



Coca-Cola
Pakistan

Disclaimer:
Coca-Cola Beverages Pakistan Limited (Coca-Cola İçecek Pakistan) and The Coca-Cola Export Corporation, Pakistan Branch (TCCEC), are separate legal entities. However, for ease of reference, the term “Coca-Cola Pakistan” is used throughout this report to collectively represent The Coca-Cola System in Pakistan. The financial information presented herein pertains solely to Coca-Cola Beverages Pakistan Limited.

*This is an independent study conducted by The Sustainable Development Policy Institute (SDPI)

SOCIO ECONOMIC IMPACT STUDY

2019 - 2024



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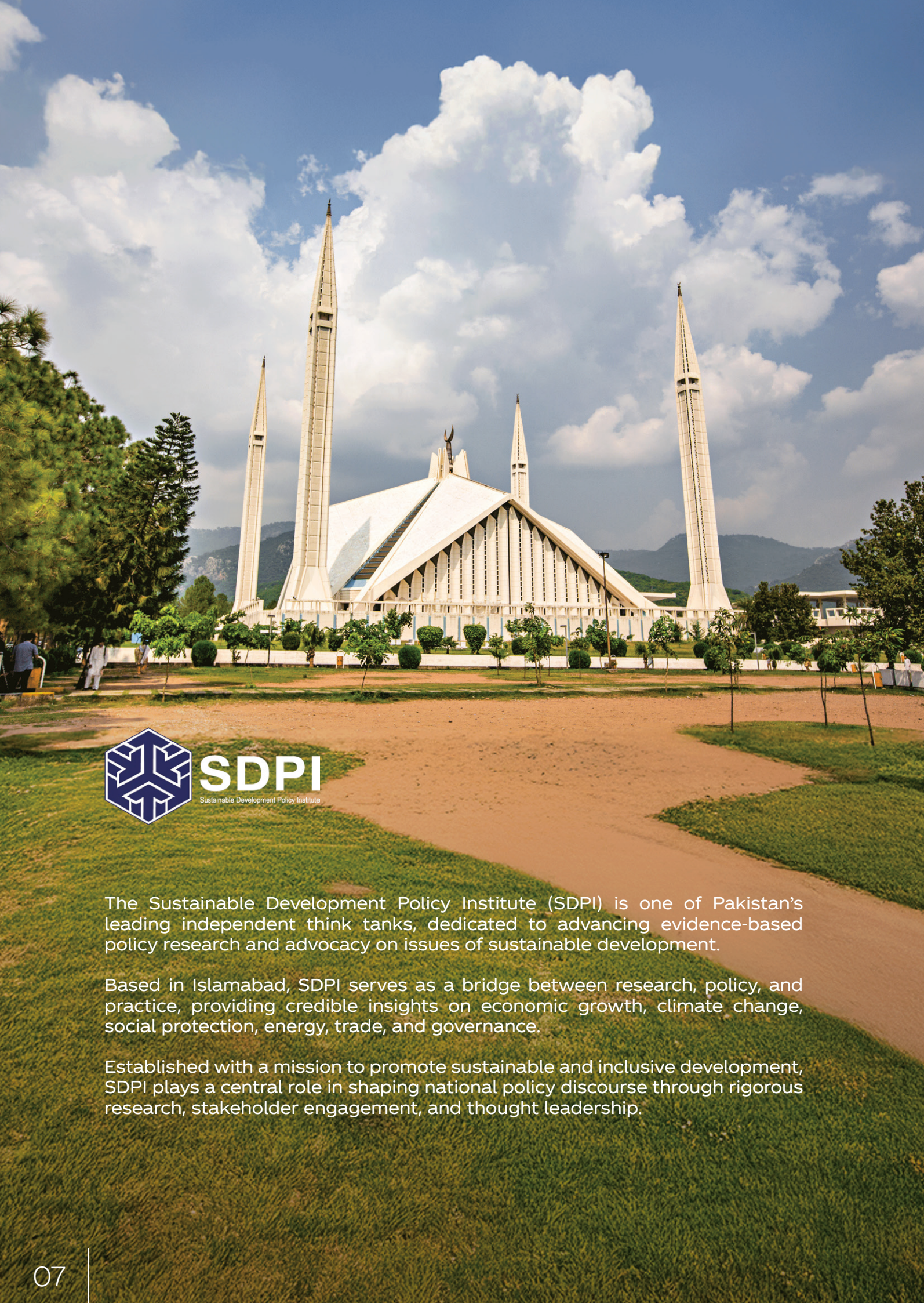
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ACRONYMS

1. CCI - Coca-Cola İçecek
2. CCI PK - Coca-Cola İçecek Pakistan
3. TCCEC - The Coca-Cola Export Corporation
4. (CCI PK + TCCEC) - Coca-Cola Pakistan / The Coca-Cola System
5. TCCF - The Coca-Cola Foundation
6. BIST - Borsa Istanbul Stock Exchange
7. FMCG - Fast-Moving Consumer Goods
8. ISO - International Organization for Standardization
9. SGP - Supplier Guiding Principles
10. CSR - Corporate Social Responsibility
11. PKR - Pakistani Rupee
12. USD - United States Dollar
13. GDP - Gross Domestic Product
14. IMF - International Monetary Fund
15. CSD - Carbonated Soft Drinks
16. KP - Khyber Pakhtunkhwa (a province in Pakistan)
17. SAM - Social Accounting Matrix
18. PBS - Pakistan Bureau of Statistics



The Sustainable Development Policy Institute (SDPI) is one of Pakistan's leading independent think tanks, dedicated to advancing evidence-based policy research and advocacy on issues of sustainable development.

Based in Islamabad, SDPI serves as a bridge between research, policy, and practice, providing credible insights on economic growth, climate change, social protection, energy, trade, and governance.

Established with a mission to promote sustainable and inclusive development, SDPI plays a central role in shaping national policy discourse through rigorous research, stakeholder engagement, and thought leadership.



It gives me great pleasure to present the “Coca-Cola Pakistan’s Socio-Economic Impact Study 2024”, prepared by the Sustainable Development Policy Institute (SDPI). This report reflects SDPI’s commitment to producing evidence-based research that connects business practices with the broader goals of sustainable development.

Drawing on a rigorous analytical framework, the study examines the economic, social, and environmental dimensions of Coca-Cola Pakistan’s operations. It assesses the company’s contribution to economic activity, employment, and community initiatives, while also exploring the implications for environmental management and sustainable business conduct.

SDPI appreciates the cooperation extended by Coca-Cola Pakistan in sharing relevant information and data. However, the analysis and findings presented in this publication are the result of SDPI’s independent research and objective assessment.

As Pakistan faces overlapping economic and environmental challenges, the insights from this study can guide both public policy and corporate practice. They demonstrate how responsible private enterprise can support national goals of growth, resilience, and sustainable development.

Dr. Abid Qaiyum Suleri

Expert on Sustainable Development, Political Economy, Climate Change & Food Security - Executive Director, SDPI



The Coca-Cola Company

For over 139 years, The Coca-Cola Company has been refreshing the world and making a positive difference. Since the first glass was served in Atlanta in 1886, the Company has evolved into a total beverage provider, offering a diverse portfolio that meets every occasion and lifestyle. Today, more than 2.2 billion servings of Coca-Cola beverages are enjoyed each day across over 200 countries and territories.

The Coca-Cola Company continues to transform its portfolio by reducing added sugar, introducing innovative products, and advancing sustainability initiatives focused on water stewardship, packaging circularity, responsible sourcing, and carbon emissions reduction. Together with its bottling partners, the company employs more than 700,000 people worldwide, contributing to economic opportunity and community development across the globe.

In Pakistan, Coca-Cola has been creating Real Magic since 1953, standing among the first foreign investors in the country. In partnership with Coca-Cola Beverages Pakistan Limited (CCI Pakistan), the company has invested over USD 1 billion in the local economy, significantly contributing to the nation's socio-economic development. Coca-Cola Pakistan also exports concentrate and beverage base to Afghanistan and generates foreign exchange inflow.

The Coca-Cola Foundation

The Coca-Cola Foundation (TCCF), the philanthropic arm of The Coca-Cola Company, is dedicated to supporting complex global challenges and driving measurable, lasting change in communities worldwide.

Since its inception, the Foundation has awarded over USD 1.6 billion in grants worldwide to initiatives that help improve lives & promote sustainable development.

Its refreshed strategic focus prioritizes:

- Sustainable access to water
- Circular economy and waste reduction
- Climate resilience and disaster preparedness
- Economic empowerment
- Support for The Coca-Cola Company's hometown community

Through these efforts, the Foundation empowers changemakers across the globe, helping communities thrive where Coca-Cola operates and where its people live and work.



Coca-Cola İçecek

Coca-Cola İçecek (CCI), a subsidiary of Anadolu Group, is a leading Turkish multinational beverage company operating across Türkiye, Pakistan, Kazakhstan, Iraq, Uzbekistan, Bangladesh, Azerbaijan, Kyrgyzstan, Jordan, Tajikistan, Turkmenistan, and Syria.

CCI produces, distributes, and sells sparkling and still beverages of The Coca-Cola Company and Monster Energy Beverage Corporation.

With over 10,000 employees, 36 bottling plants, and 3 fruit processing facilities across 12 countries, CCI serves a population base of approximately 600 million people. Its diverse product portfolio includes sparkling beverages, juices, water, sports and energy drinks, iced teas, and coffee.

In Pakistan, Coca-Cola Beverages Pakistan Limited (CCI Pakistan) employs more than 2,100 people and operates 7 production facilities nationwide. The company offers a wide range of beverages, including sparkling drinks, juices and water, refreshing a population base of over 255 million+ people..

Executive Summary

Coca-Cola Beverages Pakistan Limited (Coca-Cola İçecek Pakistan) and The Coca-Cola Export Corporation, Pakistan Branch (TCCEC), are separate legal entities. However, for ease of reference, the term “Coca-Cola Pakistan” is used throughout this report to collectively represent The Coca-Cola System in Pakistan. The financial information presented herein pertains solely to Coca-Cola Beverages Pakistan Limited.

Coca-Cola Pakistan continues to prioritize environmental sustainability, making significant advances in key areas. From 2019 to 2024, the company improved its energy usage ratio (from 0.35 MJ/L to 0.33 MJ/L) and lowered its GHG emissions intensity (from 33.2 gCO₂e/L to 29.26 gCO₂e/L). In terms of water stewardship, it reduced annual water usage from 4.1 billion liters in 2022 to 3.3 billion liters in both 2023 and 2024, and improved its water usage ratio from 2.04 in 2019 to 1.68 in 2024.

It has implemented a comprehensive sustainability program, focusing on environmental initiatives, water stewardship, poverty alleviation, and disaster relief. Notable achievements include planting over 200,000 trees, with 24 water filtration plants benefitting over 400,000 people daily, and providing significant support during natural disasters.

In terms of workforce inclusion, Coca-Cola Pakistan has made measurable progress. The female workforce share increased from 6% in 2019 to 7.94% in 2024, while women in leadership roles rose from 12% to 20% in the same period. The company has also improved age diversity, with a growing representation of employees in the 35-45 and 45+ age brackets, reflecting its efforts toward balanced human capital development.

The Social Accounting Matrix multiplier analysis reveals that it has significant potential to generate positive economic impacts throughout Pakistan’s economy. The high multipliers indicate that investment in this industry is likely to have far-reaching effects across various industries.

Total operational spending across major categories (raw materials, energy, transportation, distribution and capital investments) reached Rs. 100,769.9 million in 2024, up from Rs. 52,416.4 million in 2019, an increase of +92.3%. This figure reflects accounting of sector-wise expenditures and underpins the company’s amplified supply-chain linkages.

Coca-Cola Pakistan Socio-Economic Impact Summary (Table 1)

SR.	PRIORITY AREA	KEY FINDINGS
01	Multiplier Effect (GDP Contribution)	- Output Multiplier (Type II): 2.6 - Income Multiplier (Type II): 6.1 - Total Multiplier: 10.989
02	Total Employment (Direct & Indirect)	- Direct Employment (2023): ~2,167 employees (across regions) - Employment Multiplier: 1.013 - Employment Spillover: +30 indirect jobs approx.
03	Tax Contribution (Direct & Indirect)	- Tax Multiplier: 1.328 (Highest among all sectors) - Indicates significant fiscal contribution via excise duties and indirect taxes
04	Overall GDP Contribution & Per Capita (if available)	- Total GDP Contribution (2023): Rs. 239.8 billion - Projected Contribution by 2029: Rs. 306 billion - Per capita contribution not explicitly provided; can be estimated upon population data
05	Labor Income Provided (Direct & Indirect)	- Income Multiplier (Type II): 6.1 - Indicates significant indirect income flows through supply chain and induced spending
06	Total Investments (Direct & Ecosystem)	- Capital Investments (2024): Rs. 7,857.6 million - Distribution Expansion (2024): Rs. 14,917.6 million - Energy & Transport (combined): Rs. 10,622.6 million
07	Investment Breakdown (Key Areas)	- Raw Materials: Largest share (Rs. 67,372.1 million, 2024) - Distribution Network & Logistics: Expanding rapidly post-2022 - Capital Infrastructure & Energy Efficiency: Continued optimization focus after peak 2022 expansion
08	Procurement (Local vs. Import)	- Local sourcing emphasized (e.g., sugar, packaging) - Import component mainly in beverage concentrates and potentially machinery
09	Net Foreign Trade Contribution (Induced)	- Positive indirect contribution via import substitution (local production of Coca-Cola Pakistan brands) and local employment generation

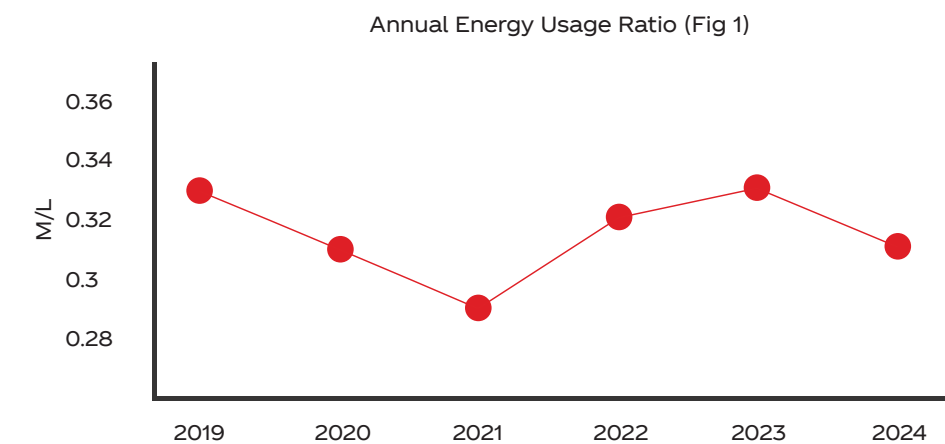


Environmental Sustainability

Coca-Cola Pakistan has demonstrated a commitment to environmental sustainability through various initiatives, with energy efficiency being a key focus area. Over the six-year period, the company has made notable strides in reducing its energy consumption relative to production volume. This effort aligns with global sustainability goals and reflects its dedication to minimizing its environmental footprint while maintaining operational excellence. The following analysis examines the company's energy usage trends, highlighting both achievements and areas for potential improvement in their energy efficiency measures. Coca-Cola Pakistan further strengthened its environmental leadership through flagship sustainability initiatives. These included the construction of Pakistan's first plastic road using repurposed waste, the installation of waste bins and benches made from recycled plastic in Islamabad parks, and the Waste-Free Gilgit-Baltistan Programme, which established waste collection points, eco-tourism practices, and crushing infrastructure to preserve northern mountain ecosystems.

Energy Efficiency

Coca-Cola Pakistan appears to have reduced its annual energy usage ratio over the six years (2019-2024). Figure 1 shows a generally downward trend in megajoules (MJ) used per liter (L) of product. Specifically, in 2019, the energy usage ratio was 0.35 MJ/L, which steadily declined to 0.31 MJ/L by 2021. Although there was a slight increase to 0.34 MJ/L in 2022 and a return to 0.35 MJ/L in 2023, the 2024 data reflects renewed improvement, with the ratio falling to 0.33 MJ/L. Overall, the company has made consistent progress in enhancing energy efficiency, with 2024 marking a recovery from the previous year's uptick and reinforcing Coca-Cola Pakistan's commitment to sustainable operations.



Source: CCI Pakistan

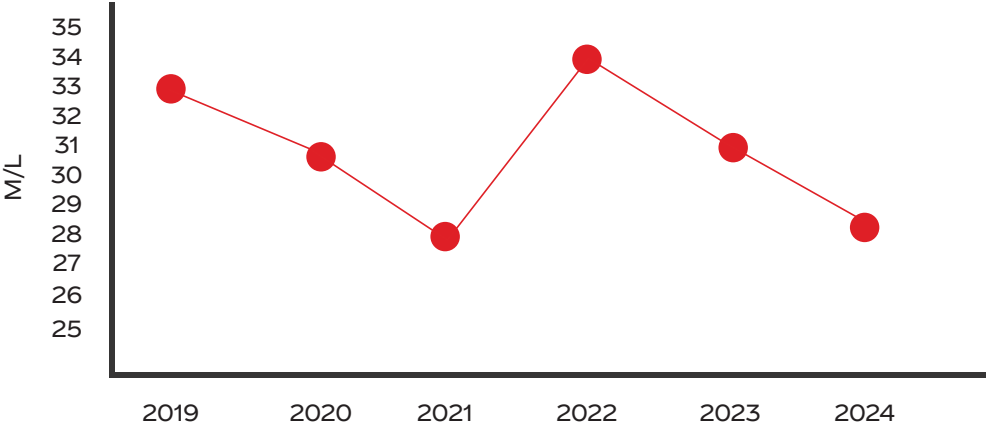


Green House Gases Emissions Intensity

In addition to its energy efficiency efforts, Coca-Cola Pakistan has placed significant emphasis on reducing its greenhouse gas (GHG) emissions intensity as part of its broader environmental sustainability strategy. This focus aligns with global efforts to combat climate change and reflects its commitment to responsible corporate citizenship. Over the period from 2019 to 2024, it has implemented various measures to decrease its carbon footprint relative to production volume. The following analysis examines the trends in the company's GHG emissions intensity, highlighting both the progress made and the challenges faced in reducing the environmental impact of its operations. It appears to have reduced its greenhouse gas emissions ratio between 2019 and 2021. The Figure 2 shows a downward trend in grams of CO₂ equivalent per liter (gCO₂e/L) of product.

Specifically, in 2019, the greenhouse gas emissions ratio was 33.2 gCO₂e/L. This number steadily decreased to 28.66 gCO₂e/L in 2021. There was an increase in 2022 (34.1 gCO₂e/L) but it remained lower than 2019. The data point for 2023 is 31.6 gCO₂e/L, which is higher than 2021 but lower than 2019 and 2022. In 2024, the emissions ratio further decreased to 29.26 gCO₂e/L, signaling a renewed downward trend. Overall, it suggests that Coca-Cola Pakistan made some progress in reducing its greenhouse gas emissions.

Greenhouse Gas Emission Ratio (Fig 2)



Source: CCI Pakistan

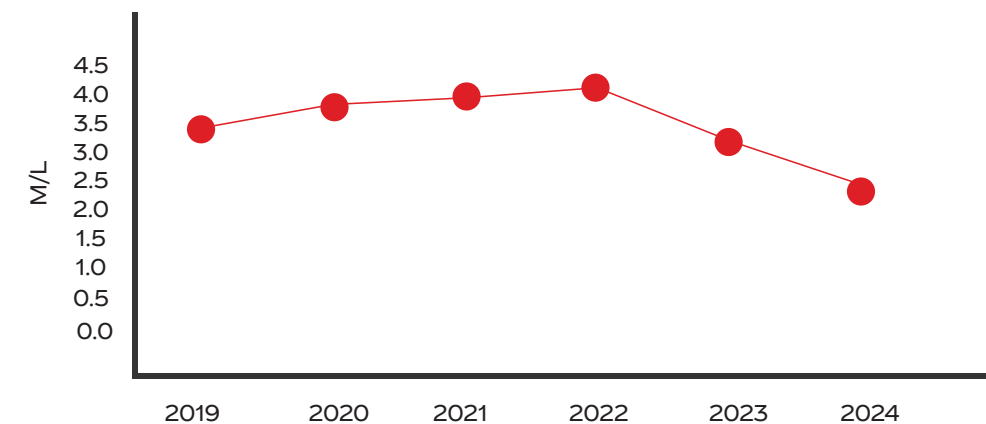


Water Stewardship

Coca-Cola Pakistan's dedication to environmental sustainability is exemplified through its robust water stewardship initiatives. The company has achieved significant advancements in managing water resources, marking a milestone in its sustainability journey. Starting in 2019 with 3.5 billion liters of water utilized annually, it saw a steady increase in water consumption, reaching a peak of 4.1 billion liters in 2022. However, in 2023, there was a significant improvement as water usage decreased to 3.3 billion liters, marking a positive shift towards sustainability and conservation. This positive trajectory continued in 2024, with water usage further declining to 2.8 billion liters, the lowest recorded in the six-year period.

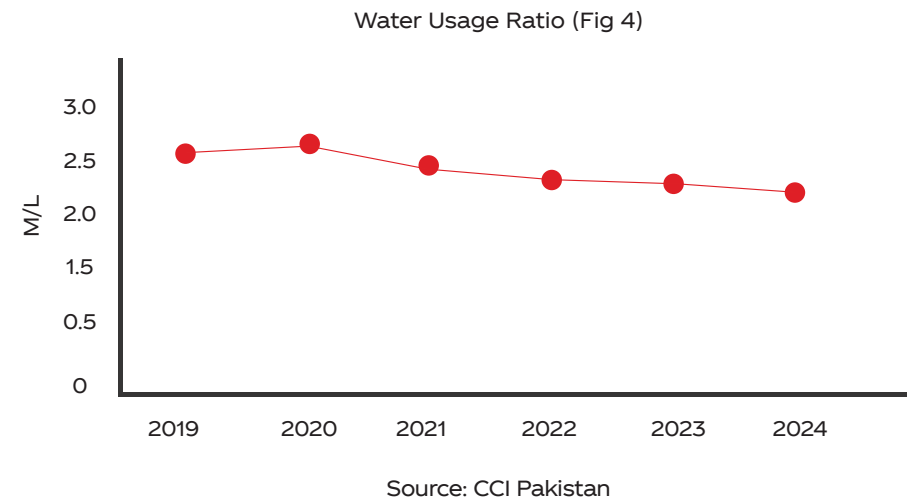
This reduction of 1.3 billion liters from the 2022 peak reflects Coca-Cola Pakistan's commitment to enhancing its water management practices. Such improvements not only demonstrate environmental responsibility but also contribute to mitigating the company's water footprint. By implementing effective strategies and technologies, it aims to continue advancing its water efficiency goals, ensuring responsible use of natural resources while sustaining its operational needs.

Volume of Water Extracted and Utilized Annually (Fig 3)

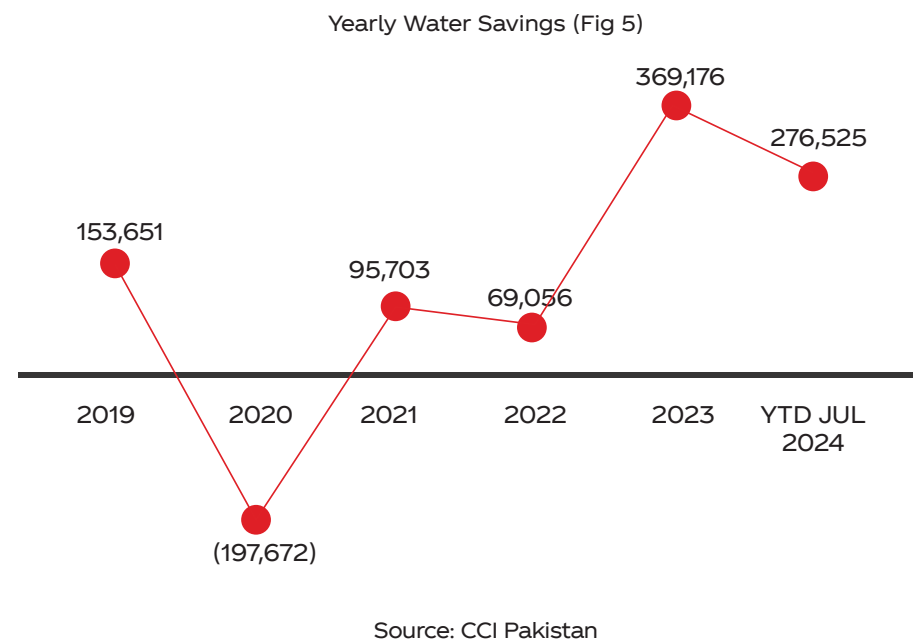


Source: CCI Pakistan

The company has shown commendable improvements in water usage efficiency. In 2019, the water usage ratio stood at 2.04, indicating that for every unit of product, 2.04 units of water were extracted. Over the following years, despite some fluctuations, there was a consistent trend toward greater efficiency. By 2023, the ratio had decreased to 1.78, marking a significant improvement in resource management. In 2024, this progress continued, with the water usage ratio further improving to 1.68, the lowest in the six-year period. This steady reduction from 2.04 in 2019 to 1.68 in 2024 reflects the company's strategic focus on sustainability and responsible water use. Such progress underscores its commitment to sustainable development and water stewardship, setting a positive benchmark within the industry.



Coca-Cola Pakistan has implemented a range of water-saving projects, including RO recovery enhancement, water treatment and reuse, and various optimizations across their production processes. The sharp increase in water savings from 2022 to 2023 suggests that the cumulative effect of these projects started to show significant results, particularly the RO recovery enhancement and water treatment/reuse initiatives. This momentum continued into 2024, with further improvements in water efficiency reinforcing the long-term impact of these interventions. The sustained reduction in water usage and wastewater generation reflects not only the technical effectiveness of these initiatives but also Coca-Cola Pakistan's strategic commitment to conserving water as a critical resource across its operations.



Projects Executed (Table 2)

SR.	Project Description
01	RO Recovery enhancement to maximum allowable limit
02	RO reject water treatment and reuse
03	CIP Final rinse water reuse in pre-rinse step
04	Washer final rinse water optimization and reuse in utilities and RGB conveyor lubrication
05	Steam condensate water recovery from all area
06	Plant water leakage hunt and control
07	Measurement and monitoring of all water stream for better understanding and controlling

The addition of measurement and monitoring systems (project #7) indicates a commitment to ongoing optimization and data-driven decision making. The projects cover various aspects of the production process, from rinse water reuse to steam condensate recovery, showing a comprehensive strategy for water conservation. This data reinforces and expands upon the earlier information, demonstrating how specific projects contributed to the overall improvement in water usage efficiency. The substantial water savings in 2023 and 2024 align with the improved water usage ratio mentioned earlier, dropping from 2.04 in 2019 to 1.78 in 2023. The continued strong performance in 2024 suggests that it is maintaining its focus on water stewardship and potentially improving further on its 2023 achievements. This comprehensive approach to water management appears to be yielding significant and sustained results.

Prioritizing Water Replenishment

Under Coca-Cola Pakistan's 'Water for Women' initiative, solar-powered water filtration plants are helping communities get access to clean drinking water. The Coca-Cola Foundation (TCCF) has partnered with 'Charity: Water', for a transformative project in Balochistan establishing 372 new water points and rehabilitating existing ones for over 3,500 people. Replenishing Ravi Basin Project - funded by TCCF and Coca-Cola İçecek, in partnership with WWF-Pakistan - is replenishing water through nature-based interventions in Lahore and Faisalabad. In a remote region of Northern Pakistan, TCCF partnered with Mountain and Glacier Protection Organization, and the United Nations Development Programme for the 'Water Security and Building Resilience for Mountain Communities' initiative sourcing water from glacial melt, snow and a perennial spring to fill a covered catchment chamber before distributing it through a gravity-fed irrigation system. As a result, 238 hectares of land are now irrigated, including 91 hectares that were previously cultivable land that remained barren, improved access to water for women, food security and plantation of fruiting trees restoring the local ecosystem.

Through the Water Security & Community Resilience initiative, Coca-Cola Pakistan installed a 9,900 ft water transmission system, planted 20,000 trees in mountain communities, improved livelihoods in high-altitude areas, and supported food access for families in remote villages in partnership with UNDP Pakistan and the Mountain and Glacier Protection Organization.



Solid Waste Management

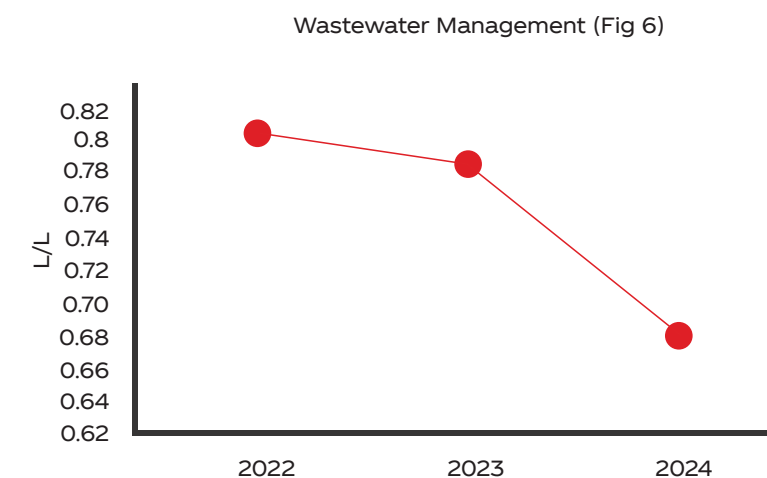
Coca-Cola Pakistan's commitment to environmental sustainability is further demonstrated by its efforts to manage and reduce solid waste. The company made considerable progress in minimizing waste production, reflecting a broader strategy of optimizing resource utilization and enhancing operational efficiency. This proactive approach to waste management not only mitigates the environmental impact but also aligns with its overarching goals of sustainable development and responsible corporate practices.

Helping to Reduce Packaging Waste:

The Waste-Free Gilgit-Baltistan Programme, in partnership with the local government, installed a waste crushing and baling facility in Shigar District - foothill of K-2, the world's second-tallest mountain. Waste collection points were also set up along with a robust awareness campaign to promote ecotourism. The 'Maidaan Saaf' campaign during International Cricket Council's (ICC) Champions Trophy 2025, hosted by Pakistan, set a target to clean up stadiums within minutes after every match. During the 10 matches played in Pakistan, over **60,000 PET bottles** were collected and upcycled into t-shirts. Segregation bins were also installed and consumers were engaged via public awareness messages. In partnership with the Capital Development Authority (CDA) and the Ministry of Climate Change (MoCC), a public awareness campaign was run to educate people regarding responsible waste management. Furthermore, benches and waste-bins made from recycled plastic were also installed at public parks in Islamabad.

Wastewater Management

Coca-Cola Pakistan has demonstrated notable improvements in wastewater management ratios from 2022 to 2023. In 2022, the wastewater generation ratio was 0.8 liters per liter of product produced, indicating the amount of wastewater generated per unit of output. By 2023, this ratio improved to 0.78 liters per liter, showing a reduction in wastewater generation despite operational activities. In 2024, the ratio further decreased to 0.68 liters per liter, marking a significant improvement in water efficiency and waste minimization. This progressive reduction highlights the company's proactive approach to environmental sustainability, with a clear focus on minimizing wastewater discharge and optimizing resource utilization. By achieving a lower wastewater generation ratio over consecutive years, it not only reduces its environmental footprint but also enhances operational efficiency, reinforcing its commitment to responsible corporate practices and long-term environmental stewardship.



Source: CCI Pakistan



Audits Compliance Status

Coca-Cola Pakistan's steadfast commitment to environmental sustainability is evidenced by its stringent adherence to compliance standards across all operational plants. Each of its seven plants in Pakistan - Lahore, Karachi, Faisalabad, Multan, Rahim Yar Khan, Haripur and Gujranwala - has consistently met and maintained compliance with multiple internationally recognized standards over the past six years. These standards include ISO 9001, ISO 45000, ISO 14001, ISO 22000, ISO 50001, and SGP Audit, all verified through rigorous third-party audits. This unwavering dedication to compliance not only ensures the highest quality and safety in operations but also underscores its broader environmental and social responsibility commitments.

Status of Third-Party Audits for Each Plant for the Last Six Years (Table 3)

City	ISO 9001	ISO 45000	ISO 14001	ISO 22000	ISO 50001	SGP Audit
Lahore	YES	YES	YES	YES	YES	YES
Karachi	YES	YES	YES	YES	YES	YES
Faisalabad	YES	YES	YES	YES	YES	YES
Multan	YES	YES	YES	YES	YES	YES
RY Khan	YES	YES	YES	YES	YES	YES
Gujranwala	YES	YES	YES	YES	YES	YES
Haripur	YES	YES	YES	YES	YES	YES

Source: CCI Pakistan

Corporate Social Responsibility

Coca-Cola Pakistan remains deeply committed to creating meaningful social impact beyond its core business operations. Through a comprehensive Corporate Social Responsibility (CSR) strategy, the company continues to address Pakistan's most pressing social and environmental priorities, contributing to a healthier, more sustainable, & inclusive future for communities across the country.



ENVIRONMENT

Clean & Green Drive

Between 2019-2024, The Coca-Cola System has planted over 200,000 trees.

On average, a mature tree can absorb about 22 kg (48 pounds) of CO₂ per year. Newly planted trees absorb significantly less in their early years, gradually increasing as they grow. Assuming an average of 10 kg CO₂ absorption per tree per year (a conservative estimate for young to medium-aged trees): 200,000 trees x 10 kg CO₂/year = 2,000,000 kg or 2,000 metric tons of CO₂ absorbed annually.

Additionally;

- Oxygen Production: These trees also produce oxygen, enhancing air quality.
- Soil Conservation: Trees help prevent soil erosion and improve soil quality.
- Biodiversity: Increased tree cover supports local ecosystems and wildlife habitats.

Recharge Pakistan

TCCF has contributed USD 5 million to the collective investment of USD 77.8 million in Recharge Pakistan, an unprecedented collaboration that aims to reduce climate vulnerability through ecosystem-based adaptation and integrated flood risk management. Implemented in partnership with WWF, Ministry of Climate Change (MoCC), and the Green Climate Fund, Recharge Pakistan aims to build climate resilience and mitigate flood risks, directly benefiting over 680,000 people and indirectly supporting over 7 million people.

The ecosystem-based adaptation and green infrastructure interventions of Recharge Pakistan will reduce flood extent by 50,800 hectares; capture 20 million m³ water, and replenish 1,600 million liters of soil infiltration water through watershed management.

WATER

Access to Drinking Water

From 2019 to 2023, The Coca-Cola System has installed 11 water filtration plants. With that, since 2013, a total of 24 filtration plants that use reverse osmosis and ultrafiltration to generate clean water are serving communities. Each plant can produce 2,000 liters of clean water per hour per day. Over 400,000 people continue to benefit from this initiative daily.

Replenishing Ravi Basin Project

The Coca-Cola System and TCCF are also working on replenishing the Ravi Basin in partnership with World Wildlife Fund Pakistan (WWF). Till date both have invested more than USD 1 Million in this initiative. Started in 2022, Replenishing Ravi Basin Project has replenished more than 450,000 m³ of water in and around Lahore and Faisalabad. To replenish the aquifers in the basin, the project employs a comprehensive strategy with interventions including rainwater harvesting systems, recharge wells, floating treatment wetlands, ablution water reuse systems, water efficient fixtures & on-farm water management practices.

Social Impact

ECONOMIC EMPOWERMENT

TCCF and CARE Pakistan are promoting entrepreneurship among thousands of Pakistan's home chefs by enhancing their entrepreneurial skills. The project aims to train 8,000 home chefs over one year, with a strong emphasis on empowering women, who make up over 80% of the trainees. The remaining 20% are men from underserved and underprivileged communities. Through targeted training and ongoing mentorship, the project enhances the capacity of these home-based chefs in areas such as business growth and marketing. This helps them develop strategies to expand their businesses & reach new customers. Through social media and digital marketing course, they are empowered to build an online presence, running effective marketing campaigns, and using analytics. The training also includes essential skills for managing finances and ensuring business profitability and scaling up to start an online food business. Trainings consist of 16 hours of classroom sessions and continuous virtual support and are being conducted in major cities including Islamabad, Rawalpindi, Lahore, Sialkot, Gujranwala, Gujrat, Karachi, Multan, and Hyderabad.

In 2023, The Coca-Cola Company provided seeds to dozens of farmers through Rizq, a community enterprise striving for social impact. The GroRizq program of Rizq, estimated that the income for smallholder farmers, left devastated after the 2022 floods, increased by 17%.

FREE-MEAL DASTARKHWANS

The Coca-Cola System sets up free-meal dastarkhwans with Rizq, FoodPanda and other partners, to serve those in need, every year.

INCLUSION OF PEOPLE WITH DISABILITIES

For inclusive development, The Coca-Cola System sponsored a Learning Shop at Lahore Chamber of Commerce & Industry in partnership with Lahore Businessmen Association for Rehabilitation of the Disabled (LABARD). This shop supports LABARD's Chef's Training Program, offering vocational experience to improve employability for people with disabilities.

YOUTH ENGAGEMENT THROUGH MUSIC

Coca-Cola's music platform Coke Studio, known as the Sound of the Nation, has played a key role in globalizing Pakistani music, fostering youth engagement in creative pursuits.

The Ministry of Foreign Affairs recognized it as Pakistan's best cultural export, with

24M+
SUBSCRIBERS
ON YOUTUBE

5B+
VIEWS ON DIGITAL
PLATFORMS

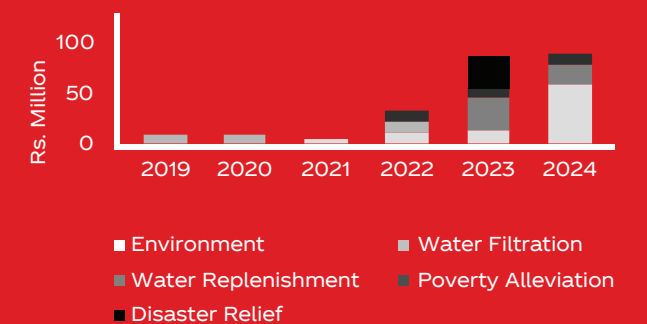
In 2024, Coke Studio Season 15 was streamed in

184+
COUNTRIES

DISASTER RELIEF

In 2022, Coca-Cola Pakistan provided flood relief support to the most impacted and vulnerable communities in two phases. The first phase delivered emergency relief support to victims through 5 million servings of Dasani water. In the second phase, volunteers from The Coca-Cola System traveled to Jhudo, Sindh with relief goods including shelter, rations, and a mobile medical clinic bringing relief to the impacted communities.

CSR Initiatives (Fig 7)



Source: CCI Pakistan



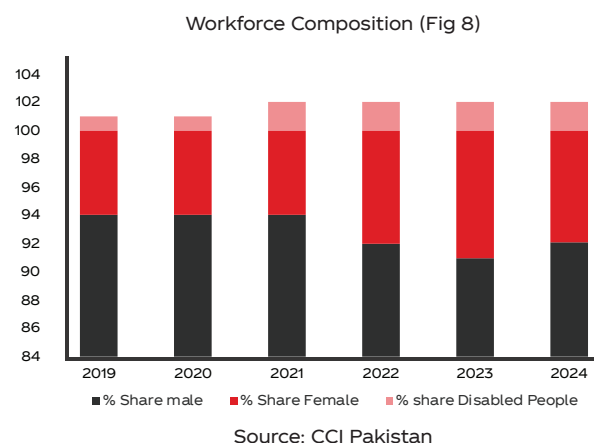
Workforce Composition & Diversity

Cracking the code of a successful company often involves understanding its people. At Coca-Cola Pakistan, the workforce paints a vibrant picture of diversity and inclusion, with a growing focus on creating a balanced and empowered team.

Workforce Composition

The majority of workforce at Coca-Cola Pakistan comprises of males. However, the share of female workers in the company has increased in the last six years. In 2019, only 6% of the workforce was female. This number remained steady at 6% in 2020 and 2021. In 2022, the percentage of female workers increased slightly to 8%, and in 2023, it increased again to 9%. In 2024, the share of female employees adjusted slightly to 7.94%, while male representation stood at 92.06%.

On the other hand, the share of disabled people in the workforce has also increased over the past six years. In 2019, only 1% of the workforce was disabled. This number remained steady at 1% in 2020 and significantly improved in the next years.



Share of Direct Employees by Age Group

Coca-Cola Pakistan has experienced notable shifts in its workforce demographics over the past six years, with positive trends emerging in certain age groups and women's representation in leadership roles.

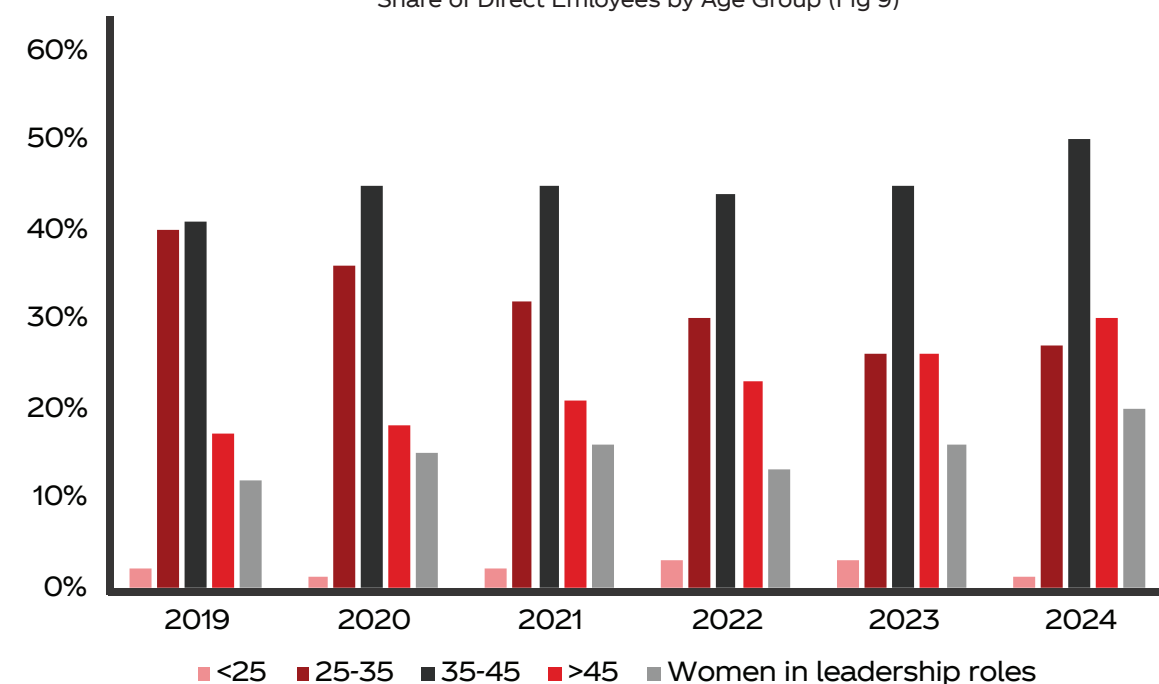
The company has experienced a slight decline in the hiring of young talent. The percentage of employees under 25 years old decreased from 2% in 2019 to 1% in 2024, indicating a reduced share of youth representation within the workforce. This decline may suggest that Coca-Cola Pakistan's hiring strategy has shifted toward more experienced employees, possibly to enhance operational efficiency and managerial stability and maintaining a balance between experienced professionals and young entrants in a dynamic market environment.

The most significant improvement is seen in the 35-45 age group. This cohort has maintained a strong presence, growing from 41% in 2019 to 50% in 2024. This age group typically represents employees with substantial experience and expertise, often in their peak productivity years. The consistent growth in this segment suggests that it is successfully retaining and developing its mid-career talent, which can contribute to improved operational efficiency and leadership pipeline.

Another area of notable improvement is the increasing number of employees over 45 years old. This group has grown steadily from 17% in 2019 to 30% in 2024, showing the highest percentage increase among all age groups. It indicates that the company is valuing and retaining its most experienced employees, potentially benefiting from their deep industry knowledge and leadership skills. It also suggests a commitment to age diversity and inclusivity in the workplace.

The representation of women in leadership positions has shown overall improvement. Starting at 12% in 2019, it reached 20% in 2024. This overall increase, despite the temporary setback in 2022, demonstrates the company's efforts to promote gender diversity in senior positions. The rise to 20% in 2024 suggests a renewed focus on female leadership development and representation. In conclusion, Coca-Cola Pakistan has made notable strides in improving its workforce demographics, particularly in retaining and valuing experienced employees and making progress in women's leadership representation.

Share of Direct Employees by Age Group (Fig 9)





Economic Impact Analysis: Multiplier Analysis

This section provides an elaborate Social Accounting Matrix (SAM) multiplier analysis for Coca-Cola Pakistan. It employs the IFPRI 2023 Pakistan SAM as the benchmark database, which disaggregates production activities, factors of production, and household groups across rural and urban areas. The analysis is tailored to highlight the sectors most relevant to Coca-Cola Pakistan's operations and supply chain, thereby capturing both output multipliers and income multipliers:

Output and Income Multipliers

• Overview of SAM Multipliers

The SAM multipliers provide both output and income multipliers for various sectors of Pakistan's economy. These multipliers are categorized into Type 1 and Type 2:

- Type 1 multipliers capture direct and indirect effects
- Type 2 multipliers include direct, indirect, and induced effects

For Coca-Cola Pakistan, we'll focus primarily on its beverages but also consider related industries in their supply chain.

Analysis of Coca-Cola Pakistan Beverages

Beverages, which represent Coca-Cola Pakistan's core business, show the following multipliers

- Output multiplier (Type 1): 2.3
- Output multiplier (Type 2): 2.6
- Income multiplier (Type 1): 5.4
- Income multiplier (Type 2): 6.1

These figures indicate a significant impact on both output & income generation. For every Rs. 1 million of direct output in the Coca-Cola Pakistan beverages, an additional Rs. 1.3 million (Type 1) to 1.6 million (Type 2) of output is generated in the economy. Similarly, for every Rs. 1 million of direct income, an additional Rs. 4.4 million (Type 1) to 5.1 million (Type 2) income is generated throughout the economy.

Supply Chain Impact

Coca-Cola Pakistan's operations involve various sectors beyond just beverages. Let's examine some key related industries:

- a) Agriculture (for ingredients like sugar):**
- Output multiplier (Type 1): 1.5, (Type 2): 2.1
 - Income multiplier (Type 1): 3.4, (Type 2): 5.0

- b) Food Production (for other ingredients):**
- Output multiplier (Type 1): 2.1, (Type 2): 2.5
 - Income multiplier (Type 1): 4.8, (Type 2): 5.9

- c) Plastic Products (for packaging):**
- Output multiplier (Type 1): 1.9, (Type 2): 2.1
 - Income multiplier (Type 1): 4.5, (Type 2): 4.9

- d) Water Collection, Treatment & Supply:**
- Output multiplier (Type 1): 1.8, (Type 2): 1.9
 - Income multiplier (Type 1): 4.2, (Type 2): 4.5

- e) Electricity, Gas, Steam & Air Conditioning Supply:**
- Output multiplier (Type 1): 2.8, (Type 2): 3.0
 - Income multiplier (Type 1): 6.6, (Type 2): 7.1

- f) Wholesale and Retail Trade:**
- Output multiplier (Type 1): 1.0, (Type 2): 1.9
 - Income multiplier (Type 1): 2.4, (Type 2): 4.5

- g) Land Transport:**
- Output multiplier (Type 1): 1.6, (Type 2): 1.9
 - Income multiplier (Type 1): 3.8, (Type 2): 4.4

Comparative Analysis

Comparing the Coca-Cola Pakistan beverages to its supply chain components:

- The beverages sector has higher output multipliers than most of its supply chain sectors.
- Income multipliers for beverages are also higher than most related sectors.
- The agricultural sector, crucial for ingredients, has lower multipliers, suggesting that investments in the beverages sector might have a more significant economic impact.

Implications for Coca-Cola Pakistan

- a) Investment Strategy:**
- Given the high multipliers in beverages, continued investment in production, innovation, and market expansion, despite the slight 2024 revenue dip, will yield strong macroeconomic returns.

- b) Supply Chain Optimization:**
- While the beverages sector itself has high multipliers, there's potential for Coca-Cola Pakistan to focus on optimizing its supply chain, particularly in sectors with lower multipliers like agriculture. Improvements in these areas could lead to even greater overall economic impacts.

- c) Water Management:**
- With notable water-related multipliers and Coca-Cola Pakistan improved water ratio (from 2.04 in 2019 to 1.68 in 2024), further investment in sustainable water use will amplify both environmental and economic benefits.

- d) Distribution Network:**
- The relatively lower multipliers in wholesale and retail trade & land transport sectors indicate that while these are crucial for Coca-Cola Pakistan's operations, they may not be the most efficient areas for generating broader economic impacts. However, they remain essential for getting products to consumers.



Multiplier Analysis - Output and Income (Rs. million) (Table 4)

Sectors	Output Multiplier: Type 1	Output Multiplier: Type 2	Income Multiplier: Type 1	Income Multiplier: Type 2
Agriculture	1.5	2.1	3.4	5.0
Forestry	1.5	1.5	3.5	3.6
Fishing	1.6	1.7	3.7	4.1
Mining	1.8	1.8	4.2	4.3
Food Production	2.1	2.5	4.8	5.9
Coca-Cola Pakistan Beverages	2.3	2.6	5.4	6.1
Tobacco	1.5	1.6	3.5	3.8
Textiles	2.3	2.7	5.4	6.2
Wearing Apparel	2.0	2.5	4.7	5.9
Leather and Related Products	2.2	2.4	5.2	5.7
Wood Products	1.9	2.2	4.3	5.0
Paper Products	2.0	2.1	4.6	4.9
Printing	2.0	2.1	4.8	5.0
Coke and Refined Petroleum Products	1.6	1.7	3.8	3.9
Chemicals	2.1	2.3	5.0	5.4
Pharmaceuticals	2.3	2.4	5.4	5.7
Rubber and Plastics Products	1.9	2.1	4.5	4.9
Other Non-Metallic Mineral Products	1.7	1.9	4.0	4.5
Basic Metals	2.2	2.4	5.1	5.5
Fabricated Metal Products	1.6	2.0	3.8	4.7
Computer, Electronic and Optical Products	1.9	2.1	4.5	4.9
Electrical Equipment	2.0	2.1	4.7	5.0
Machinery and Equipment	2.0	2.2	4.8	5.1
Motor Vehicles, Trailers and Semi-Trailers	2.0	2.1	4.7	4.9
Other Transport Equipment	2.0	2.1	4.7	4.9
Furniture	1.4	1.7	3.2	4.1
Other Manufacturing	2.0	2.1	4.7	4.9
Electricity, Gas, Steam and Air Conditioning Supply	2.8	3.0	6.6	7.1
Water Collection, Treatment and Supply	1.8	1.9	4.2	4.5
Sewerage	3.2	3.3	7.6	7.8
Waste Collection, Treatment and Disposal Activities	2.3	2.7	5.5	6.2
Remediation Activities & Other Waste Management Services	2.5	2.7	5.8	6.2
Construction of Buildings	2.0	2.0	4.6	4.7
Civil Engineering	2.0	2.0	4.6	4.8
Water Transportation	3.1	3.2	7.3	7.6
Construction	1.6	2.2	3.8	5.0
Wholesale and Retail Trade	1.0	1.9	2.4	4.5
Land Transport	1.6	1.9	3.8	4.4
Air Transport	2.3	2.4	5.5	5.7
Transport via Pipelines	1.7	1.8	3.9	4.2
Postal and Courier Activities	1.8	2.0	4.3	4.6
Accommodation	2.4	2.5	5.6	5.9
Telecommunications	2.1	2.2	4.9	5.1
Financial and Insurance Activities	1.5	1.6	3.5	3.7
Insurance	2.0	2.1	4.8	4.9
Public Administration and Defence	2.4	2.6	5.6	6.0
Education	1.4	1.9	3.3	4.6
Education Support Services	1.4	1.9	3.3	4.5
Human Health Activities	1.8	2.1	4.3	5.0
Residential Care Activities	1.8	2.1	4.3	5.0
Other Services	1.5	1.5	3.5	3.6

Key Messages

The SAM multiplier analysis reveals that Coca-Cola Pakistan remains a high-impact player in the local economy. With high output and income multipliers, investments in this sector are likely to have far-reaching effects throughout the economy. However, the company's true impact extends beyond just the beverages sector, encompassing a wide range of industries in its supply chain.

To maximize its positive economic impact, it could:

1. Continue to invest in expanding its core beverage operations
2. Focus on supply chain optimization, particularly in sectors with lower multipliers
3. Invest in water management and conservation efforts
4. Balance economic considerations with social and environmental responsibilities

In the context of Pakistan's 2024 macroeconomic recovery and Coca-Cola Pakistan's long-term contribution target of Rs. 306 billion by 2029, this multiplier-based approach provides a strategic lens for sustainable, inclusive growth.

Employment, Tax and Total Multipliers

Employment Multiplier

The employment multiplier of 1.013 for Coca-Cola Pakistan beverages sector indicates that for every job directly created in the sector, an additional 0.013 jobs are created in the broader economy. This multiplier is relatively low compared to other sectors, suggesting that beverages sector has a limited impact on overall employment generation.

i) Comparative Analysis

- Highest: Wholesale and retail trade (1.886)
- Lowest: Water collection, treatment and supply (1.011)
- Coca-Cola Pakistan beverages ranks near the bottom, indicating a highly efficient operation with limited indirect employment effects.

ii) Employment Spillover Effects

Given the employment multiplier of 1.013, for every direct job in beverages, an additional 0.013 jobs are created in the broader economy. This seemingly small multiplier can still have significant effects when applied to large employment numbers in 2024:

iii) Implications of Employment Spillover

- **Limited but positive impact:** While the employment multiplier is relatively low, it still indicates a positive spillover effect. Every 100 direct jobs in Coca-Cola Pakistan potentially creates 1.3 additional jobs in the broader economy.
- **Regional economic support:** The spillover effects, though small, contribute to employment in various sectors that support or benefit from Coca-Cola Pakistan operations. These might include:
 - Supply chain jobs (raw material suppliers, packaging manufacturers)
 - Distribution and retail jobs
 - Ancillary services (maintenance, IT support, cleaning services)
- **Quality of spillover jobs:** The nature of these spillover jobs may vary. Some might be high-skilled positions in technology or management, while others could be in retail or transportation.
- **Indirect benefits:** While the employment multiplier is low, remember that Coca-Cola Pakistan has high output and income multipliers. This suggests that while it may not create many additional jobs directly, it significantly boosts economic activity and income in related sectors.
- **Potential for growth:** If company expands its operations or increases its local sourcing of materials and services, the employment multiplier effect could potentially increase, leading to greater job creation in the broader economy.

While the direct employment numbers for Coca-Cola Pakistan show some fluctuations across regions between 2019 and 2024, the employment spillover effects, though modest, contribute to job creation in the broader economy. The relatively low employment multiplier (1.013) suggests that its main economic impact lies more in its ability to generate tax revenue, boost output, and increase income across the economy rather than in direct job creation.



Tax Multiplier

Coca-Cola Pakistan tax multiplier of 1.328 is the highest among all sectors. This indicates that it contributes significantly to government revenues through both direct and indirect tax generation. For every rupee of tax directly generated by the sector, an additional 0.328 rupees are generated in the broader economy.

Comparative Analysis

- Highest: Coca-Cola Pakistan beverages (1.328)
- Lowest: Water collection (1.001)
- Coca-Cola Pakistan leads in tax generation, likely due to high excise duties and other taxes associated with beverage production and sales.

Total Multiplier

The total multiplier, which is the sum of all individual multipliers, stands at 10.989 for Coca-Cola Pakistan. This high value indicates that the sector has a substantial overall impact on the Pakistani economy when considering all aspects.

Comparative Analysis

- Highest: Sewerage (13.302)
- Lowest: Forestry (7.150)
- Coca-Cola Pakistan ranks 6th out of all sectors, highlighting its significant role in the economy.

Sectors	Employment Multipliers	Tax Multipliers	Total Multipliers
Agriculture	1.624	1.027	9.799
Forestry	1.018	1.001	7.150
Fishing	1.120	1.004	7.923
Mining	1.113	1.005	8.237
Food Production	1.107	1.004	10.516
COCA-COLA PAKISTAN Beverages	1.013	1.328	10.989
Tobacco	1.024	1.001	7.486
Textiles	1.107	1.004	11.015
Wearing Apparel	1.211	1.008	10.594
Leather and Related Products	1.091	1.003	10.194
Wood Products	1.254	1.009	9.456
Paper Products	1.134	1.005	9.146
Printing	1.127	1.005	9.304
Coke and Refined Petroleum Products	1.139	1.006	7.695
Chemicals	1.117	1.005	9.842
Pharmaceuticals	1.143	1.007	10.310
Rubber and Plastics Products	1.104	1.004	9.101
Other Non-Metallic Mineral Products	1.222	1.008	8.599
Basic Metals	1.138	1.006	10.034
Fabricated Metal Products	1.353	1.015	9.037
Computer, Electronic and Optical Products	1.075	1.003	9.023
Electrical Equipment	1.081	1.003	9.151
Machinery and Equipment	1.040	1.002	9.290
Motor Vehicles, Trailers and Semi-Trailers	1.104	1.005	9.082
Other Transport Equipment	1.038	1.002	8.996
Furniture	1.345	1.012	8.170
Other Manufacturing	1.104	1.004	9.169
Electricity, Gas, Steam and Air Conditioning Supply	1.017	1.001	12.182
Water Collection, Treatment and Supply	1.011	1.001	8.415
Sewerage	1.107	1.005	13.302
Waste Collection, Treatment and Disposal Activities	1.013	1.001	10.904
Remediation Activities & Other Waste Management Services	1.045	1.002	10.931
Construction of Buildings	1.120	1.005	8.893
Civil Engineering	1.098	1.004	8.929
Water Transportation	1.013	1.001	12.841
Construction	1.481	1.025	9.700
Wholesale and Retail Trade	1.886	1.082	9.319
Land Transport	1.540	1.022	8.889
Air Transport	1.025	1.001	10.203
Transport via Pipelines	1.148	1.006	8.138
Postal and Courier Activities	1.131	1.006	8.736
Accommodation	1.059	1.002	10.466
Telecommunications	1.166	1.007	9.459
Financial and Insurance Activities	1.207	1.009	7.439
Insurance	1.047	1.002	9.025
Public Administration and Defence	1.058	1.003	10.647
Education	1.528	1.026	9.056
Education Support Services	1.521	1.026	9.036
Human Health Activities	1.257	1.013	9.406
Residential Care Activities	1.254	1.013	9.387
Other Services	1.623	1.028	7.817

Source: CCI Pakistan

Analysis of Results

i) Sectoral Comparisons and Economic Implications

- **Comparison with food production:** Coca-Cola Pakistan shows higher multipliers across all categories compared to the food production sector, suggesting that it has a more significant economic impact per unit of activity.
- **Comparison with other manufacturing:** It outperforms most other manufacturing sectors, particularly in tax and income multipliers, indicating its importance as a revenue generator for the government and a source of income for households.
- **Comparison with service sectors:** While some service sectors like sewerage and water transportation have higher total multipliers, it compares favorably with most service sectors, especially in tax generation.

ii) Economic Implications and Policy Considerations

- **Tax Revenue Generation:** The exceptionally high tax multiplier suggests that policies supporting the growth of it could lead to significant increases in government revenue, potentially funding public services and infrastructure development.
- **Income Distribution:** The high income multiplier indicates that growth in Coca-Cola Pakistan could have a substantial positive impact on household incomes across various economic strata, potentially contributing to poverty reduction and increased consumer spending.
- **Economic Diversification:** While the employment multiplier is low, the high output and income multipliers suggest that it plays a crucial role in economic diversification, supporting a wide range of ancillary industries and services.
- **Investment Attraction:** The strong overall economic impact of Coca-Cola Pakistan, as indicated by its high total multiplier, makes it an attractive sector for both domestic and foreign investment, potentially driving economic growth.
- **Supply Chain Development:** The high output multiplier suggests strong linkages with other sectors through Rs. 240 billion value-added in Pakistan's overall supply chains. Policies aimed at strengthening these linkages could further enhance the sector's economic impact and promote balanced regional development.
- **Skill Development:** Despite the low employment multiplier, the sector's high-value impact suggests a need for skilled labor. Investments in relevant education and training programs could enhance the sector's contribution to human capital development.

The SAM multiplier analysis reveals significant economic importance of Coca-Cola Pakistan, particularly in terms of tax revenue generation, income distribution, and overall economic output. While its direct employment impact is limited, its strong linkages with other sectors and high income-generating potential make it a key contributor to Pakistan's economy. Policymakers and investors should consider these multiplier effects when making decisions related to the beverage industry, as support for this sector could yield substantial benefits across the broader economy.

Macroeconomic Context & Future Projections

This section presents Pakistan's macroeconomic outlook from 2018 to 2024 including economic growth, inflation, exchange rate, current account balance, interest rate, investment, & unemployment.

- **Economic Growth:** Pakistan's GDP growth fluctuated throughout the period. It reached a high of 6.1% in 2018 but dipped into negative territory at -0.9% in 2020 due to the COVID-19 pandemic. The economy recovered in 2021 (5.8%) and 2022 (6.2%), but contracted slightly in 2023 (-0.2%). In 2024, growth rebounded to 3.2%, indicating modest recovery amid macroeconomic adjustments.
- **Inflation:** Inflation rose steadily over the period, from 3.9% in 2018 to a peak of 29.2% in 2023, reflecting significant erosion in purchasing power. By 2024, inflation eased to 12.6%, showing the effects of monetary tightening and improved supply-side stability.
- **Exchange Rate:** The Pakistani Rupee continued to depreciate against the US Dollar. The nominal exchange rate rose from 121.8 PKR/USD in 2018 to 260.0 PKR/USD in 2023, and further to 278.5 PKR/USD in 2024, indicating ongoing pressure on the external account despite partial stabilization.
- **Current Account Balance:** The current account deficit improved significantly from -5.4% of GDP in 2018 to -0.7% in 2023, and slightly further to -0.6% in 2024. This reflects better management of trade imbalances, remittances, and external financing.
- **Interest Rates:** Lending interest rates (real) remained negative for most of the period, starting from -5.7% in 2018 and staying negative until 2021. Rates stayed at -7.8% in both 2022 and 2023, but dropped sharply to -13.0% in 2024, indicating tighter monetary policy in response to inflationary pressures.
- **Investment:** Investment as a percentage of GDP declined from 15.4% in 2018 to 12.4% in 2023, reflecting reduced business confidence and tighter fiscal space. In 2024, it slightly improved to 12.9%, suggesting cautious optimism and selective recovery in capital spending.
- **Unemployment:** The unemployment rate increased from 5.8% in 2018 to 8.5% in 2023, driven by economic shocks and structural constraints. By 2024, it decreased to 5.47%, signaling improvements in job creation and labor market stabilization.

Overall, the data suggests that Pakistan's macroeconomic performance has been mixed over the past six years. The economy has experienced periods of growth but has also been vulnerable to shocks like the COVID-19 pandemic. Inflation & the depreciation of the rupee have also been challenges. The data on macroeconomic indicators were sourced from PBS (Pakistan Bureau of Statistics).

Historical Macroeconomic Outlook of Pakistan (Table 6)

	2018	2019	2020	2021	2022	2023	2024
GDP Growth (annual %)	6.1	3.1	-0.9	5.8	6.2	-0.2	3.2
Inflation, Consumer Price (annual %)	3.9	6.7	10.7	8.9	12.1	29.2	12.6
Nominal Exchange Rate (Against US\$)	121.8	150.0	161.8	162.9	204.9	260.0	278.5
Current Account Balance (% of GDP)	-5.4	-4.2	-1.5	-0.8	-4.7	-0.7	-0.6
Lending Interest Rate (% of GDP)	-5.7	-7.8	-7.0	-6.0	-7.8	-7.8	-13
Investment (% of GDP)	15.4	13.8	13.1	12.8	14.0	12.4	12.9
Unemployment rate (annual %)	5.8	6.9	6.6	6.3	6.2	8.5	5.47

Source: International Monetary Fund (IMF)





The IMF's future projections for Pakistan's economy show improvements from 2024 to 2029. It is projected that the Real GDP growth rate is expected to increase from 2% in 2024 to 5% by 2027 and remain at 5% in 2028 and 2029. Inflation rate is projected to decline significantly from 24.8% in 2024 to 6.5% by 2026 and remain at 6.5% in 2028 and 2029. Finally, unemployment rate is projected to decline from 8% in 2024 to 5% by 2028 and then increase slightly to 6% in 2029.

IMF Future Projections for Pakistan (Table 7)

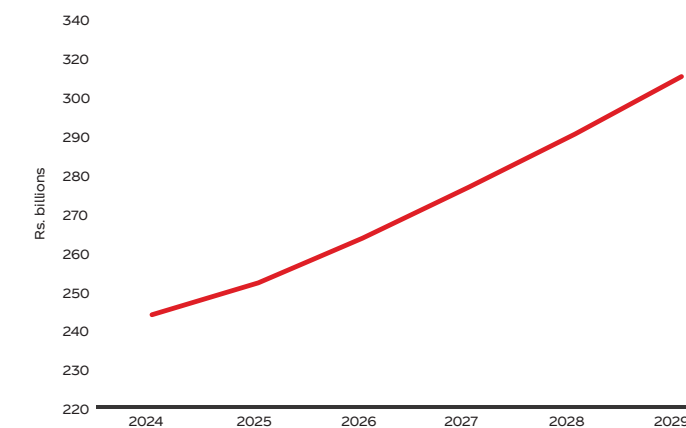
	2024	2025	2026	2027	2028	2029
GDP Growth (annual %)	2	3.5	4.5	5	5	5
Inflation, Consumer Price (annual %)	24.8	12.7	7.6	6.5	6.5	6.5
Unemployment rate (annual %)	8	7.5	6.5	5.5	5	6

Source: International Monetary Fund (IMF)

The recent positive revisions to Pakistan's economic forecast by the IMF paint an optimistic picture for Coca-Cola Pakistan. A growing GDP indicates more money in consumers' pockets. This translates to increased demand for discretionary products like beverages, potentially boosting sales. Besides, expected lower inflation in coming years signifies a more predictable economic climate. This allows Coca-Cola Pakistan to plan production, pricing, and marketing strategies with greater confidence, potentially leading to improved efficiency and profitability. In essence, a strengthening Pakistani economy presents a fertile ground for its expansion and success.

The overall size of Pakistan's GDP was Rs 84,658 billion in the fiscal year 2023 whereas the total revenue from the sales of products was Rs. 240 billion in the same year. It is expected to contribute significantly to Pakistan's economy by around 306 billion in 2029, based on the IMF projections provided above. Hence, its expected cumulative growth is around 21.7% during 2023 to 2029.

Contribution of Coca-Cola Pakistan in Pakistan's Economy (Fig 10)



Source: CCI Pakistan

Conclusions and Recommendations

Based on the previous comprehensive analysis of Coca-Cola Pakistan's operations and performance from 2019 to 2024, as well as the broader economic context of Pakistan, the following conclusions can be drawn:

In sustainability, Coca-Cola Pakistan has made commendable progress. Between 2019 and 2024, it improved energy efficiency, reducing its energy usage ratio from 0.35 MJ/L to 0.33 MJ/L, and decreased GHG emissions intensity from 33.2 gCO₂e/L to 29.26 gCO₂e/L. Water usage efficiency also improved, with the water ratio falling from 2.04 to 1.68, while overall water consumption declined from a peak of 4.1 billion liters in 2022 to 2.8 billion liters in 2024, reinforcing its commitment to environmental stewardship.

The company's CSR program continues to make tangible community impacts, focusing on clean water, disaster relief, women's empowerment, and climate resilience. It has also shown ongoing efforts to build an inclusive workplace. Female workforce participation shifted from 6% in 2019 to 7.94% in 2024, while female leadership roles increased from 12% to 20%, reflecting measurable, though gradual progress in gender inclusion.

The SAM multiplier analysis reaffirms Coca-Cola Pakistan's role as a key economic contributor. Operating in a sector with high output and income multipliers, the company is projected to contribute Rs. 306 billion to Pakistan's economy by 2029, implying a cumulative growth of approximately 21.7% during 2023–2029. This positions Coca-Cola Pakistan not just as a corporate success story but as a strategic partner in Pakistan's development.

Despite macroeconomic headwinds, such as elevated inflation (12.6% in 2024), currency depreciation (PKR 278.5/USD), and slow investment recovery (12.9% of GDP), Coca-Cola Pakistan has preserved profitability and market relevance. It has remained adaptive, strategically navigating a turbulent economic cycle while continuing to generate value for its stakeholders.

In conclusion, Coca-Cola Pakistan has demonstrated strength, adaptability, and leadership in a challenging business environment. Moving forward, continued focus on digital transformation, portfolio diversification, sustainability, and inclusive growth will be critical to reinforcing its market position. By aligning long-term profitability with environmental and social value creation, the company is well-placed to deepen its economic footprint and shape Pakistan's sustainable future.

Recommendations

- **Product Diversification and Innovation:** While Coca-Cola remains the primary revenue driver, Coca-Cola Pakistan should focus on strengthening its other brands, particularly Sprite and Fanta. Investing in product innovation, new flavors, and targeted marketing strategies for these brands could help diversify revenue streams and reduce dependence on a single product.
- **Supply Chain Optimization:** Given the high expenditure on raw materials, it should focus on optimizing its supply chain. This could involve exploring local sourcing options, implementing advanced inventory management systems, & leveraging technology to improve logistics efficiency. Such measures could help mitigate the impact of rising raw material costs & currency depreciation.
- **Digital Transformation:** To stay competitive in an increasingly digital marketplace, it should accelerate its digital transformation efforts. This could include enhancing e-commerce capabilities, leveraging data analytics for market insights, and implementing smart manufacturing technologies to improve operational efficiency.

Policy Recommendations for the Government of Pakistan

1. Ease of Doing Business and Regulatory Simplification:

The Government of Pakistan should prioritize reforms that enhance the ease of doing business for multinational corporations (MNCs) and domestic investors. Streamlining business registration, licensing, and investment approval processes through one-window digital platforms can significantly reduce administrative bottlenecks. Establishing transparent and time-bound procedures for contract enforcement, land acquisition, and tax refunds will strengthen investor confidence and encourage long-term commitments in Pakistan's manufacturing and services sectors.

2. Tax Rationalization and Fiscal Predictability:

Pakistan's complex and high tax structure continues to constrain private sector growth. The government should consider gradually lowering corporate tax rates to bring them in line with regional competitors and rationalize indirect taxes such as excise duties and sales taxes on production inputs. Simplifying the sales tax regime by reducing multiple rates and exemptions would enhance compliance and predictability. Moreover, introducing targeted tax incentives for companies investing in renewable energy, waste management, and local supply chains can promote sustainable industrial growth while broadening the tax base.

3. Stable Exchange Rate and Foreign Exchange Facilitation:

Currency volatility and restrictions on profit repatriation remain key concerns for foreign investors. The government should ensure a more stable and transparent foreign exchange management framework that allows timely repatriation of dividends and payments for imported machinery and inputs. Establishing specialized investor facilitation desks within the State Bank of Pakistan (SBP) and the Board of Investment can help address investor concerns efficiently. A stable exchange rate policy, combined with prudent monetary management, will contribute to greater economic certainty & attract new foreign direct investment.

4. Infrastructure and Supply Chain Development:

Infrastructure inefficiencies continue to increase production and logistics costs for private enterprises. To address this, the government should expand public-private partnerships (PPPs) in logistics, renewable energy, and industrial zones. Collaboration with the private sector in areas such as waste management, clean water systems, and green energy solutions would enhance industrial productivity while aligning with sustainability goals. Strategic investment in supply chain infrastructure—such as cold storage, transportation networks, and local packaging facilities—would also strengthen domestic value addition and reduce import dependency.

5. Regulatory Stability and Policy Continuity:

Frequent policy shifts in taxation, energy pricing, and trade regulations have historically created uncertainty for businesses operating in Pakistan. The government should introduce multi-year policy frameworks that ensure fiscal and regulatory consistency. Institutionalizing stakeholder consultation mechanisms before implementing major regulatory changes can improve trust between the government and the private sector. Strengthening coordination among federal and provincial investment agencies will further ensure uniform policy implementation across regions.

Appendix

● Impact Analysis: Methodology

This section describes the methods used to evaluate the impact of the Coca-Cola Pakistan operations on Pakistan's economy. The analysis begins by collecting information from the company and using the direct input data to model the total economic impact. The actual impact calculations are based on the best available model for Pakistan's economy, which is Social Accounting Matrix (SAM) based modeling. This analysis is based on the latest SAM developed by the IFPRI (International Food Policy Research Institute) for Pakistan. The SAM is updated for the fiscal year 2023 for the current research work.

The SAM represents inter-industry dependencies in Pakistan's economy. More specifically, these relationships can be described as the amounts of inputs from each industry that are used to produce the outputs of each industry. Hence, the input-output coefficients reflect the production technology at a given point in time. Every SAM analysis begins with an injection of new resources into the economy, the direct effect. The direct economic effect of the Coca-Cola Pakistan is mostly the result of operational expenditures. This creates direct income and jobs for individuals. The SAM then calculates indirect & induced impacts. The indirect and induced effects derive from several sources.

For example, company buys many inputs from Pakistan to run its operations. The suppliers of inputs receive monetary income in return and then spend it, leading to further rounds of income and expenditure by other businesses and individuals in the local economy. More employment and income are generated. This indirect effect, along with specific impacts on industries, can be modeled through the SAM. Moreover, employee income is spent; creating another impact, called the induced impact. A SAM can trace these ripple effects & provide estimates of total employment & income.

The impact of change can be determined by the SAM multipliers that are derived from the Leontief inverse $(I - A)^{-1}$ matrix, where I is the identity matrix and A is the technical coefficients matrix. These multipliers are generally referred as Type I multipliers. They are used to compute the impact of an initial injection on the economy via inter-industry relations.

Any injection to the economy also has an effect on income. Households then spend a portion of this additional income, creating new demand, which is called an induced impact. When the transactions and technical coefficients matrixes are augmented by a row and a column for households, the household sector becomes endogenous. The multipliers that account for the induced effects due to augmented matrixes are called Type II multipliers. This study provides results of both Type I and Type II multipliers.

● Social Accounting Matrix

We will use a two-sector SAM to illustrate the underlying equations, although the final multiplier formula can be applied to SAMs with any number of sectors. In Table 1, we replace the numbers in the SAM with letters or symbols so that we can refer to these in our equations. For example, X1 refers to the value of gross output from activity 1, and Y refers to total household income.

● Where

X is gross output of each activity (i.e., X1 and X2)

Z is total demand for each commodity (i.e., Z1 and Z2)

V is total factor income (equal to household income)

Y is total household income (equal to total factor income)

E is exogenous components of demand (government, investment, and exports)

SAM Entries Expressed as Letters or Symbols (Table 8)

	Activities	Commodities		Factors	Households	Exogenous demands	Total
	A1 A2	C1	C2	F	H	E	
A1		X ₁					X ₁
A2			X ₂				X ₂
C1	Z ₁₁				C ₁	E ₁	Z ₁
C2	Z ₁₂ Z ₂₁ Z ₂₂				C ₂	E ₂	Z ₂
F	V ₁ V ₂						V
H				V ₁ + V ₂			Y
E		L ₁	L ₂				E
Total	X ₁ X ₂	Z ₁	Z ₂	V	Y	E	

We then divide each column in Table 1 by its column total to derive a coefficients matrix called "M-matrix." This is shown in Table 2. Note that the M-matrix excludes the exogenous components of demand.

● Where

a is technical coefficients (i.e., input or intermediate shares in production)

b is the share of domestic output in total demand

v is the share of value-added or factor income in gross output

l is the share of the value of total demand from imports or commodity taxes

c is household consumption expenditure shares

s is the household savings rate (i.e., savings as a share of total household income)

M Matrix (Table 9)

	Activities		Commodities		Factors	Households	Exogenous demand	Total
	A1	A2	C1	C2	F	H	E	
A1			b ₁ = x ₁ /Z ₁					X ₁
A2				b ₂ = x ₂ /Z ₁				X ₂
C1	a ₁₁ =Z ₁₁ /X ₁ a ₁₂ =Z ₁₂ /X ₂					C ₁ C ₂	E ₁ E ₂	Z ₁ Z ₂
C2	a ₂₁ =Z ₂₁ /X ₁ a ₂₂ =Z ₂₂ /X ₂							
F	v ₁ =V ₁ /X ₁ v ₂ =V ₂ /X ₂							V
H					1			Y
E			l ₁ =L ₁ /Z ₁ l ₂ =L ₂ /Z ₂			s = S/Y		E
Total	1	1	1	1	1	1	E	