BOI
Prime Minister's Board of Investment

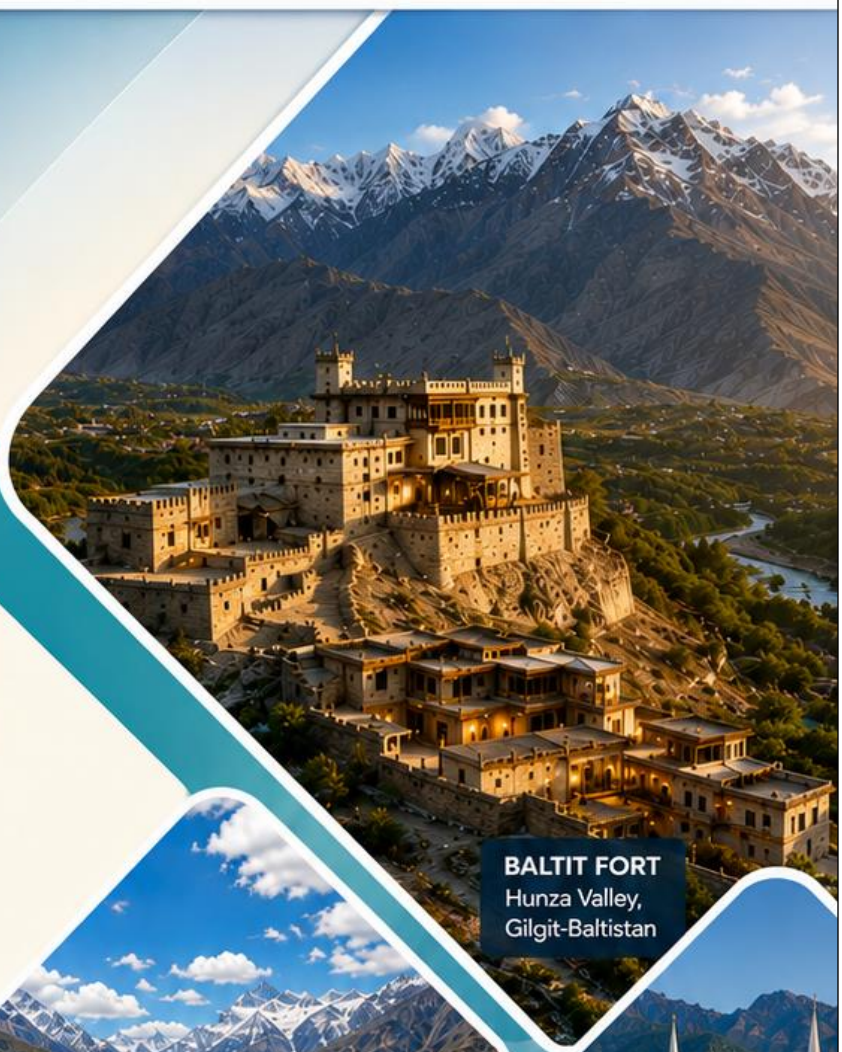
SMART
A PROJECT OF

TRAVEL, TOURISM AND HOSPITALITY

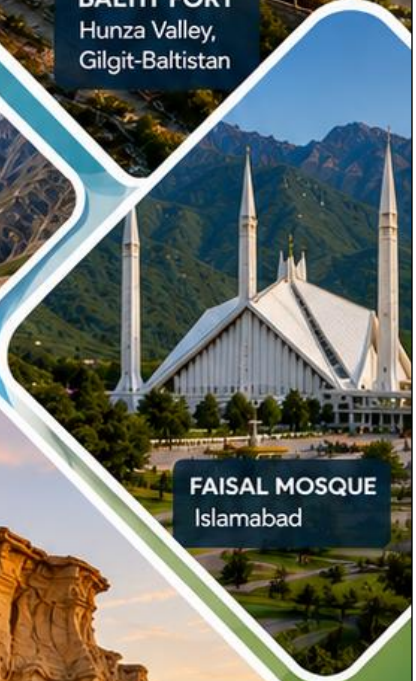
SECTOR PROFILE

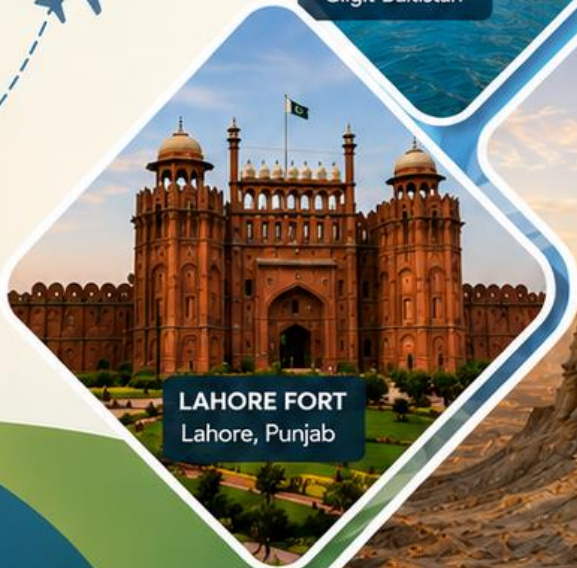
PAKISTAN

2026


BALTIT FORT
Hunza Valley, Gilgit-Baltistan

ATTABAD LAKE
Hunza Valley, Gilgit-Baltistan


FAISAL MOSQUE
Islamabad


LAHORE FORT
Lahore, Punjab


PRINCESS OF HOPE
Hingol National Park, Balochistan

TOURISM & HOSPITALITY

SECTOR PROFILE

Pakistan | Comprehensive Edition | July 2026

An investor-grade profile of Pakistan's tourism and hospitality economy - mountains and heritage, religious tourism corridors, hotels and travel services - anchored in WTTC economic-impact data, the Pakistan Economic Survey 2025-26, and the visa and connectivity reforms reshaping access.

PREPARED FOR	PRIMARY SOURCES	EDITION
Investors, Businesses & Academia	**WTTC · UN Tourism · PES 2025-26 · PTDC · Provincial Authorities**	**Comprehensive · Print Edition**

About This Profile

This profile provides a comprehensive, evidence-based assessment of Pakistan's tourism and hospitality sector for national and international audiences - investors evaluating hotels, destinations and travel services, businesses assessing partnerships, policymakers, and academic researchers. It is written to be read as an analyst report, with charts and tables used selectively to complement the narrative.

Scope & Methodology

The profile covers the destination asset base, market performance and demand, industry segments, the policy and facilitation framework including visa reform, investment opportunities, risk factors, and regional benchmarking. Tourism is the least statistically documented sector in this series: Pakistan lacks a reliable official series for international tourist arrivals and spending. This edition therefore anchors quantitative claims in World Travel & Tourism Council (WTTC) economic-impact modelling, UN Tourism recognitions, and Pakistan Economic Survey 2025-26 references, and states qualitative assessments as such. All references appear in Section 11.

Quality Assurance

Every quantitative claim in this edition has been cross-validated against the source cited, and a structured self-audit covering data accuracy, source attribution, and analytical consistency was conducted in July 2026. Where reliable data does not exist, the gap itself is disclosed rather than bridged with unverifiable figures.

Data Currency

Data are current as at 5 July 2026 unless otherwise stated. WTTC figures refer to calendar years 2023-2024 with published forecasts to 2036. Visa-policy parameters change frequently; the status stated reflects public notifications to early 2026 and must be verified with official channels before travel or transaction decisions.

Disclaimer

This document is for information purposes only and does not constitute investment, legal, or tax advice. Tourism regulation is substantially provincial; incentives and approvals vary by province and change through annual budgets. While every effort has been made to ensure accuracy, no liability is accepted for decisions made in reliance on this document.

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Acronyms & Abbreviations

AJK	Azad Jammu & Kashmir	**PIA**	Pakistan International Airlines
CAA	Civil Aviation Authority	**PES**	Pakistan Economic Survey
FBR	Federal Board of Revenue	**PPP**	Public-Private Partnership
GB	Gilgit-Baltistan	**PTDC**	Pakistan Tourism Development Corporation
GLOF	Glacial Lake Outburst Flood	**SIFC**	Special Investment Facilitation Council
KP	Khyber Pakhtunkhwa	**STDC**	Sindh Tourism Development Corporation
MICE	Meetings, Incentives, Conferences & Exhibitions	**UNESCO**	UN Educational, Scientific & Cultural Organization
OTA	Online Travel Agency	**UN Tourism**	United Nations World Tourism Organization (UNWTO)
PC	Pearl-Continental (hotel brand)	**USF**	Universal Service Fund
T&T	Travel & Tourism	**WTTC**	World Travel & Tourism Council

THE SECTOR AT A GLANCE

Eight numbers that frame the opportunity

T&T SHARE OF GDP	T&T EMPLOYMENT	ARRIVALS GROWTH 2023	E-VISA STATUS
~6.2%	**4.9M**	**+115%**	**126**
2026F; PKR ~7.6 trillion (WTTC)	jobs in 2026F; 6.2M forecast by 2034 (WTTC)	Best performing destination," Jan-Sep 2023 (World Tourism Barometer, UN World Tourism Organisation)	Countries – fee waived90-day visa within 24hrs (Aug 2024–Dec 2025) Fee waiver (VPA) suspended Jan 2026; standard paid e-Visa now applies

UNESCO SITES	PEAKS ABOVE 8,000M	2036 FORECAST	CONNECTED DESTINATIONS
6	**5 of 14**	**7.6%**	**8**
World Heritage Sites (inscribed 1980–1997); **29** on the tentative list (as of May 2026) — no new inscription in over 25 years	including K2, world's second-highest	of GDP, PKR 12.4 TN; WTTC long-run projection	tourist locations enabled (Swat, Upper Dir, Battagram) via USF's Tourist Destination K-2 project

Sources - WTTC Pakistan EIR Factsheet (vintage needs re-verification — see note); UN World Tourism Organisation, World Tourism Barometer (2023); Government of Pakistan visa notifications (Aug 2024) and VPA suspension (Jan 2026); UNESCO World Heritage Centre (live-verified); Wikipedia, mountain ranges of Pakistan; The Nation (Jan 2026), citing USF documentation.

1. Executive Summary

Pakistan's tourism endowment is of a different order from its tourism industry. The endowment ranks with the world's richest: five of the fourteen peaks above 8,000 metres including K2, the Karakoram-Himalaya-Hindu Kush junction, six UNESCO World Heritage properties spanning the Indus Valley and Gandhara civilisations, the sacred geography of Sikhism and one of Buddhism's holiest ancient landscapes 1,046 km of coastline, and living urban cultures from Lahore to Hunza.. The industry built on that endowment remains small, domestic-led, and under-invested - which is precisely the shape of an early-cycle opportunity.

The measurable economics are already material and current. WTTC's 2026 Economic Impact Research (published April 2026) puts travel and tourism's total contribution at 5.9% of GDP in 2025 (PKR 7.0 trillion, USD 25.0 billion), rising to a forecast 6.2% in 2026 (PKR 7.6 trillion), and supporting 4.7 million jobs in 2025 (6.4% of total employment), rising to a forecast 4.9 million in 2026. WTTC's 10-year forecast has the sector reaching 7.6% of GDP (PKR 12.4 trillion) and 6.2 million jobs by 2036 - a 5.0% GDP CAGR against 2.9% for the economy as a whole, meaning tourism is expected to outgrow Pakistan's broader economy by a meaningful margin over the coming decade. Demand momentum is real: UN Tourism ranked Pakistan among the world's top-performing destinations for the first three quarters of 2023 (World Tourism Barometer), with international arrivals up 115% year on year as post-pandemic reopening met genuinely improved access.Access is the story of this cycle, though not uniformly. Pakistan's fee-free visa programme for 126 countries (Aug 2024-Dec 2025) has lapsed; a standard paid e-Visa now applies. The Kartarpur Corridor's visa-free crossing has been closed from the Indian side since the May 2025 conflict, though Pakistan has kept its own side open and continues issuing conventional pilgrim visas as a fallback. PIA resumed UK services (Manchester, then London Heathrow by March 2026) and launched a new Lahore-Baku route in 2025, extending connectivity toward the Caucasus/Central Asia. The Universal Service Fund wired eight tourist locations in Swat, Upper Dir and Battagram with broadband by early 2026.The constraint set is equally clear, and this profile states it plainly: quality hotel stock is thin outside a few cities, destination infrastructure lags demand peaks, comprehensive international arrivals data is not consistently published by Pakistani authorities (Pakistan Business Council, 2025) - meaning headline figures, including those cited in this profile, typically rely on international bodies' own estimates rather than a robust domestic series - seasonality and climate risk are rising in the northern valleys, and perception lags reality in source markets. Every one of these constraints is an investment category - rooms, roads-to-resorts, data systems, season-extension products, and destination marketing.**FIVE INVESTOR ENTRY POINTS**

01 · HOTELS & RESORTS	02 · RELIGIOUS TOURISM	03 · ADVENTURE & MOUNTAIN	04 · TRAVEL TECH & OTAs	05 · MICE & URBAN
Branded room shortage in cities & northern destinations; provincial PPP land offers.	Sikh & Buddhist circuits; Kartarpur demonstrated the model 2019–2025, though its visa-free crossing has been closed from the Indian side since May 2025; high-yield, purpose-driven demand.	Expedition & trekking economy around K2 and the 8,000ers; premium pricing niche.	Fragmented intermediaries; 161M broadband users; domestic-travel digitisation.	Business-travel base in Karachi-Lahore-Islamabad; convention capacity undersupplied.

2. The Destination Asset Base

2.1 Provincial Destinations

Tourism assets are distributed across every province and territory, with distinct product profiles that map naturally to provincial policy ownership.

Province / Territory	Signature Assets & Product Profile
Punjab	Lahore's Mughal core (Lahore Fort & Shalamar Gardens, UNESCO); Taxila (UNESCO Gandhara heritage); Sikh sacred sites incl. Nankana Sahib & Kartarpur; Rohtas Fort (UNESCO); urban culture & gastronomy"
Sindh	Moenjodaro (UNESCO) & the Indus Valley civilisation; Makli necropolis, Thatta (UNESCO); Karachi's coast & business-travel base
Khyber Pakhtunkhwa	Swat, Chitral & Kalash valleys; Takht-i-Bahi Buddhist complex (UNESCO);; ski & summer mountain products
Gilgit-Baltistan	K2 & the Karakoram 8,000ers; Hunza, Skardu, Deosai; expedition & trekking economy; international airport at Skardu
Balochistan	Makran coast (Gwadar, Kund Malir); Hingol National Park; frontier product, security-dependent
Azad Jammu & Kashmir	Neelum & Jhelum valleys; lake & alpine leisure for the domestic market

Sources - UNESCO World Heritage List; PTDC; provincial tourism authorities; BOI Tourism Profile.

2.2 Heritage, Faith & Mountains

Three asset classes distinguish Pakistan from regional competitors. First, mountains: no other country offers five peaks above 8,000 metres, and the Baltoro-Concordia amphitheatre is one of alpinism's ultimate destinations - a small-volume, very high-yield market where Pakistan holds near-monopoly assets. Second, faith: Pakistan holds the birthplace geography of Sikhism - with the Kartarpur Corridor having provided visa-free pilgrim access from 2019 until its closure from the Indian side in May 2025 - and the Gandhara Buddhist heartland at Taxila and Takht-i-Bahi, of deep significance to East Asian Buddhist markets. . Third, civilisation: Moenjodaro anchors one of humanity's oldest urban cultures. These are not marketing claims but UNESCO-inscribed, historically unique assets; the gap is packaging, access, and accommodation.

3. Market Performance & Demand

On WTTC's 2026 Economic Impact Research (published April 2026) - the most defensible series available given the absence of reliable official arrivals statistics - travel and tourism contributed approximately PKR 7.0 trillion, or 5.9% of GDP, in 2025, rising toward a forecast PKR 57.6 trillion and 6.2% in 2026, and supporting 4.7million jobs (6.4% of employment) in 2025, rising to a forecast 4.9 million in 2026. WTTC's ten-year forecast has the sector reaching 7.6% of GDP and 6.2 million jobs by 2036 - a 5.0% CAGR against 2.9% for the economy as a whole, implying tourism grows faster than the economy for a decade.Demand composition is domestic-first: domestic visitor spending was 94.1% of the total in 2025, against just 5.9%

international (WTTC) - Pakistani leisure travel (northern summers, religious occasions, weddings and family visits) fills the existing room stock and underwrites hospitality economics, while international demand concentrates in diaspora visits, adventure tourism, and pilgrimage. The inflection evidence is the 2023 result: UN Tourism ranked Pakistan among the world's top-performing destinations for January-September 2023 with arrivals up 115% - a low-base number, but the direction investors price. Connectivity is being rebuilt around it: PIA resumed UK services in stages (Manchester, Oct 2025; London Heathrow, March 2026) and launched a new Lahore-Baku route in 2025; a January 2026 Air France-KLM partnership expands PIA's cargo reach into Europe but is freight-only, not a passenger interline option. Skardu's international airport opens the mountain economy to direct access.

T&T CONTRIBUTION 2026F	JOBS SUPPORTED	2036 TRAJECTORY
PKR 7.6T	**4.9M**	**7.6%/ 6.2M**
~6.2% of GDP (WTTC)	2026E; 1 in ~15 jobs (WTTC)	GDP share / jobs forecast (WTTC)

4. Industry Segments

Lodging is the binding constraint and the core opportunity. Branded, internationally bookable room stock concentrates in a handful of urban properties - the Serena and Pearl-Continental networks plus a thin layer of international flags - while the destinations where demand is growing fastest, from Hunza to Swat, are served overwhelmingly by informal guesthouses. Foodservice is vibrant and fragmenting into organised chains in cities. Passenger aviation is recovering on both the national carrier's restoration and private operators, PIA was privatised in December 2025, with a consortium led by the Arif Habib Group acquiring a 75% stake for Rs 135 billion (US$482 million), and airport modernisation is redefining the field alongside it.. Travel intermediation - tour operators, agencies, OTAs - remains fragmented and largely offline, an obvious digitisation play given the 161 million-strong broadband base.

4.1 Success Stories

Three cases evidence what already works.

KARTARPUR CORRIDOR

Faith access, engineered

Opened in 2019, the corridor gives Sikh pilgrims visa-free, same-day access to Gurdwara Darbar Sahib from the Indian border - a purpose-built religious-tourism asset with dedicated infrastructure, and the template for high-yield faith circuits across Pakistan's Sikh and Buddhist geography. The visa-free crossing has been closed from the Indian side since May 2025; Pakistan has kept its own side open and continues pressing for reopening. The infrastructure and proof-of-concept remain the template, even with the channel currently interrupted.

THE K2 ECONOMY

Premium by nature

Expedition and trekking tourism around K2 and the Karakoram has grown into Gilgit-Baltistan's signature export: royalty fees, licensed operators, porter and logistics employment, and full-season bookings at premium pricing - a niche where Pakistan's product cannot be replicated elsewhere.

CONNECTED DESTINATIONS

Infrastructure follows tourists

The Universal Service Fund's Tourist Destination Programme enabled eight locations across Swat, Upper Dir and Battagram with high-speed broadband plus 50 km of access-route coverage in FY2026 (PES 2025-26) - state investment tracking tourist flows, and de-risking private destination development.

5. Policy, Visa Reform & Facilitation

Tourism is constitutionally provincial since the 18th Amendment: KP legislated a dedicated Tourism Act (2019) establishing the Khyber Pakhtunkhwa Culture and Tourism Authority with Integrated Tourism Zones,, Punjab operates under its tourism policy framework, Sindh through Sindh Tourism Development Corporation (STDC, est. 1992), and GB and AJK run destination authorities, while federal PTDC handles national

promotion. The practical consequence for investors: incentives, land, and approvals are negotiated province by province, and the provincial acts increasingly provide for PPP structures and tourism zones.

Tourism connects to URAAN Pakistan, the National Economic Transformation Plan 2024-29, through two of its five pillars: Exports, which names services and diaspora-facing products among diversification priorities, and Equity & Empowerment, which directs development toward the least developed regions - precisely where the tourism asset base in Gilgit-Baltistan, KP, AJK and coastal Balochistan is concentrated. The plan's actual targets - 6% sustainable GDP growth by 2028 and $10 billion in additional annual private investment (Ministry of Planning, Development & Special Initiatives) - underwrite the domestic demand on which the sector's economics currently run.**THE ACCESS ARC · 2019-2026**

2019 **e-Visa & Kartarpur** Online visa regime launched; visa-free Sikh pilgrimage corridor opens.	**2023** **Demand Inflection** UN Tourism top-performer ranking; arrivals +115% (9M 2023).	**AUG 2024** **Free e-Visa · 126 Countries** Fees abolished; 90-day visa within 24 hours for tourism & business.
2025 **Connectivity Rebuilt** PIA resumes UK services (Manchester, Oct 2025; London, March 2026) and launches a new Lahore-Baku route; a January 2026 Air France-KLM deal expands cargo reach but is freight-only, not passenger interline.	**FY2026** **Destination Infrastructure** USF wires 8 northern destinations; Skardu international access matures.	**JAN 2026** **Policy Watch** Visa-prior-to-arrival channel suspended; verify current terms via official channels.

6. Fiscal Framework & Incentives

There is no single federal tourism tax regime; hospitality is taxed as services (largely provincial sales tax on services) and hotels as businesses under the ordinary income-tax code. The Finance Act 2026 contains no headline tourism-specific measure - an honest statement investor should note - but its general direction helps the sector: broad tariff cuts reduce fit-out and equipment import costs for hotel development (not mentioned as a separate category in finance act of 2026), and the documentation drive expands the formal consumer base. The operative incentives are provincial: land under PPP frameworks in KP's integrated tourism zones, Punjab's PPP structures, and destination-zone packages in GB and AJK, alongside SIFC fast-tracking for qualifying foreign investment. Historic federal support has included SBP financing windows for hotel construction (BOI); current availability should be verified with SBP and provincial investment boards.

7. Investment Opportunities

Four theses define the entry map. Hotels and resorts: the room-stock gap spans city business hotels and destination resorts; provincial land-PPP offers change project economics materially. Religious circuits: Sikh heritage - including Kartarpur, whose visa-free crossing has been closed from the Indian side since May 2025 but which proved the demand model from 2019-2025 - and the Gandhara Buddhist circuit for East Asian markets are high-yield, infrastructure-light products though currently subject to bilateral political conditions rather than a settled diplomatic tailwind.. Adventure and mountain: licensed expedition services, base-camp logistics, and premium lodges monetise monopoly assets. Travel technology: booking, payments, and destination management for a domestic market already online. The table summarises enablers and risks.

Opportunity	Key Enablers	Risk Factors

Hotels & resorts	Room shortage; provincial PPP land; WTTC growth path	Seasonality; utilities at destinations; approvals
Religious circuits	Kartarpur template; unique Sikh/Buddhist assets.	Bilateral politics (corridor closed since May 2025); site capacity & conservation
Adventure & mountain	K2-class monopoly assets; premium global niche	Safety & rescue infrastructure; climate events
Travel tech & OTAs	Broadband base; fragmented incumbents; domestic demand	Payment's friction; thin online-inventory supply

Sources - WTTC; provincial frameworks; BOI;

8. Challenges & Risk Factors

Risk ratings are the authors' qualitative assessment of relevance to international investors.

Perception & Advisory Gap
HIGH RISK

Source-market travel advisories and dated perceptions lag the on-ground reality documented by rising arrivals. Perception risk raises customer-acquisition costs and insurance pricing; it recedes with each incident-free season but must be underwritten, particularly for western leisure markets.

Destination Infrastructure & Seasonality
MEDIUM RISK

Road access, utilities, and waste systems at northern destinations trail demand peaks; the season concentrates in four summer months. Season-extension products (winter sports, shoulder-season culture circuits) and infrastructure PPPs are the mitigations - and themselves opportunities.

Climate & Safety Events
MEDIUM RISK

Northern valleys face rising glacial-lake outburst and flood risk; mountain rescue and medical infrastructure is thin. Climate volatility is a structural planning parameter for destination assets, argued for elevation-diverse portfolios and robust insurance.

Data & Institutional Fragmentation
MEDIUM RISK

No reliable official arrivals or spending series exists, and mandates are split across federal and provincial bodies. Investors must build proprietary demand data; the statistical gap also complicates policy advocacy - and disclosing it is part of this profile's method.

9. Regional Benchmarking

On WTTC's 2026 Economic Impact Research,, Pakistan's travel and tourism share of GDP (~6%, 2025-26) sits below India (~6.7% in 2026, forecast 13% by 2036) and far below tourism-led economies such as Thailand (12.8% in 2024, forecast 14.8% in 2025) - despite an asset base that peer destinations would consider transformational. The benchmark that matters most is asset-to-earnings conversion: Nepal monetises one 8,000er cluster into a national industry; Pakistan holds five such peaks plus UNESCO civilisational sites plus faith geographies, and converts a fraction of their potential.

Indicator (approx.)	Pakistan	India	Thailand
T&T share of GDP (WTTC)	~6%	~6.7%	~12.8%
UNESCO World Heritage sites	6	40+	6
Peaks above 8,000 m	5	1 (shared)	0
Visa openness (2026)	Standard paid e-Visa	e-visa regime	Broad visa-free

Sources - WTTC 2026 Economic Impact Research (Pakistan, India); WTTC EIR 2025 (Thailand); UNESCO; national visa notifications

10. The Upside Case

The Upside Case

WTTC's own forecast is the base case: tourism approaching 7.6% of GDP and 6.2 million jobs by 2036 - growth above the economy's trend for a decade, from access reforms already enacted rather than assumed.

The asset base cannot be commoditised: K2, Moenjodaro, Gandhara, and the Sikh sacred geography exist nowhere else. Supply of competing destinations cannot expand; only Pakistan's capacity to host can.

The entry point is early-cycle by every marker used in this series: demand inflecting from a low base, formal supply scarce, policy access opening, and infrastructure investment beginning to track tourist flows. For investors with provincial partnership strategies and 5-10 year horizons, the conversion of endowment into industry is the trade.

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All data and analysis are sourced from primary and authoritative secondary sources, presented in APA 7th Edition format.

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Tourism & Hospitality Sector Profile - Pakistan - Comprehensive Edition July 2026 - End of Report

TOURISM & HOSPITALITY SECTOR PROFILE

Pakistan - Comprehensive Edition - July 2026

Part of the Pakistan Sector Profile Series

Housing & Construction - Automotive - Information Technology - Transport & Logistics - Agriculture & Food Processing - Tourism & Hospitality

Compiled from official and primary sources: WTTC - UN Tourism - PES 2025-26 - UNESCO - PTDC - Provincial Authorities

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