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Airspace Ban Post Marka-e-Haq Costs Pakistan Rs4.1 Billion

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Pakistan incurred a loss of approximately Rs4.1 billion in aviation revenue due to the closure of its airspace to Indian-registered aircraft following the Marka-e-Haq military operation. Federal Defence Minister Khawaja Asif disclosed the figure in a written reply to the National Assembly on August 8, 2025, citing data from the Ministry of Defence and the Pakistan Airports Authority (PAA).

According to the PAA, the restrictions were in effect from April 24 to June 30, 2025, and led to a reduction in air traffic of about 20 percent. Between 100 and 150 Indian flights were

affected daily, primarily impacting revenue from overflight fees. The minister stated that the airspace remained open to all other international carriers during this period.

The decision to impose the restrictions came after the escalation of bilateral tensions, which included India's suspension of the Indus Waters Treaty on April 23, 2025. During the same period, India imposed a reciprocal ban on flights from Pakistan.

Defence Minister Asif told lawmakers that national security and sovereignty considerations were the primary reasons for the closure, despite the financial impact. He noted that a similar measure in 2019, during heightened tensions with India, had cost the PAA approximately Rs7.6 billion. Prior to such closures, Pakistan earned an estimated US\$50,800 per day from overflight fees, underscoring the economic significance of transit traffic for the aviation sector.

The restrictions also affected Pakistan International Airlines (PIA), which was unable to operate in Indian airspace during the same period. According to the Ministry of Defence's statement, PIA faced operational adjustments but maintained financial stability through alternative routes and other revenue sources. The PAA also reported that it did not require any tariff increases or government bailouts to sustain operations during the closure.

The Marka-e-Haq operation, conducted from May 6 to May 12, 2025, coincided with the period of airspace restrictions. During this time, regional flight routes were disrupted, forcing Indian carriers such as Air India and IndiGo to reroute flights over longer paths, including the Arabian Sea, which increased operating costs and flight durations.

Officials emphasized that while the closure imposed economic costs on Pakistan's aviation sector, it was implemented as part of broader national defence measures during a period of heightened tensions. The Ministry of Defence has not announced any timeline for potential policy changes regarding overflight permissions for Indian-registered aircraft.