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## Pakistan Launches Push for Green EV Financing

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Pakistan has launched a joint initiative between government institutions and banks to improve access to electric vehicle (EV) financing. A new working group has been formed to create affordable loan options under the national green taxonomy framework, aiming to make EVs accessible for middle- and lower-income consumers.

At a recent policy dialogue, officials from the Ministry of Climate Change, the State Bank of Pakistan (SBP), and commercial banks outlined a roadmap aligning vehicle financing with the country's environmental goals. The SBP confirmed its support for financing standards that meet green criteria, reinforcing its commitment to responsible lending. Officials emphasized the need for credit products tailored to EV buyers to help reduce Pakistan's reliance on oil imports and improve urban air quality.

The plan includes integrating green finance principles into standard lending practices and aligns with Pakistan's commitment to the Paris Agreement. Local governments are being urged to match provincial transport rules with the federal EV policy, which targets 30% of new vehicle sales to be electric by 2030. Automakers are being encouraged to promote domestic EV production to cut costs and support local industry.



Development Finance Institutions (DFIs) are exploring co-financing options with banks to support early-stage lending, helping to reduce risk and mobilize private capital. This coordinated effort is being framed as beneficial for both economic growth and sustainability.

Although challenges remain, particularly in EV infrastructure and consumer awareness, the effort signals progress in policy alignment. Experts believe that the initiative could establish a long-term green loan framework, helping reduce fuel costs, emissions, and dependence on fossil fuels.

Pakistan's latest move mirrors global trends in clean energy adoption and highlights the role of institutional cooperation in shaping sustainable

mobility solutions. The successful rollout of this financing strategy may prove pivotal for the country's transport transformation.

