMBASSY OF PAKISTAN
ECONOMIC DIVISION

Defense Spending

Fiscal Year 2010-11

July 1, 2010

- ✓ **Defense Budget** has been allocated Rs 442.173 (\$ 5.1) billion as compared to FY2010 RE of Rs 378.135 billion, an increase of **17%** in nominal terms and 5% in real terms
- ✓ **Total allocation** is distributed as follows:
 - **Rs 176.7 billion or 40%** are earmarked for salaries and allowances
 - **Rs 111.2 billion or 25%** are allocated for operational expenses
 - **Rs 119.3 billion or 27%** are set aside for physical assets
 - **Rs 34.6 billion or 8%** are earmarked for civil works
- ✓ **Share of defense expenditure** declined from 6.7 percent of GDP in 1990s to 2.4 percent of GDP
- ✓ India announced **Rs 1.47 trillion (\$ 32 billion)** defense budget for FY2011