

**PRSP**  
**FIRST QUARTER PROGRESS REPORT FOR**  
**2005-06**



**PRSP Secretariat - Finance Division**  
**Government of Pakistan**  
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## **1 Introduction**

1.1 The target for real GDP growth for FY06 is 7%, with contributions from all major sectors i.e. agriculture 4.2%, manufacturing 12% and other sectors 6.5%. The continuation of fiscal discipline, prudent monetary policy and focus on improving infrastructure and social sector indicators clearly point to the possibility that the economy can maintain its long-term growth trajectory.

1.2 The impact of October 8, 2005 earthquake on Pakistan's official GDP growth (which excludes GDP from AJK) is expected to be relatively small. The overall cost of the earthquake is estimated at around US\$ 5.2 billion, which includes estimated costs for relief, livelihood support for victims and reconstruction. The Donor Conference held on November 19, 2005 in Islamabad shared the findings of the assessment study, prepared by Asian Development Bank and World Bank with Pakistan's development partners, The Government presented reconstruction and rehabilitation strategy and sought international community's financial, technical and material support towards meeting the costs of the rehabilitation and reconstruction in the earthquake affected zone. International donors pledged to provide US\$ 6.2 billion, including about US\$2.2 billion grants (for details see box 1).

1.3 Government of Pakistan has committed itself to spend not less than 4.5% of annual GDP on 17 pro-poor sectors identified in PRSP. Over the years actual PRSP expenditures have exceeded the targeted expenditures and their share in GDP has continued to increase every year. PRSP budgetary expenditures increased by 52.8% to Rs 76.2 billion during Q1 FY06 relative to Q1 FY05. This substantial increase reflects Government of Pakistan's commitment to reduce poverty. After inception of I-PRSP in 2001, PRSP was launched in December 2003, now PRSP-II is under preparation, which will complement Medium Term Development Framework (MTDF) 2005-10 and will be completely aligned with the Millennium Development Goals (MDGs).

1.4 This report is divided into six sections. An overview of macroeconomic indicators is given in section 2, followed by an analysis of budgetary and non-budgetary expenditures in sections 3 and 4, respectively. Section 5 monitors the intermediate indicators. Special programs/schemes for poverty reduction are briefly reviewed in section 6. Poverty impact of the Khushaali Bank's microfinance lending in Pakistan is discussed in section 7. Section 8 comprises of concluding remarks.

## **2 An Overview of Macroeconomic Indicators**

### **2.1 Macroeconomic Targets for 2005-06**

2.1 The performance of macroeconomic indicators during Q1 of FY06 can be better assessed in the context of growth targets set for the current fiscal year. The macro economic targets set by the Ministry of Finance for FY06 are given in Table 1. The target for real GDP growth is 7% for FY06, with contributions from all major sectors i.e. agriculture 4.2%, manufacturing 12% and other sectors 6.5%. The real GDP growth target set for FY06 is less than the actual real GDP growth in FY05, as the high economic growth of FY 05 is unlikely to be repeated in the succeeding year. A high target for LSM growth has been set on the expectations of an easing of capacity constraints in some industries, particularly cement, automobiles, paper & paper board etc and establishment of new units and continuing strong domestic and external demand. Destruction caused by the October 8, 2005 earthquake, would result in rebuilding efforts and hence further increase in the domestic demand. Increase in

external demand of textile goods is expected in the post MFA phase, following the heavy investment in textile sector in the recent years and supportive measures taken by the Government. Easing of supply situation of essential food items as a result of liberal import policy pursued by the government, a tight monetary policy pursued by the SBP to shave off some of the excess demand pressures and likely softening of oil prices in the first half of 2006 are expected to reduce inflationary pressures in FY 06.

	2005-06
Real GDP Growth	7
Agriculture	4.2
Manufacturing	12
LSM	14.5
Other Sectors	6.5
CPI	8

Source: Economic Advisor Wing, Finance Division

2.2 Continuation of fiscal discipline, prudent monetary policy and efforts to improve infrastructure and social sector indicators, point towards the possibility that economy can maintain its long term growth trajectory if weakness in key areas such as lack of buoyancy in taxes, growth in current expenditure and external sector imbalances are properly addressed.

## 2.2 Inflation

2.3 Inflationary pressures that started weakening by the last quarter of FY05, further weakened during the first five months of FY06. After rising from 8.7% in October 2004, YoY Consumer Price Index (CPI) growth peaked in April 2005, before dropping to 7.9% by November 2005. While the earlier rise was dominated by rising food inflation, during the first five months of FY06 inflationary pressures were being driven principally from the CPI non- food group since mid-April 2005. This implies that the Government strategy of importing wheat, sugar, livestock and other essential commodities in short supply is working well. In fact, the impact of a gradual deceleration in food inflation is partially offset by a sharp rise in transportation costs, thus supporting inflationary pressures to sustain. On the positive side, a continued deceleration in house rent index (HRI) augmented the ease in food inflation during July-November FY05. Q1-FY06 witnessed a monetary contraction, with M2 declining 0.3% in the period, in contrast to the 1.2% increase seen in Q1-FY05.

## 2.3 Industrial Production

2.4 The Index of Industrial Production (IIP) indicates that industrial growth weakened during Q1-FY06, registering a single digit growth of 6.1% in contrast to the 19.0% growth witnessed during Q1-FY05. This slow down in IIP is mainly attributed to a distinct deceleration in LSM growth. Quantum Index Number of LSM grew by 8.7% during July-September FY06 compared to 24.9% during the same period in FY05. One of the stronger contributions to the deceleration in LSM growth is from the textile sub-sector with 7.2% cumulative growth in Q1-FY06 as against 29.6% in Q1-FY05. Automobile sector also fell sharply to 32.3% in Q1-FY06 from 40.2% during Q1-FY05. The other industries that witnessed a notably slower growth in the first quarter of FY06 relative to the same period in FY05 include food, beverages & tobacco, cement, petroleum products, fertilizers and electronics. In contrast, leather, pharmaceutical, paper & board and engineering industries saw a significant rise in growth during Q1-FY06.

### **Box 1: Pakistan Earthquake 2005<sup>1</sup>**

On October 8, 2005, at 8:50 in the morning, an earthquake of magnitude 7.6 rocked Pakistan, leaving behind widespread destruction, killing at least 73,000 people, severely injuring another 75,000<sup>2</sup> and rendering 2.8 million people shelter less. Azad Jammu and Kashmir and eastern NWFP Province were dealt the most serious blow and suffered extensive damage to economic assets and infrastructure, with social service delivery, commerce and communication either debilitated or destroyed. Vulnerable groups, mainly women and children living in inaccessible mountain areas with low levels of income and service provision have borne the brunt of the earthquake's impact.

The overall cost associated with the earthquake is estimated at approximately US\$ 5.2 billion, which includes estimated costs for relief, livelihood support for victims and reconstruction. Preliminary estimates of the direct damage sustained due to the earthquake total Rs. 135.1 billion (US\$2.3 billion). The largest component of this damage is to private housing, which amounts to Rs. 61.2 billion (US\$1.03 billion), followed by damage to the transport sector totaling Rs. 20.2 billion (US\$340 million) and to the education sector equaling Rs 19.9 billion (US\$335 million). Direct damage to agriculture and livestock is also sizeable, totaling Rs. 12.9 billion (US\$218 million). The losses to industry and services amount to Rs. 8.6 billion (US\$144 million). In most sectors, the destruction of physical assets in AJK is higher than in NWFP, as is its monetary value. The indirect losses resulting from the direct damage are Rs.34.2 billion (US\$576 million).

Government of Pakistan responded quickly to the emergency. Although communications with the most severely affected areas and population were severed, the President and the Prime Minister visited the affected sites the day after the disaster. Two Army Divisions moved into NWFP and AJK and set up five advanced staging posts for facilitation and distribution of relief goods. The geography of some of the affected areas led the Government to call for an unprecedented number of helicopters to assist with the distribution of relief goods. As of November 2, 2005 a fleet of more than 125 helicopters and aviation vessels, both foreign and domestic, have made over five thousand sorties to affected areas.

A President's Relief Fund was established to mobilize resources for relief efforts. The Prime Minister's office appointed a Federal Relief Commission and corresponding Relief Coordinator, with the overall responsibility for overseeing relief efforts targeting shelter, food, clean water and immediate medical care. At the District and grassroots levels, military relief personnel have been stationed to facilitate the distribution of relief goods. Furthermore, an Earthquake Reconstruction and Rehabilitation Authority (ERRA) has been established to facilitate the rebuilding and repair of damaged infrastructure, including housing, roads, bridges, government buildings, schools and hospitals.

The Government has also announced a program that includes compensation of Rs. 100,000 for families who have lost members, Rs. 50,000 for those individuals who have sustained serious injuries and Rs 25,000 for those with minor injuries. The maximum amount of assistance given to each family under this program is Rs. 500,000. An amount of Rs. 175,000 would be distributed to each affected house in NWFP and AJK.

The Donor Conference held on November 19, 2005 in Islamabad was meant to share the findings of the assessment study, prepared by Asian Development Bank and World Bank with Pakistan's development partners, present GOP's reconstruction and rehabilitation strategy and seek international community's financial, technical and in-kind support towards meeting the costs of the rehabilitation and reconstruction in the earthquake affected zone. International donors pledged to provide US\$6.2 billion, including about US\$2.2 billion grants<sup>2</sup>.

<sup>1</sup> Source: Pakistan 2005 Earthquake Preliminary Damage and Needs Assessment, prepared by the ADB and the World Bank

<sup>2</sup> <http://www.presidentofpakistan.gov.pk>

## **2.4 Workers Remittances**

2.5 Workers remittances increased by 4% to US\$1.4 billion during July-October FY06 compared to the same period in FY05. Main countries from where the remittances came are USA, UK, Saudi Arabia and UAE.

## **2.5 Foreign Direct Investment**

2.6 Net inflow of Foreign Direct Investment (FDI) increased by 69% to US\$465.7 million during July-October FY06 relative to the same period in FY05. Countries, which made major contribution to FDI, include USA, UK and UAE.

## **2.6 Trade**

2.7 Exports grew by 19.9% to US\$4.2 billion during July-September FY06 compared to the same period in FY05. A noteworthy feature of exports is a 25.9% growth in textile manufactures to US\$2.5 billion during the same period. Imports during the first quarter of FY06 relative to the first quarter of FY05 grew by 52% to US\$6.6 billion. Growth in imports is driven by 60.9% growth in machinery imports to US\$1.6 billion, 52.7% growth in petroleum imports to US\$1.5 billion, textile imports by 62.9% to US\$0.13 billion and metal imports by 53.5% to US\$0.38 billion. Increase in petroleum imports is the result of rising international petroleum prices. Trade deficit deteriorated by 187.5% to US\$2.4 billion during July-September FY06 compared to the same period in FY05.

## **2.7 Current Account**

2.8 Current account (excluding official transfers) showed a deficit of US\$1431 million during July-September FY06, compared to a surplus of US\$109 million in July-September FY05. The sharp deterioration in the current account was mainly due to substantial increase in the trade deficit and deficit on the services account.

## **3 An Analysis of the Pro-Poor Budgetary Expenditures**

3.1 This section compares the pro-poor budgetary expenditures during Q1 FY06 with Q1 FY05. PRSP budgetary expenditures on 17 pro-poor sectors for Q1 FY06 and Q1 FY05 are reported in table 2. Government of Pakistan is committed to spend not less than 4.5% of annual GDP on these sectors. The analysis of PRSP expenditures with reference to GDP would be more useful in the coming quarters. PRSP budgetary expenditures increased by 52.8% to Rs 76.2 billion during Q1 FY06 relative to Q1 FY05. This increase in PRSP expenditures is quite substantial and reflects Government of Pakistan's commitment to reduce poverty.

3.2 Largest increase in PRSP expenditures was in irrigation sector. There was an increase of 424% to Rs 12.4 billion in irrigation sector during first quarter of this fiscal year as compared to the same period in last fiscal year. Contribution of agriculture sector to GDP stood at 23.1% in FY05; it accounts for 42% of total employed labour force and is the largest source of foreign exchange earnings by serving as the base sector for the country's major industries like textile and sugar. Development expenditure on irrigation stood at 77% of the total irrigation expenditure. This substantial increase in development irrigation expenditure is bound to improve availability of irrigation water, which is expected to increase agriculture growth, provided other factors like weather remains favorable and there is no spread of crop disease.

3.3 There was an increase of 26.2% to Rs 30.3 billion in overall education expenditure during Q1 FY06 over Q1 FY05. Health sector has also witnessed an increase of 18% in overall expenditure during the same period (Expenditure on education and health sectors have been discussed in more detail in this section). Table 2 shows an increase of 163.2% to Rs 729 million in social security and welfare expenditures during Q1 FY06 over Q1 FY05. The proportion of development expenditure on this sector has increased to 38.4% in first quarter of this fiscal year, as compared to 7.9% during the same period of last fiscal year, which is very encouraging.

3.4 Evidence is accumulating that a transition in marital fertility behavior has begun in Pakistan in the 1990s. Government's focus on population planning is evident from the fact that expenditure on population planning increased by 131.3% to Rs 1.8 billion during first quarter of FY06 as compared to the same period of FY05. Development expenditure of population planning stood at 96% of total population planning expenditure, which is bound to bear fruit in the long run.

3.5 Almost 67.5% of Pakistan's population is living in rural areas. Poverty in Pakistan has been higher in rural areas as compared to urban areas. Government of Pakistan realizes that to address poverty in rural areas substantial investment is required in rural areas. There was an increase of 99.7% in expenditure incurred on rural development in Q1 FY06 over Q1 FY05, of which 90.4% expenditure is development expenditure.

3.6 Availability of safe drinking water and sanitation has serious implications for improving the performance of health sector. Priority is being given to this sector, as expenditure on this sector recorded an increase of 89.7% to Rs 886 million during Q1 FY06 relative to Q1 FY05. About 61% of water supply and sanitation expenditure is current and remaining 39% is development in the first quarter of this fiscal year, whereas development expenditure stood at 42% in the same period of last fiscal year. To increase access to safe drinking water and sanitation rapidly, there is need to increase proportion of development expenditure at least to the previous fiscal year's level. A Clean Drinking Water Initiatives (CDWI) Project has been launched at national level by the Ministry of Environment to provide clean drinking water to the community at large (for details see box 2).

**Box 2: Clean Drinking Water Initiatives (CDWI) Project**

Government of Pakistan aims at providing universal access to clean drinking water (both biologically and chemically treated). A large proportion of the poor people don't have access to clean drinking water. The Clean Drinking Water Initiatives (CDWI) project was included in the PSDP 2003-04, by the Ministry of Environment. This is an initiative taken on the part of the Government to provide clean drinking water to the community at large.

The development objective of the CDWI is to provide water purification plants of 2000 gallons/hour capacity in all tehsils (445) of Pakistan, including AJK, NA and FATA. Water purification plants will comprise of various stages, including pre-filtration works, filtration, purification and ultraviolet disinfection. The following are the main objectives of the project.

**Objective 1:** Collect available data pertaining to the water distribution system, Identify drinking water supply problems and select locations in all tehsils of Pakistan for installation of water purification plants at public places.

**Objective 2:** Identification of drinking water by testing the quality of water of wells and the storage facilities at selected locations and select mode/mechanism of treatment required.

**Objective 3:** Construction of water purification plants at public places.

3.7 Investment in infrastructure is an essential to accelerate economic development in a country. Expenditure on roads, highways and bridges stood at 4.9 billion during Q1 FY06, recording an increase of 60.2% as compared to Q1 FY05. Proportion of development expenditure on this sector stood at 82.8% in the first quarter of this fiscal year, which is only one percentage point lower than proportion of development expenditure during the same period of last fiscal year. This substantial investment in the infrastructure will enhance economic development in the short run as well as long run.

Table 2: PRSP budgetary expenditures and % change between Q1 FY2005-06 and Q1 FY2004-05

Sectors	Expenditures Q1 (million Rs)		% Change
	2004-05	2005-06	
Roads, highways & bridges	3,028	4,851	60.20
Water supply and sanitation	467	886	89.72
Education	23,967	30,257	26.24
Health	5,510	6,518	18.30
Population Planning	757	1,751	131.31
Social security & welfare	277	729	163.18
Natural Calamities	136	188	38.24
Irrigation	2,375	12,446	424.04
Land reclamation	397	543	36.78
Rural development	1,888	3,770	99.68
Rural electrification	59	566	859.32
Food subsidies	100	0	-100.00
Food Support Program	650	1,214	86.77
Tawana Pakistan	59	0	-100.00
Low cost housing	13	19	46.15
Administration of justice	649	783	20.65
Law and order	9,540	11,671	22.34
<b>Total</b>	<b>49,872</b>	<b>76,192</b>	<b>52.78</b>

### 3.1 PRSP Expenditures by Province and Sectors

3.9 PRSP expenditures by the Federal and provincial governments during Q1 FY06 over Q1 FY05 are shown in table 3. Largest increase in PRSP expenditures by the Federal Government during the first quarter of FY06, as compared to the same period in FY05 took place in roads, highways and bridges. During the same period substantial increase was witnessed in expenditures on population planning by the Federal Government. No expenditures were incurred on natural calamities, food subsidies and Tawana Pakistan by the Federal Government during the first quarter of this fiscal year (annex 1). An amount of Rs 566 million was incurred under the head of village electrification by the Federal Government during Q1 FY06.

3.10 There were large increases in Punjab in expenditures incurred on roads, highways & bridges, water supply and sanitation, social security and welfare, land reclamation and rural development in Q1 FY06 over Q1 FY05, these increases took place in current as well as development expenditures. During the same period, substantial increases in current and development expenditures in Sindh province took

Table 3: Percentage change in PRSP expenditures between Q1 2005-06 and Q1 2004-05 by sector and province

Sectors	Federal	Punjab	Sindh	NWFP	Balochistan	Pakistan
Roads, highways & bridges	645.71	70.22	196.76	-4.55	-21.35	60.20
Water supply and sanitation	0.00	307.14	-14.61	14.53	128.57	89.72
Education	38.06	21.31	28.26	23.63	18.00	26.24
Health	46.27	7.64	28.57	-0.72	13.67	18.30
Population Planning	171.53	24.76	28.40	-50.00	28.57	131.31
Social security & welfare	-	87.25	235.00	-52.17	-13.04	163.18
Natural Calamities	-100.00	-10.00	-19.35	925.00	-	38.24
Irrigation	-	19.78	89.55	38.86	87.74	424.04
Land reclamation	33.33	133.33	0.35	139.08	-	36.78
Rural development	-	75.83	160.00	269.80	104.65	99.68
Rural electrification	859.32	-	-	-	-	859.32
Food subsidies	-	-	-	-100.00	-	-100.00
Food support programme	22.00	109.30	283.58	15.87	9.30	86.77
Tawana Pakistan	-	-	-	-	-	-
Low cost housing	-	46.15	-	-	-	46.15
Administration of justice	7.14	28.74	25.60	12.24	13.21	20.65
Law and order	27.56	20.77	16.34	17.54	30.92	22.34
<b>Total</b>	<b>135.65</b>	<b>30.35</b>	<b>39.74</b>	<b>26.17</b>	<b>28.90</b>	<b>52.78</b>

place in roads, highways & bridges, social security & welfare and irrigation. Though there was enormous increase in rural development expenditure in Sindh province in Q1 FY06 over Q1 FY05, but it was only in current expenditure. A decline of 14.6% and 19.4% was recorded in water supply and sanitation and natural calamities, respectively in Sindh province during Q1 FY06 compared to Q1 FY05. During the same period in NWFP province, substantial increase was witnessed in expenditures incurred on natural calamities, land reclamation and rural development. NWFP province spent only Rs 1 million on population planning in Q1 FY06, which is a negligible amount compared to all other regions and yet witnessed a decline of 50% compared to Q1 FY05 under this head. NWFP province observed a 52.2% decline in expenditures incurred on social security & welfare in Q1 FY06 over Q1 FY05, however, there was some increase in development expenditure, under this head. Balochistan province witnessed enormous increase in current and development expenditures incurred on water supply and sanitation and rural development in Q1 FY06 compared to Q1 FY05. During the same period this province observed a decline of 21.4% on expenditure incurred on roads, highways and bridges and 13% decline on expenditure incurred on social security & welfare. Punjab is the only region, which incurred some expenditure on low cost housing during the first quarter of this fiscal year and last fiscal year. This implies that low cost housing is a neglected sector, which requires focus of the Government, as it provides shelter to the poor.

### 3.2 PRSP Expenditures on Sub-sector of Education and Health

3.11 The largest proportion (39.7%) of the total PRSP expenditures is spent on the education sector. Table 4 gives data on percentage change in PRSP education expenditure between Q1 FY06 and Q1 FY05. There was an increase of 26.2% to Rs 30.3 billion in overall education expenditure during Q1 FY06 over Q1 FY05. It is worth noting that there were large increases in expenditures incurred on education sector by all regions during Q1 FY06 relative to Q1 FY05 (table 4).

3.12 Table 4 shows that there was an increase of 20.9% to Rs 12.2 billion in expenditure incurred on primary education during Q1 FY06 over Q1 FY05, largest increase (41.9%) under this head took place in NWFP province. Largest proportion (40.4%) of education expenditure is incurred on primary sector in Q1 FY06 (table 5). This is in line to the target of universal primary education set for the MDGs.

Table 4: Percentage change in PRSP education expenditures between Q1 FY2005-06 and Q1 FY2004-05 by province and sectors of education

Province/ region	Federal	Punjab	Sindh	NWFP	Balochistan	Pakistan
All sectors of education	38.06	21.31	28.26	23.63	18.00	26.24
Primary Education	8.56	17.60	19.77	41.86	13.35	20.88
Secondary Education	-67.98	24.15	33.83	18.47	19.15	4.08
University/ College Education	913.77	26.72	24.68	-33.68	41.03	125.62
Professional/ Technical Universities	-	226.32	70.62	-	68.75	756.03
Teacher and Vocational Training	0.92	22.77	47.62	16.67	11.11	9.01
Other Educational Institutions	-73.68	-12.14	31.22	-61.22	3.45	-52.34

Table 5: Percentage distribution of education expenditures in Q1 FY2005-06 and Q1 FY2004-05 by province and sectors of education

Province/region	All sectors of education	Primary Education	Secondary Education	University/College Education	Professional/Technical Universities	Teacher and Vocational Training	Other Educational Institutions
<b>Q1 2004-05</b>							
Federal	100.00	7.96	33.99	4.95	0.00	13.29	39.82
Punjab	100.00	57.86	24.90	8.76	1.13	3.21	4.15
Sindh	100.00	46.07	35.26	8.75	4.79	0.48	4.66
NWFP	100.00	42.17	41.73	11.53	0.00	0.18	4.39
Balochistan	100.00	38.82	32.27	7.09	4.36	1.64	15.82
Pakistan	100.00	42.24	31.38	8.27	1.56	4.31	12.24
<b>Q1 2005-06</b>							
Federal	100.00	6.26	7.88	36.35	32.21	9.71	7.59
Punjab	100.00	56.08	25.49	9.15	3.03	3.25	3.00
Sindh	100.00	43.02	36.79	8.50	6.38	0.55	4.76
NWFP	100.00	48.39	39.99	6.19	3.89	0.17	1.38
Balochistan	100.00	37.29	32.59	8.47	6.24	1.54	13.87
Pakistan	100.00	40.44	25.87	14.79	10.55	3.72	4.62

3.13 Expenditure on secondary education increased by 4% in Q1 FY06 compared to Q1 FY05. Expenditure incurred on secondary education increased in all provinces during the same period. Second largest proportion (25.9%) of education expenditure is incurred on secondary education in Q1 FY06 (table 5). Expenditure incurred on university/college education increased by 125.6% to Rs 4.5 billion during Q1 FY06 relative to the same period in FY05, it was the result of increase in expenditures in all regions, except NWFP province, which experienced a decline of 33.7% on expenditure incurred under this head. About 14.8% of total education expenditure is spent on university/college education in Q1 FY06 (table 5). Expenditure on professional/technical universities increased substantially during Q1 FY06 over Q1 FY05, due to increase under this head in all the regions in FY06. There was a 9% increase in expenditure incurred on teacher and vocational training in Q1 FY06 over Q1 FY05 due to increase in expenditure incurred under this head by all regions. 'Other educational institutions', recorded a decline in expenditure incurred on them during first quarter of this fiscal year, as compared to same period of last fiscal year, due to decline in expenditure incurred under this head in most of the regions.

3.14 Information on health expenditure is given in table 6. There was an increase of 18.3% to Rs 6.5 billion in overall health expenditure in Q1 FY06 over Q1 FY05, which was the result of increase in health expenditures in all regions, except NWFP, which experienced a very slight decline in health expenditure. General hospital and clinics, mother & child, health facilities and preventive measures and other health facilities (i.e. all sub-sectors of health) recorded an increase in expenditures incurred during Q1 FY06 relative to Q1 FY05. However, certain regions experienced a decline in expenditures in few sub-sectors of health during the same period (table 6). Largest proportion of health expenditures is spent on general hospitals and clinics. Table 7 shows that during Q1 FY06, 72.7% of health expenditure was spent on general hospitals and clinics, as compared to 74.3% in Q1 FY05. This decline in proportion of health expenditure on general hospital and clinics in Q1 FY06 is the result of 1.71% increase in expenditure incurred on health facilities and preventive measures, as compared to Q1 FY05.

3.15 Figure 1 shows that at national level education development expenditure as percentage of total education expenditure increased to 13.1% in Q1 FY06 compared to 3.1% Q1 FY05, which is very encouraging. Share of development component in education sector increased in all regions in Q1 FY06 over Q1 FY05, except Balochistan, where it declined from 8.1% in FY05 to 0.46% in FY06. A substantial increase in share of education development expenditure to total education expenditure took place in expenditures incurred by the Federal Government (42.9%), due to increase in development expenditures incurred in most of the sub-sectors of education, particularly, professional & technical universities and colleges (annex 1).

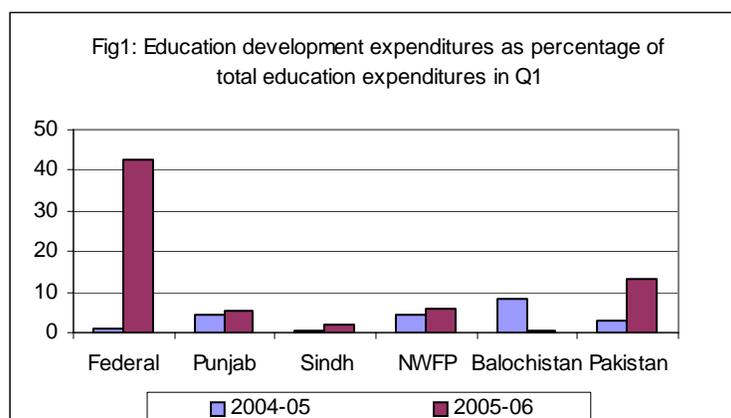
3.16 Figure 2 shows that share of development component in health sector increased by 5.6% to 17.3% in Q1 FY06 relative to Q1 FY05, which will help in improving health outcome indicators in the short run as well as long run. Health development expenditure is largest by the Federal Government; it increased from 42.9% in Q1 FY05 to 46.6% in Q1 FY06. Health development expenditure increased largely in Punjab province and slightly in Sindh province in Q1 FY06 over Q1 FY05. During the same period, health development expenditure declined in NWFP. No development health expenditure was incurred in Balochistan province in Q1 FY06.

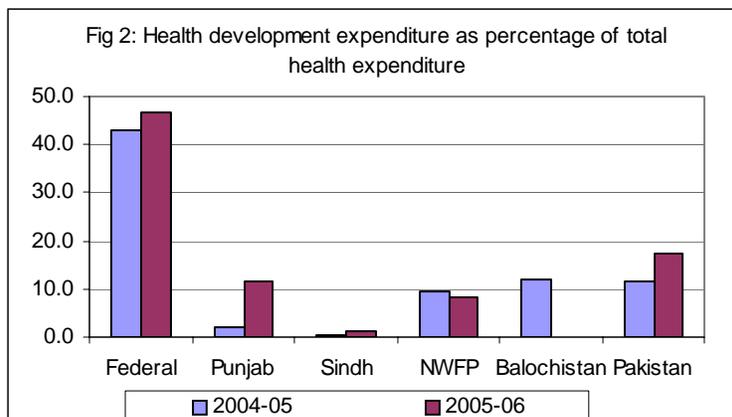
Table 6: %change in PRSP health expenditures b/w Q1 FY05and Q1 FY06

Province/ region	Total Health	General Hospital and		Health Facilities	
		and Clinics	Mother & Child	Mother and Preventive	Other Health
Federal	46.27	53.75	-	53.53	-37.36
Punjab	7.64	5.84	400.00	-61.22	15.31
Sindh	28.57	26.06	-	26.76	61.76
NWFP	-0.72	-1.31	33.33	68.00	-33.33
Balochistan	13.67	26.23	-	-77.36	40.00
Pakistan	18.30	15.84	322.86	34.04	10.71

Table 7: Percentage distribution of health expenditures in Q1 2005-06 and Q1 2004-05 by province and sector

Province/ region	Total Health	General Hospitals and Clinics		Health Facilities and	
		Mother & Child	Mother and Preventive	Preventive	Other Health
<b>Q1 2004-05</b>					
Federal	100.00	48.84	0.00	43.04	8.13
Punjab	100.00	83.22	0.49	2.16	14.13
Sindh	100.00	85.92	0.00	7.19	6.89
NWFP	100.00	82.22	0.36	5.97	11.46
Balochistan	100.00	40.67	0.00	17.67	41.67
Pakistan	100.00	74.25	0.25	12.79	12.70
<b>Q1 2005-06</b>					
Federal	100.00	51.34	0.01	45.17	3.48
Punjab	100.00	81.83	2.26	0.78	15.14
Sindh	100.00	84.24	0.00	7.09	8.67
NWFP	100.00	81.73	0.48	10.10	7.69
Balochistan	100.00	45.16	0.00	3.52	51.32
Pakistan	100.00	72.70	0.91	14.50	11.89





#### 4 Non-Budgetary Transfers

4.1 The non-budgetary transfers<sup>1</sup> as presented in Table 8, only show the credit disbursement, which increased substantially by 59.9% to Rs 1.2 billion during the first quarter of this fiscal year as compared to the same period of last fiscal year. During the same period total number of beneficiaries of credit increased by 61.4% to 116 thousand. In Q1 FY05, share of Khushhali Bank in credit disbursement was 62% (Figure 3); this share has declined to 49.5% in Q1 FY06 (Figure 4). The cause of decline in share of credit disbursement of Khushhali Bank is the increase in credit disbursement share of Pakistan Poverty Alleviation Fund (PPAF) in Q1 FY06 to 49.4%, from 36.4% in Q1 FY05. Zarai Taraqati Bank Limited (ZTBL) has the smallest share in credit disbursement, which declined from 1.7% in Q1 FY05 to 1.1% in Q1 FY06.

4.2 Credit disbursed through the partner organizations of the PPAF increased substantially by 117% to Rs 609.8 million in Q1 FY06 relative to Q1 FY05. During the same period total number of beneficiaries increased by 146.6% to 55 thousand (table 8). This increase is due to increase in male as well as female beneficiaries. However, increase in male beneficiaries is 38% more than increase in female beneficiaries. PPAF extended its operation to 6 new districts during Q1 FY06, covering 81 districts of the country in Q1 FY06.

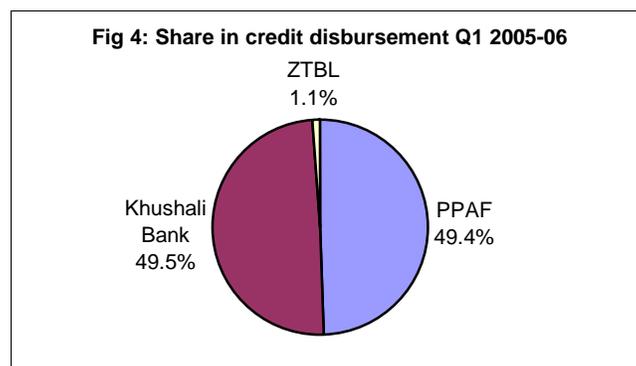
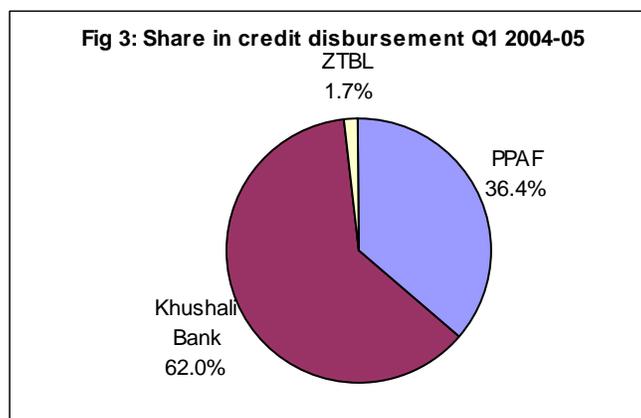
4.3 An increase of 27.8% in credit disbursement of Khushhali Bank to Rs 611.7 million was recorded in first quarter of FY06 compared to same period in FY05. This credit was disbursed to 60.5 thousand beneficiaries, an increase of 23.3% compared to Q1 FY05. This increase in total beneficiaries was caused by an increase of 33.6% in number of male beneficiaries, whereas number of female beneficiaries declined by 10.7% during Q1 FY06 compared to Q1 FY05.

4.4 ZTBL disbursed Rs13.1 million, an increase of 1.9% during Q1 FY06 compared to the same period in FY05. This credit was disbursed to 1.2 thousand beneficiaries, recording an increase of 59.9% compared to the first quarter of last fiscal year. This increase was caused by a 6.4% increase in female beneficiaries, whereas number of male beneficiaries declined by 0.3% in Q1 FY06 over Q1 FY05.

<sup>1</sup> Data on Zakat and EOBI disbursement during Q1 FY06 was not received.

Table 8: Non-budgetary transfers and beneficiaries (credit only)

Program	Disbursement/beneficiaries	Q1 2004-05	Q1 2005-06	% Change
PPAF	-amount disbursed (million Rs)	280.8	609.8	117.2
	- No of districts	75	81	8.0
	- No of male beneficiaries	13,868	36,204	161.1
	- No of female beneficiaries	8,440	18,811	122.9
	- Total beneficiaries	22,308	55,015	146.6
Khushhali Bank	-amount disbursed (million Rs)	478.6	611.7	27.8
	- No of districts	-	-	-
	- No of male beneficiaries	37,690	50,372	33.6
	- No of female beneficiaries	11,424	10,200	-10.7
	- Total beneficiaries	49,114	60,572	23.3
ZTBL	-amount disbursed (million Rs)	12.9	13.1	1.9
	- No of districts	56	54	-3.6
	- No of male beneficiaries	365	364	-0.3
	- No of female beneficiaries	173	184	6.4
	- Total beneficiaries	538	548	1.9
Total Credit	-amount disbursed (million Rs)	772	1,235	59.9
	-No of districts	-	-	-
	- No of male beneficiaries	51,923	86,940	67.4
	- No of female beneficiaries	20,037	29,195	45.7
	- Total beneficiaries	71,960	116,135	61.4



## 5 Monitoring the PRSP Intermediate Indicators

5.1 For the first quarter of FY06, data on education sector intermediate indicators are not available as NEMIS provide on the basis of annual census. For health sector intermediate indicators data on immunization are available only.

### 5.1 TT-Immunization Coverage

5.2 Table 9 presents data on TT-immunization coverage for pregnant women. TT-1 immunization coverage increased by 1 percentage point to 45% in Q1 FY06 over Q1 FY05, where as TT2+ immunization remained same at 46% in Q1 of FY06 compared to the same quarter of last fiscal year. Regional variations of TT-immunization coverage are very large. Largest coverage of TT-1 and TT2 immunization took place in FATA in Q1- FY06 as well as Q1-FY05. There has been an increase of 11% in TT1 immunization coverage to 67% and an increase of 23% in TT2 immunization coverage to 88% in Q1 FY06 compared to Q1 FY05 in FATA. It is very encouraging to know that in tribal communities of FATA people have overcome the cultural norms and opted to go for immunization of pregnant women. An increase in immunization coverage during the same period is seen in Punjab, NWFP and AJK province, where as decline in immunization coverage is observed in Sindh, Balochistan, FANA, ICT and CDA.

Table 9: TT- Immunization Coverage for Pregnant Women

Province/Region	Q1 2004-05			Q1 2005-06		
	Target Population (+4.1% Pop)	TT-Immunization		Target Population (+4.1% Pop)	TT-Immunization	
		TT-1 Coverage %	TT2+ Coverage %		TT-1 Coverage %	TT2+ Coverage %
Punjab	867,627	47	48	886,713	50	51
Sindh	352,665	47	51	360,426	38	41
NWFP	220,515	36	38	225,336	44	41
FATA	33,855	56	65	34,602	67	88
Balochistan	82,428	27	26	84,240	23	25
AJK	35,235	41	42	24,008	49	52
FANA	10,305	20	21	10,533	12	14
ICT	3,210	51	40	3,279	48	36
CDA	9,051	16	59	9,252	11	35
Others	-	-	-	-	-	-
Pakistan	1,614,891	44	46	1,638,389	45	46

Note: Due to earthquake, the report for the month of September 2005 was not received

### 5.2 Land Distribution

5.3 During the first quarter of FY06, 1,456 acres of state and resumed land was distributed to 216 beneficiaries. It means that on average 6.7 acres of land was distributed to each beneficiary. In Punjab 8 acres of state and resumed land was distributed to one beneficiary. In Sindh 1,448 acres of state and resumed land was distributed to 215 beneficiaries. No state and resumed land distribution took place in NWFP and Balochistan provinces (table 10).

Table 10: Allotment of state and resumed land (acres)

Province/Region	Q1 2005-06	
	Land Distributed	No of Beneficiaries
Punjab	8	1
Sindh	1,448	215
NWFP	-	-
Balochistan	-	-
<b>Total</b>	<b>1,456</b>	<b>216</b>

## 6 Special Programs/Schemes for Poverty Reduction

6.1 A number of programs have been initiated for employment generation and poverty reduction. This section briefly reviews Khushaal Pakistan Program-I (KPP-I) and Pakistan Bait-UI-Mal (PBM) programs. PBM provided relief to October 8, 2005 earthquake affectees under its different projects.

### 6.1 Khushaal Pakistan Program-I

6.2 Number of development schemes approved under each category of Khushaal Pakistan Program-I (KPP-I) during Q1 FY06 is shown in table 11. A total of 1,677 development schemes were approved under KPP-I during the first quarter of this fiscal year. Largest number of development schemes i.e. 722 was approved under electrification. Second largest number of development schemes approved was under road, which stood at 549. About 45% of KPP-I schemes have been approved for Punjab province during Q1-FY06. Proportion of KPP-I schemes approved for Sindh, NWFP, Balochistan, FATA and ICT during the first quarter of this fiscal year stood at 14%, 26%, 7%, 6% and 1%, respectively.

6.3 These development schemes generate temporary employment. During Q1 FY06, a total of 9,006 temporary jobs were created, out of which 8,867 temporary jobs were created in Punjab and 139 in Sindh. Total population, which benefited from these jobs stood at 92,604.

**Table 11: Khushal Pakistan Programme-I  
Number of schemes approved under each category for the Q1 2005-06**

Province	Road	Electrification	Gas	Telephone	Education	Health	Water supply	Sanitation	Bld.Dzr Hours	Total Schemes
Punjab	250	431	20	-	7	3	22	27	1	761
Sindh	71	65	2	-	44	3	5	6	42	238
NWFP	175	182	16	-	6	1	32	28	1	441
Balochistan	35	23	-	-	14	1	31	4	6	114
FATA	15	11	-	-	8	20	52	-	-	106
ICT	3	10	-	1	-	-	2	1	-	17
Minority	6	2	4	-	11	21	1	2	-	47
WRS	56	20	3	-	7	3	24	1	1	115
NA	-	-	-	-	-	-	-	-	-	0
AJK	-	-	-	-	-	-	-	-	-	0
<b>Total*</b>	<b>549</b>	<b>722</b>	<b>38</b>	<b>1</b>	<b>79</b>	<b>28</b>	<b>144</b>	<b>66</b>	<b>50</b>	<b>1,677</b>

\* The total exclude figures against minority & WRS, since these figures have already been included in the provinces/FATA/ICT

## 6.2 Pakistan Bait-ul-Mal Programs

6.4 Several programs targeting the poor are implemented through the Pakistan Bait-UI-Mal (PBM). Total disbursement through PBM stood at 1.4 billion during Q1 FY06, recording an increase of 2.2% compared to Q1 FY05. Households benefiting from PBM schemes during the first quarter of this fiscal year stood at 1.1 million (table 12).

6.5 The largest program of PBM is Food Support Program (FSP), targeting poorest of the poor to provide relief due to the increase in the wheat prices since year 2000. Cash subsidy under FSP was increased from Rs 2,000 to Rs 2,400 in FY04, which has been further increased to Rs 3,000 in FY06. Details of FSP are given in table 13. Under FSP a total of Rs 1.2 billion were disbursed during Q1 FY06, an increase of 2.3% compared to Q1 FY05, benefiting one million households. There was an increase of 15% in FSP disbursement in Punjab and Balochistan during the first quarter of this fiscal year. There was decline in FSP disbursement in rest of the regions.

6.6 Under Individual Financial Assistance (IFA), poor widows, destitute women, orphans and disabled persons are supported for medical treatment, education rehabilitation and general assistance. IFA disbursement declined by 10.6% to Rs 145.4 million, in Q1 FY06 over Q1 FY05. Households benefiting from IFA during this period increased by 19.2%. This situation is the result of decline in average disbursement under IFA. At regional level largest disbursement under IFA was made in ICT, AJK & NA amounting to Rs 62.9 million in Q1 FY06.

6.7 National Centres for Rehabilitation of Child Labour (NCsRCL) have been established countrywide (102 at present) where children of 8-12 years are admitted and provided free education, clothing, footwear and stipend to the children as well as parents. Disbursement under NCsRCL increased by 27.5% to Rs 20.7 million, in Q1 FY06 over Q1 FY05. During the same period households benefiting from this project of PBM increased by 21.3% to 11,280. Under this project of PBM 48% of disbursements were made in Punjab province in Q1 FY06.

Table 12: Pakistan Bait-UI-Mal (PBM)

Projects	Q1 2004-05		Q1 2005-06		% Change	
	Disbursement (Rs million)	Households	Disbursement (Rs million)	Households	Disbursement (Rs million)	Households
Food Support Program	1,186.9	989,110	1,214.1	1,011,787	2.3	2.3
Individual Financial Assistance	162.6	6,183	145.4	7,370	-10.6	19.2
National Centers for Rehabilitation of Child Labor	16.2	9,300	20.7	11,280	27.5	21.3
Vocational Training Centers	2.3	2,386	3.7	5,445	59.0	128.2
Institutional Rehabilitation (Grant in aid to NGOs)	6.6	87,042	21.6	98,660	227.0	13.3
<b>Total Disbursement Under All Projects</b>	<b>1,374.7</b>	<b>1,094,021</b>	<b>1,405.5</b>	<b>1,134,542</b>	<b>2.2</b>	<b>3.7</b>

Table 13: Pakistan Bait-UI-Mal  
Food Support Program

Province/Region	Q1 2004-05		Q1 2005-06		% Change	
	Disbursement (Rs million)	Households	Disbursement (Rs million)	Households	Disbursement	Households
Punjab	547.2	455,990	629.6	524,633	15.1	15.1
Sindh	280.5	233,748	256.6	213,806	-8.5	-8.5
NWFP & FATA	250.4	208,658	219.3	182,777	-12.4	-12.4
Balochistan	41.3	34,408	47.6	39,655	15.2	15.2
ICT, AJK & NAs	67.6	56,306	61.1	50,916	-9.6	-9.6
Total	1,186.9	989,110	1,214.1	1,011,787	2.3	2.3

6.8 Vocational Training Centers (VTCs) have been established (125 at present, including AJK and NAs), with a view to give free training in a variety of skills to widows, orphans and poor girls so that they can earn their livelihood. During Q1 FY06, there was an increase of 59% to Rs 3.7 million in disbursement under this scheme compared to Q1 FY05. Households benefiting from this project during the same period increased by 128% to 5,445.

6.9 Institutional Rehabilitation (IR) (Grant in Aid to NGOs engaged in welfare activities for the poor people), increased by 227% to Rs 21.6 million in Q1 FY06 compared to Q1 FY05. During the same period households benefiting from this project increased by 13.3% to 98,660.

### 6.3 PBM and Relief to Earthquake Affectees

6.10 PBM actively participated in providing relief to earthquake affectees during Q2 FY06 (table 14). During July-December 2005, PBM disbursed Rs 2.1 billion to 1.1 million households, which include the earthquake affectees. Under FSP, 25,000 earthquake affectees were registered in each of AJK and NWFP. There was a disbursement of Rs 129.3 million among 7,142 earthquake affectees under IFA. Nineteen NCsRCL were established, each in AJK & NWFP earthquake-affected areas. Under VTCs, 5,436 dresses were distributed to the earthquake affectees, moreover, 19 Centres, each in AJK & NWFP earthquake affected areas including VTI for boys were established. Under IR an *Aashiana* for orphan and destitute women, who were affectees of earthquake was established at Hattian.

Table 14: Pakistan Bait-UI-Mal and relief to earthquake affectees

Projects	July-December 2005		Relief to earthquake affectees
	Disbursement (Rs million)	Households	
Food Support Programme	1,854	1,089,990	Registered 25,000 affectees in each of AJK & NWFP Disbursed 129.314 (m) amongst 7,142 affectees
Individual Financial Assistance	150	10,885	
National Centers for Rehabilitation of Child Labour	54	11,340	Established 19 Centers each in AJK & NWFP

affected areas

Vocational Training Centers	18	7,485	Disbursed 5,436 dresses to the affectees, established 19 centres each in AJK & NWFP affected areas including VTI for boys Established Aashiana for orphans and destitute women affectees at Hattian
Institutional Rehabilitation (Grant in aid to NGOs)	61	27,348	
<b>Total Disbursement Under All Projects</b>	<b>2,137</b>	<b>1,147,048</b>	

## 7 Impact of Khushhali Bank's Lending on Poverty Reduction

7.1 PRSP progress reports are monitoring and evaluating the PRSP expenditures, on quarterly basis since FY02. A few studies so far have been carried out to see the impact of budgetary and non-budgetary PRSP expenditures on poverty. The Asian Development Bank Institute (ADBI) has taken one such recent initiative, by examining the impact of Khushhali Bank's lending on the welfare of poor households in the country<sup>2</sup>. The Khushhali Bank, a retail microfinance bank established in August 2000, was the first licensed micro finance bank established under the Microfinance Sector Development Program (MSDP). The bank now serves over 230,000 active clients: more than the number of clients reached by all the NGOs and rural support programs in total before 2001. It has achieved this substantial outreach while remaining commercially oriented and focused on achieving financial sustainability. The bank is rapidly expanding into new villages and the number of active clients is increasing at a rate of approximately 20,000 clients every 3 months.

7.2 The ADBI study<sup>3</sup> is based on a national survey with a sample of 2,881 rural and urban households in Pakistan. A stratified random sample of 1,454 Khushhali Bank clients and future clients was drawn from 139 rural villages and 3 urban cities where Khushhali Bank operates. A roughly equal number (1,427) of randomly selected non-clients from the same villages or settlements were also surveyed. The survey was completed in 2005.

7.3 The empirical analysis demonstrates that participation in the Khushhali Bank's micro credit program has positive impacts on both economic and social indicators of welfare, as well as income-generating activities, especially for the very poorest participants in the program. Particularly encouraging is the fact that the bank has generated these impacts while remaining focused on the goal of financial sustainability.

<sup>2</sup> The report titled "Serving the Poorest of the Poor: The Poverty Impact of the Khushhali Bank's Microfinance Lending in Pakistan" is available on the ADBI's website at: <http://www.adbi.org/files/2005.09.28.book.khushhali.microfinance.study.pdf>

<sup>3</sup> For most of the empirical analysis, Ordinary Least Square analysis (OLS) was applied. There are many variables included in the regression to control for individual or village characteristics.

7.4 Although the microfinance program is not impacting consumption of either food or nonfood non-durable consumption, there is evidence that the program enables the very poorest borrowers to increase expenditure on their children's education, perhaps affecting the finding that children of those households are more likely to be enrolled in school.

7.5 Participation in the program overall also has positive impacts on non-expenditure indicators of children's health. Participating households are more likely to seek medical treatment for their children's health problems and more likely to seek trained professionals to provide that treatment. For the very poorest households, we see an increased likelihood of children receiving basic vaccinations.

7.6 The highest aggregate impacts of the program on income generating activities were to agriculture, and again these positive impacts were higher for the poorest borrowers. Participating households report higher value of outside sales of their agricultural products and the impact of the program on sales were again even higher for the very poorest borrowers. In addition, urban borrowers, 70% of whom are below the official poverty line, reported significantly higher sales and profits the more they had participated in the program.

7.7 Although it should not be expected that all poor households would benefit from micro-loans, these findings demonstrate that even the poorest of the poor, those living at less than half the official poverty line, benefit from micro credit. The empirical analysis of the ADBI study shows that these very poor clients are already seeing positive impacts from participation in the program and are effectively using the loans to invest in their household enterprises and through investments in the health and education of their children, the future of those enterprises.

## **8 Concluding Remarks**

8.1 Pakistan's economy is likely to maintain its long-term growth trajectory, but at the same time it is also important to address the weakness in key areas such as buoyancy in taxes, growth in current expenditure and external sector imbalances. PRSP expenditures during Q1 FY06 have increased substantially in all regions, which aim to accelerate poverty reduction in the short as well as long run and hence further improve social sector indicators. Results of Pakistan Social and Living Standards Measurement Survey (PSLM) 2004-05, as discussed in the previous report, have shown considerable improvement in health and education sectors e.g. literacy, primary school education, immunization and pre and post natal care. Further results of PSLM are being awaited to see the impact of economic growth and policy inputs (expenditures) on poverty reduction.

8.2 PRSP as a rolling plan and national strategy for poverty reduction completes its current phase in June 2006. For continuity in poverty reduction policies, the agenda set in PRSP needs to be taken forward. The PRSP II covering the 2006-09 period is in progress. It will not only review the success in implementing PRSP strategy and its impact on the well being of people, but will also set the strategy for sustainability in high economic growth and poverty reduction.

PROVISIONAL

ANNEX 1 PRSP First Quarter Budgetary Expenditures (2004-05 and 2005-06)

	Q1 (Rs. Millions)											
	2004-05						2005-06					
	Federal	Punjab	Sindh	NWFP	Balochist	TOTAL	Federal	Punjab	Sindh	NWFP	Balochista n	TOTAL
<b>Roads highways, &amp; Bridges</b>	35	1,578	339	308	768	3,028	261	2,686	1,006	294	604	4,851
Current	35	339	2	50	46	472	261	400	42	57	74	834
Development	0	1,239	337	258	722	2,556	0	2,286	964	237	530	4,017
<b>Water Supply &amp; Sanitation</b>	16	56	89	117	189	467	16	228	76	134	432	886
Current	16	24	56	85	87	268	16	166	72	97	188	539
Development	0	32	33	32	102	199	0	62	4	37	244	347
<b>Education</b>	4,990	10,127	4,402	3,348	1,100	23,967	6,889	12,285	5,646	4,139	1,298	30,257
Current	4,931	9,680	4,390	3,204	1,011	23,216	3,935	11,623	5,545	3,893	1,292	26,288
Development	59	447	12	144	89	751	2,954	662	101	246	6	3,969
<b>Primary Education</b>	397	5,859	2,028	1,412	427	10,123	433	6,890	2,429	2,003	484	12,239
Current	384	5,568	2,028	1,387	427	9,794	430	6,724	2,341	1,801	484	11,571
Development	13	291	0	25	0	329	3	166	88	202	0	459
<b>Secondary Education</b>	1,696	2,522	1,552	1,397	355	7,510	259	3,131	2,077	1,655	423	7,545
Current	1,694	2,391	1,540	1,299	355	7,279	252	2,859	2,068	1,640	423	7,242
Development	2	131	12	98	0	231	7	272	9	15	0	303
<b>General Universities, Colleges, &amp; Institutes</b>	247	887	385	386	78	1,983	355	1,124	480	256	110	2,325
Current	230	875	385	380	78	1,948	336	1,108	480	236	110	2,270
Development	17	12	0	6	0	35	20	16	0	20	0	56
<b>Professional &amp; Technical Universities, Colleges &amp; Institutes</b>	0	114	211	0	48	373	240	372	360	161	81	1,214
Current	0	114	211	0	48	373	229	233	356	161	81	1,060
Development	0	0	0	0	0	0	11	139	4	0	0	154
<b>Teacher &amp; Vocational Training</b>	663	325	21	6	18	1,033	15	399	31	7	20	472
Current	662	325	21	6	18	1,032	14	399	31	7	20	471
Development	1	0	0	0	0	1	1	0	0	0	0	1
<b>Others</b>	1,987	420	205	147	174	2,933	186	369	269	57	180	1,061
Current	1,961	407	205	132	85	2,790	168	300	269	48	174	959
Development	26	13	0	15	89	143	18	69	0	9	6	102

Health	1,120	2,265	987	838	300	5,510	1,638	2,438	1,269	832	341	6,518
Current	639	2,219	984	759	264	4,865	875	2,159	1,255	763	341	5,393
Development	481	46	3	79	36	645	763	279	14	69	0	1,125
General Hospitals & Clinics	547	1,885	848	689	122	4,091	841	1,995	1,069	680	154	4,739
Current	547	1,871	845	652	122	4,037	658	1,721	1,064	664	154	4,261
Development	0	14	3	37	0	54	183	274	5	16	0	478
Mother & Child Health	0	11	0	3	0	14	0	55	0	4	0	59
Current	0	11	0	3	0	14	0	55	0	4	0	59
Development	0	0	0	0	0	0	0	0	0	0	0	0
Health Facilities & Preventive Measures	482	49	71	50	53	705	740	19	90	84	12	945
Current	20	48	71	9	17	165	161	19	90	31	12	313
Development	462	1	0	41	36	540	579	0	0	53	0	632
Others	91	320	68	96	125	700	57	369	110	64	175	775
Current	72	289	68	95	125	649	56	364	101	64	175	760
Development	19	31	0	1	0	51	1	5	9	0	0	15
Population Planning	548	105	81	2	21	757	1,488	131	104	1	27	1,751
Current	36	0	0	1	21	58	42	0	0	1	27	70
Development	512	105	81	1	0	699	1,446	131	104	0	0	1,681
Social Security & Social Welfare	0	102	60	92	23	277	273	191	201	44	20	729
Current	0	101	60	73	21	255	196	148	70	20	15	449
Development	0	1	0	19	2	22	77	43	131	24	5	280
Natural Calamities & Other Disasters	52	10	62	12	0	136	0	9	50	123	6	188
Irrigation	0	723	880	193	579	2,375	8,557	866	1,668	268	1,087	12,446
Current	0	634	425	171	374	1,604	41	863	1,026	161	744	2,835
Development	0	89	455	22	205	771	8,516	3	642	107	343	9,611
Land Reclamation	12	15	283	87	0	397	16	35	284	208	0	543
Rural Development	0	1,618	25	202	43	1,888	25	2,845	65	747	88	3,770
Current	0	28	25	36	29	118	25	174	65	68	31	363
Development	0	1,590	0	166	14	1,770	0	2,671	0	679	57	3,407
Law and Order	3,044	3,260	1,891	821	524	9,540	3,883	3,937	2,200	965	686	11,671
Low Cost Housing	0	13	0	0	0	13	0	19	0	0	0	19
Justice Admn	112	261	125	98	53	649	120	336	157	110	60	783
Food Subsidies	0	0	0	100	0	100	0	0	0	0	0	0
Food Support Program	50	301	67	189	43	650	61	630	257	219	47	1,214
Tawana Pakistan	0	0	0	59	0	59	0	0	0	0	0	0
Village Electrification*							566	0	0	0	0	566
GRAND TOTAL	9,929	20,133	9,224	6,218	3,600	49,813	23,793	26,636	12,983	8,084	4,696	76,192