POVERTY REDUCTION STRATEGY PAPER:

MID YEAR PROGRESS REPORT FY 2010/11

PRSP Secretariat - Finance Division
Government of Pakistan

MID YEAR PROGRESS REPORT
FY 2010/11

The report has been written by Strengthening Poverty Reduction Strategy (PRS) Monitoring Project, United Nations Development Program (UNDP), Federal Bank of Cooperatives, Islamabad.

Table of Contents

List of Tables

Lists of Figures

List of Acronyms

AJ & K	Azad Jammu & Kashmir
BOP	Balance of Payment
BISP	Benazir Income Support Programme
CDA	Capital Development Authority
CFIs	Commercial Financial Institutions
CFY	Current Financial Year
CPI	Consumer Price Index
CSP	Child Support Programme
CSW	Civil Society Wing
EOBI	Employee Old Age Benefit Institutions
FDI	Foreign Direct investment
FBS	Federal Bureau of Statistics
FATA	Federal Administrative Tribal Areas
FANA	Federal Administrative Northern Areas
FBR	Federal Board of Revenue
FED	Federal Excise Duty
FSP	Food Support Program
FY	Financial Year
GOP	Government of Pakistan
GDP	Gross Domestic Product
GLP	Gross Loan Portfolio
HRI	House Rent Index
H 1	Half Year One
IRA	Industrial Relations Act
ICT	Islamabad Capital Territory
IFA	Individual Financial Assistance
KPK	Khyber Pakhtoon Khawa
LHWs	Lady Health Workers
LFS	Labor Force Survey
LSM	Large Scale Manufacturing
MFBs	Micro Finance Banks
MFIs	Micro Finance Institutions
NCRCL	National Centre for Rehabilitation of Child Labor
NFNE	Non Food Non Energy
NGO	Non-Governmental Organization
PKR	Pak Rupee
PBM	Pakistan Bait-ul-Mal
PFY	Previous Fiscal Year
PMN	Pakistan Microfinance Network
PPPs	Public Private Partnerships
PSDP	Public Sector Development program
PRSP	Poverty Reduction Strategy Paper
PSLM	Pakistan Social and Living Standard Measurement Survey
PTCL	Pakistan Telecommunication Company Ltd.
PWP-I	Peoples Works Programme-I
PWP-II	Peoples Works Programme-II
RSPs	Rural Support Programmes
SBP	State Bank of Pakistan
SPI	Sensitive Price Indicator
TT-1	Tetanus Toxoid-1

TT-2+	Tetanus Toxoid-2+
WPI	Wholesale Price Index
WWF	Workers Welfare Fund
YoY	Year-on-Year

1.0 Introduction

1.1 This Poverty Reduction Strategy Paper (PRSP) Half year (H1) progress report for FY 2010/11 is the 24^{th} report, since the monitoring of pro-poor budgetary and non-budgetary expenditures began in 2001. This report is also eighth of the quarterly reports since the PRSP-II was finalized in FY2008/09. The PRSP-II covers the three-year period FY 2008/09 – FY 2010/11. The PRSP-II has been a successful strategy, as sound progress has been made in all pro-poor sectors during the last eight years. During 2003 and onwards, the Strategy focused on four pillars, i.e. (i) Accelerating Economic Growth; (ii) Improving Governance; (iii) Investing in Human Capital; and (iv)Targeting the Poor and the Vulnerable. Taking into account recent socio-economic developments, both domestic and international, the PRSP-II has been built upon the government's nine-point economic reform-poverty reduction agenda encompassing the following nine pillars, (i) Macroeconomic Stability and Real Sector Growth; (ii) Protecting the Poor and the Vulnerable; (iii) Increasing Productivity and Value Addition in Agriculture; (iv) Integrated Energy Development Programme; (v) Making Industry Internationally Competitive; (vi) Human Development for the 21^{st} Century; (vii) Removing Infrastructure Bottlenecks through Public Private Partnerships (PPPs); (viii) Capital and Finance for Development; and (ix) Governance for a Just and Fair System.

1.2 The devastating floods in the country at the end of Previous Fiscal Year (PFY) and early months of Current Fiscal Year (CFY) had a strong bearing on the macroeconomic and growth indicators in the first half of CFY, reflected in negative growth of Large Scale Manufacturing (LSM), lower produce of Kharif crops and escalation in the price indices. The inflationary pressures strengthened due to domestic and international factors. Domestically, supply shortages caused by damage to infrastructure and roads network as well as the closure of one of major refineries in the country and upward adjustment of electricity tariffs translated into continuing increases in CPI, WPI and SPI. Internationally, increase in the price of oil, resulted in higher petroleum prices affecting the transportation and the production costs in turn. External sector presented an encouraging picture supported by buoyed workers' remittances, growth in exports which narrowed the current account deficit and maintained a surplus in foreign exchange reserves. Looking forward, major crops i.e. wheat seem to head for a bumper harvest due to raised moisture content in soil and increasing water availability. However, rise in international petroleum prices pose challenges to create a balance between the options to choose a lower fiscal balance and consideration to reduce poverty by holding back the effects of international oil price rise. Revenue mobilization and tax collection assume critical importance in Government's efforts to cut the fiscal deficit, not through reductions in development spending but through generation of additional tax revenues.

1.3 Pro-poor spending registered a healthy growth of 15.80 percent YoY basis, increasing from Rs. 416,922 million during H1 of FY 2009/10 to Rs. 482,815 million in the same period of Current Fiscal Year (CFY). The increase of 11.72 percent recorded during H1 of FY 2010/11 shows an acceleration as compared to the growth witnessed during H1 of FY 2009/10. Under current expenditures, Natural Calamities & Disasters, Social Security & Welfare, Education and Health witnessed substantial spending increases. Governance related sectors i.e. Law & Order and Justice Administration experienced rising trends consistent with the rigid security related considerations. PWP I & II were characterized by highly negative spending trends in line with the compulsion of the government to reprioritize spending for catering to the urgent needs of relief, reconstruction and rehabilitation in the flood hit areas. Similarly, development expenditures in all pro-poor sectors declined significantly apart from justice and administration which significant increased its development spending. The decline in remaining all sectors is reflective to the same policy choices to divert the fiscal resources towards calamity stricken regions for reconstruction of the damaged infrastructure, provision of basic needs for affected population and restore their livelihood.

1.4 Overall transfers through protecting the poor and vulnerable programs registered a healthy growth of 37 percent in terms of grants and slightly negative growth of 14 percent in terms of beneficiaries during H 1 of FY 2010/11 compared in the same period previous fiscal year. During H1 of FY 2010/11, 100 percent i.e. Rs. 31.58 billion of the grants were of the budgetary mode and no data reported on non budgetary mode against 83 percent and 17 percent receptively in terms of disbursements and beneficiaries in the same period last FY. During H1 1 FY 2010/11 a large proportion of the amount, about 83 percent was disbursed through BISP; followed by 12 percent through Social security and Social welfare and less than 1 percent through PBM. These disbursements were made to 5.035 million beneficiaries; 14 percent less than the comparable period last year. A total of Rs. 9,714 million 56 percent more under the micro credit was disbursed in terms of 581,352 loans during H1 FY 2010/11 against Rs. 6,220 million and 366,396 loans compared to last FY in the same period.

1.5 This Mid Year Progress Report covers the status of tracking poverty reduction efforts during H1 of FY 2010/11 (July – December). Chapter one of the report briefly introduces the PRSP-II and its nine pillars. Chapter 2 gives an overview of Pakistan’s economy along with a brief discussion on key macroeconomic indicators. This section also compares the economic progress of H1 FY 2010/11 with H1 of FY 2009/10. Chapter 3 gives an analysis of the budgetary expenditures for 17 pro-poor sectors in general, and education and health sectors in particular. Chapter 4 highlights both budgetary and non-budgetary modes to provide social protection to the poor and vulnerable and also illustrates expenditure details of the non-budgetary programmes. Chapter 5 briefly discusses monitoring of PRSP output (intermediate) indicators.

2.0 Trends in Macroeconomic Indicators

2.1 The overall economy fared reasonably well in the first half of FY11, given the devastating floods that hit the country in Quarter 1. A relatively satisfactory performance was achieved on the basis of sound improvement observed in key macroeconomic indicators during Quarter 2. Nonetheless, structural weaknesses in the form of energy shortages, rigid spending pattern and inability to widen the tax net remained largely unaddressed. The real sector performance was supported by the growth in agriculture sub-sector, more specifically, by moderate production of wheat. In contrast, manufacturing sector exhibited some deteriorating trend which is attributable to poor performance by textile, fertilizer and chemical subsectors affected by gas supply shortages. Going forward, Large-Scale Manufacturing industry is expected to rebound due to potential demand for automobiles and expected growth in cement sector on account of reconstruction activities in flood hit areas and initiation of various private sector projects.

Table-2.1 Key Economic Indicators in comparison to FY 09, FY 10 and FY 11

Growth rate (percent)	FY 09	FY 10	FY 11
LSM(Jul-Jan)	-5.3	3.0	1.0
Exports (fob) (Jul-Feb)	3.5	1.9	24.6
Imports (cif) (Jul-Feb)	-1.5	-8.2	17.3
Tax revenue* (Jul-Dec)	27.3	5.1	13.7
CPI (Jul-Dec) **	24.43	10.31	14.61
Percent of GDP	**FY 09**	**FY 10**	**FY 11**
Fiscal deficit (Jul-Dec)	2.0	2.7	2.9
Trade deficit (Jul-Feb)	7.2	5.4	5.4
Current A/C deficit (Jul-Feb)	4.9	1.7	0.05

Source: State Bank of Pakistan
*Federal Board of Revenue
** Federal Bureau of Statistics

2.2 Inflationary position during the period under review was quite strong owing to supply disruptions after floods, monetization of deficit and higher commodity prices. Slight observation of this inflation trend shows that it is mainly concentrated in Food and Energy subgroup. In addition, prospects are high for rise in non food inflation due to expected fuel price adjustments by the government in coming months.

2.3 On the revenue side, government surpassed the target for H1-FY11 by 1.2% with a growth of 13.7% as compared to 5.1% during the same period in PFY. So far, the rigid current spending nature has taken its toll on public investment levels and the budget deficit has increased to 2.9% of GDP by end-December 2010. Urgent needs in the aftermath of flood, rising energy subsidies and expenditure incurred on fighting extremism in the country led the current expenditure to grow by 15.9% in H1 FY11. An inordinate reliance on banking sector to cover the yawning fiscal gap furthers the macro-economic imbalances through high interest rate, rising inflation and crowding-out of private sector credit.

2.4 Encouragingly, the external sector remained comfortable during Jul-Feb FY11 owing to the rising price of high value-added textiles in the international market; record inflows of worker remittances; flood related aid and Coalition Support Funds. On the other hand, the financial account presented a dismal outlook as external debt and non-debt creating inflows dried up. Nonetheless, the overall BoP surplus supported the country's foreign exchange reserves and lent stability to the domestic currency.

2.1 Real Sector:

2.2.1 Agriculture

2.5 Performance of agriculture sector remained dull during H1 of FY 11 if analyzed without considering the wheat production as Rabi crop compensated the losses caused by floods during the Kharif season, though not completely. This better production was mainly due to availability of water and higher market prices for wheat. Another contributing factor was government's decision to provide free of cost seeds in areas hit by the floods. The production of wheat reached the targeted estimate of 25 million tons during H1FY11.

Table 2.2 Production and area under cultivation of major crops and Percentage change

Major Crops	Area under cultivation (000 hectares)				Production ('000 tons; cotton in '000 bales of 170.09 kg each)			
	FY10[P]	FY11[T]	FY11[E]	YoY growth in FY11	FY10[P]	FY11[T]	FY11[E]	YoY growth in FY11
Cotton	3,106	3,200	3,142	1.2	12,914	14,010	11,700	-9.4
Sugarcane	943	1,070	1,047	11.0	49,373	53,665	49,400	0.1
Rice	2,883	2,708	2,642	-8.4	6,883	6,048	5,949	-13.6
Wheat	9,105	9,045	-	-	23,917	25,000	25,000	4.5

P: Provisional, T: Target; E: Provisional estimates
Source: State Bank of Pakistan

2.6 Similarly, better water availability in canal fed areas became the reason for increased area under cultivation for wheat as it constitutes 87% of total area under cultivation. On the contrary, major Kharif crops, i.e. cotton and rice, experienced a huge decline in production by 9.4% and 13.6% respectively. Among Kharif crops, sugarcane showed a slight growth of 0.1% in production in spite of the highest increase (11%) in area under cultivation. Fertilizer off take depicted a declining trend of 13.6% in H1 of CFY as compared to the PFY. This decrease is concentrated in Q1-FY11 due to farmer's massive buying activity against lower prices.

2.2.2 Manufacturing

2.7 Manufacturing sector has shown some deterioration in its performance in initial months because of flood related stalled production activity. Notwithstanding, it has started improving from December, 2010 because of better performance in automobiles and sugar industries. This sector depicted a growth of only 1% during Jul-Jan of CFY11 from 3% in PFY and this declining trend is the combined result of improvement in some sectors (i.e. automobiles & sugar) and deterioration in others (i.e. fertilizer, textiles, chemicals etc.)

2.8 Textiles sector and many other sectors dependent on gas supply for their operations suffered a lot during the period under review due to continued gas supply shortages. Other problems faced by textile sector are losses in cotton crop and their rising prices, leading to operation closures in the country.

2.9 Yet there seem to be a potential for strong growth in manufacturing sector because of continued increase in demand for automobiles (and subsequent increase in demand for petroleum products). Improved capacity utilization of various plants further strengthens the future prospects of petroleum sector.

2.10 Cement sector's growth is expected to rise in coming months with the initiation of various private construction projects and revival of construction activities after floods. However, the continuous increase in input (steel and coal) prices internationally threatens these prospects.

2.11 The overall demand for manufacturing goods is strong due to rising demand in domestic and international markets but domestic production levels are vulnerable to gas and energy shortages that can result in wide gap in demand-supply chain.

2.2.3 Services

2.12 Unlike other sectors, services sector showed an improvement during the period under review. Community & social services sub sector improved due to activities incurred for rehabilitation and flood affected masses. Similarly, finance & insurance sub sector also showed a positive picture in H1 of FY11.

2.13 Wholesale & retail trade sub sector remained stagnant due to decline in manufacturing sector amid flood related losses; though trade sector activities continued to flourish in recent months. Transport, storage & communication also depicted a declining trend during H1 of FY11.

2.14 Future prospects for this sector seem to be quite bright because of expected high wheat production, expected growth in manufacturing activities and rehabilitation activities in flood areas. These prospects would be so strong that they can offset the negative trend of transport, storage and communication subsector.

2.3 Inflation

2.15 Inflationary pressures continued to remain strong in H1 of FY11 as shown by all three indices i.e. Consumer Price Index (CPI), Sensitive Price Index (SPI) and Wholesale Price Index (WPI), recorded at 14.6%, 19.3% and 22.3% as compared to 10.3%, 9.8% and 5.3% respectively in PFY. This continued surge in inflation is mainly due to supply shortages after floods, monetization of deficit and increase in international commodity prices.

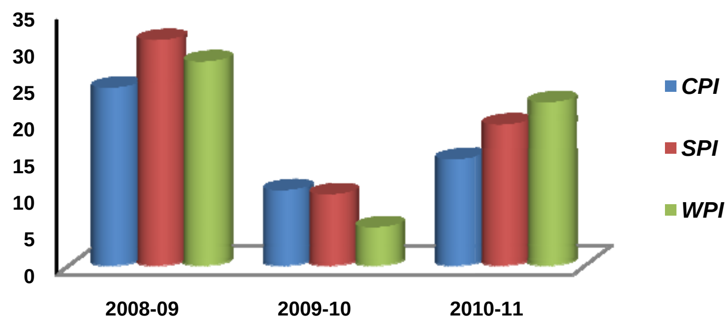
Table 2.3 Average July –December over same period of previous year Change of indices in %

Index	2010-11	2009-10	2008-09
CPI	14.61	10.31	24.43
SPI	19.27	9.76	30.96
WPI	22.33	5.25	27.98

Source: Federal Bureau of Statistics (FBS)

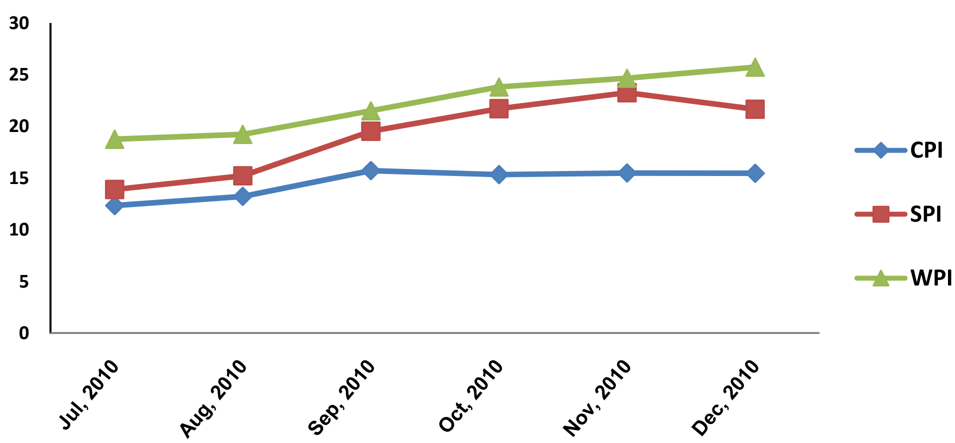
2.16 A close observation of core inflation shows that these inflationary pressures are mostly coming from food and energy subgroup as Non Food Non Energy (NFNE) is showing single digit inflation since last seven months. This single digit inflation is mainly due to decline in House Rent Index (HRI) and continued delay in adjusting oil prices with that of international market prices, that resulted in a decline in inflation for fuel & lightening and transport & communication subgroups. This delay in fuel price adjustment shows an expectation of increase in non food inflation in coming months. Notwithstanding, the change in three indices is still below the levels observed in FY2008-09.

Figure-2.2 Average Change of Indices in H1 of FY 2008/09, 2009/10 & 2010/11 (%)



2.17 Additionally, the impact of rising international commodity prices is evident in the WPI (which reflects production costs). As this impact seeps into the CPI inflation with a lag, CPI non-food inflation is likely to rise in the coming months. All non food items in the WPI basket experienced rise in their prices except building materials. Among the non food subgroups of WPI, raw materials recorded maximum rise in inflation of about 73.6% YoY in February, 2011 which is mainly due to increased international prices of cotton and sugarcane.

Figure-2.3 Monthly Trends by the Three Indices in H1 of FY 2010/11 (%)



2.4 Fiscal Balance

2.18 Although fiscal indicators improved in the Q2 of CFY due to increase in non tax revenues, overall fiscal position deteriorated in H1-FY11 recording a deficit of 2.9% of GDP as compared to 2.7% in H1 of PFY. This increase in non tax revenues in Q2 is more than offset by the expenditures incurred by the government on security related and flood relief activities in that period. Moreover, the financing of this deficit through borrowing from banking system exerts pressure on short term interest rates and further heightens the inflationary expectations.

2.19 On the expenditure side, total expenditures in H1-FY11 rose to 8.6% of GDP -a little lower than recorded in H1 of last year. Defense, running of the government and net lending activities are the sectors constituting about 69.5% of total expenditures at federal level. Similarly, expenditures, both current and development, incurred at provincial level also depicted an increasing trend, which resulted in declining the provincial surplus from 0.5% of GDP to 0.1%.

2.20 Development spending incurred in H1-FY11 was recorded to be 18.3% which is relatively lower as compared to average PSDP spending in H1 of last five years. This is worrisome as a developing country like Pakistan badly needs to build upon its existing social sector and caters to the emerging infrastructure demands for the generations to come.

2.4.1 Revenues

2.21 Tax collection target of Rs. 1,667 billion set for FY11 was reduced to Rs. 1,604 billion due to floods and energy crisis, resulting in a dismal economic activity. In spite of such unfavorable macroeconomic conditions, net tax collections of Rs. 661.6 billion by the government in H1-FY11 surpassed the target by 1.2%. Net tax collections further shows a growth of 13.7% as compared to 5.1% in same period in PFY (Table-2.4).

Table 2.4 Net Collection vis-à-vis targets in H1 of FY 2009/10 & 2010/11 and growth in Collections

Tax Heads	Revised Targets	Collection FY 2009/10 (Billion Rupees)	Collection FY 2010/11 (Billion Rupees)	Growth (%)	Target Achieved (%)
Direct Taxes	242.7	211.4	240.9	13.9	99.3
Sales tax	272.8	242.9	282.6	16.4	103.6
FED	60.7	56.7	58.1	2.6	95.7
Customs	77.7	71.2	80	12.3	103
All Taxes	**653.9**	**582.2**	**661.6**	**13.7**	**101.2**

Source: Federal Board of Revenue (FBR)

2.22 All tax heads performed well during the period under review as depicted by their positive growth trends (Table-2.5). In contrast, Federal Excise Duty (FED) exhibited a slow growth of only 2.6% as compared to that depicted by direct taxes, sales tax and customs which is above 12%. The contribution by the four heads in net tax collection in H1 of CFY remained almost the same as in H1 of PFY with slight differences. The direct taxes contributed about 36.41% to net tax collection while the remaining 63.59% was constituted by the indirect taxes. The remaining target of Rs. 950.1 billion is still to be achieved from tax collections in H2-FY11 which is more than 59% of total revenue target.

Table 2.5: Share of Direct and Indirect taxes in Total Tax Revenue in H1 of FY 2009/10 and FY 2010/11 (%)

Tax Heads	FY 2009/10	FY 2010/11
Direct Taxes	36.31	36.41
Sales tax	41.72	42.71
FED	9.74	8.8
Customs	12.23	12.09

Source: Federal Board of Revenue (FBR)

2.23 Modest growth in non tax revenue collection in H1 of CFY is mainly achieved at the back of appreciable increase in receipts under the head of defense whereas SBP profits and dividends income declined during the same period.

2.5 External Account

2.24 External account presented an improved figure with a surplus of US$ 1.6 billion during Jul-Feb as compared to US$ 0.5 billion in PFY. This improvement in external account is mainly due to a significant decline in current account deficit to 0.05% of GDP from 1.7% in PFY, which is highlighted by the contribution of current transfers, services and exports. Exports depicted an encouraging growth of 23.7% during Jul-Feb which is the result of high international prices of cotton. Worker's Remittances posted a healthy growth of 20.3% during Jul-Feb FY11 against 17.3% in same period last year..

2.25 Financial account continued its declining trend since last two years. A general drying up of long term foreign loans and investments prevails. Among investments, FDI exhibited a negative growth of 21.6% during Jul-Feb in CFY.

2.26 At its current pace, the current account deficit is likely to be less than 2.0 percent of the GDP by the end of the CFY. However, it must be borne in mind that temporary positive factors such as rise in unit prices of traditional exports, subdued imports and heavy logistic support receipts in trade balance and services have lent considerable support to the existing decline. These reasons may not turn out to be sustainable in the near term as commodity prices normalize and oil prices escalate. Keeping in view the present financial account position, it could not support any decline incurred in current account. Moreover, uncertain investment environment, heightened security situation, political and macroeconomic instability is hindering FDI, while the inflow of foreign loans from IFIs is dependent on the credibility of the government to undertake politically sensitive reforms.

2.27 Reserves have reached a new record figure of US$ 18.1 billion by the end of February 2011 on account of improved external account performance. In the same spell, Pak rupee exchange rate exhibited a depreciation of only 0.24% against US dollar during Jul-Feb as compared to 4.5% in same period last year.

2.28 The economy is rebounding, but the recovery is nascent and fragile. The external sector appears comfortable in the ensuing period but fiscal issues will continue to pose challenges for policymakers. A high fiscal deficit means an increased emphasis on bank borrowing in view of less than anticipated external assistance. Finally, the rising price of oil may build pressure on the external and fiscal accounts on top of exacerbating inflationary trends.

3.0 Trends in Expenditure – H1 FY 2010/11

3.1 Pro-Poor expenditures during H1 FY 2010/11 marked a healthy growth trend, showing a YoY increase of 15.80 percent; from Rs. 416,922 million in H1 of the previous financial year (PFY) to Rs. 482,815 million during H1 of the current financial year (CFY). Nine sectors out of 17 pro-poor sectors have recorded positive trends; however the remaining seven sectors i.e. Subsidies, PWP-I & II, Rural Development, Population Planning, Environment/Water Supply & Sanitation and Roads, Highways & Bridges have recorded negative trends. Natural Calamities & other Disasters, Education, Health, Justice & Administration and Social Security & Welfare have registered maximum increases; 850.23 percent, 31.60 percent, 22.74 percent, 20.29 percent and 18.12 percent respectively (Table 3.1).

3.2 In the broad categories of the sectors, Safety Nets and Human Development depicted strong positive trends, increasing by 35.99 percent and 28.82 percent respectively. Under Human Development, the Education expenditures has moved up from Rs. 116,705 million during H1 FY 2009/10 to Rs. 153,582 million during H1 FY 2010/11and Health spending increased from Rs. 33,322 million during H1 FY 2009/10 to Rs. 40,898 million during H1 FY 2010/11. However, the expenditures on Population Planning exhibited decline. On the other hand, in the Safety Nets area Natural calamities and other disasters aggregated to higher spending i.e. rising from Rs. 4,161 million in H1 PFY to Rs. 39,955 million in the same period of CFY. This phenomenal increase of nearly 9 times clearly indicates the government's commitment to adhere to the needs of flood-stricken masses early into the fiscal year and this spending appears to be one-off in nature Social security & other welfare moved up to Rs. 22,606 million from Rs. 19,138 million in the CFY. Interestingly, subsidies have gone down by 3.85 percent during the period under review.

3.3 In contrast to PFY, expenditure of the allied sectors of the group 'Rural Development' exhibited a downfall of 34 percent. Peoples' Works Programme I and II suffered a lot and decreased by 44.7 percent and 99.2 percent during H1 of CFY respectively over the previous year while Agriculture shows positive growth of 14.8 percent. Expenditure on Land Reclamation increased, reflected in a YoY expansion of 20.54 percent up till H1 FY 2010/11.

Table-3.1 PRSP sectoral budgetary expenditures and percentage changes between H1 FY 2009/10 and H1 FY 2010/11

Sector	Expenditures in millions		Percentage change
	H1 FY 2009/10	H1 FY 2010/11	
Market access and community services	**31,594**	**27,761**	**-12.13**
Roads, Highways, & Bridges	23,532	21,121	-10.25
Environment /Water Supply & Sanitation	8,062	6,640	-17.64
Human development	**152,716**	**196,725**	**28.82**
Education	116,705	153,582	31.60
Health	33,322	40,898	22.74
Population Planning	2,689	2,245	-16.51
Rural Development	**63,703**	**42,037**	**-34.01**
Agriculture	30,799	35,357	14.80

Land Reclamation	813	980	20.54
Rural Development	6,569	4,838	-26.35
People's Works Programme-I	1,197	662	-44.70
People's Works Programme-II	24,325	200	-99.18
Safety nets	**100,803**	**137,086**	**35.99**
Subsidies	77,441	74,458	-3.85
Food Support Programme	0	0	-
Social Security & Social Welfare	19,138	22,606	18.12
Natural Calamities & Other Disasters	4,161	39,955	860.23
Low Cost Housing	63	67	6.35
Governance	**68,106**	**79,206**	**16.30**
Justice Admin	5,224	6,284	20.29
Law and Order	62,882	72,922	15.97
GRAND TOTAL	**416,922**	**482,815**	**15.80**

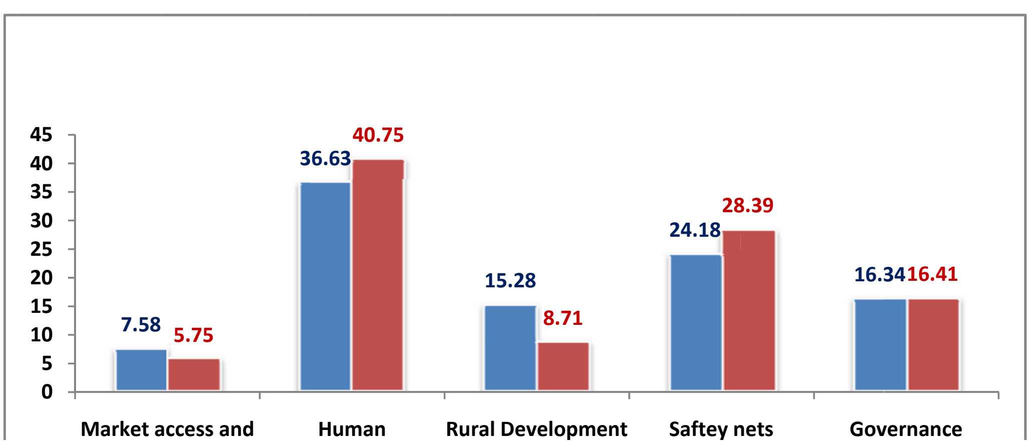
Source: Civil Accounts provided by the Accountant General's Office.

3.4 Market Access & Community Services presented a negative growth of 12.13 percent in H1 of FY 2010/11. Among the subsectors, Roads, Highways & Bridges has registered a decline in expenditure during H1FY 2010/11 exhibiting a YoY decrease of 10.25 percent, while spending on Environment, Water Supply & Sanitation illustrated a dismal growth of 17.64 percent over the two years under comparison.

3.5 Expenditure on the sectors relating to provision of 'Social Safety Nets and Relief' presented a mixed picture since spending in Social Security & Welfare registers a meager change of only 18.12 as opposed to a paramount change of 860.23 percent in Natural Calamities & Disasters expenditure which occurred due to the recent floods in Pakistan. Subsidies have registered negative trend of 3.85 percent which is explained by the concerted effort of the government to move away from across the board subsidization and provide direct assistance to the poor and deserving. On the other hand, there is still no budgetary allocation on the Food Support Programme which comprises of Punjab Food Support Programme and Pakistan Bait-ul-Mal component which has been merged in Benazir Income Support Programme as part of the policy to consolidate all the cash transfer programmes.

3.6 Military operations in northern areas has subsided recently but far from over, necessitating the compulsive expenditures on maintaining public safety and security. Increase in spending on Law & Order and Justice Administration by 15.97 percent and 20.29 percent correspondingly during the first half of FY 2010/11 also reflects these developments and evidently, supports the policy of government to uphold security overall.

Figure-3.1 Percentage comparison of broad categories



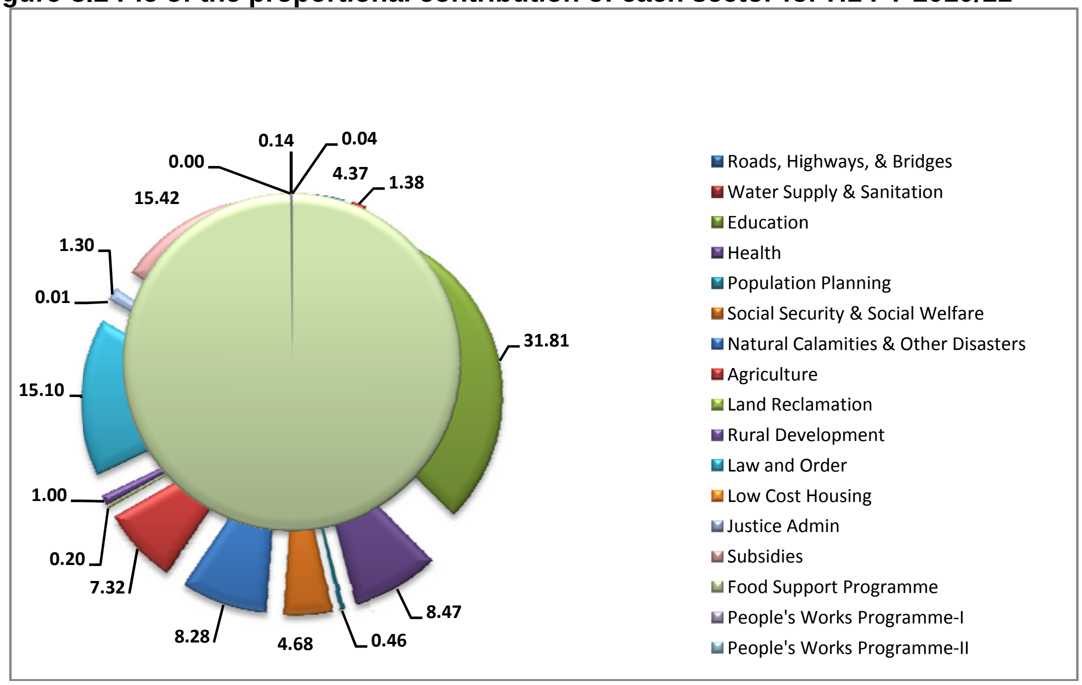
3.0.1 Distribution of PRSP Budgetary Expenditures

3.7 Proportional contribution in expenditures by all 17 pro poor sub sectors presented almost the same pattern in H1 of CFY as in PFY, with Education contributing the maximum of 31.81 percent followed by Subsidies (15.42%) and Law & Order (15.10%) to overall expenditures. Although Subsidies incurred a decrease in proportional contribution from 18.57 percent in PFY to 15.42 percent in CFY, these expenditures formed the second largest share of overall expenditure in both fiscal years.

3.8 Agriculture contributed the maximum to the aggregate spending in 'Rural Development' group followed by Rural Development and Land Reclamation while there is a sharp decline in the money allocated for PWP II. Overall, Agriculture contributed 7.32 percent to the pro-poor expenditures during H1 CFY as compared to 7.39 during the corresponding period of PFY which is 0.07 percentage points lower than the PFY.

3.9 Subsidies contributed 15.42 percent to the aggregate pro-poor spending during first half of the CFY as compared to 18.57 percent in the corresponding period of the PFY which is lower by 3.15 percentage points. Share of Social Security & Welfare into the aggregate pro-poor expenditure has marginally increased from 4.59 percent in the H1 PFY to 4.68 percent during the H1 CFY (Fig. 2).

Figure-3.2 Pie of the proportional contribution of each sector for H1 FY 2010/11



3.10 An increase in the budgetary share allocated for education was witnessed as the share of Education increased from 27.99 percent in the PFY to 31.81 percent in the CFY increasing by 3.82 points. There was also an increase in the share allocated to Health evident by the rise in percentage contribution of Health from 7.99 percent in H1 PFY to 8.47 percent in the corresponding period of CFY while there was a fall I the share of Population Planning between the two years under discussion.

3.11 Moderate increase in the share of Social Security & Welfare and Law & Order are explained by the upsetting factors of security forces fighting militancy. Government agencies are trying to provide relief to the affected people through enhanced spending in related sectors. Share of Law& Order has marginally moved up from 15.08 percent during H1 of PFY to 15.10 percent in the corresponding period of the CFY, gaining 0.02 percentage points.

3.12 A noticeable change has been observed in Natural Calamities & other Disasters as the government tries to alleviate the sufferings of public amid the natural catastrophe of flood. As a result, the share of this subsector has increased manifold from a mere 1 percent in H1 FY 2009/10 to a huge 8.28 percent in the period under review. As the government enters the next phase of reconstruction of housing, infrastructure and other facilities in the flood-hit areas of the country, the share of many related subsectors is bound to rise in the coming year.

Table-3.2 Comparison of proportional contribution by sector in PRSP expenditures between H1 FY2009/10 and H1 FY 2010/11

Sector	H1 FY 2009/10	Percentage	H1 FY 2010/11	Percentage
Roads, Highways, & Bridges	23,532	**5.64**	21,121	**4.37**
Water Supply & Sanitation	8,062	**1.93**	6,640	**1.38**
Education	116,705	**27.99**	153,582	**31.81**
Health	33,322	**7.99**	40,898	**8.47**
Population Planning	2,689	**0.64**	2,245	**0.46**
Social Security & Social Welfare	19,138	**4.59**	22,606	**4.68**
Natural Calamities & Other Disasters	4,161	**1.00**	39,955	**8.28**
Agriculture	30,799	**7.39**	35,357	**7.32**
Land Reclamation	813	**0.20**	980	**0.20**
Rural Development	6,569	**1.58**	4,838	**1.00**
Law and Order	62,882	**15.08**	72,922	**15.10**
Low Cost Housing	63	**0.02**	67	**0.01**
Justice Admin	5,224	**1.25**	6,284	**1.30**
Subsidies	77,441	**18.57**	74,458	**15.42**
Food Support Programme	0	**0.00**	0	**0.00**
People's Works Programme-I	1,197	**0.29**	662	**0.14**
People's Works Programme-II	24,325	**5.83**	200	**0.04**
GRAND TOTAL	**416,922**	**100.00**	**482,815**	**100.00**

Source: Strengthening PRS Monitoring Project, Finance Division Government of Pakistan

3.0.2 PRSP Budgetary Expenditures by Province and Sector

3.13 Pro-poor budgetary expenditure by province and sector (Table 3.3) depicts growth trends in all provinces and at federal level. Substantial reduction in expenditure on Subsidies, Population Planning as well as nil expenditure in Land Reclamation and Low Cost Housing pulled down the aggregate percentage change in overall spending, resulting in negative growth between the first half of two years under examination.

3.14 All the provinces observed enormous increases in spending on Natural Calamities & Disasters and Rural Development except in the case of Punjab for Rural Development. At provincial level, in Law & Order and Justice Administration, a uniformly positive trend is witnessed, reflecting the commitment to maintain public safety and improved governance.

3.15 In sectors related to Human Development i.e. Education, Health & Population Planning, nearly all the provinces except KPK have witnessed strong growth in spending during the first half of CFY over the same period in PFY.

3.16 At federal and provincial level, Low Cost Housing and Land Reclamation have recorded nil or negative expenditure trends consistently in recent years. Faced with limited fiscal space, the government encounters competing pulls regarding spending in various pro-poor sectors. These two sectors have received low priority indicated through low levels of expenditure.

Table-3.3 Percentage change in PRSP expenditures by sector and by province in H1 2009/10 and H1 2010/11

Sector	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
Roads, Highways, & Bridges	51.34	-42.09	46.23	-3.75	189.86	-10.25
Water Supply & Sanitation	75.00	-25.28	18.17	-29.44	-3.99	-17.64
Education	26.71	20.02	100.18	-20.32	67.11	31.60
Health	1.65	14.35	75.24	-8.08	82.36	22.74
Population Planning	-45.32	8.35	14.45	6.69	34.31	-16.51
Social Security & Social Welfare	45.62	-4.81	-52.49	-22.79	94.85	18.12
Natural Calamities & Other Disasters	2174.49	762.57	2625.96	125.67	4250.00	860.23
Agriculture	-5.69	10.60	42.46	41.68	39.60	14.80
Land Reclamation	-	25.00	19.94	-	-	20.54
Rural Development	-26.26	-90.27	38.55	8.34	189.09	-26.35
Law and Order	28.43	8.12	27.34	-4.45	9.48	15.97
Low Cost Housing	-	11.11	-22.22	-	-	6.35
Justice Admin	-8.59	15.89	38.50	57.81	18.01	20.29
Subsidies	-10.08	69116.67	0.00	55.66	-	-3.85
Food Support Programme	-	-	-	-	-	-
People's Works Programme-I	-44.70	-	-	-	-	-44.70
People's Works Programme-II	-99.18	-	-	-	-	-99.18
GRAND TOTAL	**1.65**	**13.20**	**71.17**	**0.81**	**61.21**	**15.80**

Source: Strengthening PRS Monitoring Project, Finance Division Government of Pakistan

3.1 Current and Development Expenditures

3.17 Percentage change in aggregate Current and Development expenditures between first half of the years under examination (Table 3.4) showed tremendous YoY increase in Current spending as compared to the Development expenditure. Current expenditure amounting to Rs. 425,352 represented 88 percent of the total expenditure during first half of CFY, considerably higher than its share of 73 percent over the same period of PFY. YoY growth in Current expenditure i.e. 38.02 percent is higher while Development expenditure underwent a heavy slump of 47.16 percent.

Table-3.4 Total PRSP Current and Development expenditures in millions for H1 of FY 2009/10 & 2010/11

H1 of the fiscal year	Current	Development	Total
2009/10	308,172	108,750	416922
2010/11	425,352	57,463	482815
Percentage change	**38.02**	**-47.16**	**15.80**

3.18 Percentage change in Current and Development expenditure by provinces (Table 3.5) depicted positive change in Current expenditure at both provincial and Federal levels. On Development expenditure side, mixed trends are observed at the provincial level as Balochistan posted robust growth in Development spending over the period under discussion with substantial reduction in Punjab followed by Sindh. KPK incurred a moderate positive growth in Development spending. At the Federal level, moderate positive percentage change in Current spending partially offsets the highly negative Development expenditure change.

Table-3.5 Percentage change in PRSP Current and Development expenditures by province in millions for H1 of FY 2009/10 & 2010/11

Province	FY 2009-10		FY 2010-11		Percentage change	
	Current	Development	Current	Development	Current	Development
Federal	123715	54025	161293	18169	30.37	-66.37
Punjab	98215	30222	132594	12796	35.00	-57.66
Sindh	41808	12200	81336	11108	94.55	-8.95
KPK	32801	10154	32522	10779	-0.85	6.16
Balochistan	11633	2149	17607	4611	51.35	114.56
Pakistan	308172	108750	425352	57463	38.02	-47.16

3.19 Sectoral trends in Current and Development expenditure between first half of the years, FY 2009/10 and FY 2010/11, shows that all sectors exhibited positive YoY increases, albeit with a varying magnitude, in the category of Current expenditure (Table 3.6). On the other hand, Development expenditure portrayed negative growth except for Justice Administration that observed a health expansion in its development spending. The trends for all these three sectors are in line with the factors already discussed in previous sections. The security related environment and factors have a considerable effect, not only reflected in the variations of expenditure among sectors but also have macroeconomic implications in terms of the resource gap and the related financing.

Table-3.6 Percentage change in PRSP Current and Development expenditures by sector in millions for H1 of FY 2009/10 & 2010/11

Sector	Current	Development	Total
Roads, Highways, & Bridges	55.55	-23.28	-10.25
Water Supply & Sanitation	9.66	-37.81	-17.64
Education	40.18	-18.43	31.60
Health	27.93	-2.92	22.74

Population Planning	24.24	-18.62	-16.51
Social Security & Social Welfare	44.44	-53.28	18.12
Natural Calamities & Other Disasters	1078.53	-65.49	860.23
Agriculture	64.91	-38.19	14.80
Land Reclamation	20.54	-	20.54
Rural Development	13.33	-28.86	-26.35
Law and Order	16.62	-66.27	15.97
Low Cost Housing	24.07	-100.00	6.35
Justice Admin	14.25	115.38	20.29
Subsidies	3.88	-99.86	-3.85
Food Support Programme	-	-	-
People's Works Programme-I	-	-44.70	-44.70
People's Works Programme-II	-	-99.18	-99.18
GRAND TOTAL	**38.02**	**-47.16**	**15.80**

3.20 Education, Health and Population Planning have also performed well represented by significantly positive current expenditure trends showing government's resolve at Federal and Provincial level to accord high priority to these key Human Development sectors. However, a missing link this fiscal year has been an increased emphasis on the development aspect of these key priority areas apparent by a decline in development spending during H1 FY210/11 as compared to H1 PFY on these sectors.

3.21 Current expenditures in two sectors, Agriculture and Land Reclamation, witnessed YoY increases, with the maximum increase in spending for Agriculture. However, Rural Development has lagged behind. These categories, on the other hand, recorded negative trends in Development expenditure while Land Reclamation incurred nil spending on Development side.

3.22 Highly negative expenditure trends have emerged on Development spending of Subsidies contributing to overall negative change of 3.85 percent; Current spending has moved up by 3.88 percent. PWP I & II depicted enormous fall in spending while Food Support Programme is marked by nil, largely owing to shifting of Food component of Pakistan Bait-ul-Mal to Benazir Income Support Programme.

3.2 PRSP Expenditures in subsectors of Education and Health

3.2.1 PRSP Expenditures in Education:

3.23 Expenditure incurred in Education up till H1 FY 2010/11 has increased moderately, from Rs. 116,705 million during first half of PFY to Rs. 153,582 million during the same period in CFY, showing a growth of 31.6 percent over the corresponding periods of two years under comparison. Nearly all the subsectors except Teacher & Vocational Training have experienced impressive growth in expenditures; maximum rise has been observed in Professional & Technical Universities, Colleges & Institutes Education, followed by Primary Education. The percentage change in Secondary Education, though positive, is much less than remaining subsectors (Table 3.7).

Table-3.7 Percentage change in PRSP education expenditures for H1 of FY 2009/10 & 2010/11

Education sub-sector	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
Primary Education	39.28	31.72	110.21	-38.47	62.86	40.03
Secondary Education	46.75	6.64	112.87	-21.92	78.66	25.81
General Universities, Colleges, & Institutes	26.90	48.16	25.07	92.72	42.36	34.55
Professional & Technical Universities, Colleges & Institutes	35.37	-25.61	246.67	13.55	-15.04	53.20
Teacher & Vocational Training	-3.85	-12.85	17.50	-	41.76	-10.28
Others	-2.97	18.02	40.27	-48.85	104.52	17.21
Total	**26.71**	**20.02**	**100.18**	**-20.32**	**67.11**	**31.60**

3.24 At Provincial level, there has been a YoY increase except for KPK (Table 3.7). At federal level, percentage increase in Education expenditures is less than that of Sindh and Balochistan. Provinces have diverged widely in varying levels of expenditures incurred in various subsectors of Education. In Punjab, maximum percentage change has been observed in University/College Education, followed by Primary Education and Secondary Education. Professional & Technical University/College Education and Teacher & Vocational Education has experienced significant decline. While in Sindh, high preference was given to Professional & Technical University/College Education followed by robust growth in Secondary and Primary Education spending. Maximum expenditure increase is witnessed in University/College Education in Khyber Pakhtoon Khawa; Balochistan depicted highest increase in Others followed by Secondary Education.

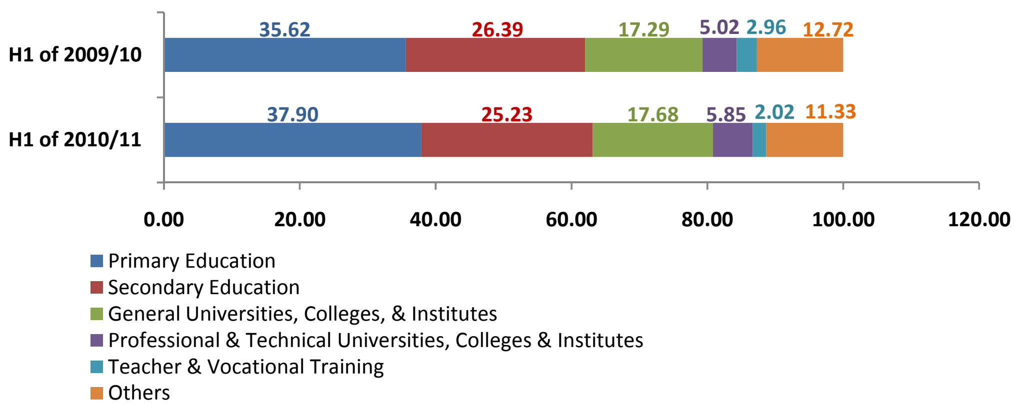
Table-3.8 Percentage distribution of education expenditures for H1 of FY 2009/10 & 2010/11

	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
	H1 of 2010/11					
Primary Education	7.80	45.01	49.13	31.70	34.50	37.90
Secondary Education	9.96	25.73	29.02	38.05	32.45	25.23
General Universities, Colleges, & Institutes	59.77	8.97	5.95	15.09	8.80	17.68
Professional & Technical Universities, Colleges & Institutes	12.78	0.91	7.52	11.36	2.99	5.85
Teacher & Vocational Training	0.09	4.41	0.33	0.00	1.84	2.02
Others	9.60	14.96	8.04	3.79	19.42	11.33
Total	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
	H1 of 2009/10					
Primary Education	7.10	41.02	46.79	41.05	35.40	35.62
Secondary Education	8.60	28.96	27.29	38.83	30.35	26.39
General Universities, Colleges, & Institutes	59.69	7.27	9.53	6.24	10.33	17.29

Professional & Technical Universities, Colleges & Institutes	11.96	1.47	4.34	7.97	5.88	5.02
Teacher & Vocational Training	0.12	6.07	0.57	0.00	2.17	2.96
Others	12.54	15.22	11.48	5.91	15.87	12.72
Total	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

3.25 A consistent and uniform pattern has been observed in the recent years across Pakistan allocating maximum share of the Education spending to Primary and Secondary Education followed by sectors representing higher education i.e. University/College and Professional/Technical Universities (Table 3.8). During first half of the two years, FY2009/10 and FY 2010/11, somewhat similar trends have been witnessed in all the provinces. At the Federal level, the trend remains more or less the same as University/College Education holds the highest share; Professional/Technical Education and Secondary Education are the next important subsectors illustrated by their percentage shares to aggregate expenditure in Education (12.78 percent and 9.96 percent respectively).

Figure-3.3 Percentage distribution of education expenditures by sub- sector for H1 of FY 2009/10 & 2010/11



3.3.2 PRSP Expenditures in subsector of Health:

3.26 Aggregate expenditure in Health has grown by 22.74 percent between the first half of the two years under discussion with positive trends in all except one subsector i.e. Mother and Child Health (Table 3.9). Expenditure incurred in Health has moved up from Rs. 33,322 million during Q 2 FY 2009/10 to Rs. 40,898 million in the same period of FY 2010/11. At provincial level, robust growth is observed in all provinces except KHYBER PAKHTOON KHAWA. The provinces vary considerably in the percentage change within the subsectors of Health. In Punjab and Sindh, maximum percentage change between two years is witnessed in General Hospitals and Clinics while in Balochistan and KPK, Health Facilities & Preventive Measures and Others have recorded the highest YoY increase respectively.

Table-3.9 Percentage change in PRSP health expenditures for H1 of FY 2009/10 & 2010/11

Health sub-sector	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
General Hospitals & Clinics	9.76	17.90	69.34	-13.51	124.23	24.83

Mother & Child Health	200.00	-8.33	-	-27.27	-	-5.56
Health Facilities & Preventive Measures	-6.87	0.94	63.27	-71.86	166.98	4.61
Others	18.02	-1.61	137.08	140.39	10.25	30.46
Total	**1.65**	**14.35**	**75.24**	**-8.08**	**82.36**	**22.74**

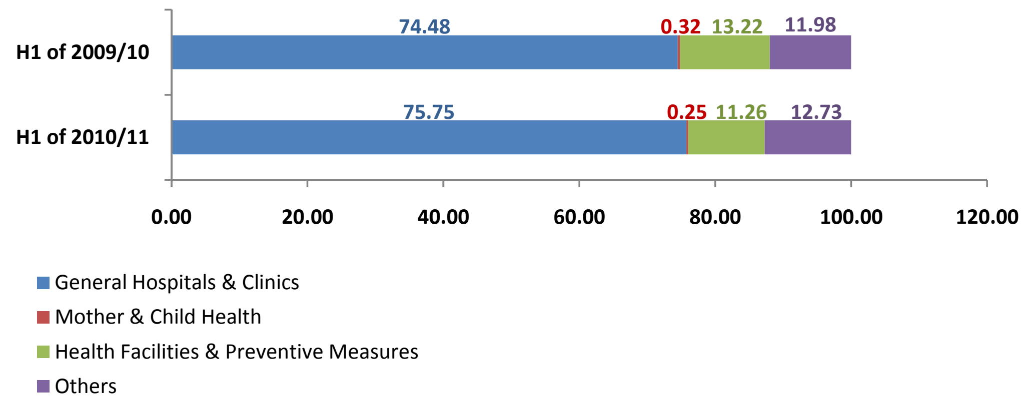
3.27 The proportionate shares of subsectors of Health depicted a uniform trend at provincial level in the first half of FY 2009/10 and FY 2010/11 (Table 3.10); General Hospitals & Clinics held the highest percentage share of the aggregate expenditure in Health. At provincial level 'Others' appears to hold the second largest share in overall Health spending in both the years under discussion.

Table-3.10 Percentage distribution of health expenditures for H1 of FY 2009/10 & 2010/11

Health sub-sector	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
	H1 of 2010/11					
General Hospitals & Clinics	50.64	84.36	76.61	82.70	62.75	75.75
Mother & Child Health	0.05	0.50	0.00	0.20	0.14	0.25
Health Facilities & Preventive Measures	46.12	1.23	10.28	1.84	12.79	11.26
Others	3.20	13.91	13.12	15.26	24.32	12.73
Total	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
	H1 of 2009/10					
General Hospitals & Clinics	46.89	81.82	79.27	87.89	51.03	74.48
Mother & Child Health	0.02	0.63	0.00	0.25	0.00	0.32
Health Facilities & Preventive Measures	50.34	1.39	11.03	6.02	8.74	13.22
Others	2.75	16.17	9.70	5.84	40.23	11.98
Total	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

3.28 At federal level, largest share of overall Health spending is held by General Hospitals & Clinics followed by Health Facilities & Preventive Measures. Share of General Hospitals & Clinics increased from 46.89 percent in H1 FY 2009/10 to 50.64 in H1 FY 2010/11, reflecting an increase of 3.75 percentage points. There is a reduction in the share of Health Facilities & Preventive Measures between the two years, FY 2009/10 and FY 2010/11; from 50.34 percent in H1 FY 2009/10 to 46.12 percent in same period of FY 2010/11 depicting a decline of 4.22 percentage points.

Figure-3.4 Percentage distribution of education expenditures by sub- sector for H1 of FY 2009/10 & 2010/11



4.0 Protecting the Poor and the Vulnerable

4.1 The Government of Pakistan (GOP) realizes that social protection has a major role to play in eliminating poverty and tackling the gaps between rich and poor. Safety net in the form of direct cash transfers, both budgetary and non budgetary includes Zakat, Pakistan Bait-ul-Mal (PBM), Employees Old Age Benefit Institutions (EOBI), Workers Welfare Fund (WWF), Benazir Income Support Programme (BISP), and Microfinance is the central instruments to allay the poor. Expenditures on PBM, BISP, and Social Security and Social Welfare have been included in the budgetary part of pro-poor expenditures. Expenditures on Zakat, EOBI and WWF have been included in the non budgetary part of pro-poor expenditures. The micro credit lending has been shown separately as pro poor support. The performance of these safety nets and other programs during the H1 FY 2010/11 compared with the previous FY 2009/10 same period in this section.

4.2 Table 4.1 shows disbursement and the number of beneficiaries in all programmes including micro credit. Overall transfers through protecting the poor and vulnerable programs registered a healthy growth of 37 percent in terms of grants and slightly negative growth of 14 percent in terms of beneficiaries during H 1 of FY 2010/11 compared in the same period previous FY. During H1 of FY 2010/11, 100 percent i.e. Rs. 31.58 billion of the grants were of the budgetary mode and no data reported on non budgetary mode against 83 percent and 17 percent receptively in terms of disbursements and beneficiaries in the same period last FY. During H1 1 FY 2010/11 a large proportion of the amount, about 83 percent was disbursed through BISP; followed by 12 percent through Social security and Social welfare and less than 1 percent through PBM. These disbursements were made to 5.035 million beneficiaries; 14 percent less than the comparable period last year. A total of Rs. 9,714 million 56 percent more under the micro credit was disbursed in terms of 581,352 loans during H 1 FY 2010/11 against Rs. 6,220 million and 366,396 loans compared to last year in the same period.

During H1 FY 2010/11, a large sum i.e. around 83 percent was disbursed through BISP. It has been a chief instrument in eliminating the vicious circle of poverty. Total beneficiaries under BISP are 3.74 million. Data in relation to disbursement and beneficiaries on Zakat, EOBI, and WWF could not been accessed during the H1 of FY 2010/11.

Table 4.1: Direct Transfers and Beneficiaries

Programme	Disbursement / Beneficiaries	Up to Q 2 FY 2009/10	Up to Q 2 FY 2010/11
Budgetary Transfers			
Pakistan Bait-ul-Mal (all Programmes)	Amount disbursed (Rs. millions)	1,140	1,604.13
	Total beneficiaries	444,570	1,295,973
BISP	Amount disbursed (Rs. billion)	11.8	26.245
	Total beneficiaries (million)	4.42	3.74
Social Security and Social Welfare	Amount disbursed (Rs. In millions)	6,215	3,731
Non – Budgetary Transfers			
	Amount disbursed (Rs.	769	N.R

Zakat	Millions)		
	Total beneficiaries	404,124	N.R
Workers Welfare Fund (WWF)	Amount disbursed (Rs. Millions)	N.R	N.R
	Total beneficiaries	N.R	N.R
EOBI	Amount disbursed (Rs. Millions)	3,151	N.R
	Total beneficiaries	590,246	N.R
All Programmes	**Amount disbursed (Rs. billion)**	**16.86**	**31.58**
	Total beneficiaries	**5,859,386**	**5,035,973**
Micro Finance (micro credit)	**Amount disbursed (Rs. millions)**	**6,220**	**9,714**
	Total Loans	**366,396**	**581,352**

Source: Pakistan Bait-ul-Mal, BISP
N.R* Not received

4.1 Pakistan Bait-ul-Mal

4.3 Pakistan Bait-ul-Mal (PBM) disbursed a total of Rs. 1,604 million in H 1 FY 2010/11 as compared to Rs. 1,140 million which indicates an increase of 41 percent during the same period last year and reflecting a high increase in overall beneficiaries of 192 percent (table 4.2). The PBM marks its disbursement through several programmes that helps in giving and meeting the needs of the poor. During H 1 of FY 2010/11, there was a slight increase of .02 percent to the amount disburse in the same period last FY under Individual Financial Assistance (IFA), while in all other programs disbursements were decreased to the extent 27 percent under the National Centre for Rehabilitation of Child Labor, 38 percent under Vocational/Dastkari training centers, 53 percent under Grant in Aid to NGOs and 13 percent under Child Support Programme.

4.4 During HI of FY 2010/11 Pakistan Sweet home (orphanages), Pakistan homes and Lunger programmes (free food) were the new initiatives taken by Government of Pakistan. Under Pakistan Sweet Homes an amount of Rs. 75 million was disbursed to 2,553 beneficiaries, while under Lunger program around Rs. 49 million was disbursed to 1.078 million beneficiaries during H 1 of FY 2010/11.

Table 4.2: Programmes of Pakistan Bait-ul-Mal

Programmes	As of Q 2 FY 2009/10		As of Q 2 FY 2010/11	
	Households	Amount disbursed (Rs. Millions)	Households	Amount disbursed (Rs. Millions)
Food Support Programme	-	-	-	-
Individual Financial Assistance	28,733	796	28,739	1217
National Centre for Rehabilitation of Child Labour	228,044	216	167,369	165.47
Vocational Training Centers	162,710	82	100,967	65.252
Institutional Rehabilitation (Grant-In-Aid to NGOs)	10,685	30	4,975	12.91
Child Support Programme	14,398	16	12,587	20.17

Pakistan Sweet Homes	-	-	2,553	74.51
Pakistan Homes	-	-	0	0
Lunger Program (Free Food)	-		1,078,783	48.82
Total Disbursement Under all Programmes	**444,570**	**1,140**	**1,295,973**	**1,604**

Source: Pakistan Bait-ul-Mal

4.2 Benezir Income Support Program (BISP)

4.5 BISP, the flagship social safety net programme of GOP, furnishes the needs of poor in a form that helps them to get out of the vicious circle which they are trapped in for years. It serves as a manifesto to grant cash transfer to needy and poor identified on the grounds of poverty scorecard and through MNAs/Senators. The Programme is aimed at covering almost 15 percent of the entire population, which includes 40 percent of the population living under the poverty line. A monthly payment of Rs. 1000 per family raises the income of a family earning Rs. 5000 by 20 %. The total amount disbursed (with commission) during H1 FY 2010/11 was 26.245 million that benefited 3.7 million families, which is 122 percent more in terms of disbursement and 15 percent less in terms of families in comparison of the same period last FY (table 4.3).

Table 4.3: Benazir Income Support Programme (BISP)

	As of Quarter 2 2009/10	As of Quarter 2 2010/11
Amount disbursed (Rs. billion)	11.8	26.245
Total beneficiaries (million)	4.42	3.74

Source: BISP, Islamabad.

4.3 Employees' Old Age Benefit Institution (EOBI)

4.6 Several grant programmes targeting the poor employees contributing regularly are implemented through EOBI.

Table 4.4: Programmes of Employees' Old Age Benefit Institution

Programmes	H 1 FY 2009/10		H1 FY 2010/11	
	No. of Beneficiaries	Disbursement (Rs. Millions)	No. of Beneficiaries	Disbursement (Rs. Millions)
Old Age Pension	378,564	2,050	-	-
Invalidity Pension	9,523	47.24	-	-
Survivors Pension	201,368	1,045	-	-
Old-age Grants	791	9.0	-	-
Total	590,246	3,151	-	-

Source: Employees' Old Age Benefits Institution (EOBI).

The date on EOBI was not received for the period H1 of FY 2010/11 from the concerned quarter; hence no analysis has been made here.

4.4 Workers Welfare Fund (WWF)

4.7 Workers Welfare Fund (WWF) was established in 1971 under an Ordinance with a capital of Rs. 100 million provided by the Federal Government. The main objectives of WWF are:

- Financing of housing projects for the workers
- Financing of other welfare measures such as; education, training, re-skilling, apprenticeship, marriage and death grants and post matric scholarships for the welfare of workers.

4.8 A standard eligibility criterion has been developed to attain access to the benefits of the WWF projects/schemes details of which are given under;

- The industrial worker must fulfil the definition given in the Workers Welfare Fund Ordinance 1971,
- The industrial worker under the Industrial Relations Act (IRA), 2009 fulfils the definition of the labourer,
- The worker must be registered either with EOBI or with Social Security Institution, and
- The minimal employment period should not be less than 3 years (in case of death grant, this condition is not applicable).

4.09 The updated report covering progress H1 of FY 2010/11 was not received from WWF office, Islamabad, hence no analysis with the comparable period last FY has been made here.

4.5 Zakat & Ushar

4.10 After the approval of the 18th amendment, some of the ministries/subjects have been transferred to the provinces. Ministry of Zakat and Usher is one of many other ministries transferred to the provinces. The data/information in relation to the period H1 of FY 2010/11 was not received from the Ministry of Zakat and Usher, hence no analysis has been made here.

Table 4.5: Comparison of Zakat Programmes H1 of FY 2009/10 with H1 of FY 2010/11

	H1 FY 2009/10		H 1 FY 2010/11	
	Amount Utilized (Rs Million)	No. of Beneficiaries	Amount Utilized (Rs. Millions)	No. of Beneficiaries
Regular Zakat Programmes				
Guzara Allowance	254.747	84,915		
Education stipends	74.96	72,284		
Stipends to students of Deeni Madrassahs	29.805	32,266		
Health care	32.49	19,919		
Social welfare / Rehabilitation	-	-		

Marriage assistance to unmarried women	39.686	3,673		
Sub Total	432	213,057		
Other Zakat Programmes				
Eid Grants	30.511	61,027		
Leprosy Patients	-	-		
Educational Stipend (tech)	38.787	8,715		
Permanent rehabilitation scheme of Zakat	-	-		
Sub Total	69	69,742		
National level Schemes				
National level health institutions	261.75	120,360		
Model Deeni Madrassahs	6.000	965		
Subtotal	267.75	121,325		
Grand Total	**769**	**404,124**		

4.6 Micro Finance

4.11 Micro finance services have played a vital role in bringing the new energy and enthusiasm to the poor people of Pakistan. Micro finance includes micro credit, micro savings, and micro insurance. Table 4.6 shows microfinance services provided to poor as micro credit, micro savings and micro-insurance. The number of active borrowers increased by 13 percent during the H 1 of FY 2010/11, whereas it increased by 17 percent in value terms. Active savers recorded an increase from 2,351,273 to 3,295,701 that reflects a change of 40 percent as compared to previous number of active savers, while in value terms micro savings grew by 39 percent. In contrast of it, Micro-Insurance was found to be much lower than last FY, it registered a decline of 8 percent from 3,030,563 in policy holders this year to 3,306,639 in the last FY in the same period. In sum insured, it fell from Rs. 43, 539 million last FY to Rs. 38,265 million this FY registered negative growth of 12 percent.

Table 4.6: Microfinance Analysis

Details	Microcredit		Micro-Savings		Micro-Insurance	
	Active Borrowers	Value (PKR Millions)	Active Savers	Value (PKR Million)	Policy Holders	Sum insured (PKR Million)
H 1FY 2010/11	2,059,536	25,494	3,295,701	11,863	3,030,563	38,265
H 1 FY 2009/10	1,826,045	21,723	2,351,273	8,554	3,306,639	43,539

Source: Pakistan Microfinance Network (PMN), Islamabad.

4.6.1 Active Borrowers, Active Savers and Active Policy Holders by Peer Groups[1]

4.12 Micro Finance market shares gained by peer groups in terms of active borrowers, active savers and active policy holders. Table 4.7 shows Rural Support Programmes (RSPs) persisted market leader in all three micro finance services by gaining market shares of 42,

[1] Peer groups have been reclassified into four categories, with NGOs and CFIs being combined to form 'others'.

73 and 51 at end of H1 FY 2010/11. Even though RSPs market shares was seen lower from previous year with a change of 8, 5 and 12 percent in the comparison year. Microfinance Institutions (MFIs) lingered behind by grabbing highest market shares in active borrowers as well as in active policy holders. It grew from 19 percent to 25 percent in active borrowers whereas it expanded from 21 percent to 25 in active policy holders. Microfinance Banks (MFBs) registered an increase in active savers along with active policy holders during the comparison period. However, it failed to attract number of active borrowers during the year which fell from 27 percent to 24 percent with a change of 3 percent.

Table 4.7: Active Borrowers, Active Savers and Active Policy holders by Peer Group As of Q 2 FY 2010/11

Details	Peer Groups			
	MFBs	MFIs	RSPs	Others
Active Borrowers (%) FY 2010/11 As of (July 01, December 31)	24	24	42	9
Active Borrowers (%) FY 2009/10 As of (July 01, December 31)	27	19	46	8
Active Savers FY 2010/11 As of (July 01, December 31)	23	1	73	3
Active Savers FY 2009/10 As of (July 01, December 31)	19	1	77	3
Active Policy holders FY 2010/11 As of (July 01, December 31)	19	25	51	5
Active Policy holders FY 2009/10 As of (July 01, December 31)	18	21	58	3

Source: Pakistan Microfinance Network (PMN), Islamabad.

Figure 4.1
Active Borrowers of H1 FY 2009/10 - **Active Borrowers of H 1 FY 2010/11**

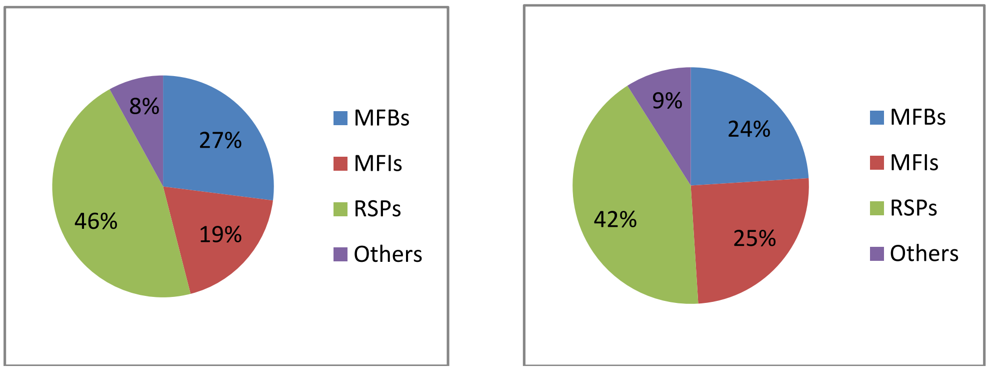


Figure 4.2
Active Savers H1 FY 2009/10 - Active Savers H 1 FY 2010/11

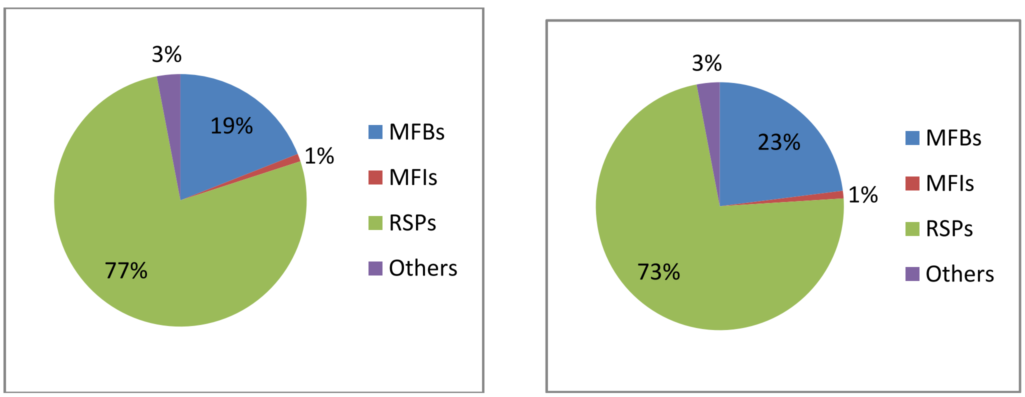
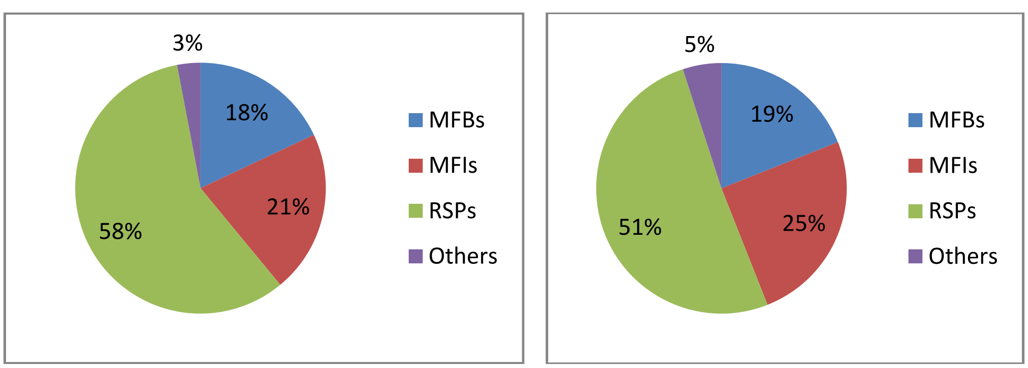


Figure 4.3
Active Policy Holders H 1 FY2008/09 - Active Policy Holders H 1 FY 2009/10



4.6.2 Summary of Microcredit Indicators

4.13 Table 4.7 shows summary of microcredit indicators during H 1 FY 2009/10 and H 1 FY 2010/11. The industry showed mixed trend, as some of the indicators posted positive while others registered negative growth. The industry expanded its outreach with higher gross loan portfolio from Rs 21,723 million in H 1 of FY 2009/10 to Rs. 25,494 Million in H1 of FY 2010/11 and number of loans disbursed reflected a reverse trend from 9, 034, 50 to 5,81,352 respectively in the comparison period. Average loan size increased substantially over the year meeting the real demands of the poor.

4.14 A total of 1657 branches/units was reported to facilitate the poor during the year, which is a higher ratio in compare to the previous year same period. Out of these 408 and 149 were reported by MFIs and Others, whereas MFBs and RSPs reported a negative ratio in number of branches/units in context of a last FY 2009/10. During H 1 of FY 2010/11, MFBs and RSPs reported 405 and 695 branches respectively.

4.15 During H 1 FY 2010/11, the number of loans dropped to 36 percent as compared to H 1 FY 2009/10. Out of a total 581,352 loans, 42 percent were disbursed through RSPs, followed by 39 percent through MFBs, 15 percent through MFIs and only 4 percent through others. Average loan size registered positive growth increased from Rs. 16,290 to Rs 18,385 in the same period last FY. Credit disbursement amounting Rs 9,714 million was made during H 1 FY 2010/11, 34 percent less than the previous FY. Large proportion of credit i.e. 42 percent was disbursed through RSPs whereas 40 and 15 percent was distributed through MFBs and MFIs respectively. However a small share of 4 percent was disbursed through 'Others' including NGOs and CFIs.

Table 4.8: Summary of Microcredit Provision

Peer Group		H 1 FY 2009/10	H 1 FY 2010/11
MFBs	Number of branches/Units	425	405
	Gross Loan Portfolio (Rs. millions)	9,004	10,528
	Average Loan Balance (Rs.)	12,807	14,680
	Number of Loans disbursed	366,396	227,060
	Credit Disbursements (Rs. millions)	6,220	3,902,574,839
	Average Loan Size (Rs.)	16,977	20,151
MFIs	Number of branches/Units	287	408
	Gross Loan Portfolio (Rs. millions)	4,797	6,138
	Average Loan Balance (Rs.)	10,006	10,325
	Number of Loans disbursed	131,767	84,736
	Credit Disbursements (Rs. millions)	2,088	1,417,568,542
	Average Loan Size (Rs.)	15,844	17,236
RSPs	Number of branches/Units	721	695
	Gross Loan Portfolio (Rs. millions)	6,162	6,517
	Average Loan Balance (Rs.)	11,494	10,723
	Number of Loans disbursed	351,750	244,236
	Credit Disbursements (Rs. millions)	5,517	4,001,500,500
	Average Loan Size (Rs.)	15,685	17,590
Others	Number of branches/Units	151	149

	Gross Loan Portfolio (Rs. millions)	1,759	2,311
	Average Loan Balance (Rs.)	16,374	16,486
	Number of Loans disbursed	53,537	25,320
	Credit Disbursements (Rs. millions)	892	392503000
	Average Loan Size (Rs.)	16,658	26,715
Total	Number of branches/Units	1,584	1,657
	Gross Loan Portfolio (Rs. millions)	21,723	25,494
	Average Loan Balance (Rs.)	11,896	12,378
	Number of Loans disbursed	9,034,50	581352
	Credit Disbursements (Rs. millions)	14,717	9714146881
	Average Loan Size (Rs.)	16,290	18385

Source: Pakistan Microfinance Network (PMN), Islamabad.

5.0 Performance of Intermediate (Output) Indicators

5.1 This section of the report studies the execution of the PRSP intermediate indicators at close of H1 FY 2010/11 with the corresponding period last FY 2009/10. Performance of health sector has been enveloped in immunization coverage and number and coverage of Lady Health Workers (LHWs). Development in employment trend, infrastructure and other schemes approved under People's Works Programme- I will also be covered in this segment.

5.1 Immunization

5.2 The table 5.1 presents the Tetanus Toxoid (TT) immunization coverage for pregnant women. Population targeted for the immunization coverage of pregnant women decreased by 21 percent in the H1 2010/11 compared to previous year. TT-1 and TT-2 immunization coverage rested at 69 percent, during the year. Both TT-1 and TT-2 immunization coverage replicated an enlargement of 16.94 percent, linked to the last FY 2009/10.

5.3 Largest TT immunization was witnessed in FATA as TT-1 immunization by 80 percent whereas TT-2 immunization rose by 46 percent. Subsequent to this, AJK grabbed the second largest TT immunization in TT-1 and TT-2 by 98 and 100 percent coverage even though it failed to maintain its previous year's pace. It's ratio declined by 8 and 7 percentage in each of TT immunization as compared to previous year. The lowest trend has been noticed in TT-1 was found in FANA while in TT-2, ICT were amongst the stumpy ones. Almost every province/region endorsed some commitment towards TT immunization, as the coverage grew progressively during the FY 2010/11. However, FANA and AJK were depicted a falling trend over the year. CDA proved some thrilling growth in TT-2 as it grew sharply from 13 percent to 43 percent with a change of 230.76 percent for the period of 2010/11. The total population targeted however went down from 1882269 to 1493759 points with a decrease of 20 percent in the comparison period.

Table 5.1: TT- Immunization Coverage for Pregnant Women

Province/Region	H 1 FY 2009/10			H 1 FY 2010/11		
	TT-Immunization			TT-Immunization		
	Target Population (+4.1% Pop)	TT-1 Cov %	TT2+ Cov %	Target Population (+4.1% Pop)	TT-1 Cov %	TT2+ Cov %
Punjab	1,007,670	64	66	794,680	73	77
Sindh	428,094	47	48	339,083	64	59
Khyber Pakhtoon Khawa	249,603	59	49	198,670	64	56

FATA[2]	41,742	55	69	32,863	99	101
Balochistan	89,631	36	37	71,701	36	42
AJK[3]	39,663	107	108	31,369	98	100
FANA[4]	11,526	54	52	13,444	29	37
ICT[5]	4,917	42	31	4,097	42	32
CDA[6]	9,423	40	13	7,853	43	43
Others	-	-	-	-	-	-
Pakistan	1,882,269	59	59	1,493,759	69	69

Source: Federal EPI Cell, National Institute of Health

5.2 Lady Health Workers (LHWs)

5.4 At the national level, Lady Health Workers (LHWs) covered 51 percent of the total population in Pakistan and dressed heath needs 63 percent of the target population in H1 FY 2010/11 as given in table 5.2. Population covered by LHWs composed 27 percent in urban areas and 63 percent in rural areas during H 1 FY 2010/11.

Table 5.2: Coverage of Lady Health Workers (LHWs)

	Projection H1 FY 2010/11	Population Covered by LHWs in H 1 FY 2010/11 (%)
Total Population	173,500,000	51
Urban Population	57,255,000	27
Rural Population	116,245,000	63
Target Population	133,421,500	66

Source: National Programme for Family Planning and Primary Health Care, Ministry of Health

5.5 Out of total 99,239 LHWs, 83 percent were positioned in rural areas and 16 percent were placed in urban areas during H 1 FY 2010/11 which was a negative figure compare to previous FY. Proportion of LHWs located in Punjab, Sindh,

Table 5.3: Number of Lady Health Workers*

Province / Region	H 1 FY 2010/11		
	Urban	Rural	Total
Punjab	7,121	42,386	49,507
Sindh	4,563	18,330	22,893
Khyber Pakhtoon Khawa	1,933	11,926	13,859
Balochistan	2,025	4,701	6,726
AJK	178	2,935	3,113
FANA (Gilgit, Baltastan)	175	1,186	1,361
FATA	0	1,445	1,445
ICT	38	297	335

[2] Federal Administrated Tribal Areas
[3] Azad Jammu Kashmir
[4] Federal Administrated Northern Areas
[5] Islamabad Capital Territory (ICT) includes the surrounding areas of Islamabad.
[6] Capital Development Authority (CDA) only covers the geographical area of Islamabad city.

Total	16,033	83,206	99,239

* Includes under training LHWs
Source: National Programme for Family Planning and Primary Health Care, Ministry of Health

5.3 Employment

5.6 Total Labour force and percentage of employed labour force is presented in the Table 5.4 during H 1 FY 2010/11, which stood at 53.14 million representing 41.89 million males and 11.25 million females. About 95 percent of the total labour force was employed during H 1 FY 2009/10 including 75 percent males and 19 percent females.

Table 5.4: Labour Force and Employed Labour Force			
	H 1 FY 2010/11*		
	Total	Male	Female
Labour Force (million)	53.14	41.89	11.25
Employed Labour Force (%)	95	75	19

Note: Estimated labour force for the FY 2010/11 is based on the Labour Force Survey 2009/10.
*The number includes figures of the 1st quarter as well.
Source: Ministry of Labour and Manpower

5.4 People Works Programme-I (PWP-I)

5.7 The number of schemes approved under PWP-I are reported in Table 5.5. The development schemes focus on roads, electrification, water supply, and sanitation. During H 1 FY 2010/11 only, 517 schemes were approved as compared to the approval of 904 schemes in the same period last fiscal year reflecting sharp decrease of almost 43 percent. Negative trend has been observed in all provinces of Pakistan over the year, but no increasing fraction was observed in any of the People Works Programme- I activity. The total amount disbursed was Rs. 610.619 million.

5.8 During the year, major urgency were put on developing roads and providing electricity in all provinces. However, Punjab has displayed the highest growth in almost all the developing schemes. It managed to underline 224 schemes during the year, from which 122, 54 and 32 were in roads, electrification and sanitation. After Punjab, KPK showed some growth in provision of roads, electrification, and water supply which sums up total of 125 schemes. On the other hand, education and health have showed poor evolvement in all provinces. Only 8 and 5 schemes were ratified for education and health which is a negative trend in compare to the previous FY. In contrast of this, road, electrification, water supply and sanitation managed to gain 224, 114, 81 and 61 schemes in total. Under which 122 schemes were approved in Punjab and 47 in KPK for building roads, while 54, 38 and 21 schemes respectively were passed in Punjab, Sindh and KPK in providing electrification. Schemes for water supply have been formulated in every province. Baluchistan, KPK, and FATA were amongst the highest ones that took in 26, 25 and 21 schemes that adds up to 81 schemes over all under water supply category. In Sanitation, only 32 and 28 schemes were agreed to be enlarged only in Punjab and KPK, rest paid no attention to this sector.

Table 5.5: Number of Schemes approved under each category H 1 FY 2010/11										
Province	Road	Electrification	Gas	Telephone	Education	Health	Water Suppl	Sanitation	Bulldozers hours	Total Schemes

							y			
Punjab	122	54	4	-	5	1	6	32	-	224
Sindh	8	38	1	-	-	-	3	-	-	50
Khyber Pakhtoon Khawa	47	21	1	-	3	-	25	28	-	125
Balochistan	13	-	-	-	-	4	26	1	2	46
FATA	50	-	-	-	-	-	21	-	-	71
ICT	-	1	-	-	-	-	-	-	-	1
Total	240	114	6	-	8	5	81	61	2	517

H 1 FY 2009/10

Province	Road	Electrification	Gas	Telephone	Education	Health	Water Supply	Sanitation	Bulldozers hours	Total Schemes
Punjab	124	82	6	-	43	-	4	14	-	234
Sindh	33	20	-	-	36	2	42	18	-	151
KHYBER PAKHTOON KHAWA	122	83	-	-	-	2	48	3	-	258
Balochistan	31	21	-	-	13	3	35	1	1	105
FATA	9	-	-	-	-	-	141	-	-	150
ICT	1	3	-	-	-	-	2	-	-	6
Total	320	209	6	-	53	7	272	36	1	904

Source: Ministry of Local Government and Rural Development

A brief about the Banking on mangroves taken from “Indus Forever” Volume V: Issue 17, January – march 2011

Box 1:
Banking on Mangroves: Learning from Japan’s Tsunami

The disastrous earthquake and tsunami that occurred in March 2011 has left a trail of suffering in Japan. While the entire world condoles with the Japanese, each new natural disaster offers an opportunity to review where we have gone wrong. Having reached our present summit of technological development, nature is still there to remind us to take the right path.

It is now an established fact that dense mangrove forests can reduce the impact of the waves generated during tsunamis. Mangrove forests not only work as natural barriers in the case of a tsunami or a cyclone, but are also cheaper alternatives to stonewalls or other man-made structures, which might be effective for normal sea waves but cannot withstand high tides caused by a cyclone.

Japan has cultivated amid 200- and 300-metre wide coastal belts for forests which successfully buffered most of the wave energy when the tsunami hit the country. Better land use planning, for example locating the majority of the population and financial centers farther away from the coast, could have reduced the death toll and disaster expenditure. A tsunami hit the Pakistani coast in1945 at which time over 5,000 lives were lost, but the losses could be many times more if such a disaster hit the coast today. Recent cyclones that have caused deaths and devastation along Sindh’s coast include A- 2 Cyclone in 1999 Yemyin in 2007 and Phet in 2010.

Mangroves, which are both the natural guardians of Pakistan’s coast and the identity of Indus Delta, have all but disappeared. The Indus Delta occupied an area of about 600,000 ha, consisting of creeks, mudflats and mangrove forests between Karachi in the north and Rann of kutch in the South. There were 17 major creeks making up the original delta that was characterized by many minor creeks, mud flats and mangroves forests. The Indus Delta was until only a few decades ago home to almost 97 percent of total mangrove species in the world. Local communities use them for fuel wood, timber, fodder, grazing of livestock, etc. Mangroves are breeding grounds for commercial fish species, such as shrimps, craps and lobsters and protect the harbor against erosion, tsunamis, strong wind and cyclones. Mangroves also act as a protective barrier that is becoming essential given the increased frequency of cyclones that characterizes the current spare of climate variability. Clearing this shield will make coastal town and communities more vulnerable to natural disasters.

Mangroves Forests thrived of where freshwater provided ideal growing conditions along the coast, east and west of the Indus Delta and in the delta itself. They provided an important source of wood along with the environment for crustaceans and fish. The coastal mangroves have now been greatly reduced and represent a fraction of their earlier luxuriance. If the Indus water are further harnessed and if the dry period at the mouth of the Indus is lengthened from the present two to three months, If present heavy development pressure on the coastal areas continues and if domestic and industrial pollution continuous unchecked, mangrove forests could reach a tipping point in the next fifteen to twenty years at which time financial outlays for recovery of the species will be unaffordable.

Annex 1: PRSP Budgetary Expenditures (2010-11) -Upto Q2-July 2010 to December 2010 Provisional

(Rs. Millions)

	FY 2010-11 (Upto Q2- July 2010 to December 2010)						FY 2009-10 (Upto Q2-July 2009 to December 2009)					
	Federal	Punjab	Sindh	KPK	Balochist.	Total	Federal	Punjab	Sindh	KPK	Balochist.	TOTAL
Roads, Highways, & Bridges	2,264	8,576	4,865	2,929	2,487	21,121	1,496	14,808	3,327	3,043	858	23,532
Current	2,254	2,115	1,195	473	14	6,051	1,484	1,646	248	340	172	3,890
Development	10	6,461	3,670	2,456	2,473	15,070	12	13,162	3,079	2,703	686	19,642
Water Supply & Sanitation	168	3,878	1,086	762	746	6,640	96	5,190	919	1,080	777	8,062
Current	168	2,366	323	482	418	3,757	78	1,931	212	567	638	3,426
Development	0	1,512	763	280	328	2,883	18	3,259	707	513	139	4,636
Education	27,231	63,559	42,301	13,499	6,992	153,582	21,490	52,958	21,131	16,942	4,184	116,705
Current	18,503	61,817	40,929	11,530	6,863	139,642	13,749	46,692	20,081	14,942	4,151	99,615
Development	8,728	1,742	1,372	1,969	129	13,940	7,741	6,266	1,050	2,000	33	17,090
Primary Education	2,124	28,610	20,783	4,279	2,412	58,208	1,525	21,721	9,887	6,954	1,481	41,568
Current	2,122	28,441	20,755	3,989	2,412	57,719	1,513	20,915	9,829	6,480	1,481	40,218
Development	2	169	28	290	0	489	12	806	58	474	0	1,350
Secondary Education	2,712	16,354	12,276	5,137	2,269	38,748	1,848	15,336	5,767	6,579	1,270	30,800
Current	2,710	16,065	12,229	4,615	2,269	37,888	1,831	11,417	5,696	5,911	1,270	26,125
Development	2	289	47	522	0	860	17	3,919	71	668	0	4,675
General Universities, Colleges, & Institutes	16,277	5,704	2,519	2,037	615	27,152	12,827	3,850	2,014	1,057	432	20,180
Current	7,779	5,016	2,307	1,199	615	16,916	5,860	3,839	1,550	838	432	12,519
Development	8,498	688	212	838	0	10,236	6,967	11	464	219	0	7,661
Professional & Technical Universities, Colleges & Institutes	3,479	578	3,179	1,534	209	8,979	2,570	777	917	1,351	246	5,861
Current	3,477	571	3,007	1,248	209	8,512	2,568	774	909	1,130	246	5,627
Development	2	7	172	286	0	467	2	3	8	221	0	234
Teacher & Vocational Training	25	2,802	141	0	129	3,097	26	3,215	120	0	91	3,452
Current	24	2,302	135	0	129	2,590	24	1,911	103	0	91	2,129
Development	1	500	6	0	0	507	2	1,304	17	0	0	1,323
Others	2,614	9,511	3,403	512	1,358	17,398	2,694	8,059	2,426	1,001	664	14,844
Current	2,391	9,422	2,496	479	1,229	16,017	1,953	7,836	1,994	583	631	12,997
Development	223	89	907	33	129	1,381	741	223	432	418	33	1,847
Health	6,349	17,548	10,772	4,017	2,212	40,898	6,246	15,346	6,147	4,370	1,213	33,322
Current	3,422	16,491	10,070	3,361	2,105	35,449	2,841	14,300	5,653	3,721	1,194	27,709
Development	2,927	1,057	702	656	107	5,449	3,405	1,046	494	649	19	5,613

General Hospitals & Clinics	3,215	14,804	8,252	3,322	1,388	30,981	2,929	12,556	4,873	3,841	619	24,818
Current	3,055	14,061	7,550	2,740	1,388	28,794	2,552	12,071	4,408	3,360	619	23,010
Development	160	743	702	582	0	2,187	377	485	465	481	0	1,808
Mother & Child Health	3	88	0	8	3	102	1	96	0	11	0	108
Current	2	55	0	8	3	68	1	45	0	11	0	57
Development	1	33	0	0	0	34	0	51	0	0	0	51
Health Facilities & Preventive Measures	2,928	215	1,107	74	283	4,607	3,144	213	678	263	106	4,404
Current	203	111	1,107	0	176	1,597	135	92	661	101	87	1,076
Development	2,725	104	0	74	107	3,010	3,009	121	17	162	19	3,328
Others	203	2,441	1,413	613	538	5,208	172	2,481	596	255	488	3,992
Current	162	2,264	1,413	613	538	4,990	153	2,092	584	249	488	3,566
Development	41	177	0	0	0	218	19	389	12	6	0	426
Population Planning	725	740	388	255	137	2,245	1,326	683	339	239	102	2,689
Current	141	14	4	5	0	164	110	14	3	5	0	132
Development	584	726	384	250	137	2,081	1,216	669	336	234	102	2,557
Social Security & Social Welfare	19,462	435	2,415	105	189	22,606	13,365	457	5,083	136	97	19,138
Current	19,380	412	161	83	162	20,198	13,293	366	134	94	97	13,984
Development	82	23	2,254	22	27	2,408	72	91	4,949	42	0	5,154
Natural Calamities & Other Disasters	18,014	7,513	8,505	4,879	1,044	39,955	792	871	312	2,162	24	4,161
Agriculture	10,086	11,384	6,901	3,535	3,451	35,357	10,695	10,293	4,844	2,495	2,472	30,799
Current	5,436	10,337	5,379	2,174	2,779	26,105	1,142	7,753	3,344	1,648	1,943	15,830
Development	4,650	1,047	1,522	1,361	672	9,252	9,553	2,540	1,500	847	529	14,969
Land Reclamation	0	120	860	0	0	980	0	96	717	0	0	813
Rural Development	205	267	115	3,456	795	4,838	278	2,743	83	3,190	275	6,569
Current	21	148	115	70	88	442	15	125	83	104	63	390
Development	184	119	0	3,386	707	4,396	263	2,618	0	3,086	212	6,179
Law and Order	24,591	24,174	13,012	7,347	3,798	72,922	19,148	22,358	10,218	7,689	3,469	62,882
Low Cost Housing	0	60	7	0	0	67	0	54	9	0	0	63
Justice Admn	809	2,983	1,216	909	367	6,284	885	2,574	878	576	311	5,224
Subsidies	68,696	4,153	1	1,608	0	74,458	76,401	6	1	1,033	0	77,441
People's Works Programme-I	662					662	1,197					1,197
People's Works Programme-II	200					200	24,325					24,325
GRAND TOTAL	179,462	145,390	92,444	43,301	22,218	482,815	176,543	128,437	54,008	42,955	13,782	416,922
Note: Expenditure shown for PWP-11 only reflects expenditure during July-Sep. i.e Q1 FY 2010/11. Expenditure on BISP upto Q2 FY 2010/11 : Rs. 17, 274 million												