



Newsletter

Planning Commission Ministry of Planning, Development and Reform

ECONOMIC SECTIONS

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Macroeconomic

After positive reviews of the International Monetary Fund, Moody's Investors Service, and Standard and Poor's (S&P), majority of the US businesses have also shown interest for investment in Pakistan. According to a survey conducted by the American Business Council (ABC), more than 65 per cent respondents of the survey indicated that they plan to invest over the next 12 months, while 80 per cent were optimistic about the long-term economic and operating climate in Pakistan.

Sectoral

The World Bank (WB) resident mission announced that the Bank has approved \$50 million for the Punjab skills training programmes, which will be targeting priority growth sectors of the province. The project aims at improving quality, labour market relevance and access to the training programmes with a focus on employability of the graduate trainees.

On the way to development, the Executive Committee of the National Economic Council (ECNEC) has approved Rs538.5 billion worth of ten development projects,

which also includes a package of five projects for the Pakistan Railways (PR).

Departmental

The macroeconomic indicators are reported on day-to-day basis to Minister Prof Ahsan Iqbal, Secretary Hassan Nawaz Tarar and Chief Economist Dr Muhammad Nadeem Javaid of the Ministry of Planning, Development and Reform (MoPD&R). This is to provide information about the daily fluctuating macroeconomic variables. Among various variables, the GDP growth rate for the fiscal year 2014-15 is 4.24 per cent (provisional) with an average inflation of 4.8 per cent for July to April FY15. There are exports of goods and services worth \$25.2 billion for July to April FY15, and have the potential for further growth.

A meeting of the Monetary and Fiscal Coordination Board (MFCB) was held at the Ministry of Finance. The supporting material on agenda item 'Impact of Monetary Policy adopted by the SBP on investment and growth' was provided by this Section.

During May, the write-ups

of the Annual Plan 2015-16 and 11th Five Year Plan (2013-18) were finalised, and the Section also participated in different meetings of the review committees of the plans.

In connection with the Annual Plan, on May 18, the Section conducted a consultative forum with leading economists of the country to discuss role of the Public Sector Development Programme (PSDP) in promoting growth and investment. The forum appreciated various steps of the present government, and suggested that more attention should be paid to the dairy and education sectors.

A meeting of the National Accounts Committee (NAC), held at the Pakistan Bureau of Statistics (PBS), was attended by the Chief Economist and officers concerned of the Section. The committee discussed and presented performance of different sectors during the current fiscal year. On the basis of data received from the Pakistan Bureau of Statistics (PBS), this Section has prepared macroeconomic framework and chapter 'Growth, investment and savings' for the Annual Plan. The growth targets for 2015-16 have been set after extensive consultation

— Continues

and discussion with the Budget and Economic Advisor's wings of the Finance Ministry.

Moreover, the Section prepared working paper for the Annual Plan Coordination Committee (APCC) – related to the economic performance and prospects along with material for presentation concerning the Committee – and summaries of the Five Year Plan and Annual Plan for the National Economic Council (NEC).

Estimates and targets for

variables determining the performance of service delivery has been set for the next three years on the basis of information received from the Projects Wing, Monitoring and Evaluation, Project Appraisal, Public Investment Programming and Trainings sections, and the Pakistan Planning and Management Institute (PPMI). These targets are compiled for the Medium-Term Budgetary Estimates for Service Delivery, Green Book 2015-18.

Along with economic matters, this Section is also providing secretariat services for a project 'High Impact New Initiatives'. The PC-I of the Project has been approved, and interviews for a post of the Project Director have been conducted. The authorisation of the PC-I has been issued, and the administrative approval is under process. This project is meant to support and monitor high-impact new initiatives of the Vision 2025.

Money, Prices and Fiscal Policy

Pakistan's foreign exchange reserves crossed the mark of \$17 billion by the end of this May, while the rating agencies, like the IMF, Moody's and S&P, raised Pakistan's credit rating from stable to positive on the basis of improvements on the economic front.

Sectoral

The Federal Board of Revenue (FBR) collected Rs1,973.1 billion (provisional) during July-April 2014-15, which indicates 13.1 per cent growth over the corresponding period of the last year. Both direct and indirect taxes grew by 17.9 per cent and 10.2 per cent respectively. The FBR revised its annual tax collection target for the second time during the current fiscal year. Previously, the target was revised to Rs2,691 billion from Rs2,810 billion. Now it has been adjusted further down to Rs2,605 billion.

The annual Consumer Price Index (CPI) was registered at 2.1 per cent

(lowest since 2003) by the end of April 2015, whereby the average CPI for July-April 2014-15 stood at 4.8 per cent. The Year-on-Year (Y-o-Y) remained constant at zero per cent, whereby the SPI and WPI declined by 1.6 per cent and 2.9 per cent respectively.

The State Bank of Pakistan announced the Monetary Policy Statement on May 23. It has reduced the policy rate by 100bps, bringing it to 42-year-low of seven per cent on the back of the declining trend in inflation. It also reduced the interest rate corridor width to 200bps from 250 bps, and set the SBP target rate 50bps below the ceiling rate.

The Securities and Exchange Commission of Pakistan (SECP) has issued requirements for management of the Constant Proportion Portfolio Insurance (CPPI) methodology-based mutual funds. These requirements aim to develop mutual funds industry by ensuring investor protection, improved risk

management and enhanced disclosures.

Departmental

The Section prepared a working paper regarding the agenda item 'Impact of Monetary Policy adopted by the SBP on investment, growth and Balance of Payments' for a meeting of the Monetary and Fiscal Policy Coordination Board. The meeting was held on May 15, and chaired by Finance Minister Senator Ishaq Dar. Minister PD&R Prof Ahsan Iqbal was also present.

Also, the Section prepared write-up for part-I of the working paper for the APCC meeting, held on May 26, and finalised the chapter 'Fiscal and Monetary and capital market development' for the Annual Plan. Additionally, the Section reviewed chapters of 'Poverty reduction and Millennium Development Goals' and 'Growth, investment and savings' for the Annual Plan Review Committee. — *Continues*

'The State Bank of Pakistan announced the Monetary Policy Statement on May 23. It has reduced the policy rate by 100bps, bringing it to 42-year-low of seven per cent on the back of the declining trend in inflation'

Also, the Chief of the Section reviewed chapters of Science and Technology, Water, Environment, Transport and logistics, Energy and Environment of the Annual Plan.

The Section held meetings with the Finance Division regarding fiscal projections for the remaining three years of the 11th Five Year

Plan.

The Section prepared review of the FBR's tax collection during July-April 2014-15, a report on inflation in Pakistan in the global context for April 2015. The report identified reasons and implications of a subdued inflation rate, both at the regional and domestic levels. Also, a

review of the Monetary Developments (M2) over July-April 2014-15 was prepared, which discussed changes in major indicators (Net Foreign Assets, Net Domestic Assets, private sector lending) in view of the cut in the policy rate.

Poverty Alleviation and MDGs

The Section was engaged in consultation with all the relevant stakeholders concerned with the poverty alleviation efforts for preparation of a chapter of the Annual Plan. The feedback of the stakeholders was reviewed and incorporated in the chapter. A series of meetings at different levels were attended by officers of the Section

to make the chapter more comprehensive covering all aspects of poverty alleviation programmes.

The Chief of the Section led a Pakistani delegation to South Korea under a knowledge-sharing programme, where the South Korean experts gave them briefing about transformation of their country as knowledge economy. The

Pakistani delegation comprised officers of the EAD, SMEDA, HEC and NED University. They visited Korean centres of learning and policy formulation in Seoul, and prepared reports, which will be presented in a high-level policy dialogue to be held in Islamabad in mid-June 2015.

Employment, Research and Foreign Aid

The chapters for the Annual Plan and Five Year Plan on 'Labour, employment and skill development' were finalised, approved by the respective review committees and submitted to the Plan Co-ordination Section accordingly. Also, material for the Pakistan Economic Survey 2014-15 has been pre-

pared and forwarded to the Finance Division.

Comments and views on draft report 'World Bank's 2015 Development Policy Financing Retrospective In-Country Consultation for Pakistan' have been provided to the Economic Affairs Division (EAD). For a high level meeting, brief and viewpoint of the Plan-

ning Commission has been conveyed to the Ministry of Foreign Affairs on the Muslim World League's Final Communique, and Demographic Dividend and Youth Employment for a high level event, to be held in the United Nations Headquarters.

Public Investment Programming

To review PSDP 2014-15 and proposed PSDP 2015-16, the Prime Minister chaired meetings during May 11-15 in the PM House.

A meeting of the APCC was held on May 26, which was chaired by the Minister of PD&R attended by the provincial ministers for the Planning and Development departments and

representatives from the federal ministries and Special Areas. The APCC discussed the draft proposed PSDP 2015-16, prepared by this Section, and made recommendations for consideration and approval of the National Economic Council (NEC).

In order to address demands of the provinces and Special Areas for the

PSDP 2015-16, Prof Ahsan Iqbal held meetings with each province, AJ&K and FATA on May 27 and 28. The Chief Ministers of Sindh and Khyber Pakhtunkhwa, and provincial ministers of planning and development and Special Areas participated. Their demands were accepted to the possible extent.

'In order to address demands of the provinces and Special Areas for the PSDP 2015-16, Prof Ahsan Iqbal held meetings with each province, AJ&K and FATA on May 27 and 28'

International Trade and Finance

The Section updated data for an analysis of the External Sector performance of the economy. According to data released by the PBS, exports decreased by 5.02 per cent and stood at \$19,926 million during July-April 2015. In the same period, imports increased by 2.06 per cent and stood at \$37,849 million. The average exchange rate in April remained at Rs101.70/\$ against Rs97.49/\$ of April 2014 showing a depreciation of 4.14 per cent.

The Section carried out others task as well, which included: finalisation of the Annual Plan chapter on Balance of Payments, attended sessions of the Senate and National Assembly, revised its chapter for the 11th Five Year Plan in the light of comments received from the line ministries, submitted working paper for the APCC meeting, prepared brief in coordination with the line ministries for the Australian Foreign Minister's visit and recorded minutes of the meeting

with the Minister PD&R, furnished data on external trade and material for working paper to the MP&FP Section to be used in a meeting of the Fiscal and Monetary Policy Board, prepared graphs based on the external trade data, circulated monthly update on external trade, feedback given to the TRTA-II programme on an enclosed questionnaire and prepared brief on progress of the Pak-Korea bilateral relations.

Plan Coordination

A meeting of the APCC was organised by the

NEC meeting, which was held on June 1, and also

ister Office. Summaries on each agenda item for this meeting were also forwarded to the Cabinet Division after seeking approval of the Secretary of the Ministry. Agenda of the meeting was: review of the Annual Plan 2014-15 and proposed Annual Plan 2015-16, review of the PSDP 2014-15 and proposed PSDP 2015-16, progress report of the CDWP and ECNEC meetings held from April 1 (2014) to March 31 (2015), approval of the



Section in the Auditorium of the P-Block, which was attended by the concerned. The federal secretaries and heads of different Public Sector Enterprises were also in attendance.

The Section coordinated with all the sections of the Ministry for chapters of the Annual Plan. Several meetings of the Plan Review Committee were organised to finalise the Plan.

During May, this Section drafted agenda of the

forwarded material for the meeting to the Prime Min-

— *Continues*



'The Section coordinated with all the sections of the Ministry for chapters of the Annual Plan. Several meetings of the Plan Review Committee were organised to finalise the Plan'

Draft 11th Five Year Plan (2013-18), enhancement of the Sanctioning Powers of the FATA Development Working Party (FDWP) and FATA Development Council and extension of enhanced power of the FDWP in respect of the USAID-funded projects till December 2016.

Material for budget speech of the Minister Finance was collected from the relevant sections and consolidated for onward submission to the Ministry of Finance after seeking approval of the Secretary MoPD&R.

This Section collected data from the sections concerned, consolidated, vetted and updated data about 'Development Planning' for the Statistical Pocket Book of Pakistan-2014, and forwarded it to the PBS.



A meeting of the Senior Management Committee (SMC) of the Planning Commission held on May 6, under the chairmanship of Prof Ahsan Iqbal, was organised by this Section. Minutes of the meeting were prepared and decisions of the committee were circulated among the concerned.

Material for meetings of the National Assembly Standing Committee of

the MoPD&R, held on May 7, 18 and 19 was consolidated, and forwarded to the NA Secretariat.

During May, material of Newsletter for April 2015 of the MoPD&R was collected from all sections of the Ministry, consolidated, forwarded to the Editor (Development Communication) for editing, and was uploaded on the official website.

Economic Appraisal

The Section analysed and examined 30 PC-Is of different projects, and undertook cost-benefit (economic, financial, unit cost) analysis accordingly

for consideration of the Central Development Working Party (CDWP) and Concept Clearance Committee. Also, officers of the Section participated

in 15 pre and post CDWP meetings, which were chaired by different members of the Planning Commission, and presented required point of view.

TECHNICAL SECTIONS

Governance

Officers of the Section attended the DDWP meeting on project 'Establishment of Environment Section in the Planning Commission', prepared its minutes, and also participated in the post-DDWP meeting of the Committee.

The PC-1 of project 'Archiving, Digitization, Translation and Regulation of Publications of Laws of Pakistan' of the Law Division was examined, comments were prepared, and the DDWP meeting in this regard was attended by the Section.

The Section prepared Chapter 'Institutional reforms and governance' for the Annual Plan, and forwarded it to the Plan Coordination Section.

Besides attending numerous meetings, the Section was also involved in various tasks, which included: updating information about development projects for inclusion in the PSDP 2015-16, arranged meetings with the LUMS representatives for placing interns under the Internship Programme 2015 and finalising the placement

plan, streamlining SAP Based FABS under PIFRA project, preparing attendance evaluation and monitoring report of the Young Development Fellows and finalising their remuneration cases with the AGPR, processing of the advertisement bills and other expenditures for project 'Reforms and Innovation and Government for High Performance' and the YDFs Programme, and examining and signing NIS of 44 projects (relating to the Governance Section).

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'The Section examined 30 PC-Is of different projects, and undertook cost-benefit analysis for consideration of the CDWP and Concept Clearance Committee'

Reform

The Section organised a number of meetings and issued their minutes, which included two each for the Islamabad Capital Territory (ICT) and civil service reform, that is, stakeholders and 3rd consultative meeting of Committees on Reforms, and 3rd meeting of the Performance-based Remuneration Committee and the Federal Public Service Commission respectively. Also, a consultative meeting with the academic members of universities on guidelines for the 'Citizen Client Charter and 5-Step Reform Cycle' was arranged.

The nominations for the selection board for hiring consultant, experts and RAs under project

'Institutional Strengthening of Finance Division Project (ISFD)' was finalised. The guidelines for developing Key Performance Indicators (KPIs) of the ministries and divisions were prepared, and Performance Contract for Ministries and Divisions has been designed.

Also, progress review meetings on the civil service reform with the UNDP were organised. The Terms of Reference (ToRs) of the consultants, experts, project manager, support staff and notification of the Project's Board under project 'Reforms and Innovation and Government for High Performance' were prepared, finalised and forwarded to the UNDP for advertisement.

The results-based performance document of the project 'Reforms and Innovation in Government for High Performance' was prepared.

On request of the Ministry of Parliamentary Affairs, a proposal regarding civil service reform was examined, and comments were forwarded to the Ministry.

The Section prepared presentation for the Prime Minister on civil service reforms, material for a part of the Finance Minister's budget speech about performance-based remuneration for rewarding flagship achievements of the ministries and divisions and their leading performers, and framework for the Annual Confidential Report (ACR).

Health

A meeting of the national steering committee on the Field Epidemiology and Laboratory Training Programme (FELTP) was held on May 25 at Karachi, where various issues regarding sustainability of the Programme were discussed. The provincial health departments were encouraged to assign priority to the subject in plan-

ning and allocate resources accordingly. A one-day short training programme 'Role of senior decision-makers in disease outbreak' was held on May 26 in Karachi. This Section participated in both events. Chapters about the health and population sectors for the Annual Plan were prepared, while projects to be included in the PSDP 2015

-16 were finalised. Also, summaries for the ECNEC were prepared, and processed for three projects, including: Prime Minister's National Health Insurance Programme, Expanded Programme on Immunization (EPI) and Establishment of Child Health Care Institute, Sukkur.

Population

The National Health Services, Regulations and Coordination (NHSR&C) Division, provinces and Special Areas (population welfare departments, AJ&K, Gilgit-Baltistan and FATA) were consulted for preparation of the PSDP 2015-16. The Section prepared working papers of

the PSDP, and chapter of the Annual Plan. Chief Health and Population sections Dr Fazle Hakim Khat-tak attended the APCC meeting.

The Section furnished comments on various issues, sent by the NHSR&C Division, and Economic and Technical Sections of

the MoPD&R.

The follow-up action on the revised PC-I of the scheme 'Population Welfare Services in District Islamabad (2010-15)' is in progress. The PC-I will be placed in the next CDWP meeting.

Industries and Commerce

The Section participated in a consultative meeting on the China-Pakistan Economic Corridor (CPEC), and gave recommenda-

tions for the federal budget 2015-16. Also, the Section finalised chapter 'Manufacturing and mineral sectors' for the Annual

Plan, and prepared working paper on the revised cost of project 'Pakistan Institute of Trade and Development (PITAD)'.

'The follow-up action on the revised PC-I of the scheme 'Population Welfare Services in District Islamabad (2010-15)' is in progress. The PC-I will be placed in the next CDWP meeting'

Social Welfare

Many consultative meetings were held to discuss and prepare chapters of the Annual Plan. Two chapters namely 'Social welfare, gender and women development, and Religious pluralism and interfaith harmony' were prepared by the Section.

To prepare the Women's Economic Empowerment Guidelines, a follow-up meeting was organised by the UN Women (Pakistan) on May 5 in Lahore. The meeting was attended by provincial departments of the social welfare, women development, labour and human resource, and planning and development of the Punjab and

Sindh. The main purpose of the meeting was to discuss gender equality and women rights, including gender responsive PC-Is development and integrating women's economic empowerment (WEE) into the working of the departments.

Also, a workshop on 'Knowledge Sharing Policy Dialogue on Federal, Provincial Partnership in Social Protection Service Delivery' was held on May 6 in Islamabad. The workshop was organised by the Planning Commission and Social Safety Net (IV).

A meeting on 'Sustainable Development Goals and

Disability' was held on May 18 in Islamabad, which was organised by an NGO Special Talent Exchange Program (STEP).

A workshop on 'Women Entrepreneurship' was held on May 15 at the Women Entrepreneurship Centre, Islamabad. The workshop was organised by the WECRCREATE Pakistan.

An inauguration ceremony of the project 'Establishment of Helpline for legal advice on Human Rights Violation' was held on May 27 in Islamabad, which was organised by the Ministry of Law, Justice and Human Rights.

Nutrition

The Section attended a meeting at the Save the Children country office Islamabad on May 13 to review work plan 2012-15 in Pakistan, and the next three year (2016-18) strategic plan. Officers also attended one-day training about 'Harmonised Approaches to Cash Transfer (HACT) to the Government Partners' organised by the UNICEF on May 19 in Islamabad. The main object of the training was 'cash assistance and funds flow producer to the government'.

A delegation of the Synergy Advisory and Solution (Pvt) Ltd. visited the Planning Commission on May 21, and met the Chief Nutrition to discuss food fortification mechanism and issues related to fortification.

Sectoral

The Chief Nutrition and Focal Person Scaling Up Nutrition (SUN) held a

meeting with the SUN Networks at the WFP office on May 12 for making preparations of the 2nd SUN self-assessment workshop.

A bi-monthly SUN Movement Teleconference was arranged at the FAO country office on May 18 on 'Issue of effective and successful multi-stakeholder engagement'. The Chief Nutrition shared progress in this regard with the Global SUN Movement Secretariat, Geneva. The nutrition development partners participated in the conference.

The Section, with the collaboration of the Micronutrient Initiative (MI) Pakistan, arranged the first meeting on May 15 at Islamabad to establish the SUN Academic and Research Network. The meeting was chaired by Prof Ahsan Iqbal and co-chaired by Hassan Nawaz

Tarar. Secretary Ministry of National Food Security and Research (MoNFS&R) Seerat Asghar concluded the meeting. Eminent scholars, professors and heads of the departments of food, nutrition and health of the academia and research from across the country attended the meeting. The 2nd annual SUN self-assessment workshop was held on May 25 in Islamabad with the support of the World Food Program (WFP). Welcome and introductory remarks were delivered by Country Director WFP Lola Castro. The key note address was delivered by Hassan Nawaz Tarar, and concluded by Joint Secretary PD&R Naseer Ahmad Gilani. Provincial SUN focal persons and key members of the SUN

'A bi-monthly SUN Movement Teleconference was arranged at the FAO country office on May 18 on 'Issue of effective and successful multi-stakeholder engagement'



Prof Ahsan Iqbal, Hassan Nawaz Tarar and others during the first meeting to establish SUN Academic and Research Network

networks (government, donors, UN, business, CSO, academia and research) participated in the event. Objective of the workshop was self-assessment to monitor progress of the national platform during 2014-15. This was in relation to the four processes, which are at the heart of the SUN Movement Strategy. These processes are: create an enabling political environment, establish best practice for scaling up proven interventions, align actions and increase resources.

The working group measured and evaluated the progress of each network for 2015 (April 2014 to April 2015), identified critical gaps, and gave suggestions and recommendations.

Departmental

The chapter about nutrition for the Annual Plan was finalised. The SAARC Development Goals Country Report, regarding the nutrition sector, was prepared and submitted. The final report on tracking of nutrition-relevant allocations in budget were finalised and submitted to the Global SUN secretariat for incor-

poration in the Global Nutrition Report (GNR) 2015.

A monthly research activity about cost of the food basket is being conducted regularly, which is based on the national average consumer prices of essential commodities (major food items) for providing 2,150 calories. The

findings about the food basket cost for April at the federal and provincial levels are: estimated cost decreased by 11.5 percent in Balochistan, 4.1 at the national level, 1.7 per cent in the Khyber Pakhtunkhwa, 0.8 per cent in the Punjab and 0.3 per cent in Islamabad, whereas the cost increased by 1.6 per cent in Sindh as compared to March 2015. The year-wise comparison of April 2014 to

April 2015 showed that the food basket cost decreased by four per cent in Balochistan, remain unchanged in Sindh and Khyber Pakhtunkhwa, though it increased by five per cent in Islamabad, two per cent in the Punjab and one per cent at the national level.

‘The working group measured and evaluated the progress of each network for 2015 (April 2014 to April 2015), identified critical gaps, and gave suggestions and recommendations’



Participants of the SUN annual review workshop

Food and Agriculture

Comments about projects 'Disaster and Climate Resilience Improvement Project (DCRIR), AJ&K, (World Bank Assistance)' and 'Integrated Area Development Programme in FATA (Masozai/Alisherzai area Project Package) in Kurram Agency, Prime Minister Special Package for Special Areas; Non-ADP' were prepared and conveyed to the sections concerned.

Sectoral

After examining project 'Conservation of Animal Genetic Resource Reform', observations were drafted, and the working paper was submitted for the CDWP meeting.

Material related to the Pakistan Economic Survey 2014-15 (2nd instalment) was collected, im-

proved and submitted accordingly.

Improvements in a write-up for the Annual Plan were made and submitted to the concerned.

Correspondence was made with the Vice Chancellor University of Agriculture, Faisalabad, regarding establishment of the 'Special Agricultural Economic Zone for the Pak-Korea Agricultural Cooperation'.

Also, correspondence related to reservation of the Auditorium of P-Block was conducted to facilitate the Pakistan Strategy Support Programme (PSDP) for the Data Launch Ceremony of Rural Household Panel Survey (Round 1). The Section also conducted correspondence for a meeting

on the Affordable Agriculture Credit.

Departmental

The concept proposal of the Italian-funded TVET programme on the fruit culture was examined.

The working papers of the PC-Is of 'Up-Gradation of Nuclear Institute of Agriculture, (NIA), Tando Jam' and 'Value Addition in Agriculture-Cluster Development Approach' were prepared and required number of copies were sent to the PIA Section.

Consequent upon the administrative approval of the project 'Establishment of Rural Economy Centre', a case for appointment of the Project Director (PD) and DDO was drafted for approval of the higher authority.

PROJECTS / WINGS

National Fertilizer Development Centre

During April 2015, production of all fertilizer products was about 619,000 tonnes. Out of this, the urea production was 418,000 tonnes (67.6 per cent share in the total production). Other products were: DAP 68,000 tonnes, CAN 65,000 tonnes, NP 62,000 tonnes, SSP 1,000 tonnes and various grades of the NPKs 5,000 tonnes. Imported supplies comprised 31,000 tonnes of DAP, 6,000 tonnes of MOP, 2,000 tonnes of SOP and 91,000 tonnes of urea.

Total nutrient off-take, during April 2015, was about 236,000 tonnes, which was 38.3 per cent more than April 2014.

Among the nutrients, nitrogen off-take was 195,000 tonnes, which increased by 37.7 per cent, phosphate off-take was 39,000 tonnes which surged 47.5 per cent and potash off-take was 1,600 tonnes, which decreased by 29.2 per cent over April 2014.

Urea off-take during April was 367,000 tonnes, which increased by 42.3 per cent, while DAP off-take was 68,000 tonnes, which surged by 52.5 per cent over April 2014.

Sectoral

The Centre participated in the Fertilizer Review Committee (FRC) in the Ministry of Industry and Production to discuss Kharif fertilizer supply-

demand situation, and commodity-based workshop 'Balanced Use of Fertilizers & Food Security', which was organised by the FAO in Karachi. Among other tasks, the NFDC also provided revised estimates to the Finance Ministry regarding foreign exchange requirement for the import of urea and DAP during 2014-15 and 2015-16, comments regarding import of urea fertilizer for Kharif 2015 to the Ministry of Industries and Production, fertilizer update on the agriculture situation and demand for the International Fertilizer Association (IFA) annual conference, information

'Urea off-take during April was 367,000 tonnes, which increased by 42.3 per cent, while DAP off-take was 68,000 tonnes, which surged by 52.5 per cent over April 2014'

regarding fertilizer production, consumption, import and future demand forecast to the MoNFS&R, brief for the Minister NFS&R on the fertilizer issues and availability during the Kharif

2015, data of plant-wise fertilizer production and province-wise consumption to the ZTBL for inclusion in its publication 'Pakistan at a Glance 2015' and brief for the Secretary MoNFS&R on

expected gas sale price increase and its impact on urea prices. Monthly Fertilizer Review of mid-May 2015 has been published and issued to all concerned.

Pakistan Planning and Management Institute

The case regarding outsourcing of the HVAC system in the PPMI building was forwarded to the Secretary PD&R for approval. In the meantime, on the direction of the Member (I&M), a technical team of the Pak-PWD visited the PPMI for the O&M of the building, including HVAC, lifts, etc. It has submitted the cost estimates, and taken over the O&M of HVAC.

The NESPAK arranged a meeting on May 8 with Deputy Chairman Planning Commission Prof Ahsan Iqbal in Lahore about interior design of the PPMI building.

Research and Evaluation Expert (UNICEF) Musarat Yousuf visited the PPMI on May 7, and discussed topics and contents regarding evaluation to incorporate in the proposed schedule and contents of the training courses to be held at the Institute during 2015-16.

The annual training calendar for 2015-16 has been prepared, and submitted to the competent authority for approval. Also, Director General PPMI Dr Muhammad Ali Noor discussed contents of a training course on the PRIMAVERA Project Management Software with the PAEC professionals. The course is scheduled to be held from June 9 to 12.

Sectoral

i. Complete project Cycle

Management (May 4 – 15)
The main objective of this

vincial governments, and public sector organisations



training course was to improve performance of participants by developing a better understanding of the whole process of project development. It has great importance for the capacity

participated.

ii. Time management (May 25 – 27)

The main objective of this training course was to develop an understanding of highly-effective time



-building of the course attendees. It developed understanding of the basic concepts of project planning and management, identification skills and how to prepare and design projects, explaining the use of project appraisal techniques in project preparation and approval. 42 officers of the federal and pro-

management skills to minimise stress, increase productivity, prioritising activities and maintaining time management habits. The Course also made the participants familiar with techniques and methods to become more productive by managing time more effectively. After completion

— Continues

'The NESPAK arranged a meeting on May 8 with Deputy Chairman Planning Commission Prof Ahsan Iqbal in Lahore about interior design of the PPMI building'

of this course, participants are able to identify their own particular time wasters and adopt strategies for eliminating them from their work pattern. They will also be able to adopt appropriate strategies for dealing with interruptions and to use practical techniques for organising work. 30 officers of the federal and provincial governments, and public sector organisations

Projects Wing

Member (I&M) Planning Commission Muhammad Shahid Chaudhry, along with officers of the Wing, visited projects Baba Fareed Bridge Linking Shorkot and Garh Maharaja, and Bewata-Khajuri-Waigum Road (N-70).

Monitoring

The Wing monitored 26 development projects, which included 10 of the social sector, eight of the infrastructure and eight of other sectors.

Management Informa-

tion System

Departmental

The NIS for FY 2015-16 of the development budget of the PPMI was submitted to the Finance Division.

The Secretary MoPD&R has approved minutes of the Steering Committee meeting, held on March 26. The recommendations are now in process for the release of payments to

contractors in order to close project by June 30. So far an amount of Rs9 million has been released. The NESPAK is to submit two final bills of lift contractor and civil works contractor as per decision of the Steering Committee, as well as endorse amicable settlement of furniture contractor.

Monthly information about



progress of the PSDP projects is a regular requirement of the Prime Minister Office, parliamentary bodies and public

accounts committee. To streamline the processes of projects progress, updation and reporting, the MIS has developed a webpage to report the latest progress of the PSDP projects. The Project Directors and focal persons concerned of the ministries can update the progress of their projects. This webpage can be accessed via URL www.pmes.psdp.net or <http://pmes.psdp.net>

Pakistan Institute of Development Economics

A Memorandum of Understanding (MoU) has been signed between the Pakistan Institute for Parliamentary Services (PIPS)

(PIDE) on May 25 in the PIPS office. Through this Memorandum, both the institutes have collectively acknowledged the need

of serving key decision and policy-makers of the country with credible research-based analysis.

To support and strengthen the bilateral development and to implement the common goals, both institutions have agreed to work together in the following fields of mutual interest:

1. Sharing of research data, articles, publications and information to complement respective needs of their researchers and faculty in assisting the parliamentarians, diplomats and foreign affairs experts of



and Pakistan Institute of Development Economics to cooperate for mutually achieving beneficial goal

— Continues

‘The Projects Wing monitored 26 development projects, which included 10 of the social sector, eight of the infrastructure and eight of other sectors’

the country

2. Exchange of trainers, experts and professionals as facilitators in seminars and training programmes hosted by the PIPS and PIDE

3. Organise educational events, that is, conferences, workshops and seminars, while topics of interest and details of the programmes to be mutually agreed upon by both parties

On May 19, in collaboration with the Securities and Exchange Commission of Pakistan (SECP), the PIDE organised a workshop 'Incorporation Procedures and Benefit of Company Registration'. Deputy Registrars of the SECP Syed Jamal Ahmed Zaidi and Muhammad Akram Qureshi were the speakers, who dilated upon role of the company registration offices, improvements in the procedures for incorporation of companies, fully automated database and the reporting system, corporatisation statistics and the measures taken by the Commission to enhance corporatisation and the initiatives ahead.

Two articles of Dr Asad Zaman were published in the Daily Express Tribune on May 11 and May 18. These articles can be accessed from <http://tribune.com.pk/epaper/> The PIDE School of Public Policy published the pre-budget seminar recommendations. The document can be accessed and downloaded from www.pide.org.pk.

Seminar 1

A seminar on 'A Practical Guideline to Successful Bottom up Development: Resettling the Indus' was held on May 20. The speakers were: Abdus

Subhan, Associate Economist, Resettling the Indus Foundation, Lahore and Ms Sharmeen Khan, Lecturer and Neuropsychologist at the Institute of Physical Medicine and Rehabilitation, Dow University of Health Sciences, Karachi.

Policy brief

In this paper, the speakers highlighted key aspects for successful relief and rehabilitation in certain flood and war-affected regions of Pakistan. The focus was on areas affected by the floods of 2010 in the Southern Punjab, a region of Sindh hit by torrential rains of 2011 and areas of South Waziristan where war and insecurity have damaged lifestyles and infrastructure. The study examined how in the long run, the villagers' farm surplus can be connected with the urban markets when relations are established with the local communities, while carrying out relief and rehabilitation work. The focus was on resettling the Indus' grassroots development process and explained how such interventions brought villagers' economic life cycles back on track, raise the income levels of the villagers on a sustainable basis and strengthens the entire scaling-up process with reference to the initial goal of rehabilitation. The paper is a practical bottom up development policy note for the management and development of rural regions of Pakistan as all the research was carried out on-ground by researchers of various fields, like architects, psychologists, economists, etc. On the basis of this experience, the authors proposed a definition of

the bottom up development approach as "A systematic learning process which develops through establishing a mutual understanding between the community and professionals through dialogue to accommodate the needs of those on ground and focuses developmental efforts according to specific requirements. This process then starts controlling future rehabilitation by paving the way for more work, and facilitates expansion on the basis of relationships established at the ground level. Once dialogue has been established, to ensure a holistic approach, the establishment of cottage industries is important as it helps facilitate the further growth of the community through a solution-based approach to their socio-economic problems as well as aids such populations in becoming financially autonomous."

This research work gives a detailed policy note on how to mobilise communities and to make sure that these participate at every stage of the development management process for relief and rehabilitation. This paper further outlines the pros and cons of contractor-driven reconstruction and owner-driven reconstruction, issues regarding material procurement prices and factors, which make the scaling up process difficult of community-based organisations and how to tackle such issues. Further the paper gives policy prescription for improving the economic resource base of the poor by connecting their farm output with urban markets under the umbrella of the social businesses.

— *Continues*

'A paper 'Are Our Export-Oriented Industries Technically More Efficient?' by Dr Tariq Mahmood, Dr Ejaz Ghani and Dr Musleh-ud-Din was accepted for the Pakistan Development Review'

Seminar 2

A seminar 'Growth Impact of Privatization at Micro and Macro Level in Developing Countries' was held on May 27. Prof Dr Attiya Yasmin Javaid, and Ms Aimen Tayyab, MPhil scholar of the Department of Economics and Finance, PIDE, were the speakers.

Abstract

This study analyses the impact of privatisation on growth in developing countries, both at micro and macro level. Two essays discussed the study. The first essay 'Privatisation and its impact on growth in developing countries at micro level by employing the dynamic panel model' considered 100 privatised banks during a span of nine years, that is, from 2004 to 2012, for the case of developing countries tests the Gibrat's law validity, and investigates the firm growth determinants. By employing both dynamic and simple panel model regressions, the main objective under this empirical study is to extend the literature on privatised firm growth and determinants. To control the problem of endogeneity and unobserved individual heterogeneity, the system GMM is applied that shows that Gibrat's law may not be accepted in the case of the privatised banks, whereas the labour quality and size are the main determinant of privatised bank growth.

The second essay examines the impact of privatisation on growth in developing countries at macro level. Applying panel data techniques, objective of

the second essay is to provide an evidence-based assessment of the post-privatisation performance in developing countries and to examine and evaluate the idea of privatisation as being a likely reason for economic growth and to examine whether privatisation leads to improvement or reduction in economic growth in the presence of control variables, macro variables and interactive terms for 115 developing countries for the period 1988 to 2008. However, the result of this study shows that privatisation has a negative impact on economic growth, but the interactive terms – $PRIV * FDI$ and $PRIV * DEBT$ – positively impact the growth as the theory suggests that these variables could play an important role in determining the impact that privatisation has on economic growth. The implication of this analysis is that privatisation does lead to growth both at micro and macro level while following proper policy directions.

Trade & Industry Division, and Department of Economics

A paper 'Are Our Export-Oriented Industries Technically More Efficient?' by Dr Tariq Mahmood, Dr Ejaz Ghani and Dr Musleh-ud-Din was accepted for the Pakistan Development Review (PDR).

A working paper 'Profile of Educational Outcomes by Gender: an Age Cohort Analysis' by Madeeha Gohar Qureshi has been sent for publication.

The PIDE conducted a

seminar on 'New Trick in Econometrics', held on May 5, and Vice Chancellor PIDE Dr Asad Zaman spoke on the subject.

On May 19, a workshop 'Thesis Writing Using Latex' was organised. Assistant Professor PIDE Dr Saqlain Raza was the trainer.

Agriculture and Environment Division

The following research papers have been submitted for publication:

1. *From Perception to Adaptation to Climate Change in Farming Community: Micro Evidence from Pakistan* by Sajid Amin Javed and Shabana Kishwar
2. *Impact of Farm Households' Adaptations to Climate Change on Food Security: Evidence from Different Agro-ecologies of Pakistan* by Munir Ahmad, Ghulam Mustafa and Muhammad Iqbal
3. *Impact of Households: Adaptations to Climate Change on Agricultural Productivity in Pakistan* by Muhammad Iqbal and Munir Ahmad

Projects completed

Sundus Saleemi and Rafat Mahmood completed and submitted a project on the 'Provincial Budget Analysis of the budgets of provinces of Punjab and KPK', which was done in collaboration with the GIZ. The draft was submitted to the GIZ on May 18.

PIDE Economy Watch

This quarter's Economy Watch was completed in May. The issue will be published in the first week of June.

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