

POVERTY REDUCTION STRATEGY PAPER:

ANNUAL PROGRESS REPORT FY 2009/10

**PRSP Secretariat - Finance Division
Government of Pakistan**

ANNUAL PROGRESS REPORT FY 2008/09

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

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List of Acronyms

AJ & K	Azad Jammu & Kashmir
ADB	Asian Development Bank
ACEPAM	Academy for Educational Planning and Management
BHUs	Basic Health Units
BISP	Benazir Income Support Programme
BCG	Bacillus Calmette Guerin
CDA	Capital Development Authority
CPR	Contraceptive Prevalence Rate
CPI	Consumer Price Index
CNIC	Computerized National Identity Card
CSP	Child Support Programme
CDWA	Clean Drinking Water for All
CAR	Capital Adequacy Ratio
CFY	Current Financial Year
CRAR	Capital to Risk (weighted) Assets Ratio
DPT	Diphtheria Pertusis Tetanus
EOBI	Employee Old Age Benefit Institutions
EFA	Education for All
FRDLA	Fiscal Responsibility and Debt Limitation Act
FBS	Federal Bureau of Statistics
FY	Financial Year
FATA	Federal Administrative Tribal Areas
FSP	Food Support Program
FSV	Forced Sale Value
FANA	Federal Administrative Northern Areas
GOP	Government of Pakistan
GDP	Gross Domestic Product
GLP	Gross Loan Portfolio
GER	Gross Enrolment Rate
IMF	International Monetary Fund
IT	Information Technology
IR	Institutional Rehabilitation
IFA	Individual Financial Assistance
IMR	Infant Mortality Rate
ICT	Islamabad Capital Territory
KWH	Kilo Watt Hour
KESC	Karachi Electric Supply Corporation
LSM	Large Scale Manufacturing
LHWs	Lady Health Workers
LFS	Labor Force Survey
MIS	Management Information System
MICS	Multiple Indicator Cluster Survey
MDGs	Millennium Development Goals
MFIs	Micro Finance Institutions
MFBs	Micro Finance Banks
NEMIS	National Education Management Information System
NCRCL	National Centre for Rehabilitation of Child Labor

NGO	Non-Governmental Organization
NER	Net Enrolment Rate
NWFP	North West Frontier Province
NIP	National Internship Programme
NAVTEC	National Vocational and Technical Education Commission
NPLs	Non Performing Loans
OMC	Oil Marketing Companies
PMN	Pakistan Microfinance Network
PWP-I	Peoples Works Programme-I
PBM	Pakistan Bait-ul-Mal
PFY	Previous Financial Year
PRSP	Poverty Reduction Strategy Paper
PPPs	Public Private Partnerships
PSLM	Pakistan Social and Living Standard Measurement Survey
PFSS	Punjab Food Support Scheme
PSDP	Public Sector Development Programme
RSPs	Rural Support Programmes
ROA	Return on Assets
SPI	Sensitive Price indicator
SBP	State Bank of Pakistan
SME	Small and Medium Enterprises
TCP	Trading Corporation of Pakistan
TFR	Total Fertility Rate
TUS	Time Use Survey
TBA	Trained Birth Attendants
TT-1	Tetanus Toxoid-1
TT-2+	Tetanus Toxoid-2+
TVET	Technical and Vocational Education & Training
VTC	Vocational Training Centers
WPI	Wholesale Price Index
WAPDA	Water and Power Development Authority

1 Introduction

1.1 The Poverty Reduction Strategy Paper (PRSP) Annual Progress Report for FY 2009/10 is ninth in line in the on-going process which was initiated ever since the establishment of the PRSP Secretariat in the Ministry of Finance in Year 2000. The PRSP Secretariat regularly reports budgeted and non-budgeted expenditures in selected pro-poor sectors followed by monitoring of the key output and outcome indicators. The purpose of the PRSP quarterly and annual progress reports is to keep track of progress in all efforts directed towards poverty reduction in the country.

1.2 This Annual Report FY 2009/10 is the second report since the PRSP-II was finalized in FY 2008/09. The PRSP-II covers the three year period FY 2008/09 – FY 2010/11. The PRSP-I has been a successful strategy, as sound progress has been made in all pro-poor sectors during the last eight years. During 2003 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 Vulnerable. Taking into account 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 Vulnerable; (iii) Increasing Productivity and Value Addition in Agriculture; (iv) Integrated Energy Development Programme; (v) Making Industry Internationally Competitive; (vi) Human Development for the 21st Century; (vii) Removing Infrastructure Bottlenecks through Public Private Partnerships (PPP); (viii) Capital and Finance for Development; and (ix) Governance for a Just and Fair System.

1.3 PRSP Annual Progress Report for FY 2009/10 begins with an Introduction in Section 1, followed by an overview of the Pakistan's economy along with a brief discussion on key macroeconomic indicators in Section 2. Section 3 gives a detailed analysis of budgetary expenditures in 17 pro-poor sectors. Section 4 highlights both budgetary and non-budgetary modes to provide social protection to the poor and vulnerable and also illustrates tracking of the budgetary non-budgetary programmes. Section 5 explains in detail the PRSP key output (intermediate) indicators given in the PRSP-II Monitoring Matrix. Since the Pakistan Social and Living Standard Measurement Survey (PSLM) FY 2008/09 Survey details have already been released, Section 6 gives an analysis of tracking performance of social sectors goals (outcomes) particularly about: Education; Health and Water Supply & Sanitation. Section 7 ends the report with the concluding remarks.

1.4 Pro-poor expenditure during FY 2009/10 substantially rose, recording YoY increase of 15.36 percent, from Rs. 977,228 million in FY 2008/09 to Rs. 1,127,288 in FY 2009/10. The maximum YoY increases were witnessed in Low Cost Housing and Peoples' Works Programme I. The rising expenditure trends in Law & Order, Justice Administration and Natural Calamities & Disasters continued during CFY aligned with the rigid security related circumstances compelling higher outlays. Social Security & Welfare

registered positive growth, much higher than growth in Subsidies emphasizing government policies of gradually curtailing expenditure on indirect subsidies.

1.5 The Government of Pakistan (GOP) recognizes that social protection and provision of social safety nets have a major role to play in promoting pro-poor growth and tackling exclusion and inequality. Recognizing the urgent need to protect the poor and the vulnerable, the GoP has undertaken some new initiatives as well as strengthened earlier initiated in this regard. Pakistan has a fairly elaborate network of direct and indirect social protection mechanisms. Direct provisions include employment based guarantees (such as Employees' Old Age Benefit Institution (EOBI), Workers Welfare Fund (WWF)) direct transfers (Zakat¹, Pakistan Bait-ul-Mal² (PBM), Benazir Income Support Programme (BISP), Punjab Sasti Roti (cheap bread) Programme) and market based interventions (Microfinance). Total transfers through all programs showed a net increase of 69 percent in terms of grants and 39 percent in terms of beneficiaries during FY 2009/10 compared in the same period previous fiscal year. During FY 2009/10, 78 percent i.e. Rs. 42.26 billion of the grants were of the budgetary mode and 22 percent i.e. Rs. 11.74 billion were of the non budgetary mode against 66 percent and 44 percent respectively in the same period last year. During FY 2009/10 a large proportion of the amount, about 59 percent was disbursed through BISP; followed by 15 percent through PSRP, 12 percent through EOBI, 5 percent through Zakat, 5 percent through WWF and 4 percent through PBM. These disbursements were made to 6,070,160 beneficiaries, 39 percent more than the comparable period last year. A total of Rs. 33,775 millions 15 percent more under the micro credit was disbursed in terms of 1,966,457 loans during FY 2009/10 against Rs. 28,669 million and 1,939,050 loans compared to last year.

1.6 The Education and Health sectors represent the core elements of the Poverty Reduction Strategy. Results of the PSLM Survey FY 2008/09 released show that the literacy rate increased to 57 percent in FY 2008/09, while primary Gross Enrolment Rate (GER) rose from 72 percent in FY 2001/02 to 91 percent in FY 2008/09. GER at primary level (age 5-9) remained stagnant at 91 percent between FY 2006/07 and FY 2008/09. GER for girls stood at 83 percent during both FYs 2007/08, 2008/09 showing no change. Results for the health sector show that the record and recall based full immunization coverage (all 8 recommended vaccines) increased significantly by 5 percentage points from 73 percent in FY 2007/08 to 78 percent in FY 2008/09. Overall 58 percent of mothers in FY 2008/09 compared to 56 percent in FY 2007/08 who had given birth in the last three years went for pre-natal consultations during their last pregnancy. The overall attendance rate was much higher in urban areas i.e. 77 percent compared to 50 percent in rural areas.

¹ Zakat is the Islamic concept of tithing and alms. It is an obligation on Muslims to pay 2.5% of their wealth to specified categories in society when their annual wealth exceeds a minimum level (nisab).

² Tracked entirely (all components) under budgetary expenditure as of FY 2009/10.

2. Trends in Macroeconomic Indicators – FY 2009/10

2.1 Trends in Macroeconomic Indicators

2.1 Pakistan's economy witnessed a modest but fragile growth recovery during FY 2009/10 as the real GDP growth rose to 4.1 percent during Current Financial Year (CFY) as compared to meager growth of 1.2 percent in Previous Financial Year (PFY). Key factors behind this moderate recovery are improvement in business and consumer confidence, supportive monetary and fiscal policies, and declining international prices. The lower commodity prices and relatively weak demand also contributed to a deceleration in inflation, which fell to 11.7 percent from a multi-decade high of 20.8 percent. The current account deficit also declined to only 2 percent of GDP in FY 2009/10 from 5.7 percent of GDP in the previous year.

2.2 Despite some improvements in the growth scenario of the country, fundamental structural weaknesses in the economy remained unaddressed. The key structural problem in the economy is weak fiscal performance; as the fiscal deficit has risen back to 6.3 percent of GDP in FY 2009/10, an increase of 1.1 percentage points than in the previous year. On the other hand electricity shortages have led to production losses, declining productivity (and competitiveness) of local businesses, and forced significant investment by local businesses in relatively inefficient, small scale power generation units.

2.3 Briefly, during FY 2009/10 fiscal performance witnessed a continuing expansion in fiscal and quasi-fiscal operations, undermining private sector activities, double-digit inflation, and increased the total public debt and liabilities substantially, from 68.7 percent of GDP in FY 2008/09 to 69.5 percent in FY 2009/10. All these developments raise questions about the medium-term sustainability of growth.

Table 2.1 : Key Economic Indicators in FY 2009/10 relative to FY 2008/09		
Growth Rate (Percent)	FY 2008/09	FY 2009/10
LSM	-7.7	4.8
Exports (fob)	7.2	9.4
Imports (fob)	-12.9	-0.3
Tax Revenue	23.6	11.9
CPI (average)	20.8	11.7
Percent of GDP	FY 2008/09	FY 2009/10
Fiscal Deficit	5.2	6.3
Trade Deficit	15.7	9.5
Current A/C Deficit	5.7	2

Source: State Bank of Pakistan

2.2 Real sector

2.4 The moderate recovery witnessed in FY 2009/10, led by LSM and the services sector, was principally a reflection of improved consumer confidence. This growth seems even more impressive given gradual reduction of a number of energy related government subsidies in accordance with IMF-Standby Arrangement.

a) Agriculture

2.5 Agricultural growth during FY 2009/10 fell to 2.0 percent from 4.0 percent in FY 2008/09. This deceleration was attributed to negative growth by the crops sub-sector, which led to counterbalance the impact of positive livestock growth. The agriculture sector is continuously facing issues related to resource management e.g. water shortage, rising input prices and crop pricing. The performance by the crops sub-sector suffered in FY 2009/10 due to the same reasons. These factors primarily led to a decline in area under cultivation and yields of major crops (Table 2.2). However, on the better price outlook, acreage increased under cotton and wheat crops in FY 2009/10.

2.6 The dismal performance of crops was somewhat compensated by an above target growth by livestock sub-sector, which helped achieve a positive growth by the agriculture sector in FY 2009/10. The healthy livestock growth was attributed to growing domestic and external demand. In contrast to weaker crop production, export of agri-commodities showed a healthy growth in FY 2009/10. Strong foreign demand and weaker harvests in other key producing countries supported the growth in exports of rice, livestock, fruits & vegetables, spice and other food items in traditional as well as new markets.

2.7 Growth rate of agriculture credit disbursement dropped to a decade low of 6.5 percent in FY10. Correspondingly, agri-credit disbursement target was missed by 4.6 percent in FY10. Fertilizer off-take of both urea and DAP registered a strong growth during FY 2009/10 compared with a small increase in the previous year. This rise was mainly driven by: (a) relatively lower prices of nutrients particularly DAP and (b) better prices of most of the agri produce, particularly wheat.

Table 2.2 Production and area under cultivation of major crops and Percentage change between FY 2008/09 & FY 2009/10			
Production of Major Crops (million tons)			
	FY 2008/09	FY 2009/10	Percent change
Cotton	11.8	12.9	9.3
Sugarcane	50	49.4	-1.2
Rice	7	6.9	-1.4
Wheat	24	23.9	-0.41
Area Under Cultivation (million hectares)			
Cotton	2.8	3.1	10.7
Sugarcane	1	0.9	-10
Rice	3	2.9	-3.33
Wheat	9	9.1	1.11

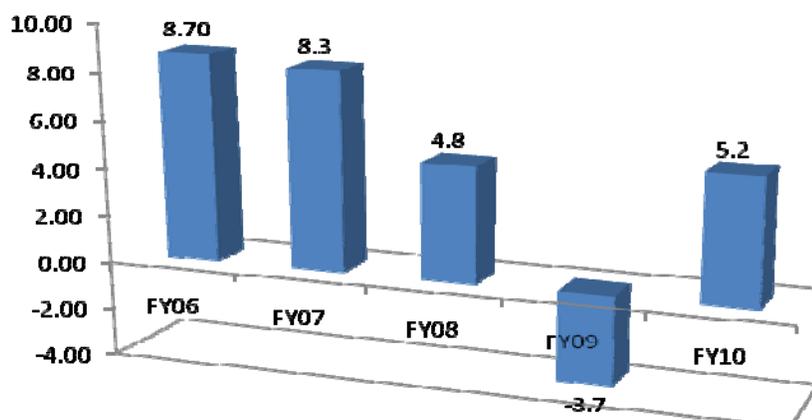
Source: State Bank of Pakistan

b) Industry

2.8 The industrial sector managed to recover from the longest-ever period of decline while, achieving a growth rate of 4.8 percent during FY 2009/10. The recovery came primarily due to supportive macroeconomic policies, relatively lower inflation, improved prospects of global economy, and better credit availability.

2.9 The FY 2009/10 growth rate was the fourth highest for the decade, but was below the 10-year average of 5.7 percent. The industrial growth during FY 2009/10 stemmed mainly from a revival in manufacturing and construction sectors as government reversed some of the tax measures taken last year, which had led to growth in these sectors. Construction sector exhibited a strong 15.3 percent growth in FY10 compared with a contraction of 11.2 percent in FY09. This remarkable performance was driven mainly by a decline in building material prices, which, in turn, was caused by reduction of duty on cement sales, and decline in global prices of coal, iron, and wood. Anecdotal evidence suggests that most of the construction growth was led by private sector.

Figure: 2.1: Growth Rate of Manufacturing Sector (FY 2006-FY 2010)



Source: State Bank of Pakistan

2.10 Large-scale manufacturing (LSM) recovered from the previous year's disturbing performance and registered a reasonable growth of 4.8 percent during FY 2009/10. Overall slowdown in inflation and favorable developments in global demand caused production increases in consumer/export industries. Though, the second round effect of consumer and external demand growth on the production of intermediate goods was limited mainly due to financial constraints. Therefore LSM growth across sectors varied significantly, with half of the sub-sectors exhibiting strong growth while the other half continued to register declining growth.

2.11 The growth in mining & quarrying sub-sector declined further, by 1.7 percent in FY10 on top of a fall of 0.2 percent in the preceding year. The decline was caused mainly by lower production of crude oil and coal during FY10.

c) Services

2.12 Services sector, while maintaining the past trend of several years, exhibited robust growth in FY 2009/10. Although, it fueled growth since FY 2001/02, services sector witnessed a 50-year low growth during FY 2008/09. However, this sector rebounded strongly again in FY 2009/10 with 4.6 percent growth. This higher growth was a reflection of pick up in commodity producing sector activities and was evident mainly in higher than expected contributions of wholesale & retail trade, public services,

telecom, and personal services. Nevertheless, while some of the developments in FY10 can be singled out as being temporary –for example, the negative growth in financial sector and the high growth in public administration and defense – others are reflective of more enduring trends that emerged during this decade. Rapid growth has been observed in technical and skill-based services, such as telecommunications, software development, as well as in accounting and finance.

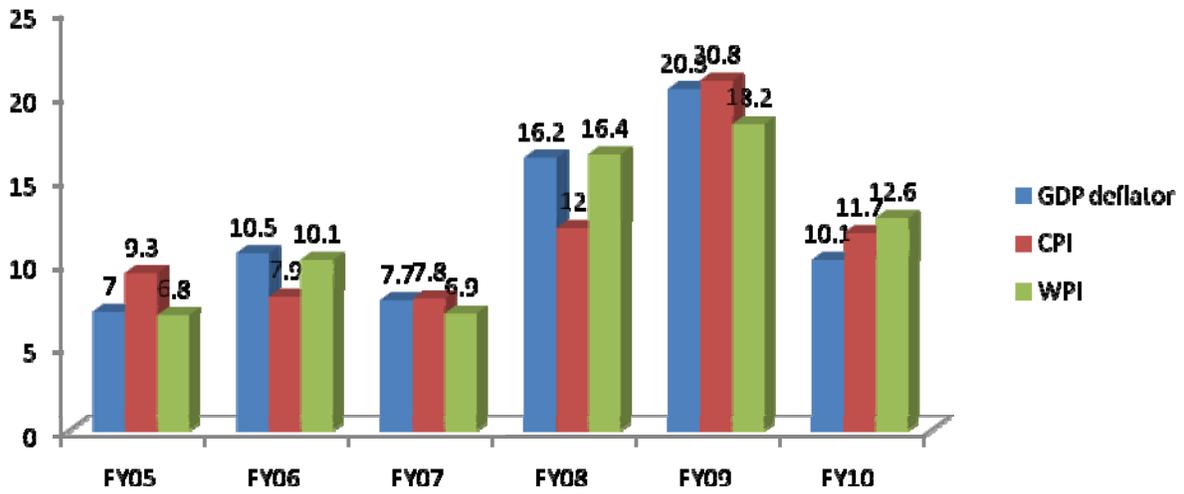
2.3 Inflation

2.13 All price indices depicted a substantial fall in inflation during FY 2009/10 compared with the record levels seen in the preceding year (see figures below). Consumer Price Index (CPI) inflation fell substantially to 11.7 percent during FY 2009/10 compared with 20.8 percent in FY 2008/09. However, FY 2009/10 inflation was higher than the 9.0 percent target for the year. Inflation target could not be achieved for the fourth consecutive year since FY 2005/06. Similarly, inflation measured by Wholesale Price Index (WPI), Sensitive Price Indicator (SPI), and GDP deflator showing significant deceleration during FY10, but remained in double digits. A break-up of headline Consumer Price Index (CPI) reveals that while inflationary pressures eased during the first half of FY 2009/10, these resurged January 2010 onwards.

2.14 During the second half of the fiscal year, CPI inflation oscillated in a narrow range of 12.7 to 13.7 percent. The downtrend in the first half of FY 2009/10 was a combined impact of: (a) continuation of tight monetary stance; (b) fiscal consolidation in FY 2008/09 relative to FY 2007/08, which resulted in a net retirement in the budgetary borrowings from the central bank; (c) a sharp decline in international commodity prices, as well as, improvement in domestic supply of most of the food commodities on the back of better harvests in FY 2008/09.

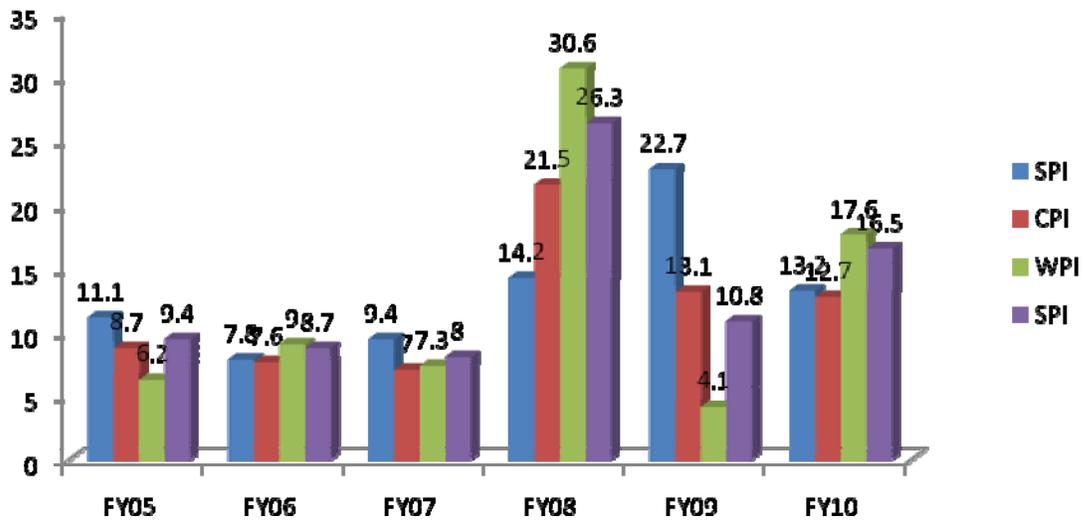
2.15 However, most of these disinflationary factors reversed direction in the second half of FY10. Moreover, inflationary expectations strengthened due to reductions in energy related subsidies during the year. For example, upward revision in energy tariffs and diesel prices resulted in higher production and transportation costs. Pressures on exchange rate in January 2010 when SBP passed on all oil import payments to the inter-bank market, and reversal in fiscal stance with monetization of deficit also contributed higher inflation in H2-FY10. The figures below present inflationary trends over past fiscal years.

Figure 2.2: Inflation Trends (Annual Averages FY 2005-10)



Source: State Bank of Pakistan

Figure 2.3: Inflation Trends (Year on Year Change FY 05-10)



Source: State Bank of Pakistan

2.4 Fiscal Balance

2.16 The government envisaged a narrowing of budget deficit from 5.3 percent of GDP to 4.9 percent with a sharp increase in tax revenues and containment of current expenditures in the budget estimates for FY 2009/10. However, in terms of actual performance, all the fiscal targets of the government were missed during the year.

2.17 The overall budget deficit rose to 6.3 percent of the GDP that was Rs 929.1 billion in absolute terms against a target of Rs 722.1 billion. The deteriorating fiscal outlook was broadly a result of excessive disbursement of subsidies, increased security expenditures on war on terror and lower than target tax revenue generation during FY 2009/10. On the financing side the non-availability of budgeted external financing caused pressures on domestic sources almost throughout FY 2009/10. Although a large share of the total financing requirement was met through non-bank sources, the government had to resort to monetization of the deficit as well. As a result the limits imposed by IMF on borrowings from the SBP were breached during the last two quarters of FY 2009/10. Led by a large fiscal deficit, Pakistan's total debt and liability's stock (TDL) recorded a considerable increase during FY 2009/10. Specifically TDL stock reached Rs10.2 trillion by June 30, 2010, which represents almost doubling of the TDL stock from the end-FY 2007. Resultantly, the TDL stock to GDP ratio also worsened from 60.5 percent in FY 2006-07 to 69.5 percent in FY 2009/10. In terms of composition, due to lower than projected availability of external financing, increase in debt stock witnessed more reliance on domestic debt sources for the financing of the fiscal deficit during FY 2009/10.

2.5 Current Account Balance

2.18 During FY 2009/10, Pakistan's current account deficit contracted sharply by 62.1 percent. As a result, despite lower surplus in the financial account compared to FY 2008/09, the overall external accounts recorded a surplus of US\$ 1.3 billion after a gap of two years. The improvement in the current account is due to contraction in the trade account and rise in the invisible account surplus. The trade account improved not only due to 2.3 percent YoY fall in imports but also due to almost 3 percent YoY increase in exports. Besides the trade account, improvement in the invisible account, which came about as a result of higher receipts under logistic support, lower payments under other business services, and larger inflows under workers' remittances also contributed to significant contraction in the current account deficit.

2.19 Financial account surplus declined to US\$ 4.9 billion in FY 2009/10 against US\$ 5.6 billion recorded in FY 2008/09. This deterioration was due to fall in both investment and loan inflows. In case of investment, while foreign direct investment declined by more than 40 percent YoY, outflows from portfolio investment were limited to US\$ 63 million against US\$ 1.0 billion in FY 2008/09. Loan inflows also recorded a decline of 10 percent during FY 2009/10. A major part of the loans was received from the IMF under a Stand-By Agreement (SBA). As a result of improved external sector performance, foreign exchange reserves reached an all-time high of US\$ 16.9 billion as of end June 2010. This also helped in achieving relative stability in the exchange rate during FY 2009/10 despite shifting of oil related payments to inter- bank. Pak rupee depreciated by 4.8 percent in FY 2009/10 against 15.7 percent recorded last year.

2.6 Trade Balance

2.20 Pakistan's trade deficit continued to narrow for the second consecutive year, reaching the level of US\$ 15.3 billion. Unlike the preceding year, in which the entire improvement in trade account was on account of fall in imports, in FY 2009/10 it was the remarkable YoY growth of 9.4 percent in exports that led to 10.3 percent YoY contraction in the trade deficit. As a result, trade deficit to GDP ratio improved to 8.7 percent in FY 2009/10 from 10.6 percent in FY 2008/09. Furthermore, while the increase in exports largely owed to higher quantum of goods, the fall in the import bill was mainly a result of lower prices.

3.0 Trends in Expenditure – FY 2009/10

3.1 Trends in Expenditure

3.1 PRSP expenditure for FY 2009/10 records an impressive YoY growth of 15.36 percent, from Rs. 977,228 million in the previous financial year (PFY) to Rs.1,127,288 million in the Current Financial Year (CFY). Maximum YoY increase occurred in Low Cost Housing followed by Peoples' Works Programme I and Social Security & Welfare. Law & Order, Health and Population Planning have performed equally well, registering an increase above 30 percent over the PFY (Table 3.1).

Table 3.1 PRSP Budgetary Expenditures and Percentage Change Between FY 2008/09 and FY 2009/10					
Sector	Expenditures (In millions)		Percentage change	%age distribution of sub-sectors in broad categories	
	FY 2008-09	FY 2009-10		2008/09	2009/10
Market Access and Community Services	121,817	123,915	1.72	12.47	10.99
Roads, Highways, & Bridges	99,613	98,456	-1.16	81.77	79.45
Environment/ Water Supply & Sanitation	22,204	25,459	14.66	18.23	20.55
Human Development	329,437	377,508	14.59	33.71	33.49
Education	240,378	259,298	7.87	72.97	68.69
Health	83,714	111,162	32.79	25.41	29.45
Population Planning	5,345	7,048	31.86	1.62	1.87
Rural Development	139,341	167,367	20.11	14.26	14.85
Agriculture	88,912	104,815	17.89	63.81	62.63
Land Reclamation	2,738	1,990	-27.32	1.96	1.19
Rural Development	16,362	20,391	24.62	11.74	12.18
People's Works Programme-I	3,329	8,417	152.84	2.39	5.03
People's Works Programme-II	28,000	31,754	13.41	20.09	18.97
Safety Nets	272,782	303,863	11.39	27.91	26.96
Subsidies	220,567	234,926	6.51	80.86	77.31
Food Support Programme	12,420	0	-100	4.55	0
Social Security & Welfare	29,129	54,561	87.31	10.68	17.96
Natural Calamities & Other Disasters	10,083	12,548	24.45	3.7	4.13
Low Cost Housing	583	1,828	213.55	0.21	0.6
Governance	113,851	154,635	35.82	11.65	13.72
Justice Admin	9,193	10,996	19.61	8.07	7.11
Law and Order	104,658	143,639	37.25	91.93	92.89

GRAND TOTAL	977,228	1,127,288	15.36	100	100
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Source: Civil Accounts provided by Accountant General's office

3.2 Roads, Highways & Bridges, Land Reclamation and Food Support Programme are the only sectors with declining trends in expenditure; 1.16 percent, 27.32 percent and 100 percent respectively. Food Support Programme shows nil expenditure for the CFY as food component of Pakistan Bait-ul-Mal has been consolidated into Benazir Income Support Programme and nil expenditure is reported in Punjab Food Support Programme.

3.3 Examining five broad PRSP categories, maximum YoY increase is witnessed in 'Governance' i.e. 35.82 percent followed by Rural Development i.e. 20.11 percent. Least YoY increase is observed in Market Access & Community Services i.e. 1.72 percent, the lower overall increase in this category is owing to declining trends in Roads, Highways & Bridges over the two years under discussion.

3.4 In Human Development, Education appears with the lowest percentage increase in expenditure over the two years under examination i.e. 7.82 percent as compared to robust growth trends in remaining two sectors constituting Human Development i.e. Health and Population Planning. Overall Human Development amounts to 33.49 percent of aggregate PRSP expenditures in CFY as compared to 33.71 percent in PFY, which is 0.22 percent points decrease over the two years. Within Human Development, share of Education has gone down by 4.28 percent points in CFY whereas Health and Population Planning have gained 4.04 and .25 percent points in their respective contribution to the expenditure pertaining to Human Development.

3.4 'Governance' appears with the highest increase in expenditure over the two years under comparison due to the rigid, security related outlays in Law & Order. Pakistan is dealing with the internal conflicts in the northern parts which are affecting the overall security situation in rest of the country. Expenditure incurred in Law & Order reflects these security related compulsions. The share of Governance to the aggregate PRSP expenditure has also risen from 11.65 percent in PFY to 13.72 in CFY, recording an increase of 2.07 percent points over the two years.

3.5 'Rural Development' depicts a growing trend of 20.11 percent YoY basis, with four sub sectors in this category witnessing highly positive trends. Within this category, Agriculture holds predominated share of 62.63 percent in CFY, though slightly declined i.e. 1.18 percent points over the two years under comparison. Maximum YoY increase within 'Rural Development' is witnessed in Peoples' Works Programme I. Sub sector Rural Development also shows a healthy growth of 24.62 percent over the two years.

3.5 Within 'Safety Nets' Low Cost Housing experiences maximum YoY increase followed by Social Security & Welfare. Subsidies witnesses moderate growth of 6.51 percent over the PFY indicating the continuing shift from indirect subsidies to direct cash assistance to the poor and needy through a well defined targeted mechanism used in the flagship programme of Government i.e. Benazir Income Support Programme. The changes in the respective shares of constituent subsectors of 'Safety Nets' embodies the similar policy shifts; there has been a substantial increase in the contribution of Social Security & Welfare to expenditure recorded in the category 'Safety Nets' vis-à-vis the share of Subsidies.

3.1.1 Effect of Subsidies

3.6 Quantum of subsidies provided each year is gradually declining, in line with the government policy of phasing out subsidies replacing them with direct cash transfer programmes. Expenditure with subsidies in FY 2008/09 over FY 2007/08 appears negative (Table 3.2) while without subsidies, PRSP expenditure depicts a significantly positive change of 17.54 percent. However in CFY, the gap between the PRSP expenditures with or without subsidies narrows down substantially; 15.34 percent versus 17.93 percent respectively. Additionally, FY 2008/09 was a particularly difficult year marked by fuel and food crisis necessitating greater amount of subsidies along with initiation of Benazir Income Support Programme. Economic conditions moderated in FY 2009/10 facilitating the implementation of policy paradigm shift.

Table 3.2: Effect of subsidies on aggregate expenditure change between FY 2008/09 and 2009/10					(Rs. Millions)
Sector	FY 2007/08	FY 2008/09	FY 2009/10	Percentage Change 2007/08 & 2008/09	Percentage Change 2008/09 & 2009/10
Total expenditure with subsidies	1,042,260	977,228	1,127,288	-6.24	15.36
Total expenditure without subsidies	643,743	756,661	892,362	17.54	17.93

Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.1.2 Proportional Contribution of Sub Sectoral Expenditures

Table 3.3: Comparison of proportional contribution of PRSP sectors in budgetary expenditures between FY 2008/09 and 2009/10				(Rs. Millions)
Sector	FY 2008/09		FY 2009/10	
	Total Expenditure	Percent of the total expenditure (%)	Total Expenditure	Percent of the total expenditure (%)
Roads, Highways, & Bridges	99,613	10.19	98,456	8.73
Water Supply & Sanitation	22,204	2.27	25,459	2.26
Education	240,378	24.60	259,298	23.00
Health	83,714	8.57	111,162	9.86
Population Planning	5,345	0.55	7,048	0.63
Social Security & Welfare	29,129	2.98	54,561	4.84
Natural Calamities & Other Disasters	10,083	1.03	12,548	1.11
Agriculture	88,912	9.10	104,815	9.30
Land Reclamation	2,738	0.28	1,990	0.18
Rural Development	16,362	1.67	20,391	1.81
Law and Order	104,658	10.71	143,639	12.74
Low Cost Housing	583	0.06	1,828	0.16
Justice Admin	9,193	0.94	10,996	0.98
Subsidies	220,567	22.57	234,926	20.84
Food Support Programme	12,420	1.27	0	0.00
People's Works Programme-I	3,329	0.34	8,417	0.75
People's Works Programme-II	28,000	2.87	31,754	2.82
GRAND TOTAL	977,228	100.00	1,127,288	100.00

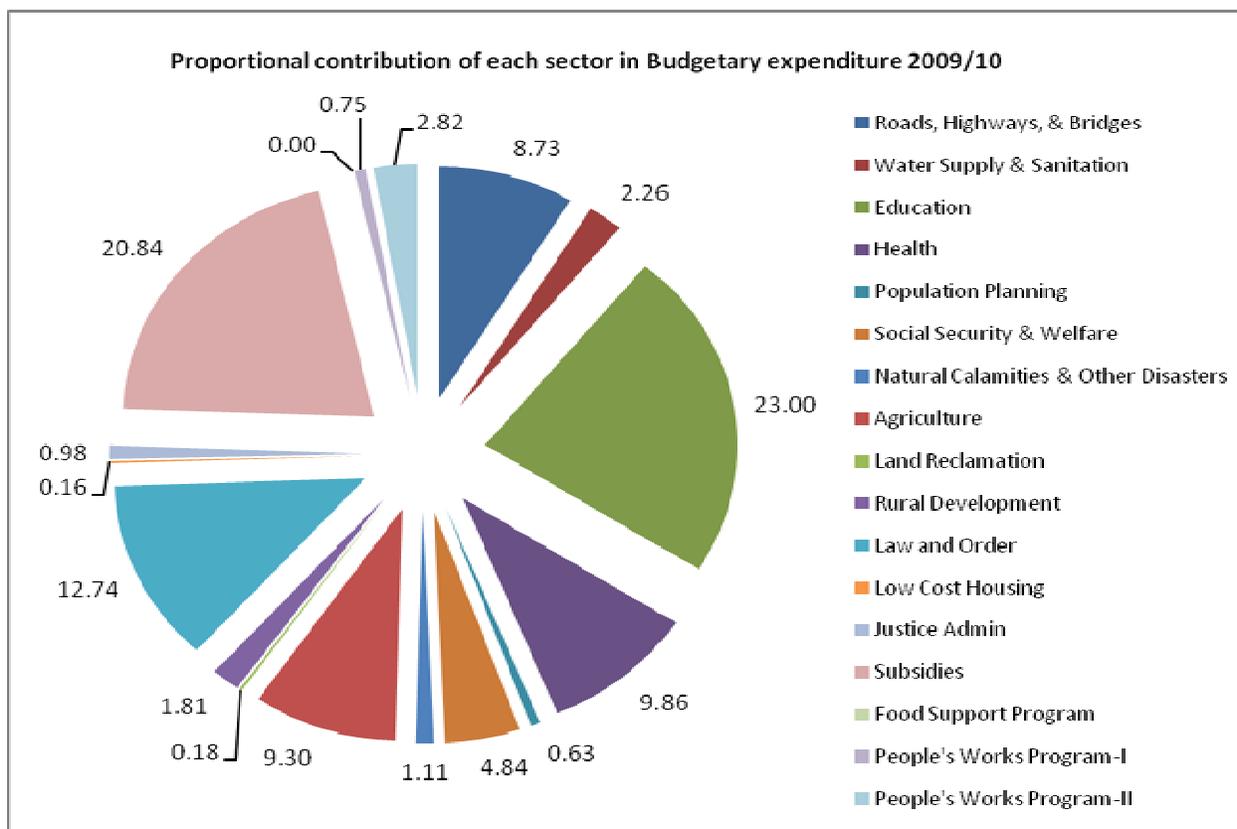
Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.7 Contribution of PRSP sectors to aggregate expenditures in FY 2009/10 is consistent with the pattern observed in FY 2008/09. Education holds the maximum share of PRSP expenditure followed by Subsidies (Table 3.3). Nonetheless, a slight decrease is noticeable in contribution of Education to pro-poor spending in FY 2009/10 compared to FY 2008/09 vis-à-vis share of Health which has increased from 8.57 percent in PFY to 9.86 percent in CFY.

3.8 Law & Order appears as the third largest sector contributing to PRSP expenditures in the two years under discussion. An increase of 2.03 percent point in the share of Law & Order is witnessed during CFY over PFY. Roads, Highways& Bridges holds a significant 8.73 percent of overall pro-poor expenditures in FY 2009/10, though lower than 10.19 percent in FY 2008/09. A moderate increase in the share of Social Security & Welfare is observed during FY 2009/10 over FY 2008/09 i.e. from 2.98 percent to 4.84 percent respectively. There is a marginal change in the contribution of Agriculture by 0.20 percent points between the two years under comparison.

3.9 In the remaining sectors, the trend and magnitude has remained nearly constant between CFY and PFY with negligible increase/decrease in their contribution towards PRSP expenditures.

Figure 3.1 Proportional Contribution of each Sector in Budgetary Expenditures 2009/10



Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.1.3 Budgetary Expenditure by Province and Sector

3.10 A wide provincial variation is witnessed in all PRSP expenditures, reflecting the absence of any uniform pattern at the provincial level. All the provinces have incurred pro-poor spending in line with their respective divergent priorities. The only consistent trend emerging relates to positive expenditures in Education, Health and Population Planning (Table 3.4) in all the provinces. However among the increasing trends in these three sectors, variations are noticeable with the least YoY increase in Education witnessed in Punjab while the most in Balochistan. In Health and Population Planning, the highest percentage increase is observed in Sindh and Balochistan.

Table 3.4: Percentage change in PRSP expenditures between FY 2008/09 and 2009/10 by sector and province						(Rs. Millions)
Sector	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
Roads, Highways, & Bridges	-23.34	-2.28	-12.45	16.05	66.46	-1.16
Water Supply & Sanitation	125.00	7.58	15.34	17.87	38.91	14.66
Education	4.58	2.99	8.35	21.53	25.85	7.87
Health	124.93	6.55	16.42	3.12	25.71	32.79
Population Planning	42.00	14.27	33.43	18.06	47.77	31.86
Social Security & Welfare	120.19	-3.31	56.76	7.31	-4.25	87.31
Natural Calamities & Other Disasters	-15.55	-12.25	880.12	311.74	-98.07	24.45
Agriculture	10.17	12.63	29.35	19.48	37.67	17.89
Land Reclamation		0.00	-29.24			-27.32
Rural Development	22.07	16.89	25.77	57.21	-17.54	24.62
Law and Order	53.54	24.60	16.76	114.81	-5.88	37.25
Low Cost Housing		33.45	35,033.33			213.55
Justice Admin	27.21	9.58	26.33	36.76	21.07	19.61
Subsidies**	8.33	-75.40	261.41	-71.31		6.51
Food Support Programme	-100.00	-100.00				-100.00
People's Works Programme-I	152.84					152.84
People's Works Programme-II	13.41					13.41
GRAND TOTAL	21.48	2.54	15.68	28.95	21.14	15.36

Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.11 At provincial level, there is a uniform YoY increase in the expenditure incurred in Agriculture. Similarly, Rural Development experiences increasing trend in all but one province i.e. Balochistan. Substantial growth is witnessed in Justice Admin and Law & Order except in Balochistan showing downward trend for Law & Order. Maximum percentage increase is noticed in KPK for both these sectors, attributed to the security related outlays to combat militancy in the province. Extraordinary increase is also witnessed for Natural Calamities & Disasters in KPK which is explained by the identical factors as the expenditure incurred on rehabilitation of internally displaced people contributes to the abnormally high percentage increase in this sector.

3.12 At Federal level, highest YoY increase is observed in three sectors i.e. Water Supply, Sanitation/Environment, Health and Social Security & Welfare. Agriculture and Rural Development at federal level also record impressive growth like the provincial trends. In Land Reclamation, at the provincial and federal level, either nil or declining trend is visible indicating the lowest priority accorded to this sector.

3.2 Budget Allocations for FY 2009/10

3.2.1 Sectoral Shares in total PRSP Budgetary Allocations

3.13 Overall budget allocated for pro-poor sectors during FY 2009/10 stood at Rs. 1,183,771 million, higher than the budget for FY 2008/09 i.e. Rs. 1,097,628 million showing a YoY increase of 7.84 percent. Shares of different sectors in total budgetary allocations for FY 2009/10 (Table 3.5) depict Education holding the maximum share followed by Subsidies, Roads, Highways& Bridges and Agriculture. Combined these four sectors account for 61.2 percent of the total PRSP budgetary allocation for FY 2009/10.

3.14 Education, though contributes the maximum during FY 2009/10 but its share has decreased slightly over the two years i.e. .82 percent points. A substantial reduction in the share of Subsidies in total PRSP budgetary allocations between the two years under examination is witnessed, amounting to 14.47 percent point. Share of Agriculture to PRSP budgetary allocations decreased over the two years under discussion i.e. .89 percent points.

3.15 Share of Roads Highways & Bridges increased from 7.02 percent during FY 2008/09 to 11.41 percent during CFY. Health also gained in the proportional contribution to PRSP budgetary allocation, from 7.05 percent in FY 2008/09 to 9.36 percent in FY 2009/10. Social Security & Welfare holds 7.44 percent during FY 2009/10, which is 2.24 percent points higher than the PFY. Major chunk of budget for Social Security & Welfare is contributed by Benazir Income Support Programme i.e. nearly 80 percent of the budget for this sector.

Table 3.5: Percentage Sectoral PRSP Budgetary Allocation for FY 2008/09 and 2009/10				(Rs. Millions)
Sector	Budget FY 2008/09	%age Share by sector	Budget FY 2009/10	%age Share by sector
Roads, Highways, & Bridges	77,075	7.02	135,072	11.41
Water Supply & Sanitation	14,808	1.35	25,873	2.19
Education	275,601	25.11	287,593	24.29
Health	77,375	7.05	110,773	9.36
Population Planning	6,851	0.62	12,992	1.10
Social Security & Welfare	53,117	4.84	88,116	7.44
Natural Calamities & Other Disasters	4,369	0.40	11,110	0.94
Agriculture	138,011	12.57	140,738	11.89
Land Reclamation	3,606	0.33	3,795	0.32
Rural Development	16,033	1.46	27,870	2.35
Law and Order	64,826	5.91	125,337	10.59
Low Cost Housing	1,827	0.17	4,747	0.40
Justice Admin	8,510	0.78	13,648	1.15
Subsidies	308,199	28.08	161,106	13.61
Food Support Programme	19,000	1.73	0	0.00
People's Works Programme-I	4,420	0.40	5,000	0.42
People's Works Programme-II	24,000	2.19	30,000	2.53
GRAND TOTAL	1,097,628	100.00	1,183,771	100.00

Source: PIFRA Online Accounts

3.2.2 Deviations of PRSP Expenditure out-turn compared to original Approved Budgetary Allocations

3.16 Deviations of actual PRSP expenditures from original Budgetary allocations referring to the difference between actual expenditure and original budgets expressed as a percentage of original budgets (Table 3.6) show significant variances between the budgeted and actual expenditures of respective sectors. At the aggregate level, PRSP expenditures deviated downward by 4.77 percent as compared to original budgetary allocations indicating the underutilization of budgetary allocations. A higher degree of sectoral variance is observed; seven sectors appearing with downward deviations whereas five sectors show the upward deviations indicating excess expenditure relative to budgetary allocations.

Table 3.6: Deviations of budgeted and Actual PRSP Expenditures FY 2009/10			(Rs. Millions)
Sectors	Budgeted	Actual	Deviation (%age)
Roads, Highways, & Bridges	135,072	98,456	-27.11
Environment / Water Supply & Sanitation	25,873	25,459	-1.60
Education	287,593	259,298	-9.84
Health	110,773	111,162	0.35
Population Planning	12,992	7,048	-45.75
Social Security & Social Welfare	88,116	54,561	-38.08
Natural Calamities & Other Disasters	11,110	12,548	12.94
Agriculture	140,738	104,815	-25.52
Land Reclamation	3,795	1,990	-47.56
Rural Development	27,870	20,391	-26.84
Law and Order	125,337	143,639	14.60
Low Cost Housing	4,747	1,828	-61.49
Justice Admn	13,648	10,996	-19.43
Subsidies	161,106	234,926	45.82
Food Support Programme	0	0	0.00
People's Works Programme-I	5,000	8,417	68.34
People's Works Programme-II	30,000	31,754	5.85
GRAND TOTAL	1,183,771	1,127,288	-4.77

Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.17 Abnormal excess spending is observed in Peoples' Works Programme I (PWP I) and Subsidies showing upward deviations to the extent of 68.34 percent and 45.82 percent respectively. Actual spending in Subsidies has mainly increased due to Power tariff differential. The original budget of Rs. 10 billion was approved for Power tariff differential which was later revised to Rs. 77 billion (Source. Budget Wing, Ministry of Finance.)

3.18 Excess spending in Natural Calamities & Disasters and Law & Order reflected in upward deviations is attributed to the overall security situation in the country compelling higher than budgeted expenditure outlays to maintain security as well as relief and rehabilitation efforts launched for Internally displaced people (IDPs) and the victims of security related incidents.

3.19 Alarmingly nine sectors have recorded underutilization of budgetary allocations. Only Environment, Water Supply & Sanitation and Health shows minimal downward or upward deviations. Maximum under utilization is observed in Low Cost Housing and Land Reclamation reflected through downward deviations of 61.49 percent

and 47.56 percent respectively. Education appears with a significant underutilization of budgetary allocations i.e. 9.84 percent downward deviation.

3.2.3 Deviations of actual Current and Development Expenditures from Original Budget Estimates

3.20 Sector specific percentage deviations of Development and Current expenditures relative to approved budgetary estimates (Table 3.7) shows a greater variance on Development side depicting downward deviation i.e. 25.17 relative to the category of Current expenditure which witnessed an upward deviation of 7.98 percent. Significant underutilization of Development budget may be explained by a sizeable reduction in the size of PSDP due to financial constraints.

Table 3.7: Deviations of Budgeted and Actual, Current and Development PRSP expenditures FY 2009/10						(Rs. Millions)
Sector	Development			Current		
	Budget	Actual	Deviation (%age)	Budget	Actual	Deviation (%age)
Roads, Highways, & Bridges	119,481	85,963	-28.05	15,591	12,493	-19.87
Environment / Water Supply & Sanitation	17,364	18,039	3.89	8,509	7,420	-12.80
Education	70,911	39,365	-44.49	216,682	219,933	1.50
Health	37,860	42,971	13.50	72,913	68,191	-6.48
Population Planning	12,690	6,802	-46.40	302	246	-18.42
Social Security & Social Welfare	15,501	17,438	12.50	72,615	37,123	-48.88
Natural Calamities & Other Disasters	2,896	2,693	-6.99	8,215	9,855	19.97
Agriculture	96,020	58,384	-39.20	44,718	46,431	3.83
Land Reclamation	25	0	-100.00	3,770	1,990	-47.21
Rural Development	27,008	19,591	-27.46	862	800	-7.22
Law and Order	4,110	1,756	-57.27	121,228	141,883	17.04
Low Cost Housing	2,511	675	-73.11	2,236	1,153	-48.43
Justice Admin	1,878	945	-49.67	11,771	10,051	-14.61
Subsidies	12,000	5,856	-51.20	149,106	229,070	53.63
Food Support Programme	0.00	0.00	0.00	0.00	0.00	0.00
People's Works Programme-I	5,000	8,417	68.34	0.00	0.00	0.00
People's Works Programme-II	30,000	31,754	5.84	0.00	0.00	0.00
GRAND TOTAL	455,254	340,649	-25.17	728,516	786,639	7.98

Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.21 Substantial underutilization in excess of 10.00 percent downward deviation is witnessed on the Development side in all but four sectors i.e. Environment, Water Supply & Sanitation, Health, Social Security & Welfare and PWP II. Natural Calamities

& Disasters appears with the minimum downward deviation of 6.99 percent. Law & Order, Subsidies register a negative deviation in excess of fifty percent indicating underutilization of approved Development budgetary allocations.

3.22 On the Current side, five sectors have experienced overutilization of budgetary allocations, the maximum upward deviation is observed in Subsidies i.e 53.63 percent. Substantial downward deviations in excess of 10.00 percent except in Health, are witnessed in the remaining nine sectors. Education and Agriculture are the only sectors with nominal upward deviations of Current expenditures as compared to budgetary allocations.

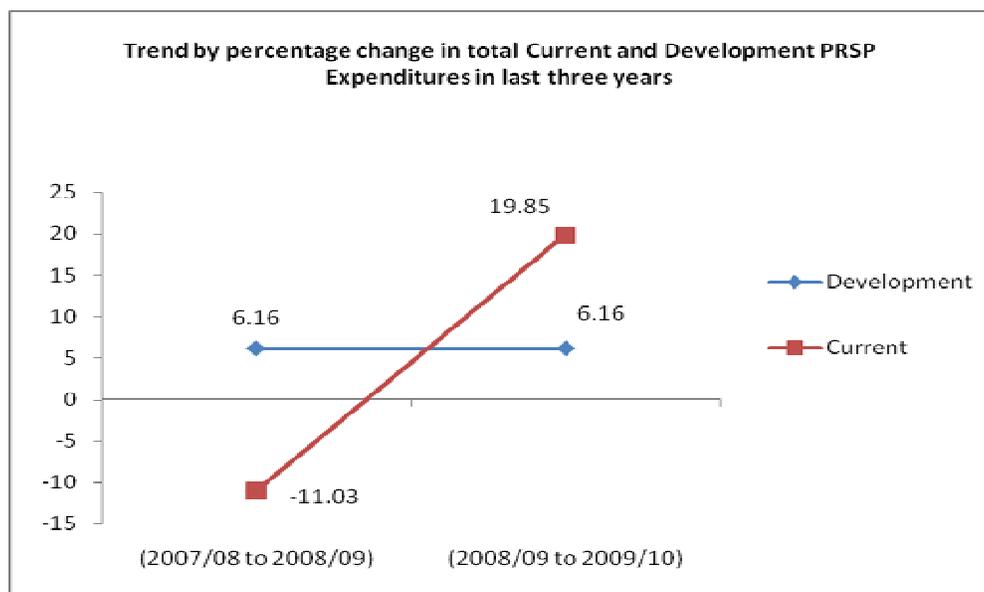
3.3 Current and Development Expenditures

3.23 Comparison of Current and Development expenditure (Table 3.8) illustrates an uptrend in both the categories of expenditure. Current expenditure rose by 19.85 percent while Development expenditure increased by 6.16 percent over the two years under comparison.

Table 3.8 : Total Current and Development PRSP Expenditures			(Rs. Millions)
Fiscal Year	Current	Development	Total
FY 2008/09	656,356	320,872	977,228
FY 2009/10	786,639	340,649	1,127,288
Percentage change	19.85	6.16	15.36

Source: Civil Accounts provided by Accountant General's office

Figure 3.2 -Trend by percentage change in total Current and Development PRSP Expenditures over the last two years, FY 2008/09 and FY 2009/10



Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.24 The trends during CFY shows an improvement over the PFY wherein Current expenditure registered significant growth i.e. 19.85 percent compared to the negative percentage change observed in FY 2008/09 over FY 2007/08 i.e. 11.3 percent Development expenditure shows stagnant trend, reflected in a constant increase of 6.16 percent, from FY 2007/08 to FY 2008/09 and from FY 2008/09 to FY 2009/10. Both categories of expenditure witnessed substantial increases during FY 2009/10.

	Table 3.9 : Development budget allocations between FY2007-08 & FY2008-09			
	2009-10	2008-09	(2009-10) Revised	2009/10 Actual
	(Rs. billion)	(Rs. billion)	(Rs. Billion)	(Rs. Billion)
Federal	446	400	250	294
Provincial	200	150	200	224
TOTAL	646	550	450	518

Source: Budget Wing, Ministry of Finance

3.25 In the Current Financial Year, original Development budget has been revised downward (Table 3.9). Size of PSDP stood at Rs. 646 billion for FY 2009/10 compared to Rs. 550 billion for PFY. Federal allocations amounted to Rs. 446 billion visa-a-via Rs. 200 billion for the provinces. However like the PFY, Development budget in CFY has been drastically reduced with the figure for revised budget amounting to Rs. 250 billion for the Federal reflecting a reduction of 30.34 percent of the approved budget. Actual Development spending is higher than the revised figure; Federal Development expenditure stood at Rs. 294 billion whereas provincial spending amounted to at Rs. 224 million. (Source-Budget Wing, Finance Ministry)

Table 3.10 : Percentage change in Current and Development expenditures by province						(Rs. Millions)
	FY 2008/09		FY 2009/10		Percentage change 2009/10	
	Current	Development	Current	Development	Current	Development
Federal	283,559	114,550	362,026	121,611	27.67	6.16
Punjab	202,247	100,188	219,403	90,707	8.48	-9.46
Sindh	86,629	64,165	104,023	70,414	20.08	9.74
KPK	56,552	27,999	70,812	38,216	25.22	36.49
Balochistan	27,369	13,970	30,375	19,701	10.98	41.02
Pakistan	656,356	320,872	786,639	340,649	19.85	6.16

Source: Civil Accounts Provided by Accountant General's Office

3.26 Percentage change in Current and Development expenditure by province (Table 3.10) presents a mixed picture; Punjab, Sindh and KPK witnessing higher trends in Current expenditure as compared to Balochistan which registers much higher percentage change in Development expenditure. At the Federal level, increase in Current expenditure exceeded that of Development expenditure i.e. 27.67 percent and 6.16 percent respectively. Punjab experiences the least increase in Current expenditure as compared to remaining provinces whereas its Development expenditure exhibits a negative YoY trend. KPK and Balochistan register a significant uptrend in Development expenditure relative to the trend observed in remaining provinces reflecting the higher focus on development activity in these provinces.

3.27 Sectoral rates of change in Current and Development expenditure (Table 3.11) shows declining trends in Development expenditure of only Subsidies, Roads, Highways & Bridges and Education. Remaining sectors witness highly encouraging trends in Development expenditure with the maximum YoY increase recorded in Low Cost Housing and Justice Admin. On Current expenditure, all but three sectors have witnessed YoY growth i.e. Roads, Highways & Bridges, Land Reclamation and Rural

Development. Maximum percentage increase is seen in Social Security & Welfare and Low Cost Housing as these sectors experience increased spending in both the categories of expenditure.

Table 3.11: Percentage change in Current and Development expenditure by sectors between FY 2008/09 and FY 209/10			(Rs. In Millions)
Sector	Percentage change		
	Current	Development	Total
Roads, Highways, & Bridges	-8.31	-0.03	-1.16
Environment / Water Supply & Sanitation	6.53	18.37	14.66
Education	11.23	-7.71	7.87
Health	19.09	62.42	32.79
Population Planning	6.49	33.01	31.86
Social Security & Social Welfare	105.76	57.28	87.31
Natural Calamities & Other Disasters	26.69	16.88	24.45
Agriculture	21.45	15.20	17.89
Land Reclamation	-27.32		-27.32
Rural Development	-29.02	28.59	24.62
Law and Order	37.37	28.08	37.25
Low Cost Housing	109.26	2,009.38	213.55
Justice Admn	13.81	161.05	19.61
Subsidies	14.55	-71.57	6.51
Food Support Programme		-100.00	-100.00
People's Works Programme-I		152.84	152.84
People's Works Programme-II		13.41	13.41
GRAND TOTAL	19.85	6.16	15.36

Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.4 PRSP Expenditures in Sub Sectors of Education and Health

3.4.1 PRSP Expenditures in sub sector of Education

3.28 Spending in Education sector recorded a healthy YoY growth of 7.87 percent with positive trends observed in all the sub sectors except General Universities, Colleges & Institutes. Teacher & Vocational Training and Professional & Technical Universities & Colleges experience the greatest percentage increases over the two years under comparison.

3.29 At the provincial level, Balochistan and KPK witness highest YoY increases as compared to remaining two provinces. Among the provinces, there is no uniform pattern

in expenditure trends at sub sectoral levels except the highest YoY growth observed in 'Others'. In Balochistan and KPK, A substantial increase is noticeable in all the sub sectors of Education.

Table 3.12 Percentage change in PRSP Education expenditures between FY 2008/09 and FY 2009/10 by province and sector of education						(Rs. In Millions)
Education sub-sector	Percentage Change					
	Federal	Punjab	Sindh	KPK	Balochistan	Total
Primary Education	21.79	12.31	-2.19	19.14	21.53	10.45
Secondary Education	16.66	7.15	-3.38	24.75	9.71	9.23
General Universities, Colleges, & Institutes	-8.61	11.82	-6.60	17.22	15.44	-2.62
Professional & Technical Universities, Colleges & Institutes	34.89	7.09	9.96	18.66	29.49	21.84
Teacher & Vocational Training	-4.29	65.22	-34.04		23.12	51.61
Others	34.15	-25.26	89.28	24.77	70.14	4.73
GRAND TOTAL	4.58	2.99	8.35	21.53	25.85	7.87

Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.30 Proportional contribution of sub sectors of Education to the aggregate expenditure (Table 3.13) in Education reflects maximum share held by Primary Education followed by Secondary Education while Teacher & Vocational Training contributes the least to overall spending on Education. In both the financial years under discussion, expenditure patterns at sub sectoral level broadly conform to the same trends with the highest contribution by Primary and Secondary Education and 'Others.'

3.31 At the Federal level, the picture alters as General Universities; Colleges & Institutes contribute the maximum to the aggregate Education spending followed by Professional & Technical Universities while Primary Education holds the fourth largest share of overall spending.

Table 3.13 : Percentage distribution of education expenditures in FY 2008/09 and FY 2009/10 by province and sector of education						(Rs. In Millions)
Education sub-sector	FY 2009-10					
	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
Primary Education	7.22	41.04	36.75	37.26	33.70	33.18
Secondary Education	9.50	25.19	26.08	39.90	27.58	24.99
General Universities, Colleges, & Institutes	55.86	8.92	10.32	7.78	8.84	17.43
Professional & Technical Universities, Colleges & Institutes	13.94	1.85	5.34	7.67	5.08	5.79
Teacher & Vocational Training	0.14	4.69	0.47	0.00	1.92	2.15
Others	13.33	18.31	21.04	7.39	22.88	16.47
Total	100.00	100.00	100.00	100.00	100.00	100.00
Education sub-sector	FY 2008-09					
	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
Primary Education	6.20	37.64	40.71	38.01	34.90	32.40
Secondary Education	8.52	24.21	29.24	38.88	31.64	24.68
General Universities, Colleges, & Institutes	63.92	8.21	11.97	8.06	9.63	19.30
Professional & Technical Universities, Colleges & Institutes	10.81	1.78	5.26	7.85	4.94	5.13
Teacher & Vocational Training	0.16	2.93	0.77	0.00	1.96	1.53
Others	10.39	25.23	12.05	7.20	16.93	16.96
Total	100.00	100.00	100.00	100.00	100.00	100.00

Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.4.2 PRSP Expenditures in sub sectors of Health

3.32 Aggregate expenditure in Health witnessed a substantial YoY increase of 32.79 percent with highest increase in 'Others' followed by Mother & Child Health. At provincial level, Health Facilities & Preventive Measures experience the highest growth in all but one province i.e. Punjab wherein Mother & Child Health register the highest YoY increase (Table 3.14).

Table 3.14 : Percentage change in PRSP Health expenditures between FY 2008/09 and FY 2009/10 by province and health sector						(Rs. In Millions)
Health sub-sector	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
General Hospitals & Clinics	34.95	2.76	6.33	14.55	16.19	8.49
Mother & Child Health	75.00	113.73	0.00	0.00	-9.84	70.45
Health Facilities & Preventive Measures	40.76	37.76	153.33	33.85	50.86	48.18
Others	2807.84	27.62	48.42	-61.11	28.64	174.54
Total Percentage Change	124.93	6.55	16.42	3.12	25.71	32.79

Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.33 Proportionate shares of sub sectors of Health show General Hospitals & Clinics to be the highest contributors to the aggregate Health spending at Pakistan level over the two years under comparison (Table 3.15). However in FY 2009/10 'Others' hold the second largest share while in FY 2008/09, 'Health Facilities & Preventive Measures' is the second largest contributor to the aggregate Health expenditure.

3.34 At provincial level, somewhat identical trend is witnessed with 'General Hospitals & Clinics' holding the largest share whereas there is no consistent pattern in other sub sectors. During FY 2009/10, at Federal level, maximum contribution is attributed to 'Others' followed by Health Facilities & Preventive measures and General Hospitals & Clinics. However in FY 2008/09, Health Facilities & Preventive Measures holds the largest share while the second largest share is held by General Hospitals & Clinics.

Table 3.15 : Percentage distribution of Health expenditures between FY 2008/09 and 2009/10 by province and health sector						(Rs. In Millions)
FY 2009-10						
Health sub-sector	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
General Hospitals & Clinics	19.88	83.53	80.05	87.08	42.52	60.03
Mother & Child Health	0.02	0.87	0.01	0.27	1.32	0.38
Health Facilities & Preventive Measures	39.88	1.05	10.11	6.49	18.94	17.17
Others	40.22	14.54	9.82	6.16	37.22	22.42
Total	100.00	100.00	100.00	100.00	100.00	100.00
FY 2008-09						
Health sub-sector	Federal	Punjab	Sindh	KPK	Balochistan	Pakistan
General Hospitals & Clinics	33.14	86.61	87.65	78.39	46.00	73.47
Mother & Child Health	0.02	0.44	0.00	0.28	1.85	0.30
Health Facilities & Preventive Measures	63.72	0.82	4.65	5.00	15.78	15.39
Others	3.11	12.14	7.70	16.33	36.37	10.84
Total	100.00	100.00	100.00	100.00	100.00	100.00

Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.5 Actual PRSP budgetary expenditures for FY 2009/10 relative to PRSP II Projections:

3.35 The comparison of actual PRSP budgetary expenditures as a percent of GDP with the projections made in PRSP II for FY 2009/10 (Table 3.16) depict that aggregate PRSP expenditures as a percent of GDP exceeded the target set in PRSP II i.e 8.14 percent of GDP, higher than PRSP II projections by 2.13 percent points. Expenditures in Current and Development categories also surpassed the respective PRSP projections. Current expenditure as a percent of GDP at 5.68 percent is higher than 4.12 percent target determined in PRSP II while Development expenditure stood at 2.46 percent of GDP, greater than the PRSP II projection of 1.90 percent.

Table 3.16 Actual PRSP Budgetary Expenditures FY 2009/10 Relative to Projection in PRSP-II		
PRSP Expenditures		
	Actual	Projected In PRSP-II
Development	2.46	1.90
Current	5.68	4.12
Total	8.14	6.01
Market Access and Community Services		
Roads, Highways, & Bridges	0.71	0.41
Environment/ Water Supply & Sanitation	0.18	0.08
Human Development		
Education	1.87	1.82
Health	0.80	0.43
Population Planning	0.05	0.03
Rural Development		
Agriculture	0.76	0.77
Land Reclamation	0.01	0.02
Rural Development	0.15	0.08
People's Works Programme-I	0.06	0.02
People's Works Programme-II	0.23	0.11
Safety Nets		
Subsidies	1.70	1.25
Food Support Programme	0.00	0.08
Social Security & Welfare	0.39	0.51
Natural Calamities & Other Disasters	0.09	0.02
Low Cost Housing	0.01	0.01

Governance		
Justice Admin	0.08	0.05
Law and Order	1.04	0.31

Source: Strengthening PRS Monitoring, Finance Division, Islamabad

3.36 In all the constituent sectors, actual expenditures as a percent of GDP have exceeded PRSP II targets except Land Reclamation and Social Security & Welfare. In Law & Order the ratio of actual expenditure to GDP shows the maximum increase than the PRSP II projection, by .73 percent points.

3.37 In Education and Health, ratio of actual expenditures to GDP remained above the PRSP II projections but not by a wide margin. Actual expenditure in Education stood at 1.87 percent of GDP against the projection of 1.82 percent for FY 2009/10. Although, expenditure in Education as a percent of GDP is above target by .05 percent but needs a lot more improvement. Health sector fared better than Education in its ratio of actual expenditure to GDP which is .37 percent higher than PRSP target of .43 percent of GDP.

4. Protecting the Poor and Vulnerable

4.1 The Government of Pakistan (GOP) recognizes that social protection and provision of social safety nets have a major role to play in promoting pro-poor growth and tackling exclusion and inequality. Recognizing the urgent need to protect the poor and the vulnerable, the GOP has undertaken some new initiatives as well as strengthened earlier ones in this regard. Pakistan has a fairly elaborate network of direct and indirect social protection mechanisms. Direct provisions include employment based guarantees (such as Employees' Old Age Benefit Institution (EOBI), Workers Welfare Fund (WWF)) direct transfers (Zakat³, Pakistan Bait-ul-Mal⁴ (PBM), Benazir Income Support Programme (BISP), Punjab Sasti Roti (cheap bread) Programme) and market based interventions (Microfinance). Expenses on PBM, BISP and PSRP have been included in the budgetary part of pro-poor expenditures. The performance of these social safety nets and other programs covering period July 01, 2009 to June 31, 2010 have been compared with the same periods of last year in this section.

4.2 Disbursements and number of beneficiaries in all programmes including micro credit are given in Table 4.1. Total transfers through all programs showed a net increase of 69 percent in terms of grants and 39 percent in terms of beneficiaries during FY 2009/10 compared in the same period previous fiscal year. During FY 2009/10, 78 percent i.e. Rs. 42.26 billion of the grants were of the budgetary mode and 22 percent i.e. Rs. 11.74 billion were of the non budgetary mode against 66 percent and 44 percent respectively in the same period last year. During FY 2009/10 a large proportion of the amount, about 59 percent was disbursed through BISP; followed by 15 percent through PSRP, 12 percent through EOBI, 5 percent through Zakat, 5 percent through WWF and 4 percent through PBM. These disbursements were made to 6,070,160 beneficiaries; 39 percent more than the comparable period last year. A total of Rs. 33,775 million 15 percent more under the micro credit was disbursed in terms of Rs.1,966,457 loans during FY 2009/10 against Rs. 28,669 million and 1,939,050 loans compared to last last year.

³ Zakat is the Islamic concept of tithing and alms. It is an obligation on Muslims to pay 2.5% of their wealth to specified categories in society when their annual wealth exceeds a minimum level (nisab).

⁴ Tracked entirely (all components) under budgetary expenditure as of FY 2009/10.

Table 4.1: Direct Transfers and Beneficiaries			
Programme	Disbursement / Beneficiaries	FY 2008/09	FY 2009/10
Budgetary Transfers			
Pakistan Bait-ul-Mal (all Programmes)	Amount disbursed (Rs. millions)	3,432	2,261
	Total beneficiaries	1,158,922	2,110,355
BISP	Amount disbursed (Rs. billion)	15.8	32.0
	Total beneficiaries	17,60,000	22,90,000
Punjab Sasti Roti Program (PSRP)	Amount disbursed (Rs. billion)	1.90	8.0
	Total beneficiaries (million)	-	-
1. Sub Total: Budgetary Transfers	Amount disbursed (Rs. billion)	21.13	42.26
	Total beneficiaries	2,9189,22	4,400,355
Non – Budgetary Transfers			
Zakat	Amount disbursed (Rs. millions)	2,877	2,874
	Total beneficiaries	1,085,378	1,289,050
EOBI	Amount disbursed (Rs. millions)	5,787	6,442
	Total beneficiaries	290,000	310,352
Workers Welfare Fund (WWF)*	Amount disbursed (Rs. millions)	2,087	2,432
	Total beneficiaries	63,008	70,403
2. Sub Total: Non budgetary transfers	Amount disbursed (Rs. millions)	10,751	11,748
	Total beneficiaries	14,38,386	1,669,805
Total: 1+2	Amount disbursed (Rs. In billion)	31.88	54.01
	Total beneficiaries	4,357,308	6,070,160
Micro Finance (micro credit only)	Amount disbursed (Rs. millions)	28,669	33,775
	Total Loans	1,939,050	1,966,457

4.1 Pakistan Bait-ul-Mal (PBM)

4.3 PBM has introduced three new programmes during FY 2009/10 namely 1) Pakistan Sweet Homes (PSH) for orphanages 2) Pakistan Homes (PH) for senior citizens, and 3) Langer Program (LP) for poor and vulnerable free food. As the name implies, PSH means the children

who are living in these centers shall be nice, intelligent and well-groomed. Pakistan has very rich tradition of providing care to Orphans and children without parental support. Since signing of the Convention on the Rights of the Child in 1989, Pakistan has taken various initiatives for fulfilling its obligations. PBM Act-1991 (as amended) Clause 4 (d) speaks that the money in the Bait-ul-Mal shall be utilized to provide residential accommodation and necessary facilities to the persons specified in clause-4(a) i.e. destitute and needy widows and orphans etc. PBM, therefore, has decided to establish Orphanages at Divisional headquarter level. PBM Act 1991(Amended)-Chapter-II, Clause-3(4) says that PBM is working for provision of assistance to needy persons, either in the shape of amount or kind. Most of the patients and their attendants, who come from far flung areas for treatment in Hospitals, belong to poor families. These helpless attendants are in need of basic necessities like food etc. PBM has, therefore, decided to launch "Lungar Project" for the poor attendants of patients in 200 designated Hospitals throughout the country (at least one in a District).

4.4 A decline in PBM programme disbursements and high increase in beneficiaries were noticed during FY 2009/10 in comparison with FY 2008/09. Table 4.2 shows PBM program disbursements declined by 34 percent from Rs 3,432 million during FY 2008/09 to Rs 2.261 in FY 2009/10 registering a sharp increase in beneficiaries by 82 percent from 1,158,922 to 2,110,355 during the same period. The main reason behind this sharp decline in overall disbursement was the closure of PBM's flagship program i.e. Food Support Programme (FSP) in FY 2009/10. The FSP has been merged into the BISP. Similarly, disbursement and beneficiaries under Grant-in-Aid to NGOs under PBM fell by 38 percent and 80 percent respectively in FY 2009/10 against the last year.

4.5 A significant increase of 110 percent, 54 percent and 46 percent respectively was observed in disbursement under Individual Financial Assistance (IFA), National Centre for Rehabilitation of Child Labor (NCRCL) and Child Support Programme (CSP) and a nominal increase 30 percent in Vocational Training Centers (VTC). On the other hand, number of beneficiaries increased significantly by 259 under VTC, 172 percent under IFA, 107 percent NCRCL and 7 percent under CSP. The share of IFA in total disbursement was 72 percent in FY 2009/10 as compared to 23 percent in FY 2008/09, the highest among all, followed by NCRCL 13 percent, VTC 5 percent, CSP 2 percent, Langer Program (LP) and Pakistan Sweet Homes (PSH) 3 percent each, Grant-in-aid to NGOs 2 percent and less than 1 percent to Pakistan Homes (PH) senior citizens during FY 2009/10 against the share of 6 percent, 3 percent, 1 percent, and 0 percent respectively during FY 2008/09.

Table 4.2: Pakistan Bait-ul-Mal (PBM) Programme

Programmes	FY 2008/09		FY 2009/10	
	No. of Beneficiaries	Disbursement (Rs. Millions)	No. of Beneficiaries	Disbursement (Rs. Millions)
Food Support Programme (FSP)	754,332	2,263	-	-
Individual Financial Assistance (IFA)	18,974	775.0	51,588	1,627.07
National Centre for Rehabilitation of Child Labor (NCRCL)	181,607	194.0	376,396	299.111
Vocational Training Centers (VTC)	52,462	87.0	188,260	113.212
Institutional Rehabilitation (Grant-In-Aid to NGOs)	125,406	87.0	25,399	54.162
Child Support Programme (CSP)	26,141	26.0	27,944	37.951
Pakistan Sweet Homes (Orphanages)	0	0	1159	70.954
Pakistan Home (Senior Citizen homes)	0	0	6	0.663
Langer Program	0	0	1,439,603	58.232
Total Disbursement under all Programmes	1,158,922	3,432	2,110,355	2,261

Source: Pakistan *Bait-ul-Mal*.

4.2 Zakat

4.6 A slight decrease in Zakat disbursements and a significant increase in beneficiaries were noticed during FY 2009/10 in comparison with FY 2008/09. Table 4.3 shows that a total of Rs 2,874 million was disbursed under different programmes of Zakat as compared to Rs 2,877 million during FY 2008/09 registering a decrease of less than 1 percent. During the same period, beneficiaries increased by 19 percent from 1,085,378 to 1,289,050. Of the total Zakat disbursements, 56 percent was disbursed under Regular Zakat Programmes, 23 percent under Other Zakat Programmes and 21 percent under National Level Schemes during FY 2009/10 against the previous year's share of 51 percent, 33 percent and 16 percent, respectively.

4.7 Disbursements under Guzara allowance, Education stipends, stipends to students of deeni madrassahs, Health care, marriage assistance to unmarried women, and Eid grants have gone up by 5, 19, 13, 19, 150 and 3 percent, respectively; resulting increased number of beneficiaries by 11, 46, 45, 8, 132 and 1 percent, respectively during FY 2009/10 as compared to FY 2008/09. However, in case of Leprosy patients and permanent rehabilitation scheme of

zakat disbursements fell by 51 and 32 percent and beneficiaries went up by 119 and 35 percent during the same period. Nothing was spent under the Permanent Rehabilitation Scheme of zakat during both years nor was any amount spent under Social welfare/Rehabilitation during FY 2009/10.

Table 4.3: Comparison of Zakat Programmes

	FY 2008/09		FY 2009/10	
	Amount Utilised (Rs Million)	No. of Beneficiaries	Amount Utilised (Rs. Million)	No. of Beneficiaries
Regular Zakat Programmes				
Guzara Allowance	882	241,011	925.76	266,390
Education stipends	262	190,799	312.994	278,765
Stipends to students of Deeni Madrassahs	114	66,228	128.723	96,255
Health care	87	66,952	103.371	72,028
Social welfare / Rehabilitation	56	19,219	-	-
Marriage assistance to unmarried women	58	5,986	144.907	13,900
Sub Total	1,459	590,195	1,616	727,338
Other Zakat Programmes				
Eid Grants	77	156,076	78.93	157,883
Leprosy Patients	1	103	0.493	226
Permanent rehabilitation scheme of Zakat	-	-	-	-
Educational Stipend (tech)	868	75,237	586.1	101,898
Sub Total	946	231,416	665.523	260,007
National level Schemes				
National level health institutions	461	262,920	577.85	299,051
Model Deeni Madrassahs	11	847	14.62	2654
Subtotal	472	263,767	592.47	301,705
Grand Total	2,877	1,085,378	2,874	1,289,050

Source: Ministry of Religious Affairs, Zakat and Ushr

4.3 Employees' Old Age Benefit Institution (EOBI)

4.8 A slight increase in EOBI's programme activities was noticed during FY 2009/10 in comparison with FY 2008/09. Table 4.4 shows that a total of Rs 6,442 million was disbursed during FY 2009/10 under different programmes of EOBI as compared to Rs 5,787 million during FY 2008/09 registering an increase of 11 percent. During the same period, beneficiaries increased by 7 percent from 290,000 to 310,352. Old Age Pension, the flagship programme of EOBI distributed 65 percent of the total amount, followed by

33 percent through Survivors Pension Programme, 2 percent through Invalidity Pension Programme and less than 1 percent through Old-age Grants Programme during FY 2009/10 against the previous year's share of 65 percent, 32 percent, 3 percent and 1 percent, respectively.

4.9 Disbursement under Old Age Pension and Survivors Pension Programmes have increased by 12 and 16 percent, respectively having increased in number of beneficiaries by 6 and 9 percent respectively during FY 2009/10 as compared to FY 2008/09. However, disbursement fell by 81 and 176 percent in case of Invalidity Pension Programme and Old-Age Grants while number of beneficiaries increased by 6 percent and decreased by 7 percent respectively during the same period.

Table 4.4: Programs of Employees' Old Age Benefits Institution (EOBI)

Programs	FY 2008/09 (July 01 – June 30)		FY 2009/10 (July 01 – June 30)*	
	No. of Beneficiaries	Disbursement (Rs. Millions)	No. of Beneficiaries	Disbursement (Rs. Millions)
Old Age Pension	185,600	3,704	197,216	4,156
Invalidity Pension	4,600	174	4,893	96
Survivors Pension	97,900	1,851	106,369	2,149
Old-Age Grants	1,900	58	1,774	21
Total	290,000	5,787	310,352	6,442

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

Note* the data/information for FY 2009/10 is provisional.

4.4 Benazir income Support Programme (BISP)

4.10 The Government of Pakistan (GoP) launched the Benazir Income Support Programme (BISP) in 2008 as its main social safety net programme. This program would serve as a platform to provide cash transfers to the vulnerable identified on the basis of poverty scorecard and would be backed by an exit strategy. BISP was initiated with initial allocation of Rs.34 billion (US \$ 425 million approximately) during FY 2008/09 which is the third largest allocation in the total budget and is 0.3 percent of the GDP for FY 2008/09. The Programme was initiated to partially offset the impact of inflation on the purchasing power of the poorer sections of the society. In FY 2007/08 and onwards, a sharp rise in oil prices and primary products in the international, as well as, domestic market resulted in a double digit inflation rate, which has almost halved the purchasing power of the people. Hence, with an urgent need for direct and speedy relief to the poor sections of the society, BISP was the right response. The Programme is aimed at covering almost 15% of the entire population, which constitutes 40% of the population living below the poverty line. A monthly payment of Rs.1000 per family⁵ would increase

⁵ Husband, wife and dependent children constitute a family.

the income of a family earning Rs.5000 by 20 percent. BISP will cover all four provinces including FATA, AJK, FANA & ICT.

4.11 The BISP's allocation for the FY 2009/10 has been increased to Rs. 70 billion for 5 million families. In order to transform the poor segment of society from depending upon the government's monthly financial assistance to self-reliance, one member from each qualifying household will be equipped with technical and vocational skills making them the earning hands. The second phase of the skill development programme will be provision of micro finance for poor families to help them run small businesses. Health insurance is also a major component of this programme and will cover the entire family including household head and spouse, children up to 18 years, dependent parents, and unmarried daughters aged 18 and above. The policy benefit will cover full hospitalization, pregnancy, daycare treatment and diagnostic tests. This insurance policy will also provide accident compensation for earning members of the family. In the short to medium term, BISP shall serve as a platform for various social assistance programmes. These include transition to a Conditional Cash Transfers (CCT) programme, complementary poverty exit programmes, health insurance programmes, and workforce programs.

4.12 During FY 2009/10, a total of Rs. 32 billion was disbursed to 2.29 million beneficiaries across all parts of the country against Rs.15.8 billion and 1.76 million respectively in FY 2008/09 (see Table 4.5). The disbursement under BISP's cash grants was almost doubled and beneficiaries increased by 30 percent in comparison with previous fiscal year. The current BISP's Management Information System (MIS) does not provide exact beneficiary details about the graduating clients and the new clients separately for each province. Hence, cumulative details for BISP's beneficiaries are given in the Table.

Table 4.5: Benazir Income Support Programme

Budget Allocation FY 2008/09	Actual Expenditure & Beneficiaries FY 2008/09		Budget Allocation FY 2009/10	Actual Expenditure & Beneficiaries FY 2009/10	
	Expenditure (Rs. billion)	Beneficiaries (million)		Expenditure (Rs. billion)	Beneficiaries (million)
34	15.8	1.76	70	32	2.29

Source: Benazir Income Support Programme, Islamabad, Pakistan.

4.5 Punjab Sasti Roti Initiative/Scheme

4.13 The Punjab Sasti Roti Initiative/Scheme is focusing on the urban population of the Punjab province. This scheme was launched during September, 2008. Sasti roti at Rs. 2 is being provided under this initiative on 14,226 enlisted tandoors. The above initiative has now been converted into Sasti Roti Authority with effect from August 2009. A Chairman has been appointed by a competent forum to look after the affairs of the

initiative. Food department provides flour bags on subsidised rates to districts as per their actual requirement and flour mills selected on the basis of grinding capacity and quality of flour have been engaged so that target groups can get hygienic and good quality roti at an affordable price.

4.14 During FY 2009/10, a sum of Rs. 8 billion⁶ has been spent under the PSRP against Rs. 1.90 billion in FY 2008/09. However the expenditures have been temporarily suspended on PSRP by the Government of Punjab since last two quarters of the FY 2009/10.

Table 4.6: Punjab Sasti Roti (Bread) Programme

Budget Allocation FY 2008/09	Actual Expenditure & Beneficiaries FY 2008/09		Budget Allocation FY 2009/10	Actual Expenditure & Beneficiaries FY 2009/10	
(Rs. billion)	Expenditure (Rs. billion)	Beneficiaries (million)	(Rs. billion)	Expenditure (Rs. billion)	Beneficiaries (million)
-	1.90	-		8.0	-

Source: Pnjab Sasti Roti Program

4.6 Workers Welfare Fund (WWF)

4.15 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 metric scholarships for the welfare of workers.

The Central secretariat of the WWF is based in Islamabad which operates through Workers Welfare Boards developed at each provincial headquarter. WWF is supervised by a governing body comprising of the Government, workers, and employers representatives. 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

⁶ The expenditures details was received from Ministry of Industries, Government of the Punjab.

- The minimal employment period should not be less than 3 years (in case of death grant, this condition is not applicable).

4.16 A moderate increase in WWF's activities was noticed during FY 2009/10 in comparison with FY 2008/09. Table 4.7 shows that a total of Rs 2,432 million was disbursed during FY 2009/10 under different programmes of WWF as compared to Rs. 2,087 million during FY 2008/09 registering an increase of 17 percent. During the comparison period, beneficiaries also increased by 12 percent from 63,008 to 70,403. Education schemes, the flagship programme of WWF, distributed 51 percent of the total amount, followed by 20 percent under Marriage grant cases, 18 percent under Scholarship cases, 11 % under Death grant cases, and 0 percent under Earthquake affectees support during FY 2009/10 against the previous year's share of 45, 23, 17, 15 and 1 percent, respectively.

4.17 Disbursement under Education Schemes, Scholarship cases and Marriage grants have increased by 30, 26 and 5 percent respectively while disbursement under Death grants has decreased by 11 percent during FY 2009/10. Number of beneficiaries increased by 45 percent for Education schemes and decreased by 51, 4 and 17 percent for scholarships, marriage and death grant cases during FY 2009/10 as compared to FY 2008/09. No disbursement was noticed towards Earthquake affected during FY 2009/10.

Table 4.7: Programs of Workers Welfare Fund (WWF)

Welfare Measures	FY 2008/09 (July 01 – June 30)		FY 2009/10 (July 01 – June 30)	
	No. of Beneficiaries	Disbursement (Rs. In millions)	No. of Beneficiaries	Disbursement (Rs. In millions)
Education schemes (Schools)	36,314	945	52,746	1,228.73
Scholarship cases	15,721	345	7,640	433.73
Marriage Grant cases	9,499	473	9,074	495.80
Death Grant Cases	1,135	307	943	273.35
Earthquake Affectees cases	339	17	-	-
Total	63,008	2,087	70,403	2,432

Source: Workers Welfare Fund (WWF), Ministry of Labor and Manpower, Islamabad.

4.7 Microfinance

4.18 Perhaps, no other development tool like microfinance has generated so much enthusiasm and promise in the recent past in impacting the lives of the people in Pakistan. Microfinance provides micro credit, micro savings, and micro insurance. This

type of capital and financial support to the poor help them in expanding their choices and mitigating potential risks of poverty and social exclusion.

4.19 Progress of the microfinance sector in Pakistan given in Table 4.8 for FY 2009/10 in comparison with FY 2008/09. Micro credit demonstrated an upward trend both in terms of active borrowers, which increased by 11 percent and Gross Loan Portfolio (GLP), which recorded a growth rate of 23 percent during FY 2009/10 compared with the FY 2008/09. In terms of savings (both voluntary and compulsory programs), 32 percent growth was seen in number of savers, whereas value of savings grew significantly by 39 percent during FY 2009/10 compared with the previous fiscal year. Like the previous years insurance programs of micro finance organizations received high attraction by the clients. Of all the micro finance services, micro insurance grew significantly upward; both number of policy holders and sum insured by 83 percent each during FY 2009/10 compared with FY 2008/09.

Table 4.8: Active Borrowers, Active Savers and Active Policy holders by Peer Group

Details	Micro-credit		Micro-Savings		Micro-Insurance	
	Active Borrowers	Value (PKR Million)	Active Savers	Value (PKR Million)	Policy Holders	Sum insured (PKR Million)
FY 2008/09 (July 1- June 30)	1,782,239	20,319	2,153,538	6,893	2,085,395	29,414
FY 2009/10 (July 1- June 30)	1,975,820	25,082	2,834,916	9,566	3,813,594	53,704
Increase/decrease (Net)	+193,581	+4,763	+681,378	+2,673	+1,728,199	+24,290
Increase/decrease (%)	10.86	23.44	31.64	38.78	82.87	82.58

Source: Pakistan Microfinance Network (PMN), Islamabad.

4.20 The percentage share of all top peer groups in terms of microfinance service providers are reflected in Table 4.9 and Graph 1 during FY 2009/10 compared with FY 2008/09. In terms of peer groups, share in active borrowers continued to increase for micro finance institutions (MFIs) by 2 percent (to 28 percent) and Others by 1 percent (to 6 percent) with a corresponding decrease in share of rural support programmes (RSPs) by 3 percent (to 28 percent) and share of microfinance banks (MFBs) by 1 percent (to 37 percent). In terms of active savers, share of MFBs continued to increase by 7 percent (to 23 percent) with a corresponding decrease in share of RSPs and Others by 6 percent (from 79 percent to 73 percent) and 1 percent (from 4 percent to 3 percent), respectively. No change was observed in case of MFIs (from 1 to 1 percent). Lastly, in terms of active policy holders, RSPs significantly increased its share 27 percent (from 32 percent - 59 percent) while MFBs lost their share by 13 percent (from 31 to 18 percent), MFIs by 13 percent (from 33 to 20 percent), and others by 1 percent (from 4 to 3 percent).

Table 4.9: Active Borrowers, Active Savers and Active Policy holders by Peer Group

Details	Peer Groups			
	MFBs	MFIs	RSPs	Others
Active Borrowers (%) FY 2008/09	38%	26%	31%	5%
Active Borrowers (%) FY 2009/10	37%	28%	28%	6%
Active Savers (%) FY 2008/09	16%	1%	79%	4%
Active Savers (%) FY 2009/10	23%	1%	73%	3%
Active Policy holders (%) FY 2008/09	31%	33%	32%	4%
Active Policy holders (%) FY 2009/10	18%	20%	59%	3%

Source: Pakistan Microfinance Network (PMN), Islamabad.

Figure 4.1 Active borrowers FY 2007/08 and FY 2008/09

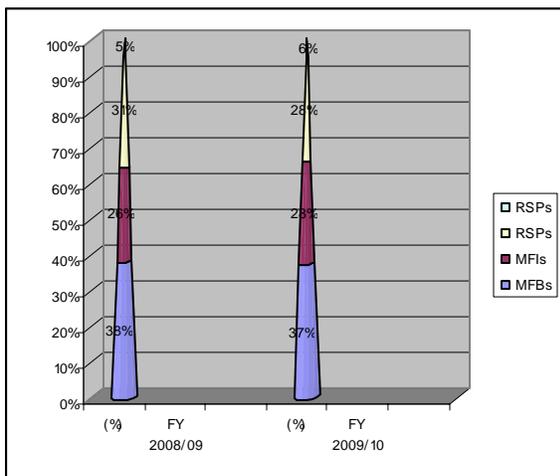


Figure 4.2 Active Savers FY 2007/08 and FY 2008/09

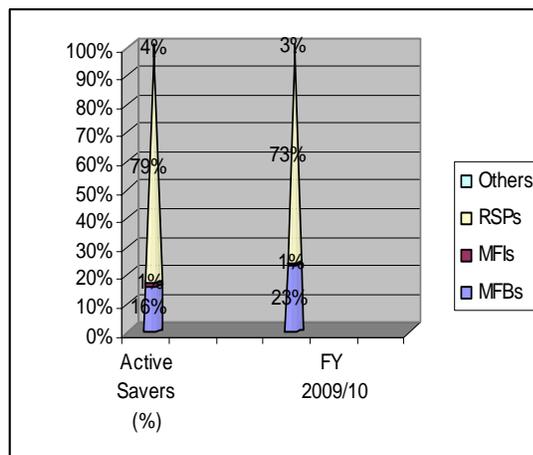
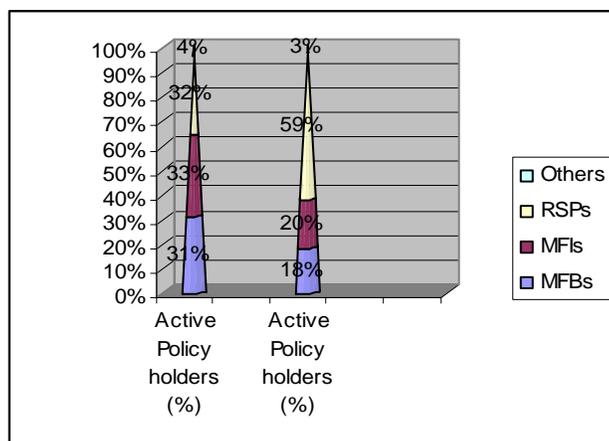


Figure 4.3 Active Policy holders FY 2007/08 and FY 2008/09



4.7.1 Summary of Micro Credit Indicators

4.21 Summary of micro credit indicators given in Table 4.10 covers FYs 2008/09 and 2009/10. Micro credit has seen growth in terms of all indicators and in all directions particularly in terms of outreach of the credit program during FY 2009/10 compared with FY 2008/09. During this period, the number of branches increased by 9 percent from 1,480 to 1,613 enhancing outreach of the credit services to the poor. Overall, positive growth was observed by all micro finance providers. The RSPs reduced number of branches by 3 percent (from 727 to 706), while others increased number of branches, 9 percent by MFBs (from 369 to 402), 28 percent by MFIs (from 275 to 352), and Others by 40 percent (from 109 to 153).

4.22 During the corresponding period, the average loan balance⁷ increased by 11 percent from Rs. 11, 401 to Rs. 12,695. The main reason for increase in loan balance was positive increase by all micro credit providers. Furthermore, nominal increase of 1 percent was noticed under the loans disbursed from 1.939 million to 1.966 million and a significant increase of 18 percent was noticed under the credit disbursements from Rs. 28,668 billion to Rs. 33,775 billion during FY 2009/10 as compared with FY 2008/09. Average loan size⁸ increased significantly to Rs. 18,503 during FY 2009/10 in relation to Rs. 15,688 during FY 2008/09. All peer groups increased their average loan size such as; 25 percent by MFBs from Rs. 15,508 to Rs. 19,314, 16 percent by MFIs from Rs. 13,937 to Rs. 16,202, 20 percent by RSPs from Rs. 16,213 to Rs. 19,581 and 1 percent by Others from Rs. 16,676 to Rs. 16,908 in the comparison period.

⁷ Average loan balance = outstanding balance divided by total number of loans.

⁸ Average loan size = total disbursement divided by total loans in a given period.

Table 4.10: Summary of Microcredit Provision

Peer Group		2008/09 (July 01–June 30, 2008)	2009/10 (July 01–June 30, 2009)
MFBS	Number of branches/Units	369	402
	Gross Loan Portfolio	8,622	10,464
	Average Loan Balance (Rs.)	12,614	14,158
	Number of Loans disbursed	727,218	765,553
	Credit Disbursements (Rs.in millions)	11,218	13,836
	Average Loan Size (Rs.)	15,508	19,314
MFIs	Number of branches/Units	275	352
	Gross Loan Portfolio (Rs)	4,287	5,906
	Average Loan Balance (Rs.)	9,406	10,574
	Number of Loans disbursed	473,509	383,751
	Credit Disbursements (Rs. In millions)	6,220	6,273
	Average Loan Size (Rs.)	13,937	16,202
RSPs	Number of branches/Units	727	706
	Gross Loan Portfolio (Rs)	6,014	6,685
	Average Loan Balance (Rs.)	10,926	12,066
	Number of Loans disbursed	648,220	695,971
	Credit Disbursements (Rs. millions)	9,778	11,690
	Average Loan Size (Rs.)	16,213	19,581
Others	Number of branches/Units	109	153
	Gross Loan Portfolio (Rs)	1,397	2,027
	Average Loan Balance (Rs.)	15,084	16,329
	Number of Loans disbursed	90,103	121,182
	Credit Disbursements (Rs. millions)	14,53	1,976
	Average Loan Size (Rs.)	16,676	16,908
Total	Number of branches/Units	1,480	1,613
	Gross Loan Portfolio (Rs.)	20,319	25,082
	Average Loan Balance (Rs.)	11,401	12,695
	Number of Loans disbursed	1,939,050	1,966,457
	Credit Disbursements (Rs. millions)	28,669	33,775
	Average Loan Size (Rs.)	15,688	18,503

Source: Pakistan Microfinance Network (PMN), Islamabad.

5. Monitoring the PRSP Intermediate (Output) Indicators

5.1 This section of the report analyzes the performance of intermediate (output) indicators regarding Education, Health, Environment, Energy Development, Water Supply and Sanitation, People Works Programme- I, Capital for Finance and Development along-with recent information on employment situation in Pakistan.

5.1 Education Sector

5.1.1 Performance of Intermediate (Output) Indicators

5.2 Education sector intermediate (output) indicators include information about public schools and details pertaining to the functional public school⁹, teachers actual posts filled against sanctioned posts, percentage of teachers trained, an update on basic facilities in these schools, private schools and deeni madrassahs, technical and vocational skills training, and national internship program. Progress of these indicators during FY 2008/09¹⁰ compared with FY 2007/08 is discussed below;

5.1.2 Functional Schools

5.3 Number of functional primary and middle schools including mosque schools in Pakistan are reported in table 5.1. A total of 143,938 schools were functional in FY 2008/09 against 143,885 in FY 2007/08 registering an increase of 53 schools. During the same period, both primary and middle functional schools decreased by less than 1 percent each. The nominal increasing trend in functional schools will contribute in improving the outcome level indicators situation (literacy rate and completion of primary and middle level education) in Pakistan in the coming years.

5.4 The province and other constitutional entity wise analysis is as under. Punjab, the most populous province also has the largest number of functional schools i.e. 54,857 in FY 2008/09; followed by 41,667 in Sindh, 24,865 in NWFP, 11,071 in Baluchistan, 5,058 in AJK, 4,622 in FATA, 1,536 in FANA, and 265 in Islamabad Capital Territory (ICT). It is encouraging to see an increase of 5 percent percent in Sindh, and 3 percent in Baluchistan. Whereas, a decline of 10, 9, 2, 1 and less than 1 percent was observed in the number of functional schools in FATA, FANA, Punjab, AJK, Federal and KPK respectively in FY 2008/09 as compared to FY 2007/08. The main

⁹ According to Education Department: Functional School means teaching and Students Learning going on in the particular school. Non-Functional school means either no enrolment or no teacher in the particular school, and closed School means notification issued by the Government about formal closure of the particular school.

¹⁰ The Actual data for the FY 2008/09 has been used for the analysis of the report.

reasons of decrease in functional schools were informed as under; 1. because of the minimum acceptable low enrolment in one school the same school was merged into another nearer school. 2. Some of the primary schools were altogether closed because of the low enrolment. 3. Some of the primary schools were merged into middle schools.

Table 5.1: Number of Functional Public Schools				
Region/Province	Year	Primary	Middle	Total
Pakistan	FY 2007/08 (A)	128,592	15,293	143,885
	FY 2008/09 (A)*	128,960	14,978	143,938
Punjab	FY 2007/08 (A)	48,665	7,438	56,103
	FY 2008/09 (A)*	47,396	7,461	54,857
Sindh	FY 2007/08 (A)	37,290	2,548	39,838
	FY 2008/09 (A)*	39,258	2,409	41,667
KPK	FY 2007/08 (A)	22,466	2,510	24,976
	FY 2008/09 (A)*	22,335	2,530	24,865
Balochistan	FY 2007/08 (A)	9,924	856	10,780
	FY 2008/09 (A)*	10,187	884	11,071
AJK	FY 2007/08 (A)	4,086	1,036	5,122
	FY 2008/09 (A)*	4,061	997	5,058
FANA	FY 2007/08 (A)	1,283	411	1,694
	FY 2008/09 (A)*	1,299	237	1,536
FATA	FY 2007/08 (A)	4,664	444	5,108
	FY 2008/09 (A)*	4,219	403	4,622
Federal	FY 2007/08 (A)	214	50	264
	FY 2008/09 (A)*	205	57	262

A*= Actual data.

Source: National Education Management Information System (NEMIS), Academy of Educational Planning and Management, Ministry of Education, Government of Pakistan.

Note: Mosque schools are included in primary schools.

5.1.3 Percentage of Trained Teachers

5.5 The percentage of trained teachers dropped by 1 percentage point each at the primary and middle level (from 98 percent to 97 percent) and (from 99 percent to 98 percent) during the FY 2008/09 as compared to FY 2007/08 (see table 5.2). Punjab and

KPK are leading others, In Punjab and KPK 100 percent teachers were trained both at the primary and middle level during FY 2008/09. In Sindh 92 percent teachers were trained at the primary level while 94% were trained at the middle level. At the primary level, percentage of trained teachers decreased by 2 percentage points in Sindh, 10 percentage points in AJK 5 percentage points in FANA during FY 2008/09 in comparison with FY 2007/08. At the middle level, percentage of trained teachers decreased by 1 percentage points in Sindh, 3 percentage points AJK, 1 percentage point in FANA. No change has been observed at the primary level in Baluchistan and ICT during FY 2008/09 as compared to the last year. Also, no change has been observed at the middle level in percentage of teachers trained in Baluchistan during FY 2008/09 as compared to the last year.

Table 5.2 : Percentage of Trained Teachers				
Region Province	FY 2007/08		FY 2008/09 (Actual*)	
	Primary	Middle	Primary	Middle
Pakistan	98	99	97	98
Punjab	100	100	100	100
Sindh	94	95	92	94
KPK	100	100	100	100
Baluchistan	99	94	99	94
AJK	92	97	81	94
FATA	98	100	99	100
FANA	74	88	69	87
ICT	96	98	96	97

(A*): Actual

Source: 1. National Educational Management Information System (NEMIS), Academy of Educational Planning and Management (AEPAM), Ministry of Education, Government of Pakistan.

2. Pakistan Education Statistics 2007-08, AEPAM, Ministry of Education.

5.1.4 Basic Facilities in Public Schools

5.6 Table 5.3 gives information about the proportion of basic facilities in public schools all over Pakistan. Basic facilities include access to water, latrine, electricity, and boundary wall in schools. At the national level, public schools containing the above

facilities decreased in FY 2008/09 as compared to FY 2007/08. A total of 55 percent, 52 percent, 38 percent and 51 percent schools contained the facilities of water, latrines, electricity and boundary wall in FY 2008/09 relative to 62, 58, 38, and 58 percent in FY 2007/08 respectively. The proportion of public schools with water and boundary walls reduced significantly each by 7 percentage points (from 62 percent to 55 percent) and (from 58 percent to 51 percent) respectively in FY 2008/09 compared to FY 2007/08, followed by latrines 6 percentage points (from 58 percent to 52 percent) and no change was observed in electricity (from 38 percent to 38 percent).

5.7 The federal capital was the only entity where the proportion of public schools with all basic facilities except in the case of Latrines were above 95 percent in FY 2008/09. The Federal area increased the proportion of public schools having water, electricity, and boundary walls while showed a decrease of 3 percentage point in case of latrines during FY 2008/09 as compared to FY 2007/08.

5.8 Between FY 2008/09 and FY 2007/08, proportion of public schools having water facilities declined by 8 percentage points in AJK 1 percentage point in FATA while increased by 4 percentage points in Punjab, 5 percentage points in Sindh, 1 percentage point in KPK, 6 percentage points in FANA. Schools with latrine facilities decreased by 8 percentage points in AJK, 7 percentage points in FANA, and 2 percentage points in FATA whereas increased by 4 percentage points in Punjab, 6 percentage points in Sindh, 1 percentage point in KPK, 3 percentage points in Baluchistan. Electricity facilities declined by 1 percentage points in Baluchistan, 3 percentage points in AJK, 9 percentage points in FANA . This facility increased by 6 percentage points in Punjab, and 1 percentage point each in Sindh, KPK, and FATA respectively. Proportion of schools having boundary wall declined by 1 percentage point in AJK, 12 percentage points in FANA and 32 percentage points in FATA (Reasons awaited from Education Department).

Table 5.3: Proportion of Public Schools with Basic Facilities

Region/Province	Years	Level	Water (percent)	Latrine (percent)	Electricity (percent)	Boundary-Wall (percent)
Pakistan	FY 2007/08	Primary	60	56	32	56
		Middle	77	78	65	74
		Total	62	58	38	58
	FY 2008/09A*	Primary	64	60	34	59
		Middle	80	79	68	77
		Total	55	52	38	51
Punjab	FY 2007/08	Primary	79	67	43	72
		Middle	96	90	86	90
		Total	81	70	48	74
	FY 2008/09	Primary	83	72	48	74
		Middle	97	91	88	90
		Total	85	74	54	77
Sindh	FY 2007/08	Primary	44	51	17	46
		Middle	51	62	32	59
		Total	44	51	18	46
	FY 2008/09	Primary	49	57	18	52
		Middle	58	70	35	70
		Total	50	57	19	53
KPK	FY 2007/08	Primary	59	66	43	62
		Middle	69	81	61	71
		Total	60	68	45	63
	FY 2008/09	Primary	60	68	44	64

		Middle	70	81	64	71
		Total	61	69	46	65
Balochistan	FY 2007/08	Primary	65	25	16	31
		Middle	65	55	39	65
		Total	65	27	18	34
	FY 2008/09	Primary	64	27	15	33
		Middle	70	59	41	68
		Total	65	30	17	36
AJK	FY 2007/08	Primary	39	36	13	11
		Middle	59	52	41	18
		Total	43	39	18	13
	FY 2008/09	Primary	32	29	11	10
		Middle	48	40	31	17
		Total	35	31	15	12
FANA	FY 2007/08	Primary	26	40	37	47
		Middle	33	51	62	33
		Total	27	41	41	44
	FY 2008/09	Primary	28	30	27	28
		Middle	57	55	61	53
		Total	33	34	32	32
FATA	FY 2007/08	Primary	35	40	41	59
		Middle	62	67	68	90
		Total	37	42	44	61
	FY 2008/09	Primary	34	38	43	55
		Middle	58	61	70	89
		Total	36	40	45	58

Federal	FY 2007/08	Primary	94	89	95	94
		Middle	98	92	100	84
		Total	95	89	96	92
	FY 2008/09	Primary	98	86	97	97
		Middle	98	86	100	95
		Total	98	86	97	96

A Actual FY 2008-09

Note: Mosque schools are included in primary schools.

Source: National Education Management Information System (NEMIS), Academy of Educational Planning and Management, Ministry of Education, Government of Pakistan.

5.1.5 Private Schools and Deeni Madrasahs¹¹

5.9 Table 5.4 gives information about private schools and Deeni Madrasahs (both Primary and Middle). At the national level, a total of 42, 736 private schools and Deeni Madrasahs were reported in FY 2008/09 against 58, 350 private schools and 12,448 Deeni Madrasahs in FY 2007/08 registering a significant decrease of 37 percent in private schools and nominal decrease in the case of Deeni Madrasahs mainstreamed.

Table 5.4 Private Schools (Primary and Middle) and Deeni Madrasahs					
S. No.	Indicator	FY 2007/08		FY 2008/09*	
		Target	Actual	Target	Actual
1.	No. of Private Schools	-	58,350	-	42,736
2.	No. of madrasahs mainstreamed	-	12,448	-	12,231

Actual FY 2008/09

Note: Mosque schools are included in primary schools.

Source: National Education Management Information System (NEMIS), Academy of Educational Planning and Management, Ministry of Education, Government of Pakistan.

¹¹ Schools where both religious and formal education is imparted.

5.1.7 Technical and Vocational Trainings

5.10 There is an established positive linkage between economic growth and investment in human capital. The establishment of National Vocational and Technical Education Commission (NAVTEC) and a coherent national policy for Technical and Vocational Education & Training (TVET) is expected to be a key driver of Pakistan's economic growth. Pakistan's global competitiveness depends on ability of our TVET system to adapt and innovate. Through industrial linkages, employment generation and growth supporting interventions for skill development, the Commission intends to contribute towards poverty alleviation in the country. It aims to provide adequate access to TVET facilities and cater for deficient areas and target groups such as women, workers of the informal sector and the destitute sections of society. During FY 2009/10, the target for the technical and vocational trainings was 31 percent more i.e. 96,310 against 73,251 fixed for the last Year (see table 5.5). Whereas, the actual number of trainees increased to 15 percent from 26,925 to 31,051 in FY 2009/10. The male to female trainees' ratio was 71:29 in FY 2009/10 against the 70:30 in FY 2008/0

Table 5.5 Technical and Vocational Trainings					
S. No.	Indicator	FY 2008/09		FY 2009/10	
		Target	Actual	Target	Actual
1.	No of Persons trained by NAVTEC				
	1.1 Male	60,453	18,901	80,635	22,006
	1.2 Female	12,798	8,024	15,675	9,045
	1.3 Total	73,251	26,925	96,310	31,051

5.1.8 National Internship Program (NIP)

5.11 The National Internship Program (NIP) is designed for the benefit of young unemployed postgraduates and graduates all over the country, who have completed sixteen years of education from recognized universities or degree awarding institutions including external candidates. The scheme is intended to provide financial relief to fresh graduates and also to keep them engaged and interested in acquiring additional knowledge and real work life experiences, thereby facilitating their employability in the country. During FY 2009/10, 30,000 internships were planned by the GOP under the NIP, out of which 22,757 i.e. 76% fresh graduates were engaged in various government

departments (see table 5.6) which was 6 percent more than the last year. . The male to female ratio for this internship program stood at 51:49.

Table 5.6 National Internship Program (NIP)

Indicator	FY 2008/09	FY 2009/10
	Actual	Actual
No of Internships provided under NIP		
Male	10,745	11,675
Female	10,659	11,082
Total	21,404	22,757

Note: Data is not available for the FY 2007/08.

5.2 Health Sector

5.2.1 Performance of Intermediate (Output) Indicators

5.12 This section discusses the progress of some of the health sector intermediate (output) indicators such as; immunization coverage for pregnant women and children (aged 12-23 months); number of lady health workers and coverage of the lady health workers during FY 2009/10 compared with last year.

5.2.2 Immunization Coverage of Pregnant Women

5.13 Coverage of Tetanus Toxoid-1 (TT-1) and Tetanus Toxoid-2+ (TT-2+) immunization for pregnant women in every region is reported in table 5.7. At the national level, 7.42 million pregnant women were targeted for immunization in FY 2008/09 as compared to 7.17 million during FY 2007/08. A significant increase has been observed, as 51 and 54 percent women were immunized relative to 45 and 46 percent under TT-1 and TT-2 respectively during the same period, Both TT-1 and TT-2 immunization coverage increased by 6 and 8 percentage points, respectively in FY 2008/09.

5.14 Among all regions, AJK had the highest coverage i.e. 61 percent for TT-1 immunization while FATA had the highest coverage of 68 percent under TT-2 immunization. However, FANA had the lowest coverage of 29 percent in TT-1 immunization while CDA had the lowest TT-2 immunization coverage of 16 percent in

FY 2008/09. Punjab, Sindh, KPK, FATA, Baluchistan and AJK witnessed an increase in the immunization coverage. The coverage in Punjab increased by 11 percentage points in TT-1 immunization and 12 percentage points in TT-2 immunization during FY 2008/09 compared to FY 2007/08. Immunization coverage in Sindh increased by 3 percentage points for TT-1 and 4 percentage points for TT-2. TT-2 immunization coverage in NWFP increased by 1 percentage points while registered no change in TT-1 immunization coverage. Coverage in AJK increased by 1 percentage point for TT-2 and registered no change in TT-1 immunization coverage. TT-1 immunization coverage in FANA increased by 3 percentage points and registered decline of 8 percentage points in TT-2 immunization coverage. TT-1 immunization coverage in ICT¹² decreased by 2 percentage points and registered no change in TT-2 immunization coverage. During FY 2008/09, a decline of 10 percentage points and an increase of 6 percentage points were observed in area under CDA under TT-2 and TT-1 immunization coverage, respectively.

Table 5.7: TT- Immunization Coverage for Pregnant Women

Province/Region	FY 2007/08			FY 2008/09		
	TT-Immunization			TT-Immunization		
	Target Population	TT-1	TT2+	Target Population	TT-1	TT2+
	(+4.1 percent Pop)	Cov percent	Cov percent	(+4.1 percent Pop)	Cov percent	Cov percent
Punjab	3,855,974	47	48	39,78,194	58	60
Sindh	1,620,848	42	47	1,683,236	45	51
KPK	949,041	43	40	984,117	43	41
FATA	153,688	38	38	164,416	55	68
Balochistan	340,664	31	31	354,656	31	33
AJK	150,866	61	56	156,866	61	57
FANA	50,905	26	41	45,583	29	33
ICT	18,242	41	30	19,184	39	30
CDA	34,970	26	26	36,770	32	16
Others	-	-	-	-	-	-
Pakistan	7,175,199	45	46	7,423,023	51	54

Source: PSLM 2007/08, PSLM 2008/09.

¹² Islamabad Capital Territory includes surrounding areas of Islamabad.

5.2.3 Immunization Coverage of Children 12-23 months

5.15 Immunization has a positive impact on reduction in child malnutrition as well as mortality. Full immunization of a child includes eight recommended vaccines – BCG, DPT1, DPT2, DPT3, Polio1, Polio 2, Polio 3 and measles. In the PSLM 2008/09, survey data on child immunization was collected using two methods, ‘recall’ and ‘record’. The analysis given below represents results based on both methods jointly.

Table 5.8: Percentage of Children 12-23 Months That Have Been Immunized						
Province/Region	FY 2007/08			FY 2008/09		
	Male	Female	Both	Male	Female	Both
Urban Areas	83	81	82	87	86	87
Punjab	83	84	83	90	87	88
Sindh	83	76	80	85	84	85
KPK	87	88	88	84	88	86
Balochistan	75	74	74	73	74	73
Rural Areas	71	67	69	75	74	74
Punjab	78	68	73	84	83	84
Sindh	64	55	59	57	58	57
KPK	65	78	72	71	72	71
Balochistan	47	52	50	37	35	36
Overall	75	71	73	78	77	78
Punjab	79	73	76	86	84	85
Sindh	71	62	67	69	68	69
NWFP	69	80	74	73	74	73
Balochistan	55	58	57	43	42	43

Source: PSLM 2007/08m and PSLM 2008/09

5.16 Table 5.8 presents percentage of children aged 12-23 months, who have been immunized during the period. Overall the record and recall based full immunization coverage (all 8 recommended vaccines) increased significantly by 5 percentage points from 73 percent in FY 2007/08 to 78 percent in FY 2008/09. The full immunization rate increased in Punjab by 9 percentage points (from 76 to 85 percent) and in Sindh by 2 percentage points (from 67 to 69 percent) in FY2008/09 compared to FY2007/08. The full immunization rate decreased slightly in KPK by 1 percentage point (from 74 to 71 percent) and 14 percentage points (from 57 to 43 percent), respectively in FY 2008/09 compared to FY 2007/08. The record and recall based full immunization rate also increased by 5 percentage points each in urban and rural areas (from 82 to 87 percent and from 69 to 74 percent), respectively.

5.3 Lady Health Workers (LHWs)

5.17 Population covered by LHWs stood at 86.06 million during FY 2009/10 as compared to 81.41 million last year registering an increase of 6 percent (see table 5.9). LHW's coverage in urban and rural areas increased by 11 percent and 5 percent respectively. Population covered by LHWs in Punjab, Sindh, KPK, AJK, FANA, and ICT increased by 5, 8, 8, 5, 18, and 17 percent, respectively whereas it is decreased by 1 percent in FATA and no change took place in Baluchistan during FY 2009/10 as compared to last year .

Table 5.9 Population Covered by LHWs

	FY 2008/09			FY 2009/10		
	Urban	Rural	Total	Urban	Rural	Total
Punjab	7,098,618	38,380,045	45,478,663	7,422,372	40,144,507	47,566,879
Sindh	3,640,031	13,202,396	16,842,427	4,405,335	13,782,279	18,187,614
KPK	1,369,563	9,969,546	11,339,109	1,712,083	10,561,750	12,273,833
Baluchistan	1,336,363	2,138,222	3,474,585	1,336,363	2,138,222	3,474,585
AJK	198,138	2,101,490	2,299,628	200,104	2,211,644	2,411,748
FANA	138,366	534,834	673,200	152,728	643,510	796,238
FATA	0	1,012,895	1,012,895	-	1,002,052	1,002,052
ICT	38,242	259,702	297,944	40,124	310,457	350,581
Total	13,819,321	67,599,130	81,418,451	15,269,109	70,794,421	86,063,530

Source: National Program for Family Planning and Primary Health Care, Ministry of Health, Islamabad.

5.18 During the FY 2009/10 as compared to FY 2008/09, total number of LHWs increased by 8 percent from 92,064 to 99,240 (see table 5.10). This number increased by 12 percent in urban areas and by 7 percent in rural areas where more assistance is required. About 84 percent of total LHWs were deployed in rural areas and 16 percent in urban areas during FY 2009/10 against the deployment of same proportion respectively during last year. Out of the total, 50 percent LHWs were deployed in Punjab whereas the proportion of LHWs in Sindh, KPK, Balochistan, AJK, FANA, FATA and ICT stood at 23, 14, 7, 3, 1, 1 and 0.34 percent, respectively during FY 2009/10.

5.19 The total strength of LHWs went up substantially by 16 percent in Sindh, 12 percent in Baluchistan, 8 percent in KPK and 5 percent in Punjab and marginally by 2 percent in FANA while the strength declined by 2 percent in FATA and 3 percent in ICT during the comparison period. No change was registered in the strength of the LHWs in AJK in the FY 2009/10. In urban areas, number of LHWs increased by 5, 26 each, 4, 13 and 6 percent respectively in Punjab, Sindh, KPK, Balochistan, FANA and ICT whereas the number decreased by 3 percent in AJK. No LHW was deployed in urban areas of FATA during both fiscal years i.e. FYs 2008/09 and 2009/10. In rural areas number of LHWs increased by 5, 14, 6, 16 and less than 1 percent in Punjab, Sindh, KPK, Baluchistan and FANA respectively while it is declined by 4, 2, and 4 percent at AJK, FATA and ICT, respectively.

Table 5.10 Total Strength of Lady Health Workers

Province	FY 2008/09			FY 2009/10		
	Urban	Rural	Total	Urban	Rural	Total
Punjab	7,136	40,425	47,561	7,499	42,388	49,887
Sindh	3,669	16,023	19,692	4,628	18,192	22,820
KPK	1,399	11,201	12,600	1,756	11,882	13,638
Balochistan	1,929	4,032	5,961	2,001	4,673	6,674
AJK	185	2,965	3,150	180	2,857	3,137
FANA	157	1097	1,254	178	1,102	1,280
FATA	0	1,495	1,495	0	1,463	1,463
ICT	36	315	351	38	303	341
Total	14,511	77,553	92,064	16,280	82,960	99,240

Source: National Program for Family Planning and Primary Health Care, Ministry of Health, Islamabad.

5.4 Environment /Water Supply and Sanitation

5.4.1 Performance of Intermediate (Output) Indicators

5.20 This section discusses the progress of some of the Environment and Water Supply and Sanitation sectors intermediate (output) indicators such as: land area covered by forests; land area protected; depletion of ozone layer; water purification plants installed under clean drinking water programme and number of functional/operational plants.

5.4.2 Land Area Covered by Forests

5.21 Forests occupy only 5.1 percent of the total land area in Pakistan and are being depleted increasingly. Pakistan is facing one of the highest rates of deforestation in the world¹³. One third of the forest is productive and the remaining two third is maintained for environmental stability. Ministry of Environment has launched several projects/schemes to enhance area under forest in Pakistan. No change has taken place in the target and actual percentage of the forest area covered in Pakistan during FY 2008/09 and FY 2009/10 (see table 5.11). The target stood at 6 percent whereas the actual area covered by forests was at 5.01 percent in both fiscal years.

S. No.	Indicator	FY 2008/09		FY 2009/10	
		Target	Actual	Target	Actual
1.	Percentage of land area covered by Forests	6%	5.01%	6%	5.01%

Source: Ministry of Environment, GOP

5.4.3 Land Area Protected

5.22 In Pakistan, a national park is an area of outstanding scenic merit where the landscape, flora and fauna are protected and preserved in their natural state and public access for recreation, education and research. Access roads and other facilities should be planned so that they do not conflict with the main objectives of national parks. Clearing land for cultivation, mining or allowing polluted water to flow in National Parks is also prohibited. In addition to National Parks, Pakistan has Wildlife Sanctuaries which

¹³ Ministry of Environment, Government of Pakistan..

- are areas set aside for the protection of wildlife. Public access is prohibited or regulated and no exploitation of forests is allowed. Game reserves, hunting and shooting of wild animals is regulated under permit. As far as the protected area as percentage of total area is concerned, no change has taken place in the target and actual percentage of the land area protected in Pakistan during FY 2008/09 and FY 2009/10 (see table 5.12). The target stood at 12 percent whereas the actual area protected remained at 11.35 percent in the comparison period.

Table 5.12 Land Protected Area					
S. No.	Indicator	FY 2008/09		FY 2009/10	
		Target	Actual	Target	Actual
1.	Protected area percentage of the total area	12%	11.35%	12%	11.35%

Source: Ministry of Environment, GOP

5.4.4 Depletion of Ozone Layer

5.23 The ozone layer protects the Earth from the ultraviolet rays sent down by the sun. If the ozone layer is depleted by human action, the effects on the planet could be catastrophic. Ozone is present in the stratosphere. The stratosphere reaches 30 miles above the Earth, and at the very top it contains ozone. The sun rays are absorbed by the ozone in the stratosphere and thus do not reach the Earth. The target for Ozone depleting substances was 251.9 metric tons while the actual progress was 167.42 Metric tons in FY 2008/09 while data for the FY 2009/10 was not available to report here. (See table 5.13).

Table 5.13 Depletion of Ozone Layer					
S. No.	Indicator	FY 2008/09		FY 2009/10	
		Target	Actual	Target	Actual
1.	Ozone depleting substance (level of CFC reduced)	251.9 Metric tons	167.42 Metric tons	N.A	N.A

Source: Ministry of Environment, GOP

N.A Not available

5.4.5 Integrated Energy Development Program

5.24 A review of the past pattern of energy consumption reveals that there is a persistent shift in energy consumption from petroleum products to other energy sources such as coal, electricity and gas. This shift has been observed in the case of electricity consumption and growth rate of energy supply invariably (see table 5.14). Per capita consumption of electricity actual use was 452 Kilo Watt Hour (KWH) in FY 2008/09, as data for the FY 2009/10 was not available to report here.

Table 5.14 Integrated Energy Development					
S. No.	Indicator	FY 2008/09		FY 2009/10	
		Target	Actual	Target	Actual
1.	Per capita consumption of electricity (KWH)		457 KWH	N.A	N.A
2.	Energy supplies growth (%)		-2.50%	N.A	N.A

Source: Ministry of Petroleum and Natural Resources, GOP

Note*: Based on 9 months data

N.A: Not available

5.4.6 Water Supply and Sanitation

5.25 It is priority of the Government to provide clean drinking water to its people. Unfortunately, most of the water sources are contaminated and there exists no proper mechanism whereby poor people could get clean water (both biologically and chemically treated). Safe drinking water supplied through water purification plants provides safeguard to human health, including reduction in the mortality rate (associated with lack of access to safe drinking water, inadequate sanitation and poor hygiene) by improving the quality of drinking water. GOP has planned to install 6,620 water filtration plants all over the country. During FY 2009/10, 370 new water filtration plants were installed which made the cumulative number 1,145 inclusive of those plants installed in FY 2008/09. At the close of the FY 2009/10, only 679 plants (include those installed in FY 2008/09) are functioning now. Remaining 466 plants are not functional because of the lack of the provision of electricity in the rural areas and some other technical maintenance problems all over the country.

Table 5.15 Water Supply through Water Purification Plants					
S. No.	Indicator	FY 2008/09		FY 2009/10	
		Target	Actual	Target	Actual
1.	No. of water purification plants installed under clean drinking water program	2721	775	2271	370
2.	No. of functional/operational water purification plants		680		679

Source: Ministry of Special Initiatives Clean Drinking Water for All (CDWA) Project.

5.5 Peoples Works Program-1 (PWP-1)

5.26 Under PWP-I (see table 5.16), a total of 6,918 schemes were approved during FY 200/10 as compared to approval of 3,864 schemes during FY 200/09 registering a significant increase of 79 percent. During FY 2009/10, about 45 percent schemes were approved for Punjab, 13 percent for Sindh, 264 percent for NWFP, 8 percent for Balochistan, 7 percent for FATA and 1 percent for ICT against approval of 43, 15, 24, 9, 7, 1 percent schemes for Punjab, Sindh, NWFP, Balochistan, FATA and ICT, respectively during the same period last year.

5.27 During FY 2009/10, the focus remained on development of farm to market roads in rural areas. In this regard, 44 percent schemes were approved for road development followed by 27 percent for provision of electricity, 17 percent for water supply facility and 5 percent each for education and sanitation, respectively; and 1 percent for health in all provinces including FATA and ICT.

Table 5.16: Number of Schemes Approved Under Each Category

FY 2008/09										
Province	Roads	Electrification	Gas	Telephone	Education	Health	Water Supply	Sanitation	Bulldozers Hours	Total Schemes
Punjab	893	577	33	1	33	11	46	70	2	1,666
Sindh	169	233	1	-	87	15	19	39	-	563
KPK	368	322	15	-	12	21	164	28	3	933
Balochistan	62	108	-	-	31	16	124	8	10	359
FATA	15	20	-	-	4	6	214	-	1	287
ICT	22	22	2	0	4	3	5	-	-	56
Total	1527	1,282	50	1	171	72	599	145	16	3,864
FY 2009/10										
Province	Road	Electrification	Gas	Telephone	Education	Health	Water Supply	Sanitation	Bulldozers Hours	Total Schemes
Punjab	1,610	936	59	-	74	12	162	241	2	3,096
Sindh	311	269	6	-	186	10	89	26	1	898
KPK	957	404	48	-	7	8	376	25	1	1,826
Balochistan	81	213	1	-	63	23	136	19	10	546
FATA	68	14	-	-	4	5	389	-	-	480
ICT	31	19	7	-	7	3	2	3	-	72
Total	3,058	1,855	121	-	341	61	1,154	314	14	6,918

Source: Ministry of Local Government and Rural Development

5.6 Capital and Finance for Development

5.28 Pakistan attaches great importance to financial sector development in the pursuit of poverty reduction. The financial sector is seen as playing a critical role in facilitating economic growth, directly through broadening access to finance and indirectly through growth, contributing to poverty reduction. Keeping in view the impotence of the sector, a set of key (intermediate) output indicators reflecting the health of financial institutions

were included in the Monitoring Matrix of the PRSP II for regular review and analysis. These indicators are being developed to cover progress of the Pillar 8: **Capital and Finance for Development**. State Bank of Pakistan (SBP) has developed a supervisory framework, which covers the risk monitoring indicators through a regular review of performance of financial institutions/banks. Sections 5.29 to 5.34 and table 5.17 discusses Capital Adequacy, Asset Quality, Management Quality, Earnings and Profitability, and Sensitivity to Market Risk.

Table 5.17 Progress of Output Indicators			
Sr. No	Intermediate (Output) Indicators	FY 2008/09	FY 2009/10
1.	Capital Adequacy Capital to Liability Ratio	12.3%	14%
2.	Asset Quality NPLs to Gross Advance Ratio	11.5%	15.6%
3.	Management Soundness Cost /Income Ratio	Data awaited	-
4.	Earnings and Profitability	0.8	0.91
5.	Liquidity Loans to deposit ratio	Data awaited	-

Source: State Bank of Pakistan (SBP) Report, 2008/09.

5.6.1 Capital Adequacy Ratio (CAR)

5.29 Capital Adequacy Ratio (CAR), also called Capital to Risk (weighted) Assets Ratio (CRAR), is a ratio of bank's capital to its risk. SBP tracks a bank's CRR to ensure that it can absorb a reasonable amount of loss complying with their statutory capital requirements. The recent global financial crisis has encouraged a trend towards tough capital requirements. Under these circumstances, the financial institutions find it difficult to raise the needed capital, and would be reluctant on lending to the private sector. CAR improved sharply in Pakistan since 2002-03. However, CAR increased marginally to 14 % during FY 2009/10 compared with 13.2 percent in FY 2008/09. Even at this level, CAR is much higher than the standard benchmark of 9 percent for the industry.

5.6.2 Assets Quality

5.30 Macroeconomic imbalance and subsequent economic slowdown of the economy also had a bearing on the quality of assets of the banking sector. In January, 2009, SBP allowed banks to avail the benefit of 30% of Forced Sale Value (FSV) of collateral while calculating provision requirement¹⁴. This relaxation, together with deteriorating earnings ratios in FY 2008/09, led to lower provisioning by banks. Gross Non Performing Loans (NPLs) ratio to gross advances of the all banks has registered an increase of 15.6 percentage points during the FY 2009/10 against the percentage points during the FY 2008/09. A further analysis informs that NPLs in corporate sector account for a major share in incremental NPLs. This reflects both a rising share of NPLs and an increased reluctance of financial institutions to extend loans to this sector.

5.6.3 Earnings and Profitability

5.31 The soundness and security of any banking system depends on its capability to earn from its assets. The profits of banks also act as a frontline defense to absorb losses without disturbing the capital base. This is the second consecutive year when banks are facing decline in their profits. After recovery from the international financial crisis, the return on assets (ROA) has increased from 0.8% in FY 2008/09 to 0.91% in FY 2009/10.

5.6.4 Liquidity

5.32 An adequate liquidity position refers to a situation, where an institution can obtain sufficient funds, either by increasing liabilities or by converting its assets quickly at a minimal cost. It is, therefore, generally assessed in terms of overall assets and liability management as mismatching gives rise to liquidity risk. The liquidity management remained quite challenging during FY 2009/10 as SBP had to maintain a balance between overall monetary policy objectives of containing excess demand on one side and at the same time ensuring smooth functioning of the domestic financial system.

5.6.5 Management Soundness

5.33 Data on the management soundness and liquidity position from SBP has not been received at finalization of the report.

¹⁴ This relaxation led to a total benefit of Rs. 7 billion for the banking industry.

5.7 Employment

5.34 During FY 2009/10, a total of 53.59 million population became part of the labour force having a share of 42.25 million males and 11.346 million females. Out of the total labour force 75 percent males and 19.36 percent females constituted 94.8 percent employed labour force. Percentage of unpaid family helpers stood at 28.94 percent of the employed labour force (see Table 19).

Table 5.18: Labour Force, Employed Labour Force, and Unpaid Family Helpers.

	FY 2009/10		
	Total	Males	Females
Labour Force (millions)	53.59	42.25	11.34
Employed Labour Force (%)	94.80	75.44	19.36
Percentage of unpaid family workers	28.94	-	-

Source: Ministry of Labour and Manpower, HRD Wing, Islamabad.

6. Monitoring the Outcome Indicators

6.0 This section of the report analyzes the performance of outcome (result) indicators regarding Education, Health, Environment/Water Supply and Sanitation, and seats held by women in Senate /Parliament/Provincial assemblies.

6.1 Education

6.1.1 Literacy Rate

6.1 Table 6.1 presents literacy rate for population 10 years and older among provinces and also in rural and urban areas between FY 2007/08 and FY 2008/09. Literacy rate increased from 56 percent in FY 2007/08 to 57 percent in FY 2008/09 showing an improvement of 1 percentage point. Literacy remained much higher amongst men than women in Pakistan. Female literacy rate increased by 1 percentage point and stood at 45 percent during FY 2008/09 as compared to FY 2007/08. Literacy rate for male remained stagnant i.e. 69 percent during FY 2008/09 as compared to FY 2007/08.

6.2 Punjab and Sindh had the highest literacy rate i.e. 59 percent, followed by 50 percent in KPK and 45 percent in Balochistan. Sindh showed a tremendous improvement with an improvement of 3 percentage points in literacy between FY 2007/08 and FY 2008/09. This was mainly due to an increase in female literacy rate which has gone up by 3 percentage points and male literacy which has gone up by 2 percentage points between both years. Baluchistan recorded a decrease of 4 percentage points in the male literacy rate. Urban literacy rate (74 percent) was much higher than the rate in rural areas (48 percent). In urban areas, Sindh had the highest literacy rate i.e. 76 percent whereas Punjab reported 51 percent of the population as literate in rural areas. The male literacy rate was much higher in both urban and rural areas as compared to female literacy rate. In percentage terms 81 percent males and 67 percent females were literate in urban areas as compared to literacy rate of 63 and 33 percent, respectively in rural areas.

Table 6.1: Literacy- Population 10 Years and Older - By Region and Province

Region / Province	2007/08 PSLM			2008/09 PSLM		
	Male	Female	Total	Male	Female	Total
Urban Areas	80	63	71	81	67	74
Punjab	78	66	72	82	71	76
Sindh	81	64	73	81	65	73
KPK	79	51	64	76	48	62
Balochistan	84	41	64	78	47	64
Rural Areas	64	34	49	63	33	48
Punjab	66	40	53	63	39	51
Sindh	57	20	40	61	22	43
KPK	65	29	46	67	27	47
Balochistan	58	16	39	57	16	38
Overall	69	44	56	69	45	57
Punjab	70	48	59	69	50	59
Sindh	69	42	56	71	45	59
KPK	68	33	49	69	31	50
Balochistan	66	23	46	62	23	45

Source: PSLM 2007/08, PSLM, 2008/09

6.2 Primary Education

6.2.1 Gross Enrolment Rate (GER) at Primary Level

6.3 Table 6.2 presents Gross Enrolment Rate (GER) at primary level aged 5-9 years among region and provinces excluding katchi classes. The GER refers to the number of children attending primary school divided by the number of children with the specific age group who ought to be attending. Overall GER at primary level (age 5-9) remained stagnant at 91 percent between FY 2007/08 and FY 2008/09. GER, for boys increased by 2 percentage points to 99 percent during FY 2008/09 relative to 97 percent in FY 2007/08. GER for girls stood at 83 percent during both FYs 2007/08, 2008/09 showing no change. Among provinces, GER increased by 4 percentage points to 84 percent and 87 percent in Sindh and KPK respectively during FY 2008/09 whereas Punjab and Baluchistan witnessed no improvement of literacy between FY 2007/08 and FY 2008/08.

6.4 In urban areas, total GER remained stagnant at 106 percent in FY 2008/09 as compared to FY 2007/08. However, in rural areas GER increased by 2 percentage point to 85 percent in FY 2008/09 relative to 83 percent in FY 2007/08. The highest GER, both in urban (110 percent) and rural (93 percent) areas was observed in Punjab and the lowest in KPK (97 percent) in urban areas and in Sindh (72 percent) in rural areas. GER both in urban and rural areas was (97 percent and 85 percent) and (100 percent and 68 percent) respectively in KPK and Baluchistan.

Table 6.2: GER at Primary Level (age 5-9) - By Region and Province (Excluding Katchi Class)

Region / Province	2007/08 PSLM			2008/09 PSLM		
	Male	Female	Total	Male	Female	Total
Urban Areas	108	104	106	108	104	106
Punjab	113	110	111	110	110	110
Sindh	102	100	101	107	99	103
KPK	97	91	94	101	92	97
Balochistan	106	87	97	109	91	100
Rural Areas	92	74	83	95	74	85
Punjab	97	86	92	99	86	93
Sindh	77	53	66	83	57	72
KPK	94	67	81	102	67	85
Balochistan	83	50	68	89	45	68
Overall	97	83	91	99	83	91
Punjab	102	92	97	102	92	97
Sindh	87	72	80	93	75	84
KPK	94	71	83	102	70	87
Balochistan	88	59	75	93	54	75

Source: PSLM 2007/08 PSLM, FY 2008/09

6.2.2 Net Enrolment Rate (NER) at Primary Level:

6.5 Net Enrolment Rate (NER) refers to the number of students enrolled in a primary school of required primary school age divided by the number of children in the age group for that level of education. NER at primary level of Pakistan as a whole stood at 57 percent during FY 2008/09, 2 percentage point higher than the last year i.e. 55 percent (see Table 6.3). Punjab had the highest NER i.e. 62 percent followed by 54 percent in Sindh, 52 percent in KPK and 41 percent in Balochistan. NER for boys improved by 2 percentage point from 59 percent in FY 2007/08 to 61 percent during FY

2008/09 while for girls it increased by 2 percentage point to 54 percent during FY 2008/09 as compared to the previous year.

6.6 Among provinces, NER for boys improved by 2 percentage points each in Punjab and Sindh, 3 percentage points in KPK and 4 percentage points in Baluchistan between FY 2007/08 and FY 2008/09 while girls net enrolment improved by 1 percentage point in Punjab, 3 percentage points in Sindh, 4 percentage points in KPK and 1 percentage point in Baluchistan. NER in urban and rural areas increased by 2 percentage points each from 66 to 68 percent and 51 to 53 percent respectively in FY 2008/09 in comparison with FY 2007/08. Punjab had the highest NER in urban areas (72 percent), having increased by 1 percentage point during FY 2008/09 and in rural areas 2 percentage points (58 percent) during FY 2008/09 compared to last year. NER for girls was higher i.e. 67 percent in urban areas while in rural areas the NER was higher for boys at 58 percent.

Table 6.3: NER at Primary Level (age 5-9) - By Region and Province (Excluding Katchi Class)

Region / Province	FY 2007/08 PSLM			FY 2008/09 PSLM		
	Male	Female	Total	Male	Female	Total
Urban Areas	66	67	66	68	67	68
Punjab	71	72	71	72	72	72
Sindh	61	62	62	64	62	63
KPK	59	55	57	65	56	61
Balochistan	61	53	57	61	56	59
Rural Areas	56	46	51	58	48	53
Punjab	59	54	56	61	55	58
Sindh	51	35	44	53	40	47
KPK	55	39	47	57	43	50
Balochistan	42	29	36	49	31	40
Overall	59	52	55	61	54	57
Punjab	62	59	61	64	60	62
Sindh	55	46	51	57	49	54
KPK	55	41	49	58	45	52
Balochistan	47	35	41	51	36	44

Source: PLM 2007/08 PSLM, 2008/09

6.3 Gross Enrolment Rate (GER) at Middle Level

6.7 GER at middle level aged 10-12 years by region and provinces is presented in Table 6.4. The GER at the middle level for Pakistan as a whole was 53 percent in FY 2008/09 same as in FY 2007/08. The GER increased by 3, 2 and 1 percentage points in Sindh, KPK and Balochistan, respectively whereas only Punjab witnessed a decline of 2 percentage points. The GER for males was higher than females, declined by 2 percentage points for females and same for males in the comparison period. The GER was the highest in Punjab both for males and females i.e. 61 and 53 percent, respectively. For males, GER improved by 2 percentage points each in KPK and Baluchistan and remained same in Balochistan and Punjab over the period. Females GER registered an increase of 3 and 1 percentage points in Sindh and KPK and registered a decrease of 4 percentage points in Punjab and remained same in Baluchistan.

6.8 The GER in urban areas improved by 2 percentage points to 71 percent in FY 2008/09 as compared to 69 percent in FY 2007/08 while no change was observed in GER in rural areas during the period. In urban areas, GER for males and females was 71 percent in contrast to rural areas where rate was higher for males i.e. 55 percent against 35 percent for females. Rate both for males and females was higher in urban areas (71 percent each) than in rural areas (55 and 35 percent, respectively).

Table 6.4: GER at the Middle Level (age 10-12) - By Region and Province

Region / Province	2007/08 PSLM			2008/09 PSLM		
	Male	Female	Total	Male	Female	Total
Urban Areas	67	71	69	71	71	71
Punjab	64	79	71	73	76	74
Sindh	69	65	67	68	68	68
KPK	80	58	68	81	61	71
Balochistan	72	51	62	66	53	60
Rural Areas	55	37	46	55	35	46
Punjab	59	49	54	56	43	55
Sindh	41	14	28	45	19	34
KPK	63	33	48	66	33	51
Balochistan	34	12	25	41	13	29
Overall	59	48	53	59	46	53
Punjab	61	57	59	61	53	57
Sindh	54	37	46	54	41	49
KPK	66	37	52	68	38	54
Balochistan	44	23	35	46	23	36

Source: PSLM 2007/08, PSLM, 2008/09

6.3.1 Net Enrolment Rate (NER) at Middle Level

6.9 During FY 2008/09, total NER at middle level aged 10-12 years increased by 2 percentage points (20 percent) against 18 percent in the comparison period previous year (see Table 5). Among provinces, the rate increased by 3 percentage points each in KPK and Punjab provinces and stood at 22 and 17 percent, respectively while decreased by 1 percentage point to 11 percent in Baluchistan and registered no change in Sindh. Males NER was 21 percent, 3 percentage points higher than last year rate while females NER showed an improvement of 1 percentage point to 18 percent. Punjab had the highest males NER i.e. 23 and females NER 21.

6.10 In urban areas, there was a slight increase (1 percentage point from 26 percent to 27 percent) and in rural areas there was an increase of (2 percentage points from 14 to 16) in NER. Females NER was 28 percent in urban areas higher than male (27 percent) and in case of rural areas rate was higher for males (19 percent) and lower for females (13 percent). In urban areas, Punjab had the highest rate for females (33 percent) and males (29 percent) while in rural areas; males (20 percent) and for females (17 percent).

Table 6.5: NER at the Middle Level (age 10-12) - By Region and Province

Region / Province	2007/08 PSLM			2008/09 PSLM		
	Male	Female	Total	Male	Female	Total
Urban Areas	23	29	26	27	28	27
Punjab	23	32	27	29	33	31
Sindh	23	28	25	24	24	24
KPK	22	20	21	27	24	25
Balochistan	26	23	24	22	18	20
Rural Areas	17	12	14	19	13	16
Punjab	16	15	16	20	17	18
Sindh	19	6	13	19	8	14
KPK	17	9	13	19	11	16
Balochistan	10	5	8	12	4	9
Overall	18	17	18	21	18	20
Punjab	18	20	19	23	21	22
Sindh	21	16	18	21	15	18
KPK	18	11	14	20	13	17
Balochistan	14	10	12	14	8	11

Source: PSLM 2007/08, PSLM, FY 2008/09

6.4 GER at Matric Level

6.11 Table 6.5 illustrates GER at matric level aged 13-14 years by region and province. The GER at matric level rose by 4 percentage points to 54 percent in FY 2008/09 as compared to 50 percent in FY 2007/08. The GER in Punjab stood at 57 percent followed by 51 percent in KPK, 50 percent in Sindh and 34 percent in Balochistan registering an increase of 3 percentage points each in Punjab and KPK and significant 6 percentage point in Sindh while no change has been registered by Baluchistan. Both males and females GER increased by 3 percentage points each from 59 to 62 percent and from 41 to 44 percent, respectively over the period. At matric level, NWFP had the highest GER i.e. 67 percent for males whereas Punjab had the highest rate for females at 50 percent.

6.12 The GER in urban areas increased significantly by 6 percentage points to 72 percent but still much higher than the rural areas whereas it increased by 2 percentage points to 44 percent in FY 2008/09 in relation to FY 2007/08. GER both for males and

females i.e. 76 and 69 percent, respectively in urban areas was higher than rural areas indicating enrollment of 54 percent for males and 32 percent for females. For males, NWFP had the highest GER in urban areas (78 percent) as well as in rural areas (64 percent) whereas for females Punjab had the highest rate both in urban (74 percent) and rural areas (39 percent).

Table 6.6: GER at the Matric Level (age 13-14) - By Region and Province

Region / Province	2007/08 PSLM			2008/09 PSLM		
	Male	Female	Total	Male	Female	Total
Urban Areas	69	65	67	76	69	72
Punjab	71	68	70	77	74	76
Sindh	65	64	64	73	64	69
KPK	75	58	66	78	62	71
Balochistan	66	47	58	78	46	63
Rural Areas	54	30	42	55	32	44
Punjab	57	37	47	59	39	49
Sindh	36	13	24	43	16	31
KPK	64	25	44	64	27	47
Balochistan	40	6	23	33	11	24
Overall	59	41	50	62	44	54
Punjab	61	47	54	64	50	57
Sindh	51	38	44	57	42	50
KPK	66	30	48	67	33	51
Balochistan	49	18	34	44	20	34

Source: PSLM 2007/08, PSLM, FY 2008/09

6.4.1 NER at Matric Level

6.13 NER at Matric level aged 13-14 years increased by 1 percentage point to 12 percent during FY 2008/09 as compared to 11 percent in FY 2007/08 (see Table 6.7). Punjab had the highest NER at 13 percent followed by Sindh 11 percent, KPK 8 percent and Balochistan 5 percent. Males and females NER both increased by 1 percentage point from 11 to 12 percent and from 10 to 11 percent, respectively during the comparison period.

6.14 In urban areas, NER registered an increase of 2 percentage points from 16 to 18 in FY 2008/098 as compared with last year while increased by 1 percentage point to

9 percent in FY 2008/09 relative to 8 percent in FY 2007/08 in rural areas. Females NER was higher in urban areas i.e. 18 percent as compared to males NER which was higher in rural areas (10 percent). Punjab had the highest NER both for males and females in urban as well as rural areas.

Table 6.7: NER at the Matric Level (age 13-14) - By Region and Province

Region / Province	2007/08 PSLM			2008/09 PSLM		
	Male	Female	Total	Male	Female	Total
Urban Areas	14	17	16	17	18	18
Punjab	15	19	17	18	22	20
Sindh	13	17	15	17	14	16
KPK	14	7	10	13	11	12
Balochistan	12	10	11	10	9	9
Rural Areas	10	7	8	10	7	9
Punjab	12	9	10	12	9	10
Sindh	9	3	6	9	4	7
KPK	5	5	5	9	4	7
Balochistan	4	1	3	4	2	3
Overall	11	10	11	12	11	12
Punjab	13	12	13	14	13	13
Sindh	11	10	11	13	10	11
KPK	6	6	6	9	5	8
Balochistan	6	4	5	5	3	5

Source: PSLM 2007/08, PSLM, FY 2008/09

6.5 Drop-out Rates Aged 15-19 Years – by Gender and Class

6.15 Table 6.8 illustrates dropout rate percentages for classes I to 6 by gender and class. The data on dropout rates has not been covered in PSLM 2008/09 as the survey was based on the districts.

Table 6.8: Drop-out Rates 15-9 years (percent)

	2007/08 PSLM			2008/09 PSLM		
	Male	Female	Total	Male	Female	Total
Class 1	0.3	0.3	0.3	-	-	-
Class 2	0.8	1	0.9	-	-	-
Class 3	2.4	3	2.7	-	-	-
Class 4	5	5.8	5.4	-	-	-
Class 5	8.8	8.8	8.8	-	-	-
Class 6	19.8	24.9	22.1	-	-	-

Source: PSLM 2007/08, PSLM, 2008/09

6.6 Health

6.16 The PSLM surveys FY 2007/08 and FY 2008/09 provide useful information about children under 5 suffering from diarrhea, Total Fertility Rate (TFR), Infant Mortality Rate (IMR), Contraceptive Prevalence Rate (CPR), pre-natal consultations, and drinking water supply and sanitation. Some of these outcome level indicators are discussed below.

6.6.1 Children under five (5) suffering from diarrhea in past 30 days - by Region and Province

6.17 Table 6.9 illustrates overall percentage of children who have suffered from diarrhea in the 30 days registered no change from 10 percent in FY 2007/08 to 10 percent in FY 2008/09. However, it increased 1 percentage point for urban areas from 10 to 11 and decreased also for 1 percentage point from 11 to 10 in rural areas in comparison period FY 2008/09 and FY 2007/08. The diarrhea cases decreased in Punjab, KPK and Baluchistan from 11 percent in FY 2007/08 to 10 percent in FY 2008/09, from 12 to 10 percent in KPK, and from 8 to 6 percent in Baluchistan respectively in the period under comparison. However, Sindh has shown an increase from 7 percent in FY 2007/08 to 12 percent in FY 2008/09.

Table 6.9: Children under five (5) suffering from diarrhea in past 30 days - by region and Province

Region / Province	FY 2007/08 PSLM			FY 2008/09 PSLM		
	Male	Female	Total	Male	Female	Total
Urban Areas	10	10	10	12	11	11
Punjab	10	11	10	11	10	11
Sindh	10	9	10	14	15	14
KPK	8	8	8	7	7	7
Balochistan	8	9	9	7	6	7
Rural Areas	10	11	11	11	10	10
Punjab	11	13	12	11	9	10
Sindh	6	6	6	11	12	11
KPK	13	12	12	11	10	11
Balochistan	8	8	8	6	6	6
Overall	10	11	10	11	10	10
Punjab	10	12	11	11	9	10
Sindh	8	7	7	12	13	12
KPK	12	11	12	10	10	10
Balochistan	8	9	8	7	6	6

Source: PSLM 2007/08, PSLM, 2008/09

Note: 12-23 months

: Immunizations: To be classified as fully immunized a child must have received: BCG, DPT 1, DPT2, DPT3, Polio 1, Polio 2, Polio 3 and Measles

6.6.2 Total Fertility Rate (TFR)

6.18 TFR is a common measure of current fertility and is defined as the average number of children a woman would have if she went through her entire productive period i.e. 15-49 years. The data on TFR has not been covered in PSLM 2008/09 as the survey was based on the districts.

Table 6.10: Total Fertility Rate (TFR)

	FY 2007/08 PSLM			FY 2008/09 PSLM		
	Urban	Rural	Total	Urban	Rural	Total
Total Fertility Rate	3.1	4.4	3.9	-	-	-

Source: PSLM 2007/08

6.6.3 Infant Mortality Rate (IMR)

6.19 The data on IMR has not been covered in PSLM 2008/09 as the survey was based on the districts.

Table 6.11: Infant Mortality Rate - by Sex and Region (Deaths per thousand live births)

Region / Province	FY 2007/08 PSLM			FY 2008/09 PSLM		
	Male	Female	Total	Male	Female	Total
Urban Areas	43	46	45	-	-	-
Rural Areas	87	72	79	-	-	-
Overall	75	65	69	-	-	-

Source: PSLM 2007/08

6.6.4 Contraceptive Prevalence Rate (CPR)

6.20 The data on CPR has not been covered in PSLM 2008/09 as the survey was based on the districts.

Table 6.12: Contraceptive Prevalence Rate (Women Aged 15-49 Years)

Region / Province	2007/08 PSLM			2008/09 PSLM		
	Urban	Rural	Total	Urban	Rural	Total
Overall	35	23	27	-	-	-
Punjab	39	29	32	-	-	-
Sindh	33	10	21	-	-	-
NWFP	31	22	23	-	-	-
Balochistan	11	4	6	-	-	-

Source: PSLM 2007/08

6.6.5 Pre Natal Consultations – by Province

6.21 Quality pre-natal care contributes to the prevention of maternal mortality by detecting and managing potential complications and risk factors, including pre-eclampsia, anemia, and sexually transmitted diseases. Pre-natal care also provides opportunities for women to learn about precautions related to pregnancy and delivery

and also infant care, to be immunized against tetanus and be treated for existing conditions, such as malaria and anemia. Table 6.13 shows that 58 percent of mothers in FY 2008/09 compared to 56 percent in FY 2007/08 who had given birth in the last three years went for pre-natal consultations during their last pregnancy. The overall attendance rate was much higher in urban areas i.e. 77 percent compared to 50 percent in rural areas. Pre-natal attendance rates have increased particularly in urban areas from 74 percent in FY 2007/08 to 77 percent in FY 2008/09 whereas no change has been noticed in rural areas as consultations remained the same. In urban areas, Sindh had the highest attendance i.e. 84 percent in urban areas, whereas Baluchistan had the lowest i.e. 57 percent. Punjab had the highest attendance i.e. 55 percent and Balochistan had the lowest i.e. 33 percent in rural areas.

Table 6.13: Pre Natal Consultations by Province

Region / Province	FY 2007/08 PSLM			FY 2008/09 PSLM		
	Urban	Rural	Total	Urban	Rural	Total
Overall	74	50	56	77	50	58
Punjab	73	54	59	75	55	61
Sindh	82	46	59	84	43	60
KPK	61	46	48	67	46	49
Balochistan	53	33	39	57	30	36

Source: PSLM 2007/08, PSLM, FY 2008/09

6.7 Environment/Water Supply and Sanitation

6.7.1 Main Sources of Drinking Water

6.22 The main source of drinking water in Pakistan is tap water¹⁵, as 35 percent of the total population used this source of drinking water during FYs 2007/08 and 2008/09 (see Table 6.14 and Graph 1). Hand and motor pumps together provided 54 percent of the household with drinking water in FY 2008/09 as compared to 55 percent in FY 2007/08. However, compared to the previous year PSLM survey, the usage of motor pump has increased in urban areas and declined in rural areas. Moreover, the percentage of households depending on dug well as a water source remained same at

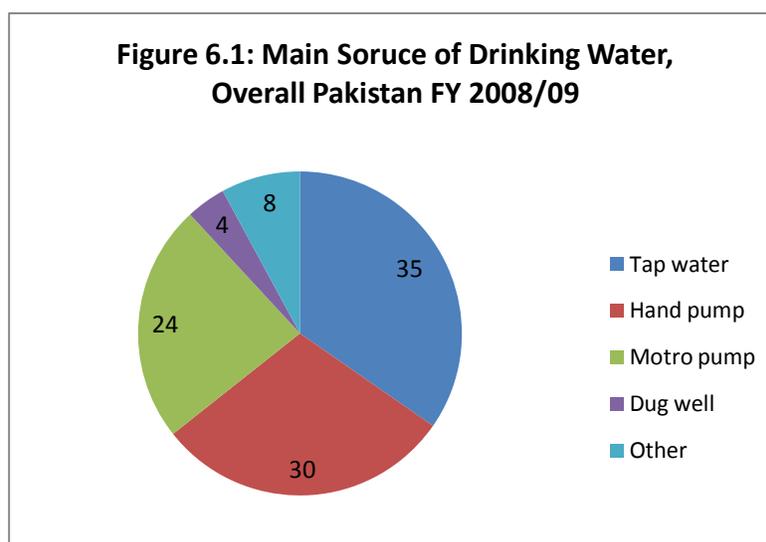
¹⁵ In PSLM survey, interviewers were told to record the ultimate source of drinking water. For example, water piped directly from a stream and delivered through a tap, without passing through a settlement tank, would have 'stream' as its source, not 'tap in house'.

4 percent whereas other sources increased from 6 percent in FY 2007/08 to 6 percent in FY 2008/09.

Table 6.14: Main Sources of Drinking Water in Pakistan (Percentages)

	FY 2007/08 PSLM			FY 2008/09 PSLM		
	Urban	Rural	Total	Urban	Rural	Total
Tap waters	61	22	36	62	21	35
Hand pump	10	40	30	8	41	30
Motor pump	24	25	25	25	24	24
Dug well	1	6	4	1	6	4
Others	5	7	6	4	9	8
Total	100	100	100	100	100	100

Source: PSLM 2007/08, PSLM, 2008/09



6.7.2 Type of Toilet used by Household

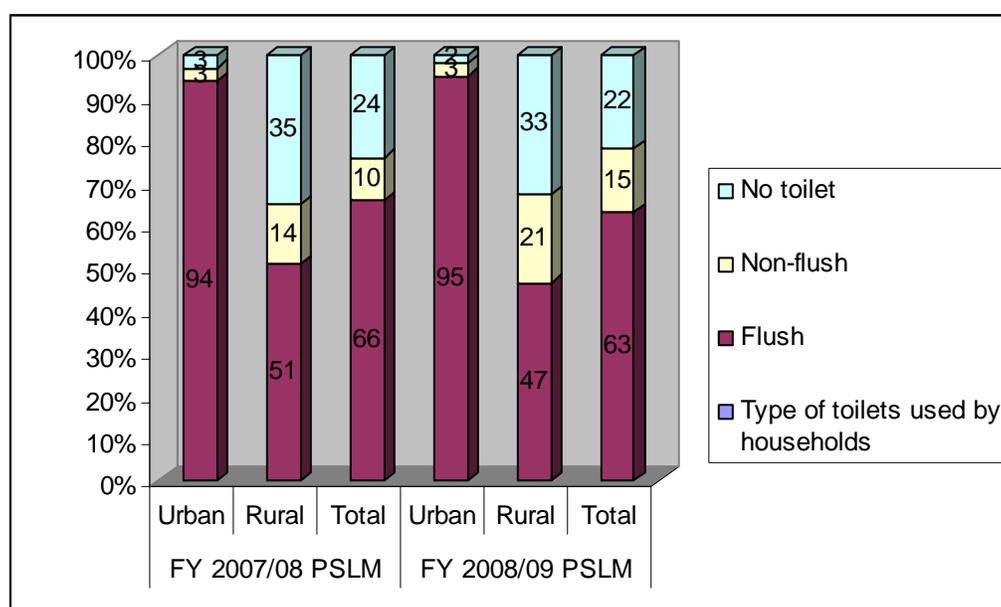
6.23 Overall, 22 percent households in FY 2008/09 compared to 24 percent in FY 2007/08 do not have access to any toilet facility in Pakistan (see Table 6.15 and Graph 2). This varies largely between urban and rural areas i.e. 2 percent of urban households had no toilet compared to 33 percent of rural households. The percentage of flush and non-flush use has also changed over the comparison period, as the use of flush decreased from 66 percent in FY 2007/08 to 63 percent in FY 2008/09 and the use of non-flush increased from 10 to 15 percent.

Table 6.15: Type of Toilet Used by Households

	FY 2007/08 PSLM			FY 2008/09 PSLM		
	Urban	Rural	Total	Urban	Rural	Total
Type of toilets used by households						
Flush	94	51	66	95	47	63
Non-flush	3	14	10	3	21	15
No toilet	3	35	24	2	33	22

Source: PSLM 2007/08, PSLM, FY 2008/09

Figure 6.2: Type of Toilet Used by Households



6.8 Seats Held by Women at Various Levels

6.8.1 Seats Held by Women in Senate/Parliament/Provincial Assembly

6.24 Table 6.16 and Graph 3 illustrate women seats reserved at Senate, National Assembly and Provincial Assemblies. Against the total Senate seats of 100, 17 (%) seats are reserved for women. Each province has standard 22 seats in Senate whereas FATA has 8 seats and Islamabad has 4 seats. Against the total National Assembly seats of 272, 60 seats i.e. 22% seats are reserved for women. If we include 16 National Assembly women directly elected on general seats, the total seats for women become

76 i.e. 28 percent. Against the total provincial assembly seats of 577, 128 seats i.e. 22% seats are reserved for the women. If we include 10 provincial assembly women directly elected on general seats, the total seats for women become 138 i.e. 24 percent.

Table 6.16: Senate/National Assembly/Provincial Assemblies

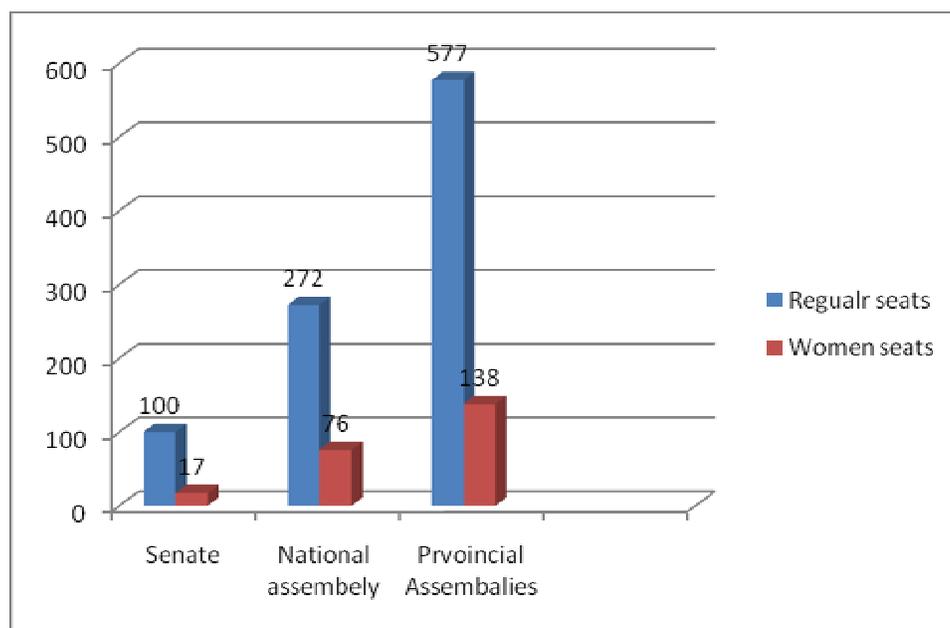
Area/Province	Federation				Provinces	
	Senate		National Assembly*		Provincial Assemblies**	
	Regular	Women	Regular	Women	Regular	Women
Punjab	22	4	148	35	297	66
Sindh	22	4	61	14	130	29
NWFP	22	4	35	8	99	22
Baluchistan	22	4	14	3	51	11
FATA	8	-	12	-	-	-
Islamabad	4	1	2	-	-	-
Total	100	17	272	60	577	128

Source: Election Commission of Pakistan

Note*: 16 women were elected from general seats in National Assembly $16 + 60 = 76$

Note**: 10 women were elected from general seats in Provincial Assemblies $128 + 10 = 138$

Figure 6.3: Seats Held by Women at Various Levels



6.8.2 Seats Held by Women in District/Tehsil/Town/Union Councils

6.25 The local bodies earlier elected have been dissolved in Year 2009; hence, data/information about local bodies' strength is not given.

7. Conclusion

7.1 The PRSP Annual Progress Report for FY 2009/10 is the second Annual Report of the PRSP-II three-year period FY 2008/09 – FY 2010/2011. Efforts to track pro-poor expenditures both in the form of budgetary and non budgetary and relevant output (intermediate) and (outcome) indicators originally initiated during the Interim PRSP and later on revised during the PRSP-II have been consistently followed since FY 2001. The overall expenditures on pro poor sectors have shown a constant positive increase throughout except FY 2008/09, whereas monitoring indicators (both output and outcome) have also registered steady progress.

7.2 Pakistan's economy experienced modest GDP growth of 4.1 percent as compared to a meager growth of 1.2 percent in PFY. Encouraging factors supporting improved growth included recovery in LSM indicated by a growth of 4.8 percent during CFY relative to negative trend of 7.7 percent in FY 2008/09; decelerating inflation at an 11.7 percent for CFY compared to 20.8 percent during PFY; narrowing of Current Account Deficit to 2 percent of GDP during CFY relative to 5.7 percent of GDP in PFY on the back of improved exports performance and robust increase in remittances. On the downside, fiscal deficit failed to contain and increased to 6.3 percent of GDP during FY 2009/10, 1.1 percentage points higher than in FY 2008/09 whereas the tax collection missed the annual target for FY 2009/10.

7.3 Expenditures incurred in pro-poor sectors during FY 2009/10 remained far above than the limit set by FRDLA Act stipulating that pro-poor expenditure must not be below 4.5 percent of GDP. Actual pro-poor expenditure as a percent of GDP stood at 8.14 percent, higher by 3.64 percent points than the FRDLA limit as well as higher than PRSP II projections of 6.01 percent of GDP. Current and Development expenditures as a ratio of GDP have also surpassed the targets determined in PRSP II for FY 2009/10.

7.4 Under the Social safety nets, PBM has introduced three new programmes during FY 2009/10 namely 1) Pakistan Sweet Homes (PSH) for orphanages 2) Pakistan Homes (PH) for senior citizens, and 3) Langer Program (LP) for poor and vulnerable free food. A decline in PBM programme disbursements and high increase in beneficiaries were noticed during FY 2009/10 in comparison with FY 2008/09. PBM program disbursements declined by 34 percent from Rs 3,432 million during FY 2008/09 to Rs 2.261 in FY 2009/10 registering a sharp increase in beneficiaries by 82 percent from 1,158,922 to 2,110,355 during the same period. The main reason behind this sharp decline in overall disbursement was the closure of PBM's flagship programme i.e. Food Support Programme (FSP) in FY 2009/10. The FSP has been merged into the BISP. A slight decrease in Zakat disbursements and a significant increase in beneficiaries were noticed during FY 2009/10 in comparison with FY 2008/09. A total of Rs 2,874 million was disbursed under different programmes of Zakat as compared to Rs 2,877 million during FY 2008/09 registering a decrease of less than 1 percent. During

the same period, beneficiaries increased by 19 percent from 1,085,378 to 1,289,050. The BISP's allocation for the FY 2009/10 has been increased to Rs. 70 billion for 5 million families. During FY 2009/10, a total of Rs. 32 billion was disbursed to 2.29 million beneficiaries across all parts of the country against Rs.15.8 billion and 1.76 million respectively in FY 2008/09. The disbursement under BISP's cash grants was almost doubled and beneficiaries increased by 30 percent in comparison with previous fiscal year. Poverty Score Cards System (PSCS) data/information has been collected in 30 districts of the country and the process is on-going in the remaining districts. On completion of the survey, the results of the above survey will help in better targeting the vulnerable and poorest of the poor.

7.5 Tracking of indicators in the education sector reflects an overall increase in gross and net enrolments rates at both pre-secondary and secondary levels but there is a high need to enhance budgetary allocations generally for the social sectors and particularly for the health and education sectors in Pakistan. The annual allocations for education and health sectors are alarmingly low in comparison with other countries in South Asia causing serious setback to our efforts to achieve the Millennium Development Goals (MDGs).

Programmes	FY 2008/09		FY 2009/10	
	No. of Beneficiaries	Disbursement (Rs. Millions)	No. of Beneficiaries	Disbursement (Rs. Millions)
Food Support Programme (FSP)	754,332	2,263	-	-
Individual Financial Assistance (IFA)	18,974	775	51,588	1,627.07
National Centre for Rehabilitation of Child Labor (NCRCL)	181,607	194	376,396	299.111
Vocational Training Centers (VTC)	52,462	87	188,260	113.212
Institutional Rehabilitation (Grant-In-Aid to NGOs)	125,406	87	25,399	54.162
Child Support Programme (CSP)	26,141	26	27,944	37.951
Pakistan Sweet Homes (Orphanages)	0	0	1159	70.954
Pakistan Home (Senior Citizen homes)	0	0	6	0.663
Langer Program	0	0	1,439,603	58.232
Total Disbursement under all Programmes	1,158,922	3,432	2,110,355	2,261

	FY 2008/09		FY 2009/10	
	Amount Utilised (Rs Million)	No. of Beneficiaries	Amount Utilised (Rs. Million)	No. of Beneficiaries
Regular Zakat Programmes				
Guzara Allowance	882	241,011	925.76	266,390
Education stipends	262	190,799	312.994	278,765
Stipends to students of Deeni Madrassahs	114	66,228	128.723	96,255
Health care	87	66,952	103.371	72,028
Social welfare / Rehabilitation	56	19,219	-	-
Marriage assistance to unmarried women	58	5,986	144.907	13,900
Sub Total	1,459	590,195	1,616	727,338
Other Zakat Programmes				
Eid Grants	77	156,076	78.93	157,883
Leprosy Patients	1	103	0.493	226
Permanent rehabilitation scheme of Zakat	-	-	-	-
Educational Stipend (tech)	868	75,237	586.1	101,898
Sub Total	946	231,416	665.523	260,007
National level Schemes				
National level health institutions	461	262,920	577.85	299,051
Model Deeni Madrassahs	11	847	14.62	2654
Subtotal	472	263,767	592.47	301,705
Grand Total	2,877	1,085,378	2,874	1,289,050

Programs	FY 2008/09 (July 01 – June 30)		FY 2009/10 (July 01 – June 30)*	
	No. of Beneficiaries	Disbursement (Rs. Millions)	No. of Beneficiaries	Disbursement (Rs. Millions)
Old Age Pension	185,600	3,704	197,216	4,156
Invalidity Pension	4,600	174	4,893	96
Survivors Pension	97,900	1,851	106,369	2,149
Old-Age Grants	1,900	58	1,774	21
Total	290,000	5,787	310,352	6,442

Budget Allocation FY 2008/09	Actual Expenditure & Beneficiaries FY 2008/09		Budget Allocation FY 2009/10	Actual Expenditure & Beneficiaries FY 2009/10	
(Rs. billion)	Expenditure (Rs. billion)	Beneficiaries (million)	(Rs. billion)	Expenditure (Rs. billion)	Beneficiaries (million)
34	15.8	1.76	70	32	2.29

Welfare Measures	FY 2008/09 (July 01 – June 30)		FY 2009/10 (July 01 – June 30)	
	No. of Beneficiaries	Disbursement	No. of Beneficiaries	Disbursement
Education schemes (Schools)	36,314	945	52,746	1,228.73
Scholarship cases	15,721	345	7,640	433.73
Marriage Grant cases	9,499	473	9,074	495.80
Death Grant Cases	1,135	307	943	273.35
Earthquake Affectees cases	339	17	-	-
Total	63,008	2,087	70,403	2,431.61

Details	Micro-credit		Micro-Savings		Micro-Insurance	
	Active Borrowers	Value (PKR Million)	Active Savers	Value (PKR Million)	Policy Holders	Sum insured (PKR Million)
FY 2008/09 (July 1- June 30)	1,782,239	20,319	2,153,538	6,893	2,085,395	29,414
FY 2009/10 (July 1- June 30)	1,975,820	25,082	2,834,916	9,566	3,813,594	53,704
Increase/decrease (Net)	193,581	4,763	681,378	2,673	1,728,199	24,290
Increase/decrease (%)	10.86	23.44	31.64	38.78	82.87	82.58

Peer Group		2008/09 (July 01–June 30, 2008)	2009/10 (July 01–June 30, 2009)
MFBs	Number of branches/Units	369	402
	Gross Loan Portfolio	8,622	10,464
	Average Loan Balance (Rs.)	12,614	14,158
	Number of Loans disbursed	727,218	765,553
	Credit Disbursements (Rs.)	11,218	13,836
	Average Loan Size (Rs.)	15,508	19,314
MFIs	Number of branches/Units	275	352
	Gross Loan Portfolio (Rs)	4,287	5,906
	Average Loan Balance (Rs.)	9,406	10,574
	Number of Loans disbursed	473,509	383,751
	Credit Disbursements (Rs)	6,220	6,273
	Average Loan Size (Rs.)	13,937	16,202
RSPs	Number of branches/Units	727	706
	Gross Loan Portfolio (Rs)	6,014	6,685
	Average Loan Balance (Rs.)	10,926	12,066
	Number of Loans disbursed	648,220	695,971
	Credit Disbursements (Rs)	9,778	11,690
	Average Loan Size (Rs.)	16,213	19,581
	Number of branches/Units	109	153
	Gross Loan Portfolio (Rs)	1,397	2,027
	Average Loan Balance (Rs.)	15,084	16,329
	Number of Loans disbursed	90,103	121,182

	Credit Disbursements (Rs)	1,453	1,976
Others	Average Loan Size (Rs.)	16,676	16,908
	Number of branches/Units	1,480	1,613
	Gross Loan Portfolio (Rs.)	20,319	25,082
	Average Loan Balance (Rs.)	11,401	12,695
	Number of Loans disbursed	1,939,050	1,966,457
	Credit Disbursements (Rs.)	28,669	33,775
Total	Average Loan Size (Rs.)	15,688	18,503

	FY 2008/09			FY 2009/10		
	Urban	Rural	Total	Urban	Rural	Total
Punjab	7,098,618	38,380,045	45,478,663	7,422,372	40,144,507	47,566,879
Sindh	3,640,031	13,202,396	16,842,427	4,405,335	13,782,279	18,187,614
KPK	1,369,563	9,969,546	11,339,109	1,712,083	10,561,750	12,273,833
Baluchistan	1,336,363	2,138,222	3,474,585	1,336,363	2,138,222	3,474,585
AJK	198,138	2,101,490	2,299,628	200,104	2,211,644	2,411,748
FANA	138,366	534,834	673,200	152,728	643,510	796,238
FATA	0	1,012,895	1,012,895	-	1,002,052	1,002,052
ICT	38,242	259,702	297,944	40,124	310,457	350,581
Total	13,819,321	67,599,130	81,418,451	15,269,109	70,794,421	86,063,530