

**GOVERNMENT OF PAKISTAN
PLANNING COMMISSION**

**DETAILED
ANNUAL PLAN
1998-99**

**Islamabad
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CONTENTS

Page No

FOREWORD

PART-I ECONOMIC FRAMEWORK

Chapter

1.	Economic Performance & Prospects	3
2.	Pakistan 2010 Programme	15
3.	Public Sector Development Programme	19
4.	Public Finance	25
5.	Private Investment & its Financing	41
6.	Monetary Policy and Credit Plan	47
7.	Balance of Payments	51

PART-II PRODUCTION PROGRAMMES AND PHYSICAL INFRASTRUCTURE

8.	Agriculture	59
9.	Water Resources Development	71
10.	Industry	79
11.	Minerals	89
12.	Energy	101
13.	Transport & Communications	135
14.	Mass Media	151
15.	Physical Planning & Housing	153

PART-III HUMAN RESOURCES AND SOCIAL DEVELOPMENT

16.	Social Action Programme	165
17.	Education and Training	185
18.	Health and Nutrition	197
19.	Population Welfare Programme	217
20.	Special Development Programme for Women	225
21.	Manpower Development and Employment Policy	229
22.	Social Welfare and Special Education	237
23.	Culture, Sports, Tourism & Youth	241
24.	Rural Development	245
25.	Regional Development & Special Areas Programme	255
26.	Science and Technology	265
27.	Environment	269
28.	Poverty Alleviation	275
29.	Good Governance initiative	285
30.	Statistical Appendix Tables (S.A.Tables)	291

FOREWORD

At the time of the presentation of budget in June, 1998 the Planning Commission released the projected macro-economic framework and main features of the Public Sector Development Programme for the next year. The Detailed Annual Plan is an elaboration of the earlier document. It provides a review of the financial and physical progress during 1997-98 and sets out details of the policies, programmes and projects for 1998-99.

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DEPUTY CHAIRMAN

PART-I

ECONOMIC FRAMEWORK

(1—2)

CHAPTER-1

ECONOMIC PERFORMANCE AND PROSPECTS

I. REVIEW OF ANNUAL PLAN 1997-98

1.1 The Annual Plan 1997-98 envisaged a GDP growth rate of 6.0 percent. This growth was planned to be contributed by the sectoral growth rates of 5.1 percent in agriculture, 6.8 percent in industry (with 6.5 percent in large-scale manufacturing) and 5.9 percent in services sectors. To achieve these targets, a number of economic reforms were introduced. A combination of supply side and demand management policies were pursued to reinvigorate growth and restore macro-economic stability. These measures yielded positive results in terms of economic recovery.

1.2 The real GDP (fc) is estimated to grow by 5.4 percent as against its dismal performance of 1.3 percent in 1996-97. The performance of the agricultural sector was exceptional. It grew by 5.9 percent as against 0.06 percent last year. Output of large scale manufacturing sector increased by 6.2 against the target of 6.5 percent. Performance of services sector remained lower than expected due to slower growth in trade and banking and insurance sectors. Fixed investment increased by 6.5 percent and national savings as percentage of GDP (mp) to 14.0 percent from 11.2 percent in 1996-97. Foreign direct investment increased from \$ 540 million in 1996-97 to \$ 575 million in 1997-98. Real per capita income increased by 2.7 percent against a decline of 3.4 percent last year. Inflation rate decelerated to 7.8 percent compared to 11.8 percent in 1996-97.

1.3 Agriculture: The agriculture sector was forecast to grow by 5.1 percent in 1997-98. The incentives provided under the Prime Minister's Agricultural Package have helped in improving the performance of the agriculture sector. As a result of increased and timely availability of agricultural credit, the farmers have been able to purchase and apply the required inputs well in time. This resulted in higher input use leading to higher agricultural output. The distribution of improved seed of wheat has increased from 77 thousand tonnes in 1996-97 to 84 thousand tonnes in 1997-98. Similarly the fertilizer application trend has changed towards more balanced use of NPK. The nitrogen, phosphate and potash off-take has shown significant increase during the year.

1.4. Rice production has been estimated at 4.33 million tonnes in 1997-98 as against 4.30 million tonnes in 1996-97. The sugarcane production is estimated around 53.1 million tonnes this year against last year's production of 42.0 million tonnes. This owed mostly to improvement in yield, which rose from 43.5 MT/hectare in 1996-97 to 50.3 MT/hectare in 1997-98. As regards the cotton crop, however, due to exceptional weather conditions during last quarter of 1997 on account of unprecedented heavy rains followed by continuous cloudiness as well as pest attack, it experienced setback both at flowering and boll formation stages particularly in Punjab. As a result, the production of cotton is estimated at 9.2 million bales. This abnormal weather also caused delay in sowing of wheat crop. However, the area under wheat during 1997-98 has increased by 3.1 percent as compared to last year. The wheat production reached 18.6 million tonnes as compared to the last year's production of 16.7 million tonnes. The production of gram of 0.774 million tonnes is 30.2 percent higher over last year's achievement of 0.594 million tonnes. The production of important minor crops like potatoes, onion and chillies has also been higher as compared to the last year. As a result, the annual growth rate of agriculture sector during 1997-98 reached 5.9 percent as compared to the targeted growth of 5.1 percent and last year's growth rate of 0.06 percent.

1.5. Mining and Quarrying: In this sector, the output of coal and crude oil and rock salt declined by 21.6 percent, 4.9 percent and 18.5 percent respectively. Production of Natural Gas showed a growth rate of 0.4 percent only. Therefore, the sector as a whole has shown a negative growth of 9.7 percent during 1997-98.

1.6. Manufacturing: Compared to a decline of 2.3 percent in 1996-97, the large-scale manufacturing sector showed a growth rate of 7.6 percent in 1997-98 (on 12-month basis). During the year, the increase in production has been observed in sugar (49.2%), tractors (35.8%), jute goods (33.7%), electric motors (15.1%), cigarettes (4.6%), bicycles (4.6%), LCVs/cars/jeeps (0.7%), petroleum products (2.7%), cotton cloth (2.0%) and cotton yarn (0.8%). On the other hand, decline in production has been observed in paper and board (0.5%), nitrogenous fertilizer (1.3%), cotton ginning (2.0%), caustic soda (2.1%), soda ash (8.2%), H & CR sheets (9.1%), billets (8.0%), motor tyres (27.0%), air conditioners (-1.9%) trucks/buses (36.6%) and sewing machines (40.8%).

1.7. Electricity and Gas: The Electricity and Gas sector has continued to show a healthy growth. It has shown a growth rate of 9.3 percent in value added. The installed capacity of power increased by 1189 MW, showing an addition of 210 MW in public sector and 979 MW in private Sector. However, due to retirement of 213 MW in KESC system comprising of Korangi Thermal Power Station (132 MW) and West Wharf (81 MW), the net addition in the installed capacity of power in 1997-98 was 976 MW. Thus, the installed capacity of power increased from 14993 MW in 1996-97 to 15968 MW by the end June 1998.

1.8 The diversified peak demand of the national grid system was 10680 MW during 1997-98 - 9165 MW in WAPDA system and 1515 MW in KESC. During 1997-98, 392218 new electric connections were provided, besides electrifying 1383 new villages/abadies by WAPDA and KESC. The total energy generated during 1997-98 was 62364 GWh, (39482 GWh generated by WAPDA, 7377 GWh by KESC, 481 GWh by PASMIC / KANNUP and 15024 GWh by private sector).

1.9. Services: Among the Services sectors, growth in the trade sector was 3.0 percent against the target of 6.4 percent. The main factor causing deceleration in trade growth was 12.0 percent decline in imports. Growth in banking & insurance, transport & Communications, and public administration and defence was 0.8 percent, 8.8 percent and 2.0 percent, respectively. Overall, the services sector showed a growth rate of 4.8 percent against the target of 5.9 percent.

1.10. The Annual Plan had projected total resources availability at Rs 2953.8 billion with 94.8 percent emanating from national sources and 5.2 percent from external sources. It was also projected that 81.0 percent of these resources would be used in consumption and 19.0 percent in investment. The estimates for 1997-1998 placed the total resources 4.9 percent less than the target. Decline occurred in both internal and external resources. The later reflects improvement in the balance of payments.

1.11. Investment: The Annual Plan 1997-98 envisaged a nominal growth of 19.0 percent in fixed investment. According to the provisional estimates, the nominal fixed investment at Rs 405.0 billion showed a decrease of 18.4 percent over the target but an increase of 6.5 percent over last year's fixed investment of Rs 380.3 billion. The private

sector investment stood at Rs 243.9 billion, showing an increase of 13.9 percent over last year's investment of Rs 214.2 billion. It remained, however, lower than its target of Rs 280.6 billion. The public sector investment of Rs 161.1 billion, not only remained below its target of Rs 215.8 billion but also declined by 3.0 percent over last year.

1.12. As a proportion of GDP, the fixed investment declined from 15.8 percent in 1996-97 to 14.7 percent in 1997-98 due mainly to a decline in public sector investment. Whereas the proportion of public sector investment to GDP declined from 6.9 percent to 5.8 percent, the proportion of private investment declined marginally from 8.9 percent to 8.8 percent of GDP. The national savings financed over 81.0 percent of the investment, as lesser external resources became available.

1.13. **National Savings** as percentage of GDP registered a significant improvement in 1997-98 due mainly to increase in remittances from abroad and foreign currency accounts. They stood at 14.0 percent of GDP against this year's target at 13.8 percent and last year's actual performance at 11.2 percent of GDP. As a result, national savings were able to finance 81.0 percent of total investment while the remaining 19.0 percent were financed by foreign savings in 1997-98. As such, dependence on external resources declined from 6.2 percent of GDP in 1996-97 to 3.3 percent in 1997-98 (the target being 5.2 percent of GDP).

1.14. The **price situation** improved during the year: All the three price indices have shown growth lower than that during the last year. SPI, CPI and WPI increased by 7.35 percent, 7.81 percent, and 6.58 percent respectively during 1997-98. The full year inflation rate (CPI) is 7.8 percent as compared to 11.8 percent in 1996-97. The inflation (CPI) for 1997-98 was targeted at 9.0 percent.

1.15. **Foreign private Investment** amounted to \$ 822.6 million (including Portfolio investment of \$ 221.3 million) in 1997-98, as compared to \$ 949.5 million (including Portfolio investment of \$ 267.4 million) in 1996-97. Power sector got \$ 231.8 million, i.e. 40 percent of the Foreign Direct Investment. Other major shareholders were Oil and Gas (\$ 94.6 million) and chemical, pharmaceutical and fertilisers (\$69.8 billion).

PROSPECTS FOR 1998-99

1.16. The growth prospects of economy in 1998-99 largely depend on recovery in the output of cotton, rapid growth in manufacturing and exports and higher level of investment in the light of Economic Revival Programme and different incentives packages introduced last year. While the government had already taken appropriate measures in 1997-98 to revive the economy, the results were expected to be more visible during 1998-99. Keeping in view the prospects of the key determining factors as assessed at the close of 1997-98, a growth rate of 6.0 percent in GDP has been envisaged in 1998-99. The commodity producing sectors as a whole are projected to grow by 6.0 percent and services sector by 5.9 percent. The main growth targets of the Annual Plan 1998-99 are given in Table-1.1.

TABLE-1.1
GDP GROWTH

Growth Rates (%)	1995-96	1996-97	1997-98(P)	1998-99(T)**
GDP	5.2	1.3	5.4	6.0
Agriculture	5.8	0.06	5.9	5.4
Manufacturing	4.8	1.2	7.0	7.2
			(7.8)*	
Large Scale manufacturing	3.1	-2.3	6.2	6.5
			(7.6)*	
Services	4.8	2.1	4.8	5.7

* The growth rates in parenthesis are based on 12 months data now available. The provisional growth rates are those compiled by the Federal Bureau of Statistics on the basis of 8 months data and would be revised in the next NAC Meeting.

** The targets were set on the basis of economic prospects as existed at the close of 1997-98. Presently, the prospects have changed due to financial constraints emanating from economic sanctions. The realized growth rates may, therefore, be lower.

1.17. The Agriculture sector is forecast to grow by 5.4 percent. The output of major crops is projected to grow by 5.5 percent provided the cotton escapes the virus attack. The output of minor crops is forecast to increase by 5.0 percent, livestock by 5.4 percent, fishing by

6.4 percent and forestry by 4.9 percent. For the development and promotion of crops, livestock, forestry and fishing sub-sectors, a comprehensive agriculture reforms package has already been announced with the agriculture policy of the Government. The targetted production of different crops is given at S.A.Table-1.1.

1.18. The growth forecast for **Mining and Quarrying** sector is placed at 5.6 percent. The projected growth rate is mainly premised on 23.7 percent, 5.7 percent and 5.0 percent increase in the extraction of natural gas, crude oil and coal, respectively.

1.19. The **Large Scale Manufacturing** sector, revival of which started during 1997-98, was expected to grow by 6.5 percent in 1998-99 at the beginning of the year. However, under present circumstances, it is likely to be significantly lower. Small Scale Manufacturing is expected to continue growing at the rate of 8.4 percent. Cement, cotton ginning, cotton yarn and cloth, LCVs/cars/vehicles, air conditioners, cigarettes, motor tyres and nitrogenous fertilizer would be the main growing industries. The targetted production of major industrial items is shown in S.A.Table 1.2.

1.20. The prospects of **Electricity & Gas Distribution** sector in 1998-99 appear bright. As such it is targeted to grow at a rate of 9.0 percent during 1998-99.

1.21. Additional capacity of 1667.3 MW both in public and private sectors would be commissioned during 1998-99. This addition would come from different projects given at table -1.2. Due to retirement of 157 Mw i.e. Multan steam (130 MW) and Shahdara (27 MW), the net addition in the system during 1998-99 would be 1510.8 MW. Thus the total installed generating capacity would increase from 15968 MW in 1997-98 to 17479 MW by the end of June 1999.

TABLE-1.2
ADDITIONAL CAPACITY OF ELECTRICITY

Projects		CAPACITY (MW)
<u>Private sector</u>		
1.	Fuji Kabirwala	157
2.	Saba Power Company	114
3.	Northern Electric Company	6
4.	Power Generation System	116
5.	Uch Power Project	586
6.	Habibullah Energy Ltd	140
7.	Roush Pakistan Power Ltd	412
8.	Altern Energy	14
9.	Japan Power Gen Ltd	120
<u>Public Sector</u>		
10.	Reshun Hydel.	2.8
Total		1667

1.22. The diversified peak demand of the national grid system will increase from 10680 MW during 1997-98 to 11131 MW in 1998-99, out of which computed peak demand in WAPDA system is expected to be 9927 MW and in KESC system 1850 MW. During 1998-99, 661000 new electric connections will be provided by WAPDA and KESC altogether, besides 4060 new villages/abadies would also be electrified by WAPDA and KESC system. The target set for energy generation during 1998-99 is 65721 GWh, out of which 32814 will be generated by WAPDA 8603 GWh by KESC, 330 GWh by KANNUP, 161 GWh by PASMIC and 23813 GWh by Private sector.

1.23. The services sector as a whole is projected to grow by 5.7 percent. The main contributors of value addition in this sector are transport & communications, trade, banking & insurance and Public Administration & Defence. The transport and communication's sector accounts for 10.0 percent of GDP and is forecast to grow at the rate of 5.6 percent. Value addition in this sector would come from road transport and air services, telecommunication, postal services, railways and broadcasting and telecasting services. The trade sector, having a 16.0 percent share in GDP, depends on the level of agriculture and manufacturing sectors and

import of goods. Keeping in view the growth of 5.4 percent in agricultural sector, 7.2 percent in the manufacturing sector and a decline in imports by 10 percent, it is expected that the trade sector would grow by 6.2 percent. Based on financial institutions' data, the banking & insurance sector is projected to grow by 6.6 percent. The Public Administration and Defence is projected to grow by 3.5 percent. The sectoral growth rates are given at S. A. Table - 1.3.

1.24. **Macro-economic framework** of the Annual Plan 1998-99 shows an increase of 13.6 percent in total resources of Rs 3191.3 billion during 1998-99 over provisional estimated resources of Rs 2808.7 billion for 1997-98. The consumption expenditure is projected at Rs 2602.1 billion and total investment at Rs 589.2 billion including fixed investment of Rs 538.6 billion and changes in stocks of Rs 50.5 billion. The consumption will thus increase by 11.6 percent whereas total investment will increase by 23.7 percent during the year.

1.25. **Macro-economic prospects** for the Annual Plan 1998-99 are presented in Table 1.3 below.

TABLE 1.3
MACRO-ECONOMIC PROSPECTS

	<u>1996-97</u>	<u>1997-98</u> (T)	<u>1997-98</u> (P)	<u>1998-99</u> (T)
<u>Percentage Change</u>				
Inflation (GDP deflator)	11.9	9.0	9.1	8.0
GDP (mp)	11.0	12.9	14.8	14.5
Total Resources	10.1	13.6	10.6	13.6
<u>As % of total resources</u>				
Consumption	83.4	81.7	83.0	81.5
Total investment	16.6	18.3	17.0	18.5
<u>As % of GDP (mp)</u>				
Total Investment	17.4	19.0	17.3	18.7
Fixed Investment	15.8	17.5	14.7	17.1
Public	6.9	7.6	5.8	6.0
Private	8.9	9.9	8.8	11.0
National Savings	11.2	13.8	14.0	15.8
Foreign Savings	6.2	5.2	3.3	2.8
<u>As % of Investment</u>				
National Savings	64.2	72.5	81.0	84.8
Foreign savings	35.8	27.5	19.0	15.2

1.26. **Investment:** In the Prime Minister's Economic Revival Programme, introduced last year, many incentives were given to boost investment in the economy. These incentives range from standardization and scaling down of tariff rates on plants and machinery, exemption from sales taxes of both imported and locally manufactured machinery and drastic reforms in the structure and collection mechanism of personal and corporate income taxes. The reduced level of tariffs on inputs and machinery will improve the relative profitability of investment especially in export oriented sectors. Reduction in

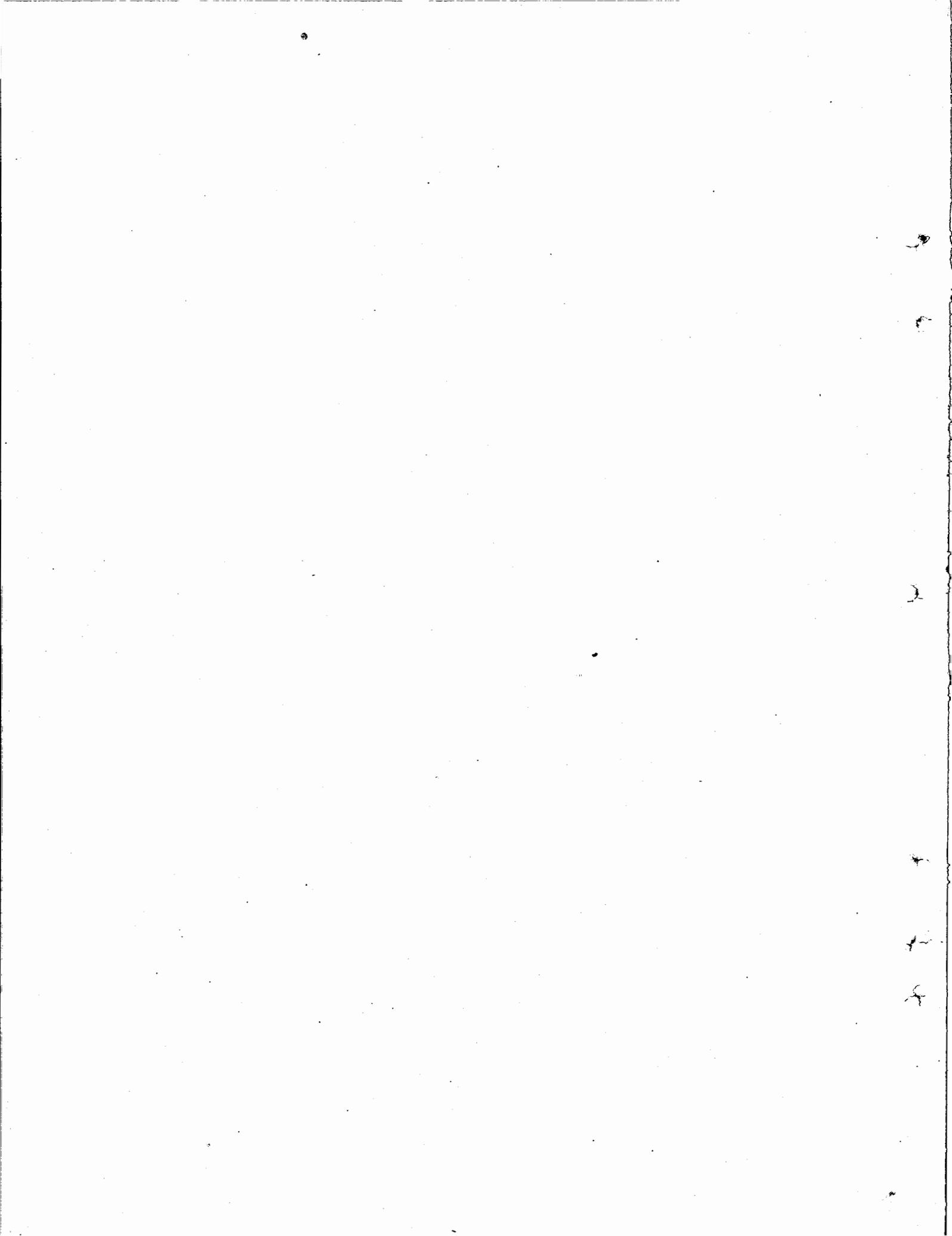
tariffs on industrial raw material will stimulate industrial production and rationalization of tariffs on plant and machinery will provide a major boost to investment generally while the more specific cascading of the tariff structure will encourage investment in value added industries.

1.27. As a result of these incentives, total investment in 1998-99 is projected at Rs 589.2 billion, which is 23.7 percent higher over the last year's investment of Rs 476.4 billion. As a proportion of GDP investment is forecast to reach 18.7 percent against 17.3 percent during 1997-98. In line with the Government policy of encouraging the private sector, about 64.6 percent of fixed investment is projected in the private sector. Thus, the fixed investment of Rs 538.6 billion consists of Rs 190.8 billion in the public and Rs 347.8 billion in the private sector. As a proportion of GDP the public and private sector shares are projected at 6.1 and 11.0 percent respectively. The highest priority in the public sector would continue to be enjoyed by power, transport & communications, and social sectors. However, manufacturing, agriculture, energy and housing sectors will claim the major share of investment in private sector.

1.28. National savings are expected to rise to 15.8 percent of GDP and would finance 84.8 percent of total investment. External savings are forecast to decline from 3.3 percent of GDP in 1997-98 to 2.8 percent in 1998-99 and are projected to finance 15.2 percent of the total investment. For promotion of investment and savings, efforts will be made to enforce the fiscal discipline, enhance equity financing and improve the effectiveness of financial institutions. The projected savings imply a marginal rate of national savings of 28.5 percent as against 33.1 percent attained in 1997-98. The marginal rate of domestic savings is expected to be around 32 percent as compared to 36.4 percent in 1997-98. The details of the macro-economic framework showing total resources and their uses is presented at S. A. Table -1.4.

1.29. **Inflation:** Enlarged production of the commodity producing sectors, fiscal discipline and judicious demand management would moderate inflationary pressure. Timely imports, adjustment in the duty structure and administrative measures would also be adopted to stabilize prices. The rate of inflation for the year 1998-99 is, therefore, targeted at 8.0 percent.

1.30. As mentioned earlier, the macro-economic framework for 1998-99 was projected on the basis of the economic prospects as existed at the close of 1997-98. Presently, the prospects stand changed due to economic sanctions imposed in the wake of detonation on 28th May, 1998. The constrained flow of external resources is likely to impinge upon availability of imports, which in turn may hamper attainment of growth targets as well as initially envisaged macroeconomic framework.



CHAPTER-2

PAKISTAN 2010 PROGRAMME

2.1 Planning and Development Division's project titled Pakistan 2010 Programme was approved by Departmental Development Working Party (DDWP) with an estimated cost of Rs.15.00 million for the two years (1997-98 and 1998-99).

2.2 An amount of Rs.5.00 million was allocated during the Public Sector Development Programme (PSDP) 1997-98, out of which Rs.3.00 million has been spent.

2.3 The Pakistan 2010 programme aims to realize the founding vision. Its immediate goals are restoring governance, doubling per capita income, and ensuring equitable access to economic opportunity and quality social services.

National Consultation Process

2.4 The Pakistan 2010 Programme arranged conferences/ seminars/workshops on Central Asia, World Trade Organization, Pakistan Education Forum, National Conference on Allama Iqbal, Steering Committee meeting for implementation of 2010 Programme and National Conference on implementation of Prime Minister's National Agenda during last financial year.

2.5 The international context has changed dramatically over the last fifty years, and comparative advantage has shifted from those with access to raw materials to those with access to knowledge. Pakistan must be prepared to operate in the new scenario. Accordingly, Pakistan 2010 includes a concerted programme for upgrading the science and technology infrastructure in the country.

Form Vision to Reality: The 2010 Programme

2.6 To convert this vision into reality, Pakistan 2010 presents the detailed programme. It is focussed on strategic interventions in five distinct areas, and will build upon interventions already in place or being implemented separately. The five areas of intervention are: the productive sectors (industry and agriculture), exports, science and technology, social service provision, and good governance.

Good Governance

2.7 As may be evident, a cross-cutting factor in all the above is good governance. Neither sustained economic growth nor improvement in social services is possible without the restoration of governance in the country. The crises of governance has many features. At the most dramatic level is the breakdown of law and order, threatening the very life and livelihood of citizens, because of crime, civic conflict, terror, and widespread corruption and inefficiency. A related contributory factor is the loss of public control over major state institutions (especially the police and security agencies), and in some cases even the criminalization of the latter.

2.8 A second major issue is that of corruption that pervades all three branches of government: the executive, the legislature, and the judiciary. The result is that none of the three branches acts as a check upon the misfeasance of the other two.

2.9 A third issue is policy ineffectiveness, including for example the inability to raise revenues for the government, target policies to selected groups or regions, ensure that governmental assets are used and maintained efficiently, provide social services of adequate quality to citizens, regulate or monitor potentially hazardous economic activities, or generally protect the lives and livelihood of citizens. This inability results in a widening gap between announcements and results, and leads to an erosion of confidence in the government.

2.10 Finally, as already mentioned, adhoc policy making contributes directly to economic instability and unpredictability, discouraging long term investment, and encouraging lobbying and influence peddling.

2.11 The above factors have contributed to poor economic performance, low industrial investment, inadequate and mediocre social services. They have led to a wastage of national resources, competitive disadvantages for producers of quality goods and services, a crisis in financial institutions, an inability to control crime or lawlessness, an inability to protect the weak against the strong, an erosion of credibility and legitimacy of the government, social frustration, and have provided an inducement for dysfunctional social behavior.

2.12 Consequently, much of the Pakistan 2010 reform package focuses on "making things work", namely changing the system of institutions and incentives that affect the behavior of public officials, business entrepreneurs, and citizens. Besides the specific measures described in the five areas identified above, across the board reforms are needed for the restoration of governance in the country. These reforms can be divided into the following categories: civil service reform, legal and judicial reform, legislative reform, decentralization, eradication of corruption, and the promulgation of a citizens charter. The conceptual entry point of this reform proposal is the principle of incentive compatibility. It starts with a pragmatic perspective on how to make the government more responsive, efficient, and legitimate, rather than dwelling upon political, moral or philosophical questions.

a. Civil Service Reform

2.13 The goal of civil service reform is to ensure that the civil servant is motivated to act in the public interest by the incentive structure, institutions, and training. The proposal seeks to create a judicious blend of autonomy and responsibility, by protecting the right of the government to appoint or transfer individuals, while ensuring that this right is used in the public interest and in a justifiable manner. The centerpiece of the programme is the recommendation to establish an autonomous statutory body, the Good Governance Commission, charged with reforming government rules and procedures on a regular basis, ensuring the protection of tenure and rights of civil servants, and amending the salary and benefit structure in accordance with the changes in cost of living and service conditions. members of the GGC, like all members of statutory bodies, will be appointed in the manner of judges of the superior courts, and will enjoy similar protection against arbitrary removal or harassment.

b. Legal and Judicial Reform

2.14 The proposals for legal and judicial reform follow the same lines as that for civil service reform, and are aimed at improving the incentive structure faced by judges and judicial officers. They also involve modifications in salary and benefit packages to bring them in line with market conditions, and the supervision of tenure and service conditions by the Law Commission. The Law Commission will also oversee staffing, recruitment, training and monitoring needs. Finally, it is recommended to provide additional resources, both human and financial, to assist in the functioning of the system of justice along with reforms to strengthen lower judiciary where people face long delays in getting justice.

c. Legislative Reform

2.15 The legislature is the third branch of the government. It too faces perverse incentives, in the sense that there is no system for rewarding good performance or punishing poor performance. The proposed reforms of the legislature focus on improving the incentive structure. Beginning with providing legislators with adequate salaries and staff support, the proposal recommends measures to strengthen the committee structure of the parliament, improving citizen access to parliamentary records, providing funds for research and analysis of parliamentary functioning, and ensuring that the overall set of incentives faced by legislators induces the protection of the rights of citizens and upholding the public interest.

d. Decentralization

2.16 A major failure in the system of government in many Southern countries is the high degree of concentration of powers. The 2010 programme recommends a phased decentralization of the polity and administration through three sets of mutually supportive measures. First, deconcentration, i.e. shifting administrative and financial powers to lower levels of the hierarchy, to be undertaken by the GGC. Second, delegation, namely the transfer of functions and responsibilities horizontally to autonomous agencies, non-government organizations, and the private sector (i.e. privatization) in a phased manner. Third, devolution, i.e. transfer of powers and responsibilities to lower tiers of the government, i.e. local government, district government, and provincial government.

2.17 The operational principle proposed here is that of subsidiarity: namely that decisions should be taken at the lowest possible level, at the local (i.e. village or mohalla) level wherever possible; if not at the district level, then at the provincial level, and only where necessitated by technical, economic, or political considerations, at the federal level. However, this has to be a phased programme, since most institutions for oversight and accountability of governmental functioning do not exist at all the proposed tiers. It requires an investment in systems of accountability-- local judiciary, local media, local auditing institutions, election commission, citizen groups-- at all the proposed levels of government, including training programmes, infrastructure provision, and access to information. In accordance with the phased programme, the different tiers should be created through legal or constitutional amendments, and invested with administrative, financial, and political authority.

e. Eradication of Corruption

2.18 Corruption has become a central political and social issue, and a set of actions to address it have already been put in place. However, besides the punitive measures, that tend to be backward looking, there is also a need to take a forward looking view, and to introduce steps that would minimize the incidence of corruption in the future. These include some revision of salary structures (which may be necessary but not sufficient), changes in procedures for appointment and transfer of public officials, amendments to service and operational rules, improving access of citizens to information (please see below), strengthening auditing systems in the public as well as private sectors, introducing performance based management in public institutions, and establishing effective systems of oversight and governance of autonomous organizations.

f. Citizens Charters

2.19 The restoration of governance is impossible without citizen involvement in oversight and accountability. This requires the provision of open access to information to all citizens (through the enactment of the freedom of information act), establishing performance criteria for all public offices, publishing and enforcing citizens charters that elaborate the rights of citizens with regard to every public agency and every public official and finally providing open support for independent research and analysis of the functioning of public institutions.

An Agenda for Collaborative Action

2.20. An amount of Rs.15.57 million have been allocated in the Public Sector Development Programme 1998-99. During this year, in 21 sectors meetings will be held in the major areas of interest like, Law and Order and Justice, Education, Population, Sports, Science and Technology, Housing Environment, Energy, Agriculture, Industry, Exports, Information Technology, Financial Services, Mass Media, Values Land Culture, Telecommunications, Transportation, Tourism, Taxation, Investment, Small Business Development.

Champion of Reforms

2.21 Pakistan 2010 Programme envisages active public participation in socio-economic change through Champion of Reforms of volunteers at the grass root level. They will play role of linkage between Masses and Government. Benefit will be taken through their knowledge and experience. This will lead to prosperous, happy and peaceful society.

CHAPTER-3

PUBLIC SECTOR DEVELOPMENT PROGRAMME

3.1 The Public Sector Development Programme (PSDP) 1997-98 was formulated within the framework of the policy agenda of the present Government. The ultimate objectives of the Government are i) to pursue the goal of structural and macro economic adjustment in order to bring stability in the economy, ii) to aim at accelerating development in production, social, environment, and physical infrastructure Sectors so as to ensure sustained high growth, iii) wider dispersal of economic benefits amongst people at large and iv) removing regional disparities as far possible. For this purpose the Government gave special attention to these priority sectors and provided sufficient funds to them in PSDP 1997-98. Special emphasis was also layed on the implementation of Social Action Programme. Accordingly, Education, Health, Population Welfare and clean drinking water supply were the priority areas.

3.2 The total size of the budgetary PSDP 1997-98 approved by National Economic Council (NEC) was Rs.95.1 billion. A further cut of Rs.5.0 billion on the development budget and hence reduced the PSDP 1997-98 to Rs.90.1 billion. Against this amount Rs.86.7 billion were utilized. Sector-wise details and other bifurcations are shown in S.A. Table 3.1. Agency-wise allocations and corresponding utilization is shown in Table 3.1.

TABLE 3.1
REVISED ESTIMATES OF BUDGETARY PSDP DURING 1997-98

Sector	Allocation	Revised Estimates	%Utilization
1	2	3	4
Federal Programme	37.4	32.6	87.2
Provincial Programme	26.0	25.9	99.6
Budgetary Corporations Programme (WAPDA, OGDC, NHA)	26.7	28.2	105.6
Total (PSDP)	90.1	86.7	96.2

Federal Budgetary Programme

3.3 During 1997-98 an amount of Rs 37.4 billion was allocated to the development programme of Federal Ministries/ Divisions, Special Areas Programme(Azad Kashmir, Northern Areas, FATA and FATA-DC) and Special Programme(Tameer-e- Sindh Programme and Afghan Refugees Programme). Against which the revised estimates stood at Rs.32.6 i.e. 87.2 per cent. The allocation and utilization is shown in Table 3.2.

TABLE 3.2

REVISED ESTIMATES OF FEDERAL BUDGETARY PSDP 1997-98

(Billion Rs)

Sector	Allocation	Revised Estimates	%Utilization
1	2	3	4
Federal Ministries/ Divisions, Programme	36.4	31.7	87.1
Tameer-e-Sindh	0.9	0.9	100.0
Afghan Rehabilitation Programme	0.1	0.04	40.0
Total Ministries	37.4	32.6	87.2

Provincial programme

3.4 During 1997-98, the actual development expenditure in the Provinces amounted to Rs 25.9 billion against an allocation of Rs 26.0 billion. In sectoral terms, Physical Planning & Housing was accorded highest priority (Rs 7.9 billion) followed by Water (Rs 4.1 billion) Rural Development (Rs 3.5 billion), Health (Rs 3.3 billion), Education (Rs.3.2 billion), and Transport & Communication (Rs 2.1 billion) respectively.

Corporations Programme

3.5 The Public Sector corporations (Budgetary and Non Budgetary) were allocated Rs 98.9 billion during 1997-98. The corresponding revised estimates amounted to Rs 78.7 billion (79.6%). The Corporation-wise details are given in S.A. Table 3.3.

Public Sector Development Programme 1998-99

3.6 The PSDP has been prepared in line with the macro-economic stability thus putting main emphasis on the reduction of fiscal deficit. Efforts have been made to lower the size of budgetary PSDP considerably in order to bring down the fiscal deficit from 5.5 per cent to 4 per cent within the overall macro-economic frame work.

3.7 An amount of Rs 110.6 billion has been allocated to the Budgetary Public Sector Development Programme 1998-99. The share of federal Ministries/Divisions amounts to 44.6 billion. Provincial programme has been earmarked Rs 32.0 billion. The share of Budgetary Corporations amounts to Rs 34.0 billion. The sectoral details are given in the S.A. Table 3.2 and the agency-wise details are shown in Table 3.3.

TABLE 3.3

BUDGETARY PSDP 1998-99

(Billion Rs)

Sector	Allocation 1997-98		Allocation 1998-99	
	Total	F. Aid	Total	F. Aid
1	2	3	4	5
Federal Ministries/ Divisions, Programme	<u>37.4</u>	<u>13.9</u>	<u>44.6</u>	<u>14.9</u>
i) Ministries Prog	36.4	13.9	40.5	14.9
ii) Tameer-e-Sindh	0.9	0.0	1.0	0.0
iii) Afghan Refugees Programme	0.1	0.0	0.1	0.0
iv) Grant for local development	0.0	0.0	3.0	0.0
Provincial Programme	<u>26.0</u>	<u>10.0</u>	<u>32.0</u> [#]	<u>13.0</u>
Corporations Budget Programme	<u>26.7</u>	<u>17.0</u>	<u>34.0</u>	<u>18.6</u>
Total Budgetary PSDP	90.1	40.9	110.6*	46.5

The size of the programme formulated by the provinces is larger than this amount. They will either mobilize additional resources or adjust it within this amount.

* However, due to resource constrained position the total size of PSDP 1998-99 has been cut down to Rs.98.2 billion.

3.8 Sectoral allocations for budgetary PSDP 1998-99(National) which is an indication of inter-sectoral priority assigned, ranked highest for Transport & Communications followed by Water, Power, Education and Physical Planning & Housing.

3.9 Federal PSDP for 1998-99 excluding budgetary Corporations has been placed at Rs 76.6 billion out of which Rs 40.5 billion has been earmarked for Federal Ministries, Rs 3.0 billion for Local development, Rs 1.0 billion for Tameer-e-Sindh Programme, Rs 0.1 billion for Afghan Refugees Programme and Rs.32.0 billion for Provincial Programme. Corporations Programme amounts to Rs 34.0 billion.

Provincial Programme

3.10 For 1998-99 Rs 32.0 billion have been earmarked in Federal PSDP for Provincial SAP and non SAP programme. Province-wise allocation/utilization during 1997-98 and allocation during 1998-99 is shown in Table 3.4.

TABLE 3.4

REVISED ESTIMATES OF PROVINCIAL PSDP DURING 1997-98 AND ALLOCATION FOR 1998-99

(Billion Rs)

Province	Allocation for 1997-98	Revised estimates during 97-98	Allocation for 1998-99
1	2	3	4
1. Punjab	12.1	14.1	13.9
2. Sindh	6.1	5.2	7.4
3. NWFP	4.7	3.8	5.4
4. Balochistan	3.1	2.8	5.3
Total	26.0	25.9	32.0

* The size of the programme formulated by the provinces however amount to Rs 43.2 billion. Provincial Governments will mobilize resources to meet this additional expenditure or will adjust their programmes in line with the above allocations.

3.11 Sectoral allocation in the total Provincial Programme for 1998-99 is the reflection of highest priority accorded to Education, Physical Planning & Housing, Water and Rural Development respectively.

Corporation Programme

3.12 Public Sector Corporations programme 1998-99 amounts to Rs 114.9 billion compared to Rs 98.9 billion in 1997-98. Out of this Rs.34.0 billion have been allocated to WAPDA, OGDC, NHA and NMTA through budget and Rs.17.6 billion outside budget. Rs.63.3 billion have been allocated to Non-budgetary Corporations. Whole of amount will be arranged by the Corporations through self-financing/market loan/bank borrowing/foreign loan. The increase in the investment programme of Public Sector Corporations during 1998-99 as against last year is mainly due to mobilization of resources through self-financing, Bank borrowing and foreign loan/equity by the Corporations. Thus the materialization of Corporate programme will depend to a very large extent on the capability of the Corporations to generate financial surpluses

and capacity to raise loan and equity. The Programme of the Corporations for 1998-99 is shown in S.A. Table 3.3.

Special Areas Programme

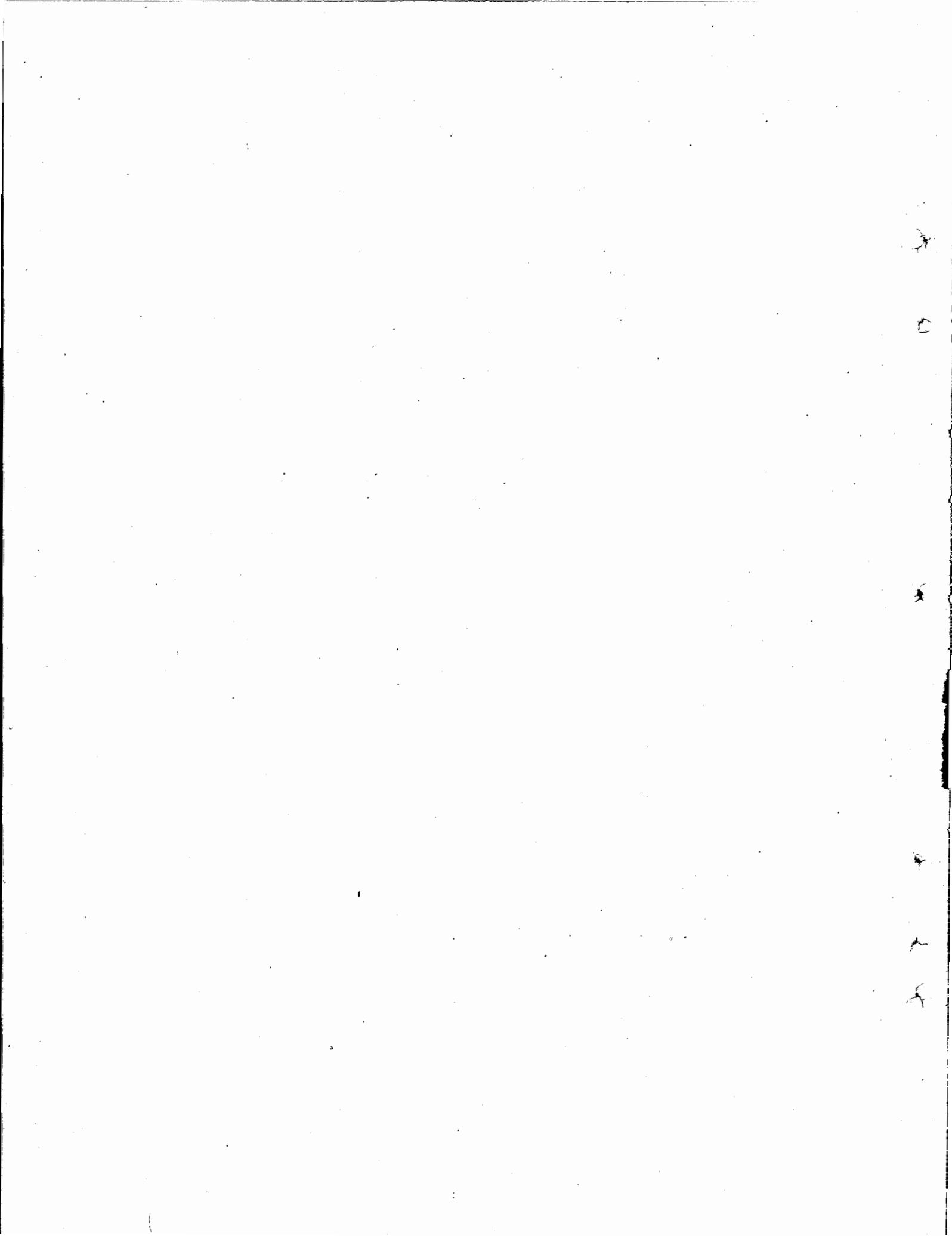
3.13 An allocation of Rs 4.0 billion has been made in Federal PSDP 1998-99 for the Special Areas (AJ&K, NA, FATA & FATA Development Corporation). Allocation to these areas in 1997-98 was Rs 3.3 billion. The area-wise allocation and utilization is shown in Table 3.5.

TABLE 3.5

SPECIAL AREAS PROGRAMME FOR 1997-98 AND 1998-99

(Million Rs)

Agency	Allocation for 1997-98	Revised Estimates during 1997-98	Allocation for 1998-99
1	2	3	4
Azad Kashmir	1742.8	2342.3	2091.7
Northern Areas	721.4	594.6	865.7
FATA	769.2	737.3	923.0
FATA-DC	103.8	81.8	124.6
Total	3337.2	3756.0	4005.0



CHAPTER-4

PUBLIC FINANCE

4.1 Reduction of budgetary deficits through restructuring the fiscal system is the major challenge being faced by the present government. As a result of serious efforts made to reduce government expenditure and increase revenues, fiscal deficit has been reduced to 5.4 per cent GDP in 1997-98 as compared to 6.3 per cent of GDP in 1996-97. The specific measures adopted in this regard include structural and procedural reforms in taxation, mobilization of additional resources and control over both current and development expenditure. Allocation of resources for two major heads i.e. debt servicing and defence however, could not be controlled because of obligatory nature of the former and the geopolitical conditions in case of the latter. In the field of taxation, efforts were continuously made to improve tax elasticity and buoyancy, bring about transparency and simplicity in tax structure, and reduce tax exemptions. Despite these efforts, reduction of fiscal deficit to a level below 5 per cent of GDP, has continued to pose a major problem. At the same time there is a need to reduce stock of debt through fiscal consolidation and the use of privatization proceeds to retire the most expensive debts.

Fiscal Developments During 1997-98

4.2 The consolidated budget for 1997-98 envisaged mobilization of Rs 452.2 billion revenues to keep the overall fiscal deficit at 5.4 per cent of GDP to be financed by bank borrowing of Rs 30.7 billion (1.1 per cent of GDP), non-bank borrowing of Rs 81.6 billion (3.0 per cent of GDP) and external borrowing of Rs 35.1 billion (1.3 per cent of GDP). The revised estimates during 1997-98 shows reduction of Rs 10.5 billion in government expenditure over the budget estimates. This short fall in expenditures is mainly due saving of Rs 9.5 billion in current expenditure. The overall budgetary position during 1996-97 to 1998-99 is given in Statistical Appendix (SA) Table-3.1.

4.3. During 1997-98, the budget and post-budget taxation measures helped mobilize revenues of Rs 452.2 billion (16.5 per cent of GDP). The revised estimates of government expenditure of Rs 599.6 billion (21.8 per cent of GDP) are lower than the budget estimates of Rs 610.0 billion (21.4 per cent of GDP), mainly due to reduction in current expenditure from Rs 519.9 billion to Rs 510.4 billion. The resulting fiscal deficit of Rs 147.4 billion (5.4 per cent of GDP) indicates a decrease of Rs 0.5 billion over the budget estimates of 1997-98 and 5.9 per cent over the fiscal deficit of Rs 156.6 billion (6.3 per cent of GDP) during 1996-97. The domestic borrowing of Rs 112.3 billion financed about 76.2 per cent of the overall fiscal deficit compared to budgeted level of 79.6 per cent and the provisional/actual of 82.3 per cent for 1996-97. The overall budgetary position for 1996-97 and 1997-98 is summarized in Table 4.1.

TABLE-4.1

CONSOLIDATED BUDGET 1996-97 and 1997-98

	1996-97	1997-98		% Growth Rate FY98/FY97	Performance in 1997-98 (Rev. - B.E)
	Provisional/ Actual	Budget Estimates	Revised Estimates		
Government Revenues	384.3	462.1	452.2	17.7	-10.0
Tax	324.6	373.7	363.0	11.8	-10.7
Non-tax revenues	59.7	88.4	89.2	49.4	0.8
Government Expenditure	540.9	610.0	599.6	10.8	-10.5
Current	455.4	519.9	510.5	12.1	-9.5
Development	85.5	90.1	89.1	4.2	-1.0
Fiscal Deficit	156.6	147.9	147.4	-5.9	-0.5
Primary deficit	-4.6	-57.8	-42.0	812.0	15.9
Interest payments	161.2	205.7	189.3	17.4	-16.4
Financing:	156.6	147.9	147.4	-5.9	-0.5
Bank borrowing	72.5	57.9	30.7	-57.7	-27.2
Non-bank borrowing	56.5	59.8	81.6	44.3	21.8
External borrowing (net)	27.6	30.2	35.1	27.2	4.9
Memorandum Items					
% of GDP					
Government Revenues	15.4	16.2	16.5		
Tax	13.0	13.1	13.2		
Non-tax revenues	2.4	3.1	3.2		
Government Expenditure	21.6	21.4	21.8		
Current	18.2	18.3	18.6		
Development	3.4	3.2	3.2		
Fiscal Deficit	6.3	5.2	5.4		
Primary deficit	-0.2	-2.0	-1.5		
Interest payments	6.4	7.2	6.9		
Financing:	6.3	5.2	5.4		
Bank borrowing	2.9	2.0	1.1		
Non-bank borrowing	2.3	2.1	3.0		
External borrowing (net)	1.1	1.1	1.3		

4.4 Both the government revenues and expenditures have grown at a rate higher than the nominal GDP growth rate of 9.7 per cent for 1997-98 with the result that revenues as well as expenditures as a ratio of GDP have increased in 1997-98 as compared to 1996-97. Total revenues have increased from 15.4 per cent of GDP in 1996-97 to 16.5 per cent in 1997-98. Tax revenues

increased from 13 per cent of GDP in 1996-97 to 13.2 per cent in 1997-98 while the non-tax revenues increased significantly from 2.4 per cent to 3.2 per cent of GDP.

4.5 The salient features of Government performance in the revenue collection during 1997-98 are as following:

- a) The Government revenues at Rs 452.2 billion in 1997-98 indicate a decrease of Rs.9.9 billion over budget estimates of Rs 462.1 billion for the year but an increase of 17.7 per cent over the revenues of the Rs 384.3 billion for 1996-97.
- b) The tax revenues increased from Rs 324.6 billion in 1996-97 to Rs 363.0 billion (revised estimates) in 1997-98 showing an increase of 11.8 per cent.
- c) The direct taxes increased from Rs 87.1 billion in 1996-97 to Rs 104.0 billion in 1997-98, showing an increase of 19.4 per cent, whereas the indirect taxes increased by 9.0 per cent from Rs 237.6 billion in 1996-97 to Rs 259.0 billion in 1997-98. The share of indirect taxes in GDP has declined marginally from 9.5 per cent in 1996-97 to 9.4 per cent in 1997-98.
- d) The non-tax receipts increased significantly by 49.4 per cent from Rs 59.7 billion (2.4 per cent of GDP) in 1996-97 to Rs 89.2 billion (3.2 per cent of GDP) in 1997-98. The major growth was due to increase in Interest & Dividends from Rs 25.9 billion in 1996-97 to Rs 36.8 billion in 1997-98 and increase in revenue through Receipts from Civil Administration from Rs 10.3 billion to Rs 21.0 billion during the period. Details are given in Table-4.2.

TABLE-4.2

CONSOLIDATED BUDGET 1996-97 and 1997-98
(Composition of Revenues)

	(Rs. Billion)				
	1996-97 Provisional Actual	1997-98		% Growth Rate FY98/FY97	Performanc in 1997-98 (Rev. - B.E)
		Budget Estimates	Revised Estimates		
Government revenues	410.3	462.1	452.2	10.2	-9.9
Tax	324.7	373.7	363.0	11.8	-10.7
Direct taxes	87.1	108.0	104.0	19.4	-4.0
- Taxes on income	80.4	97.8	95.6	18.9	-2.2
- Other direct taxes	6.7	10.2	8.4	25.4	-1.8
Indirect taxes	237.6	265.7	259.0	9.0	-6.7
- Custom duties	86.1	91.0	78.7	-8.6	-12.3
- Excise duties	56.2	65.6	64.1	14.1	-1.5
- Sales tax	55.7	64.2	54.1	-2.9	-10.1
- Surcharges	27.3	30.1	47.0	72.2	16.9
Petroleum	22.5	25.2	40.6	80.4	15.4
Natural Gas	4.8	4.9	6.4	33.3	1.5
- Other indirect taxes	12.3	14.8	15.1	22.8	0.3
Non-tax revenues	59.7	88.4	89.2	49.4	0.8
- Interest & Dividend	25.9	35.5	36.8	42.1	1.3
- Receipts from Civil	10.3	37.7	21.0	103.9	-16.7
- Others	23.5	15.2	31.4	33.6	16.2
Memorandum Items					
% of GDP					
Government revenues	16.4	16.2	16.5		
Tax	13.0	13.1	13.2		
Direct taxes	3.5	3.8	3.8		
- Taxes on income	3.2	3.4	3.5		
- Other direct taxes	0.3	0.4	0.3		
Indirect taxes	9.5	9.3	9.4		
- Custom duties	3.4	3.2	2.9		
- Excise duties	2.2	2.3	2.3		
- Sales tax	2.2	2.3	2.0		
- Surcharges	1.1	1.1	1.7		
Petroleum	0.9	0.9	1.5		
Natural Gas	0.2	0.2	0.2		
- Other indirect taxes	0.5	0.5	0.5		
Non Tax Revenues	2.4	3.1	3.2		

Government Expenditure

4.6. The total expenditures increased from 21.6 per cent of GDP in 1996-97 to 21.8 per cent in 1997-98. The current expenditure has risen from 18.2 per cent of GDP in 1996-97 to 18.6 per cent in 1997-98 while the development expenditure was contained at 3.2 percent of GDP in 1997-98 compared with 3.4 percent in 1996-97

4.7. According to revised estimates, the total Government expenditures at Rs 599.6 billion (21.1 per cent of GDP) decreased by 1.7 per cent in 1997-98 as compared to the budget estimate of Rs 610.0 billion (21.4 per cent of GDP). This decline is due to curtailment in current expenditure from budget estimates of Rs 519.9 billion (18.3 per cent of GDP) to Rs 510.5 billion (17.9 per cent of GDP), even though the current expenditure increased from Rs 455.4 billion in 1996-97 to Rs 510.4 billion in 1997-98 showing an increase of 12.1 per cent. However, as a ratio of GDP this expenditure decreased from 18.3 per cent in 1996-97 to 17.9 per cent in 1997-98. The expenditure on Community, Social and Economic services increased from Rs 73.4 billion in 1996-97 to Rs 89.1 in 1997-98(revised estimates) showing an increase of 21.7 per cent. However, this expenditure decreased by Rs 6.7 billion in 1997-98 from the budget estimates of Rs 96.0 billion to revised estimates of Rs 89.3 billion. The development expenditure for 1997-98 decreased marginally by Rs 1.0 billion from Rs 90.1 billion of budget estimate. Details are provided in Table 4.3.

TABLE 4.3

CONSOLIDATED BUDGET 1996-97 and 1997-98
(Composition of Expenditures)

(Rs. Billion)

	1996-97	1997-98		% Growth Rate FY98/FY97	Performanc in 1997-98 (Rev. - B.E)
	Provisional Actual	Budget Estimates	Revised Estimates		
Government expenditure	540.9	610.0	599.6	10.8	-10.5
Current	455.4	519.9	510.5	12.1	-9.5
General administration	45.9	41.0	39.4	-14.2	-1.6
Defence	127.4	134.0	133.8	5.0	-0.2
Law and order	20.7	22.7	23.4	13.0	0.7
Subsidies	11.9	13.3	13.6	14.3	0.3
Debt Servicing	161.2	191.0	189.3	17.4	-1.7
Social/Economic/ Community Services	73.4	96.0	89.3	21.7	-6.7
Grants to Local Auth.	8.2	13.3	14.7	79.3	1.4
Unallocable	6.7	8.6	7.0	3.0	-1.7
Development	85.5	90.1	89.1	4.2	-1.0
Memorandum Items					
% of GDP					
Government expenditure	21.6	21.4	21.8		
Current	18.2	18.3	18.6		
General Administration	1.8	1.4	1.4		
Defence	5.1	4.7	4.9		
Law and order	0.8	0.8	0.9		
Subsidies	0.5	0.5	0.5		
Debt Servicing	6.4	6.7	6.9		
Social/Economic/ Community Services	2.9	3.4	3.3		
Grants to Local Auth.	0.3	0.5	0.5		
Unallocable	0.3	0.3	0.3		
Development	3.4	3.2	3.2		

4.8 The budget financed development expenditure rose from Rs 85.5 billion in 1996-97 to Rs 89.1 billion in 1997-98 showing an increase of 4.2 per cent. In terms of GDP, the budget financed public sector development expenditure (PSDP) of 3.1 per cent has been lower than the 1996-97 PSDP expenditure of 3.4 per cent.

Fiscal Performance of the Federal Government: 1997-98

4.9 The gross revenues of Federal government for 1997-98 at Rs 423.1 billion (excluding transfer to provinces of Rs 118.3 billion) were lower by Rs 12.7 billion than the budget estimates of Rs 435.8 billion. Details may be seen in Table-4.4.

TABLE 4.4

FEDERAL GOVERNMENT REVENUES AND EXPENDITURES

	(Rs. Billion)				
	1996-97	1997-98		% Growth Rate FY98/FY97	Performanc in 1997-98 (Rev. - B. E)
	Provisional Actual	Budget Estimates	Revised Estimates		
Government revenues	360.1	435.8	423.1	17.5	-12.7
(Gross)					
Tax	310.7	355.8	346.2	11.4	-9.6
Direct taxes	85.0	104.4	101.8	19.8	-2.6
Indirect taxes	225.7	251.4	244.4	8.3	-7.0
Non-tax revenues	49.4	80.0	76.9	55.7	-3.1
Less Transfer to Provinces	131.6	124.2	118.3	-10.1	-5.9
Government Revenues(Net)	228.5	311.6	304.8	33.4	-6.8
Current Expenditure	346.0	391.8	386.3	11.6	-5.5
General administration	20.7	20.5	19.5	-5.8	-1.0
Defense	127.4	134.0	133.8	5.0	-0.2
Law and Order	7.2	8.1	8.2	13.9	0.1
Subsidies	6.8	7.4	6.6	-2.9	-0.8
Debt Servicing	154.1	185.4	182.1	18.2	-3.3
Social/Economic/ Community services	15.9	17.7	18.1		
Grants to Local Auth.	7.5	12.2	13.1		
Other expenditures	6.4	6.5	4.9	-23.4	-1.6
Development			60.1		
% of GDP					
Government revenues	14.4	15.3	15.4		
(Gross)					
Tax	12.4	12.5	12.6		
Direct taxes	3.4	3.7	3.7		
Indirect taxes	9.0	8.8	8.9		
Non-tax revenues	2.0	2.8	2.8		
	5.3	4.4	4.3		

Government Revenues(Net)	9.1	11.0	11.1
Government Current Exp.	13.8	13.8	14.1
General administration	0.8	0.7	0.7
Defense	5.1	4.7	4.9
Law and Order	0.3	0.3	0.3
Subsidies	0.3	0.3	0.2
Debt Servicing	6.2	6.5	6.6
Social/Economic/			
Community services	0.6	0.6	0.7
Grants to Local Auth.	0.3	0.4	0.5
Other expenditures	0.3	0.2	0.2
Development			2.2

4.10 The main features of the Federal Government revenues collection during 1997-98 are as follows: -

a) The gross federal revenues collection of Rs 423.1 billion in 1997-98 increased by Rs 63.0 billion or 17.5 per cent over the revenue collection of Rs 360.1 billion in 1996-97. Tax revenues increased by Rs 35.5 billion or 11.4 per cent from Rs.310.7 billion in 1996-97 to Rs 346.2 billion in the revised estimates of 1997-98.

b) The direct tax collection increased by Rs 16.8 billion or 19.8 percent from Rs 85.0 billion in 1996-97 to Rs 101.8 billion in 1997-98 while collection of indirect taxes registered an increase of Rs 18.7 billion or 8.3 per cent from Rs 225.7 billion during 1996-97 to Rs 244.4 billion in 1997-98.

c) The non-tax receipts increased by Rs.27.5 billion or 55.7 per cent from Rs 49.4 billion in 1996-97 to Rs 76.9 billion in 1997-98.

4.11. The federal government's current expenditure during 1997-98 increased by Rs 40.3 billion or 11.6 per cent from Rs 346.0 billion in 1996-97. When compared with Budget estimates of Rs 391.8 billion, these have declined by Rs 5.5 billion in 1997-98. The increase in current expenditure was mainly due to higher spending on three major heads, i.e., defence, debt servicing and grants to local authority.

Fiscal performance of Provincial Governments: 1997-98

4.12 The provincial governments mobilized Rs 29.1 billion or about 19.7 per cent of their total revenues from their own sources during 1997-98 while the balance of Rs 118.3 billion had to be met from the Federal Government transfers(divisible pool). The provincial taxes increased by 20.9 per cent from Rs 13.9 billion in 1996-97 to Rs 16.8 billion in 1997-98 whereas non-tax revenues increased by 19.3 per cent from Rs 10.3 billion in 1996-97 to Rs 12.3 billion during 1997-98. The provincial government expenditure increased by 13.4 per cent from Rs 109.4 billion during 1996-97 to Rs 124.1 billion during 1997-98, most of the increase being in social, economic and community services, as reflected in Table-4.5.

TABLE 4.5

PROVINCIAL GOVERNMENTS BUDGETARY POSITION

	(Rs. Billion)				
	1996-97	1997-98		% Growth	Performanc
	Provisional Actual	Budget Estimates	Revised Estimates	Rate FY98/FY97	in 1997-98 (Rev. - B.E)
Total Resources	155.8	150.5	147.4	-5.4	-3.1
a) Transfer From Fed.	131.6	124.2	118.3	-10.1	-5.9
b) Government Own revenues	24.2	26.3	29.1	20.2	2.8
Tax	13.9	17.9	16.8	20.9	-1.1
Direct taxes	2.0	3.6	2.2	10.0	-1.4
Indirect taxes	11.9	14.3	14.6	22.7	0.3
Non-tax revenues	10.3	8.4	12.3	19.3	3.9
Current expenditure	109.4	128.1	124.1	13.4	-4.0
General administration	25.2	20.5	19.9	-21.0	-0.6
Defense	0.0	0.0	0.0		
Law and order	13.6	14.6	15.2	11.8	0.6
Subsidies	5.1	5.9	7.0	37.3	1.1
Debt Servicing	7.1	5.6	7.2	1.4	1.6
Social/Economic/ Community services	57.4	78.3	71.2	24.0	-7.1
Grants to Local Auth.	0.7	1.1	1.6	128.6	0.5
Other expenditures	0.3	2.1	2.0	566.7	-0.1
Development			29.0		
% of GDP					
Total Resources	6.2	5.3	5.4		
a) Transfer From Fed.	5.3	4.4	4.3		
b) Government Own revenues	1.0	0.9	1.1		
Tax	0.6	0.6	0.6		
Direct taxes	0.1	0.1	0.1		
Indirect taxes	0.5	0.5	0.5		
Non-tax revenues	0.4	0.3	0.4		
Current expenditure	4.4	4.5	4.5		
General Administration	1.0	0.7	0.7		
Defence	0.5	0.5	0.6		
Law and Order	0.0	0.0	0.0		
Subsidies	0.2	0.2	0.3		
Debt Servicing	0.3	0.2	0.3		
Social/Economic/					

Community services	2.3	2.8	2.6
Grants to Local Auth.	0.0	0.0	0.1
Other expenditures	0.0	0.1	0.1

Development 1.1

Consolidated Budget, 1998-99

4.13 The salient features of the Consolidated Budget 1998-99 are as following: -

- (i) The budget for 1998-99 envisages an improvement in the fiscal performance with the overall fiscal deficit expected to fall from 5.4 per cent of GDP in 1997-98 to 4.6 per cent of GDP during 1998-99. This would be achieved through greater revenue mobilization efforts envisaged for 1998-99.
- (ii) The government revenues are estimated to increase by 15.6 per cent over the previous year. Government revenues, as a proportion of GDP are estimated at 16.7 per cent in 1998-99 compared to the level of 16.5 per cent in 1997-98. This increase in government revenue would be contributed both by tax and non-tax revenues which are projected to increase by 15.4 per cent and 16.7 per cent respectively over the revised estimates of 1997-98.
- (iii) The budget provides for an increase of 24.1 per cent in development outlay and 8.8 per cent in the current expenditure. However, the actual/revised allocations for development (PDDP) will depend upon the final agreement with IMF.
- (iv) As a proportion of GDP, the deficit will be financed by bank borrowing (1.3 per cent of GDP), non-bank borrowing (2.8 per cent of GDP) and external borrowing (0.5 per cent of GDP).

4.14 Table 4.6 shows the consolidated position of the budget and the details of the budget can be seen in S.A Table 4.1.

TABLE 4.6

CONSOLIDATED BUDGET 1997-98 and 1998-99

	<i>(Rs. Billion)</i>		
	1997-98 Revised Estimates	1998-99 Budget Estimates	% Growth Rate FY99/FY98
Government revenues	452.2	522.9	15.6
Tax	363.0	418.8	15.4
Non-tax revenues	89.2	104.1	16.7
Government expenditure	599.6	666.1	11.1
Current	510.5	555.5	8.8
Development	89.1	110.6	24.1
Fiscal Deficit	147.4	143.2	-2.8
Primary deficit	-58.3	-32.6	-44.1
Interest payments	205.7	175.8	-14.5
Financing:	147.4	143.2	-2.8
Bank borrowing	30.7	39.2	27.7
Non-bank borrowing	81.6	89.3	9.4
External borrowing (net)	35.1	14.7	-58.1
Memorandum Items			
% of GDP			
Government revenues	16.5	16.7	
Tax	13.2	13.4	
Non-tax revenues	3.2	3.3	
Government expenditure	21.8	21.3	
Current	18.6	17.7	
Development	3.2	3.5	
Fiscal Deficit	5.4	4.6	
Primary deficit	-2.1	-1.0	
Interest payments	7.5	5.6	
Financing:	5.4	4.6	
Bank borrowing	1.1	1.3	
Non-bank borrowing	3.0	2.8	
External borrowing (net)	1.3	0.5	

Federal Government Budget 1998-99

- 4.15 The main features of Federal Budget for 1998-99 are discussed as under:
- a) The Federal Government revenues (gross) are estimated to increase from Rs 423.1 billion in 1997-98 to Rs 492.0 billion in 1998-99, showing an increase of 16.3 per cent over 1997-98. This increase is higher than the expected growth in nominal GDP of 14.2 per cent during the period.
 - b) Tax revenues are projected to increase by 15.5 per cent from Rs 346.2 billion in 1997-98 to Rs 399.9 billion in 1998-99. Direct taxes are expected to increase by 20.8 per cent whereas increase in indirect taxes is estimated at 13.3 per cent during 1998-99.
 - c) Non-tax revenues are estimated to increase by 19.8 per cent from Rs 76.9 billion in 1997-98 to Rs 92.1 billion in 1998-99.
 - d) The current government expenditure estimates show an increase of 8.3 per cent from Rs 386.3 billion in 1997-98 to Rs 418.2 billion in 1998-99. The overall budgetary position related to Federal Government during 1996-97 to 1998-99 is given in S.A Table 4.2.

BUDGETARY MEASURES

- 4.16 Following are the budgetary measures proposed in the Federal Budget for 1998-99.

INCOME TAX

- Aggregate payments of amount above Rs.50,000/- under an expenditure head, would be tax- deductible only if made through crossed cheques.
- Previously registered firms with a capital of Rs.1.5 million were required to withhold taxes, the limit is reduced to Rs.1 million.
- The envisaged reduction in corporate tax rates announced in the last budget is deferred for one year. As such the applicable rates will be 33% for public limited companies, 43% for other companies and 58% for banking companies.
- Adjustable withholding tax on monthly telephone bills imposed in the range of Rs.50 to Rs.300. This will not apply to monthly bills up to Rs.1,000 and to users of Internet services. Mobile telephone users to pay a progressive tax depending up on their monthly bill with a maximum of Rs.400 per month for bills exceeding Rs.5,000.
- Advance tax payable by owners of private cars of 1600 CC raised from Rs.1,500

to Rs.2,000 and for vehicles with capacity of 2000 CC and above from Rs.1,500 to Rs.3,000.

- A surcharge at the rate of 10% of the wealth tax and personal income tax payable is levied.

- Under the existing law, advance wealth tax is payable in two equal installments in case where latest assessed net wealth is Rs. 1.5 million or above. No adjustment of any tax already paid is set-off for any tax already paid is not allowed.

- CVT chargeable on purchase of used car at the time of transfer has been waived, CVT on imported vehicles will continue.

- To corporatise brokerage houses, a one time income tax exemption allowed to sole proprietors holding stock exchange membership.

- To bring the Modarbas at par with Mutual Funds, the profit of Modarbas except trading Modarbas, would be exempted if 90% of the profits are distributed to the holders of Modarba Certificates.

- Exemption from capital gains for insurance companies which was due to expire on 30th June, 1998, is extended by one year.

- Investments in the stock market up to Rs.200,000 or 50% of the shares held by a tax-payer, whichever is higher, would be eligible for exemption.

CUSTOMS

4.17

Duty structure on imports has been rationalized as under:

A) Duty has reduced on specific items such as:

- i) duty reduced from 20% to 10% on bovine animals.
- ii) from 35% to 15% on maniac (Cassava).
- iii) from 45% to 15% on coconut seed/copra.
- iv) from 45% to 25% on bamboos and rattan.
- v) from 45% to 35% on industrial glycerol.
- vi) from 35% to 25% on paraffin wax.
- vii) from 35% to 10% on carbon black.
- viii) from 45% to 10% on precision steel for safety blades.
- ix) from 35% to 10% on check valves for tubes.
- x) from Rs.10,000/- per ton to 15% ad-valorem on palm stearin.
- xi) from 45% to 35% on palm kernel oil.
- xii) from 25% to 10% on densified wood, and
- xiii) from 45% to 25% on felt dryer screen.

B) Duty has been raised on items such as

- i) from 15% to 35% on glycerin.
- ii) from 10% to 15% on iron oxide and titanium dioxide.
- iii) from 10% to 35% on used tyres.
- iv) from 15% to 35% on DOP substitutes.

C) The specific rate of duty of 30 paise per meter on cinematographic films has been abolished. It will now attract only 25% duty.

- Duty differential of about 10% is introduced between bulk and retail import of selected consumer goods e.g. milk, butter, cheese, honey, tea, coffee, spices, juices, miscellaneous food items, shampoo and washing preparations.

- Duty on disposable syringes is reduced from 35% to 25% and on a wide range of medical instruments and appliances from 25% to 10%.

- 10% customs duty presently leviable on personal computers is withdrawn. Likewise CD ROM also exempted from 35% customs duty currently leviable. Besides, automated cash registers are also exempted from 10% duty for one year only.

- War disabled defence personnel allowed to import cars not exceeding 1300 CC fitted with special gadgets at 25% customs duty.

- A uniform rate of duty of 125% on cars of over 1800 CC as well as on 4x4 wheel-drive luxury vehicles is levied.

- Warehousing period enhanced from one to three months for perishable goods and from 3 months to one year for all categories.

- If an overseas Pakistani remits US \$ 100,000 through banking channel, he will have tax exemption entitlement of Rs.400,000 which can be off-set against liability of customs duty/sales tax on local purchase or imports. If he remits US \$ 50,000 then the exemption of taxes will be to the extent of Rs.200,000.

- Customs duty on a wide range of smuggling-prone items reduced. The items are: cheese (from 45% to 25%), betel-nuts (from Rs.22/Kg to 35%), coffee (45% to 35%), spices (35% to 15%), toiletries (45% to 24%), printing ink (45% to 35%), Photographic films (25% to 15%), crockery (45% to 35%), blankets (45% to 25%), footwear (45% to 35%), TVS, air-conditioners and refrigerators (45%), toys (45% to 25-35%), stationery (35%-45% to 25%), auto-parts not manufactured locally (45% to 10%) and other electro-mechanical household appliances (45% to 25%).

- All those commodities on which the statutory rate of duty plus sales tax was equivalent to or lower than 30%, or where the ITP was equivalent to or lower than US \$ 480 per ton or where the annual collection of import duty plus taxes country-wise was equivalent to or lower than Rs.50 million taken out of the ITP regime.
- Rate of excise duty rate on lubricating oil converted into its ad-valorem equivalent rate or 10% of the retail price.
- Ships imported into Pakistan during the next 5 years would be totally exempted from 35% customs duty and sales tax containers for use on ships/boats also exempted.
- Existing specific rates of customs duty on palm oil reduced from Rs.8,550 to Rs.4,800 per ton and in the case of soyabean oil from Rs.7,600 to Rs.3,800 per ton.
- Import of CKD kits of tractors, bulldozers, combined harvesters and agricultural implements exempted from the whole of customs duty and sales tax. The local production of these shall also be exempt from sales tax while the competing imports shall pay customs duty of 25% and sales tax at standard rate.
- A 10 per cent uniform rate of duty has been proposed on the import of aircraft, their engines and spares by both PIA and other domestic airlines.
- Airlines would further be provided the facility to pay 50% of the duty as down payment and the remaining 50% in two years in equal installments. The concessionary rate of duty has been extended to used aircrafts, engines and spares.

SALES TAX

- Fixed sales tax scheme is replaced by invoice-based GST. All manufacturers, importers and wholesalers are required to sell goods to registered persons against tax invoices. Persons not doing so, shall pay an additional 1% in lieu of the absence of full documentation. Persons supplying goods to government or semi-government departments or to autonomous corporations or to persons authorized to make deduction of with-holding tax, shall be required to register under the sales tax scheme.
- Retail tax scheme extended to only such large-size retail traders whose annual turnover is Rs.5 million and above. Retail traders whose annual turn-over is less than Rs.5 million will be exempt from retail tax.

CENTRAL EXCISE

- Rate of excise duty rate on lubricating oil converted into its ad-valorem equivalent rate.

CHAPTER-5

PRIVATE INVESTMENT AND ITS FINANCING

Review of 1997-98

5.1 The Annual Plan 1997-98 envisaged private fixed investment target of Rs 280.6 billion against the actual investment of Rs 214.2 billion during 1996-97. The investment targets have not been fully achieved while investment exceeded the target (only) in services/ others sector by 7.6 percent, it fell short of targets in the case of manufacturing by 9.7 percent, agriculture by 26.5 percent, energy by 45.5 percent, transport and communications by 15.7 percent and ownership of dwellings by 2.6 percent respectively. On the whole, investment fell short of the target by 13 percent. Sector-wise achievements vis-a-vis targets for 1997-98 are given in Table-5.1.

TABLE-5.1

PRIVATE INVESTMENT DURING 1997-98

Sector	1996-97	1997-98		% increase over 1996-97	Estimates as % of targets
		Target	Estimates		
Agriculture	20.1	30.2	22.2	10.4	73.5
Manufacturing	63.9	88.7	80.1	25.3	90.3
Large-scale	49.7	67.4	64.6	30.0	95.8
Small-scale	14.2	21.3	15.5	9.2	72.8
Energy	28.2	42.2	23.0	-18.4	54.5
Transport and Communications	15.8	21.0	17.7	12.0	84.3
Ownership of Dwellings	44.9	49.8	48.5	8.0	97.4
Services/ Others	41.3	48.7	52.4	26.9	107.6
Total	214.2	280.6	243.9	13.9	86.9

5.2 Agriculture sector investment, though much less than the target, was 10.4 percent higher than that in last year. Major portion of investment in agriculture went to tractors, tubewells, threshers, harvesters, milking machines, incubators and grading machine etc. The target of tubewells (6,000) has been achieved in full, while only 13559 tractors were inducted against the target of 27400 tractors during 1997-98.

5.3 Agricultural investment has been financed predominantly from credit provided by the Agricultural Development Bank of Pakistan (ADBP). In aggregate terms, ADBP disbursed about Rs 22354 million in 1997-98, 92 percent higher than Rs 11655 million disbursed in the preceding year. In the new investment policy, agriculture sector has also been opened for foreign investment. Under this policy there is no upper ceiling on land holding for registered agricultural companies and import tariff on agricultural machinery will be zero rated.

5.4 The manufacturing sector investment target of Rs 88.7 billion was not fully achieved, but compared to 1996-97 the investment was 25.3 percent higher. Of particular importance was the investment in large scale manufacturing which grew by 30 percent. Sanctions and disbursements of loans for fixed investment during 1997-98 amounted to Rs 11456 million and Rs 17581 million respectively. Agency-wise sanctions and disbursements in 1997-98 (July-March) are given in Table-5.2.

TABLE-5.2

**SANCTIONS AND DISBURSEMENTS
BY DFIS IN 1997-98**

(Rs Million)

Agency	Sanctions	Disbursements	As % of Sanctions
NDFC	420	949	226
PICIC	79	516	653
BEL	250	344	138
ICP	--	---	--
Pak Libya	329	102	31
Pak Kuwait	2396	1625	68
Saudi Pak	393	360	92
RDFC	-	--	--
SBFC	15	16	107
NDLC	790	590	75
IDBP	260	337	130
ADBP (Agro-based only)	--	9	--
NCBs	1940	7253	374
Privatized Banks	989	1073	108
Pakistan Private Banks	1425	1465	103
Foreign Private Bank	2170	2942	136
<u>Total</u>	<u>11456</u>	<u>17581</u>	153

5.5 Industrial investment during 1997-98 as reflected by the disbursements of credit by the financial institutions remained concentrated in chemical pharmaceutical, fertilizer and textiles, food & beverages, petrochemicals, cement and services. Capital goods and high tech. industries claimed lower investment share indicating the size of the home market, the scale and level of technology and foreign competition.

5.6 Investment in energy sector at Rs 23.0 billion was 18.4 percent lower than that of last year. This is primarily a reflection of unusually high volume of private investment last year. In the private sector, nineteen projects with a net capacity of 3158.36 MW have

achieved their financial close. Five projects have commenced commercial operation and are delivering power to their respective grid stations. The remaining fourteen projects have achieved their financial close and are under different stages of completion. The 1292 MW (1200 MW net) Hub Power Project costing of \$ 1.6 billion has commissioned its commercial operation on March 31, 1997 and is delivering 1200 MW power to WAPDA grid station. WAPDA has signed Power purchase Agreements with private producers for 2903 MW electricity as of February 1998. In the oil and gas sector the 1997 policy introduced further measures for achieving greater resources, promoting private sector investment for enhancing indigenous oil and gas production. These measures were in the form of improved incentives, procedures, regulatory framework and transparency. Efforts were also focused on attracting private sector investment in off-shore areas where no drilling activity was carried out since 1990.

5.7 Investment in transport and communications sector at Rs 17.7 billion was 12 percent higher than that of last year. In this sector considerable progress has been made during the current fiscal year. After the completion of Islamabad-Lahore Motorway, work on the Islamabad - Peshawar Motorway has been started. Work is also continuing on National Highway, Indus Highway, RCD Highway in Baluchistan and village to market roads alongwith restructuring and privatization of railways.

5.8 In transport and communications sector, an open access policy has been adopted by the government to allow private investment in railway to operate freight and passenger trains using rail track access by paying charges to Pakistan Railways. In air transport presently three private air lines i.e. Shaheen Airlines, Bhoja Air and Aero Asia are operating in the country and providing air travel services to the public.

5.9 The Housing Sector has been the third largest after the manufacturing and services sectors with a share of about 20.0 percent of total private investment. The housing sector private investment target of Rs 48.5 billion was achieved to the extent of 97.4 percent. The achievement in this sector manifests the present government policies of providing shelter to the shelterless in the rural and urban areas through allotment of residential plots (7 & 5 marlas), awarding proprietary rights to the dwellers of Kachi abadis, liberalising of housing credit facilities through House Building Finance Corporation etc. Furthermore, steps have been taken for the implementation of the low cost housing projects for low income group of people in collaboration with the private sector. In the private sector three housing finance companies i.e City Bank Housing Finance, Lahore, International Housing Finance Ltd. Karachi, and Inter-Fund Housing Finance Company, Islamabad have been granted permission to provide loans for construction/purchase of houses besides HBFC.

5.10 The direct foreign investment amounted to \$ 822.6 million in 1997-98 including portfolio investment of \$ 221.3 million. As regards the source of supply, direct foreign investment (including portfolio) came from USA (39%) followed by Hong Kong (28.2%) UAE (5%), UK (3.5%), Germany and Netherland (3% & 3.3% respectively). Other sources accounted for 18 percent.

5.11 Privatization: During the year 1997-98, the process of privatization has been made both attractive and rewarding for potential investors to enhance the role of private sector. The commission took certain steps to accelerate and broaden the base of the commission and to ensure maximum transparency in the process. Out of 101 units so far

offered for sale, 94 industrial units have been sold and management transferred up to June, 1998. Number of industrial units still to be sold is 53.

ANNUAL PLAN 1998-99

5.12 The development programme for 1998-99 has been conceived to attract both local and foreign investors in locations and areas of priority development. As in the past, policies would continue to emphasise major reliance on private sector to serve as main instrument of economic change. Private investment of Rs 347.8 billion envisaged for 1998-99 is 42.6 percent higher than the estimated investment of Rs 243.9 billion in 1997-98. Manufacturing sector has been accorded the highest priority with 32.5 percent share in total private investment, followed by 19.9 percent, 16.4 percent and 13.2 percent of services, ownership of dwellings and agriculture sectors. This investment compared with investment of Rs 190.8 billion in public sector is expected to yield GDP growth rate of 6 percent in 1998-99. Sector wise details of private investment are given in Table-5.3.

TABLE-5.3
PRIVATE INVESTMENT DURING 1998-99

(Current Billion Rs)

Sector	1997-98 Estimates	1998-99 Targets	% change over 1997-98
Agriculture	22.2	45.9	106.8
Manufacturing	80.1	113.1	41.2
Large-scale	64.6	94.7	46.6
Small-scale	15.5	18.4	18.7
Energy	23.0	26.2	13.9
Transport & Comm.	17.7	36.3	105.1
Ownership of Dwellings	48.5	57.0	17.5
Services/Others	52.4	69.3	32.3
Total	243.9	347.8	42.6

5.13 The details of sectoral programme for 1998-99 are given in the subsequent paragraphs:-

- a) **Agriculture:** Investment in agriculture sector is projected to grow by 106.8 percent from Rs 22.2 billion in 1997-98 to Rs 45.9 million in 1998-99. Mechanized farming has gained momentum in the last decade and is likely to play a significant role in the transformation of agriculture. As many as 45,000 tractors are targetted for the year. It is estimated that during the course of the year 5,000 tubewells would be sunk to augment the water supply position. A package for boosting agricultural sector was announced recently in which it is proposed to exempt the import of CKD kits of tractors, bulldozers, combined harvesters and agricultural implements from the whole of customs duty and sales tax. The local production of such agricultural tractors, bulldozers, combined harvesters and agricultural implements shall also be exempt from sales tax while the competing imports shall pay customs duty of

25% and sales tax at standard rate. This will also encourage local production of such agricultural machinery. The private sector has also assumed a pivotal role in the development of agri-business, poultry, fish farming, livestock and storage capacity development. These projections are based on the assumptions that the private sector, will play a much greater role in the expansion and diversification of agricultural activities with the financial assistance of Development Financial Institutions.

- b) **Manufacturing Industries:** The Economic Revival Programme of March 1997 and the dynamic investment policy announced on November, 1997 is being pursued to bring about marked improvement in the industrial climate of the country in order to ensure rapid growth of urban and rural industrialization. The private sector will be encouraged to play more dynamic role in the development of the economy. It is expected that the private initiative generated through the supportive policies of the government alongwith reduction in tariff rates in the current budget 1998-99 will improve and encourage the relative profitability of investment in high- tech and export oriented industries. Many industries like engineering, cement and textiles are producing much below their capacity. Policies are being formulated to help better utilization of existing capacity. In this connection availability of credit, inputs and other facilities and reduction and cascading of tariff are worth mentioning. A provision of Rs 113.1 billion has been made (Rs 94.7 billion for large scale and Rs 18.4 billion for small scale industries), which is 41.2 percent higher than the revised estimates of Rs 80.1 billion in 1997-98. Major portion of investment is expected to take place in industries like transport vehicles and equipments, tractors, cement, textile, petroleum products, pharmaceuticals, metal products, beverages, food processing, electronics, sugar and other misc. industries. Besides it, small scale and cottage industries is being encouraged through provincial and other agencies for the provision of credit, inputs, marketing and other facilities.
- c) **Energy:** The energy development strategy aims at expeditious exploitation and conservation of resources which could provide a promising basis to cope with future demand. The new Power Policy framework being proposed now is based on setting a tariff as a result of a competitive process through which private sector entrepreneurs will be invited to offer the lowest tariff per Kwh for delivering energy. Previous private power policy frameworks have predominantly resulted in private investment in oil and gas fired power plants, mainly based on imports. The government will now play a proactive role in promoting the use of indigenous coal and hydroelectric resources in power generation under this new power policy. It is intended that the initial invitations to bid will only be for hydel and indigenous coal based projects. The previous power policy framework had provided almost blanket exemptions from all duties and taxes. This meant that Pakistan's fledgling engineering industry and equipment manufacturers for power plants could not compete with imports because of the duties paid on their inputs. The new power policy framework is eliminating this inequality. A Private Power and Infrastructure Board (PPIB) has already been set up as an autonomous organization to provide "One Window" interface to private investors. Efforts

are being made to exploit the existing energy resources to build a strong indigenous exploration and production base. These efforts are directed at achieving cost effectiveness, reduction in import dependence, promotion of self-reliance through accelerated exploitation of energy resources and minimum environmental degradation. In addition, a number of far-reaching measures have been taken which include attracting private foreign investment, creating a qualitatively improved infrastructure in oil and gas industry, development of an efficient and transparent management, deregulation of downstream petroleum marketing sector and rationalization of prices and LPG allocation. Compared to an investment of Rs 23.0 billion in 1997-98 the energy sector is expected to attract an investment of Rs 26.2 billion in 1998-99.

- d) **Transport & Communications:** Transport and Communications sector will share 10.4 percent of the total private sector investment during 1998-99. This sector is expected to attract an investment of Rs 36.3 billion. Except the road transport services, the development, operation and maintenance of other modes of transportation, communication and physical infrastructure hitherto has been the monopoly of the public sector. The role of the private sector has mostly remained confined to road transport only. However, efforts have already been made to induct the private sector in areas like telephone exchanges, and the construction of roads, airport and shipping etc. It is expected that the participation of the private sector in areas other than motor vehicles be much larger and diversified in 1998-99.
- e) **Ownership of Dwellings:** Keeping in view the ever increasing demand for the construction of houses in the private sector, a sum of Rs 57.0 billion has been provided during 1998-99. The proposed investment is 17.5 percent higher than the provisional estimates of Rs 48.5 billion during 1997-98. As in the past, the Government and House Building Finance Corporation and the banking sector are likely to play a dominant role in financing the private sector housing. These together with HBFC would add new dimensions to the housing finance system. The National Housing Policy envisaging construction of 775 thousand housing units per annum is already under implementation to eliminate the backlog and the incremental demand. The schemes of 3 marla and 7 marla plots in urban and rural areas will continue.
- f) **Services:** An investment of Rs 69.3 billion during 1998-99 has been earmarked for the services sector. This includes investment provision for health services, educational facilities, religious institutions, entertainment facilities and welfare institutions. The policy framework is to encourage the private sector to set up hospitals, clinics and educational institutions as well as to help improve the efficiency of the informal sector. A number of special organizations (NGOs) are also engaged in the provision of such services. In view of the expanding role of such organizations, the private sector is expected to play a greater role in the promotion and development of services in general and health, education and social welfare in particular. Provision of utilities services and easy loan facility will be ensured to the organizations/individuals for the establishment of facilities in rural areas.

CHAPTER-6

MONETARY POLICY AND CREDIT PLAN

6.1 The major objectives of monetary and credit policies have been to keep monetary expansion commensurate with the expansion of real economic activity, contain inflationary pressure to a reasonable level and cater to the credit needs of the priority sectors. To achieve these objectives, financial sector reforms have been undertaken by the Government with the aim to correct the distortions implicit in the administered structure of rates of return on various financial instruments, to ensure availability of adequate credit to the private sector to facilitate the productive sectors, to enhance competition and efficiency in the financial system and to strengthen the supervisory role of the State Bank of Pakistan. During 1997-98 a number of prudential measures were taken to improve the efficiency of the financial institutions, enhance the recovery of defaulted loans and restructure public sector banks in terms of organizational strength and branch net-work.

Review of Credit Plan 1997-98

6.2 The Credit Plan for 1997-98 approved by National Credit Consultative Council (NCCC) envisaged an overall monetary expansion (M2) of Rs 150 billion indicating a growth rate of 14.2 percent on an annual basis. It conceived an expansion of domestic credit of Rs 150 billion (13.5%) with a major share of Rs 82 billion for the private sector (Rs 79 billion from commercial banks and Rs 3 billion from other financial institutions), Rs 66 billion for government sector (Rs 58.0 billion for budgetary support, Rs 5.5 billion for commodity operations and Rs 2.5 billion for credit to National Highway Authority (NHA) and Civil Aviation Authority (CAA) by the commercial banks) and Rs 2.0 billion for other items (net).

6.3 As against full year target of Rs 150 billion, actual monetary expansion at the end of June, 1998 was Rs 131.6 billion (12.5%), whereas domestic credit expansion was Rs 153.9 billion (13.8%). The main contributions to the domestic credit expansion were: credit to non-government sector of Rs 69.4 billion (including credit to the private sector amounting to Rs 62.9 billion) and government sector borrowing of Rs 58.5 billion. The Credit Plan envisaged a target of Rs 58.0 billion for budgetary support but the restraints by the Government contained this to a level of Rs 54.1 billion. Details are provided in Table-6.1.

TABLE 6.1
CREDIT PLAN 1998-99

(Billion Rs)

Heads	Credit Plan Targets 1997-98	up to 27-6-1998	Credit Plan Targets 1998-99
I. Government Sector Borrowing (Net)	66.0	57.6	56.0
a. Budgetary Support	58.0	48.5	43.0
b. Commodity Operations	5.5	10.6	10.0
c. Effects of Zakat Fund	-	-3.2	-
d. Use of Privatization Proceeds by Government/WAPDA	-	1.2	-
e. Use of Privatization Proceeds by NDRP Fund for debt Retirement	-	-1.1	-
f. Others (Credit to NHA & CAA by the Commercial Banks)	2.5	0.8	3.0
g. Credit to Autonomous Bodies	-	-2.9	-
II. Non-Government Sector	82.0	69.4	108.0
a. Claims on PSCEs	-	6.5	9.5
b. Private Sector	82.0	62.9	98.5
i) Commercial Banks	79.0	57.4	86.0
ii) Other Financial Institutions	3.0	5.5	12.5
c. Counterpart Funds	-	-	-
III. Other Items (Net)	2.0	26.0	-
IV. Domestic Credit Expansion (I+II+III) (Growth Rate)	150.0 (13.5)	153.9 (13.8)	164.0 (12.8)
V. Foreign Assets (NET)	-	-22.3	-
VI. Monetary Expansion (IV+V) (Growth Rate)	150.0 (14.2)	131.6 (12.5)	164.0 (13.6)

Monetary Assets

6.4 The composition of monetary assets underwent some changes during 1997-98. During the period (upto 27th June 1998) money supply (M1), consisting of currency in circulation, demand deposits and other deposits, increased to Rs 457.8 billion or 3.2 percent against a contraction of Rs 443.5 billion (1.0%) in 1996-97. Currency in circulation alone increased to Rs 278.3 billion or by 14 percent over the preceding year. As on 27th June 1998, currency in circulation constituted 23.5 percent of the monetary assets, compared to its share of 23.2 percent over the preceding year. Changes in the components of monetary assets are depicted in Table 6.2.

TABLE 6.2
COMPONENTS OF MONETARY ASSETS

(Rs Billion)

	1996	1997	1998*	% Change	
				1997	1998
1. Currency in Circulation	234.1	244.1	278.3	4.3	14.0
2. Demand Deposits with Banks	207.1	192.3	172.8	-7.1	-10.1
3. Other Deposits with SBP	6.8	7.1	6.7	4.4	-5.6
4. Money Supply (M1)	<u>448.0</u>	<u>443.5</u>	<u>457.8</u>	<u>-1.0</u>	<u>3.2</u>
5. Time Deposits with Banks	344.7	386.8	420.4	12.2	8.7
6. Residents Foreign Currency Deposits (RFCD)	146.0	222.9	306.7	52.7	37.6
7. Monetary Assets (M2)	<u>938.7</u>	<u>1053.2</u>	<u>1184.9</u>	<u>12.2</u>	<u>12.5</u>
As Percent of M2					
Currency in Circulation	24.9	23.2	23.5		
Demand Deposits with Banks	22.1	18.3	14.6		
Other Deposits with SBP	0.7	0.7	0.6		
Time Deposits with Banks	36.7	36.7	35.5		
Resident Foreign Currency Deposits (RFCD)	15.6	21.2	25.9		

*Up to 27th June 1998.

Credit Plan for 1998-99

6.5 The Credit Plan for 1998-99 as approved by the Central Board of Directors of State Bank of Pakistan in its meeting held on 29th July 1998 envisaged monetary expansion of Rs 164 billion (13.6%) with credit to the government sector envisaged at Rs 56 billion and to non-government sector at Rs 108 billion.

Public Sector

6.6 Of the government sector borrowing targeted at Rs 56 billion (34.1 percent of the total monetary expansion), Rs 43 billion would be for budgetary support, and Rs 10 billion for commodity operations and Rs 3.0 billion for autonomous bodies (NHA & CAA). It has also been proposed that privatization proceeds would not be utilized to finance the budget deficit.

Non-Government Sector

6.7 Credit to the non-government sector has been targeted at Rs 108 billion which is higher by 55.6 percent over the credit disbursement of Rs 69.4 billion for 1997-98. It includes credit to the private sector amounting to Rs 98.5 billion and Rs 9.5 billion for the public sector commercial enterprises (PSCEs). The private sector (including PSCEs) share of 65.9 percent in domestic credit is substantially higher than that of 45.1 percent during 1997-98. This indicates a high priority assigned by the Government for the expansion and growth of the private sector. The expansion of credit of Rs 98.5 billion to the private sector would be provided by the

commercial banks to the tune of Rs 86.0 billion and remaining credit expansion of Rs 12.5 billion would come from other financial institutions.

Foreign Sector

6.8 Credit Plan for 1998-99 shows contribution of foreign assets as nil as against a contraction of 22.3 percent during 1997-98. This target has been fixed in the light of prospective developments envisaged in the balance of payments of Pakistan for 1998-99.

Credit Control and Other Policy Measures

6.9 The State Bank of Pakistan, which is now playing an independent role in the management of monetary expansion, has undertaken a number of financial sector reforms. The reform measures include changes in State Bank's refinance policy, major reduction in liquidity ratio which freed banks' funds to finance larger expansion of credit in the private sector, rationalization of reserve requirements which helped increase short-term extension of credit by banks, and lowering of repo rate.

6.10 For improving the existing monetary and credit situation of the country the State Bank of Pakistan has taken several regulatory measures, some of these are as under:

- All locally produced engineering goods including export of computer software supplied locally against international tenders under Export Finance Scheme would qualify for export finance for a period of 180 days
- The maximum mark-up rate for commodity operation purposes was raised from 16 percent to 16.5 percent.
- To ensure adequate capital base for non bank financial institutions (NBFIs), it has been decided to ascertain, the existing position of the NBFIs' capital on the basis of risk weighted assets formula.
- To enforce discipline in all the institutions regulated by the State Bank strict penal action under the Banking Companies Ordinance and other relevant laws would be taken against the chief executives concerned and other officials who violate the instructions.
- To increase the liquidity in the banking system, the liquidity ratio has been lowered by 2 percentage points to 18 percent (excluding cash reserves).

6.11 The banking and financial sector reforms undertaken by the Government with the aim to strengthen a market based system of monetary management have far reaching consequences. The most obvious outcome of these reforms is that there is a visible shift in the assignment of priority in the Credit Plan from the public sector to the private sector and strict control on the budgetary support. This has not only ensured a balanced growth of money supply but has also taken into account the genuine needs of the private sector.

CHAPTER-7

BALANCE OF PAYMENTS

REVIEW OF 1997-98

7.1 The Annual Plan 1997-98 projected a significant improvement in the balance of payments on account of strong growth in exports and marginal decline in imports. The latest estimates for the full year 1997-98 indicate that a substantial improvement has occurred in the current account of the balance of payments largely due to a sharp decline in imports and a modest increase in the exports and flows of workers remittances as well as foreign currency accounts. The exports (fob) during 1997-98 increased by 4 percent in nominal dollar terms while the imports (fob) declined by 8.3 percent resulting in an over-all contraction of 40 percent in the trade deficit over the preceding year. Workers' remittances increased by 5.7 percent to \$ 1.5 billion and the foreign currency accounts by 9.6 percent to \$ 1.476 billion. As a result of these developments, the current account deficit in 1997-98 decelerated to \$ 2092 million (3.3% of GDP) from last year's level of \$ 3846 million (6.2% of GDP) and the Plan target of \$ 3431 million (5.2% of GDP).

7.2 **Exports:** Exports (fob) for 1997-98 were projected to increase by 10 percent to \$ 9003 million. This target was predicated on the assumption of 6 percent growth in the commodity producing sectors to attain a sizeable exportable surplus and improved competitiveness resulting from the incentives provided to the export sector. During 1997-98 the exports (fob) grew by 4 percent in nominal dollar terms compared to a negative growth of 2.6 percent last year. This growth has been mainly due to an increase in the exports of rice, raw cotton, textile made-ups, synthetic textiles and fish & fish preparations. The exports of cotton based manufactures decreased because the increase in the exports of textile made ups, readymade garments and canvas goods was largely offset by a sharp decline in export receipts of cotton yarn. The share of the cotton based manufactures in the total exports also declined from 60 percent in 1996-97 to 56.4 percent in 1997-98, the major cause of decline is the drop in unit value of cotton yarn, cotton cloth, hosiery, bedwear and towels. Other items of traditional exports rose by 8.9 percent largely due to increase in the receipts of synthetic textiles and fish & fish preparations while the export earnings from leather declined by 13.3 percent. Exports of carpets marginally increased over the last year level. Exports of surgical instruments, sports goods and leather suffered mainly due to the problem of child labour and environmental issues.

7.3 The Government took a number of policy measures meant for promoting the export industries, viz., sharing the cost of ISO 9000 certification for manufacturers/exporters upto Rs 150 thousand in each case, reduction in mark-up rate for export finance from 13 percent to 11 percent, export facilitating procedure of no duty no drawback for all export related industries (except polyester staple fibre) with a condition of 25 percent value addition, and involvement of the private sector in handling the textile quota allocation to ensure the transparency. The Government resorted to 8 percent devaluation of Pak Rupee against US dollar on October 15, 1997 to improve the export competitiveness which was affected on account of massive devaluation of currencies by some of our competitors in South East Asia. A defacto devaluation by 4.2 percent was also made on June 27, 1998 to withdraw the exchange rate subsidy given to all authorised dealers regarding conversion of remittances, FCAs and exports at the Kerb market rate prevailing on 28th May, 1998.

7.4 As mentioned earlier, exports (fob) for the year 1997-98 have been estimated at \$ 8420 million, an increase of 4 percent over the previous year and \$ 583 million less than the Plan target. Table-1 below gives the performance of major exports and their contribution during 1997-98 while S.A. Table 7.1 provides the details:

TABLE-7.1
EXPORT PERFORMANCE IN 1997-98

(Value in \$ Million)

Items	Value 1997-98	%change over 96-97	Contribution (%)
Raw Cotton	126	306.5	1.22
Rice	562	19.8	1.11
Cotton yarn	1160	-17.8	-3.03
Cotton cloth	1250	-1.0	-0.15
Readymade garments	746	1.6	0.14
Hosiery	697	1.2	0.09
Textile madeups	955	11.2	1.15
Fish & fish prep.	172	15.4	0.27
Leather	208	-13.3	-0.39
Carpets	200	0.5	0.01
Synth. Textiles	618	20.7	1.26
Others	1934	9.6	2.02
Total Exports (gross)	8627	3.7	
Total Exports (fob)	8420	4.0	

7.5 **Imports:** Imports (fob) for 1997-98 were projected to decline marginally to \$ 11368 million. The estimates for the year has revealed that these have declined by 8.3 percent in dollar terms over the preceding year. This sharp fall in the imports is attributed to contraction in domestic aggregate demand and lower world prices. The imports of crude oil declined on account of sharp fall in the prices while those of POL products and fertilizers decreased due to decline in both volumes and prices. The steep fall in the quantum import of fertilizers has resulted from higher domestic production of Urea fertilizer. The decline in capital goods is mainly because of 54 percent fall in power generating machinery belonging to the independent power projects (IPPs). However, the import payments for wheat increased due to larger import quantum and those for palm oils and tea on account of both volumes and prices.

7.6 Table-7.2 below gives the trend in imports whereas S.A. Table 7.2 provides detailed breakdown of major imports.

TABLE-7.2
IMPORTS TREND IN 1997-98

(Value in \$ Million)

Items	Value 1997-98	%change over 96-97	Contribution (%)
Wheat	709	48.6	1.90
Tea	227	69.4	0.76
Edible Oils	768	25.7	1.29
Crude Oil	454	-21.9	-1.02
POL Products	1299	-22.0	-4.05
Fertilizers	208	-46.3	-1.48
Capital Goods	3250	-25.3	-9.02
Others	4316	12.4	4.06
Total Imports (cif)	11231	-8.1	
Total Imports (fob)	10310	-8.3	

7.7 **Invisibles Account:** As against a deficit of \$ 1066 million in the invisibles balance envisaged for 1997-98, it is now estimated to be a deficit to the tune of \$ 202 million owing to an increase in the flows of private transfers and decline in the services payments. The inflows under the private transfers had been projected to decline sharply. Worker's remittances, being a major contributor to the private transfers, were anticipated to be \$ 1400 million and inflow into the foreign currency accounts at \$ 1000 million. During the year, the home remittances amounted to \$ 1490 million, higher by \$ 81 million over the last year. Deposits in the foreign currency accounts rose to \$ 1476 million compared to \$ 1347 million last year. Table-7.3 indicates details of invisibles account.

TABLE-7.3
INVISIBLES BALANCE

(\$ Million)

Items	1996-97 (Actuals)	1997-98 (Prov.)	% Change in 1997-98 over 96-97
Invisibles Balance	-701	-202	71.2
Services (Net)	-3659	-3409	6.8
Receipts	1840	1691	-8.1
Payments	5499	5100	-7.3
(Interest)	963	975	1.2

Private Transfers	2958	3207	8.4
Remittances	1409	1490	5.7
FCA (Resident Pakistanis)	1347	1476	9.6
Others	202	241	19.3

7.8 **Current Account Balance:** With the trade deficit at \$ 1890 million and invisibles deficit at \$ 202 million, the current account deficit for 1997-98 is estimated at \$ 2092 million (3.3% of GDP) compared to the level of \$ 3846 million (6.2% of GDP) in the preceding year and \$ 3431 million (5.2% of GDP) as the target for 1997-98

7.9 **Capital Account:** Long term capital inflows of \$ 1705 million in 1997-98 lagged behind the Plan target as well as last year's level largely because of steep fall in the flows of private long term capital. However, the gross aid disbursement increased to \$ 2801 million as against 2233 million disbursed in 1996-97 mainly due to rise in commodity aid disbursement. Allowing for other capital flows, a surplus of \$ 687 million in the overall balance has been recorded. After taking into account Pakistan's net position with IMF and other transactions of the banking system, the year 1997-98 witnessed a draw-down of \$ 148 million in gross foreign exchange reserves. This has brought down reserves to a level of \$ 934 million, equivalent to 4.3 weeks' imports from \$ 1143 million equivalent to 4.9 weeks' imports in 1996-97.

Outlook For 1998-99

7.10 In view of the economic package announced by the Government in July, 1998, which is designed to stabilize the exchange market, boost exports, increase in remittances through banking channel, restrict non essential imports and prevent capital flight from the country, 1998-99 is expected to witness further improvement in the balance of payments. The value of exports are projected to decrease marginally (1.4 percent) due to recession in the world market. The imports, on the other hand, are anticipated to decline sharply (18.3 percent) especially due to import substitution in agriculture sector and further weakening of crude oil and POL products prices.

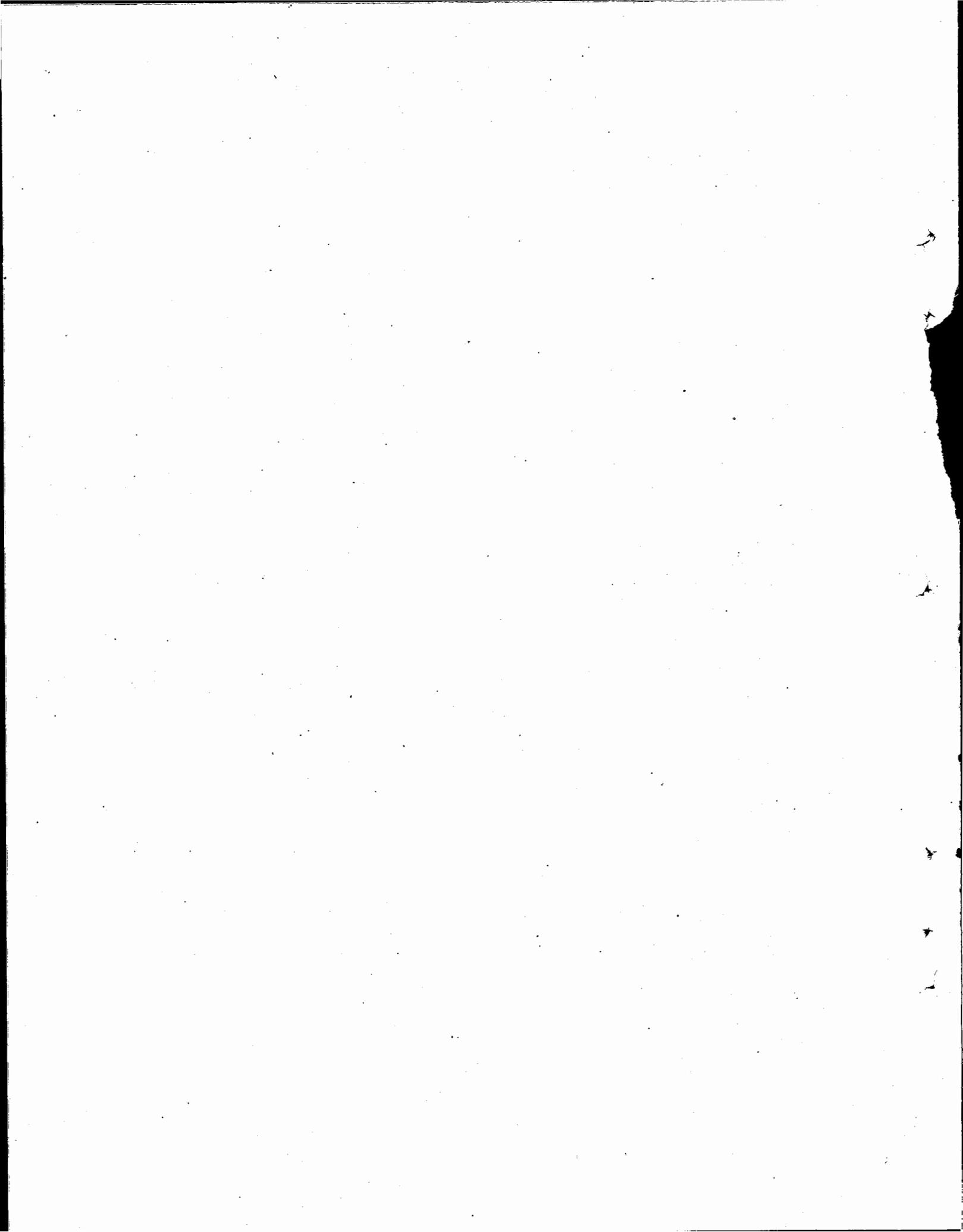
7.11 Prospects for the invisibles balance will continue to be governed largely by the behaviour of the workers' remittances. For 1998-99, remittances have been projected to decline by over 26 percent to \$ 1100 million due to the slowing-down of the development activities in the Middle East. No inflow in foreign currency account has been assumed. Allowing for other invisibles receipts and payments, the deficit in invisibles is anticipated to accelerate to \$ 1671 million compared with a deficit of \$ 202 million during 1997-98.

7.12 The trade account is projected to be deficit to the tune of \$ 121 million in 1998-99 against a deficit of \$ 1890 million in 1997-98. Despite a substantial increase in the deficit of invisibles account, the current account deficit is estimated to decline to \$ 1792 million (2.8% of GDP) in 1998-99 from \$ 2092 million (3.3% of GDP) in 1997-98.

7.13 Gross disbursements of official development assistance are anticipated to exhibit a decline of 45.3 percent to \$ 1451 million largely on account of minor disbursement of programme aid of \$ 2 million. After allowing for other capital movements, a deficit of

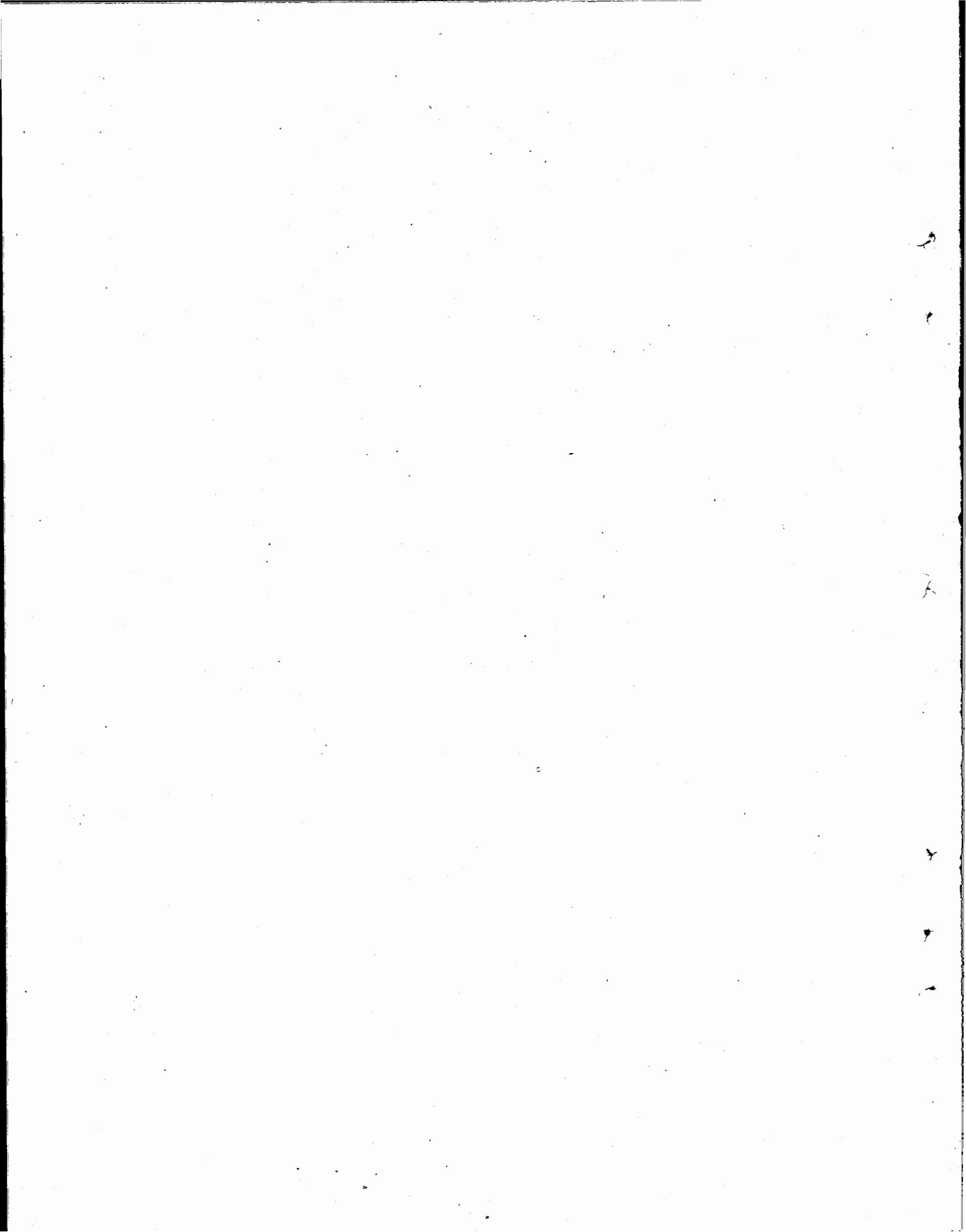
\$ 3649 million is likely to occur in the overall balance. Taking into consideration Pakistan's net position with IMF and other transactions of the banking system, a build-up of \$ 472 million in reserves is envisaged in 1998-99 subject to a financing gap of \$ 5526 million.

7.14 S.A. Table 7.3 depicts detailed balance of payments position for 1996-97 to 1998-99.



PART-II
PRODUCTION PROGRAMMES AND
PHYSICAL INFRASTRUCTURE

(57—58)



CHAPTER-8

AGRICULTURE

REVIEW OF 1997-98

Growth and Output

8.1 The agriculture sector registered a growth rate of 5.9 per cent against a target of 5.1 per cent. The remarkable performance of the agriculture sector is attributed to the incentives provided under the Prime Minister's Agricultural Package. The increased and timely availability of agricultural credit and higher output prices enabled the farmers to purchase and apply the required inputs which has resulted in improvement in productivity. All the major crops except cotton have either achieved or surpassed the targets fixed for 1997-98. The growth rate of major and minor crops was 8.4 and 3.3 per cent against target of 6.2 and 5.0 per cent, respectively. The growth rates of livestock, fisheries and forestry sub-sectors were 4.8, 6.7 and (-) 23.2 per cent, respectively. The low growth rate of forestry is mainly due to ban on cutting of trees and conservation of forest resources.

8.2 The cotton crop was badly damaged due to un-precedented heavy rains and hail storm in September and October, 1997 in the main cotton growing areas. Its production was 9.2 million bales against a target of 10.0 million bales. An all time high sugarcane production of 53.0 million tonnes was achieved against a target of 48.0 million tonnes. The rice production of 4.33 million tonnes was close to the target. There was a record production of 18.8 million tonnes of wheat against a target of 18.0 million tonnes, which is 13 per cent higher than last year's production of 16.6 million tonnes. The gram production was 772 thousand tonnes against a target of 680 thousand tonnes. The production of rapeseed and mustard including canola is estimated at 230 thousand tonnes. A bumper crop of 1.5 million tonnes of potato has been harvested against last year's production of 1.0 million tonnes, showing an increase of 50 per cent. The target of 1.2 million tonnes for onion was achieved.

8.3 The physical targets and achievements are given in S.A Table 8.1.

PSDP Allocation

8.4 The agriculture sector was allocated an amount of Rs.1143.5 million in Public Sector Development Programme (PSDP) 1997-98, against which Rs.940.3 million was incurred, showing a utilization of 82 per cent. The agency wise break-up is given in S.A Table 8.2.

PROSPECTS AND PROGRAMMES FOR 1998-99

8.5 Consistent with the policy of reviving the economy and maintaining high growth rate, the agriculture sector's growth rate is projected at 5.4 per cent for 1998-99. The major and minor crops will contribute 5.5 and 5.0 per cent, respectively. The share of livestock, fisheries and forestry sub-sectors will be 5.4, 6.4 and 4.9 per cent, respectively. The present policy of the Government for agriculture sector viz; provision of adequate credit facilities; timely and adequate availability of inputs like water, improved seed and fertilizer, arresting adulteration and

other mal-practices in the sale of fertilizer and pesticides; and provision of support prices, will be continued. These policies will help in achieving the proposed targets.

8.6 The major policies and programmes to be implemented during 1998-99 are essentially a continuation of on-going policies and programmes. Apart from the incentives announced in 1997 under "Agricultural Package" for the agriculture sector for increasing its productivity and attaining self-sufficiency in food items, the Prime Minister has further announced various concessions/reforms for the agriculture sector under the "National Agenda". The National Agenda includes the following reforms/concessions:

- i) About 1.2 million acres of state land acquired under land reforms will be distributed to poor farmers and land less havis.
- ii) Amount for agricultural credit has been increased from Rs.30.0 billion Rs.40.0 billion.
- iii) Reduction in the prices of tractors by Rs.1.0 lac in each category and other machinery used for agriculture purposes.
- iv) The sales tax on bulldozers, combine harvesters and other agricultural machinery has been withdrawn.

Financial

8.7 An amount of Rs.1098.6 million has been allocated for agriculture sector in PSDP 1998-99. The agency wise details are presented in Table 7.1. The sub-sectoral details are presented in S.A.Tables 8.3 to 8.9.

TABLE- 8.1

FINANCIAL ALLOCATION FOR 1998-99

(Million Rs)

Executing Agency	Allocation 1997-98	Revised Estimates	Allocation 1998-99	% increase/decrease over Revised Estimates for 1997-98
Federal	459.8	272.1	490.6	80.3
Punjab	313.2	303.1	305.9	0.9
Sindh	108.2	98.2	99.9	1.7
NWFP	81.2	131.4	172.2	31.1
Balochistan	181.1	135.5	30.0	(-) 77.9
Total :	1143.5	940.3	1098.6	16.8

Source : Federal and Provincial PSDPs 1998-99.

Crop Production

8.8 The crop production targets for 1998-99 have been fixed keeping in view past performance, local demand, export requirements coupled with availability of inputs and cultivable land. The estimated achievements of important crops for 1997-98 and targets for 1998-99 are given in Table 8.2.

TABLE-8.2
PRODUCTION OF MAJOR CROPS

("000" Tonnes)			
Crops	1997-98 (Achievements)	1998-99 Targets	% Change over 1997-98
Wheat	18787.0	19500.0	3.8
Rice:	4333.0	4394.0	1.4
Basmati	1343.0	1486.0	10.6
Others	2990.0	2908.0	(-) 2.7
Maize	1251.0	1501.3	20.0
Other Cereals	600.0	607.0	1.2
Gram	772.0	800.0	3.6
Sugarcane	53105.0	51660.0	(-) 2.7
Cotton Lint*	9.2	10.5	14.1
Oilseed:			
- Rape & Mustard**	230.0	310.0	34.8
- Cottonseed	3129.8	3572.1	14.1
- Non-Traditional	183.7	293.2	59.6
Potato	1465.5	1465.5	0.0
Onion	1177.0	1177.0	0.0

* Million bales each of 375 lbs.

** Including Canola

Source : Ministry of Food, Agriculture & Livestock (MINFAL)/Planning Commission.

8.9 The wheat production target for 1998-99 has been fixed at 19.5 million tonnes, which is 3.8 per cent higher than the last year's achievement of 18.8 million tonnes. The rice production target has been fixed at 4.4 million tonnes against the achievement of 4.3 million tonnes in 1997-98. The production target for other cereals has been fixed at 607 thousand tonnes against estimated achievement of 600.0 thousand tonnes in 1997-98. The targets for maize and gram have been kept at 1.5 and 0.8 million tonnes against last year's achievement of 1.3 and 0.77 million tonnes, respectively. The production target of sugarcane has been fixed at 51.7 million tonnes which is 2.7 per cent lower than the achievement of 1997-98. The low target has been fixed in order to increase the cotton area. A target of 10.5 million bales has been kept for cotton production which is 14.1 per cent higher than last year's

achievement of 9.2 million bales. The production targets for potatoes and onion have been kept at last year's level of 1.5 and 1.2 million tonnes, respectively.

Agricultural Credit

8.10 The timely availability of agricultural credit to the farmers enables them to purchase essential inputs, machinery and equipments, which are required for improving agricultural productivity. Keeping in view its importance, the Government has increased the agricultural credit amount from Rs.30.0 billion in 1997-98 to Rs.40.0 billion in 1998-99. The Government has started one window operation for quick disbursement of agricultural credit. The farmers are provided loans in one day under the supervision of the District Administration.

8.11 During 1997-98, a record credit of Rs.32.97 billion was disbursed to the farmers against a target of Rs.30.0 billion, showing an achievement of 110 per cent. A target of Rs.40.0 billion has been fixed for the year 1998-99. The credit disbursement for 1997-98 and target for 1998-99 are presented in Table 8.3.

TABLE 8.3

**DISBURSEMENT OF AGRICULTURAL CREDIT
DURING 1997-98 AND TARGET FOR 1998-99**

Type	(Billion Rs.)	
	1997-98 Disbursement	1998-99 (Target)
Production loan	24.50	30.00
Development loan	8.47	10.00
Total	32.97	40.00

Source : State Bank of Pakistan.

Soil and Fertilizer

8.12 The fertilizer off-take was 2659 thousand nutrient tonnes during 1997-98 as compared to 2406 thousand nutrient tonnes in 1996-97, showing an increase of 10.5 per cent. The off-take of nitrogenous fertilizer was 2087.6 thousand nutrient tonnes and phosphatic fertilizer was 551.3 thousand nutrient tonnes. Thus the N:P ratio of 4.8:1 in 1996-97 was improved to 3.8:1, which has resulted in improvement in crop productivity especially wheat. Better and balanced off-take of fertilizer is attributed to a number of factors viz. increase in support price of important crops, timely credit availability, fertilizer promotional programmes and its abundant availability and good weather.

8.13 A fertilizer off-take target of 2786 thousand nutrient tonnes has been fixed for 1998-99, showing an increase of 4.8 per cent over the actual consumption for 1997-98. The nutrient wise details of fertilizer off-take and targets are given in Table 8.4.

TABLE-8.4
FERTILIZER OFF-TAKE DURING 1997-98 AND TARGET FOR 1998-99

("000" Nutrient Tonnes)

Fertilizer	1997-98 (Actual)	1998-99 (Target)	% Increase over 1997-98
N	2087.6	2177.0	4.3
P	551.3	572.0	3.8
K	20.4	37.0	81.4
Total	2659.3	2786.0	4.8

Source: Fertilizer Import Department (FID), MINFAL and NFDC.

8.14 The on-going schemes for land development and reclamation will be continued. A research and extension project "Potash use for enhancing crop activity" is being launched by the PARC in order to promote the use of potash. The Punjab is initiating a new project for improvement of cotton yields through use of bio-fertilizer. The National Fertilizer Development Centre's project to promote phosphate use in Pakistan will be continued.

Improved Seed

8.15 The use of improved seed is vital for increasing the productivity of crops. The improved seed coverage is nominal for most crops except wheat and cotton. However, some improvement in the distribution of quality seed to the farmers has been observed during past two years with the involvement of private sector. An improved seed distribution target of 257.7 thousand tonnes has been fixed for 1998-99, against the actual achievement of 122.2 thousand tonnes in 1997-98. The crop-wise details are presented in Table 8.5.

TABLE-8.5

IMPROVED SEED DISTRIBUTION

("000" Tonnes)

Crop	Seed Distribution 1997-98	Target 1998-99	% Increase over 197-98
Wheat	78.5	153.0	94.9
Cotton	29.0	67.0	131.0
Paddy	2.0	12.0	500.0
Maize	1.8	7.0	288.9
Gram	0.2	8.7	4250.0
Others	10.7	10.7	(-) 6.5
Total	122.2	257.7	110.9

Source: Ministry of Food, Agriculture and Livestock.

8.16 The seed sector is being strengthened by launching 2 new important projects by the Federal and Punjab Governments during 1998-99. These projects are: "Establishing Seed Testing Labs and Rehabilitation of Existing Labs" and "Seed Graders Project". The on-going seed projects in public sector will be continued. The private seed companies are being encouraged to produce and distribute quality seed. For this purpose, the Government is following a liberal policy for the registration of new seed firms in the private sector. The Ministry of Food, Agriculture and Livestock has prepared a "Plant Breeders' Rights Act, 1998" for enactment by the Parliament. It will protect the right of plant breeders for varieties evolved by them and also provide economic incentives in terms of royalty. It will further promote the development of new high yielding varieties.

Plant Protection

8.17 The private sector is responsible for carrying out plant protection measures including ground sprays. However, the public sector provides facilities of pest scouting, advisory services and aerial spray. The aerial sprays are arranged by the Plant Protection Department of the Ministry of Food, Agriculture and Livestock on the demand of the Provincial Governments. It also carries out regular vigilance surveys for control of the locust in the deserts of Punjab, Sindh and Balochistan. In case of any locust threat, it arranges ground as well as aerial sprays to arrest their spread and minimise crop losses. During 1997-98, 22300 hectares of orchards in Balochistan and 16200 hectares of date palm in Sindh were aerielly sprayed. Moreover, an area of 8300 hectares in Sindh and Balochistan was aerielly sprayed for the control of desert locust and grasshopper. There was no demand for aerial spray from

Punjab and NWFP during the year. The crop-wise targets of aerial spray during 1998-99 are presented in Table 8.6.

TABLE-8.6

ESTIMATED PLANT PROTECTION COVERAGE FOR 1997-98 AND TARGET FOR 1998-99

("000" Hectares)

Crop	Estimated Aerial Spray 1997-98	Target for Aerial Spray 1998-99
Cotton	-	104.1
Paddy	-	105.3
Sugarcane	-	230.8
Orchards	38.5	22.3
Others	8.3	0.0
Total	46.8	462.5

Source : Plant Protection Department, Ministry of Food, Agriculture and Livestock.

8.18 The on-going research and development activities to control insects, pests and diseases will be continued. Efforts will be continued to popularize Integrated Pest Management (IPM) techniques among the farmers in order to prevent indiscriminate use of insecticides. The excessive use of pesticides is a health hazard and it also kills useful insects and predators. The Government is also trying to popularize the use of "Pheromones" to control harmful insects. The "Pheromones" are environmentally friendly and safe for other useful insects and predators. Efforts will be accelerated to prevent the sale of adulterated pesticides through administrative and judicial measures. The Government of Punjab has already launched a strong campaign in this regard. The Federal Government has made a provision in the PSDP 1998-99 for launching a project for the replacement of vehicles mounted with ULV pesticide sprayers for the locust control. The Punjab Government has initiated a project, "Effect of Agro-chemical on soil, water and crops" in order to study the impact of pesticides/fertilizer. The NWFP Government has launched an IPM project for fruits, vegetables and sugarcane.

Mechanization

8.19 Mechanization plays an important role in increasing the productivity of crops through better and timely farm management practices. It also helps in minimizing pre-and post-harvest losses.

8.20 In order to accelerate the pace of mechanization in the country, the Prime Minister in the National Agenda has announced a number of incentives such as, reduction in prices of tractors and other machinery used for agricultural purposes, and withdrawal of sale tax on bulldozers, combine harvesters and other agricultural machinery.

8.21 Under regular scheme, 13,559 tractors were sold against plan target of 27,400 tractors for 1997-98. An off-take of 45,000 tractors has been envisaged in the Ninth Plan for 1998-99.

8.22 The provision of bulldozers and allied machinery to the farmers for the development and reclamation of culturable waste land in the public sector will be continued. The fleet of bulldozers in the provinces are being strengthened through procurement of new bulldozers and rebuilding of outlived ones.

Agricultural Research

8.23 The Federal and Provincial Agricultural Research Institutes will carry out research activities in order to generate new knowledge and technologies for enhancement of agricultural productivity. Research efforts will be concentrated on evolving of new, high yielding and disease/pests resistant varieties of crops, fruits and vegetables.

8.24 Research on cultivation of oil crops in Cholistan areas will be continued. It will require intensive research based information generation of technology, on-farm demonstration and training of the local people. Research studies on production sustainability, fertilizer use efficiency and insect pest resistance on rice-based cropping systems will be continued. Tea Research and Development Project will be started to undertake extension/development activities on tea plantation on farmers' fields in NWFP. It will provide nursery plants and other inputs to tea growers, assist them in establishment of tea plantation and impart training on tea cultivation. A project on National Sugar Crops Research Institute, Thatta, Sindh will be started. Research will be conducted on development of disease resistant and high sucrose content varieties of sugarcane. Coastal Zone Agricultural Research and Development Project will be started with a view to conduct research on different crops suitable for growing in coastal areas of Sindh and Balochistan in order to improve their productivity. Package of technology for different crops will be developed for increasing production by the growers in the coastal areas. Oilpalm nurseries will be developed on private and Government farms for distribution of seedlings to growers in Sindh and Balochistan under the "Oilpalm Development Pilot Project".

Agricultural Extension

8.25 The implementation of the project "Increasing Productivity of Kitchen Crops" will be continued. Development and research activities for improvement of productivity of arid areas in Punjab will be continued. Priority will be given to dry land farming, agro-forestry, soil/water conservation, range/livestock and wildlife development. A project for dissemination of agricultural skills through training of women of barani areas will be started. A new scheme for strengthening of Agricultural Commodity Research will be started. It will carry out survey of marketing conditions and formulate grades and quality specifications for commodities having export potential.

Agricultural Education

8.26 The technical manpower for agriculture and allied sectors are being produced by the Agricultural Universities at Faisalabad, Tandojam, Peshawar and Rawalpindi, Agricultural Colleges at Multan, Quetta and Dokri/Larkana and a Faculty of Agriculture at Gomal University, Dera Ismail Khan.

8.27 The improvement and strengthening of teaching, research and laboratory facilities of the University of Agriculture, Faisalabad will be continued. The civil works at Agricultural Colleges at Dokri, Larkana and Multan will also be continued. The project on "Establishment of Centre for Agricultural Biochemistry and Biotechnology" at University of Agriculture, Faisalabad will be completed. Repair and renovation works of old buildings at the Universities of Agriculture, Faisalabad and Peshawar and construction of a hostel for 250 students at the Agricultural University, Tandojam will be started.

Support Price Policy

8.28 The support prices of important crops are reviewed and fixed annually, in order to provide economic incentives to the farmers to increase their production. The crops covered under support price programme are wheat, rice (paddy), cotton, sugarcane, gram, onion, potato, sunflower, soybean, canola and safflower. The support prices are fixed keeping in view various factors such as increase in cost of production, domestic demand, import and export parity, prices in domestic markets, comparative advantages, etc. These are generally announced before the sowing time, to enable growers to plan allocation of area, input and other resources for different crops. The support prices fixed for different crops during 1996-97 to 1998-99 are given in S.A. Table 8.10.

Animal Husbandry

8.29 The livestock sector envisages to increase meat and milk production through research and developmental activities in order to meet the growing demand. The productivity of livestock will be improved through breed improvement, maintenance of healthy and well-nourished herd and better feeding and management practices.

8.30 The present population of national herd comprises of 18.0 million cattle, 21.3 million buffaloes, 31.3 million sheep, 49.7 million goats and 6.1 million other animals. This herd is maintained by small farmers, landless families and nomads in Cholistan, Thar and some parts of Balochistan.

8.31 During 1998-99, 23.1 million tonnes of milk, 1136.0 thousand tonnes of beef, 1145.0 thousand tonnes of mutton, 399.0 thousand tonnes of poultry meat, 58.6 thousand tonnes of wool and 6.3 billion eggs, will be produced. The physical achievements in 1997-98 and targets for livestock products for 1998-99 are given in S.A. Table 8.11. The institutional position is given in S.A. Table 8.12.

Poultry Development

8.32 About 250 hatcheries will produce 209.8 million broilers, 39.6 million layers and 3.4 million breeder chicks during 1998-99 against the last year's production of 204.3, 35.5 and 2.9 million chicks, respectively. Poultry disease diagnostic facilities will be expanded. Research on the control of the poultry diseases will be continued.

Animal Health

8.33 Comprehensive disease control cover will be provided for foot and mouth disease and common bacterial diseases through provision of vaccines and other prophylactic measures. A National

Veterinary Laboratory will be established in Islamabad to provide modern disease diagnostic facilities and vaccine quality control services, evaluate veterinary drugs and recommend measures for control of animal diseases. In Sindh, programme to control fascioliasis will be continued. Strengthening of veterinary services for control of livestock diseases in Balochistan will be continued.

Livestock Improvement

8.34 In the NWFP, the implementation of comprehensive livestock extension programmes will be continued. Supply of high quality inputs for animal production through artificial insemination and transfer of technology to farmers will be continued in Sindh. Breed improvement programme for sheep will be undertaken in Balochistan.

Forestry and Wildlife

8.35 It has been estimated that 78.4 thousand hectares of compact plantation and 681 avenue kilometres of linear plantations were raised in 1997-98. Nurseries were raised on 290 hectares and 208 million saplings were distributed for plantation. The Government forests produced 428 thousand cubic meters of firewood and 436 thousand cubic meters of timber.

8.36 About 216 million trees are expected to be planted in 1998-99. Compact plantations will be raised on 80.5 thousand hectares, linear plantations on 725 avenue kilometres and nurseries on 300 hectares. It is expected that Govt. forests will produce 439 thousand cubic meters of timber and 436 thousand cubic meters of firewood. The details are given in S.A. Table 8.13.

8.37 Programmes for silk seed production at Pakistan Forest Institute, Peshawar and sand dune stabilization in Ladgasht Mashkel, Kharan district will be continued. The strengthening of forestry wing at federal level for implementation of the Forestry Sector Master Plan will be continued. The project will monitor and evaluate the effectiveness of various programmes of the forestry sector.

8.38 In Punjab, re-forestation of riverine lands along Chenab and Ravi will be continued. The implementation of the Punjab Forest Sector Development Project will be continued. The Sindh forestry development project will be continued. Planting of coconut and establishing oil palm farms in coastal areas of Thatta and Badin districts will be continued. Tree planting activities in different ecological zones of Sindh will be continued. The cultivation of eucalyptus in saline and waterlogged areas of Sindh will be undertaken. In NWFP, environmental rehabilitation in Malakand, Kalam integrated development Project Phase-IV, Dir Kohistan upland rehabilitation programme and Siran/Kaghan forestry development project will be continued, apart from natural resource conservation in Galiat. Integrated programmes for afforestation in Chitral and demarcation of protected forests in Malakand Division will be continued. Establishment of institutional transformation cell, forestry commission and feasibility study to introduce fuel efficient technologies will be undertaken in NWFP. A followup phase of Malakand social forestry project and establishment of forestry management centre, phase-II will be started. In Balochistan, rehabilitation/establishment of nurseries and conservation of mangrove forests will be taken up.

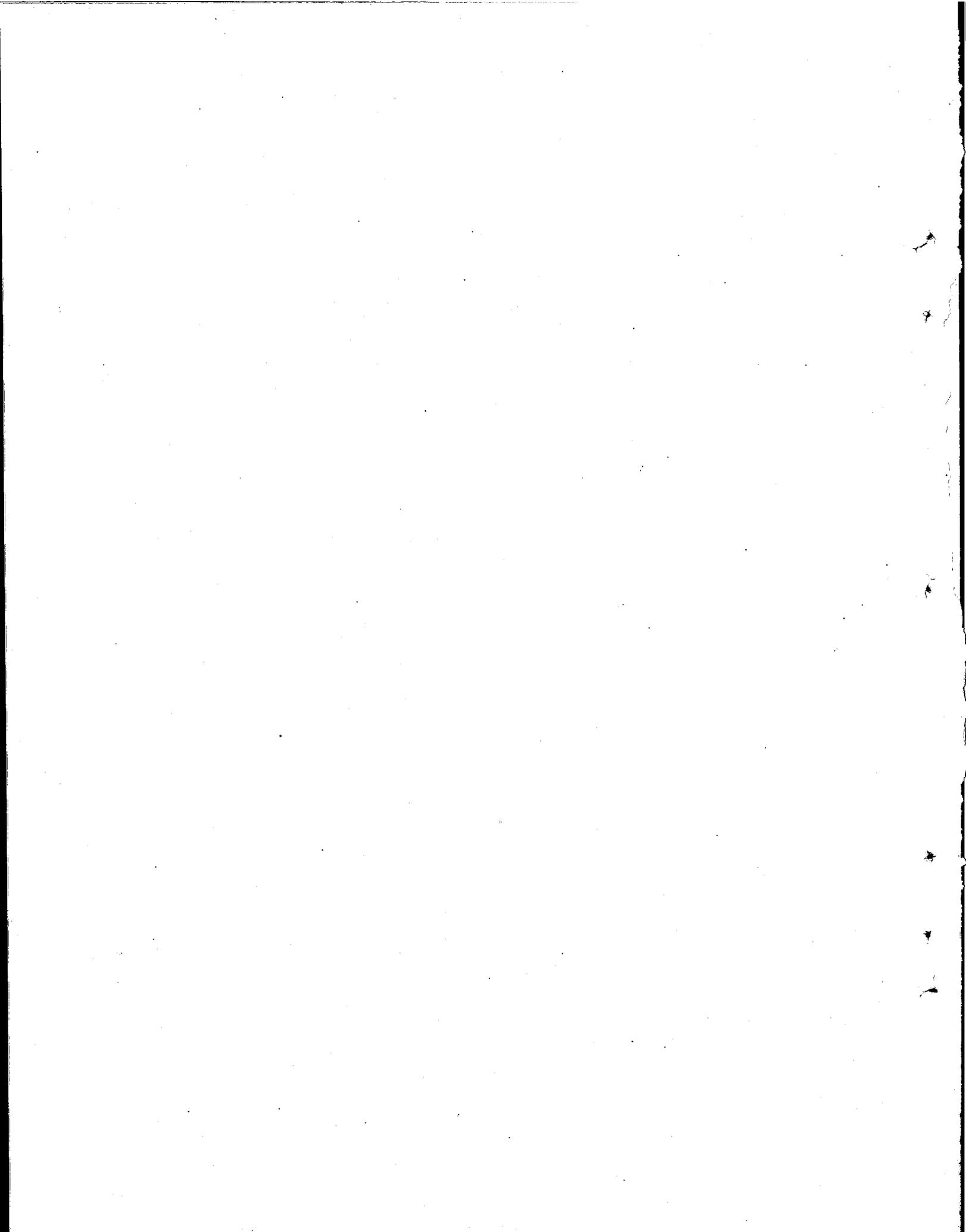
8.39 The development of woodland wildlife park at Lahore and Punjab wildlife survey and management planning projects will be continued. Construction of Rhino's Moat in Lal-Sohanra National Park, Bahawalpur and development of Patriata wildlife park, Murree will be undertaken. In NWFP,

development of tourist facilities at Ayubia national park and Manglot wildlife park will be continued. The development of game reserves in Kohat, Nowshera, Haripur and promotion of private game reserves in NWFP will be continued. Wildlife development activities through community led biodiversity conservation project will be taken up. Projects will be started on conservation of mountain areas and management of protected areas in the NWFP. Establishment of education and recreational park at Haleji lake will be started in Sindh. In Balochistan, establishment of national park at Hingol/Harboi and Musakhail will be continued. Projects to improve zoological garden and breeding farm, Mian-Ghundi and recreational park, Karkhsa, Quetta will be started.

Fisheries

8.40 The project for the establishment of hatchery complex for production of fish and shrimp seeds at Karachi will be continued. The expansion of fish culture activities through fish seed production farms in small/mini dams will be continued. In Punjab, extension programmes for promotion of fish culture in Layyah district and studies on the introduction of cage culture system will be continued. In the NWFP, remodelling of Alpuri trout hatchery, reconstruction works of flood damaged Shinu trout hatchery in Kaghan and establishment of pituitary extraction unit at Haripur will be continued. A programme for artificial breeding of Mahaseer will be started in Malakand. In Sindh, the establishment of carp fish hatchery at Larkana will be continued. In Balochistan, the work on the establishment of a fisheries training centre at Gwadur will be continued. Projects on supply of factory made fishing nets and mobilization of fisheries complex at Dera Murad Jamali will be started.

8.41 The data on fisheries sub-sector are given in S.A. Table 8.14.



CHAPTER-9

WATER RESOURCES DEVELOPMENT

9.1 The major goal of policy and planning in the water sector continues to be that of uplifting the agro-based economy of the country by maximizing crop production through progressively increasing surface water supplies, harnessing rain water for recharging groundwater, improving the existing management practices by using the latest technologies available, institutional reforms and protecting land and infrastructure from waterlogging, salinity and floods.

REVIEW OF 1997-98

A. Financial

9.2 A sum of Rs. 21125.85 million was allocated in federal and provincial ADPs 1997-98 for the development of water resources of the country, out of which Rs. 13370.541 (63 %) were utilized. The main reasons for under utilization against federal funded projects, being executed by WAPDA, included the non-availability of 40 percent of the releasible funds to be provided by the Power Wing at the instruction of Ministry of Finance, acquisition of land and contractual problems. Sub-sector-wise Federal and Provincial allocations and expenditures incurred (revised estimates) are summarized in Table-I whereas the details are given in S.A. Table 9.1.

TABLE-9.1

FINANCIAL ALLOCATIONS AND REVISED ESTIMATES FOR 1997-98

		(Rs. Million)		
S.No	Sub-sector	Allocations 1997-98	Revised Estimates 1997-98	Utilization (%)
Federal				
i)	Irrigation	2569.00	2155.91	84
ii)	Drainage & Reclamation	8052.00	6284.03	78
iii)	General Investigation	41.50	29.24	70
iv)	IBP/Tarbela	111.69	53.53	48
v)	Flood Control Program	669.94	629.94	94
vi)	Onfarm Water Management	58.30	13.23	23
viii)	Acc. W.M.P. and Kirther Canal	167.50	167.500	100
Sub-total: (Federal)		11669.93	9333.38	80

Provincial

i)	Punjab	6084.24	1788.45	29
ii)	Sindh	2039.79	1188.96	58
iii)	N.W.F.P	527.75	414.32	79
iv)	Balochistan	804.14	645.43	80
Sub-total (Provincial)		9455.92	4037.16	43
Total (Fed. + Prov.)		21125.85	13370.54	63

B. Physical

9.3 The overall water availability in the irrigation system increased by 0.15 MHM from 16.29 MHM in 1996-97 to 16.44 MHM in 1997-98 (10.12 MHM surface and 6.31 MHM ground). Out of total available water, about 9.49 MHM was available during Kharif and 6.95 MHM during Rabi.

9.4 Sub-Sector-wise physical targets and achievements are briefly presented in Table-9.2 whereas details are given in S.A.Table 9.2.

TABLE-9.2**PHYSICAL TARGETS AND ACHIEVEMENTS DURING 1997-98**

S.No	Sector	Unit	Target	Achievement	Percentage
A: WAPDA					
i.	Water Availability	MHM	16.44	16.44	100
		MAF	133.28	133.28	100
ii.	Surface Irrigation	MCM	17.90	9.60	
iii.	Area Protected (Disastrous)	Mha	0.30	0.28	93
iv.	SCARP Tubewells				
	a) Drilling	No	129	37	29
	b) Energization	No	838	211	25
	c) Transition to Private Sector	No	560	582	104
v.	Surface Drains	MCM	10.05	5.75	57
vi.	Tile drains	KM	1263	901	71

C: Flood Control Programme:

vii.	a) Earth work	MCM	1.70	1.70	100
viii.	b) Stone work	MCM	0.16	0.16	100

B: Water Management

ix.	Watercourse Improvement	No	1040	1376	132
x.	Precision Land levelling	Ha	2955	3720	126
xi.	Demonstration Center	No	63	127	

Source: WAPDA, Flood Commission Provincial, OMWM Directorate (Fed. Cell) and Irrigation/Agriculture Departments

REVIEW OF FEDERAL PROGRAMME 1997-98.

9.5. Sub-sector-wise brief review of the financial and physical progress is given in the following paragraphs.

Irrigation

9.6 The stage-I of **Chashma Right Bank Canal** covering a length of 84 Km with discharge capacity of 1226 cusecs, serving 60,704 ha through a network of 13 distributaries, was completed in December, 1986. Stage-II of the canal with a total length of 39 Km has also been completed to irrigate an area of 38,041 ha through a network of 15 distributaries. Work on Stage-III, 151 km long main canal, with 2853 cusecs discharge capacity and to irrigate an area of about 1,31,929 ha through a network of 43 distributaries is in progress. Further, work of flood carrier channels and embankments involving excavation and filling of 269.58 MCM of earth has almost been completed. An amount of Rs. 1700.00 million was allocated for Stage-III during the financial year 1997-98, out of which Rs. 1305.14 million (76 %) were utilized on the aforementioned works.

9.7 Work on **Pat Feeder Canal Project** was in progress under several contracts. Remodelling work of Nasirabad distributary under contract No.1 and of main Pat Feeder canal under contract No. 3 has been completed. Further, contracts No.4 (for the main canal); 5A (for rehabilitation of six distributaries), 5B (for rehabilitation of three distributaries), 6A, 6B, 6C (for surface drainage); and 7.41, 7.42, 7.43 and 7A (minor canals) are near completion. The overall progress of the project was about 95 percent. A sum of Rs. 860.00 million was allocated to the project during the year. The financial utilization was 105 percent (Rs. 843.19 million) against the allocation.

Drainage and Reclamation

9.8 An allocation of Rs. 8052.00 million (including Rs. 810.00 million for NDP) was made to the SCARPs, out of which Rs. 6784.02 million (78 percent) were utilized. Against the

targets of drilling 129 tubewells, energization 838 tubewells, excavating 10.05 MCM of earth for open drains and laying of 1263 km tile drains, 37 tubewells drilled and 211 tubewells energized, 5.75 MCM of earth excavated while constructing open drains and 901 Km tile drainage system laid. Work on LBOD project continued in full swing for which a financial allocation of Rs. 1785.00 million was made. About 93 % of the drainage works of the project have been completed. The remaining works i.e. Chotiari reservoir (part of LBOD) would be undertaken under NDP. Works on other projects like Fordwah Eastern Sadiqia (South), Khushab and Swabi SCARP were in progress.

Flood Control

9.9 The flood control/Protection projects were provided with an amount of Rs. 669.938 million out of which Rs. 629.938 million were utilized. The envisaged targets have been full accomplished.

OFWM

9.10 Under the On-Farm Water Management programme about 0.04 MHM water was saved by improving, cleaning, remodelling and lining of 1376 watercourses and precisely levelling of 3720 hectares of agricultural land against the target of 1040 watercourses and precision land levelling of 2955 hectares. An amount of Rs. 608.59 million (Rs. 13.23 million Federal and Rs. 595.36 million Provincial) was utilized on the same activities.

REVIEW OF PROVINCIAL PROGRAMMES 1997-98

9.11 About Rs. 4037.16 million were spent on water resources projects in the provinces. The provincial programmes envisaged construction of new canals, and improvement/remodelling/ extension of the existing irrigation system. The detailed physical achievements are given at Statistical Appendices "Sat-3 to 6". A brief review of major works carried out in provinces is given in the following paragraphs.

Punjab

9.12 A sum of Rs. 1788.453 million (29 %) was spent against the allocation of Rs. 6084.244 million. Under Irrigation and Drainage sub-sectors, about 10 Km of irrigation canals were remodelled and 50 km of irrigation canals and 9 Km open drains remodelled beside undertaking OFWM activities. These efforts led to benefitting an additional area of 800 hectares. Details of physical achievements are given in S.A. Table 9.3.

Sindh

9.13 Against an allocation of Rs. 2039.79 million, a sum of Rs. 1188.96 million (58 percent) was utilized on extension/ remodelling/rehabilitation of the 112 Km of irrigation channels and other relevant activities. Efforts were made towards efficient and effective utilization of water which resulted in benefitting 603 hectares of existing as well as new cropped area. Details of achievements are given in S.A Table 9.4.

N.W.F.P.

9.14 Against the allocation of Rs. 527.75 million, a summing of Rs. 416.32 million (79 percent) was incurred on construction of Pehur High Level Canal, remodelling and rehabilitation of existing irrigation system and allied structures which in turn benefitted an irrigated cropped area of 1700 hectares. Detailed achievements are given in S.A.Table 9.5.

Balochistan

9.15 Out of the total allocation Rs 804.41 million an amount of Rs. 645.43 million (80%) was utilized on extension/ remodelling/rehabilitation of 1900 km of irrigation channel and remodelling of 306 structures. These measures benefitted 6000 hectares of cropped land. Accomplishment of various activities is given in S.A.Table 9.6.

ANNUAL PLAN 1998-99

9.16 The Annual Plan 1998-99 reflects major objectives of the Ninth Five Year Plan which are reproduced below.

- i) Progressive addition to irrigation supply from new surface irrigation schemes and shifting of tubewells from public to private sector with proper management of aquifer.
- ii) Improvement and management of the existing irrigation system for conservation and efficient use of water while moving towards modernization of the irrigation system. Existing deficiencies in irrigation system management will be removed by transitioning from centralized control towards decentralization. This will include partial turn-over of irrigation system to farmers, involvement of beneficiaries in planning, formulation, implementation, operation and maintenance in order to achieve the highest possible level of efficiency. Pilot projects will be implemented to test the validity of proposed radical changes on social, institutional and technical aspects of irrigation systems.
- iii) Protection of land and infrastructure from waterlogging, salinity and floods. For this purpose an integrated programme approach rather than piece-meal efforts will be adopted.
- iv) Harnessing of rain water to recharge groundwater aquifer and also divert it to surrounding lands for irrigation

9.17 For realizing the aforementioned objectives an amount of Rs. 20262.67 million (Rs. 13404.88 million Federal and Rs. 6857.79 million Provincial) has been allocated to the water resources development projects/programmes during the year 1998-99. Agency-wise and sub-sector-wise financial distribution is shown in S.A.Table 9.1.

9.18 The proposed programme envisages availability of additional water of 0.18 MHM from 16.44 MHM in 1997-98 to 16.62 MHM in 1998-99. Out of total 16.62 MHM, about 10.24 MHM would be available from surface water supplies through watercourse improvement, canal remodelling and small irrigation schemes. The remaining 6.38 MHM would be extracted from underground fresh water aquifer by private and SCARP tubewells. About 0.39 Mha of affected land would be reclaimed by drilling and energizing 182 and 627 SCARP tubewells and other remedial measures mentioned below. Further, it is expected that 5000 private tubewells will be installed/replaced during the year. Moreover, excavation of 6.85 MCM of earth for surface drains and construction of 813 Km of sub-surface drainage will be carried out. In addition about 123 watercourses will be improved and 39 demonstration center established. Details of physical works to be undertaken during the year are given in S.A, Table 9.2.

9.19 The main programmes/projects to be implemented are briefly described below:

Federal

Irrigation

9.20 The stage I and II of **Chashma Right Bank Canal** covering a length of 84 and 38 kms with discharge capacity of 1226 and 800 cusecs, commanding an area of about 60704 and 38041 ha through a network of 13 and 15 distributaries have been completed in December, 1986 and June 1992 respectively. Work on Stage-III, 151 km with discharge capacity of 2883 cusecs and to irrigate an area of about 131929 ha through a network of 43 distributaries is in progress. Further, construction of flood carrier channels and access roads a part of stage-III, have been completed. An amount of Rs. 2800.00 million has been allocated for the works to be undertaken in the Year 1998-99. Contract No. 65 of main canal, and 66, 67 and 68 of distributaries for stage-III have been awarded in 1997 and the work is in progress. Stage-III is being co-financed by ADB (65%), KFW (14%) and G.O.P (21%).

9.21 The work on the ADB assisted Pat Feeder Canal Rehabilitation project, will be completed by the end of the current fiscal year. To complete the remaining minor work of main canal and that of minors, and final payment for the acquired land a provision of Rs. 1000 million has been made in the PSDP 1998-99. Physical works in the quantitative terms include excavation of 27.15 Mcft of earth. The project on completion will provide 6700 cusecs of water to an area of 142,400 ha in districts of Nasirabad and Jafarabad of Balochistan.

Drainage and Reclamation Programme

9.22 This programme will continue to receive major share in the funds, amounting to Rs. 7701.14 million (Federal 57 % including allocation of NDP), allocated to Water Sector. The programme envisages drilling and energization of 182 and 627 SCARP tubewells respectively, excavation of 6.85 MCM earth for surface drains, construction of 813 Km of sub-surface drains. It is expected that 0.39 Mha will be protected from waterlogging and salinity. The programme includes work of the ongoing 13 drainage projects (8 in Punjab, 4 in Sindh and one in NWFP) in addition to NDP which has been shown separately. Adequate allocations have been made for LBOD, Fordwah Sadiqia (South); Fordwah Sadiqia Remaining, Swabi SCARP, Khushab, and

RBOD for their timely completion. The remaining works of Chotiari reservoir, a component of LBOD, will be undertaken under NDP from the next financial year.

9.23 The National Drainage Programme costing Rs. 31400 million is being taken up to restore the sustainability of irrigated agriculture in an environmentally sound manner by (a) minimizing drainable surplus, and (b) evacuation of drainable surplus from Indus Basin to the sea. For this purpose a sum of Rs. 3221.68 million (Federal Rs. 3000 million and Provincial Rs. 221.68 million) has been allocated.

Survey, Investigation and Research

9.24 Survey, investigation and research is a continuing programme being carried out by WAPDA. During the year 1998-99, the work will continue on International Waterlogging and Salinity Research Project; Boring and Installation of Tubewells by WAPDA in Balochistan; Hydrological Map of Pakistan; and Groundwater Investigation-Cum-development in Barani areas of Gujrat district. An amount of Rs. 39.00 million been allocated to this programme.

Flood Protection Programme

9.25 The flood control works are undertaken under two main programmes namely, Flood Sector Project and Normal emergent Flood Programme in addition to Flood Management of Mari Bugti Hill Torrent project. The ADB financed Flood Sector Project Phase-I, will be completed during the currency of year and Phase-II of the project will be initiated in December 1998. The project is aimed at protecting village abadies, private property and public infrastructure situated along the Indus and its tributary rivers. Under the Normal Flood Programme, emergent schemes of small gestation are implemented along the main, secondary and tertiary rivers by the provincial irrigation departments, This programme is funded by the Federal government through its own resources. The programme, during 1998-99 envisages execution of a number of small schemes in Punjab, sindh, NWFP and Balochistan. A total of Rs. 995.00 million have been allocated for the flood control programmes.

On-Farm Water Management(OFWM)

9.26 It is an on-going programme being implemented with the assistance of World Bank, Government of Japan and Asian Development Bank. Physical work includes improvement of 123 watercourses and establishment of 39 demonstration centers. A sum of Rs. 1754.19 million has been allocated in the PSDP 1998-99 for undertaking civil works. However, Rs. 659.32 million have been allocated for consultancy charges and establishment cost in the PSDP 1998-99. A new component of the same programme " Accelerated National OFWM " costing Rs. 9534.00 million has been initiated so as to improve 18000 watercourses, construct 1400 storage tanks, train 194000 farmers and establish 3880 demonstration centers. This project, hopefully will be merged as a part of OFWM-III project, which will most likely be initiated by end of current financial year with the financial assistance of World Bank.

PROVINCIAL PROGRAMMES

Punjab

9.27 An amount of Rs. 3597.546 million has been allocated in the ADP 1998-99 for extension, remodelling and rehabilitation of 5 Km 30 Km and 60 km of canal length respectively, and construction of 11 new structures. It is expected that with accomplishment of the aforementioned works, cropped area of 1000 hectares would be provided with supplemental irrigation water. Details are given in S.A.Table 9.3.

Sindh

9.28 Rs. 1769.87 million have been allocated in the provincial ADP 1998-99 to water resources development activities like remodelling/rehabilitation of 126 Km and extension of 105 Km of canals, and construction/remodelling of 15 structures. It, in turn, will benefit 1144 hectares of cropped area. Details are given in S.A.Table 9.4.

N.W.F.P

9.29 The NWFP Government has provided an amount of Rs. 651.58 million in their ADP 1998-99 for the construction of Pehur High Level Canal and some other minor works of rehabilitation/remodelling of canals and construction of new structures. These measures would increase the cropped area by hectares. Details are attached as S.A.Table-9.5.

Balochistan

9.30 An amount of Rs. 794.88 million has been allocated in the provincial ADP 1998-99. To carry out extension, remodelling and rehabilitation of 39 kms, 2414 Kms and 63 K.m of canals respectively and construction of 26 new structures. It in turn would benefit a cropped area of 93325 hectares. Details are attached as S.A.Table 9.6.

CHAPTER 10

INDUSTRY

REVIEW OF 1997-98

10.1 The performance of the Large Scale Manufacturing sector has been poor during the last three years, growing at an average annual rate of less than one percent. In the year 1996-97 its growth fell to negative 2.3 percent. New Investment Policy 1997 and Trade Policy 1997-98 have introduced various policy measures to revive industrial sector and consequently the manufacturing sector has started to pick up. An overall growth rate of 7.8% has been achieved in the Manufacturing against the target of 7.2% during 1997-98. The main contributor in this growth revival are sugar, jute goods, electric motors, air-conditioner and tractors. The items like cotton yarn, cotton cloth, LCV's/cars, cigarettes and bicycles depicted nominal growth.

Growth Rate (1997-98)

10.2 Manufacturing being the second largest commodity-producing sector has staged a recovery by registering a growth rate of 7.8 percent in the year 1997-98 as compared to 1.19 percent growth last year. The large scale manufacturing sector registered a growth of 7.5 percent during 1997-98 against a negative growth of 2.3 percent last year. The small scale manufacturing continued to grow at its historical growth rate of 8.4%. The sector as a whole was targeted to grow at 7.2 percent for the year 1997-98 with large scale at 6.5 percent and small scale at 8.4 percent.

Industrial Production (1997-98)

10.3 The main contributors in the revival of large scale manufacturers during 1997-98 were sugar (49.2%), Jute good (33.7%), Tractors (34.5%), air-conditioner (22.6%) and electric motors (20.5%). The items like cotton yarn (0.8%), cotton cloth (1.9%), Bicycles (4.6%), LCV's/cars (5.6%) and petroleum products (4.1%) depicted nominal growth. The production of some industries like paper and paper board, soda ash, caustic soda, cement, nitrogenous fertilizer, billets and trucks/buses declined during 1997-98 over 1996-97. The production trend of selected large Scale Manufacturing industries during 1997-98, compared with the last year are placed at S.A. Table 10.1.

Industrial Incentives/ Policies

10.4 The main objective of the New Investment Policy is to enhance the present level of foreign investment to at least US\$ 2 billion per year in the fields of expanding the industrial base, infrastructure, software development, electronics, engineering, agro-food and value-added-textile etc.

10.5. Manufacturing sector has been prioritized in four categories:

- (a) Value-added or export industries
- (b) Hi-tech industries
- (c) Priority industries
- (d) Agro-based industries.

10.6. In order to decrease manufacturing cost of the exporters, all imports by all direct and indirect exporters under various schemes including No Duty No Drawback, Manufacturing in Bond, Temporary Import schemes will be allowed without payment of custom duty, sales tax and with-holding income tax.

10.7. Textiles and clothing are still the most important sector for our exports. To remove the earlier complaints of inefficiencies, lack of transparency and misappropriations the following steps have been taken:

- i. Textile quota management has been transferred to the private sector with effect from 1st January, 1998.
- ii. A transparent system for auction of annual growth quota of textiles has been institutionalized.
- iii. Stoppage of allocation of textiles quota on political or personal considerations.

Trade Policy 1997-98

10.8 Through Trade Policy 1997-98, the rationalization of tariff involved reduction in the maximum rate, cascading of the tariffs, simplification of the rates and broadening of the base. The regulatory duty of 10% on imports introduced in the previous year has been abolished. The maximum tariff was reduced to 45% from the earlier level of 65%, except for some imports like automobiles, where the previous rates remained unchanged. The number of duty slabs have been reduced from thirteen to five with rates of 10%, 15%, 25%, 35% and 45%.

10.9 The tariff rate on plant and machinery has been standardized and brought down to 10%. Duties on primary raw materials, secondary raw materials, intermediate goods and finished goods have been suitably cascaded between 10% and 45%. To curb smuggling, tariff rates on a wide range of smuggling prone items have been brought down to 10% and 25%.

.Privatization Programme

10.10. Privatization of state owned enterprises (SOE's) is being pursued since 1991, following the wave of liberalization, deregulation and minimizing role of state in economic activity across the world. In the first two years the pace of privatization was so rapid that 70 units had been privatized but since 1993 the pace of privatization became slower owing to

various factors like demand for greater transparency and financial vulnerability of some of the units. The emphasis has been changed from speed to greater level of scrutiny and transparency. The units identified for privatization are divided into three categories (i) small manufacturing units and (ii) large scale manufacturing and services to be sold through a suitable trenches at the material and International Stock Exchange and (iii) utilities and services such as 'Electricity generation and distribution, banks, gas and telecommunication to build understanding and import among the employees.

Industrial Investment 1997-98

10.11. The public sector estimates of industrial Investment or gross capital formation in manufacturing sector depicted an over all increase by 15.83 percent during 1997-98. The industrial investment in Public sector exhibited a decline of 55.42 percent during the course of current year while industrial investment in private manufacturing sector increased by 25.32 percent over previous year.

10.12. The Industrial Investment in Public Sector is estimated at Rs 3871 million during 1997-98 as against an investment of Rs 8584 million for 1996-97. The trends of Industrial investment are given in Table-10.1.

TABLE -10.1

INDUSTRIAL INVESTMENT

	1995-96	1996-97	1997-98*	(Rs Million) Percent Change
Manufacturing	62515	72515	83991	15.83
Public Sector	3840	8584	3871	-54.90
Private Sector	58675	63931	80120	25.32
Large Scale	50558	58284	68468	17.47
Public Sector	3840	8584	3871	-54.90
Private Sector	46718	49700	64597	29.97
Small Scale	11957	14231	15523	9.08
Public Sector	0	0	0	0.00
Private Sector	11957	14231	15523	9.08

* Provisional

Source:

Federal Bureau of Statistics.

Projects/Programmes (1997-98)

Federal PSDP (Budget)

10.13. An expenditure of Rs 556.380 million have been incurred by June, 1998 against an allocation of Rs 530.081 million in manufacturing sector indicating 105 percent utilization during 1997-98. The major project carried out through Government Budget during 1997-98 were Rehabilitation of Peoples Steel Mills and Special Industrial Zone (SIZ) Nawabshah and small industrial project of KANA.

Public Cooperation's

10.14. There was no allocation for Public Corporation (outside Budget) during the year 1997-98.

AK&NA

10.15. The expenditure for the year 1997-98 is Rs 26.30 million for Small Industrial Corporation in AK&NA.

Provincial Programmes

Punjab:

10.16. The budget allocation and utilization in the industry sector of Punjab Province is given in Table -10.2

TABLE-10.2

**PSDP ALLOCATION/UTILIZATION
(PUNJAB)**

(Million Rs)

Sector/Sub-Sectors	Allocation 1997-98	Utilization 1997-98	Percentage Utilization
Punjab Small Industries Corporation (PSIC)	133.970	87.710	65%

10.17. The overall utilization in the industry sector of Punjab was 65%. The Punjab Small Industries Corporation (PSIC), was mainly responsible for promotion Industries Sector. Major Portion of the on going schemes relates to Rural Industrialization Programme/Self Employment Scheme programme. Three schemes have been completed during 1997-98. In the Punjab various projects were carried out during 1997-98 including Stitching and Embroidery

Centre at Tandlian Wala, four Readymade garments Training Centres for Ladies at Faisalabad, Sialkot, Multan and Bahawalpur: Industrial Technology and Leather Service Centres, Multan and Modernization of different Institutes/Centres like Institute of Ceramics Gujrat: Cutlery and Small Tools Service Centre, Gujranwala: Institute of Pottery Development, Shahdara and Light Engineering Service Centre, Gujranwala. The Corporation also provided loan for the promotion of small scale industries and carried out Rural Industrialization Programme.

Sindh

10.18. Allocation and utilization during the year 1997-98 in the industry sector of the Sindh Province is given in Table-10.3 .

TABLE-10.3

**PSDC ALLOCATION AND UTILIZATION
(SINDH)**

(Million Rs)

Sector/Sub-Sector	1997-98		
	Allocation	Utilization	Percentage Utilization
Sindh Small Industries Corporation (SSIC)	5.0	5.0	100%

10.19. There was an allocation of Rs 5.0 million in SSIC for the Industry Sector of the Sindh Province during 1997-98, an expenditure of Rs 5.0 million has been intimated showing an increase of 210%. Sindh Small Industries Corporation (SSIC) is responsible to promote the development of cottage and small industries in the rural areas by providing infrastructure facilities and training in both traditional and non-traditional skills. Apart from providing loan for Self Employment Scheme, SSIC carried out four schemes namely Readymade Garments Training and Production Centre and Establishment of Auto Diesel Training-Cum-Service Institute, at Karachi, Small Industrial Estate for Power Loom Sector, Hyderabad and Industrial Home for women at Kunri.

NWFP

10.20 A summary of industry sector allocation and utilization in NWFP during the year 1997-98 is given in Table-10.4 below.

TABLE-10.4

**PSDP ALLOCATION AND UTILIZATION
(NWFP)**

(Rs Million)

Sector/Sub-sector	1997-98		Percentage Utilization
	Allocation	Utilization	
Small Industries Development Board (SIDB)	8.560	2.794	33%

10.21. During the year under review, SIDB utilized Rs 2.794 million against the allocation of Rs 8.560 million showing 33 percent utilization. The expenditure over and above the allocation during 1997-98 was met through previous year's saving/reserves of the respective projects. The implementation of the projects include: work on Readymade Garments Centre, Kohat, Wood Working Centre, Mansehra, Pak-Holland Metal Project, (Phase-II), Peshawar Handicrafts Design Institute, Peshawar and Small Industrial Estate, Charsadda.

Balochistan

10.22. There was no allocation during 1997-98 for the Industry Sector in Balochistan.

PROGRAMME FOR 1998-99

Growth Rate

10.23 The manufacturing sector is projected to grow at an overall growth rate of 7.2 percent in 1998-99 as compared to the growth rate of 6.2 percent in the previous year. The large scale manufacturing is projected to grow by 6.5 percent during 1998-99 and 8.4% in small scale industry. These projection are based on the expected positive results of the Government's packages to rectify the deteriorated situation in the manufacturing sector particularly large scale. Government has provided various incentives which include reduction of tariff rates, exemptions from general sales tax on domestically produced and imported machinery, reduction in the standard GST and income tax rates, both personal and corporate and reduction in the rates of import duty and exemptions from sales tax of locally and imported machinery.

Industrial Production Target (1998-99)

10.24. Production Target To achieve the projected growth various sectoral policy packages have been approved for the removal of constraints faced by the manufacturing sector. Resultantly, a number of large and medium industrial projects are likely to come on production stream. Keeping in view the above mentioned measures, the production targets for the year 1998-99 for selected industrial items has been projected as given at S.A. Table 10.1..

Public Sector

10.25. Financial A PSDP allocation of Rs 631.0 million has been proposed for the manufacturing sector for the year 1998-99 as compared with the estimated expenditure of Rs 556.380 million during 1997-98 for the federal and KA&NA projects. The higher allocation during 1998-99 is due to enhanced provision of funds for Peoples Steel Mills, Karachi, which is to be completed by June, 1999. The allocation in the manufacturing sector include Rs 567 million for Rehabilitation of Peoples Steel Mills (PSM), Karachi and Rs 30 million for Special Industrial Zone, Nawabshah and Rs 34.0 million for AK&NA. Details of the project-wise PSDP allocation for the year 1998-99 is given at S.A. Table 10.2.

10.26. Public Corporation Programmes (1998-99): The corporation wise detail of Public corporation programme alongwith source of financing during 1998-99 is given in Table-10.5 .

TABLE-10.5

PUBLIC CORPORATION PROGRAMME 1998-99

(Million Rupees)

Corporations	Total	Self Financing	Commercial/ Bank Borrowing	Foreign Loan/Equity
BMR/Expansion of Pakistan Steel's Capacity from 1.1 to 1.3 million tones per annum.	56	--	--	56
Total:	56	--	--	56

10.27. The BMR scheme is being implemented on self-financing basis by Pakistan Steel due to resource constraint funds for BMR scheme could not be allocated in 1997-98. The allocation of Rs 56.0 million has been proposed for the year 1998-99.

.Provincial Programmes

Punjab

10.28 An allocation of Rs 639.591 million has been made for seven on-going and one new scheme in the industry sector of Punjab for the year 1998-99 as compared to the revised estimates of Rs 87.710 million during 1997-98. Budgetary allocation for 1998-99 as compared with the year 1997-98 are summarized in Table-10.6.

TABLE-10.6
DEVELOPMENT OUTLAYS (1998-99)
(PUNJAB)

(Million Rs)

Sector/Sub-sector	Revised Estimates 1997-98	Allocation for 1998-99	Percentage increase/ (decrease) over Revised Estimates 1997-98
Punjab Small Industries Corporation (PSIC)	87.710	639.591	629%

PSIC is the main contributor for the promotion of Small Scale Industries in the Punjab Province. For the year 1998-99 PSIC has planned to carryout a programme of Rs 639.591 million. A new programme namely, "Micro-credit for cottage Industries/SEC with an allocation of Rs 600.00 million has been included in the ADP. Major Programmes includes:

- i. To pay the principal amount through ADP.
- ii. To continue work on exploration and evaluation in Chiniot Area.
- iii. To provide Micro-credit to flourish cottage industries and self-employment programme in rural and urban areas.

Sindh

10.29. An allocation of Rs 8.060 million has been made for the year 1998-99 for industry sector of Sindh. A summary of sector-wise allocations as compared with revised estimates of the previous year is given in Table-10.7 .

TABLE-10.7
DEVELOPMENT OUTLAYS (1998-99)
(SINDH)

(Million Rs)

Sector/Sub-sectors	Revised Estimates for 1997-98	Allocation for 1998-99	Percentage increase (+)/ Decrease (-) over R.E 1997-98
Sindh Small Industries Corporation (SSIC)	5.000	8.060	61.1%

10.30 Allocation of Rs 8.060 million has been made for SSIC. The on-going schemes include Establishment of Auto Diesel Training-Cum-Service Institute, Karachi, Readymade Garment Training-Cum-Production Centre, Karachi, Small Industrial Estate (SIE) for Power Loom Sector Hyderabad.

NWFP

10.31. An allocation of 5.834 million has been earmarked for 1998-99 for the industry sector of NWFP. A summary of sector-wise allocation as compared with previous year estimates is given in Table-10.8

TABLE-10.8
DEVELOPMENT OUTLAYS (1998-99)
(NWFP)

(Million Rs)

Sector/Sub-Sector	Revised Estimates for 1997-98	Allocation for 1998-99	Percentage increase (+)/decrease (-) over Rev .E 1997-98
Small Industrial Dev. Board (SIDB)	2.794	5.834	109%

10.32. An allocation of Rs 5.834 million has been allocated for SIDB's Small Industrial projects. The programme includes Pak-Holland Metal Project (Phase-II), Peshawar Readymade Garment Centre, Kohat, Handicrafts Design Institute, Peshawar, Industrial Estate, Charsada, Wood Working Centre, Mansehra and Subsidized Credit for Self-employment. The new schemes include Small Industrial Estate, Chakdarra, Electrical Development Centre, (Phase-II), Peshawar, Embroidery and Knitting Centre, and Provision of Training/Scholarships in SIDB Centres at Chitral.

Balochistan:

10.33. During 1998-99 there is an allocation of Rs 8.700 million for the Industry Sector in Balochistan. A summary of sector-wise allocation as compared with previous year estimates is given in Table-10.9

TABLE-10.9
DEVELOPMENT OUTLAYS (1998-99)
(BALOCHSITAN)

(Million Rs)

Sector / Sub-Sector	Revised Estimate 1997-98	Allocation for 1998-99	Percentage increase (+)/ decrease (-) over R.E. 1997-98
Quetta Industrial & Trading Estate, Distt: Quetta.	--	3.000	--
Industrial Estate Dera Murad Jamali Distt: Nasirabad	--	3.000	--
Installation of T. Well in Quetta Industrial Trading Estate, Distt: Quetta.	--	1.200	--
New Projects:	--	1.500	--
Total:	--	8.700	--

Private Sector

10.34. Private sector is expected to attract an investment of Rs 115 million during the year 1998-99 as compared to Rs 80 million during 1997-98.

Trade Policy (1997-98)

10.35. The Trade policy is one of the vital instruments of growth and development that has a direct relationship with the health of the economy. Fully conscious of this fact the trade policy has been framed to create the necessary environment for enhancing exports.

10.36. To rectify the trade deficit, a plan has been initiated to eliminate the trade deficit in three years. The Trade Policy 1998-99 has accordingly been designed to reduce the trade deficit to about zero within the next twelve months, that is by 30th June 1999.

10.37. To achieve these objectives, a Medium Term Export Development Strategy has been formulated. The Trade Policy 1998-99 is a major component of this Strategy which has a three pronged approach, that is, (i) it endeavors to improve the export incentives system, (ii) it envisages to implement an export incentives modernization plan and (iii) it aims to revitalize and strengthen institutional support mechanisms. The Strategy simultaneously aims at improvement of environment for boosting exports, making them more profitable through efficiency, speedy, unrestricted and equitable access to the export instruments and inputs alongwith opportunities for all direct and indirect exporters.

CHAPTER-11

MINERALS

11.1 The mineral sector contribution to GDP has remained less than 1% excluding fuel minerals i.e.; coal, uranium, gas and oil etc. This was inspite of the fact that the available geological information provides ample evidence that Pakistan has prospective geology. Similar geological environments elsewhere in the world are hosting economic metallic deposits. However, mineral exploration is an expensive and risky venture and exploration project upto pre-feasibility stage costs approximately US\$ 10 -15 million.

REVIEW OF 1997-98

Mineral Extraction

11.2 During the year 1997-98 the mining and quarrying sector grew at a rate of 2.1 percent as against a target of 5.0 percent. An overview of production of principal minerals during 1997-98 with production of minerals in corresponding period last year is given in Table-11.1.

TABLE-11.1
EXTRACTION OF MAIN MINERALS

Minerals	1996-97	1997-98	% Change over 1996-97
Marble	450	335	-26%
Chromite	34	25	-26%
Dolomite	201	116	-42%
Gypsum	521	307	-41%
Limestone	9488	9941	4.8%
Magnesite (tonnes)	6589	9678	47%
Rock salt	1066	961	-9.8%
Sulphur(tonnes)	290	293	1%
Baryte	30	32	7%

(000 Tonnes)

Source : Economic Survey 1997-98, Economic Adviser's Wing, Finance Division

11.3 Production of four major minerals during 1997-98 showed increase as compared to 1996-97 in Limestone (4.8%), Barytes (7%), magnesite (47%) and sulphur (1%). The decline was in Chromite (-26%), Gypsum (-41%), Rocksalt (-9.8%) and Marble (-26%) due to less demand by the industries/ units which remained closed for sometime during the year under review.

INVESTMENT

Private (Foreign Mining Companies)

11.4 National Mineral Policy announced in 1995 has attracted significant foreign investment of Lead, Zinc, Copper, Gold and other precious metals. The detail of foreign investment is as follows:

- a) **Pasmincom of Australia**, world leader in combined zinc-lead production is carrying out exploration of zinc in Lasbella District Balochistan under a joint venture with PMDC and BDA. Pasminco has drilled over 22,000 meter, established over 14 million tonnes of ore having 11.5 percent combined zinc-lead at Duddar and has already spent \$11.3 million on exploration. Pasminco is conducting exploration on Duddar North, Mithi Dhoru and Kanraj. Pasminco also carried out regional airborne geophysical survey (Electro-magnetic and Radiometric) during December, 1997 and is interpreting the anomalies.
- b) **BHP Minerals of Australia** is carrying out exploration for copper and gold in Chagai District, Balochistan, since last four years and has already spent about Australian Dollar 11.1 million and drilled over 20,000 meters while aeromagnetic survey has yet to be carried out.
- c) **Oranmore Resources Ltd of Ireland** is considering exploration of lead and zinc and associated minerals in District Khuzdar Balochistan under a joint venture with Bolan Mining Enterprises (a joint venture of Government of Balochistan and Pakistan Petroleum Limited). The work carried out so far includes logistic arrangements for future drilling programme etc. Drilling started during December 1997 and Oranmore has so far spent 40.38 million on exploration.
- d) **Minorco**, a company registered in Holland with turn-over \$5 billion signed a broad term MOU in April 1997 to conduct exploration of gold and other precious metals in Northern Areas and NWFP, committing exploration funds of at least \$10 million for each if an agreement was signed for the same between the parties. Minorco has so far spent \$ 0.75 million on their programme in Pakistan.

Public Sector

11.5 The Mineral Sector during the period under review was allocated an amount of Rs 424.528 million including all the provinces, AJ&K, Northern Areas and FATADC against which an amount of Rs 420.003 million was utilized. The S. A. Table 11.1 provides the detail of department-wise Federal and Provincial utilization 1997-98 whereas Table-2 provides its comparison to the allocation 1998-99.

TABLE-11.2
FEDERAL & PROVINCIAL ALLOCATION/ UTILIZATION

(Rs Million)

Organisations/ Departments	1997-98			1998-99
	Allocation	Utilization	Achievement	Allocation
GSP	26.078	26.078	100%	10.000
SML	358.680	358.680	100%	638.457
AKMIDC	8.000	7.000	88%	7.000
Northern Areas	15.000	15.000	100%	20.280
FATADC	7.000	0.000	0%	0.000
Punjab	1.500	2.462	164%	10.409
Sindh	0.000	0.000	--	0.000
NWFP	6.050	8.783	145%	7.900
Balochistan	2.220	2.000	90%	3.320
Total	424.528	420.003	99%	697.366

Federal PSDP (Budget) Review

11.6 The Federal Mineral Executing Departments including AJ&K, Northern Areas and FATADC utilized Rs 406.758 million. Physical performance is given in the following paragraphs whereas financial achievement is given in S.A Table 11.1.

Geological Survey of Pakistan (GSP)

11.7 Geological Survey of Pakistan (GSP) worked on the execution of only one development project "GSP-JICA Follow up Technical Collaboration in the Geoscience Laboratory at Islamabad" during the year under review (1997-98) and utilized Rs 26.078 million (including JICA Foreign Aid of Rs 20.00 million) showing an achievement of 100 percent.

TABLE-11.3
GEOLOGICAL SURVEY OF PAKISTAN (GSP)

(Rs in Million)

Project	1997-98			1998-99
	Allocation	Utilization	Achievement	Allocation
GSP-JICA follow-up Technical Co-operation in the Geoscience Laboratory Islamabad	26.078	26.078	100%	10.000

Saindak Metals Limited (SML)

11.8 During 1997-98 Saindak Copper-Gold Project District Chagai Baluchistan, has incurred an expenditure of Rs 358.680 million against the same allocated amount showing 100% utilization.

11.9 Saindak Copper-Gold Project was completed by Saindak Metals Limited (SML) in 1995 at an estimated cost of Rs 13.6 billion. It has planned to produce 16,000 tonnes of blister copper (including gold and silver) and several by-products for 19 years from the South ore body. During the trial production, 1550 tonnes of blister copper worth of US\$ 4.4 million was produced and exported to Holland. Commercial scale production could not be commenced for want of working capital finance, need for operation and management services for production, requirement of capable employees particularly at senior position etc. The production facilities are idle for the last 2-1/2 years.

11.10 In December, 1997 SML made an agreement with MCC of China (which also constructed the production facilities) for US\$ 13.68 million to engage them as Production Management Company (PMC). Under the agreement MCC will provide 600 man months of expatriates professional services for operation and management production with assured output and also extensive training of SML employees for gradual replacement of PMC within 3 years period. The PMC contract is expected to be operative during 1998-99.

11.11 SML had obtained offer from foreign banks consortium for Rs 1.5 billion working capital finance for operationalization of the project.

KA&NA and SAFRON Division

11.12 PSDP allocation for KA&NA and SAFRON Division was Rs 30.000 million against which Rs 22.000 million were spent, exhibiting an achievement of 73 percent. KA&NA and SAFRON Division, which include Azad Kashmir, Northern Areas and Federally Administered Tribal Areas (FATA), receive lump sum allocation through Federal Public Sector Development Programme. Sector-wise allocations of projects with reference to priorities, are fixed by AJ&K Government, Northern Areas Administration and FATADC in concerned with KA&NA and SAFRON Division. Detail is given in Table-11.4 below:

TABLE-11.4
KA&NA AND SAFRON DIVISION

(Rs in Million)

Executing Deptts.	1997-98			1998-99
	Allocation	Utilization	Achievement	Allocation
AKMIDC	8.000	7.000	88%	7.000
Northern Areas	15.000	15.000	100%	20.280
FATADC	7.000	0.000	0%	0.000
Total	30.000	22.000	73%	27.280

Azad Kashmir Minerals and Industrial Development Corporation (AKMIDC)

11.13 An amount of Rs 7.0 million has been spent against an allocation of Rs 8.0 million by AKMIDC, showing 88 percent utilization. AKMIDC carried on work on the following four on-going projects detail is given in Table-11.5.

TABLE-11.5
AZAD KASHMIR MINERALS & INDUSTRIAL DEVELOPMENT CORPORATION
(Rs in Million)

Projects	1997-98			1998-99
	Allocation	Utilization	Achievement	Allocation
I. Mineral Exploration and evaluation in AJ&K in Collaboration with UNDP	1.500	1.500	100%	0.000
II. Exploration and Evaluation of Base, precious metals & Industrial Minerals in Southern Region of AJ&K.	3.000	2.000	67%	3.232
III. Exploration and Evaluation of precious metals along Bheri Chham Kailer District Muzaffarabad & Haveli District Bagh (PC-II).	1.500	2.500	167%	2.268
IV. Geological Mapping and Mineral Exploration of District Poonch, Sudhnoti & Bagh A.K.	2.000	1.000	50%	1.500
Total	8.000	7.000	88%	7.000

Northern Areas

11.14 In collaboration with Pakistan Mineral development Corporation (PMDC) Northern Areas worked on the Australian Assisted Project "Exploration and Evaluation of Economic Mineral Resources of Northern Areas" and utilized Rs 15.0 million against the same budgetary allocation reflecting 100 percent utilization. Work regarding geochemical stream sediments sampling and their analysis was carried alongwith study of aerial photographs and satellite imageries and Mineralogical/ petrologic studies of geochemical/ rock samples.

**TABLE-11.6
NORTHERN AREAS**

Project	1997-98			1998-99
	Allocation	Utilization	Achievement	Allocation
Exploration and Evaluation of Economic Mineral Resources of Northern Areas (Australian Assisted) Revised Approved on 30.01.1996.	15.000	15.000	100%	20.280

Federally Administered Tribal Areas Development Corporation (FATADC)

11.15 Against an allocation of Rs 7.0 million, FATADC incurred no expenditure. Only one project namely "Copper exploration project (Formulation of Exploration Strategy) in North Waziristan Agency" was planned to be executed during the year under review but due to non-releases of funds the project could not be executed.

**TABLE-11.7
FEDERALLY ADMINISTERED TRIBAL AREAS DEVELOPMENT
CORPORATION (FATADC)**

(Rs in Million)

Project	1997-98			1998-99
	Allocation	Utilization	Achievement	Allocation
Copper Exploration Project (Formulation of Exploration Strategy) North Waziristan Agency.	7.000	0.000	0%	0.000

Provinces

11.16 A total expenditure of Rs 13.245 million has been reported in the mineral sector projects (excluding fuel minerals) in the Provinces against budgetary allocation of Rs 9.770 million showing 136 percent achievement. Financial utilization against their respective allocations is given at S.A Table 11.1. Details of major allocations and utilizations in each province is given below:

TABLE-11.8
PROVINCIAL ALLOCATION/UTILIZATION

(Rs in Million)

Provinces	1997-98			1998-99
	Allocation	Utilization	Achievement	Allocation
PUNJAB	1.500	2.462	164%	10.409
SINDH	0.000	0.000	--	0.000
NWFP	6.050	8.783	145%	7.900
BALUCHISTAN	2.220	2.000	90%	3.320
Total	9.770	13.245	136%	21.629

PUNJAB**Punjab Minerals Development Corporation (PUNJMIN)**

11.17 Against the budgetary allocation of Rs 1.500 million by Punjab Government, Rs 2.462 million utilization has been reported by PUNJMIN during the year under review exhibiting 164 percent achievement. PUNJMIN started executing the project namely "Exploration and Evaluation of Iron Ore in Chiniot area Distt. Jhang". An overall achievement of 20 percent has been reported by PUNJMIN regarding drilling, sampling, chemically and petrographically analysis etc. The results so far achieved are very encouraging.

SINDH**Directorate of industries, Commerce and Mineral Development Sindh**

11.18 Sindh Government did not execute Mineral Sector Project during 1997-98 except fuel.

NWFP**Sarhad Development Authority (SDA) - NWFP**

11.19 Sarhad Development Authority (SDA) incurred an expenditure of Rs 8.783 million against an allocation of Rs 6.050 million during 1997-98. The major projects executed are given in the following Table-11.9.

TABLE-11.9
SARHAD DEVELOPMENT AUTHORITY (SDA)

(Rs in Million)

Projects		1997-98			1998-99
		Alloc.	Utiliz.	Achiev.	Alloc.
(i)	Regional Exploration for precious and base Metals in Distt. Dir, Swat and Bunair of Malakand Division PDWP 04.10.93	1.545	2.473	160%	2.000
(ii)	Regional Exploration for Gold & Base Metals in Hazara Division. PDWP 04.10.93	1.545	2.463	159%	2.000
(iii)	Application of remote sensing & satellite imagery for base mapping & mineral exploration in NWFP	0.010	0.000	0%	0.100
(iv)	Regional Exploration for Gold & Base Metals in Chitral Distt. PDWP 22.06.95	1.550	2.447	158%	2.400
(v)	Survey and Investigation of Limestone and Clay deposits in NWFP. PDWP 22.06.95	1.400	1.400	100%	1.400
Total		6.050	8.783	145%	7.900

BALUCHISTAN**Directorate of Mineral Development - Balochistan**

11.20 During the year under review an expenditure of Rs 2.000 million against an allocation of Rs 2.220 million were incurred showing 90 percent utilization. The projects executed by Directorate of Mineral Development Balochistan are given in Table-11.10 below.

TABLE-11.10
BALUCHISTAN

(Rs in Million)

Project	1997-98			1998-99
	Allocation	Utilization	Achievement	Allocation
Reconnaissance Survey and Mineral Investigation in Kohlu, Barkhan, Zhob and Musakhail Districts.	2.220	2.000	90%	3.320

PROGRAMME FOR 1998-99

11.21 In line with National Mineral Development Policy, Federal and Provincial Mineral Development Departments will restrict to perform only promotional role in the form of geological investigations and preparation of pre-feasibility reports on specific mineral tracts for further development by private sector. Emphasis will be given to those on-going projects, which are at completion stage.

MINERAL PRODUCTION TARGETS

11.22 Increased production during the year 1998-99 is expected in minerals like Celestite, Fuller's Earth, Limestone, Ochre, Bauxite & Iron ore etc. which are used by the Mineral based Industrial Units. Production targets for 1998-99 are given at S.A Table 11.2

INVESTMENT PROGRAMME

Private Sector

11.23 The four Foreign Companies already working in Baluchistan, NWFP and Northern Areas may bring further investment if feasible to them. Details are given below:

i) **Pasmincom of Australia** is planning additional drilling and ground geophysical surveys to prove more ore reserves in the areas of Duddar North, Mithi Dhoru and Kanraj. They have set a target of proving at least 50 million tonnes ore before taking a mine development decision.

ii) **BHP** is aiming at proving at least 500 million tonnes, having 0.6 percent copper and 0.6 gms/tonnes gold in Chagai District, Balochistan. BHP expects a good possibility to achieve this target by end 1998 or middle 1999. The mine development, when made is expected to cost around \$ 1.2 billion, providing an annual income of about \$ 100 million to the government in taxes and royalties on production.

iii) **Oranmore Resources Ltd of Ireland** has planned to work on exploration of lead and zinc and associated minerals in District Khuzdar Balochistan under a joint venture with Bolan Mining Enterprises (a joint venture of Government of Balochistan and Pakistan Petroleum Limited). The work would include future drilling programme, survey of a topographic grid over the Gunga site and surrounding area, geological mapping and sampling of stream sediments and alteration zones. The mineral agreement with BME is being finalised and Balochistan government has requested Federal government to be a party to the agreement.

iv) **Minorco** has planned to invest in Balochistan and has also filed application for prospecting licenses in Balochistan for exploration of metallic minerals.

Public Sector

11.24 An overall allocation of Rs 697.366 million has been made for the Mineral Sector Projects (excluding fuel) for the year 1998-99. This includes budgetary allocation of Rs 675.737 million for the federal government projects and Rs 21.629 million for the provincial government projects.

Federal PSDP (Budget) Programme

11.25 Within the federal budget, Rs 675.737 million has been allocated to Ministry of Petroleum and Natural Resources and KA&NA and SAFRON Division. Mineral Development Department-wise PSDP allocation and details of the programmes for 1998-99 are given below:

Geological Survey of Pakistan (GSP)

11.26 An allocation of Rs 10.00 million has been made for the on-going project of GSP namely "GSP-JICA Follow up Technical Co-operation in the Geoscience Laboratory, Islamabad". GSP will continue research work related to quality appraisal of selected Chromite deposits in NWFP and Balochistan for possible use in Chromite bricks. Regional geochemical mapping of Lasbela, Balochistan will be carried out. Major Kaolin and Bentonite occurrences of NWFP, Sindh, Punjab and AJK will be categorised by X-ray Diffractometer (XRD) and Differential Thermal Analyzer (DTA) and Thermogravimetric Analyzer (TG).

Saindak Metals Limited (SML)

11.27 Saindak Copper-Gold Project of SML has been allocated Rs 638.457 million from Federal budget for the year 1998-99. The budgetary allocation will be utilized for repayment of German/ French credit & corporate loans etc. SML intends to operationalize the project during 1998-99 upon completion of following arrangements.

- a) GOP has requested US\$ 35 million low interest loan from Chinese Government. The Iranian Government has also been requested to provide financial assistance particularly for import of furnace oil, diesel, etc. Hopefully working capital finance would be available to SML during 1998-99 and SML would commence production after about 6 months from finalization of financing arrangement.
- b) SML has also sought GOP approval for lifting of ban on recruitment so that deficiencies of manpower could be removed by the time project starts its operation.

KA&NA AND SAFRON DIVISION

11.28 An allocation of Rs 27.280 million has been earmarked by the concerned mineral agencies of KA&NA and SAFRON Division for the Mineral Sector Development Projects, which includes: Rs 7.0 million for Azad Kashmir Minerals and Industrial Development Corporation (AKMIDC) and Rs 20.280 million for Northern Areas. Detail of allocation is given at Table-11.4.

Azad Kashmir Minerals and Industrial Development Corporation (AKMIDC)

11.29 AKMIDC has planned to implement a programme of Rs 7.000 million for three on-going development projects namely "Mineral Exploration and evaluation in AJ&K in Collaboration with UNDP, Exploration and Evaluation of Base, precious metals & Industrial Minerals in Southern Region of AJ&K, Exploration and Evaluation of precious metals along Bheri Chham Kailer District Muzaffarabad & Haveli District Bagh (PC-II), Geological Mapping and Mineral Exploration of District Poonch, Sudhnoti & Bagh A.K."

Northern Areas

11.30 Northern Areas in collaboration with Pakistan Mineral development Corporation (PMDC) will continue work on the on-going project "Exploration and Evaluation of Economic Mineral Resources of Northern Areas (Australian Assisted)" and has proposed an allocation of Rs 20.280 million. PMDC as an executing agency, will complete geological investigations for exploration of gold & other base metals in Northern Areas. Phase-II of the project, which involves exploration of the left over areas and follow up work in the prospective areas identified during phase-I will be undertaken during 1998-99.

Provincial Programme

11.31 An allocation of Rs 21.629 million has been earmarked for 1998-99 by the provincial mineral development agencies/departments.

Punjab

11.32 An amount of Rs 10.409 million has been allocated by Punjab Minerals development Corporation (PUNJMINDC) for the implementation of only one on-going project namely "Exploration and Evaluation of Iron Ore in Chiniot area district Jhang. Drilling of approximately 6885 feet has been done upto June, 1998 and further two deep holes to a depth of 460 meters is planned to determine the extent of the ore body mineralization.

NWFP

11.33 For the year 1998-99, Sarhad Development Authority (SDA) has proposed an allocation of Rs 7.9 million for the execution of five on-going mineral projects namely Regional Exploration for precious and base Metals in Distt. Dir, Swat and Bunair of Malakand Division, Regional Exploration for Gold & Base Metals in Hazara Division, Application of remote sensing & satellite imagery for base mapping & mineral exploration in NWFP, Regional Exploration for Gold & Base Metals in Chitral Distt. and Survey and Investigation of Limestone and Clay deposits in NWFP.

Balochistan

11.34 An allocation of Rs 3.320 million has been earmarked for the execution of one mineral project under Directorate of Mineral Development, Balochistan namely "Reconnaissance Survey & Mineral Investigation in Musakhail Distt. Barkhan, Zhob & Kohlu Districts".

CHAPTER-12

ENERGY

REVIEW OF 1997-98

I. POWER

Installed Capacity

12.1 In the year 1997-98, a total capacity of 1189 MW was added in the National Grid System comprising of Bin Qasim Unit-6 (210 MW) in Public Sector whereas AES Lalpir Ltd (362 MW), AES Pakgen Ltd (365 MW), Gul Ahmed Ltd Energy Ltd (136 MW) and Southern Electric Power Ltd (116 MW) in Private Sector. The target envisaged for 1997-98 was 1717 MW comprising Bin Qasim unit-6 (210 MW) in Public Sector, whereas Gul Ahmed Energy Ltd(136 MW), AES Lalpir Ltd(362 MW), AES Pakgen Ltd(365 MW), Japan Power Generation Ltd(120 MW), Southern Electric Com Ltd(129 MW), Liberty Power Project(235 MW), Habibullah Energy Ltd(140 MW) and Eashatech Ltd(20 MW) in Private Sector. Against the target of 1717 MW for 1997-98, only 1189 MW was commissioned, showing 69.25 percent achievement of the target. Besides this, due to the retirement of 213 MW, in KESC system comprising of Korangi thermal Power station (132 MW) & West Wharf (81 MW), the net addition in the installed capacity in 1997-98 was 976 MW. With the net addition of 976 MW the total installed generating capacity in the country increased from 14992 MW in 1996-97 to 15968 MW in 1997-98. Details are in given Tables 12.1 and 12.2.

TABLE 12.1

ADDITION IN INSTALLED CAPACITY

(MW)

	Targets for 1997-98				Achievements 1997-98			
	Wapda	KESC	Private	Total	Wapda	KESC	Private	Total
Hydel	0	0	0	0	0	0	0	0
Steam	0	210	1507	1717	0	210	979	1189
Gas Turbine & Combined Cycle	0	0	0	0	0	0	0	0
Nuclear	0	0	0	0	0	0	0	0
Total	0	210	1507	1717	0	210	97	

Source :- Wapda & Kesc

TABLE 12.2

PROGRESSIVE INSTALLED CAPACITY

(MW)

	Total 1997-98				Total 1997-98			
	Wapda	KESC	Private	Total	Wapda	KESC	Private	Total
Hydel	4825	0	0	4825	4825	0	0	4825
Steam	1895	1513	1292	6321	1895	**	2271	5676
Gas Turbine & Combined Cycle	3227	225	1878*	3709	3227	225	1878*	5330
Nuclear	0	137	0	137	0	137	0	137
Total	9947	1875	3170	14992	9947	1872	4149	15968

Source:-Wapda & KESC.

* Includes 1621 MW Kot Addu Power plant.

** 213 MW retired in KESC system comprising of Korangi Thermal Power Plant (132 MW) & West Wharf thermal Power plant (81 MW).

Energy Generation

12.2 The energy generated in 1997-98 was 62364 GWh against the target of 55495 GWh showing 112.37 percent achievement. The energy generation in 1997-98 increased by 6.09 percent over the last year. In 1997-98 hydel generation contribution increased to 22056 GWh from 20858 GWh in 1996-97. The increase in hydel generation is attributable to wet season during the year. The contribution of thermal generation increased from 37927 GWh in 1996-97 to 40308 GWh in 1997-98 due to the commissioning of 210 MW thermal power plants in KESC system and 979 MW Thermal plant in private sector. Details are shown at Table 12.3.

TABLE 12.3
ENERGY GENERATION

(GWH)

ITEM	1996-97 (Actual)	1997-98		% increase in 97-98 over 1996-97
		Target	Achievement	
WAPDA				
Hydel	20858	22157	22056	5.74
Thermal	19093	13309	17426	-8.73
Private Power export to WAPDA	10740	10572	13554	26.20
KESC Export to WAPDA	(91)	(0)	(161)	76.92
Sub- Total (WAPD	50691	46038	53036	4.62
KESC				
KESC Own Generation	7458	7963	7377	-1.08
Import from PASMIC	128	88	171	33.59
Import from KANNUP	293	394	310	5.80
KESC import from WAPDA	(1232)	(308)	(1042)	-15.42
Import from Private Power	215	1012	1470	583.72
Sub-Total (KESC)	8094	9457	9328	15.24
TOTAL (Generatio	58785	55495	62364	6.09

* Figure of export/import between KESC & WAPDA are excluded to avoid double counting.

Maximum Demand

12.3 The maximum computed peak demand in 1997-98 was 9165 MW in WAPDA system and 1729 MW in KESC system. Diversified maximum demand for the country was 10680 MW in 1997-98 as compared to 10099 MW in 1996-97 showing 5.75 percent increase. The reasons for less growth rate are virtually due to stagnant position in the industrial sector and large captive power installed in Industrial Sector due to fluctuation in power supply coupled with high tariff. The details are given below in Table 12.4

TABLE 12.4
COMPUTED MAXIMUM DEMAND

Agency	Actual		% Increase in 1997-98 Over 1996-97
	1996-97	1997-98	
WAPDA	8772	9165	4.48
KESC	1529	1729	13.08
Aggregate	10301	10894	5.75
Diversified	10099	10680	5.75

Source:-Wapda & KESC.

Load Shedding

12.4 Power load shedding continued around the year both in WAPDA and KESC systems. The maximum load shedding was 1427 MW (July 1997) during 1997-98 whereas maximum load shedding of 1712 MW was occurred in April, 1997 during last year. Similarly in KESC system the maximum load shedding was 300 MW (July 1997). The load shedding in WAPDA & KESC System is due to secondary transmission & Distribution system bottlenecks. Month wise load shedding of both the systems is given in Table 12.5.

TABLE 12.5

MONTH -WISE LOAD SHEDDING DURING 1996-97 AND 1997-98

(MW)

Month/Year	1996-97		1997-98	
	WAPDA	KESC	WAPDA	KESC
July	-294	-171	-1427	-300
August	-197	-175	-599	-292
September	-554	-223	-555	-170
October	-60	-164	-269	-135
November	-40	-55	-506	-105
December	-138	243	-348	-0
January	-430	-144	-266	-0
February	-97	162	-373	-0
March	-641	-341	-161	-0
April	-1712	-232	-119	-124
May	-787	-161	-345	-69
June	-1297	-300	-641	-0

Distribution

12.5 The total energy generation in the country during 1997-98 was 62364 GWh which includes 39482 GWh by WAPDA, 7377 GWh by KESC and 15024 GWh by Private Sector and 481 GWh by PASMIC / KANNUP. The energy sale in Wapda system increased at a rate of 2.24 Percent from 38529 GWh in 1996-97 to 39393 GWh in 1997-98. Similarly in KESC system, the energy sale increased from 5766 GWh in 1996-97 to 6183 GWh in 1997-98. Details of both the systems may be seen in Table 12.6.

12.6 Losses in both WAPDA and KESC systems were 25.95% and 40.37% respectively against the targets of 23.4% for WAPDA and 33.2 for KESC for 1997-98. This high losses were mainly due to old distribution systems. This also attributed to extensive rural electrification and large theft losses. However efforts are being made to minimize theft losses.

TABLE 12.6

ENERGY SALE AND LOSSES

(GWH)

	WAPDA		KESC		TOTAL	
	1996-97	1997-98	1996-97	1997-98	1996-97	1997-98
Energy Generation	39951	39482	7458	7377	47409	46859
Import						
1. Hubco	5784	5783	-	-	5784	5783
2. KAPCO	4855	5089	-	-	4855	5089
3. Kohinoor Energy	101	438	-	-	101	438
4. AES Lalpir	0	1153	-	-	0	1153
5. AES Pakgen	0	979	-	-	0	979
6. Southern Electric	-	112	-	-	0	112
7. Pasmic	-	-	128	171	128	171
8. KANUPP	-	-	293	310	293	310
9. Tapal Energy	-	-	215	863	215	863
10. Gul Ahmed	-	-	0	607	0	607
11. WAPDA	-	-	1232	1042	(1232)	(1042)
12. KESC	91	161	-	-	(91)	(161)
Total	10831	13715	1868	2993	11376	15505
Total available for sale	50782	53197	9326	10370	58785	62364
Energy Sale (Excluding import/export between WAPDA/KESC System)	38529	39393	5766	6183	44295	45576
Losses %	24.12	25.95	38.17	40.37	24.64	26.91

Source :-WAPDA & KESC

* For total system losses the export/import between the utilities has been extracted to avoid double counting.

Consumption

12.7 The consumption of electricity has increased from 44295 GWH in 1996-97 to 45576 GWH in 1997-98 showing an increase of 2.89 percent. Details are given in Table 12.7.

TABLE 12.7

CONSUMPTION OF ELECTRICITY BY ECONOMIC GROUP

(GWH)

	1996-97			1997-98 (Provisional)		
	WAPDA	KESC	TOTAL	WAPDA	KESC	TOTAL
Domestic	15593	2218	17811	16309	2425	18734
Commercial	1757	492	2249	1734	530	2264
Industrial	10116	1885	12001	10235	2090	12325
Agriculture	7019	73	7092	6887	75	6962
Other	4044	1098	5142	4228	1063	5291
TOTAL	38529	5766	44295	39393	6183	45576

Consumers

12.8 In 1997-98, a total number of 676213 new consumers were proposed to be added in both WAPDA and KESC system. Out of which only 392218 new consumers were added during the year 1997-98, showing 58.00 percent achievement. The shortfall in new connection in WAPDA system is mainly attributed to WAPDA's in-efficiency in acquiring the energy meters and related material, inspite of advance payment recieved by WAPDA from the consumers. With the addition of 392218 new connections, the total cumulated number of consumers have increased from 11.20 millions in 196-97 to 11.60 millions in 1997-98. Details are given below in Tables 12.8 and 12.9.

TABLE 12.8

NUMBER OF CONSUMERS (INCREMENTAL)

(Nos)

	Target 1997-98			Achievement 1997-98		
	WAPDA	KESC	TOTAL	WAPDA	KESC	TOTAL
Domestic	556543	28421	584964	300118	30022	330140
Commercial	61920	10815	72735	42033	13552	55585
Industrial	9776	710	10486	2238	113	2351
Agriculture	7417	26	7443	3317	61	3378
Others	557	28	585	754	10	764
Total	636213	40000	676213	348460	43758	392218

Source :- Wapda & Kesc.

TABLE 12.9
CUMULATIVE NUMBER OF CONSUMERS

(Nos)

	1996 -97			1997-98		
	Wapda	KESC	Total	Wapda	KESC	Total
Domestic	8155324	1010122	9165446	8455442	1040144	9495586
Commercial	1354940	296989	1651929	1396973	310541	1707514
Industrial	184301	27820	212121	186539	27933	214472
Agriculture	167245	1276	168521	170562	1337	171899
Others	6802	1112	7914	7556	1122	8678
Total	9868612	1337319	11205931	10217072	1381077	11598149

Source :- Wapda & Kesc.

Rural Electrification

12.9 For the year 1997-98, 4061 villages were to be electrified by WAPDA & KESC. Against this target only 1383 villages/abadies have been electrified by WAPDA and 10 villages were electrified by KESC upto June 1998, thus recording 34.30 percent achievement of the target. Details are given in Table 12.10.

TABLE 12.10
RURAL ELECTRIFICATION

(Nos)

AGENCY	Target 1997-98	Achievement 1997-98
WAPDA		
Punjab	-	859
Sindh	-	176
NWFP	-	253
FATA/PATA	-	10
Balochistan	-	85
Sub-Total:	4000	1383
KESC	61	10
TOTAL	4061	1393

Source :- Wapda & Kesc.

Private Sector Power Policy 1998

12.10 Ministry of Water and Power, Government of Pakistan has announced a New Independent Power Producer's Policy in July, 1998. The new policy offered lays emphasis on the principle of International Competitive Bidding and envisages to offer local coal reserves and hydel resources to International Private Investors for setting up power stations to keep pace with the country's energy requirement. The policy aimed at providing cheap electricity to people by tapping and exploring indigenous resources. The new policy had withdrawn all the concession available on the import of power generating machinery. The hydel projects under the new policy would be setup on BOOT basis, and would be transferred to the respective provinces at the end of concession period, while the thermal projects would be setup on BOO basis. The government would identify the sites and conduct feasibility studies before offering the project for an International Bidding.

PLAN FOR 1998-99

Installed Capacity

12.11 In the year 1998-99, it is envisaged that a total capacity of 1667.3 MW would be added in the National Grid System comprising of Reshun Hydro Power Project at Chitral (2.8 MW) in public sector, whereas Fauji Kabirwala Power Co. Ltd (157 MW), Altern Energy Ltd (14 MW), Sabah Power Co. Ltd (114 MW), Northern Electric Co Ltd (6 MW), Power Gen System Ltd (116 MW), Uch Power Project (586 MW), Habibullah Energy Ltd (140 MW), Japan Power Gen Ltd (120 MW) and Roush Pakistan Power Ltd (412 MW) in Private Sector. Besides this, due to the retirement of 157 MW, in Wapda's thermal power plants comprising of Shahdara Gas Turbine (27 MW) & Multan Steam (130 MW), the net addition in the installed capacity in 1998-99 would be 1510.8 MW. With the addition of 1510.8 MW the total installed capacity in the country would increase from 15968 MW in 1997-98 to 17479 MW in 1998-99. Details are given in Table 12.11.

TABLE 12.11

PROGRESSIVE INSTALLED CAPACITY

(MW)

	Total 1997-98				Total 1998-99 (Target)			
	Wapda	KESC	Private	Total	Wapda	KESC	Private	Total
Hydel	4825	0	0	4825	4828	0	0	4828
Steam	1895	1510	2271	5676	1765	1510	3936	7211
Gas Turbine & Combined Cycle	3227	225	1878	5330	3200	225	1878	5303
Nuclear	0	137	0	137	0	137	0	137
Total	9947	1872	4149	15968	9793	1872	5814	17479

Source:-Wapda & KESC.

Energy Generation

12.12 The total Energy generation is projected to increase from 62364 GWH in 1997-98 to 65721 GWH in 1998-99, showing an increase of 5.38 percent. Details are given in the Table 12.12.

TABLE 12.12
ENERGY GENERATION (GWH)

ITEM	1997-98 (Actual)	1998-99 (Target)	(GWH) % increase in 98-99 over 1997-98
WAPDA			
Hydel	22056	22157	0.46
Thermal	17426	10657	-38.84
Private Power Export to WAPDA	13554	22104	63.08
KESC export to WAPDA	(161)	(0)	-100
Sub- Total (WAPDA)	53036	54918	3.55
KESC			
KESC Own Generation	7377	8603	16.62
Import from PASMIC	171	161	-5.85
Import from KANNUP	310	330	6.45
Import from WAPDA	(1042)	(118)	-88.67
Import from Private Power	1470	1709	16.25
Sub-Total (KESC)	9328	10803	15.81
TOTAL (Generation)	62364	65721	5.38

* Figure of export/import between KESC & WAPDA are excluded to avoid double counting.

Maximum Demand

12.13 The diversified maximum demand in 1998-99 is envisaged to be 10936 MW against 10680 MW in 1997-98 anticipating an increase of 2.40 percent. The details are given in the Table 12.13.

TABLE 12.13

MAXIMUM DEMAND (MW)

ITEM	1997-98 (Actual)	1998-99 (Projected)	Percentage increase
WAPDA System	9165	9340	1.91
KESC System	1729	1815	4.98
Aggregate	10894	11155	2.40
Diversified	10680	10936	2.40

Distribution

12.14 In WAPDA system 40968 GWh energy is projected to be sold in 1998-99 against the sale of 39393 GWh in 1997-98 showing an increase of about 3.99 percent. The losses in WAPDA System would reduce from 25.95 percent in 1997-98 to 25.40 percent in 1998-99. In KESC system, the energy sale in 1998-99 is projected as 7510 GWh against 6183 GWh in 1997-98 showing an increase of 21.46 percent. The losses in the KESC system would be reduced by operational improvements from 40.37 percent in 1997-98 to 31.23 percent in 1998-99. The structural bearup is given in Table 12.14.

TABLE 12.14
ENERGY SALE AND LOSSES

	WAPDA		KESC		TOTAL	
	1997-98	1998-99	1997-98	1998-99	1997-98	1998-99
Energy Generation	39482	32814	7377	8603	46859	41417
Import						
1. Hubco	5783		-	-	5783	
2. KAPCO	5089	22104	-	-	5089	22104
3. Kohinoor	438		-	-	438	
Energy						
4. AES Lalpir	1153	N.A	-	-	1153	N.A
5. AES Pakgen	979	-Do-	-	-	979	-Do-
6. Southern	112	-Do-	-	-	112	-Do-
Electric						
7. Pasmic	-	-	171	161	171	161
8. KANUPP	-	-	310	330	310	330
9. Tapal Energy	-	-	863	846	863	846
10. Gul Ahmed	-	-	607	863	607	863
11. WAPDA	-	-	1042	118	(1042)	(118)
12. KESC	161	-	-	-	(161)	(-)
Total	13715	22104	2993	2318	15505	24304
Total available for sale	53197	54918	10370	10921	62364	65721
Energy Sale (Excluding	39393	40968	6183	7510	45576	48478

import/export between WAPDA/KESC System)						
Losses %	25.95	25.40	40.37	31.23	26.91	26.23

Source :-WAPDA & KESC

* For total system losses the export/import between the utilities has been extracted to avoid double counting.

Consumption

12.15 The total consumption of electricity is expected to increase from 45576 GWH to 48477 GWH showing an increase of 6.36%. Sectoral breakup of energy consumption for Wapda to KESC system is shown in Table 12.15 .

TABLE: 12.15

CONSUMPTION OF ENERGY BY ECONOMIC GROUP

(GWh)

	1997-98 (Provisional)			1998-99 (Target)		
	WAPDA	KESC	TOTAL	WAPDA	KESC	TOTAL
Domestic	16309	2425	18734	16961	2945	19906
Commercial	1734	530	2264	1803	644	2447
Industrial	10235	2090	12325	10644	2538	13182
Agriculture	6887	75	6962	7162	91	7253
Other	4228	1063	5291	4398	1291	5689
TOTAL	39393	6183	45576	40968	7509	48477

Consumers

12.16 In 1998-99 total number of 501700 new consumers are proposed to be added in both WAPDA and KESC system, The sectoral break up is shown in Table 12.16 below. With the addition of proposed 501700 number of consumers in 1998-99, the number of connections of consumers would increase from 11.60 million in 1997-98 to 12.10 million in 1998-99.

TABLE 12.16
NUMBER OF CONSUMERS (INCREMENTAL)

(Nos)

	Achievement 1997-98			Target 1998-99		
	WAPDA	KESC	TOTAL	WAPDA	KESC	TOTAL
Domestic	300118	30022	330140	379981	30874	410855
Commercial	42033	13552	55585	64000	13937	77937
Industrial	2238	113	2351	5078	116	5194
Agriculture	3317	61	3378	6741	63	6804
Others	754	10	764	900	10	910
Total	348460	43758	392218	456700	45000	501700

Rural Electrification

12.17 During 1998-99, the target set for village electrification is 5092 villages/ abadies by WAPDA and KESC. The details are given in the Table 12.17.

TABLE 12.17

RURAL ELECTRIFICATION

(Nos)

Agency	Target 1998-99
WAPDA	5000
KESC	92
Total:	5092

Source :- Wapda & Kesc

FUEL SECTOR**OIL
REVIEW OF 1997-98****Domestic Crude Production**

12.18 Total domestic production of crude oil in 1997-98 is 56283 BPD against the target of 57882 BPD, showing 97.2 percent achievement and against actual crude production of 58275 BPD in 1996-97 showing a decrease of 3.42 percent. This decrease is mainly due to natural depletion. Fieldwise domestic crude production is shown in the S.A. Table 12.1

Crude Source wise

12.19 Besides crude from local production, 4.062 million tonnes of crude was imported during 1997-98, against crude import in 1996-97 of 4.04 million tonnes. The overall position of crude source wise for 1996-1997 and 1997-98 is given in Table 12.18.

**TABLE 12.18
CRUDE SOURCE-WISE 1997-98**

Sector	(Million Tonnes)		
	1996-97 Actual	1997-98 Actual	Increase/Decrease
Total Crude	6.20	6.367	2.69
Imported Crude	4.04	4.062	0.54
Domestic Crude	2.16	2.305	6.71
Export of Domestic Crude	0.0	0.0	0.0
Net to refinery	6.20	6.367	2.69

Source: OCAC.

Refining

12.20 During 1997-98, a total of 6.367 million tonnes of crude was processed in the country against 6.2 million tonnes in 1996-97, showing an increase of 2.269 percent.

POL Consumption

12.21 The POL consumption in the country increased to 17.29 million metric tonnes in 97-98 as compared to 16.33 million metric tons in 1996-97 showing an overall increase of 5.88 percent during the period. Details of POL consumption (category-wise) are given in the Table 12.19.

TABLE 12.19

POL CONSUMPTION (CATEGORYWISE)

(Million Tonnes)

	1996-97 (Actual)	1997-98	% Increase/Decrease
Domestic	0.51	0.50	-1.96
Industrial	2.39	2.33	-2.51
Agriculture	0.27	0.25	-7.40
Transport	7.48	7.63	2.00
Power	5.11	6.05	18.40
Others/Government	0.42	0.38	-9.52
Bunkers	0.15	0.15	-0.0
Total	16.33	17.29	5.88

Source: OCAC.

12.22 As the product mix of refineries and the pattern of POL consumption does not match, therefore some oil products have to be imported and excess Naptha production by the refineries is exported. The balance sheet of POL sources and consumption is given in Table 12.20.

TABLE 12.20
POL CONSUMPTION (MILLION TONNES)

	1996-97 (Actual)	1997-98 (Actual)
POL Production from Refineries	5.879	6.176
POL Import	10.620	11.310
Sub Total	16.499	17.486
Domestic Consumption	16.180	17.150
Export/Bunkers	0.150	0.150

Source: OCAC.

Drilling

12.23 A total of 47 wells both in public and private sectors were drilled as against the target of 58 wells, comprising of 32 exploratory and 26 appraisal / development wells. Details of achievements are given in the Table.12.21. Regarding appraisal/development wells, the low achievement by OGDC is attributed to shortage of funds due to non receipt of receivables by OGDC from Gas distribution Companies and Refineries.

TABLE 12.21

NO. OF WELLS DRILLED

	Actual 1996-97	1997-98		Achievement (%)
		Target	Achievement	
Exploratory				
OGDC	5	8	8	100
Private Sector	18	24	26	108
Sub-Total Exploratory	23	32	34	106
Appraisal/Development				
OGDC	9	11	4	36
Private Sector	14	15	9	60
Sub-Total (Dev)	23	26	13	50
Total OGDC	14	19	12	63
Total Private Sector	32	39	35	90
Grand Total	46	58	47	81

Source: Ministry of Petroleum and Natural Resources

New Discoveries

12.24 A total of 16 new oil and gas fields were discovered out of which 4 are oil producing and 12 are gas producing. Details are given in the Table.12.22. The new discoveries are at various stages of testing and details will be known by completion of studies of appraisal stage.

TABLE 12.22

DISCOVERIES IN 1997-98

No.	Name of Field	Operator	Type of Discovery	Public/Private Sector
1	Mari Deep-1	MGCL	Gas	Private
2	Jandran	OGDCL	Gas	Public
3	Turkwal	POL	Oil	Private
4	Raj-1	UTP	Gas	Private
5	Keyhole G-I	UTP	Oil	Private
6	Sawan-1	OMV	Gas	Private
7	Tando Allah Yar-1	OGDCL	Gas	Public
8	Mari Deep-2	MGCL	Gas	Private
9	Suri-1	TULLOW	Gas	Private
10	Jakhro-1	OGDCL	Gas	Public
11	Hamza X-1	PPL	Gas	Private
12	Zamzama-1	BHP	Gas	Private
13	Dabhi North-1	UTP	Oil	Private
14	Sakhi Deep-1	UTP	Gas	Private
15	Meyun Ismail Deep-1	UTP	Gas	Private
16	Misan-1	OGDCL	Oil	Public

Sources: Ministry of Petroleum and Natural Resources.

FOREIGN EXCHANGE BILL

12.25 The net foreign exchange bill for the import of deficit POL products and crude was US\$ 1869.264 million in 1997-98 against US \$ 2326.598 million in 1996-97. The bill is comparatively lower due to decline in international price of oil. The details of the main elements of foreign exchange bill is given in the Table.12.23.

**TABLE 12.23
OIL IMPORT BILL**

	1996-97		1997-98	
	Quantity (million. Tons)	Cost (\$ million)	Quantity (million. Tons)	Cost (\$ million.)
IMPORTS				
Crude oil	3.844	565.298	4.131	462.908
Foreign Companies Share in Indigenous Crude	0.316	47.767	0.483	63.018
Products Imported	10.620	1713.880	11.310	1336.280
Freight for Crude transportation	-	16.402	-	18.980
Total	14.780	2343.347	15.924	1881.186
EXPORTS				
POL (NAPTHA)	0.084	16.269	0.073	11.532
Bunkers	0.150	0.480	0.150	0.390
Total	0.234	16.749	0.223	11.922
Net	14.546	2326.598	15.701	1869.264

Source: OCAC.

PROGRAMME FOR 1998-99

Oil

12.26 The consumption of POL is envisaged to be 17.45 million tons in 1998-99 as compared to 17.29 million tons in 1997-98 showing an increase of 0.93 percent. Sectoral breakup of consumption is given in the Table.12.24.

TABLE 12.24
POL CONSUMPTION (CATEGORY-WISE)

(Million Tons)

	1997-98 (Actual)	1998-99 (Projected)
Domestic	0.50	0.50
Industrial	2.33	2.50
Agriculture	0.25	0.33
Transport	7.63	7.75
Power	6.05	5.75
Others/Government	0.38	0.42
Bunkers	0.15	0.20
Total	17.29	17.45

Source: OCAC

Crude Production

12.27 The domestic crude production is expected to be 61904 barrels per day in 1998-99 compared to 56283 barrels per day in 1997-98 showing an increase of 9.9 percent. The increase is attributed to expected increase in production from Tando Alam, Lashari South, Kunnar, Bobi, Balsydan, Dhulian, Pariwali, Ghungro, Liari, Mayel Ismail, N Akari, Jagir and Durnal oil fields. The details are given in S.A. Table 12.1

Refining

12.28 The projected amount of crude to be processed by the three refineries in the country will be 6.641 million tons in 1998-99 as compared to 6.367 million tons in 1997-98. The breakup of imported and domestic crude to be processed in the refineries is given in the Table 12.25.

**TABLE 12.25
CRUDE SOURCE WISE 1998-1999**

(Million Tonnes)

	1997-98 (Actual)	1998-99 (Projected)
Total Crude	6.367	6.641
Imported Crude	4.062	4.444
Domestic Crude	2.305	2.197
Export of Domestic Crude	0.000	0.000
Net Domestic Crude for Refineries Processing.	6.367	6.641

Source: OCAC.

POL Consumption

12.29 The expected POL imports, production from refineries and its consumption are given in the Table 12.26.

**TABLE 12.26.
POL CONSUMPTION**

(Million Tons)

	1997-98 (Actual)	1998-99 (Projected)
POL Production from Refineries	6.176	5.968
POL Import	11.310	11.450
Sub Total	17.486	17.418
Domestic Consumption	17.150	17.250
Export/Bunkers	0.15	0.20

Source: OCAC.

REFINERIES

12.30 The refining capacity of existing refineries is much less than existing POL consumption in the country and it results in heavy import of POL products. If new refineries are not setup in the country, POL imports would further increase in coming years. In order to enhance local refining capacity, the project of PARCO mid country refinery (4 million tonnes per annum capacity) is under way which would also be completed by the year 2000. Moreover,

Iran - Pak refinery with annual capacity of 6 million tons has also been approved in principle and is sponsored through joint venture of PERAC and is expected to be commissioned by end 9th plan period.

DRILLING

12.31 A total of 44 exploratory and appraisal /development wells including 19 wells by Public Sector (OGDC) and 25 wells by Private sector are envisaged to be drilled during 1998- 99. Breakup is given in Table 12.27.

TABLE 12.27
NO. OF WELLS

	1997-98 (Actual)	1998-99 (Target)
Exploratory		
OGDC	8	8
Private Sector	26	10
Sub Total Exploratory	34	18
Appraisal/Development		
OGDC	4	11
Private Sector	9	15
Sub Total Development	13	26
Total OGDC	12	19
Total Private Sector	35	25
Grand Total	47	44

Source: M/O. Pet. & Natural Resources.

Oil transmission and storage capacity

12.32 A project namely "2nd White Oil Pipeline from Karachi to Multan" is under implementation in Private Sector by Ministry of Petroleum & Natural Resources.

Storages

12.33 A project for up-country storage development of 164 thousand metric tonnes is under implementation by PSO out of which 49.5 thousand metric tons storage has been completed and the remaining is expected to be completed during 1998-99.

Foreign Exchange Bill

12.34 Estimates for oil bill based on term contract and spot prices from diversified sources for the year 1998-99 are given in the Table 12.28.

**TABLE 12.28
OIL IMPORT BILL**

	1998-99 (target)	
	Quantity(Million Tons)	Cost(\$ Million)
Imports		
Crude Oil	4.444	499.125
Foreign Companies Share in Indegenious Crude	0.392	44.083
Products Imported	11.450	1340.000
Freight for Crude	-	19.655
Total(Imports)	16.286	1902.863
Exports		
POL (NAPHTA)	0.100	11.500
Bunkers	0.200	0.500
Total	0.300	12.000
Net	15.986	1890.863

Sources: OCAC

Natural Gas

REVIEW OF 1997-98

Production

12.35 The average production of natural gas in the country increased from 1911 MMCFD in 1996-97 to 1921.9 MMCFD in 1997-98 showing an increase of 1.15 percent. Field wise gas production is given in S.A. Table 12.2. This increase is mainly attributed to increased production at Turk, Pindori, Ahdi, Sui and Khandkot gas fields.

Consumption

12.36 The consumption of natural gas increased from 1112.3 MMCFD in 1996-97 to 1141.9 MMCFD in 1997-98, showing 2.7 percent increase. The company-wise details are given in Table 12.29 whereas natural gas consumed by different categories of consumers in 1996-97 and 1997-98 is given in the Table 12.30.

TABLE 12.29
CONSUMPTION OF NATURAL GAS
(MMCFD)

AGENCY	1996-97	1997-98
SSGC	479.3	462.9
SNGPL	633	679
TOTAL	1112.3	1141.9

Source: SSGC and SNGPL

TABLE 12.30
SECTORAL CONSUMPTION OF NATURAL GAS
(MMCFD)

Field	1996-97			1997-98		
	SSGC	SNGPL	Total	SSGC	SNGPL	Total
Domestic	163.1	214	377.1	130.9	253	383.9
Commercial	-	37	37.0	-	38	38.0
Industrial	170.1	173	343.1	180	175	355
Fertilizer	15.0	105	120.0	15.1	92	107.1
Power	131.1	104	235.1	136.9	121	257.9
Other	-	-	-	-	-	-
TOTAL	479.3	633	1112.3	462.9	679.0	1141.9

Source: SSGC and SNGPL

12.37 In addition to the above consumption, some Power and Fertilizer plants use raw gas directly fed from Sui, Mari and Khandkot gas fields. The details are as given in the Table 12.31.

TABLE 12.31
CONSUMPTION OF RAW NATURAL GAS (DIRECT)
(MMCFD)

Gas Field	Power Plants		Fertilizer Plants		TOTAL	
	1996-97	1997-98	1996-97	1997-98	1996-97	1997-98
SUI	110	96	-	-	110	96
MARI	66	98	334	312	400	410
KHAND-KOT	100	62	-	-	100	62
TOTAL	276	256	334	312	610	568

Distribution

12.38 Total 195100 number of new connection were provided in year 1997-98 against target of 214250 numbers in both SNGPL and SSGC system showing 98 percent achievement. With the addition of 195100 number of consumers, the commutative number of consumers would increase to 3006461 as on 30th June 1998. The Category wise break up is given in the Tables 12.32 & 12.33.

TABLE 12.32
NEW GAS CONNECTION DURING 1997-98 (INCREMENTAL)
(Nos)

	TARGET 1997-98			ACHIEVEMENT 1997-98		
	SNGPL	SSGC	TOTAL	SNGPL	SSGC	TOTAL
Domestic	125000	83775	208775	98072	93832	191904
Commercial	4000	1225	5225	1369	1657	3026
Industrial	100	150	250	30	140	170
TOTAL	129100	85150	214250	99471	95629	195100

Source: SSGC and SNGPL.

TABLE 12.33

(Nos)

	As on 30th June 1997			As on 30th June 1998		
	SNGPL	SSGC	TOTAL	SNGPL	SSGC	TOTAL
Domestic	1500184	1254369	2754553	1598256	1348201	2946457
Commercial	35862	16689	52551	37231	18346	55577
Industrial	2764	1971	4735	2316	2111	4427
TOTAL	1538810	1273029	2811839	1637803	1368658	3006461

Project

12.39 The SNGPL's Project 6, phase-II, has been completed during 1997-98.

PLAN FOR 1998-99

Production

12.40 The production of natural gas is estimated to increase to 2372 MMCFD in 1998-99 as compared to actual production of 1921.9 MMCFD in 1997-98 showing an increase of 23.41 percent. The estimated production would change with any change in the field behavior. Fieldwise production is shown in the S.A. Table 11.3.

Consumption

12.41 The consumption of gas in SSGC System is projected to increase from 462.9 MMCFD in 1997-98 to 520.8 MMCFD in 1998-99 and in SNGPL it is projected to increase from 679 MMCFD in 1997-98 to 725 MMCFD in 1998-99. Details are given in Table 12.34.

TABLE 12.34
CONSUMPTION OF NATURAL GAS

(MMCFD)

COMPANY	1997-98 (Actual)	1998-99 (PROJECTED)
SSGC	462.9	520.8
SNGPL	679	725
TOTAL	1141.9	1245.8

Source: SSGC and SNGPL.

12.42 Some Power and Fertilizer plants use raw gas directly. The consumption during 1998-99 is projected to 600 MMCFD from different fields. Details are given in Table 12.35.

TABLE 12.35
CONSUMPTION OF RAW NATURAL GAS (DIRECT)

(MMCFD)			
Field	Power Plants	Fertilizer Plants	Total
Sui	100	-	100
Mari	66	334	400
Khandkot	100	-	100
Total	266	334	600

Note:- The difference between production and consumption is attributed to compression, losses and internal use.

Import of Gas.

12.43 To meet the long term growing demand of the country, the Government has been considering gas import proposals for the neighbouring countries namely Turkmenistan and Iran. A study in this regard is under way by M/S. Beicip Franlab in collaboration with Asian Development Bank which is expected to be completed during the next couple of months.

Distribution

12.44 In 1998-99, a total of 191290 new consumers are proposed to be added in both SSGC and SNGPL systems. Details are given in Table 12.36.

TABLE 12.36
NEW GAS CONNECTIONS 1998-99 (INCREMENTAL)

(Nos)			
	SNGPL	SSGC	TOTAL
Domestic	100000	85635	185635
Commercial	4000	1400	5400
Industrial	100	155	255
TOTAL	104100	87190	191290

Source: SSGC and SNGPL.

LPG Production

12.45 Liquefied Petroleum Gas (LPG) supply was increased from 422 tons per day in 1996-97 to 520 tons per day in 1997-98, showing an increase of 23 percent. For 1998-99, it is estimated that LPG supply would increase to 580 tons per day.

COAL REVIEW OF 1997-98

12.46 The total coal production (exclusive of unreported) in 1997-98 was 3.4 million tons (Private Sector 2.86 million tons and Public Sector 0.54 million tons) against the target of 3.44 million tons showing 99% achievement. Details are given in Table 12.37.

**Table-12.37
PHYSICAL ACHIEVEMENT DURING 1997-98**

ITEM/ACTIVITY	Agency/Sector	Target 1997-98	Achievement 1997-98
EXPLORATION a: Drill Holes (Nos) (depth-meters)	GSP	40 (10,000)	30 (7092)
b: Addition of Measured Reserves (Mln.Tones)	GSP	300	400
PRODUCTION (Mln.Tones)	a) Public Sector i) LCDC ii) PMDC iii) PUNJMIN b) Private Sector*	0.18 0.36 0.04 2.86	0.18 0.32 0.04 2.86
	Total (a&b)	3.44	3.4
CONSUMPTION (Mln.Tones)	a. Public Sector i) LCDC ii) PMDC iii) PUNJMIN b) Private Sector*	0.18 0.40 0.05 2.86	0.18 0.36 0.05 2.86
	Total (a&b)	3.49	3.45

* Excludes the unreported production.

* Excludes the unreported consumption.

Source: GSP, PMDC, Punjmin, LCDC, M/O Pet. & Natural Resources.

12.47 AGENCY-WISE ACTIVITIES DURING 1997-98**A) GEOLOGICAL SURVEY OF PAKISTAN (GSP)**

The following two projects of Geological Survey of Pakistan (GSP) remained under implementation during 1997-98.

- i) Systematic evaluation and appraisal of coal resources of four specific tracts in Thar coal field, mithi district, sindh.
- ii) Geophysical reconnaissance and exploratory drilling for coal in (Choslistan desert, Punjab.

B) LAKHRA COAL DEVELOPMENT COMPANY (LCDC)

Lakhra Coal Development Company (LCDC) produced 186859 metric tones of coal from its mines and supplied to WAPDA (3x50) MW FBC power plants at Khanote, District Dadu.

PROGRAMMES FOR 1998-99

12.48 Target of coal production (exclusive of unreported) for 1998-99 is fixed as 3.78 million tones (3.01 million tones by Private Sector and 0.77 tones by Public Sector), against the total production of 3.4 million tones during 1997-98. Details are given in Table 12.38.

TABLE 12.38

PHYSICAL ACHIEVEMENT DURING 1997-98 & TARGETS FOR 1998-99

ITEM/ACTIVITY	Agency/Sector	Achievement 1997-98	Target 1998-99
EXPLORATION	GSP	30	20
A: Drill Holes (Nos) (depth-meters)		(7092)	(5000)
B: Addition of Measured Reserves (Mln.Tones)	GSP	400	300
PRODUCTION (Mln.Tones)	a) Public Sector		
	i) LCDC	0.18	0.35
	ii) PMDC	0.32	0.37
	iii) PUNJMIN	0.04	0.05
	b) Private Sector*	2.86	3.01**
	Total (a&b)	3.4	3.78
CONSUMPTION (Mln.Tones)	a. Public Sector		
	i) LCDC	0.18	0.35
	ii) PMDC	0.40	0.37
	iii) PUNJMIN	0.05	0.05
	b) Private Sector*	2.86	3.01**
	Total (a&b)	3.49	3.78

* Excludes the unreported production.

* Excludes the unreported sales.

** Achievement 1997-98 increased @ 5%.

Source: GSP, PMDC, Punjmin, LCDC, M/O Pet. & Natural Resources.

12.49 The following activities would be undertaken by Geological Survey of Pakistan (GSP) during 1998-99 and the projects will be completed by June, 1999:

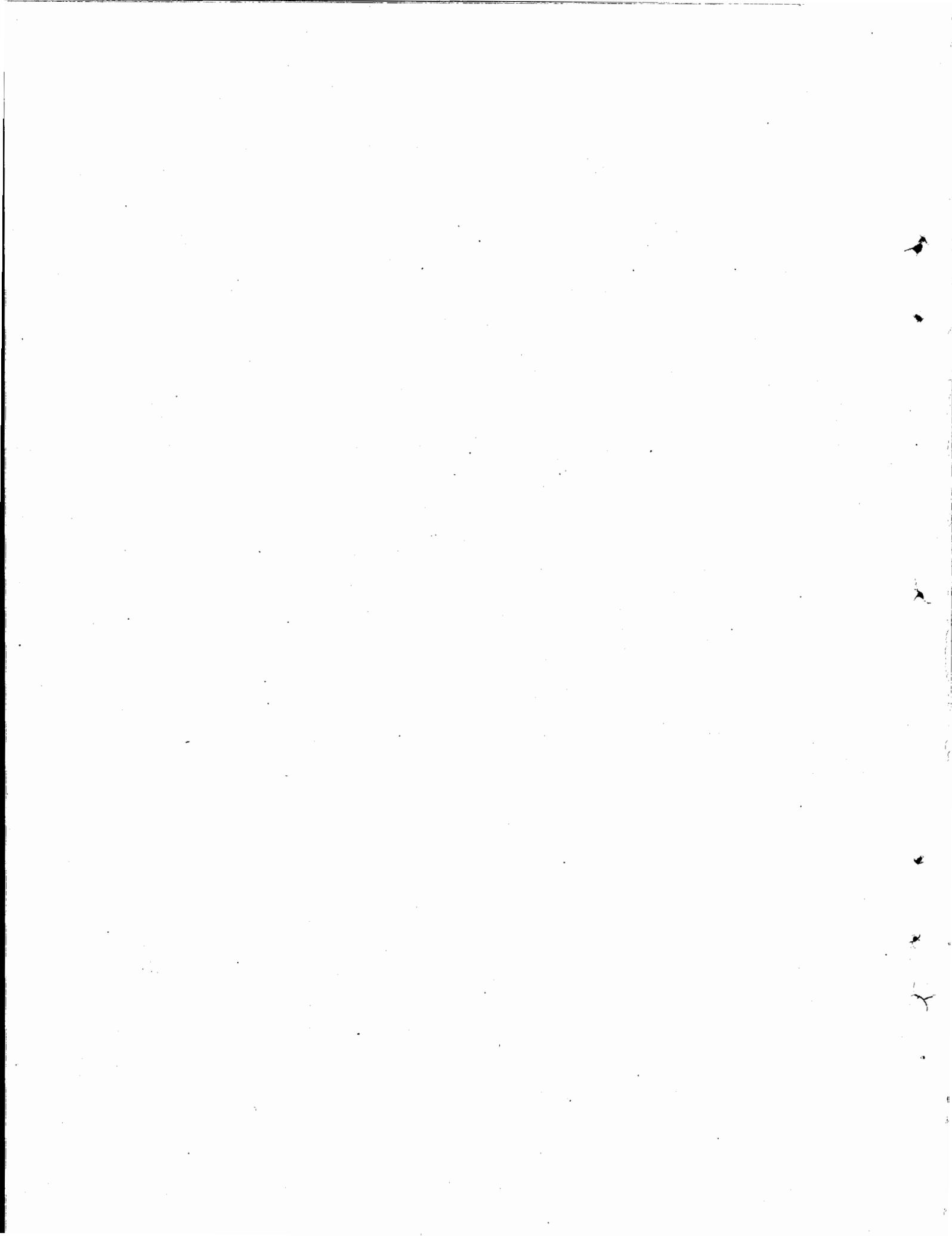
- i) Systematic evaluation and appraisal of coal resources of four specific tracts in Thar coal field, mithi district, sindh.
 - Drilling of 20 bore holes in Block-IV.
 - Geological & Geophysical logging of drill holes, Geohydrological studies and pumping tests from Private/Public sector organization on contract basis.
 - Chemical analysis of coal samples.
 - Compilation/preparation of maps & reports of areas investigated during 1997-98.

ii) Geophysical reconnaissance and exploratory drilling for coal in Choslistan desert, Punjab.

- Coverage of 1000 Sq.Kms. by gravity & magnetic surveys.
- Seismic survey of 50 line Kms.
- Drilling of two bore holes.
- Data Processing & report writing.

PSDP Allocation

12.50 The Agency-wise details of PSDP allocation for Energy Sector for 1998-99 are shown in S.A. Table 12.3.



CHAPTER - 13

TRANSPORT AND COMMUNICATION

REVIEW OF 1997-98

13.1 The Public Sector Development Programme for 1997-98 envisaged an outlay of Rs.39,362.55 million in the Federal Public Sector Programme comprising of Rs.5,380.55 million for the budgetary programme, Rs.12,200.00 million for the Budgetary Corporation (NHA) and Rs.21,782.00 million for Non-budgetary Corporations viz. PTCL, PIAC, CAA and PNSC. Against this an expenditure of Rs.30,505.97 million was incurred which includes Rs.3,104.01 million for the Budgetary Programme, Rs.12,807.12 million for the Budgetary Corporation (NHA) and Rs.14,594.85 million for Non-budgetary Corporations viz. PTCL, PIAC, CAA and PNSC; giving an overall utilization of 76 per cent. Under the provincial programme of Rs.2,544.62 million an expenditure of Rs.2,149.29 million was incurred giving a utilization of 84 per cent. Comparison of the financial allocation and utilization by major sub-heads during 1997-98 is tabulated:

1997-98 ALLOCATION / EXPENDITURE

(Rs.Million)

Sr. No.	Budget Detail	PSDP Allocation	Expenditure incurred	Percent utilization
A.	Federal			
	<i>i. Budgetary Programme</i>	<i>5380.55</i>	<i>3104.01</i>	<i>58</i>
	<i>ii. Budgetary Corporation</i>	<i>12200.00</i>	<i>12807.12</i>	<i>105</i>
	<i>iii. Non-Budgetary Corporation</i>	<i>21782.00</i>	<i>14594.85</i>	<i>67</i>
	Sub-Total Federal (A).	39362.55	30505.97	76
B.	Provincial			
	<i>Budgetary Programme</i>	<i>2544.62</i>	<i>2149.29</i>	<i>84</i>
	Total T&C (A + B).	41907.17	32655.26	78

13.2 Sub-sector wise details may be seen at S.A. Table 13.1. Major physical achievements are given in S.A. Table 13.2.

PHYSICAL IMPLEMENTATION

A. FEDERAL PROGRAMME

I- RAILWAYS

13.3 The freight traffic projected for 1996-97 and 1997-98 and actual carried by the Pakistan Railways is tabulated in Table-13.1.

TABLE 13.1

COMPARISON OF PASSENGER AND FREIGHT TRAFFIC

BY PAKISTAN RAILWAYS WITH PROJECTIONS DURING 1996-98 PERIOD

Sr.No	Physical Targets & Achievements	Freight Traffic (MTKM)	Passenger Traffic (MPKM)
I.	1996-97		
	- <i>Plan Target</i>	9,034	22,483
	- <i>Actual</i>	4,607	19,114
	- <i>Achievement (%)</i>	51	85
II.	1997-98		
	- <i>Plan Target</i>	9,850	22,932
	- <i>Actual</i>	4,447	18,774
	- <i>Achievement (%)</i>	45	82

13.4 A perusal of above table would indicate that Pakistan Railways continued with the declining trend both in Passenger and freight traffic. The freight traffic carried during 1997-98 declined by 3.5 per cent lower than the traffic carried during 1996-97. Compared to plan target the achievement was hardly 45 per cent. Similarly the Passenger traffic, carried during 1997-98 declined by 1.8 per cent than the traffic carried during 1996-97. The passenger traffic also fell short of the plan target by 18 per cent.

13.5 An allocation of Rs.3828.97 million was made for Pakistan Railways against which the expenditure incurred stood at Rs.2287.32 million indicating a utilization of 60 per cent. The shortfall in expenditure is attributed to non-adherence of the original schedule for supply of 30 D.E. Locos (3000 HP) and stoppage of work by ECC on projects including manufacture of 175 passenger carriages and rehabilitation of 48 (out of 101) D.E. Locos. Sleeper renewal of 21 Km, rail renewal of 31 Km was carried out. Work progressed on rehabilitation of track, rehabilitation of DE Locos, spares for unit exchange and inventory, track circuiting on 94 stations and procurement of 30 locos. The projects viz: Procurement of 18 DE

locomotives and Procurement of 200 new and rehabilitation of 548 traction motors were completed.

II. PORTS & SHIPPING

13.6 Against the allocation of Rs.60.83 million an expenditure of Rs.20.36 million was incurred on acceleration of work for bulk water supply from Gujoo canal to the Port Qasim industrial area and Gawadur Fish Harbour cum mini port and to meet the liabilities of Port Qasim Phase-I project.

III. HIGHWAYS & BRIDGES

13.7 Against an allocation of Rs.12912.29 million (comprising of NHA, NLC & Special Areas) an expenditure of Rs.13513.94 million was incurred on the development programme of Highways and Bridges giving a utilization of 83 per cent. Details are given as under:-

NATIONAL HIGHWAY AUTHORITY (NHA)

13.8 Against an allocation of Rs.12200.00 million an expenditure of Rs.12807.12 was incurred on the development programme of National Highways giving a utilization of 104.98 percent. Details are given as under:-

A. National Highways

- i) The bulk of the National Highway allocation for 1997-98 was earmarked for the core programme. An expenditure of Rs.199.70 million was incurred on the Fourth Highway project co-financed by the World Bank which provides for construction of 355 Km of second carriageway & improvement of 202 Km of National Highway (N-5) including 16 bridges. Rs.484.025 million on Maintenance Backlog Reduction & Re-surfacing and Strengthening Programme also co-financed by the World Bank, Rs.2429.688 million for improvement work on the 1189 Km long Indus Highway N-55 including the Kohat Tunnel, Rs.401.247 million on restoration of the 1992 flood damages and Rs.270.115 million on the Sukkur bridge project.
- ii) An expenditure of Rs.3232.026 million was incurred on dualization of National Highway (N-5). This included Hala-Moro, Moro-Baberlo, Baberlo-Ubaro, Ubaro-Rahim Yar Khan, Bahawalpur-Multan, Multan-Mian Channu, Okara-Lahore, Kharian-Rawalpindi and the Chablat-Nowshera sections and the Lahore by-pass.
- iii) An expenditure of Rs.5104.029 million was incurred on completion of the remaining works on the Lahore-Islamabad Motorway project and initiation of work on the Islamabad-Peshawar Motorway Project.

- iv) An expenditure of Rs.418.687 million was incurred on the improvement of National Highways in Baluchistan, out of which Rs.206.214 million were incurred on construction and improvement of 149 Km section of Karachi-Khuzdar-Quetta-Chaman Section (N-25) and Rs.212.473 million on improvement of 176 Km long section of Quetta- Dalbandin- Taftan (N-40).

B. Other Projects

- i) An expenditure of Rs.3.631 million was incurred on improvement and upgradation of the Barian - Nathiagali- Abbottabad road and Rs.34.602 million on Islamabad Chowk-Barakhu both of which are provincial projects.
- ii) Under P.M directives an expenditure of Rs.211.346 million was incurred on the construction/completion of ongoing works including Chiniot bridge, Tal-Parachinar road, Rato-Dero-Shahdaskot-Khuzdar road, Keti bunder road, and feasibility study (design etc).

NATIONAL LOGISTIC CELL (NLC)

13.9 The entire allocation of Rs.8.69 million was incurred on continuation of work on Kalabagh-Shakardara road project.

SPECIAL AREAS

13.10 Against an allocation of Rs.703.60 million an expenditure of Rs.698.13 million was incurred giving a utilization of 99.22 per cent. In physical terms construction of 132 Km & improvement of 52 Km black topped roads, improvement of 91 Km shingle roads and construction of 17 bridges was carried out. Details are given below:-

Azad Kashmir

13.11. Against an allocation of Rs.222.00 million an expenditure of Rs.229.28 million was incurred on construction of 3 Km of double lane metalled road and 34 Km of black top roads and improvement of 8 Km of the existing roads. Work on bridges progressed.

Northern Areas

13.12 Against an allocation of Rs.224.00 million an expenditure of Rs.220.00 million was incurred on construction of 53 Km black top roads, 61 Km shingle roads and 16 bridges.

F.A.T.A.

13.13 Against an allocation of Rs.219.09 million an expenditure of Rs.241.00 million was incurred on construction of 45 Km and improvement of 44 Km of black top and 30 Km of shingled roads and one bridge.

IV. AIR TRANSPORT

CIVIL AVIATION AUTHORITY

13.14 Against an allocation of Rs.1181.00 million an expenditure of Rs.594.03 million was incurred on continuation of work on Aeronautical Communications and Control (AC&C) project, Procurement of crash, fire and rescue vehicles for CAA airports, completion of work on improvement of runway at Islamabad, international departure lounge at Lahore, concourse hall at Quetta, development of Nawab Shah airport as alternate to Karachi, upgradation of Moenjodaro airport for Boeing 737 operations, acquisition of land for extension of runway / terminal building at Rahim Yar Khan and completion of basic aerodrome facilities at Sehwan Sharif D.G. Khan. Work on reconstruction of Secondary runway at Karachi initiated in addition to provision of allied facilities / extensions at D.I.Khan, Multan, Skardu and Sukkur airports.

AIRPORT SECURITY FORCE (ASF)

13.15 Against an allocation of Rs.4.67 million an expenditure of Rs.2.94 million was incurred on construction of residential accommodation at Quetta and five small airports.

PAKISTAN METEOROLOGICAL DEPARTMENT (PMD)

13.16 Against an allocation of Rs.155.08 million an expenditure of Rs.23.12 million was incurred on improvement of the Met Radar network project.

PAKISTAN INTERNATIONAL AIRLINES CORPORATION (PIAC)

13.17 During 1997-98, PIAC carried a passenger traffic of 11,147 million RPKs against 11,661 million RPKs carried during 1996-97. Traffic during the period registered a decline of 4.4 per cent over the previous year. Seat factor achieved during the period under review was however improved to 65.80 per cent as against 64.9 per cent achieved during 1996-97.

13.18 The freight traffic carried during 1997-98, was 396 million RFTKS against 426 million in 1996-97. The load factor achieved was 52.50 per cent against 55.10 per cent in the preceding year.

13.19 Major activities during 1997-98 were as follows:

- During 1997-98 a restructural plan for both the international and domestic routes was prepared to achieve increase in revenue and reduction in costs by adopting the following measures:-

- i. Reduction in manpower and curtailment in expenditure.
- ii. Withdrawal of Ist Class facilities on International flights with effect from Ist June, 1998 to optimize traffic mix and enhance revenue.

- Through better fleet utilization and acquisition of leased aircraft IL-86 and TU-154, PIAC successfully carried out its Haj operation from seven cities of Pakistan.
- To cater for Umra traffic extra frequencies to Jeddah were operated by leasing additional aircraft.
- Effective 6th July 1997, Second weekly Boeing 737-300 flight on Pasni-Sharjah-Pasni was added to PIA's international network.
- To exploit more fifth freedom traffic, Zurich was introduced as a transitory point on Atlantic route which will act as an additional gateway for North America.
- Additional frequencies were operated to cater for demand during the various peak seasons like Eid-ul-Fitr and Eid-uz-Zuha.
- During December 1997 extra frequencies were operated on UK and European routes to cater for Christmas / Winter holidays demand.
- During the period under review the airline continued its efforts to improve the services areas i.e. Flight Services, Airport Services, Reservations, Cargo Facilities etc. It also continued to maintain high standards of safety and maintenance in order to become more cost effective and proficient.

13.20 An allocation of Rs.600 million was made to PIAC against which no expenditure was incurred by the PIAC.

V. Research

National Transport Research Centre

13.21 Against an allocation of Rs.4.78 million an expenditure of Rs.3.50 million was incurred on continuation of research programme. Twelve research studies on various aspects of transportation were completed while work on programmes of permanent nature like data bank, demonstration projects, highway safety and dissemination of research progressed.

VI. TELECOMMUNICATION

PAKISTAN TELECOMMUNICATION COMPANY Ltd. (PTCL)

13.22 Against an allocation of Rs.20000.00 million an expenditure of Rs.14000.82 million was incurred giving a utilization of 70 per cent. Modernization and digitalization of national and international voice & data networks was carried out, provision of one more pair of Rawalpindi-Karachi Optical Fibre Link was made, installation work on the high capacity 1550 Km digital Optical Fibre Link on the west bank of river Indus from Peshawar to Karachi to

enable PTCL to provide an alternate digital transmission media for transit exchanges in the big cities was completed and 1400 international circuits in the gateway exchanges at Karachi were added. PTCL as a partner in the global state of the art, high capacity submarine Optical Fibre network have completed nearly 70 percent of work for cable laying at Karachi. Modern maritime communication facilities in medium, high and very high frequency bands for public and Global Maritime Distress and Safety System (GMDSS) at Karachi in compliance with the international Maritime Organization regulation was established. During the year facility for internet to 10,000 subscribers was provided besides improvement in billing system through automation of the billing data in Islamabad where as work is in progress in other cities. In physical terms the following achievements were made:-

Auto/Digital Lines	350,000	Nos.
New Telephone Connections	309,660	Nos.
Number of Internet Subscribers	10,000	Nos.

PAKISTAN TELECOMMUNICATION AUTHORITY (PTA)

13.23 Against an allocation of Rs.462.45 million an expenditure of Rs.3.47 million was incurred for the completion of study on Rules / Procedures for licensing & development of a system for handling /processing consumers complaints. Since no releases were made during the financial year very small funds were utilized by the PTA from its own resources to continue the urgent nature of on-going studies.

SPECIAL COMMUNICATION ORGANIZATION (S.C.O.)

13.24 Against an allocation of Rs.142.79 million an expenditure of Rs.47.80 million was incurred for providing new telephone connections, improvement of VHF PCOs, provision of Fax machines etc in different parts of AJ&K and Northern Areas.

PAKISTAN POST OFFICE

13.25 The entire allocation of Rs.8.69 million was incurred for completion of on-going works.

B. PROVINCIAL PROGRAMME

13.26 Against an allocation of Rs.2544.62 million an expenditure of Rs.2149.29 million was incurred giving a utilization of 84.46 per cent. In physical terms 136 Km of roads were constructed while 713 Km of the existing roads were improved in addition to construction of 10 new bridges and 15 culverts. Details are given in subsequent paras.

PUNJAB**Roads and Bridges**

13.27 Against an allocation of Rs.1042.66 million an expenditure of Rs.1197.99 million was incurred giving a utilization of 114.90 percent. In physical terms work on widening and improvement of 458 Km of existing roads and construction of 78 Km of new roads was completed.

SINDH**Roads and Bridges**

13.28 Against an allocation of Rs.542.00 million an expenditure of Rs.385.87 million was incurred giving a utilization of 71.19 per cent. In physical terms work on the construction of 58 Km of new and improvement of 208 Km of existing roads was completed in addition to work on 3 bridges.

N.W.F.P.**Roads and Bridges**

13.29 Against an allocation of Rs.312.70 million an expenditure of Rs.313.79 million was incurred giving a utilization of 100.35 per cent. In physical terms 165 Km of black top and 22 Km of shingled roads were constructed. Work on improvement of 25 Km of the existing roads & 9 Km of black top roads was carried out in addition to construction of 4 bridge.

BALUCHISTAN**Roads and Bridges**

13.30 Against an allocation of Rs.647.26 million an expenditure of Rs.251.64 million was incurred giving a utilization of 38.88 per cent. In physical terms construction of 19 Km of black top roads in addition to partial work on the various stages of road components along with work on 2 bridges and 872 culverts was completed.

PROGRAMME FOR 1998-99

13.31 An allocation of Rs.47,293.41 million has been made for development of

Transport & Communications. This comprises of the following:-

(Rs.Million)

Sr.No.	Budget Detail	PSDP 1998-99
A.	Federal	
	i. <i>Budgetary Programme</i>	5798.67
	ii. <i>Budgetary Corporation</i>	16640.00
	iii. <i>Non-Budgetary Corporation</i>	22071.00
	<i>Sub-Total Federal (A).</i>	44509.67
B.	Provincial	
	i. <i>Budgetary Programme</i>	2783.74
	<i>Total T&C (A + B).</i>	47293.41

Details may be seen at Statistical Appendix Table 12.1. Major physical targets are given in statistical Appendix Table 12.2. Sub-sector wise details are given in the subsequent paras.

A. FEDERAL PROGRAMME

I - PAKISTAN RAILWAYS

13.32 An allocation of Rs.2,123.74 million has been made for completion of work on track circuiting on 94 stations, track rehabilitation including rail renewal of 67 Km & sleeper renewal of 38 Km and rehabilitation of 24 out of 54 DE Locos. Out of 30 DE Locos, 6 D.E.locos in completely built-up condition, material for 10 D.E. Locos in knocked down condition and material for local manufacture of the remaining 10 Locos would be imported. Fitment of 2400 roller bearings to freight wagons, signalling / bridge works, Wagah Railway Station, renovation of passenger coaches, overhead bridge at Pattoki and initiation of work on Gojra underpass will also be under taken.

II. PORTS & SHIPPING

D.G. Ports & Shipping (D.G. P&S)

13.33 An allocation of Rs.40.00 million has been made for completion of remaining works on Gwadar Fish Harbour project.

Pakistan National Shipping Corporation (PNSC)

13.34 An allocation of Rs.630.00 million is envisaged for acquisition of one bulk carrier of 60/70,000 DWT by the PNSC.

III. HIGHWAYS AND BRIDGES

13.35 An allocation of Rs.17584.22 million (comprising of NHA & Special Areas) has been made for the Highways and Bridges. Detail is as under:-

National Highway Authority (NHA)

13.36 An allocation of Rs.16640.00 million has been made for the National Highway Authority for the development of national highways.

- i) Among the core programme an allocation of Rs.200.00 million has been made for the Fourth Highway Project co-financed by the World Bank largely for meeting liabilities. Rs.2700.00 million have been earmarked for acceleration of work on the Indus Highway Project (Phase I & Phase-II), Rs.200.00 million for rehabilitation of 1992 floods and Rs.980.00 million for the Maintenance Backlog Reduction/Re-Surfacing and Strengthening Programme co-financed by the World Bank under Transport Sector Loan.
- ii) An allocation of Rs.6870.00 million has been made for construction of second carriageway along National Highway N-5 over the Hala-Moro, Moro-Baberlo, Baberlo-Ubaro, Ubaro-Rahim Yar Khan, Bahawalpur-Multan, Multan-Mian Chunnu, Okara-Lahore, Kharian-Rawalpindi and Chablat-Nowshera Sections and Lahore by-pass.
- iii) An allocation of Rs.850.00 million has been made for the completion of remaining works & repayment of interest on loan for the Lahore-Islamabad Motorway, Rs.510.00 million for the Islamabad-Peshawar Motorway and Rs.300.00 million for the Pindi-Bhattian Motorway projects.
- iv) An allocation of Rs.1050.00 million has been made for improvement of National Highways in Baluchistan. This includes Rs.500.00 million for improvement of Karachi-Khuzdar-Quetta-Chaman (N-25), Rs.450.00 million for Quetta-Dalbandin-Taftan (N-40) and Rs.100.00 million for Quetta-Qilla Saifullah-Zhob-D.I.Khan Sections.

OTHER PROJECTS

- v) An allocation of Rs.1680.00 million has been made for implementation of various Projects. This includes Rs.30.00 million for Chiniot bridge, Rs.100.00 million for Tall-Parachinar road, Rs.310.00 million for Sukkur Bridge, Rs.440.00 million for Improvement of KKH, Rs.280.00 million for Ratodero-Shahdad kot Khuzdar Project, Rs.500.00 million for Mansehra-Naran-Tarlajor road and Rs.20.00 million the Ket-i-Bandur road.

13.37 The main thrust of the programme is aimed at the improvement & consolidation of the existing highway network. Work will continue on dualization of National Highway N-5, upgradation of Indus Highway (National Highway N-55), rehabilitation of the National Highway N-5, flood restoration works, Lahore-Islamabad motorway including the Lahore Bypass and Islamabad-Peshawar Motorway project along with initiation of work on Pindi-Bhattian Motorway Project.

NATIONAL MASS TRANSIT AUTHORITY (NMTA)

13.38 An allocation of Rs.625.00 million has been made for National Mass Transit Programme. Of this amount Rs.45.00 million have been earmarked for the Lahore Light Rail Transit Project and Rs.580.00 million for the Karachi Mass Transit Project.

SPECIAL AREAS

13.39 An allocation of Rs.944.22 million has been made for the construction of 189 Km of black top roads and improvement of 52 Km of roads in addition to completion of work on 34 bridges. Details are given in the subsequent paras:-

AZAD KASHMIR

13.40 An allocation of Rs.236.00 million has been made for construction of 35 Km new and improvement of 8 Km black top roads.

NORTHERN AREAS

13.41 An allocation of Rs.456.43 million has been made for construction of 109 Km of black top roads and improvement of 126 Km of the existing shingle roads besides 33 bridges.

F.A.T.A.

13.42 An allocation of Rs.251.79 million has been made for the construction of 45 Km of black top roads and improvement of 44 Km of black top and 30 Km of shingle roads and one bridge.

IV. AIR TRANSPORT

CIVIL AVIATION AUTHORITY

13.43 An allocation of Rs.6177.00 million has been made for the Civil Aviation Authority. This includes Rs.920 million from the Public Sector resources as government equity for new Lahore Air Terminal and purchase of land for establishment of the new international airport at Sialkot on BOT basis. The CAA's self financing of Rs.5257.00 million is earmarked for acceleration of work on Aeronautical Communications and Control (AC&C) Systems project, refurbishment of CAA calibration aircraft, construction of cargo complex and International

arrival / departure lounge at Multan, construction / extension of runway shoulders at D.I. Khan, establishment of basic aerodrome facilities at D.G.Khan, reconstruction of secondary runway at Karachi, terminal building at Sukkur, upgradation of Nawabshah as alternate to Karachi, acceleration of work for construction / upgradation of terminal building at Rahim Yar Khan, concourse hall at Quetta and construction of garages for new RFF vehicles at major airports. Work on construction of new air terminal at Lahore would be accelerated.

PAKISTAN INTERNATIONAL AIRLINES (PIA)

13.44 PIAC has projected a passenger traffic of 11,546 million RPKS and freight traffic of 385 million RFTKS. The plan envisages the following main characteristics:-

- Seven weekly flights with Boeing 747 aircraft to United States and Canada previously served by Airbus A-310 aircraft.
- Traditionally Pearl region was operated as KHI-BKK-MNL-TYO-VV route twice weekly with one B-747 pax and one B-747 combi. Due to persistent decline in the Bangkok market during the last few years, the B-747 aircraft has been replaced with twice weekly flights by Airbus A-310 aircraft on KHI-MNL-TYO-VV by removing Bangkok from this traditional flight.
- In the domestic market, traffic demand would be reassessed keeping in view the competitors, Aero Asia, Bhoja and Shaheen air. Efforts would be made to reduce losses by retaining only those regular daily flights with high seat utilization and by gradual elimination of loss generating operations.
- PIAC have signed a memorandum of understanding with the Uzbekistan Airways for wet lease of two IL-86 & two TU-154 aircraft to cater for the 1998-99 Umra & Haj operations. Efforts are also being made to locate two used A300 B4 aircraft for Haj 1999 operation.
- PIAC is trying to replace the existing Boeing 747-200 aircraft with modern technology aircraft viz. B747-400, B747-400 combi, Boeing 777-200 and Airbus 340, A comparative study to evaluate operational, technical and economic aspects of each of the aircraft is being carried out for selection of least cost option.
- M/s Sabre Group, and M/s Speed Wing have been engaged to study and bring the system and procedures at PIAC in line with industry practice with the objective to improve PIAC product, enhance its financial performance and generate adequate surplus cash flow to sustain operation and fleet replacement programme.

13.45 An allocation of Rs.1184.00 million has been made for procurement of used simulators for Boeing 737 and Airbus A-310 aircraft.

AIRPORT SECURITY FORCE (ASF)

13.46 An allocation of Rs.5.56 million has been made for completion of work on construction of barrack accommodation at Quetta and acceleration of work on construction of barrack accommodation at five small airports.

PAKISTAN METEOROLOGICAL DEPARTMENT (PMD)

13.47 An allocation of Rs.319.15 million has been made for completion of work on provision of additional meteorological facilities in northern region, construction of Met. observatory at Karachi and acceleration of work on construction of Met. observatory at Kakul and improvement of Meteorological Radar Network including installation of two radars at D.I. Khan / Rahim Yar Khan.

V. Research

National Transport Research Centre (NTRC)

13.48 An allocation of Rs.5.00 million has been made to cater for salaries of staff, remaining civil / building works, surveys for transportation planning, urban transportation/traffic management, highway engineering and maintenance techniques, highway safety studies etc.

VI. TELECOMMUNICATION

PAKISTAN TELECOMMUNICATION COMPANY LIMITED (PTCL)

13.49 An allocation of Rs.15000.00 million has been made to expand / replace / upgrade the telecommunication network and to provide new services to the subscribers in the country. Under this programme the PTCL propose to commission 300,000 new telephone lines in the national network and replace 100,000 old and out lived analogue EMD switching equipment to improve subscriber service. Optical Fibre Line from Peshawar to Karachi will be commissioned. Infrastructure to provide internet services to 50,000 new subscribers will be established. New value added services such as Free Phone, Universal Access Numbers, Premium rate Services etc. will be introduced through intelligent network. Basic voice Messaging and Calling Line identification services will be provided in the major cities. New international gateway exchange at Karachi will be commissioned. New centralized fault management system will be established at Karachi, Islamabad, Lahore, Peshawar, Quetta and Hyderabad. Far flung rural areas will be provided with public pay phone facility in collaboration with the private sector. In physical terms following targets will be achieved:-

New Telephone Lines:	300,000	Nos.
Replacement of old lines.	100,000	Nos.
No of Internet Subscribers	50,000	Nos.

PAKISTAN TELECOMMUNICATIONS AUTHORITY (PTA)

13.50 An allocation of Rs.306.00 million has been made for Pakistan Telecommunications Regulation & Support project financed by the world bank, for purchase of land, construction of buildings, installation of equipment and purchase of vehicles, mobile system etc.

SPECIAL COMMUNICATION ORGANIZATION (SCO)

13.51 An allocation of Rs.500.00 million has been made for providing new & upgrading existing telecommunication facilities in different parts of AJ&K and Northern Areas:-

PAKISTAN POST OFFICES

13.52 An allocation of Rs.10.00 million has been made for carrying out their on going works.

B. PROVINCIAL PROGRAMME

13.53 The Provincial Programme envisages an allocation of Rs.2783.74 million for continuation of work on new construction of 191 Km and improvement of 925 Km of existing roads besides construction of 10 bridges and 1308 Rft culverts. Province wise details are given in subsequent paras.

PUNJAB**Roads and Bridges**

13.54 An allocation of Rs.1537.00 million has been made for construction of 100 Km of new roads and widening / improvement of 587 Km of existing roads.

SINDH**Roads and Bridges**

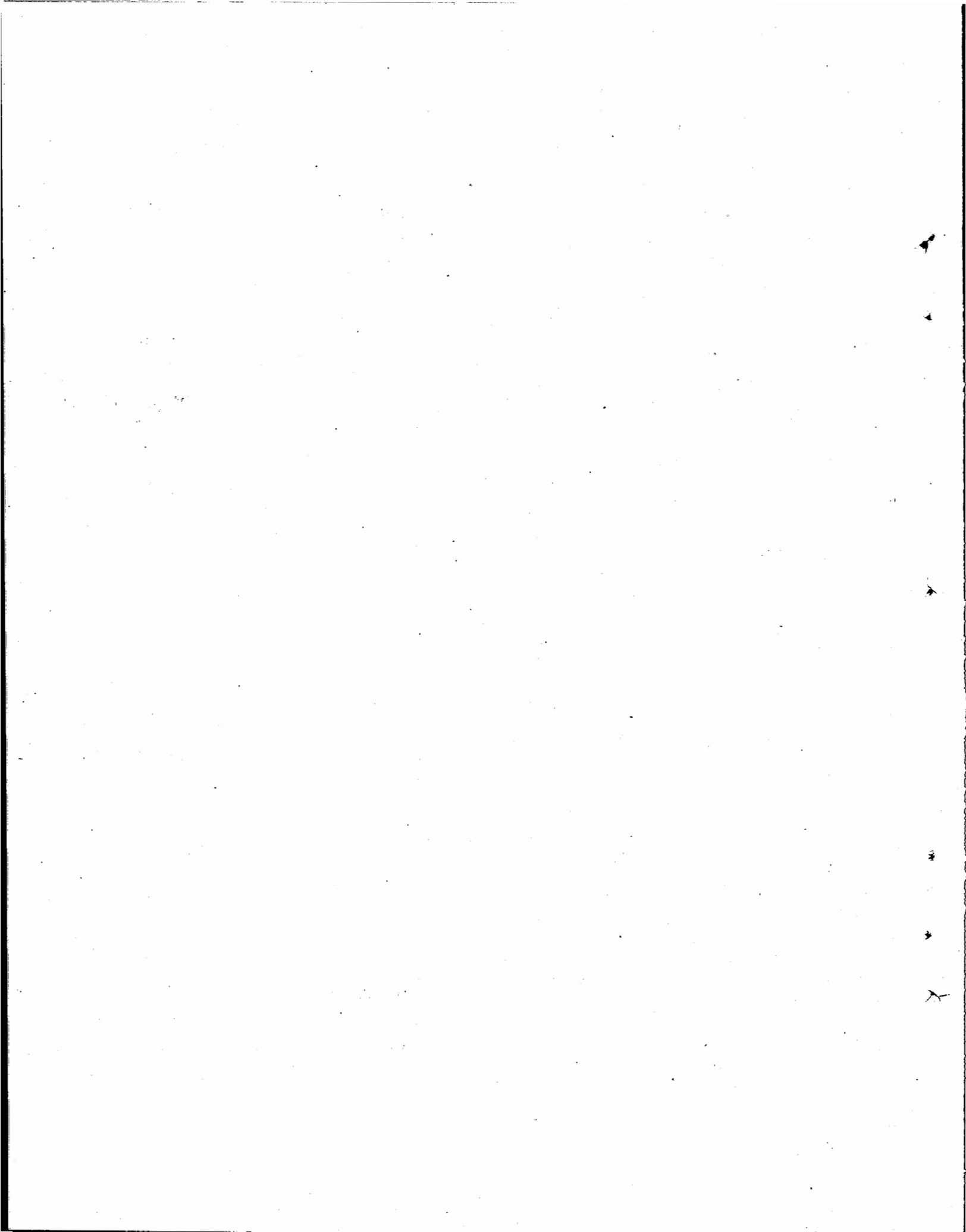
13.55 An allocation of Rs.510.00 million has been made for continuation of work on construction of 77 Km of new roads, improvement of 275 Km of existing roads in addition to completion of work on 3 bridges.

N.W.F.P.**Roads and Bridges**

13.56 An allocation of Rs.429.68 million has been made for the construction of 170 Km of black top roads. While work on the improvement of 63 Km of existing roads, 13 Km of black top roads, and 37 Km of shingled roads will be completed along with the construction of 1 new bridge.

BALUCHISTAN**Roads and Bridges**

13.57 An allocation of Rs.307.07 million has been made for the construction of 14 Km of black top roads and improvement of 27 Km of the existing roads. Work on 6 bridges along with the construction of 1308 Rft culverts will also be completed.



CHAPTER-14

MASS MEDIA

REVIEW OF 1997-98

14.1. During the year, the entire funds were planned to be diverted to the completion of on-going projects of Eighth Five Year Plan. A total amount of Rs.49.599 million was allocated to the two main agencies of Mass Media sector i.e. Radio and Television. Against the allocation of Rs.49.599 million, utilisation figure at the end of the year came out to Rs.92.520 million. The high utilisation figure includes Rs.44.5 million Japanese grant which was available for 2nd TV Channel.

Pakistan Television Corporation(PTV)

14.2 PTV was allocated an amount of Rs.15.251 million for 8 on-going projects mostly located in NWFP and Balochistan. These included Video Playback Centres (VPCs) at Daroosh, Booni, Lesbela, Dukki, Wad, Panjgoor, Zhob, Pasni and 2nd TV Channel. Although the balance money was provided for completion of these projects but due to cost over run no project could be commissioned. For 2nd TV Channel, no allocation was made. The last instalment of Japanese grant amounting to Rs.44.150 million was utilised which brought the utilisation figure to Rs.58.172 million against the allocation of Rs.15.251 million.

Pakistan Broadcasting Corporation(PBC)

14.3 The agency was provided Rs.34.348 million for six on-going project namely 100 Kilo Wt Medium Wave (KWMW) Transmitter at Rawalpindi, Mirpur, Larkana, Broadcasting House, Karachi and Extension of Broadcasting House, Hyderabad. All these projects were targeted to be completed but due to inadequate allocations, none of them could be completed.

PROGRAMME FOR 1998-99

14.4 During 1998-99, the policy of speedy completion of on-going schemes will continue. Against the last years allocation of Rs.49.599 million, the sector has been allocated an amount of Rs.95.346 million which shows 92.2% increase in the allocation. The sectoral trend during the current year will be bipronged; it will accommodate on-going schemes of PTV and PBC and a number of new schemes of Associated Press of Pakistan (APP) and Ministry of Information and Media Development. Details are available at S.A.Tables 14.1 and 14.2. Sub sectoral picture is given below:-

Pakistan Television Corporation(PTV)

As against the allocation of Rs.15.251 million, an amount of Rs.29.946 million has been allocated to PTV for speedy completion of on-going schemes of Video Playback Centres (VPC) of Daroosh, Booni and Dukki. The allocation has been increased by 96.35% this year. The equipment is being installed and all these

schemes are targeted to be completed during 1998-99. Completion of these VPCs and Rebroadcast Centres will not only increase the population and area coverage but will contribute significantly in providing quality transmissions to the viewers in less developed areas of Balochistan and NWFP.

Pakistan Broadcasting Corporation(PBC)

As against the allocation of Rs.34.348 million last year, funds to the tune of Rs.45.00 million has been allocated to PBC which shows 31% increase. Out of nine projects included in the PSDP, seven are on-going and are at the last leg of completion except 100 KMW Transmitter Mirpur and Broadcasting House, Karachi where huge funds are required. At Broadcasting House, Karachi, the work was suspended during the last year due to dispute with contractor. Physical progress of Broadcasting House, Mirpur is also satisfactory. Building component is complete and installation of equipment will start this year. An amount of Rs.7.00 million is allocated to Balancing and Modernization of Equipment at various station and installations throughout the country. This aims at strengthening the transmission quality and replacement of old equipment as a perpetual exercise. Funds to the tune of Rs.2.00 million have been provided for additional security works at transmitter buildings at various places. During the current year replacement work on high frequency aerial system at high power transmitter Landhi, Karachi will start at a cost of Rs.5.00 million. An innovative programme of transferring the sound archives on compact disk will be initiated this year at a cost of Rs.5.532 million. This has been necessitated due to the fact that the voices of our national leaders including the father of the nation are still preserved on spools and cassettes which have a very short life and low quality. These voices will be transferred on compact disk for long terms preservation and standard re-production.

Ministry of Information and Media Development

The Ministry has been allocated Rs.17.00 million this year for initiating new programmes. An amount of Rs.5.00 million each has been provided to Government Information House and Government Information System respectively. These centres will be responsible for providing up to date information on Government Policies to the press and facilitate the communication between the Government and the media. For economic information and public relations, an amount of Rs.2.00 million have been allocated. Pakistan Information Services Academy will be updated and strengthened with an amount of Rs.5.00 million during the year 1998-99.

CHAPTER-15

PHYSICAL PLANNING & HOUSING

15.1 The PP&H programme for 1998-99 focuses on implementing the following sectoral policies:

- i) provision of site and services for general housing by private sector,
- ii) The Government assistance limited to facilitate site and services activity through policy level support and institutional back-up,
- iii) environmental improvement of slums and katchi Abadies,
- iv) development of capital city Islamabad,
- v) construction of Government Office Buildings and accommodation for Public Employees, and
- vi) provision of potable drinking water, drainage and sanitation/sewerage services both in urban and rural areas.

Review of 1997-98

15.2 For implementing sectoral programme, a total allocation of Rs.10.693 billion was provided during 1997-98, against which an expenditure of Rs.10.510 billion is reported to have been incurred, showing a utilization of 98 percent. Details of allocations and estimated expenditure are given in Table 15-1. This expenditure is 20 percent higher than the last year's utilization. The overall increase is attributed to the Government priorities to ensure completion of on-going/near completion projects, and inflationary increase in the costs of various PP&H projects.

TABLE-15.1

**ALLOCATION AND EXPENDITURE (1997-98)
(INCLUDING SAP'S FUNDING FOR RWS&S)**

(Million Rs.)

Agency	Allocation	Expenditure as per Rev. Estimates	Percentage Utilization
<u>Federal*</u>	<u>2077</u> (382)	<u>2623*</u> (338)	<u>126%</u>
<u>Provincial</u>	<u>8616</u> (4714)	<u>7947</u> (3908)	<u>91%</u>
<u>Punjab</u>	<u>4566</u> (2520)	<u>4348</u> (2397)	<u>121%</u>
<u>Sindh</u>	<u>1348</u> (729)	<u>1279</u> (597)	<u>53%</u>
<u>NWFP</u>	<u>1604</u> (850)	<u>1509</u> (662)	<u>94%</u>
<u>Balochistan</u>	<u>1098</u> (614)	<u>811</u> (252)	<u>74%</u>
Total:	10693 (5095)	10570 (4246)	98%

* Excluding Special Areas

** Sub-Sector wise Expenditure Break-up is at S.A. Table 15.1.

() Figures in parenthesis are of SAP.

1997-98's Targets and Achievements:

15.3 Sectoral targets to be achieved during 1997-98, included development of "Site and Services" projects providing mostly small size residential plots to low income groups in urban areas and 5 & 7 Marla plots in rural areas; extending the coverage of water supply and sanitation services both in urban and rural areas; regularization and environmental improvement of Katchi Abadis/slums and construction of houses/flats for Government Employees and Administrative Offices/Buildings at various places. Details are given hereunder:

TABLE 15.2**PHYSICAL TARGETS AND ACHIEVEMENTS (1997-98)**

Item	Unit	Target	Achievements	%age Achievements
i) Urban Residential Plots	No	150,000	100,000	66
ii) Urban Water Supply	Additional Population to be served (in million)	3.000	2.50	83
iii) Urban Sewerage Drainage	-do-	2.75	2.250	82
iv) Rural water supply (SAP)	-do-	6.50	6.400	98
v) Rural Sanitation	-do-	5.000	4.800	96
vi) Govt. Servants Housing	No	25,000	10,100	40
vii) Katchi Abadies/Slum Development	Population benefitted (in million)	1.000	0.75	75
viii) 5 and 7-Marla Resident Plots in Rural Areas.	No. of Plots (in million)	0.250	0.150	60

ANNUAL PLAN 1998-99

15.4 Implementation of projects started during last year and earlier will be geared up to ensure their timely completion instead of taking up new ones, in order to avoid cost over-runs. Main elements of 1998-99 sectoral programmes are as under :

- i) Development of small sized residential plots in Site and Services projects for provision to the urban poor, and provision of 5 & 7 Marla plots to the rural shelterless population.
- ii) Regularization and improvement of Katchi Abadies and upgradation of urban slums, as part of urban-renewal programmes in major cities.
- iii) Housing for Federal Government Employees through provision of developed plots in various cities (by the Federal Government Employees Housing Foundation).
- iv) In urban area to increase overall piped water supply coverage to 90 percent and provide sewerage facility to 60 percent population, and
- v) In rural areas, to extend overall drinking water supply and sanitation coverage upto 55 percent and 25 percent, respectively.

Sectoral Allocation 1998-99

15.5 Overall size of the PP&H Development Programme during 1998-99 is proposed around Rs 10.028 billion (Federal Rs 1.748 billion and Provincial Rs 8.280 billion), including the funding to be allocated under the Second Phase of Social Action

Programme (SAP-II) for implementing rural water supply & sanitation projects throughout Pakistan. Generally, the overall size of sectoral allocations have been curtailed to the last year's level, in view of the current budgetary constraints and with on completing the nearing completion projects. New projects will be launched only in rural water supply and sanitation sector, being sponsored through the SAP's allocation. Overall sectoral allocations of Sindh, NWFP and Baluchistan Provinces have also been reduced due to their shifting of priorities in favour of Rural Development, Regional Development and Drainage programmes.

15.6 The major share of allocation is for implementing water supply and sewerage/sanitation projects i.e. about 66 percent. Whereas the balance allocation (i.e. 34 percent) will be utilized for undertaking the projects of Housing for Public Employees, Government Office Buildings and Urban Development including roads/foot paths, parks etc. besides environmental improvement of Katchi Abadis and slums. The Federal and Province-wise breakup is given in Table-15.3.

TABLE 15.3

**PP&H ALLOCATION (1998-99)
(INCLUDING SAP'S DEVELOPMENT ALLOCATION FOR RW&S COMPONENT)**

(Million Rs)

Agency	Allocation	Increase/Decrease over last year's Allocation
I. Federal Government*	<u>1748</u> (358)	(-)16%
II. Provincial Governments	<u>8280</u> (4117)	(-)04 %
- Punjab	<u>5410</u> (2400)	(+)18%
- Sindh	<u>1000</u> (466)	(-)26%
- NWFP	<u>1060</u> (895)	(-)34%
- Balochistan	<u>810</u> (356)	(-)26%
Total:	<u>10028</u> (4475)	(-)6%

* Excluding Special Areas

* Sub-Sector wise Allocation are at S.A. Table 15.2.

() Figures in Parenthesis are of SAP.

Physical Targets

15.7 Keeping in view priority of the Government to extend social services cover among the poor masses, the major sectoral targets during 1998-99, would ensure increased

provision of water supply facilities and extension in environmental improvement with focus on rural water supply and sanitation. An additional 2.5 million urban population and 7.0 million persons in rural areas will be served with potable water supply. The provision of sewerage/sanitation facilities will be extended to an additional 2.75 million urban and 6.0 million rural population. With the anticipated achievement of these targets by June, 1999, the overall national water supply coverage would upto 75.376 million persons i.e. 58% (Urban 80 percent and Rural 47 percent) and that of sanitation upto 34.44 million persons i.e. 26 percent (Urban 50 percent and Rural 15 percent) population. Other Sub-sectoral targets proposed for 1998-99 are given in Table 15-4.

TABLE-15.4

PP&H PHYSICAL TARGETS (1998-99)

Item	Unit	Physical Targets
i) Residential Plots in Urban Area Development Schemes	Nos	100,000
ii) Urban Water Supply	Addl. Population to be served (in million)	2.500
iii) Urban Sewerage/Drainage	-do-	2.75
iv) Rural Water Supply (SAP)	-do-	7.000
v) Rural Sanitation (SAP)	-do-	6.000
vi) Govt. Servant Housing	Nos	7,000
vii) Katchi Abadis Improvement	Population to served (in million)	1.000
viii) 5 & 7-Marla Plots in Rural Areas	Nos (in million)	0.250

Sectoral Programme 1998-99

15.8 PP&H Programmes of the Federal and Provincial Governments including various Sub-Sectors to be implemented during 1998-99, are briefed in the following paragraphs.

Federal

15.9 Main elements of Federal PP&H programme include the construction of Government Office Buildings, Housing for Federal Govt. Employees, at Islamabad and Provincial Capitals besides the development of urban water supply and sanitation/sewerage projects in Islamabad Capital Territory Area. In case of SAP funded project, Rs 358 million are allocated for Special Areas including Rs 24 million of ICT, Rs 89 million for FATA, Rs 26 million for FANA and Rs 218 million for AJ&K in order to implement about 727 water supply schemes, 14 rural sanitation/drainage schemes and 17401

Household/Demonstration latrines. The Federal Programme will also meet the essential residential and office accommodation needs of the Civil Armed Forces (CAF), and the PP&H schemes being undertaken in Special Areas including Azad Kashmir, Northern Areas and FATA. However, during 1998-99, a low-priority shall be assigned to initiate any new office building in Public Sector.

Development Islamabad Capital

- i) This programme includes completion of left-over works of the Parliament Lodges for the Parliamentarians, CBR House, AGPR Office and Supreme Court's Judges Residences in Islamabad. Besides the works of VVIPs Heliport and 152 Dualization of Kashmir Highway construction would be finalized. Also, the work on Water Supply Project Khanpur (Phase-I) to bring in 51 MGD drinking water to Islamabad/Rawalpindi will be accelerated while the projects of Augmenting Islamabad Water Supply from Tubewell Source and the Replacement of Mains Lines would be completed during 1998-99. Under its self-financed programme, the Capital Development Authority will complete area development works in Sectors E-11, E-12 and D-12. Also, such activities will be started in Sectors E-12, G-13 & I-12 during 1998-99. Similarly, the on-going projects such as Election House and FPSC Building in Islamabad will be continued. In addition, initial work to take up construction of Office Buildings for Income Tax and Excise Departments; the ICTA Police, Audit House & Passport Office at Islamabad will be undertaken.

Government Employees Housing

- ii) This programme envisages construction of about 5160 houses/flats for Federal Government Employees in Islamabad, Lahore, Karachi, Peshawar and Quetta. Of these, about 1000 houses/flats will be constructed in Islamabad to reduce the housing shortage to some extent. Other ongoing works of construction of FGE residential accommodation including the P.M.'s Staff Colony, 900 Flats for Low-income Employees and 152 Cat-V Quarters at Islamabad will be further progressed, besides 258 Houses at Dhana Singwala, Lahore and 148 houses at Peshawar. The FGE Housing Foundation plans to provide about 3500 developed plots to Federal Government Employees in Planned projects at Islamabad (Sector G-13), Lahore and Peshawar. In order to overcome the housing shortage in Islamabad/Rawalpindi, the CDA in collaboration with private entrepreneurs will provide bulk land in Zone-II Islamabad for the development of housing projects by the Housing Cooperatives Societies, etc.

Civil Armed Forces

- iii) The projects for construction of offices, barracks, border-outposts, and residential accommodation, Thanas and Levies for securities agencies including Frontier Constabulary, Balochistan Force, Mehran Force, Coast Guards, Pakistan Rangers, Police and Federal Investigation Agency. will continue in all the provinces, along the Borders of Pakistan.

Other Programmes

- iv) Other projects being considered for execution during 1998-99 include completion of National Police Academy and construction of National Registration Headquarters, Residential Accommodation for ICT Judges, Civil Defence Directorate General, National Institute of Fire Technology, Shariat Court Building and Federal Judicial Academy Campus at Islamabad. In addition the construction of Bahgh-e-Quaid-e-Azam, Karachi, RCC Bridge on River Haro, Faridia Park at Sahiwal, Office accommodation for Coast Guards Baluchistan, Excise and Customs Department, Residential accommodation for Frontier Scouts, Water Supply projects for Islamabad Administration and the CAF at various places, etc would be taken up, during the year.

Provincial PP&H Programme (1998-99)

15.10 Total sectoral allocation for the four Provinces is Rs 8.280 billion. It includes the major share from SAP's funding amounting to Rs 4.117 billion for development of water supply and sanitation schemes in rural areas (i.e. Rs 2400 million to implement 3171 water supply schemes, 3478 rural sanitation/drainage schemes and 278 household latrines in Punjab; Rs 466 million for about 1896 water supply, 7278 sanitation/drainage and 5085 household latrines in Sindh; Rs 895 for about 167 water supply projects in NWFP; and Rs 356 million for implementing about 969 water supply schemes, and 5000 household latrines in Balochistan). For urban areas, the Provincial PP&H programmes include development of residential plots in urban areas; increased provision of piped water supply, sewerage and drainage facilities; construction of housing and office buildings for the Provincial Government Employees, improvement of Katchi Abadis and slums, besides the allotment of 5 & 7 Marla plots to the rural shelterless.

Punjab

15.11 In 1998-99's PSDP, an allocation of Rs 5.410 billion has been made for PP&H sector, for implementing the following programmes:

- i) Work will continue on about 10 on-going projects of plot development during current financial year. As a result, about 5,000 plots will be developed by the Department of Housing & Physical Planning. In addition, about 10,000 plots will be developed in Rawalpindi, Lahore Faisalabad, Bahawalpur and Multan by the respective Development Authorities. Additional 5000 plots will be developed in Labour Colonies under the Workers Welfare Fund's Programme.
- ii) Construction of housing for Provincial Employees and Government Offices will be continued. Overall target envisaged for this year is the construction of about 3500 houses.
- iii) An amount of Rs 2100 million has been allocated through the SAP's funding to implement about 400 projects of rural water supply and 1700 sanitation projects. About 500 projects would be completed during the year to benefit additional 2.5 million population.

- iv) In case of urban areas, Rs 300 million are reserved to complete ongoing 4 urban water supply and 7 sewerage projects, benefitting additional One million population in Gujrat, Chaunda, Pindi Bhattian, Hafizabad, Ahmad Abad, Arifwala and Minkera.
- v) For taking urban development projects in major cities, Rs 2140 million are allocated . The LDA will spend Rs 40 million for installation of 30 tubewells in Lahore, and Rs 60 million for Inner Old City's upgradation, and Rs 165 million for the WASA to launch new water supply, sewerage and drainage project.
- vi) Rs 610 million are allocated for implementing Water Supply form Khanpur Dam to Rawalpindi Project, and the Sewerage and Drainage projects in Rawalpindi City.
- vii) For Multan City's uplift Rs 145 million are allocated, including better provision of water supply, construction of By-Pass Road alongwith new Bus-Stand and an Underpass at Railway crossing.
- viii) for Faisalabad City, Rs 200 million are allocated to increase water supply and sewerage facilities, besides upgrading storm-water drainage system along Jhang Road and Sorwala Drain.
- ix) In Gujranwala City, Rs 130 million will be utilized to construct Shahpur Distributary and sewerage networks, widening of Jinnah Road, and installation of 5 tubewells.
- x) The Provincial Housing & Physical Planning Department envisage undertaking of 53 urban development projects in ten cities including the Punjab Urban Development Project and the development packages for other cities regarding improvement of infrastructure services.
- xi) Under Area Development Programme, the targets envisaged are the provision of 0.250 millions 5 & 7 Marla plots in rural areas and Up-gradation of Katchi Abadis/slums to benefit about 0.50 million population in major cities of the Province.
- xii) The Provincial Government will soon launch a "Municipal Fund" with seed capital of Rs 5000 million through the World Bank's financing, to extend loans for augmenting their resource generation and revenue collection capabilities of Local Municipal Bodies throughout the Punjab. This intern would enable them to execute large urban projects of water supply, roads sewerage, drainage, transportation, etc in different urban-centres.

Sindh

15.12 Physical Planning & Housing Sector has been allocated an overall amount of Rs 1.000 billion under ADP 1998-99 for implementing 349 projects, out of which about 100 projects are to be completed by June, 1999. Sub-Sectoral main programmes include the SAP

component pertaining to rural water supply and sanitation, for which Rs 660 million are earmarked as local component to implement about 200 projects out of which about 100 will be completed by June, 1999. In overall terms, One million additional persons would be served with potable water supply whereas 0.75 million additional population would get drainage facilities during the year.

15.13 Besides, an allocation of Rs 341 million is kept for executing various schemes of other Sub-Sectoral programmes. These include Rs 100 million for urban water supply and sewerage projects. With this investment, 0.50 million additional persons will be served with water supply facilities and 0.35 million additional population with sewerage facilities. Out of total 35 urban WS&S schemes, 10 schemes (6 water supply and 4 sewerage) are to be completed by June, 1999.

15.14 Under the financial aid to local bodies including KDA, KW&SB, HDA a sum of Rs 110 million is kept. The KDA would complete 4 urban development projects in 1998-99. These schemes upon completion would channelize the Korangi and Lyari Nallahs, provide improved traffic measures on various city roads and complete two Bridges at University Road over railway-track and over Lyari River at Rashid Minhas Road.

15.15 In the year 1998-99, the KW&SB would complete ongoing Greater Karachi Bulk Water Supply Project (i.e. K-II) to provide additional 100 mgd water, thus increasing overall supply to Karachi upto 488 MGD. Also the Greater Karachi Sewerage Scheme, to provide 54 MGD sewage treatment facilities; laying of 15 Kms long Lyari Trunk Sewers and 37 Km of Baldia Trunk/Secondary Sewers, etc would be undertaken. The work for providing water treatment facilities at Hub and Pipri, would remain under execution in 1998-99.

15.16 The HDA will continue work on 3 PP&H schemes at Hyderabad, including Greater Sewerage Project. Also, 7 urban development projects in interior cities of Sindh, being executed through IDA assistance, for providing Bus and Truck terminals in Larkana, Mipurkhas, Sehwan and Nawabshah etc would be completed. Major roads of Sukkur and Jacobabad will be improved/rehabilitated and Wagon/Taxi Stands to be constructed. In addition, ongoing projects of Office buildings and residential accommodation for the Government Employees, will be continue during the year.

N.W.F.P

15.17 Out of total Provincial PP&H allocation of Rs 1060 million in 1998-99, an amount of Rs 610 million are allocated to complete 25 ongoing schemes of Govt. Office Buildings, Employees Housing, Urban Development and Transportation in major urban centres.

15.18 An amount of Rs 100 million has been earmarked for the urban water supply and sewerage sub-sector. The allocation covers 12 schemes, out of which 8 schemes will be completed during 1998-99. About 250 rural water supply and sanitation projects will be undertaken under the SAP, during 1998-99. Major physical targets for 1998-99 include provision of water supply facilities to additional 0.50 million urban and One million rural population, sanitation facilities to 0.25 million urban and 0.30 million rural population, and construction of 250 housing units for Govt. Employees at various places in NWFP.

15.19 Under the World Bank sponsored Community Infrastructure (Shelter) Project, the project for provision of utility services (water, sanitation, roads/streets etc.) in 55 low-income residential areas benefitting about 450,000 persons in NWFP, will be completed. Residential plots' development work will be confined to the area development projects at Peshawar, Kohat, D.I.. Khan and Mansehra and about 5000 plots will be developed. Also, the living conditions of about 0.10 million urban slum-dwellers will be improved. In rural areas, about 2000 small sized plots will be developed and distributed among the shelterless population.

Balochistan

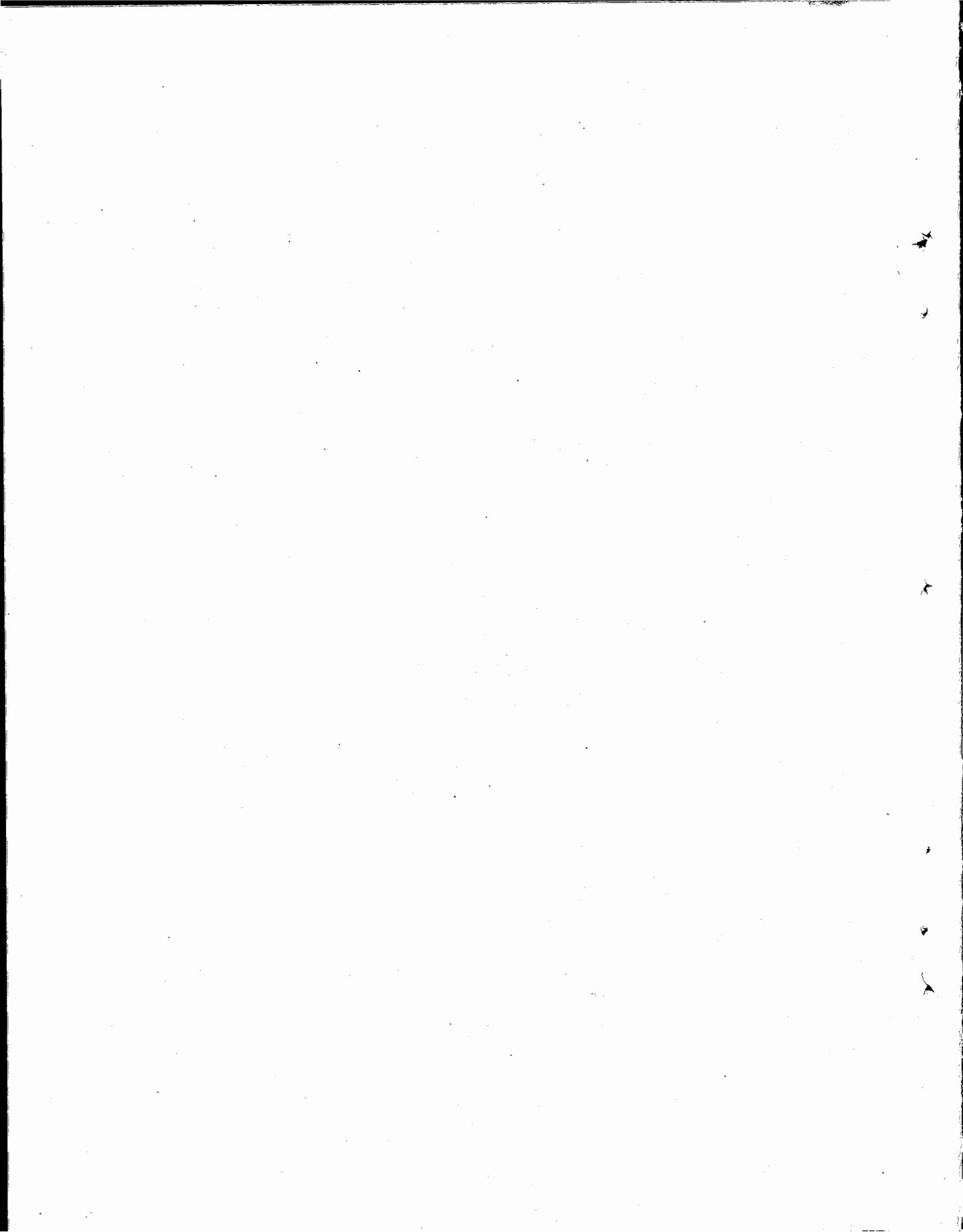
15.20 During 1997-98, an allocation of Rs 810 million is provided for implementing 50 PP&H projects and programmes. These include 4 small size residential plots schemes, 7 No. urban sewerage and water supply projects, 6 Nos. Government offices/buildings at Quetta and District Headquarters and the 25 programmes envisaging implementation of about 100 rural water supply and sanitation projects in throughout Balochistan Province under the SAP.

15.21 During 1998-99, additional population of 0.50 million will be served with water supply and 0.20 million with sewerage in urban areas. In rural areas more than One million population will benefit from potable water supply and 0.30 million persons with sanitation facilities.. Also, 5,000 small size residential plots will be allotted during 1998-99, to shelterless population, in rural areas.

PART-III

**HUMAN RESOURCES AND SOCIAL
DEVELOPMENT**

(163—164)



CHAPTER -16

SOCIAL ACTION PROGRAMME

16.1 The SAP programme mainly focuses on improvement of quality of primary level services, efficient use of resources, good governance, involvement of communities and NGOs in social sectors and capacity building of the institutions in social sectors. The SAP first phase (1993-96) was completed with an expenditure of Rs 106.4 billion. The programme has helped to: (a) improve programme design to expand access to basic services for poor particularly for females and to improve service quality, (b) strengthen implementation capacity of social service programmes, (c) increase the real level of expenditure (both development and recurrent) by the government in the social sectors, particularly for key non-salary inputs, and (d) generate bureaucratic support and political will to reform social sectors for better delivery of services to the target groups. The overall emphasis of programme was to improve socio-economic conditions of the peoples of Pakistan through improvement in level of human resources development.

16.2 The success of SAP-I provided ground for launching SAPP-II for a five year time with estimated outlay of Rs 498.8 billion starting from 1997-98. The year 1997-98 was the first year of SAPP-II. The Donor assistance for SAP-II already committed comes to US \$ 99.77 billion by IDA, ADB, EU, DFID of UK and Dutch Government. Other donors who have envisaged interest in assisting SAPP-II are OECF of Japan, NORAD of Norway, CIDA of Canada, WFP and UNDP etc.

REVIEW OF SAP 1997-98

a) Financial Allocations

16.3 During 1997-98, an allocation of Rs 61.886 billion was earmarked for SAP - Rs 20.936 billion for development expenditure and Rs 40.950 billion for current budget. Against these allocations Rs 45.226 billion was spent, Rs 13.353 billion on development side and Rs 31.873 billion on recurrent side. At this level of expenditure utilization was 73.1 percent of the budget. The lower level of utilization is linked with the financial constraints and tight economic situation due to internal and external socio-economic and socio-political developments. The Table 16.1 below provides details of expenditure in respect of development, and recurrent. S.A. Table 16.1 presents the province wise, sector wise and programme wise details of SAP expenditure for the fiscal year 1997-98.

TABLE-16.1
SAP TIED DEVELOPMENT AND RECURRENT
EXPENDITURES & DISBURSEMENT 1996-97

(Billion Rs)

Agency	Budget 1997-98	Utilization 1997-98	% Utilization
A. DEVELOPMENT:	20.936	13.353	63.9
(a) Provinces	15.719	10.157	64.6
(b) F.Areas/Ministries	5.217	3.196	61.3
B. RECURRENT:	40.950	31.873	77.8
(a) Provinces	38.497	29.623	76.9
(b) F.Areas/Ministries	2.453	2.250	91.7
TOTAL (A + B)	61.886	45.226	73.1
(a) Provinces	54.216	39.780	73.4
(b) F.Areas/Ministries	7.670	5.446	71.0

Source: Provincial Governments, Area Administrations and Federal Ministries of Education, Health and Population Welfare.

b) Physical Progress

16.4 The specific achievements in the SAP Primary Education sector during 1997-98 included opening of 1,225 new primary schools and buildings for 915 shelterless primary schools. In addition to this additional class rooms were provided in 1,431 over crowded primary schools and physical condition was improved in 2,286 primary schools. To accommodate the increasing output of primary level education, middle school education was also included in the SAP project and 700 primary schools were upgraded and 139 new middle schools opened. For improving efficiency of schools, 50,387 SMCs/PTAs were established and 31,014 school teachers provided teaching training.

16.5 The physical achievements in the Primary Health Sector during 1997-98 included construction of 196 new tehsil headquarter hospitals, 6 Basic Health Units (BHUs), 15 Rural Health Centers (RHCs) and up-gradation of 20 BHUs and 14 RHCs, Immunization of 5 million children, training of 3,896 Traditional Birth Attendants (TBAs) and Training of 14,337 Lady Health Workers (LHWs) was also undertaken during 1997-98. To consolidate health and family planning services 560 health outlets were provided qualified staff and equipments for family planning services.

16.6 The physical progress achieved in Family Planning sector during 1997-98 in respect of establishment of service outlets in public, Non-Government Organizations (NGOs) and private sectors, i.e. involvement of Registered Medical Practitioners (RMPs), Hakeems and TBAs remained successful during the period under review. A large number of sale points were maintained under the aegis of Social Marketing of Contraceptives (SMCs) project. In addition, mobile services units, family welfare centres, reproductive health services, village based family planning workers, clinical training to Health Department personnels and others involved in family planning activities were undertaken. The Regional Training Institutes (RTIs) managed to provide facilities of training to personnels involved in management techniques. With above mentioned success the contraceptive prevalence rate of also showed some progress. This progress helped pull down population growth rate from 2.78 percent in 96-97 to 2.61 percent in 97-98.

16.7 The major physical achievements in the Rural Water Supply and Sanitation sector included provision of water supply facilities to 59 million rural population and sanitation facilities to 25 million rural population. In rural areas potable drinking water supply coverage was now as high as 47 percent whereas sanitation facilities coverage was 15 percent. A comparison of physical targets and achievements for major components of SAP Sector programme is provided in Table-16.2 and detailed physical achievement for the fiscal year 97-98 and targets for year 97-98 are given at S.A. Table 16.2.

TABLE-16.2
PHYSICAL ACHIEVEMENTS AND TARGETS 1997-98

Item	Unit	Achievements 1996-97	Targets 1997-98	Achievements 1997-98
<u>I. PRIMARY EDUCATION</u>				
New Primary Schools	Nos	4359	1546	1225
Additional Class Rooms	Nos	10648	2524	1431
Buildings for Shelterless Schools	Nos	5503	2098	915
Up-gradation of Primary Schools to Middle Schools	Nos	2156	1116	700
New Middle Schools	Nos	336	92	139
<u>II. PRIMARY HEALTH</u>				
Tehsil Hospitals	Nos	2120	294	196
New BHUs	Nos	3263	6	6
New RHCs	Nos	378	4	3
Up-gradation of BHUs	Nos	514	50	20
Up-gradation of RHCs	Nos	66	24	14
LHW Recruited & Trained (Net)	Nos	20354	14369	14337
TBAs Trained	Nos	14868	4100	3896
Immunization	Million Nos	6	4	5
<u>III. RWSS</u>				
Rural Water Supply (Million Pop.)	Million	54.0	65.0	59.0
Rural Sanitation (Million Pop.)	Million	24.0	28.0	25.0

Source: Provincial Governments, Area Administrations and Federal Ministries of Education, Health and Population Welfare.

Policies and Implementation Strategies During 1997-98

16.8 **Primary Education:** Official policy of co-education in primary education sector witnessed some positive impacts on enrolment and school participation rates especially for girls. A number of female teachers were appointed and provided necessary training. The relaxation in qualifications and age requirements and posting of female teachers near their homes encouraged female employment and helped in reducing gender gaps. To develop a data base for Educational Planning, Federal Education Management Information System (FEMIS), Provincial Education Management Information System (PEMIS) and Geographical Information System (GIS) were established and made functional. In all the Provinces Education Foundations (Efs) were established to assist NGOs and private sector in the up-lift of education through non-formal and formal education system. To involve community, Teachers-Parents Committees (TPCs) and School Management Committees (SMCS) were established and some of schools were put under

the supervision of local community organizations and NGOs. In addition to this, private engineering firms were engaged to design schools and supervise construction and maintenance activities. The survey and inspection through Army and Education Monitoring Cells for unearthing of ghost and non functional schools and staff absenteeism were conducted in all the provinces. A number of ghost and non-functional schools were detected and measure taken by re-deploying the staff etc and some of schools has been made functional. The staff absenteeism also reduced following empowerment of SMCs/PTAs which were also made responsible to monitor the performance of teachers and school infrastructure.

16.9 Primary Health Care (PHC): On the basis of recommendations of the Donors Mission all provinces agreed to raise non-salary budget. For this reason the quality of PHC services improved. Issues relating to staff absenteeism and non-availability of drugs were resolved by providing incentives and decentralizing administrative and financial powers down to Basic Health Units (BHUs) level. The issues facing the female paramedic staff were also resolved by streamlining the system. For formulation of integrated health policy and making health services more effective and efficient, Health Management Information System (HMIS) was developed, and on the basis of information collected through HMIS, more effective and efficient policies were designed for ensuring benefits for paramedic staff and better service delivery to the communities. The political support for proper functioning of system has been mobilized and chief executives themselves are now conducting surprise visits of the facilities. The law has also been enforced to eliminate treatment practice by ghost and non-qualified medical practitioners. The new constructions in the health sector remained limited. However, the focus remained on the consolidation of available facilities for delivery of quality services. A large number of health outlets has been designated to provide family planning services. The medical staff has been recruited on contract basis in order to match the demand and maintaining quality of service.

16.10 Rural Water Supply and Sanitation (RWSS): Uniform policies for Water Supply and Sanitation were formulated at national level and communities were made responsible for Operations and Maintenance (O&M) costs of water supply and sanitation system. As per new policy, water tariff will be collected by "village water users committee" and "Sanitation Committee". The funds would be used for improvement of RWSS scheme for which water and sanitation tariff rates in all provinces increased as per decision of Social Sector Coordination Committee (SSCC) of the Cabinet. All the provinces handed over a number of completed RWSS schemes to the communities and there are positive indications of betterment in the RWSS system. The proposal was prepared by various provincial governments which included community motivation/education programme, rehabilitation programme and system development to ensure continuous involvement of communities in RWSS scheme with professional and expertise support. The community mobilization units has been established by the provincial governments in PHED and LG&RDD. The DFID of UK is providing technical and financial support to all provinces for strengthening of PHEDs and LG&Rds.

16.11 Family Planning: The un-reached rural areas were covered through village based female workers (VBFWs). Recruitment, training and deployment of Lady Health Workers (LHWs) helped to ensure delivery of Family Welfare Services at door-steps of the rural people. There were positive and progressive results of LHWs in provision of the Family Welfare

Services. The recent survey of social sectors done by the Federal Bureau of Statistics confirmed this impact and population growth has been reduced to 2.61 percent from 2.78 percent. Information, Education and Communication (IEC) strategy now was focused on both male and female motivation. To enhance demand of family welfare services, T.V, radio, the print media NGOs and private sector organizations were involved to motivate target groups.

16.12 Participatory Development Programme (PDP): A new and innovative pilot project namely Participatory Development Programme (PDP) was launched with objective to encourage community involvement in the institutional options available for promoting SAP related activities. The PDP continued to assist community organizations, NGOs, private institutions, semi-government organizations (NRSP, BRSP, SRSC and TVO etc.) and the foundations (Education, Health etc) to explore strong linkage with communities in expanding quality and availability of social services.

16.13 Financial assistance of Rs 198.743 million was extended to 28 NGO's sponsored projects after completion of scrutiny and site verification from over three hundred applicants. Under these projects primary schools, basic health units, population welfare facilities and water supply schemes were covered. A distinctive feature of these projects were the creation and strengthening of community based organizations to implement and manage the projects with emphasis on training and up-gradation of the skills of the people. PDP assistance to these projects was for two years and, thereafter, the sponsors and the community were expected to sustain the activity from their own resources. The assistance provided by the Government out of \$5 million soft loan from IDA for PDP support amounted to Rs 157.181 million upto May 1998 to 28 NGOs selected under PDP for implementation of projects.

16.14 The programme has been made budgeted during SAPP-II and responsibilities has been provincialized during the current financial year. The selection of NGOs for financing remain under way with the concerned provinces, area administrations and FSS with the technical assistance of donors/MUS. A PDP Committee has been constituted in each province and Area for proper scrutiny of the projects offered by NGOs. After completion of this process the list of qualified/selected NGOs will be communicated to the Donors for want of funds to be released to NGOs for implementation of their projects.

SAP PROGRAMME DURING 1998-99

16.15 In 1998-99, the focus of SAP will be on three aspects (i) to integrate social sector policies for improving the delivery of social sectors, (ii) to mitigate the institutional rigidity and overcome procedural inadequacies that impede efficient execution of SAP and (iii) consolidation and expansion of services/programmes launched and benefits achieved during SAPP-I (1993-96) and (iv) supplementing policies with results of Health Management Information System (HIMS), Education Management Information System (EMIS) and Geographical Information System (GIS). These systems will be consolidated at national level for proper policy feedback and improvement in institutional and investment planning systems.

A) Sectoral Programmes

16.16 Salient features of SAP for the fiscal year 1998-99 are articulated as under:

Education The quality of learning will be improved by providing better qualified teachers, quality textbooks and school aid materials. Increasing the availability of female teachers will remain a central concern. Access to primary and middle schooling will be increased, especially for girls. Transparency and accountability in management will be strengthened through decentralization and revamping the procedures. Service delivery will be streamlined by ensuring greater involvement of parents, NGO's and private sector. The planning capacity will be improved, and monitoring and supervision will be strengthened to institute accountability at all levels. Survey will be conducted to evaluate the impact of over 7000 non-formal home schools established by PMLC on improvement of education. The overall goal of these reforms and activities is to attain objective of universal basic education.

Primary Health Care A basic cost-effective package of essential health services and nutrition activities will be clearly defined. The Basic Health Care delivery system will be strengthened, and logistics for essential medicines and other supplies at service delivery points will further be improved. Measures will be initiated for providing quality family planning services through all primary health outlets. The private sector will be encouraged to participate in service delivery, especially the curative services in urban areas and preventive services in Rural and urban slum areas. The overall aim of these reforms is to reduce mortality and morbidity, eliminate malnutrition particularly in infant and mothers and enhance community participation in the service delivery.

Population Welfare The quality and access to family planning services will be improved, especially in rural areas. A stronger technical and logistical cooperation will be forged between the Ministry of Population Welfare and Health Departments and efforts will be made to involve all the health outlets in provision of family planning services. IEC programmes and other activities will be devised to increase the demand for family planning, and to improve female education and children's survival prospects. A number of fundamental changes have been made in this regard i.e. male members are also being motivated for use of family planning concepts. The overall goal is to slow down the population growth, by promoting idea of small family norms.

Water Supply and Sanitation The beneficiaries will be made responsible for selecting the type of system/service levels, so that they are able to contribute cost of operation and maintenance (O&M) of schemes according to their ability to pay. Partnerships will be established and strengthened between the beneficiaries and the Government in scheme implementation, and capacity of beneficiaries will be strengthened for better management of services. A strategy will be introduced for sustainable service delivery in urban slums. The overall goal is to promote maximum population access to drinking water supply and sanitation services in a sustainable manner. The uniform water supply and sanitation policies will strictly be followed and implemented for establishment of a more transparent system.

B) Implementation Framework under SAPP-II

16.17 SAPP-II has been designed for five years covering the period 1997-2002 against three years for SAPP-I (1993-96) after fairly detailed exercises carried out by the provinces, Federal Ministries of Health, Education, Population Welfare and Area Administrations i.e. FATA, FANA, AJK and ICT to programme. SAPP-II has workout physical targets and required financial allocations, alongwith a set of reforms and appropriate strategies to carry on with the SAP process with greater vigour. The year 1997-98 was the first year of SAPP-II. There are a number of points which have been agreed by the Government and the SAP Donors during SAPP-II, as discussed below:

- (a) Elimination of political interference in the implementation of the SAP. The first important steps have already been undertaken with the abolition of Social Action Boards and the restriction of the politically motivated programmes (e.g Peoples Programme) to on-going and contractual obligations before final termination;
- (b) Further decentralization of administrative and financial powers to the tehsil and district levels with enabling mechanisms to exercise them effectively. Full involvement of NGO, CBOs and beneficiary communities in better management of "Public Good".
- (c) A criteria for merit-based site selection staff recruitment, deployment and its validation by the Auditor General through sample physical checks. The auditor general under a MOU has been assigned to check attendance of teacher and health staff and to verify merit of the project site according to site selection criteria established under SAP.
- (d) Preparation of procurement plans for each sector and sub-programme and the extension of the scope of the Procurement Regulatory Authority approved recently by the Cabinet to the SAP also;
- (e) Prudent implementation of (c) and (d) requires that the SAP should not be subjected to cuts in allocation/slow releases, recruitment bans and frequent transfers of project staff.
- (f) Setting up of Special Inspection Committees at the level of Planning and Development Departments and concerned line departments for third-party checks on staff absenteeism through linkages with communities;
- (g) Ensuring greater community participation by expanding and provincializing the implementation of Participatory Development Programme and by encouraging line agencies to enter into partnership agreements with NGOs/CBOs and communities.

- (h) Involving Private Sector through partnerships on the basis of land grant wherever possible in rural areas, one-third construction cost and imposition of minimum user charges and management of these funds with beneficiary communities.
- (i) Strengthening of Institutional arrangements for the SAP Secretariat both at Federal and Provincial levels, involving all focal points in SAP and establishment of a computerized net work i.e. Management Information System (MIS) and Geographical Information System (GIS).
- (j) Posting of Primary, Middle school teachers and paramedical staff particularly the females close to their homes.
- (k) Encouragement of unemployed educated persons with teachers training (particularly the females), to open primary and middle schools in their areas with suitable grants to be regulated through PDP and Education Foundation etc.
- (l) Use of selected "Masajids and Mosque Schools" for primary schools, wherever justified feasible.
- (m) Leasing out non-functional Basic Health Units (BHUs) to Private Practitioners for a specific period, with the condition that they would also carry out vaccination, maternity care and Population Welfare services.

C) Financial Allocations

16.18 **During 1998-99:** The SAP has an increased focus on improving the quality of social services. Some other policy areas receiving greater and sustained attention include improving service delivery through management at local level, minimizing gender biases in the service design and delivery, improving accessibility of services for the poor and involving community in planning, designing and management of the projects through increased participation of the private sector and NGOs in community mobilization efforts and in actual service delivery. While enforcing these reforms, the overall focus will be on cost effectiveness and sustainability of social services delivery.

16.19 An allocation of Rs.64.608 billion (4.4 percent higher than 1997-98) has been provided for SAP, of which Rs.20.939 billion have been provided in development budget and Rs.43.669 billion for recurrent budget. Rs 5.09 billion or 7.9 percent of recurrent budget has been earmarked for non-salary budget. These funds are to be utilized on SAP tied development projects sponsored by the Federal Ministries of Education, Health and Population Welfare, Provincial Governments and Area/Agency administrations. The amount would be spent on development and provision of primary/middle level education, primary health care, nutrition, family planning, rural water supply and sanitation facilities. The Table 16.3 provides agency wise actual for 1997-98 and allocations for 1998-99 alongwith amount reimbursed. S.A.Table 16.3 provides sector wise, programme wise and areas wise details of financial allocations for the fiscal year 1998-99.

TABLE-16.3
SAP TIED DEVELOPMENT AND RECURRENT
EXPENDITURES & DISBURSEMENT 1997-98 and 1998-99

(Billion Rs)

Agency	Allocations 97-98	Utilization 97-98	% Utilization	Budget 98-99	% Increase Over 97-98
<u>A. DEVELOPMENT:</u>	<u>20.936</u>	<u>13.353</u>	<u>63.9</u>	<u>20.939</u>	<u>0.01</u>
(a) Provinces	15.719	10.157	64.6	14.944	(-) 4.9
(b) F.Areas/Ministries	5.217	3.196	61.3	5.995	14.9
<u>B. RECURRENT:</u>	<u>40.950</u>	<u>31.873</u>	<u>77.8</u>	<u>43.669</u>	<u>6.6</u>
(a) Provinces	38.497	29.623	76.9	41.043	6.6
(b) F.Areas/Ministries	2.453	2.250	91.7	2.626	7.1
<u>TOTAL (A + B)</u>	<u>61.886</u>	<u>45.226</u>	<u>73.1</u>	<u>64.608</u>	<u>4.4</u>
(a) Provinces	54.216	39.780	73.4	55.986	3.3
(b) F.Areas/Ministries	7.670	5.446	71.0	8.622	12.4

SOURCE: Provincial Governments, Area Administrations and Federal Ministries of Education, Health and Population Welfare.

D) Physical Targets

16.20 During 1998-99 following physical targets have been set for various SAP sectors. 724 new primary schools will be opened, 1434 buildings for shelterless schools constructed, 2982 Mosque Schools converted into regular primary schools, 1344 primary schools will be upgraded and 198 new middle school will be opened. In health sector, about 3 million children under 5 years of age will be immunized and about 2295 TBAs trained. 251 Tehsil Headquarter Hospitals, 29 new BHU and 14 RHCs will be completed and 48 BHUs and 40 RHCs upgraded. In rural water supply sector services to be extended to 66 million population and 31 million rural population will be provided with sanitation facilities. The major physical achievements for 1997-98 and Targets for 1998-99 are given in the Table 16.4.

TABLE-16.4
PHYSICAL ACHIEVEMENTS 1997-98 & TARGETS FOR 1998-99

Item	Unit	Targets 1997-98	Achievements 1997-98	Targets 1998-99
<u>I. PRIMARY EDUCATION</u>				
New Primary Schools	Nos	1546	1225	724
Additional Class Rooms	Nos	2524	1431	6866
Buildings for Shelterless Schools	Nos	2098	915	1434
Up-gradation P.S. to M.S	Nos	1116	700	1344
New Middle Schools	Nos	92	139	198
<u>II. PRIMARY HEALTH</u>				
THQ Hospitals	Nos	294	196	251
New BHUs	Nos	6	6	29
New RHCs	Nos	4	3	14
Up-gradation of BHUs	Nos	50	20	48
Up-gradation of RHCs	Nos	24	14	40
LHW Recruited & Trained (Net)	Nos	14369	14337	18252
TBAs Trained	Nos	4100	3896	2295
Immunization	Million Nos	4	5	3
<u>III. RWSS</u>				
Rural Water Supply (Million Pop)	Million	65.0	59.0	66.0
Rural Sanitation (Million Pop.)	Million	28.0	25.0	31.0

SOURCE: Provincial Governments, Area Administrations and Federal Ministries of Education, Health and Population Welfare.

PROVINCIAL SAP PROGRAMMES

I. PUNJAB

16.21 In 1997-98, total SAP budget was Rs 30.504 billion - Rs 8.091 billion for development and Rs 22.413 billion for recurrent expenditure. The non-salary component of the budget was Rs 2.198 million or 7.2 percent of total recurrent budget. Against this allocation, Rs 19.549 billion or 64.1 percent were utilized on SAP sector development projects with utilization rate of 59.7 percent in education, 65.3 percent in Health and 93.3 percent in RWSS sectors.

16.22 The total SAP budget for 1998-99 is Rs 30.048 billion (1.5 percent decrease over 1997-98) - Rs 7.83 billion for development and Rs 22.218 billion for recurrent expenditure. The non-salary component of the budget is Rs 2.134 billion or 7.1 percent of the total recurrent budget. The table 26.5 provides sector wise allocations and utilization for 1997-98 and 1998-99 respectively.

TABLE-16.5
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Billion Rs)

Sector	Allocations 1997-98	Utilization 1997-98	% Utilization	Allocations 1998-99	% Increase Over 97-98
Elementary Education	22.198	13.245	59.7	22.204	0.02
Primary Health	5.084	3.320	65.3	4.948	(-) 2.7
RWSS	3.195	2.981	93.3	2.896	(-) 9.4
Monitoring & Evaluation	0.027	0.003	11.1	0.0	0
Total	30.504	19.549	64.1	30.048	(-) 1.5

SOURCE:- Government of the Punjab.

16.23 SOEs authenticated by the AG Office amounting to Rs 18.388 billion were submitted by the Government of Punjab to the SAP Donors upto the month of June, 1998. Total reimbursement received during 1997-98 amounted to Rs 1.147 billion (upto September 1998) against an agreed disbursement of Rs 1.353 billion.

II. SINDH

16.24 In 1997-98, the total SAP budget was Rs 10.087 billion - Rs 2.209 billion for development and Rs 7.878 billion for recurrent expenditure. The non-salary component of the budget was Rs 0.950 billion or 9.4 percent of the total recurrent budget. Against this Rs 9.837 billion has been utilized. Thus over all utilization rate achieved was 97.5 percent with utilization rate of 102.6 percent in education, 87.1 percent for in Health and 83.0 percent in RWSS sectors.

16.25 The total SAP budget for 1998-99 is Rs 11.462 billion, with Rs 2.580 billion for development and Rs 8.882 billion for recurrent budget. The non-salary component of the recurrent budget is Rs 0.991 billion or 8.6 percent of the total recurrent budget. Table 16.6 provide financial allocations and sector wise utilizations for the year 1997-98 and 1998-99 respectively.

TABLE-16.6
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Billion Rs)

Sector	Allocations 1997-98	Utilization 1997-98	% Utilization	Allocations 1998-99	% Increase Over 97-98
Elementary Education	6.968	7.151	102.6	8.102	16.3
Primary Health	2.027	1.766	87.1	2.530	24.8
RWSS	1.013	0.841	83.0	0.831	(-) 18.0
Monitoring & Evaluation	0.079	0.079	100.0	0.0	0.0
Total	10.087	9.837	97.5	11.462	3.4

SOURCE:- Government of Sindh

16.26 SOEs authenticated by the AG Office amounting to Rs 7.917 billion were submitted by the Government of Sindh to the SAP Donors in 1997-98 upto the month of June 1998. Total reimbursement during 1997-98 amounted to Rs 0.543 billion (upto September 1998) against an agreed amount of Rs 0.675 billion.

III. NWFP

16.27 In 1997-98, the total SAP budget was Rs 8.201 billion of which Rs 2.780 billion was for development and Rs 5.421 billion for recurrent expenditure. The non-salary component of the recurrent budget was Rs 1.306 billion or 15.9 percent of total recurrent budget. Against this Rs 6.799 billion or 82.3 percent of funds were utilized by the Government of NWFP on SAP tied development projects.

16.28 The total SAP budget for 1998-99 is Rs 9.170 billion with Rs 2.271 billion for development and Rs 6.899 billion for recurrent budget. The non-salary component of the recurrent budget is Rs 1.028 billion or 11.2 percent of the total recurrent budget. The sector-wise break up for allocation and utilization for 1997-98 and budget for 1998-99 is given in the Table 16.7 .

TABLE 16.7
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Billion Rs)

Sector	Allocations 1997-98	Utilization 1997-98	% Utilization	Allocations 1998-99	% Increase Over 97-98
Elementary Education	5.603	4.522	80.7	6.424	14.7
Primary Health	1.210	1.135	93.8	1.365	12.8
RWSS	1.381	1.142	83.0	1.381	0.0
Monitoring & Evaluation	0.006	0.000	0.0	0.0	0.0
Total	8.201	6.799	82.3	9.170	11.8

SOURCE:- Government of NWFP.

16.29 SOEs authenticated by the AG Office amounting to Rs 5.244 billion were submitted to the SAP Donors for the period upto June 1998. Against an agreed amount of Rs 0.529 billion Rs 0.455 billion were reimbursed by the donors to the Government of NWFP for the fiscal year 1997-98 (upto September 1998).

IV. BALOCHISTAN

16.30 In 1997-98 the total SAP budget was Rs 5.425 billion of which Rs 2.639 billion was for development and Rs 2.785 billion was for recurrent expenditure. The non-salary component of the recurrent budget was Rs 0.540 billion or 9.9 percent of the total recurrent budget. Against these allocations Rs 3.595 billion or 66.3 percent of funds were utilized by the Government of Balochistan on SAP tied development projects.

16.31 The total SAP budget for 1998-99 is Rs 5.306 billion or 2.2 percent decrease over 1997-98 with Rs 2.262 billion for development and Rs 3.043 billion for non-development budget. The non-salary component of the recurrent budget is Rs 0.523 billion or 9.9 percent of the total recurrent budget. The sector-wise break-up for allocation and utilization for 1997-98 and budget for 1998-99 is given in the Table 16.8.

TABLE 16.8
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Billion Rs)

Sector	Allocations 1997-98	Utilization 1997-98	% Utilization	Allocations 1998-99	% Increase Over 97-98
Elementary Education	3.287	1.957	59.5	3.369	2.5
Primary Health	1.175	0.979	83.3	1.181	0.5
RWSS	0.963	0.657	68.2	0.756	(-) 21.5
Monitoring & Evaluation	0.000	0.002	100.0	0.0	0.0
Total	5.425	3.595	66.3	5.306	(-) 2.2

SOURCE:- Government of Balochistan

16.32 SOEs authenticated by the AG Office amounting to Rs 2.666 billion were submitted by the Government of Balochistan to the SAP donors for the period upto May 1998. Against an agreed amount of Rs 0.137 billion, Rs 0.095 billion were reimbursed for the fiscal year 1997-98 (upto September, 1998). The lower level of reimbursement is due to lower rate of reimbursement agreed by donors on the grounds of non-compliance of contractual obligations by the Government of Balochistan.

V. FEDERAL AREAS

a) FATA

16.33 The original SAP budget for 1997-98 was Rs 1445.2 million, of which Rs 419.4 million were allocated to for development and Rs 1025.8 million for recurrent expenditure including the non-salary part of Rs 99.7 million or 6.9 percent of recurrent budget. Against this Rs 1062.6 million or 73.5 percent of funds were utilized by the FATA on SAP tied development programmes.

16.34 The total SAP budget for 1998-99 is Rs 1385.6 million or 4.1 percent less against fiscal year 1997-98 with Rs 316.6 million for the development component and Rs 1069.0 million for the recurrent component, including the non-salary part of Rs 160.9 million or 11.6 percent of the total recurrent budget. The reduced level of budgetary allocation is due to reduction in financing level in RWSS and Education sectors with the fact that need based policy regarding construction of schools and RWSS schemes has been implemented by the FATA. The Table 16.9 provides sector wise details of the allocations and utilization for 1997-98 and budget for 1998-99 respectively.

TABLE 16.9
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Million Rs)

Sector	Allocations 1997-98	Utilization 1997-98	% Utilization	Allocations 1998-99	% Increase Over 97-98
Elementary Education	883.4	551.0	62.4	821.6	(-) 7.0
Primary Health	306.8	270.6	88.2	371.5	21.1
RWSS	252.0	238.0	94.4	192.5	(-) 23.6
	3.0	3.0	100.0	0.0	-
Total	1445.2	1062.6	73.5	1385.69	(-) 4.1

SOURCE:- Government of NWFP/FATA.

16.35 SOEs authenticated by the AG Office amounting to Rs 936.015 million were submitted by the Government of NWFP for FATA SAP programme to the SAP Donors, upto the month of June 1998. Against an agreed amount of Rs 98.248 million an amount of Rs 80.623 million or 82.1 percent of the claim was reimbursed by donors to the FATA for the fiscal year 1997-98 upto September, 1998.

b) NORTHERN AREAS

16.36 In 1997-98, the total SAP budget was Rs 542.6 million, of which Rs 253.0 million was for development and Rs 289.6 million was for recurrent expenditure. The non-salary component of the budget was Rs 41.1 million or 7.6 percent of the total recurrent budget. Against this allocation Rs 335.7 million or 61.9 percent of funds was utilized by the Northern Areas administration on SAP tied development projects.

16.37 The total SAP budget allocated for 1998-99 is Rs 667.2 million or 23.0 percent increase over 1997-98, of which Rs 328.0 million is for development and Rs 339.2 million for recurrent. The non-salary component of the recurrent budget for 1998-99 is Rs 72.9 million or 10.9 percent of the total recurrent budget. The Table 16.10 provide sector-wise break up of allocations and utilization for the year 1997-98 and 1998-99 respectively.

TABLE-16.10
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Million Rs)

Sector	Allocations 1997-98	Utilization 1997-98	% Utilization	Allocations 1998-99	% Increase Over 97-98
Elementary Education	319.7	199.0	62.2	383.2	19.9
Primary Health	197.4	111.7	56.6	246.4	24.8
RWSS	25.5	25.0	98.0	37.6	47.5
Monitoring & Evaluation	0.0	0.0	0.0	0.0	0.0
Total	542.6	335.7	61.9	667.28	23.0

SOURCE:- Northern Areas Administration.

16.38 SOEs authenticated by the AG Office amounting to Rs 315.567 million were submitted by the FANA administration to the SAP donors in 1997-98 up to June 1998. Total

reimbursement during 1997-98 amounted to Rs 2.609 million has been made by the donors against an agreed amount of Rs 15.783 million (upto September, 1998).

c) ICT

16.39 In 1997-98, the total SAP budget was Rs 237.5 million, of which Rs 67.2 million was for development and Rs 170.3 million was for recurrent expenditure. The non-salary component of the budget was Rs 11.7 million or only 4.9 percent of the total recurrent budget. However, against these allocations Rs 212.0 million or 89.3 percent funds were utilized.

16.40 The total SAP budget for 1998-99 is Rs 280.5 million, with Rs 96.5 million for development and Rs 184.0 million for recurrent. The non-salary component of the recurrent budget is Rs 16.6 million or 5.9 percent of the total recurrent budget. The Table 16.11 provides sector wise allocations and utilization for the financial year 1997-98 and 1998-99 respectively.

TABLE-16.11
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Million Rs)

Sector	Allocations 1997-98	Utilization 1997-98	% Utilization	Allocations 1998-99	% Increase Over 97-98
Elementary Education	200.0	187.0	93.5	237.8	18.9
Primary Health	22.4	12.0	53.6	13.8	(-) 38.4
RWSS	15.1	13.0	86.1	28.9	91.4
Total	237.5	212.0	89.3	280.5	18.1

SOURCE:- ICT Administration.

16.41 SOEs authenticated by the AG office amounting to Rs 190.453 were submitted by the ICT administration to SAP donors during 1997-98 upto the month of June, 1998. An amount of Rs 5.133 million has been reimbursed by the donors against an agreed amount of Rs 8.189 million upto September 1998.

d) AJK

16.42 In 1997-98, the total SAP budget was Rs 1477.3 million, of which Rs 512.0 million was for development and Rs 965.3 million was for recurrent expenditure. The non-salary component of the budget was Rs 134.9 million or 9.1 percent of the total recurrent budget. Against this Rs 1350.6 million or 91.4 percent of funds were utilized by the AJK Government on SAP tied development schemes. The higher expenditure was due to increase in foreign project aid allocation and utilization.

16.43 The budget for 1998-99 is Rs 1583.2 million or 7.2 percent higher than 1997-98, with Rs 549.1 million for development and Rs 1034.1 million for recurrent. The non-salary component of the recurrent budget is Rs 164.6 million or 10.4 percent of the recurrent budget. The sector wise details of allocations and utilization are given in Table 16.12.

TABLE-16.12
ALLOCATION AND UTILIZATIONS

(Million Rs)

Sector	Allocations 1997-98	Utilization 1997-98	% Utilization	Allocations 1998-99	% Increase Over 1997-98
Elementary Education	773.4	762.0	98.5	852.9	10.3
Primary Health	495.4	423.0	85.4	475.1	(-) 4.1
RWSS	207.5	165.6	79.8	255.2	23.0
Monitoring & Evaluation	1.0	0.0	0.0	0.0	0.0
Total	1477.3	1350.6	91.4	1583.2	7.2

SOURCE:- Government of AJK.

16.44 SOEs authenticated by the AG Office amounting to Rs 1355.375 million were submitted by the Government of AJK to the SAP donors for 1997-98 upto the month of June, 1998. The reimbursement amounted to Rs 77.621 million were made by the donors to the Government of AJK during 1997-98 as against eligible amount of Rs 151.802 million for SAP sectors (upto September, 1998).

IV SAP PROGRAMME BY FEDERAL MINISTRIES

16.45 During 1998-99, the Ministries of Education, Health and Population Welfare were allocated funds for SAP programme. The M/O Education was allocated Rs 160.0 million and M/O Health Rs 2065.5 million for EPI, AIDs, Malaria control, Nutrition and Pms Family Planning projects etc, M/O Population Welfare was allocated Rs 2034.5 million for under taking family planning activities and various projects. Monitoring and Evaluation of SAP activities and PDP was allocated Rs 445.0 million during 1998-99. The Table 16.13 provide allocations and expenditure for programmes under jurisdiction of these ministries.

TABLE 16.13
ALLOCATION AND UTILIZATIONS

(Million Rs)

Sector	Allocations 1997-98	Utilization 1997-98	% Utilization	Allocations 1998-99	% Increase Over 1997-98
Elementary Education	100.0	88.0	88.0	160.0	60.0
Primary Health	1878.4	1137.2	60.5	2065.5	10.0
Population Welfare	1921.0	1194.1	62.2	2034.5	5.9
M&E and PDP	68.2	63.7	93.4	445.0	552.5
Total	3967.6	2483.0	62.6	4705.0	18.6

SOURCE:-Ministry of Education, Health, Population Welfare, FBS, AG Office and FSS.

i) Ministry of Education

16.46 The School Census was conducted in Federal Areas (AJK, FATA, FANA, and ICT) with full participation of Federal Areas Education Departments. The data for 1993-94 & 1994-95 was made available to education planners and managers for ICT, FANA, FATA &

AJK. Efforts were accelerated during 1997-98 to develop a strong data base for the use of decision makers. The training of supervisors and data collectors were organized by Academy of Educational Planning and Management in each of the four areas under the FedEMIS. Data for the year 1995-96 was entered in the computers and processed. Similar activities were undertaken during 1997-98 and would continue during the fiscal year 1998-99. The National Educational Foundation (NEF) has contracted a number of NGOs for provision of non-formal education facilities. The PMLC is now in process of monitoring of its over 7000 non-formal home schools in order to survey quality and impact on education due to establishment of these schools. Data base for the NGOs will be developed and Private School Act of 1935 will be reviewed for enhancing public-private sector partnership in more effective and efficient manner.

ii) **Ministry of Health**

16.47 The National EPI Programme remain continue and required funds were provided by the Federal Government and supplies restored to provinces/areas. Successful round of National Immunization Days (NIDs) were launched during 1997-98. Health education campaign for routine EPI programme was launched on electronic and press media. Acute Facial Paralysis (AFP) Surveillance and Reporting System was established and the system was, being enhanced with the support of WHO and CDC Atlanta. Plans for high risk area approach for NNT and Measles were developed and will be launched in different provinces/areas. Furthermore, from July 1996, efforts were made by the Ministry of Health to strengthen: (a) supportive supervision and monitoring activities, (b) institutionalize role of health committees and women groups, (c) assure procurement, logistic support and supplies for LHWs, and (d) proper collection and use of information generated by LHWs at all levels. In addition to this Ministry of Health started work on modelling family planning and primary health care in an integrated manner at the community level to make the community literate in health matters and imbibe self-respect in the community.

16.48 The Health sector programme priorities during 1998-99 in accordance with national health policy will be as follow:

- a) Provide comprehensive and integrated PHC and Family Planning services through gradual expansion in the services activities.
- b) Expand coverage of antenatal, safe delivery and post natal services to the catchment population by involving the TBAs. Also introduce and provide safe delivery disposable kits to TBAs.
- c) Develop standardized curriculum for training of LHWs and TBAs in selected districts.
- d) Strengthen the supervisory and monitoring system by making required recruitment and provision of training to supervisors.
- e) Evaluation of performance and impact of LHWs and TBAs on the quality of health service delivery.

- f) Provide appropriate logistics support to supervisor, for achievement of quality in PHC services and
- g) Improve health facility staff involvement in community organization for establishing linkage between community and health services etc.

iii) Ministry of Population Welfare

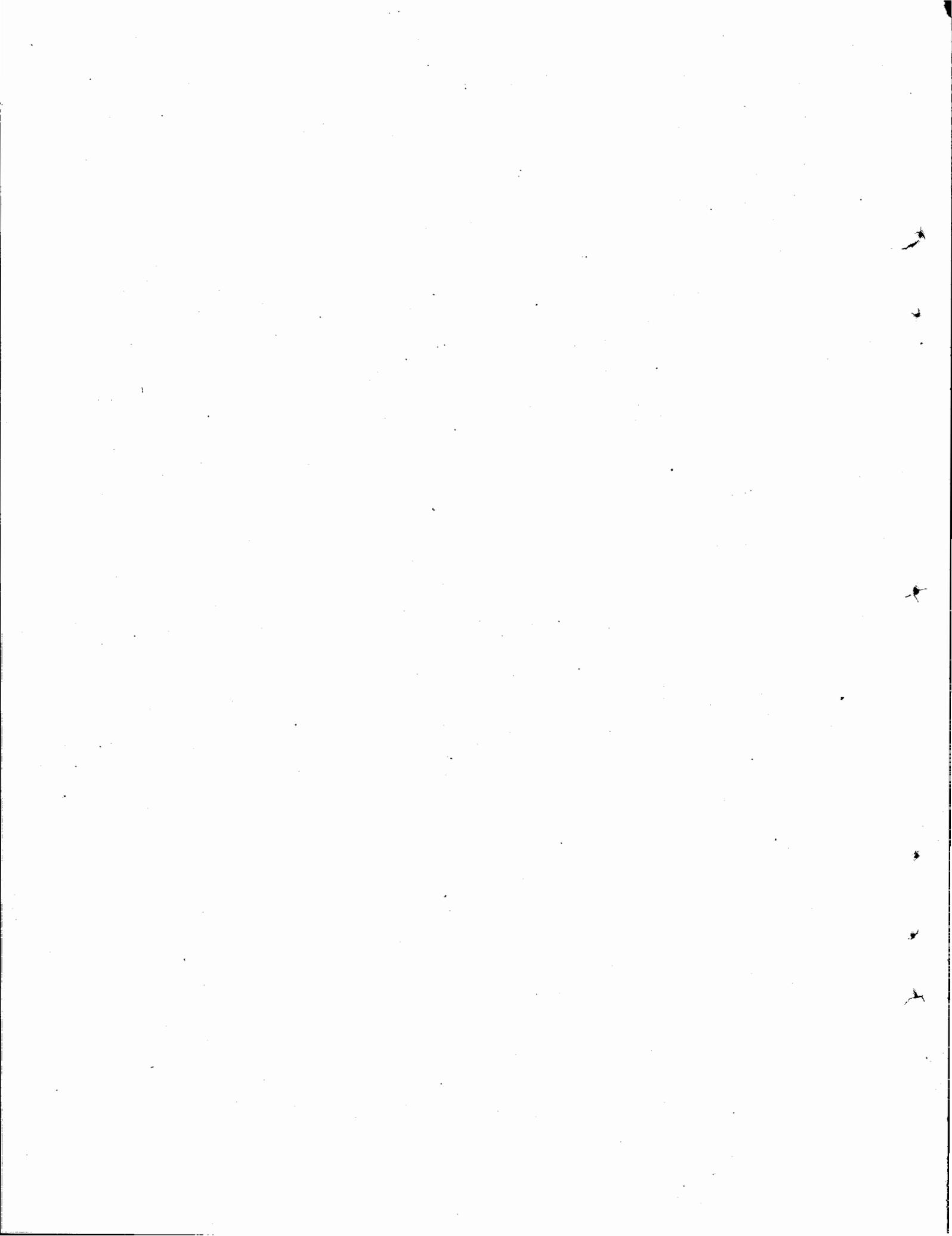
16.49 The focus of the programme remained on improving programme design, strengthening implementation capacity, expanding service net work including health infrastructure, increasing level of expenditure, coordination with line departments particularly health, education and information, generating political and administrative support, decentralizing administrative and financial powers, streamline logistic and supply system.

CONCLUSION

16.50 During 1997-98 the pace of the on-going as well as new schemes was accelerated. In primary education sub-sectors the activities of establishment, addition of rooms, construction of buildings for shelterless primary schools, repairs and reconstruction of school buildings were carried out at national level through provincial, regional and area governments/authorities. Elementary and Non-formal Education were included in SAP and Private Sector involvement in education were promoted with financial assistance extended by Education foundations. In primary health sector, a sufficient number of Tehsil Headquarter Hospitals (THQs), BHUs and RHCs were constructed and upgraded, 5 million children were immunized. In the area of manpower development, about 3896 TBAs were trained. 14337 Lady Health Workers (LHWs) and 580 supervisors were recruited, trained and deployed within the local communities during 1997-98. To control iodine deficiency disorder (IDD) in the endemic areas of NWFP, Northern Areas, Punjab and Balochistan, iodized salt was distributed and nutrition improvement programme started. The population welfare programme during the year concentrated on both consolidation and expansion of services. The service delivery outlets were established in both public and NGO/private sectors. Based on a mix of contraceptive offered during 1997-98 a high number of acceptors were served for achievement of targets of births aversion. In rural water supply and sanitation, it was estimated that the additional population will be covered. The target has been achieved.

16.51 As a general policy adopted for SAPP-II, during the financial year 1998-99 focus will be on strengthening and consolidation of services already established and built during SAP phase-I. For achievement of maximum benefit the programme has been designed to include middle school, literacy and non-formal education sub-programmes in education sector, nutrition in Health Sector and urban slum in RWSS sector. The selected Basic Health, Rural Water Supply and Sanitation facilities are proposed to be strengthened. Emphasis will be on existing facilities rather than new construction. The existing RWSS schemes will be offered to communities and NGO's for management and operations alongwith responsibility of operational and maintenance (O&M) cost. In addition to this it is planned that, the goals/targets of SAP will be achieved through expenditure policy and implementation reforms in the four sectors. For better planning and management, the monitoring and evaluation system of social services

delivery will further be institutionalized and annual operational plans will be used for identification, planning, designing and articulation of SAP sector reforms programme. The PDP has completed its first phase and shown positive results. A number of facilities for provision of quality social services have been established by NGOs working at national and local level in all four provinces and special areas. The Participatory Development Programme Phase -II (PDP-II) has been provincialized and included in the budget/PSDP of the Federal/Provincial governments during the financial year 1998-99. The selection and recruitment of NGOs remain under-way and after scrutiny and field verification a list of qualifying/selected NGOs will be communicated for final approval to the Donors for want of funds to be released these NGOs for implementation of projects.



CHAPTER - 17

EDUCATION & TRAINING

17.1 Education is a continuous developmental process through which nations seek the best possible way of life. Investment in education is a productive activity necessary for the development and progress of a nation. Education, beyond any doubt increases the learning level of individuals, improves health status and raises the socio-economic level of the country as a whole. There has been unequivocal commitment by various governments to universalize primary education at the earliest possible, followed by concomitant expansion at subsequent levels of education. Deteriorating standards of education at all levels, is another increasing concern of all the stake holders. Some issues of basic education have been addressed to some extent under SAP-I. Under SAP-II, consolidation of SAP-I achievements, extension of basic programme upto elementary level, increase in female education, optimum use of existing facilities, improving delivery system and ensuring good governance are the other areas to be addressed. The non-SAP programmes, have also been given due importance to achieve the desired goals in this crucial area.

REVIEW OF 1997-98

17.2 Rs.7872.0 million were allocated for expansion of Education and Training programme in the country but later on the allocation was revised to Rs.5872.6 million of which Rs.4744.0 million were allocated by the provincial governments, while Rs.1128.0 million were allocated for Federal agencies i.e. Ministry of Education, Rs.819.4 million, Defence Division Rs.14.2 million, AJK Rs.118.9 million, FATA Rs.111.0 million, NA Rs.61.0 million and Establishment Division Rs.3.8 million. Allocation pertaining to SAP related programme was Rs.3876.0 million. A lion share of the PSDP allocations have been released and utilized by the agencies concerned. Details are in Table 17.1.

TABLE - 17.1

PERCENTAGE (%) UTILIZATION OF PSDP ALLOCATION
FOR THE YEAR 1997-98 BY SUB-SECTORS & EXECUTING AGENCIES

Sub-Sector	Punjab	Sindh	NWFP	Baloch- istan	Federal Govt.	Pakis- tan
Elementary	54	94	100	59	93	68
Secondary	62	89	99	70	98	81
Teacher	490	84	100	67	79	90
Technical	40	86	100	75	89	68
College	61	80	100	95	84	74
University	-	-	-	-	90	-
Scholarship	21	100	-	-	96	73
Literacy	-	100	-	-	94	93
Miscellaneous	37	64	100	-	66	60
Total:	54	89	100	68	91	72

Physical Achievements

School Education

17.3 During the year 1014 primary schools were established. Buildings of 941 shelterless primary schools were constructed and 231 Mosque schools were converted as primary schools. In over-crowded primary schools 1557 classrooms were added besides improving physical facilities of 2948 primary schools. To accommodate increasing out put of primary and middle schools 512 primary and 55 middle schools were upgraded. Intermediate classes were added in existing 22 high schools. On-going works for establishment of 02 high schools, reconstruction of buildings of 5 middle and 21 high schools were completed. About 220 classrooms were added in existing overcrowded middle and high schools. Reforming curricula, establishment of Community Model Schools (CMS) for Girls, in-service training of school teachers, supervisors and administrative staff, provision of furniture, equipment and teaching learning material for selected schools were the other accomplishments. Province-wise break-up of major physical achievements of school education are given in S.A. Table-17.2.

Teacher Education

17.4 During the year construction work continued on the Elementary Teacher Training Colleges throughout the country. The work remained in progress on expansion and development of Federal College of Education, Islamabad. Under ADB assisted Teacher Training Project, work on establishment of Provincial Institutes of Teacher Education (PITE) remained in progress while the functions of PITE were started in borrowed buildings in all the four provinces. Other activities of Teacher Training Project i.e. revision of curricula for teacher training institutions, their staff development, strengthening of teacher training institutions remained as per schedule. Master trainers were trained to conduct in-service training of primary & secondary school teachers at district level. Workshops and training activities were arranged by Curriculum Wing, Ministry of Education at Federal level and the Provincial Governments at suitable locations.

Technical Education

17.5 During the year ongoing work for establishment of Mono-technic Institutes; colleges of technologies and three Government Commercial Institutes; upgradation of one Commercial Centre as Commercial Training College and one Vocational Training Institute as Polytechnic Institute; and improvement of physical facilities of colleges of Commerce were completed. Work remained in progress for establishment of two Polytechnic Institute and construction of building of three Commercial Training Institutes.

College Education

17.6 During the year six new Inter Colleges were established, work on construction of buildings for four inter and two degree colleges and addition of classrooms in 13 colleges completed facilities extended to improve college education.

17.7 Work remained in progress for construction of buildings of 75 colleges, 18 Colleges were also upgraded during the year.

17.8 Work was initiated for upgradation of 50 inter colleges to degree level; construction work is in progress.

Scholarships

17.9 Agency-wise expenditure on scholarships during 1997-98 is given below:

(Million Rs.)

Punjab	Sindh	NWFP	Baloch istan	M/o Edu.	M/o Def.	AJK	NA	FATA	Pakistan
16.1	0.2	6.8	-	146.	0.3	-	-	23.9	193.3

Note: i) In the Province of Sindh scholarships are provided mainly from Zakat Fund, which are not reflected here. Scholarships in Balochistan, AJK and NA are provided under non-development budget.

17.10 During the year 24 scholars were sent abroad for higher studies while 374 scholars of Meritorious Scholarship Scheme completed the 1st phase of their studies. Under Prime Minister's Merit Scholarship for Tribal Areas, 90 Scholars completed their studies. In addition students were awarded scholarships in different disciplines under Cultural Exchange Programme offered from different countries. Admission of about 720 foreign students was arranged in various institutions in the county on self-finance basis.

University Education

17.11 Development and expansion work of some University Campuses completed and some in progress. Development work for upgradation of Sindh University, Engineering College as Mehran University of Engineering & Technology continued. Immediate needs of University of Peshawar, new PTOC through Allama Iqbal Open University, Improvement of Science Labs. Staff Development Programme of Gomal University, establishment of Institute of Bio-Chemistry and Bio-Technology in the Punjab University, Lahore and provision of sports for women in Pakistani Universities through UGC, construction of Science Labs in Third World Centre and purchase of equipments, strengthening of Academic facilities of NWFP University of Engineering & Technology partly accomplished and remained in progress.

17.12 Work remained in progress on various on-going development projects of university campuses and other institutions of higher education. Linkage programme Department of Environment, Planning & Management, University of Peshawar with Norwegian Centre for International Development remained in progress.

Literacy and Mass Education

17.13 Work on 7100 Non-formal Basic Education Schools/Centres remained in progress partly through Prime Minister's Literacy Commission (PMLC) directly and partly through NGOs. Motivational campaign through media remained continued. Supervisory services through active involvement of NGOs improved a lot.

Miscellaneous

17.14 Work on scheme for provision of drinking water supply scheme of Punjab Boys Scouts Summer Training Centre, Ghora Gali, Murree, remained in progress. Improvement of educational facilities in Deeni Madaris, Reader Club and establishment of National Education Testing Services (NETS) accomplished at large while the remaining activities are in progress.

Establishment Division

17.15 Rs. 3.85 million were spent on the three on-going development projects of Secretariat Training Institute, Islamabad, Improvement of roads in Pakistan Administrative Staff College Lahore and renovation and upgradation of Hostel Block, NIPA, Lahore.

SPECIAL AREAS

a) Azad Jammu & Kashmir

17.16 Total allocation of Rs.119.000 million have been spent on the expansion and development of educational programmes in AJ&K. The physical performance included construction of 101 primary schools, construction of buildings of existing 75 shelterless primary schools, addition of 25 classrooms in over-crowded primary schools. Construction of buildings of one inter college one Elementary Teachers Training College and Provision of equipment for elementary teacher training colleges and technical colleges accomplished.

b) Northern Areas

17.17 Rs.61.000 million allocated for the expansion and development of programmes of education in Northern Areas were utilized hundred per cent. The physical performance included, establishment of 10 primary schools through community support programme, completion of ongoing works for up-gradation of 23 primary, 13 middle and one high school in progress. Construction of buildings of 36 primary schools, four High school, 12 colleges in progress.

c) FATA

17.18 Rs.111.002 million were allocated for the expansion and development of education sector programme which were utilized 99.9 percent. Expenditure on primary education was Rs.49.805 million while on secondary education it was Rs.31.243 million. Two primary schools

were completed besides addition of class rooms in 12 existing primary schools, and construction of buildings of 4 existing primary schools. Work on the upgradation of 21 primary and two middle schools and two high schools completed. Rs.23.892 million were spent on award of scholarships to students of FATA for study in higher learning institutions in the country.

FINANCIAL UTILIZATION OF PSDP ALLOCATION 1997- 98

17.19 Total of Rs. 5872.6 million were allocated (revised PSDP) for the development and expansion of Education Sector programmes in the country against which Rs. 4229.0 million were utilized giving utilization rate of 72 per cent.

17.20 Out of total expenditure of Rs.4229.0 million in 1997-98, Rs.3196.9 million were spent in provinces. Sub-sector-wise percentage utilization for each agency are given in table 15.1 (under para 15.2) while agency-wise and sub-sector wise details of allocations and revised estimates are given in S.A.Table 17.1.

PROGRAMME FOR 1998-99

Financial

17.21 Rs.6136.3 million have been allocated for expansion and development of Education and Training Programme in the country, in addition to this amount, Rs.5901.3 million have been allocated as foreign aid. The allocation of provinces is Rs.4561.4 million, while Rs.1574.9 million have been allocated by Federal Agencies - Ministry of Education Rs.867.3 million, Defence Division Rs.15.844 million, AJK Rs.230.0 million, NA Rs.99.1 million, FATA Rs. 356.537 million and Establishment Division Rs. 6.031 million. Allocation for SAP related education sector programme is Rs.8614.87 million. Sub-sector-wise and agency-wise PSDP allocation for the year are given in S.A.Table 17.3. There are wide variations in the PSDP allocation for various executing agencies and the Sub-sectors. Percentage share of allocation for each Sub-sector is given in the Table 17.2.

TABLE 17.2

**SUB-SECTOR-WISE PERCENTAGE (%) SHARE OF ALLOCATION
EXCLUDING FOREIGN AID DURING 1998-99**

Sub-sector	PUNJAB	SINDH	NWFP	BALO- CHISTAN	FEDERAL	PAKISTAN
Primary	72	59	82	41	23	58
Secondary	9	12	10	17	13	12
Teacher	1	2	1	10	4	2
Technical	6	8	2	2	5	5
College	7	17	3	28	8	9
Scholarships	3	1	1	-	14	4
University	-	-	-	-	13	3
Literacy	-	-	-	-	9	2
Miscellaneous	2	1	1	2	11	5
Total:	100	100	100	100	100	100

Physical

School Education

17.22 During the year 1807 primary schools will be opened. Buildings of 1528 shelterless primary schools will be constructed and 647 mosque schools will be converted as primary schools. In over-crowded primary schools 1076 new classrooms will be added. To accommodate the increasing output of Primary level 964 primary and 102 middle schools will be upgraded besides establishment of 24 new high schools in the country. Buildings of 30 existing middle and 73 high schools will be reconstructed while 389 new classrooms will be added in over crowded middle and high schools. Agency-wise targets for school education during 1998-99 are summarized in S.A. Table-17.4.

Teacher Education

17.23 The programmes for teacher education will be of in-service training of teachers of schools, colleges, technical institutions in NWFP, Sindh and Balochistan. Construction of on-going work will be continued, establishment of 08 Elementary Colleges in Sindh will be made. ADB assisted teachers' Training project will gain momentum in all the four provinces. Establishment of Provincial Institutes of Teacher Education (PITE) will be completed. Development of curricula for all Teachers Training Institutions, their staff development and the structural changes in the existing Teacher Training System will be finalized. Teaching of environmental education will be introduced for teacher trainers in colleges of education in Pakistan while training in Educational technology will be introduced in existing elementary colleges.

Technical Education

17.24 The Technical Education programmes, for the year include completion of construction work of 07 Government Commercial Training Institute, conversion of 03 GCTI into Colleges and consolidation of 33 GCTIs in Punjab. Establishment of 10 Monotechnic Institutes in Sindh. Establishment of two Government Commercial Training Institutes and Five Vocational Institutes will remain in progress. Upgradation of three Commercial Training Centre to Institute level and construction of buildings for four Government Vocational Institutes will be continued. Two Commerce Colleges will be established in NWFP. National Institute of Science & Technical Education (NISTE) will be strengthened. Work on Islamabad Polytechnic Institute for Boys will be re-started.

College Education

17.25 In Punjab 06 Inter Colleges will be established, construction of buildings for 11 Inter/Degree Colleges, 20 additional classrooms in the existing colleges, five Hostels in the existing Inter & Degree Colleges and addition of post graduate block in one degree college. In Sindh province 35 colleges will be upgraded. In NWFP one college will be established, while in Balochistan province work on the ongoing schemes will continue. In NA work on 11 colleges will be continued. In AJ&K Admn & Science Block of 02 colleges will be constructed, 6 building of fully fledged colleges will be constructed and 02 colleges will be provided equipments.

Scholarships

17.26 During the year Rs.283.608 million will be spent on scholarships for higher studies in the country and abroad. Under foreign scholarships 37 students will be sent abroad for higher studies in various disciplines while 70 scholars will come back after completing their education from foreign universities/ institutions. About 900 foreign scholars will be admitted in various institutions of higher learning on self-finance basis.

17.27 Agency-wise details of allocation for Scholarships are given below:

Punjab	Sindh	NWFP	Baloch- istan Edu.	M/o Def.	M/o	AJK	NA	FATA	Pakistan
78.034	0.5	8.657	-	167.	417	0.5	-	-	28.5 283.608

- Note: i) In the Province of Sindh scholarships are provided mainly from Zakat Fund, which are not reflected here.
ii) Scholarships in Balochistan, AJK and NA are provided under non-development budget.

University Education

17.28 An amount of Rs.230.704 million including 22.909 million Foreign Aid has been allocated for University Education. Total 37 Developmental schemes have been made allocations out of which 35 are on-going and two are new. Development and expansion work of all the university campuses will be continued. Development work for upgradation Sindh University Engineering college as Mehran University of Engineering & Technology, Immediate needs of university of Peshawar, New Primary Teachers Orientation Course (PTOC) through Allama Iqbal Open University, Improvement of Science laboratories and staff development programme for Gomal University, establishment of Institute of Bio-Chemistry and Bio-Technology in the Punjab University, Lahore, and provision of Sports for Women in Pakistani Universities through University Grants Commission, construction of Science Labs in Third World Centre for Science and Technology in Chemical Sciences, HEJ Research Institute of Karachi University and Work for strengthening of Academic facilities of NWFP University of Engineering & Technology at Peshawar will remain in progress. Linkage programme of NWFP Engineering University with George Washington University in the launching stage will be accelerated. Developmental schemes of Quaid-e-Azam University, Islamabad i.e. Development of NIPS, construction of an Auditorium have been made allocations. An amount of Rs.2.047 million have been allocated for construction of Library & Cafeteria of Balochistan University.

Literacy and Mass Education

17.29 Rs.140.0 million have been allocated for Non-formal Literacy programme. Work will remain in progress on the motivational campaign for provision of primary education and rural development in 35 villages of Islamabad. Primary education literacy programmes will gain momentum with the active involvement of NGOs. Social mobilization campaign, involvement of district administration in implementation of primary education and literacy programme, development of condensed curricula, teaching learning material and large scale of teacher training will augment the efforts. To improve and expand the basic education programme empowerment of local communities in implementation will go a long way in developing, designing and implementing these programmes according to local needs. Another project for establishment of 80,000 NFBE Centres has been approved by ECNEC at the cost of Rs.11.000 billion to achieve the targets of universal literacy.

Miscellaneous Programmes

17.30 The administrative set up in all the four provinces will be facilitated fully. Training staff of Education Management Information System (EMIS) and strengthening of Planning Cell in NWFP will remain in progress. Work on establishment of Federal Education Management Information System will be completed. About 5200 members will be benefitted through readers club scheme launched by National Book Foundation. Remaining activities of population education project will be accomplished fully. Rs.1.000 million will be spent on educational facilities in Deeni Madaris. Rs.1.3 million have been allocated for Girls Guide Association. Rs.0.263 million have been allocated for national competition of talented students; Rs.0.422 million for encouragement and support to new creative pakistani publications; Rs.0.152

as incentive for publication of articles in International Journals by NBF. An amount of Rs.2.413 million have been allocated for strengthening of National Educational Testing Service and Rs.1.10 million will be spent on strengthening of Monitoring Cell of Ministry of Education.

Establishment Division

17.31 Rs.6.031 million have been allocated for the development projects of Secretariat Training Institute, Islamabad; National Institute of Public Administration & Pakistan Administrative Staff College, Lahore.

SPECIAL AREAS

a) Azad Jammu & Kashmir

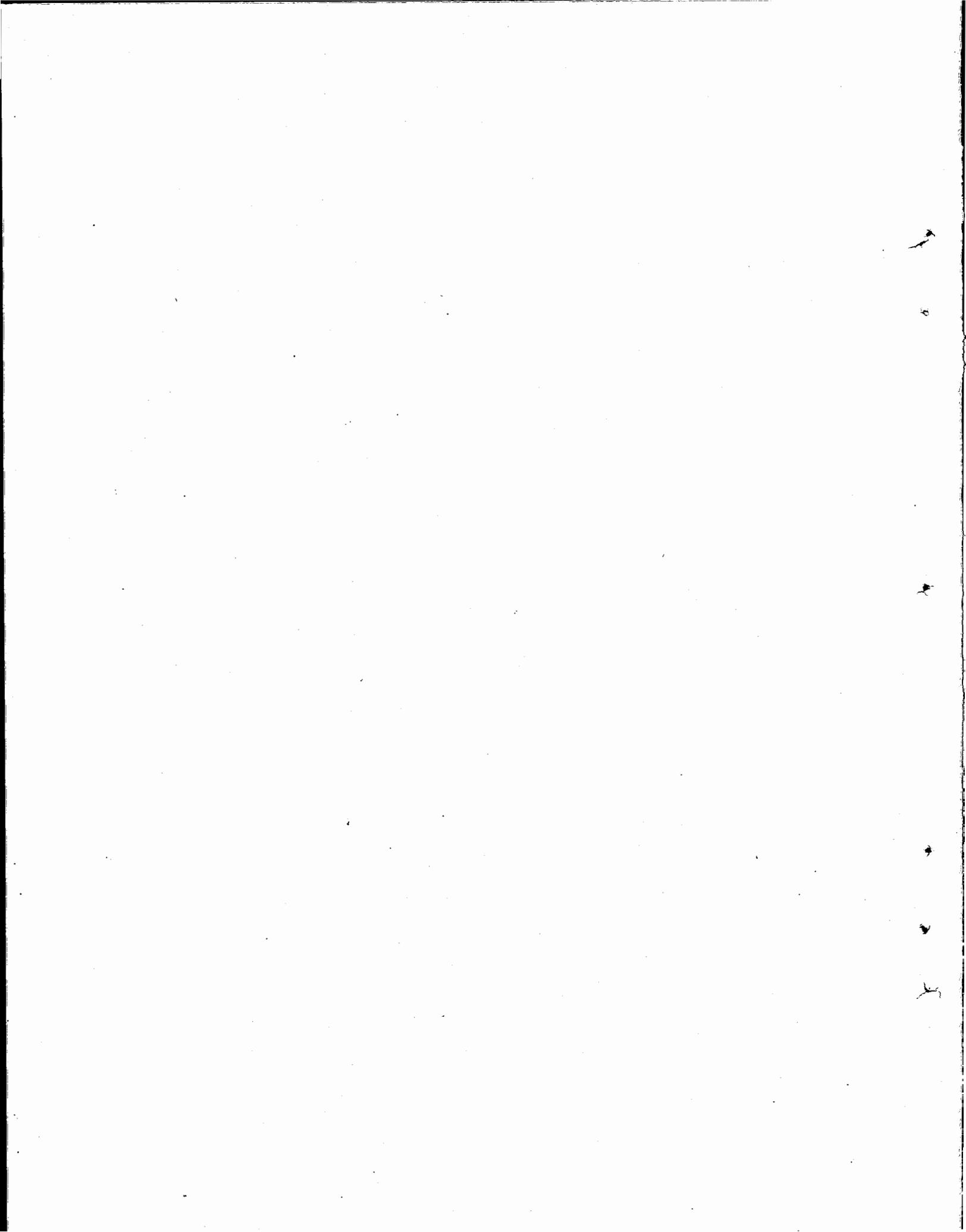
17.32 Rs. 230.000 million have been allocated for expansion and development of educational programmes in AJ&K. Out of total PSDP allocation Rs.140.285 million (60.97 %) will be spent on elementary education for construction of building of 100 primary and upgradation of 100 primary schools, upgradation of 50 middle schools, construction of building of 150 shelterless primary schools, addition of classrooms in the existing 50 shelterless overcrowded primary schools, upgradation of 10 high schools and ongoing work will be continued during the year on sports stadium at Muzaffarabad, three degree colleges and establishment of two Polytechnic Institutes. Provision of furniture and teaching material for primary schools and improving facilities for Elementary colleges.

b) Northern Area

17.33 Rs.99.160 million have been allocated for expansion and development of various education related programmes for Northern Areas. Out of total PSDP allocation Rs.52.96 million (53.4 %) will be spent on primary education. Work on establishment of two elementary teachers training colleges for women will be continued. Other programmes for staff development, development of teaching learning material and creation of Women Development Unit/Cell in Planning & Development Department will be accelerated. Work on construction of buildings of 16 shelterless primary schools will remain in progress. Construction of buildings of existing two high schools and a college will remain in progress.

F.A.T.A

17.34 Rs.356.537 million have been allocated for development and expansion of education related programmes. During the year 25 new primary schools will be opened; 20 Mosque schools will be converted into primary schools; 25 buildings for existing shelterless schools will be constructed; 20 classrooms to the existing overcrowded schools will be added; consolidation and improvement of 50 existing primary schools will be made; 50 primary schools will be upgraded; 10 middle schools will be upgraded; four high schools will be upgraded; two new high schools will be established. Eight existing buildings of high schools will be re-constructed; 25 classrooms to middle schools and 25 classrooms to high schools will be added; 20 existing middle and high schools will be consolidated and improved. 20 primary, five middle and four high schools will be upgraded. Work for establishment of two high schools and one vocational centre for women will be initiated. Scholarships will be awarded to students.



CHAPTER-18

HEALTH & NUTRITION

REVIEW 1997-98

HEALTH

18.1 The emphasis has been placed on addressing the issues of equity and effectiveness in Health Sector by consolidating/ strengthening the activities under the PM's Programme for FP and PHC Malaria and Aids control programmes.

18.2 In addition to above, there has been establishment of new health facilities in the rural areas included construction of 6 BHUs and 15 RHCs construction of 07 Urban Health Centres besides AND 196 Tehsil Hospitals, up-gradation of 20 BHUs and 14 RHCs. A total 1900 hospital beds were added 5 million children were fully immunized, While 25 million packets of ORS were provided for management of diarrhoea among children. During the year 4000 doctors, 400 dentists, 2500 nurses 6000 paramedics and 3896 TBAs were trained. Physical targets and achievements appear in S.A.Tables 18.1 & 18.2. 14,337 LHWs have been trained under Prime Minister's Programme for Family Planning and Primary Health Care.

18.3 Total allocation for health sector was Rs.13586.906 million; Rs.7027.649 million for current budget and Rs.6559.257 million as development outlay including federal allocation of Rs.2942.403 million. Revised estimates of both development and current budget are Rs.11560 million, showing 85 percent utilization. Details of revised estimates 1996-97 and PSDP allocation 1997-98 are given in Tables 1 & 2.

18.4 SAP Allocation and Expenditure are given at S.A.Table 18.5.

FEDERAL

18.5 PSDP allocation for 1997-98 for federal areas were Rs.3590.040 million while revised estimates stood at Rs.2996.774 million showing 83 percent utilization during 1997-98. Agency-wise revised estimates are given in Table 18.1.

TABLE-18.1
AGENCY-WISE REVISED ESTIMATES OF FEDERAL PSDP, 1997-98

S.No.	Agency	Allocation 1997-98	Revised Estimates 1997-98	Percent Utilization
i)	Health Division	2391.509	2000.725	86
ii)	Islamabad Capital Territory (ICT)	1.477	1.017	100
iii)	Planning Division	2.00	2.000	50
iv)	Narcotics Division	20.000	2.374	3
v)	Azad Kashmir	189.000	108.812	97
vi)	Northern Areas	94.000	16.900	38
vii)	FATA	153.500	58.979	45
Total:		2941.566	2996.774	83

Health Division

18.6 An allocation of Rs.2320.019 million was made through PSDP for the Health Division, against which revised estimates were Rs.2000.725 million showing 86 percent utilization. Sub-sectorwise allocation and utilization is given in Table 18.2.

TABLE-18.2
**SUB-SECTOR WISE REVISED ESTIMATES OF HEALTH DIVISION'S
PSDP, 1997-98**

S.No.	Sub-sector	Allocation 1997-98	Revised Estimates 1997-98	Percent Utilization
i)	Hospital beds	317.446	564.666	176
ii)	Health Manpower	411.073	273.951	66
iii)	Preventive	606.570	281.690	46
iv)	Rural Health	1056.500	867.834	82
v)	Miscellaneous.	35.000	12.584	35
Total:		2391.509	2000.725	83

18.7 Priority was accorded to the Preventive Programmes; major activities were malaria control and immunization of children against six diseases and pregnant women for tetanus toxoid through upgradation of BHUs & RHCs and training.

Major Projects of Health Sector includes:-

- Prime Minister's Programme for Family Planning and Primary Health Care was allocated Rs.1030.00 million and Rs.852.500 million were utilized on the training of LHWs and procurement of medicines and equipment.
- Rs.450 million were provided for EPI Programme which were fully utilized for procurement of vaccines, Syringes and cold chain etc.
- Malaria Control Programme was allocated Rs.100.00 million for equipment and selective spray at Country level to control malaria but only Rs.6.821 million were utilized as the sponsors could not arrange the procurement on time.

Planning Division

18.8 PSDP allocation was Rs.2.00 million for nutrition activities including provision of iodized salt to endemic areas. Revised estimates were Rs.1.883 million showing 94 percent utilization. Iodized salt, through utility store corporation is supplied on subsidized price to the Northern parts of the Country for reducing iodine deficiency disorders while Private Sector is supplying the Iodized Salt in the Country.

Azad Jammu and Kashmir

18.9 Against PSDP allocation of Rs.189.000 million, revised estimates were Rs.111.500 million, showing 59 percent utilization of the allocation. Sub-sector wise break-up of revised estimates appear in Table-18.3.

TABLE 18.3
SUB-SECTOR WISE REVISED ESTIMATES OF AJK'S PSDP 1996-97

S.No.	Sub-Sector	Allocation 1997-98	Revised Estt. 1997-98	Percent Utilization
i)	Rural Health	34.007	35.559	104
ii)	Hospital beds	54.790	58.660	107
iii)	Preventive	2.000	1.000	50
iv)	Health Manpower	12.827	15.000	116
v)	Miscellaneous	84.396	1.281	1
Total:		189.000	111.500	59

18.10 During the period under review, 8 Dispensaries, 5 BHUs, 3 RHCs and 2 Tehsil Hospitals were completed with addition of 130 beds.

Northern Areas

18.11 Revised estimates were Rs.38.600 million, against PSDP allocation of Rs.94.000 million, showing 41 percent utilization. Break-up of allocation and revised estimates is given in Table-18.4.

TABLE-18.4
SUB-SECTOR WISE REVISED ESTIMATES OF NORTHERN AREA'S
PSDP, 1997-98

S.No.	Sub-Sector	Allocation 1997-98	Revised Estimates 1997-98	Percent Utilization
i)	Rural Health	11.000	5.000	109
ii)	Preventive Program.	1.600	3.000	7
iii)	Hospital Beds	18.200	12.60	259
iv)	Health Manpower Development.	3.800	3.00	400
v)	Miscellaneous	60.000	15.00	25
Total:		94.00	38.600	41

F A T A

18.12 PSDP allocation was Rs.153.500 million, revised Estimates were Rs.62.244 million during the period under review. Breakup is given in Table-18.5.

TABLE-18.5
SUB-SECTOR WISE ALLOCATION AND REVISED ESTIMATES OF
FATA PSDP FOR, 1997-98

S.No.	Sub-Sector	Allocation 1997-98	Revised Estimates 1997-98	Percent Utilization
i)	Rural Health	50.000	20.829	41
ii)	Preventive Program.	21.000	14.000	66
iii)	Hospital beds	65.00	25.792	24
iv)	Health Manpower	10.500	7.609	72
v)	Miscellaneous	7.000	4.014	57
Total:		153.500	62.244	40

Punjab

18.13 An amount of Rs.2392.200 million, was allocated to health sector during 1997-98. The revised estimates were Rs.2524.701 million showing utilization of 105 percent during the period under review. Sub-sector wise revised allocations and expenditure of the development budget are given in Table-18.6.

TABLE-18.6
SUB-SECTOR WISE REVISED ESTIMATES, PUNJAB PSDP 1997-98

S.No.	Sub-Sector	Allocation 1997-98	Revised Estimates 1997-98	Percent Utilization
i)	Hospital beds	104.727	305.733	291
ii)	Health Manpower	1229.616	1204.991	98
iii)	Preventive	15.071	34.106	226
iv)	Rural Health	122.914	164.871	134
v)	Miscellaneous.	934.943	815.000	87
Total:		2392.200	2524.701	105

18.14 Physical achievements during the period include establishment of 5 RHCs, 7 BHUs, and up-gradation of 18 RHCs and 120 BHUs and 3 Urban Health Centres. 1290 doctors, 950 nurses and 3300 TBAs were trained. 3 million children were immunized and 10 million packets of ORS were distributed for the management of diarrhoea among children.

Sindh

18.15 The allocation for the year 1997-98 was Rs.520.000 million, while revised estimates were placed at Rs.465.668 million showing utilization of 89 percent. Subsector-wise allocation and revised estimates are given in Table-18.7.

TABLE-18.7
SUB-SECTOR WISE REVISED ESTIMATES, OF SINDH PSDP, 1997-98

Sl. No.	Sub-Sector	Original Allocation 1997-98	Revised Estimates 1997-98	Percent Utilization
i)	Hospital Beds.	93.842	75.645	80
ii)	Health Manpower.	27.117	14.083	66
iii)	Rural Health.	126.015	128.314	101
iv)	Preventive Program.	29.026	29.626	102
v)	Health Foundation.	5.000	5.000	100
vii)	Miscellaneous.	239.000	213.000	89
T o t a l		520.000	465.668	89

18.16 Physical achievements include establishment of 500 hospital beds, 2 RHCs and 20 BHUs. Upgradation of 4 RHCs and establishment of 3 Urban Health Centres. 4000 TBAs were trained. 3 million children were immunized against six preventable diseases; and 2.7 million ORS packet were distributed for management of Diarrhoea among children during the period under review.

N W F P

18.17 An amount of Rs.320.00 million was allocated through PSDP for 1997-98 while revised estimates were Rs.141.881 million showing utilization rate of 45 percent. Sub-sector-wise allocation and estimated utilization is given in Table-18.8.

TABLE-18.8
SUB-SECTOR WISE REVISED ESTIMATES, OF NWFP PSDP FOR 1997-98

Sl. No.	Sub-Sector	Original Allocation 1997-98	Revised Estimates 1997-98	Percent Utili- zation
i)	Hospital Beds.	72.549	17.126	23
ii)	Health Manpower.	35.951	19.259	53
iii)	Rural Health.	134.313	95.893	71
iv)	Preventive.	13.187	8.250	62
v)	Miscellaneous.	14.226	1.353	9
T o t a l		320.000	141.000	45

18.18 Physical achievements includes completion of 2 RHCs and 10 BHUs. Number of health professionals who graduated during the year include 140 doctors, 28 dentists, 225 nurses, 600 paramedics and 900 TBAs.

Balochistan

18.19 During the year 1997-98, Rs.382.263 million were allocated while revised estimates were Rs.208.439 million Sub-sectorwise allocation and utilization is given in Table 18.9

18.20 Physical achievements include establishment of 200 hospital beds, 2 RHCs & 2 BHUs and upgradation of 10 RHCs and 9 BHUs besides 350 TBAs were trained. Immunization coverage of children under one year was 0.500 million children during 1997-98. 1.00 million packets of ORS were distributed for the management of diarrhoea. On the manpower side 125 doctors, 80 nurses, 20 dentists and 230 paramedics were trained.

TABLE-18.9
SUB-SECTOR WISE REVISED ESTIMATES OF BALOCHISATAN'S
PSDP 1997-98

S.No.	Sub-Sector	Allocation 1997-98	Revised Estimates 1997-98	Percent utilization
i)	Rural Health	16.790	12.256	40
ii)	Preventive Prog.	46.300	34.742	67
iii)	Hospital Beds	136.00	31.554	100
iv)	Health Manpower	154.534	116.000	57
	Div:			
v)	Miscellaneous	102.777	20.965	20
Total:		382.263	208.439	54

PROGRAMME FOR 1998-99

18.21 Emphasis will be placed at the Primary Health Care and effectiveness and consolidation of gains already made in the last year. Health Sector Programme will continue to place emphasis on provision of Primary Health Care and improve effectiveness of health care programme by addressing the issues of under utilization of rural health facilities and continuing programme of mal-nutrition and preventable diseases.

18.22 The physical targets for 1998-99 include the new construction of 30 RHCs and 80 BHUs. Upgradation of 75 RHCs and 304 BHUs, construction of 07 Urban Health Centres and a total of 2750 hospital beds will be established. Expected manpower production targets are graduation of 4300 doctors, 430 dentists, 2800 nurses 6000 paramedics, and 9200 TBAs. Immunization programme has plans to protect 9.5 million children while management of diarrhoea through ORS will be supported by provision of 30.00 million ORS packets.

18.23 Details of financial and physical achievements during 1997-98 and targets set for 1998-99 by various executing agencies and by sub-sectors are given at S.A.Tables 18.1-18.5.

Federal

18.24 Allocation for various federal executing agencies including Health Division is Rs.3123.184 million. Details are given in Table-18.10.

TABLE-18.10
AGENCY WISE PSDP ALLOCATION FOR FEDERAL AREAS, 1998-99

S.No.	Executing Agency	Allocation 1998-99	Percent Share
i)	Health Division	2329.665	75
ii)	Narcotics Control Divn.	10.000	0.32
iii)	Pakistan Atomic Energy Commission.	282.500	8
iv)	Planning Division	40.549	1.6
v)	ICT. Interior Division Ibd.	1.630	-
vi)	Cabinet Division.	47.000	1.5
vii)	Azad Jammu & Kashmir	189.000	6.1
viii)	Northern Areas	106.200	3.3
ix)	F A T A	118.270	4.180
Total:		3124.814	100.00

18.25 Physical targets for 1998-99 includes completion of 12 BHUs, 5 RHCs and addition of 200 beds. Training target for health manpower include graduation of 450 Doctors, 350 Nurses, 200 Paramedics and 200 TBAs. The immunization programme will protect 0.3 million children under one year in the federal territories against six killer diseases of childhood and pregnant women against tetanus. Anticipated performance and PSDP allocation of each federal executing agency appears in the subsequent paragraphs.

Health Division

18.26 PSDP allocation in 1998-99 for the health sector Development Projects is Rs.2329.665 million against the revised estimates of Rs. 2000.725 million during 1997-98.

TABLE-18.11
SUB-SECTOR WISE PSDP ALLOCATIONS FOR HEALTH DIVISION, 1998-99

S.No.	Sub-Sector	Allocation 1998-99	Percent Share
i)	Preventive Programme	696.200	30
ii)	Hospital beds	353.316	15
iii)	Health Manpower	130.600	6
iv)	Rural Health	1108.000	47
v)	Miscellaneous.	40.549	2
Total:		2329.665	100.0

18.27 Priority is accorded to the Rural Health programmes followed by preventive programme sub-sector. Main preventive programmes are as follows:-

- Prime Minister's Programme for Family Planning and Primary Health Care has been allocated Rs.1108.000 million which will be utilized for the training of Lady Health Worker and purchase of material, medicine and equipment.
- A sum of Rs.546.00 million have been earmarked for EPI programme.
- Malaria Control Programme which has been provided Rs.110.00 million for procurement of equipment, larvicide and selective spray to control malaria.

Cabinet Division

18.28 An amount of Rs.47.000 million has been provided in the PSDP for Upgradation of the Institute of Nursing and Health Services, Sheikh Zayed Hospital Lahore.

Narcotics Control Division

18.29 Realizing the importance of drug addiction and its magnitude, an amount of Rs.10.00 million has been allocated for the new schemes of Mass awareness Programme besides establishment of Detoxification and Rehabilitation Centres.

Planning & Development Division

18.30 Rs.40.549 million have been allocated for provision of iodized salt to endemic areas in the northern parts of the country and Pakistan Nutrition Project. Details appear in the chapter on nutrition.

Pakistan Atomic Energy Commission (PAEC)

P.M's Secretariat :

18.31 Rs.282.500 million have been provided for Nuclear Medicines and Diagnostic equipment for cancer.

Azad Jammu & Kashmir

18.32 An amount of Rs.189.00 million has been provided in the PSDP, Sub-sectorwise break-up is given in Table-18.12.

TABLE-18.12
SUB-SECTOR WISE PSDP ALLOCATIONS, AJ&K, 1998-99

S.No.	Sub-sector	Allocation 1998-99	Percent Share
i)	Rural Health	135.646	71
ii)	Hospital beds	35.646	18.87
iii)	Preventive	0.247	0.13
vi)	Health Manpower	15.000	8
v)	Miscellaneous	4.000	2
Total:		189.000	100

Northern Areas

18.33 PSDP allocations are Rs.106.200 million. Detailed break-up of allocations is given:

TABLE 18.13
SUB-SECTOR WISE PSDP ALLOCATIONS, NORTHERN AREAS, 1997-98

S.No.	Sub-sector	Allocation 1997-98	Percent share
i)	Rural Health	10.000	9
ii)	Hospital beds	17.200	17
iii)	Health Manpower	10.000	9
iv)	Preventive Programme	4.000	3
v)	Miscellaneous	65.000	62
Total:		106.200	100

F A T A

18.34 Rs.118.270 million have been provided through PSDP 1998-99. Sub-sector wise allocations are given in the Table-14 :

TABLE-14
SUB-SECTOR WISE PSDP ALLOCATIONS, FATA, 1998-99

S.No.	Sub-sector	Allocation 1998-99	Percent share
i)	Rural Health	42.818	36
ii)	Preventive Programme	18.852	17
iii)	Hospital beds	42.595	35
iv)	Health Manpower Development.	6.884	6
v)	Miscellaneous	7.130	6
Total:		118.270	100

Punjab

18.35 An amount of Rs.1450.00 million, have been earmarked during 1998-99 for the Health Sector in the total Public Sector Development Programme. Sub-sector Wise allocation is given in Table.15 :

TABLE-18.15
SUB-SECTOR WISE ALLOCATIONS, PUNJAB PSDP 1998-99

S.No.	Sub-Sector	Allocation 1998-99	Percent Share
i)	Hospital beds	718.764	49
ii)	Health Manpower	289.687	21
iii)	Rural Health	78.173	5
iv)	Preventive	214.915	15
v)	Miscellaneous.	148.461	10
Total:		1450.000	100

18.36 During 1998-99, 12 RHCs and 30 BHUs will be completed, while 40 RHCs and 300 BHUs will be upgraded. On the hospitals side, 1000 hospitals beds will be added, 3500 TBAs will be trained. 4 million children will be immunized and 10 million packets of ORS will be distributed. 1750 doctors 1200 nurses, 170 Dentists and 5000 paramedics will be trained.

Sindh

18.37 An allocation of Rs.360.000 million has been made in the Public Sector Development Programme 1998-99 :-

TABLE-18.16
SUB-SECTOR WISE PSDP ALLOCATIONS, SINDH PROVINCE, 1998-99

S.No.	Sub-sector	Allocation 1998-99	Percent Share
i)	Hospital beds	100.476	28
ii)	Health Manpower	11.610	3
iii)	Rural Health	115.753	33
iv)	Preventive Programme	23.050	6
v)	Miscellaneous	109.185	30
Total:		360.00	100

18.38 Under the Primary Health Care Programmes, 30 BHUs, 8 RHCs, 5 dispensaries 3 urban health centres and 5 Unani Shafakhana will be completed while 3 BHUs and 4 RHCs will be upgraded. Target for Immunization is 3.6 million children and mothers 4.5 million packets of ORS will be distributed.

18.39 During the year 1700 doctors, 850 Nurses, 165 dentists, and 1200 paramedics are expected to graduated from the provincial medical schools and colleges, besides training of 3400 TBAs.

N W F P

18.40 An amount of Rs.198.00 million have been allocated during 1998-99. Sub-sector wise breakup of allocations is in Table 18.17.

TABLE 18.17
SUB-SECTOR WISE PSDP ALLOCATION, NWFP PROVINCE 1998-99

S.No.	Sub-Sector	allocation 1997-98	Percent Share
i)	Hospital Beds	18.523	10
ii)	Rural Health	110.099	55
iii)	Preventive Programme	28.523	15
iv)	Health Manpower	26.501	13
v)	Miscellaneous.	14.226	7
Total:		198.000	100.00

18.41 Physical targets include upgradation of 60 BHUs, 30 RHCs. During the year 230 Doctors 330 Nurses, 750 paramedics, and 1400 TBAs/CHWs will be trained. Targets on the preventive side include immunization of 1.50 million children and 2.8 million packets of ORS for management of diarrhoea.

Balochistan

18.42 An allocation of Rs.359.000 million (Table 18.18) have been made during 1998-99.

TABLE 18.18
SUB-SECTOR WISE ALLOCATIONS, BALOCHISTAN PROVINCE 1998-99

S.No.	Sub-Sector	Allocation 1998-99	Percent Share
i)	Rural Health	55.120	15.00
ii)	Preventive Programme	50.409	15.00
iii)	Hospital Beds	110.000	30.00
iv)	Health Manpower Div:	113.383	31.00
vii)	Miscellaneous	30.082	9.00
Total:		359.000	100.00

18.43 Physical targets includes completion of 4 RHCs and 6 BHUs, upgradation of 11 RHCs and 30 BHUs.

18.44 On the manpower side the expected output includes graduation of 181 doctors 122 Nurses 355 Paramedics & 490 TBAs Immunization programme is expected to protect 0.650 million new borns.

NUTRITION

REVIEW OF 1997-98

18.45 An amount of Rs. 19.2 million was allocated for nutrition programmes during 1997-98. Out of this, Rs 4.62 million have been utilised, Rs. 1.883 million in the federal programmes and Rs. 2.737 million in the provincial programmes. Details are given in the Statistical appendix. Review of programmes undertaken during 1997-98 is given below:

A. Iodine Deficiency Disorders (IDD) Control Programme

18.46 This programme comprises Production and marketing of iodized salt country wide through Utility Stores Corporation (USC) outlets and private sectors with the collaboration of UNICEF/Social Marketing Pakistan (SMP). About 8000 tones iodized salt was marketed through USC outlets while in the private sector 120,000 tones iodized salt was produced and marketed. About 400 salt processors (77% of total) participated in production and marketing of iodized salt. Promotional campaign was carried out through 17 radio station and TV network besides printed material and inter-personal communication. A monitoring survey of iodized salt programme by Radio Pakistan has been initiated to assess the situation in Punjab.

B. Breastfeeding Promotion and Protection

18.47 In order to reduce infants/child mal-nutrition, the breast feeding promotional activities continued. 52 hospitals were extended Baby Friendly award while 19 hospital have received certificate of commitment. Lactation Management courses were organized and a number

of awareness activities were organized during the World Breastfeeding week. A Breastfeeding Act has been drafted and reviewed with the concerned agencies for enactment to control/streamline the promotional activities for infant formulas by the manufacturing companies.

C. Prime Minister's Programme for Primary Health and Family Planning

18.48 The capacity of Lady Health Workers in Prime Minister's programme was enhanced to deliver nutrition services through supply of inputs and information (advice) for protection and promotion of breastfeeding, elimination of micro-nutrient mal-nutrition and counselling for antenatal care and promotional activities.

D. Development of Indicators for Monitoring, Evaluation of Social Action Programme

18.49 A series of workshops were held to evolve detailed sectoral indicators for monitoring and evaluation of SAP programme. These indicators would supplement the existing SAP indicators and help to develop a comprehensive sectoral baseline for monitoring and evaluation of programmes.

E. Food Availability/Consumption

18.50 As shown in Table-I the overall food availability during 1997-98 increased by 4.19 percent over 1996-97.

18.51 Per capital availability for wheat and other grains, milk, vegetable ghee/edible oil, fruit, vegetable and sugar increased in 1997-98 by 4.68 percent, 15.38%, 2.5 percent, 4.68 percent 0.52 & 7.0 percent respectively over 1996-97. However, the capita availability of rice, pulses and meat in 1997-98 decreased by 14.12 percent, 3.24 percent, and 0.81 percent, over 1996-97. As a result of this the percapita availability of calories and protein in 1997-98 increased to 2622 and 69.25 grams from 2546 calories and 67.59 grams protein in 1996-97.

TABLE-18.19

AVAILABILITY OF ESSENTIAL ITEMS OF CONSUMPTION

S. No.	Items	Unit	1996-97	1997-98 Provisional	% change in 1997-98 over 1996-97
1.	Wheat	(Kgs/annum)	130.85	136.93	(+) 4.65
2.	Rice	"	16.85	14.47	(-) 14.12
3.	Other Grains	"	9.62	11.10	(+) 15.38
4.	Pulses	"	5.87	5.68	(-) 3.24
5.	Milk	(Litre/annum)	68.50	70.22	(+) 2.51
6.	Vegetable Ghee	(Kgs/annum)	10.46	10.95	(+) 4.68
	Edible Oil				
7.	Meat (Beef, Mutton, Poultry, Fish & Eggs)	"	23.47	23.28	(-) 0.81
8.	Fruits & Vegetables	"	74.36	74.75	(+) 0.52
9.	Sugar	"	28.94	30.97	(+) 7.01
Weighted Growth Rate:					(+) 4.19

Availability of

Calories	2546	2622
Protein(Grams)	67.59	69.25

II. Programme for 1998-99

Food Availability/Consumption:

18.52 The overall production and availability of major food items has been targeted to provide the required level of calories and protein in 1997-98 as shown in Table-II.

18.53 The average food availability is likely to remain satisfactory. Wheat and edible oils will be imported to match the demand gap and food security reserves. The availability of other essential food commodities except fruit and vegetables would increase. On individual basis the per capita availability of rice, pulses, milk, meat, fruits and vegetables will increase by 1.86

percent, 12.5 percent, 1.99 percent, 3.0 percent, 0.33 percent, respectively in 1998-99 over 1997-98. The per capita availability of wheat will decrease by 1.58 percent in 1998-99, over 1997-98 because of lesser imports to boost up local production. The per capita availability of calories and protein in 1998-99 will decrease to 2606 calories from 2622 calories while that of protein will increase to 69.61 grams in 1998-99 from 69.25 grams in 1997-98.

TABLE-18.20

AVAILABILITY OF ESSENTIAL ITEMS OF CONSUMPTION

S.No.	Units	Unit	1997-98	1998-99	% change 1997-98 over 1996-97
1.	Wheat	(Kgs/annum)	136.93	134.76	(-) 1.58
2.	Rice	"	14.47	14.74	(+) 1.86
3.	Other Grains	"	11.10	10.81	(-) 2.61
4.	Pulses	"	5.68	6.39	(+) 12.50
5.	Milk	(Litre/annum)	70.22	71.62	(+) 1.99
6.	Vegetable Ghee Edible Oil	(Kgs/annum)	10.95	10.72	(-) 2.10
7.	Meat (Beef) Mutton, Poultry, Fish & Eggs)	"	23.28	24.13	(+) 3.65
8.	Fruits & Vegetables	"	74.75	75.00	(+) 0.33
9.	Sugar	"	30.97	30.76	(-) 0.69
Weighted Growth Rate:					(-) 1.17
Availability of		Calories	2622	2606	

PROGRAMME FOR 1998-99

18.54 Rs.40.449 million have been allocated for nutrition programmes for 1998-99. The major allocation of Rs. 37.449 million has been made for initiating a comprehensive nutrition project under SAP-II. Details are given in S.A.Table.18.6 the following programmes will be implemented during 1998-99.

A. Micronutrient Deficiency Control Programme.

i) IDD Control Programme

18.55 Production and marketing of iodized salt through out the country will continue. The USC marketing channels will be used for sale of iodized salt. The private salt processors

will be motivated to produce and market iodized salt. Promotional campaign through radio and TV network and another media will continue. The quality control system for iodized salt will be strengthened to improve the quality of iodized salt. A survey for monitoring of IDD control programme in Punjab will be completed and final report will be prepared.

ii) Anemia Control Programme

18.56 A programme for anaemia control through food fortification on pilot scale will be initiated. A field assessment of flour milling sector and quality control agencies would be conducted to develop a programme for iron fortification of wheat flour. The programme would be developed initially on pilot basis at two places. Mass iron fortification of wheat flour will developed on the evaluation of all aspects of the pilot phase.

iii) Vitamin A Deficiency Control Programme

18.57 The vitaminization of edible oil/ghee with vitamin A has already been legislated and standards formulated since 1965. However, the required level of vitamin A is not met by the manufacturers. An assessment of quality control and technical operations for vitaminization of edible oil will be conducted to strengthen the ongoing programme. Necessary technical support to oil manufacturers and the quality control agencies will be provided to improve the quality of the product for eliminating vitamin A deficiency which is sub-clinical at present but may emerge as a public health problem in the future.

B. Promotion and Protection of Breast-feeding

18.58 The Baby Friendly Hospital initiative will be extended to 24 more hospitals in the all the provinces. Promotional activities will be carried out through multi-media campaign. The Breast-feeding Act would be finalized to control/streamline the promotion of infant formulas by the manufacturing companies.

C. Prime Minister's Programme for Family Planning and Primary Health Care

18.59 Support will be provided to 43,000 LHW's in prime Minister Programme to deliver inputs and nutrition services for benefits sof women and young children. This will cover the majority of rural population which remains unserved through the static basic health service.

D. Monitoring and Evaluation of Social Sector Programmes

18.60 The Government of Pakistan and UNICEF collaboration for monitoring and evaluation of social sector programmes will continue. The social indicators developed will be finalized, printed and circulated to the concerned agencies for collection of base-line information for monitoring of the programmes.

E. National Nutrition Survey

18.61. A Nutrition survey would be conducted to assess the national nutrition in the country. The survey will include assessment of micro-nutrient status of population. This will also help to set up a baseline information which will be used for formulating future programmes. The Nutrition Survey will be conducted with the collaboration of ADB/World Bank and Micro-nutrient Initiative (MI).

F. SAP-II Nutrition Programme

18.62 Provincial governments will be assisted to develop provincial nutrition programmes and PC-I documents for improvement of nutrition status of vulnerable groups on sustainable basis. This project would strengthen institutions, the concerned line departments and involve NGOs and private sector to improve coordination and delivery of nutrition services to the vulnerable groups. The project will include programmes for combating micronutrient and protein energy malnutrition and improving food security and strengthening information, education and communication.

CHAPTER-19

POPULATION WELFARE PROGRAMME

INTRODUCTION

19.1 The population of Pakistan is increasing at an accelerated growth rate with the result, the total population has reached to 130.6 million by March, 1998. It ranks as the 7th most population country of the world. This problem is becoming unmanageable, particularly, in large cities of the country. Similar, effects are being felt, in the rural areas, as well. It badly affects the land holding size and further aggravates, the unemployment situation.

REVIEW OF 1997-98

FINANCIAL

19.2 The financial performance of the Programme remained low, as it utilized Rs 1194.309 million (62 %) upto June, 1998. Some of the reasons for low utilization are (i) short releases of funds, (ii) ban on recruitment; and (iii) purchase of equipments. Sub-sector-wise allocation and utilization is given in Table No. 19.1.

TABLE 19.1
SUB-SECTOR WISE ALLOCATION AND UTILIZATION
1997-98

(Million Rupees)

Sl.No.	Name of Sub-sector	Allocation	Utili- zation	Percent Utili- zation
1)	(2)	(3)	(4)	(5)
1.	Administrative Organization	416.500	264.661	64
2.	Population Welfare Services	912.391	626.436	69
3.	IEC Programme	115.00	59.858	52
4.	Training	78.000	50.185	64
5.	Research	30.000	16.198	54
6.	Logistics and Supplies	361.000	168.971	47
7.	Construction	8.000	8.00	100
Total		1920.891	1194.309	62

19.3 The sub-sector-wise financial performance ranged between 47 percent in logistics and supplies and 69 percent in services. Administrative Organization and training sub-sectors utilized 64 percent. A shortfall of 53 percent in logistics and supplies sub-sector was due to delay on behalf of programme administration, in fulfillment of procurement requirements.

PHYSICAL PERFORMANCE

19.4 During the year under review, the delivery of services was strengthened. The programme involved 1518 Family Welfare Centres, retained 131 Mobile Service Units (MSUs) and 104 Reproductive Health Service "A" Centres, recruited and deployed 10800 FP Workers. The programme also involved 6800 service outlets of health and Provincial Line Departments, 140 outlets of Target Group Institutions(TGIs), 21755 Private Registered Medical Practitioners (RMPs), 20120 Hakeems and Homoeopaths, 7096 Traditional Birth Attendants(TBAs) and 500 Service Outlets of NGOs. For the easy delivery of conventional contraceptives the programme maintained 53000 sale points. In private Sector the Social Marketing Pakistan involved 900 private lady Medical Practitioners under the brand name "Green Star Clinics." Details are given in Table No.19.2 and S.A.Table 19.2.

TABLE 19.2
PHYSICAL PERFORMANCE
1997-98

(Accumulative Number)

Sl. No.	Name of Service Outlet	Target	Achievement	%Achievement
1.	Family Welfare Centres	1518	1518	100
2.	Reproductive Health 'A' Centres	104	104	100
3.	Mobile Service Units	131	131	100
4.	Village Based Family Planning Workers	12047	10800	99
5.	Involvement of NGOs	750	500	67
6.	Involvement of provincial Line Deptts.	168	168	100
7.	Hakeems & Homeopath	20220	20120	99
8.	Target Group Institutions	450		100
9.	Involvement of Private Medical Practitioners.	21425	21755	101
10.	Involvement of Health Sector Service Outlets	6871	6800	99
11.	Traditional Birth Attendants	7096	7096	100
12.	Sale points of SMC	61100	53000	87

CONTRACEPTIVE AND DEMOGRAPHIC PERFORMANCE

19.5 The contraceptive performance remained very poor as compared to financial performance. It ranged between 25 percent (Contraceptive surgery) and 73 percent (Condoms & IUD). Method wise details are given in Table 19.3 and S.A. Table 19.1.

TABLE 19.3
CONTRACEPTIVE PERFORMANCE
1997 - 98

(Figures in Million)

S.No.	Name of Method	Target	Achievement	Percent Achievement
(1)	(2)	(3)	(4)	(5)
1.	Condoms (units)	194.1	141.18	73
2.	Oral Pills (cycles)	8.57	2.47	29
3.	IUD (cases)	1.19	0.87	73
4.	Injectables (vials)	6.05	1.65	27
5.	Contraceptive Surgery (cases)	0.43	0.106	25

PROGRAMMES FOR 1998-99**FINANCIAL ALLOCATION**

19.6 The Government has ear-marked a PSDP allocation of Rs.3149.7 million for the national programme of Population Welfare, for 1998-99 giving an overall increase of about 53 percent over the previous year's utilization of Rs. 2062.5 million. Ministry-wise details are given in Table 19.4.

TABLE 19.4

SECTOR- WISE UTILIZATION AND ALLOCATION

(Million Rupees)

S.No.	Name of Ministry	Utili- zation (1997-98)	Allo- cation 1998-99	Percent change increase/ decrease (+/-)
(1)	(2)	(3)	(4)	(5)
1.	Ministry of Population Welfare.	1194.309	2000.0	67
2.	Ministry of Health, (P.M's.special programme of LHWS.)	852	1100	29
2.	M/O Education (Population Education)	4.434	35.5	701
4.	Ministry of Labour and Manpower (Workers Population Education).	11.737	14.2	21
Total:		2062.48	3149.7	53

* Details of Project-wise utilization for financial year 1997-98 and allocation for 1998-99 are given at S.A.Table-19.1

19.7 Details of sub-sector-wise utilization for financial year 1997-98 and allocation for 1998-99 of Ministry of Population Welfare are given in Table 19.5.

TABLE 19.5
MINISTRY OF POPULATION WELFARE
SUB-SECTOR WISE ALLOCATION
1998-99

(Million Rupees)

S.No.	Name of Sub-sector	Utiliz- ation 1997-98	Alloca tion 1998-99	Percent increase/ decrease (+/-)
(1)	(2)	(3)	(4)	(5)
1.	Administrative Organization.	264.661	416.5	57
2.	Pop. Welfare Services	626.436	1057.5	69
3.	IEC Programme	59.858	112	87
4.	Training	50.185	84.0	67
5.	Research	16.198	34.0	110
6.	Logistics and Supplies	168.971	272.0	61
7.	Construction	8.0	24.0	200
Total:		1194.309	2000.000	67

PHYSICAL TARGETS

19.8 During 1998-99, the Ministry of Population Welfare envisages to add 19 static centres, while Ministry of Health will establish 357 more service delivery outlets in public sector and NGOs will increase the number of centres to 500. Involvement of number of Registered Medical Practitioners (RMPs) will be increased to 21985, Hakeems & Homeopaths to 21062, in addition Ministry of Health will maintain existing 43000 LHWS. Details are given in Table 19.6 and S.A. Table 19.3.

TABLE 19.6
TARGETS FOR SERVICE OUTLETS
1998-99

(Accumulative Number)			
Sl.No.	Service outlets	1997-98 (Achievements)	1998-99 (Targets)
1	2	3	4
1.	Mobile Service Units	131	131
2.	Family Welfare Centres	1518	1537
3.	Reproductive Health Service Centres (RHS)	104	105
4.	Village Based Family Planning Workers	10800	12047
5.	Target Group Institutions	450	500
6.	Involvement of Health outlets in Population Welfare Programme	6800	7157
7.	Hakeems and Homoeopaths	20120	21062
8.	Involvement of Private Medical Practitioners.	21755	21985
9.	TBAs	7096	-
10.	Sale Points of SMC	53000	60000
11.	Lady Health Workers.	43000	

CONTRACEPTIVE TARGETS

19.9 Details of method-wise contraceptive targets for the period 1998-99 appear in Table 19.7 and S.A. Table 19.3.

TABLE 19.7
CONTRACEPTIVE TARGETS
1998-99

(Figures in Million)

S.No.	Methods	Achievement 1997-98	Targets 1998-99	Percent (+/-) Increase/decrease
1.	Condoms(Units)	141.18	73.4	(-)48
2.	Oral Pills(Cycles)	2.5	4.1	64
3.	IUDs (Cases)	0.87	0.72 ⁸⁸	(-)17.241
4.	Injectable(Vials)	1.65	1.2	(-)27.27
5.	Contraceptive Surgeries	0.106	0.114	7.54
6.	Contraceptive Users	5.585	10.216	82.92

TRAINING

19.10 The Ministry of Population Welfare envisages to impart clinical training / orientation to personnel through RTIs. It will also provide training to personnel in management techniques, IEC and monitoring & evaluation through the PWTIs. A PSDP allocation of Rs.84 million has been earmarked for this sub-sector for 1998-99.

INFORMATION, EDUCATION AND COMMUNICATION (IEC)

19.11 The component covers information, education and communication (IEC) activities to be undertaken at federal and provincial level. An allocation of Rs. 112.000 million has been made for the component. The provision covers mass media campaign through radio, T.V and press, production and printing of motivational material, documentation of information through PPTC network and production of motivational and educational films, give away, arranging seminars, conventions and provision for awards to the journalists for writing on population and consultancy services. Expertize of the private sector would be utilized to enrich and improve the motivational campaign.

RESEARCH & MONITORING

19.12 More Research efforts will be made in the areas of clinical studies, field trials, demographic studies, data analysis, surveys and birth/ death registration. Two existing institutions i.e. National Research Institute of Fertility Control(NRIFC) and National Institute

of Population Studies (NIPS) will carry out the research work. The monitoring & evaluation wing of the Ministry of Population will be strengthened. The monitoring and evaluation of various components of the Population programme will be completed. Field studies will be undertaken to identify the weaknesses. Special surveys and impact studies of the Population programme will be conducted. A comprehensive study will be undertaken to assess the contribution of each component. Rs.34.0 million have been earmarked for this sub-sector in the PSDP 1998-99.

LOGISTICS & SUPPLIES

19.13 The entire requirement of contraceptives and logistics is met through this component. Various contraceptives are procured which are distributed by the service outlets in public, NGOs and private sectors. A PSDP allocation of Rs.272.000 million has been earmarked for this sub-sector.

CONSTRUCTION

19.14 The Ministry of Population Welfare envisages to construct buildings for RHS Training Centres and RHS "A" Centres. An amount of Rs.24.00 million has been earmarked for this sub-sector.

CHAPTER-20

SPECIAL DEVELOPMENT PROGRAMME FOR WOMEN

WOMEN IN DEVELOPMENT

20.1 The Ministry of Women Development sponsors a variety of small projects of women development to cater for special concerns of women. These projects are planned and implemented in collaboration with federal agencies, provincial line departments, and NGOs. The projects consist of community/welfare centres, dispensaries, eye units, gyne wards, day care centres, women hostels, industrial homes, training centres, water supply schemes, women cooperatives, darul falah/amans, legal aid centres, credit schemes, strengthening of female educational/technical institutions, women crises centres, grant-in-aid for women programmes to NGOs. The programme is divided under two main heads viz regular programme and special women action programme. (SWAP). In addition, the Women Development Programmes are also launched under Education, Health & Population Welfare sector. A brief review is given below:-

OTHER SECTORAL PROGRAMMES

Education

20.2 In the Education Sector the thrust of the Social Action Programme is to reduce gender imbalance in education through emphasis on primary and basic education to the women in general and rural girls/women in particular. The importance of education for women has been accepted world wide. It would improve their earning ability and contribute to their better health and well-being.

20.3 Primary/elementary education constitutes 65.8 percent of the entire SAP allocation with focus on expansion and promotion of girls education. During 1997-98, Rs.43,393 billion (Rs.9.328 billion on development and Rs.34.065 billion on recurrent side) are expected to be incurred on primary/elementary education sector. The non-salary budget is about 7 percent of the recurrent budget and to be utilized for supply of text book, reading materials and other school supplies.

20.4 There has been a qualitative shift in the awareness about the importance of education in rural areas; women and girls are the primary beneficiaries of an improved education system. A number of administrative and financial reforms have been implemented to strengthen the system and improve the quality of education. Co-education has been started in all provinces/areas and are free of cost text books, reading materials and teaching aid provided.

Health

P.M Programmes for Family Planning and Primary Health Care

20.5 Prime Minister's Programme for Family Planning and Primary Health Care has been launched since November 1993 to intensify its efforts and take leading role in the field of family planning and primary health care. The main thrust of the Programme is on extending the primary health care and family planning services to the communities through selection and training of 100,000 lady health workers (LHWs) from all over the country particularly in rural areas. Till todate 42,250 LHW's have been trained and are deployed mostly in the rural areas.

20.6 The capacity of the LHWs in P.M. Programme was enhanced to deliver nutrition services to mothers and the infants as well as deliver inputs and services for protection and management of breast feeding, elimination of micro-nutrient malnutrition e.g. IDD, IDA and Vitamin A deficiency, and counselling for benefits of mothers and young children.

Population Welfare

20.7 The service delivery infrastructure of the Programme envisaged under the Eighth Five Year Plan (1993-98) had been launched and the shortfall of the previous years is being made up by recruitment of technical staff on contract basis and ensuring regular supply of medicines, contraceptives equipment and strengthening outreach through satellite approach.

20.8 The National Thrust for Population Welfare has been reconstituted and reactivated to provide institutional mechanism to involve and support NGOs. 182 NGOs with 450 outlets would be brought on ground to complement and supplement population welfare activities.

20.9 In rural area, 12,000 village based family planning workers are providing door to door family planning and MCH services, maintain contact with eligible couples for continued practice and providing referral to nearest service outlet for clinical method. Each worker covers a population of 1,000. One trained supervisor is responsible to supervise/support 15 workers who has also been provided a vehicle to facilitate mobility in the assigned villages. Survey undertaken by Population Council (an international NGO) reveals that the contraceptive prevalence has doubled in areas where the workers are deployed.

20.10 For enhancing women employment and participation 5% quota in addition to merit has been fixed in the Public and Semi-Public institutions. In addition, the quetta for physically handicapped has been increased from 1% to 2% to provide productive employment opportunity to both male and female suffering from physical inability.

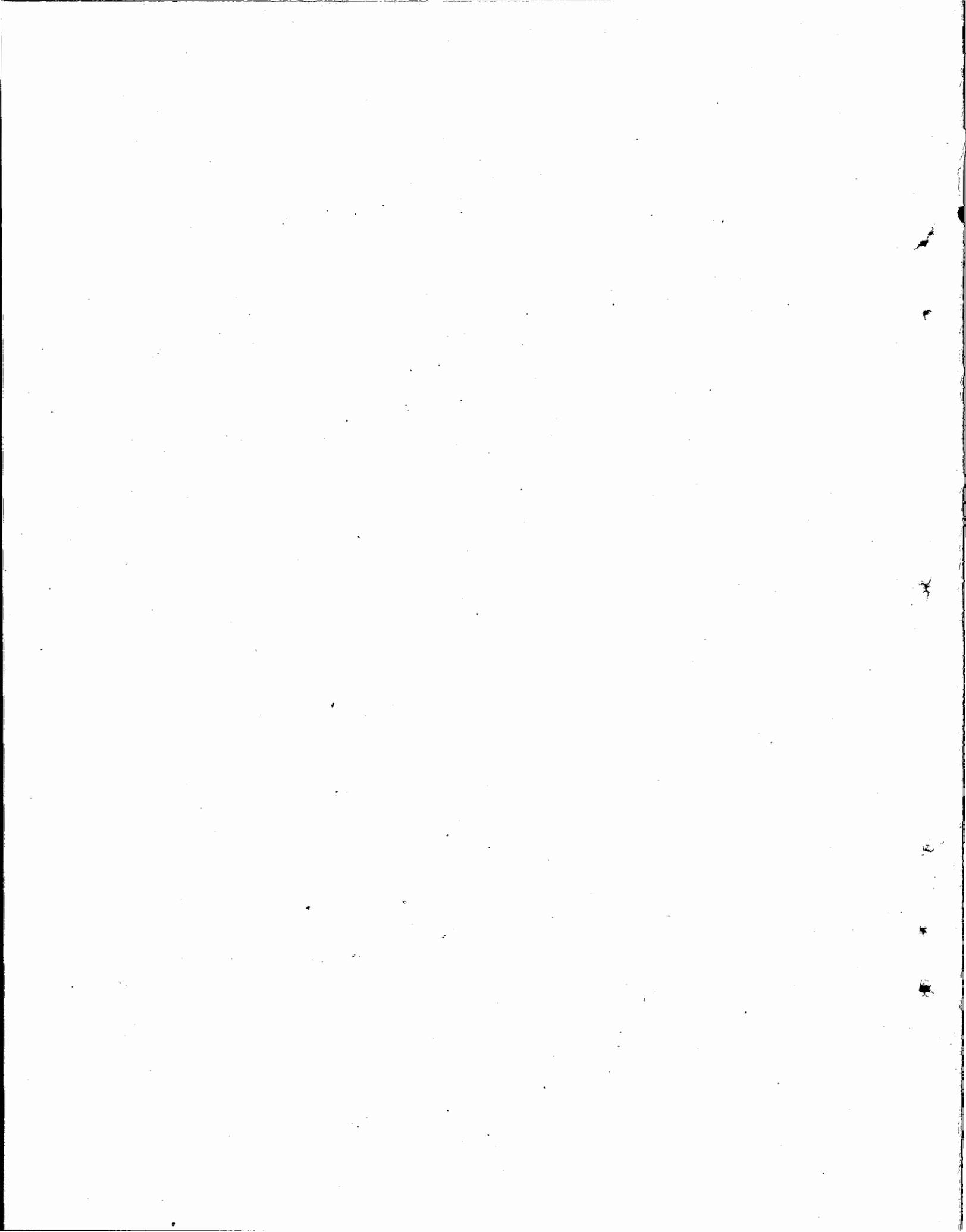
REVIEW OF ANNUAL DEVELOPMENT PROGRAMME FOR 1997-98

20.11 The projects for the year were prepared keeping in view the improvement in the conditions of poor/ needy women & children, development programme for overall welfare of female population. An amount of Rs. 43.45 million was provided to the Ministry (Women Development Wing) Out of which, Rs.30.407 million were provided for regular and Rs.13.042

million for Special Women Action Programme (SWAP). Rs.28.592 million for regular and Rs.13.042 million for SWAP were utilized on 58 ongoing/new development projects in the areas of Community Development; Skill Development; Education; Health care for Women & Children; Mobility support to educational institutions and Hostel facilities. The women development projects are being executed by the concerned line departments and the NGOs.

PROGRAMME FOR 1998-99

20.12 A provision of Rs. 84.49 have been made in the financial year 1998-99 for the development programme of Women Development Wing. Out of this allocated amount, Rs. 35.00 million has been provided for regular programmes while, Rs.15 million for Special Women Action Programme (SWAP) Rs. 25.982 million has been earmarked for new projects during the year and provincial governments of Sindh and NWFP have provided Rs 0.60 million and Rs 7.91 million respectively.



CHAPTER-21

MANPOWER DEVELOPMENT AND EMPLOYMENT POLICY

Employment Situation

21.1 On the basis of the existing population of 142.87 million with labour force participation rate of 27.46 percent, the total labour force comes to 39.24 million. Out of this 37.14 million is employed labour force and 2.10 million (5.35 percent) is unemployed labour force. Sectoral employed labour force is given in Table 21.1.

TABLE 21.1
SECTORAL DISTRIBUTION OF EMPLOYED LABOUR FORCE

(Million)

Sector	1994-95	1997-98 (E)	1998-99 (E)
Agriculture	15.56	16.90	17.37
Mining & Manf.	03.49	03.79	3.90
Construction	02.40	02.60	2.67
Trade	04.82	05.24	5.39
Transport	01.69	01.83	1.89
Comm.Soc.ser.	04.75	05.16	5.30
Others	00.55	00.60	0.62
Total	33.26	36.12	37.14

Source: Economic Survey 1997-98.

21.2 Detail of unemployed labour force is given in Table 21.2.

TABLE-21.2
UN-EMPLOYED LABOUR FORCE BY AREA

Year	Popula--- -tion (Million)	Unemployed Lab. Force (Million)			Unemployment Rate (%)		
		Total	Urban	Rural	Total	Urban	Rural
1991-92	117.31	1.93	0.67	1.26	5.85	6.97	5.40
1992-93	120.83	1.59	0.56	1.03	4.73	5.88	4.28
1993-94	124.45	1.68	0.61	1.07	4.84	6.51	4.22
94-95	2128.01	1.89	0.67	1.22	5.37	6.90	4.80
1995-96 (E)	131.63	1.94	0.68	1.26	5.37	6.90	4.80
1996-97 (E)	135.28	2.00	0.71	1.29	5.37	6.90	4.80
1997-98 (E)	139.03	2.05	0.73	1.33	5.37	6.90	4.80
1998-99 (E)	142.87	2.10	0.73	1.37	5.35	6.78	4.81

Source: Economic Survey 1997-98.

21.3 Estimation shows employed labour force at 37.14 million in 1998-99 as against 36.12 million in 1997-98. Estimate indicate that total number of employed person in rural as well as, urban areas increased remarkably to 27.1 million in 1998-99 from 26.38 million in 1997-98 in rural and to 10.04 million in urban areas in 1998-99 from 9.75 million in 1997-98. The estimated open unemployment rate, based on Labour Force Survey 1994-95 is 5.35 percent (2.10 million in actual terms) for 1998-99 which indicated a slight decline, however in absolute terms, the employment has risen.

Employment Promotion Policies

12.4 The Employment Promotion Policies of the Government are highlighted below:

- i) Government is making concerted efforts to push the economic growth process. For that purpose, P.M's Economic Revival Package has already been announced for the revival of the industrial sector, to stimulate production and investment and boost exports through broadening the tax base and lowering tariffs. Another package has been announced for the development of agriculture sector. Besides, a number of fiscal and monetary measures have been taken under the new investment policy to attract industrialists/investors, particularly foreign investors. Incentives for effective efforts are also underway to reactivate the sick industries and restore the textile sector. Capital market and stock exchanges are being rejuvenated. These policies are expected to accelerate economic growth and generate new employment opportunities in the country. After completion of Islamabad-Lahore Motorway, and setting up of seven industrial zones alongside the roadway it is expected to rise the economic activity and generate new job opportunities.
- ii) The Social Action Programme (SAP) which is chiefly meant to bring about improvement in the social sectors like primary education, basic health care, population welfare, rural water supply and sanitation will substantially help in creating employment opportunities. Technical and vocational training facilities are being made available to the unemployed to enhance their skill and employability and get reasonable income. In addition, a plan is being prepared in collaboration with the private sector to impart training to a large number of apprentices in various trade under the Youth Training Programme through enhanced capacity of the training institutes.
- iii) With a view to reduce educated unemployment, self-employment is being encouraged through the schemes of Youth Investment Promotion Society and National Self Employment Scheme. Under the National Self Employment Scheme, Habib Bank Ltd., National Bank of Pakistan, Small Business Finance Corporation, Regional Development Finance Corporation and First Women Bank Ltd., are advancing loans to the unemployed on soft terms for establishing their own enterprises. Since inception of the scheme (June 30,1994), the loan disbursement amount to. Rs. 5,981.9 million uptill January 28, 1998 to 46574 cases. This is estimated to generate some 15641 employment opportunities.

- iv) Under the new Education Policy, 21 Universities 500 new Degree Colleges and 250 Professional Colleges will be opened. Besides 75,000 non-formal Basic Education Schools will be established. These will open-up employment opportunities for the educated youths. Under the Prime Minister's Programme for Family Planning and Family Health Care, one lac Lady Health Workers are being recruited, trained and deployed in a phased programme. Over 42,000 Lady Health Workers are already working in the rural and less developed urban areas of the country. Efforts are also being made to boost opportunities for overseas employment. For this purpose, high level contracts are being established with the labour importing countries.

v) **National Agenda**

Agriculture/Land reforms

- More than 1.2 million acre of land that escaped during previous land reforms will be distributed among deserving farmers and landless haris. They will cultivate this land and will assist in making the country self sufficient in food.
- Agriculture loans increased to Rs. 40.0 billion from the last year's of 30.0 billion.
- Duty on tractors and other agriculture machinery has been reduced.

Youth Self-Employment Scheme

- Youth who wanted to start small business would be given loans from Rs.1,00,000 to Rs.5,00,000 and loans will be available up to Rs.50,00,000 for those who wants to establish joint/group business.
- Technical training institutes and chamber of commerce and industry will help the youth to set up their business.

Child Labour

21.5 The exploitation of child labour is one of the most odious aspects of global labour markets. In most developing countries, it has not been possible to put an end to child labour despite the fact that almost all these countries have satisfactory legislation in this respect. The abolition of child labour and more generally the protection of children and young persons against work of a character or condition unsuitable to their age have been a serious concern to the government and social activists in Pakistan, especially during the last decade or so.

21.6 The Child Labour Survey (CLS) conducted in 1996 by the Federal Bureau of Statistics in collaboration with the Ministry of Manpower & Overseas, Pakistan and under the auspices of the International Programme on elimination of Child Labour (IPEC), revealed that

among 40 million children aged 5-14 year, 3.3 million (8.3%) were economically active. Out of the total, 2.4 million (73%) were boys and 0.9 million (27%) were girls. The absolute size of male child labour in the age group of 10-14 years was 2.1 millions while that of female child labour in the same age group was found to be 0.6 million. Child labour in rural areas was about eight times higher than in urban areas, due mainly to a large proportion of unpaid family helpers.

21.7 Notwithstanding with the governmental response such as setting up a National Commission on Child Welfare, enactment of Employment of Children Act 1991 and a National Steering Committee, the fact remains that child labour elimination requires in depth examination of the issues. Child labour could be due to various reasons such as poverty induced, extension of the culture, and the training for adult life. The government focus should be on those aspects of child labour which are hazardous for the health of the child and inimical to prospects of his adult life. It is not only a matter of passing legislation or improvement in inspection system but over all distribution of developmental benefits is relevant too.

21.8 In line with the present policy, the employment policy of the Government will continue to focus on promotion of investment and growth, encouragement of labour intensive sectors, viz. small scale industry, social sectors and rural development, provision of credit facilities for self-employment, encouraging overseas migration and expansion of technical training facilities. The policy will, however, lay more emphasis on decentralized decision making and involvement of the private sector to check unemployment.

REVIEW OF PUBLIC SECTOR DEVELOPMENT PROGRAMME (PSDP) 1997-98

21.9 An allocation of Rs. 178.54 million was made for the Manpower Sector. Thrust of the programme continued to be on training and skill development programmes.

I. National Vocational Training Project Phase-II

21.10 The project was initially approved by ECNEC in March, 1987 at a total cost of Rs.2041.353 million with an FEC of Rs.1171.409 million. The Restructured/Revised project was approved by ECNEC on February 11, 1993 at total cost of Rs. 2882.18 million including FEC of Rs. 1884.02 million.

21.11 The project was allocated an amount of Rs. 173.8 million and utilized Rs.174.18 million to complete 90% construction work at 19 Technical Training Centres (TTCs) including completion of construction work at of NSTI building. Construction work at 19 TTCs has been completed. Equipment for 20 existing and 19 new TTCs were also procured for installation at the centres.

II. Worker's Population Education Programme

21.12 The project with the assistance of UNDP was approved in February, 1993 at a cost of Rs.43.00 million with UNFPA grant of Rs. 30 million. The PSDP of Rs. 4.74 million

including FEC of Rs. 3.00 million was allocated with the aim to expand the scope of workers population education to new areas, i.e. Hub, Haripur (Hattar), D.I. Khan and Sukkur. A sum of Rs. 11.737 million including FEC of Rs. 10.002 million were utilized with achievement of 949 training courses against targeted training courses of 566.

PROVINCIAL PROGRAMMES, 1997-98

Punjab

21.13 PSDP allocation for the year was Rs. 20.351 million which was utilized for 3 on-going projects i.e. civil works at TTC Kamalia, TTC Chichawatni, and introduction of the master craft training at staff training institute gulburg, Lahore.

Sindh

21.14 PSDP allocation for the year was Rs.8.00 million and full amount was utilized on ten on-going projects.

NWFP

21.15 An allocation of Rs. 6.00 million were made out of which Rs. 0.537 million was utilized on two on-going schemes.

Baluchistan

21.16 An allocation of Rs. 7.1 million were made for the sector out of which Rs. 2.8 million were utilized against four on-going projects.

PUBLIC SECTOR DEVELOPMENT PROGRAMME, 1998-99.

21.17 An allocation of Rs. 133.804 million has been provided to Manpower Sector out of which the share of Federal project is Rs. 54.254 million and provincial programme Rs.79.550 million. The Agency/Programme-wise detail is presented in the following paras. Statistical details are given at S.A.Tables-21.1 and 21.2.

FEDERAL PROJECTS

I. National Vocational Training Project, PH-II

21.18 The project envisages establishment of 21 VTCs including 5 VTCs for women. All the training centres have been completed except VTC Jaranwalla (25%), Toba Tek Singh (25%), and Muzafargarah (20%) are likely to be completed in current year. Five Women Technical Training Centres (WTTCs) are being established on pilot basis at Multan, Rawalpindi, Hyderabad, Peshawar and Quetta. These institutions focus on development of training

programmes for women in non-traditional fields where employment/income generation will be possible. WTTC's Quetta and Peshawar are already operational. New WTTCs at Rawalpindi, Multan and Hyderabad have been established and will be functional.

21.19 An allocation of Rs.32.20 million has been provided for civil works and installation of equipment. The allocation is grossly insufficient and only limited activities could be undertaken and completed with this allocation.

II. Worker Population Education Programme

21.20 The project was approved in February, 1993 at total cost of Rs. 43.00 million with the assistance of UNDP including UNFPA Grant of Rs.30 million. An allocation of Rs.14.20 million including FEC of Rs.12.20 million have been allocated under current year to expand the scope of the programme. As per work plan of the project 195 training/workshops/meetings/ seminars will be conducted at different Regional offices located all over the country including DWE Islamabad.

III. Hostel Building for Pakistan Manpower Institute

21.21 The original project was approved by DDWP in May, 1991 at a total cost of Rs. 12.42 million. The revised PC-I was approved in March, 1995 amounting Rs. 19.104 million. Now the project has been revised by the sponsors and approved by the CDWP on 16-3-98 at a total cost of Rs.26.555 million. Rs.18.70 million have been utilized upto 1996-97. No allocation was made in 1997-98 due to unapproved status of the project. An allocation of Rs. 7.854 million has been provided in PSDP 1998-99 to complete remaining civil works and furnishing of the Hostel building with its accessories.

PROVINCIAL PROGRAMMES, 1998-99

Punjab

21.22 Rs. 31.971 million have been allocated under current PSDP to complete three on-going projects i.e. civil works at TTC Kamalia, TTC Chichawatni, and introduction of the master craft training at staff training institute gulburg, Lahore.

Sindh

21.23 An amount of Rs. 12.00 million have been allocated under current financial year to complete the ongoing activities at ten on-going projects.

NWFP

21.24 An allocation of Rs. 3.179 million have been allocated for carrying out the activities on two on-going schemes located at Ghazni Khel Lakki and Technical Training Centre at Peshawar.

Baluchistan

21.25 An amount of Rs.32.40 have been allocated for the year. Out of which Rs. 26.6 million have been made for four ongoing schemes i.e. (i) Additional/Alteration in Women Technical TTC Quetta Phase-II, (ii) Upgradation & Renovation of Computer Laboratory at TTC Quetta, (iii) Const. of Residential Accommodation for staff of TTC at Gawadar, and (iv) Pak-German Technical Cooperation Project "Advisory Assistance in Instructor Basic (Training & Exam.) System. Out of total allocation an amount of Rs.5.8 million has been earmarked for two new projects, i.e. (i) Promotion of Mines Rescue & Safety in Urban Baluchistan, (ii) Technical Training Centre Nushki and Panjgur.

CHAPTER-22

SOCIAL WELFARE AND SPECIAL EDUCATION

22.1 Social Welfare is a supportive activity, designed to help the individuals, families, groups and communities in achieving a minimum desirable standard of social well being. It is a process of social development which covers a wide range of activities aiming at solving their problems through mobilizing local and Government resources to meet both long term and short term needs. The major problem in the delivery of social services to the under privileged sections of the society had always been the resource constraint which continued during last fiscal year.

22.2 During 1997-98, the Social Welfare sector was allocated Rs. 106.772 million (revised) out of which Rs. 101.328 were utilized. Table 22.1 reflects the Federal and Provincial allocation/utilization.

TABLE 22.1
FEDERAL AND PROVINCIAL ALLOCATION/UTILIZATION

Federal/ Provincial	1997-98		
	Allocation (Revised)	Utilization	Utilization(%)
1. Federal Agencies	76.409	71.917	94.12
2. Punjab	23.124	22.172	95.88
3. Sindh	3.521	3.521	100.00
4. NWFP	2.885	2.885	100.00
5. Baluchistan	0.833	0.833	100.00
TOTAL:	106.772	101.328	94.9%

22.3 The overall pace of utilization as against the revised allocation remained satisfactory, as the Federal agencies utilized Rs. 71.917 million i.e. 94.12% of the allocation. Out of Rs. 76.409 million (Special Education Rs. 54.114 million, Social Welfare Rs. 0.475 million, National Council of Social Welfare Rs. 2.172 million and Staff Welfare Organization Rs. 15.156 million). The provinces during the year utilized Rs. 29.411 million against their revised allocation of Rs. 30.363 million which comes to 94.9% (Punjab-Rs. 22.172 million, Sindh-Rs. 3.521 million, NWFP-Rs. 2.885 million and Baluchistan-Rs. 0.833 million).

22.4 Like previous years the physical progress was adversely affected due to cut in the development budget. The major focus of attention at the Federal level remained on the

completion of on-going projects. The National Council of Social Welfare achieved its target of providing financial assistance to 350 NGOs. The construction work of three special education institutions was completed but the equipment required could not be purchased. The quantum of assistance provided to each NGO had to be reduced due to budget curtailment. The financial allocation of Social Welfare sector in Punjab was raised from Rs. 20.065 million to Rs. 23.124 million where eleven special education institutions and fourteen social welfare institutions were established/developed and grant-in-aid to five hundred social welfare agencies was provided. In the Province of Sindh original allocation of Rs. 4.916 million was reduced to Rs. 3.521 million. It however did not have any adverse bearing on the achievement of physical targets. Accordingly four special education centres and nine social welfare institutions were established as per target. The Government of NWFP brought down the allocation of Social Welfare sector from Rs. 4.00 million to Rs. 2.885 million, against which four social welfare institutions were established and grant-in-aid to 200 voluntary social welfare agencies was provided. There was a very sharp decline in the allocation of social welfare sector in Baluchistan where the allocation was reduced from Rs. 3.333 million to Rs. 0.833 million. In this meager allocation, only two special education and one social welfare institution could be established. The private/voluntary sector remained completely neglected because no financial assistance could be provided to NGOs.

PROGRAMME FOR 1998-99

22.5 The Social Welfare sector under the Annual Development Programme of 1998-99 has been provided with an allocation of Rs. 122.724 million as compared to the last year's utilization of Rs. 101.328 million, which is 21.12% higher than the actual utilization of previous year. The increase in development budget of Punjab is inconsistent because its allocation has been reduced by more than 30 percent which would obviously have negative effect on the delivery of social services to the target groups. The detail of Federal and Provincial allocation is given in Table 22.2.

TABLE 22.2
FEDERAL AND PROVINCIAL ALLOCATIONS - 1998-99

(Million Rupees)

S. No.	Federal/ Provincial	Utilization 1997-98	Allocation 1998-99		% Increase / Decrease over Utili- zation in 1997-98
			Original	Revised	
1.	Federal Agencies	71.917	78.575	78.575	+ 9.26%
2.	Punjab	22.172	15.477	15.477	- 30.20%
3.	Sindh	3.521	9.700	9.700	+ 175.49%
4.	NWFP	2.885	3.286	3.286	+ 13.90%
5.	Baluchistan	0.833	15.686	15.686	+ 1783.07%
TOTAL:		101.328	122.724	122.724	+ 21.12%

22.6 The Special Education and Rehabilitation Services for the Disabled carries a relatively high priority because 56.86% (Rs.69.784 million) of the funds have been allocated for these projects. The sub-sector of Social Welfare Services and Promotion of Voluntary Services carries a little low priority, Social Welfare being 40.38% and promotion of NGOs 2.76%. There is an increase of Rs. 4.452 million in budget allocation of Staff Welfare Organization, which is rendering useful services in the reinforcement of the efficiency of Federal Government Employees and providing relief to low paid employees in the form of stipendiary support, rehabilitation aids and skill development training.

22.7 The Annual Plan 1998-99 mainly consists of on-going projects, which will be continued, expanded, strengthened and completed within the available financial resources. The inclusion of new projects, however, had not been possible due to resource constraints. In the sub-sector of Special Education major emphasis will continue to be on completing the construction work already taken in hand and buildings at Islamabad, Lahore, Faisalabad, Nawabshah, Khuzdar and Mardan will be completed. The vocational training programme for the disabled will be continued at Islamabad, Lahore and Karachi. National Special Education Centres for Mentally Retarded, Visually Handicapped and Hearing Impaired Children at Islamabad will be completed this year. Postgraduate classes in Special Education would be continued at the University of Punjab Lahore. Training Programme, for the teachers working for different disabilities will be continued. In provinces, the construction of buildings for deaf at Khushab, Pak Pattan, Rajan Pur and Chinot and building for blind school at D.G. Khan will be completed this year. The institute for blind at Multan will be strengthened and construction work on blind school at Chakwal, Deaf School (Girls) at Faisalabad will be continued while construction work

on Braille Printing Press and Resource Guidance Centre in Government. In Service Training College for the Disabled Children will be completed. In Sindh Service Centre for multiple handicapped at Karachi and for physically handicapped at Nawabshah and Thatta will be completed.

Social Welfare

22.8 The social welfare programmes mainly focus upon the completion of infrastructure development projects and continuation of income generating projects (District Industrial Homes established at Narowal, Pak Pattan and Lodhran). The social welfare complex established at Lahore will be up-graded. In Sindh eight units of buildings for sub-Divisional social welfare offices, pilot social welfare complex at Hyderabad and Day Care Centre at Karachi will be completed. The rural community development projects established at Bada Mir Abas (Bannu) and Chitral will be actively involved in undertaking need oriented programmes through the mobilization of local resources. The welfare homes of Nowshera and Charsada will provide institutional care to its clientele. The major emphasis, in Baluchistan will be on the initiating adult literacy or non-formal education programme. The other projects include the construction of boundary wall of special education complex and establishment of a grave yard at the Eastern Bye Pass Quetta.

Staff Welfare Organization

22.9 The construction work of multipurpose community centres of Islamabad, Peshawar, Lahore and Karachi will be completed. The buildings of Trade Training Centre Islamabad, Ladies Industrial Home, Islamabad, Holiday Home Ziarat, Keenjhar Lake Thatta, Murree and Hostel for Working Women Islamabad will be completed. Stipendiary support for the purchase of note books text books to the low paid employees of Federal Government will be provided. The other programme include skill development training, provision of transport ambulance facilities and rehabilitation aids to Federal Government Employees.

22.10 Details of Agency wise and sub sector wise financial and physical achievements during 1997-98 and targets for 1998-99 are given in S.A.Tables 22.1 & 22.2.

CHAPTER-23

CULTURE, SPORTS, TOURISM AND YOUTH

OVERALL PROGRAMME

23.1 During the year 1997-98, the total allocation provided for Federal and Provincial Programmes for Culture, Tourism and Youth sector was Rs.151.391 million while the revised estimates stands at Rs.85.516 million which shows 56.46% utilization.

23.2 The allocation for the year 1998-99 is Rs.305.131 million which shows an increase of 102% over the last year's allocation and 256% over the revised estimates. (Details are at S.A.Table 23.1 while Targets and Achievements are at S.A.Table 23.2).

REVIEW OF FEDERAL PSDP 1997-98

23.3 The sector was allocated a sum of Rs.88.969 million out of which Rs. 47.728 million were spent during the year, which show 81 percent utilization. The sub-sectoral performance is given below:-

Culture

23.4 An amount of Rs.81.324 million was allocated for various projects of preservation and restoration at Lahore Fort, Jehangir's Tomb, expansion of Taxila Museum, Mughal Gardens, Wah and Quaid-e-Azam's Residency at Ziarat. Only the project of survey of archaeological sites in ancient Gandhara could be completed. Civil works on the ongoing project of National Art Gallery Islamabad, continued. Repair and maintenance work on monuments in Lahore, Umarkot and D.I. Khan continued.

Sports

23.5 Sports sub sector was allocated Rs. 5.709 million and the entire funds were utilized. Synthetic Athletic /Track at NSTCC, Karachi completed and sports stadium Mansehra reached completion stage.

Youth

23.6 A sum of Rs.4.279 million was earmarked for the Youth related schemes. Civil works of Youth Hostel Larkana and improvement of recreational facilities in existing 13 youth hostels, were the main schemes. Small, progress was made, but none of the projects could be completed, due to small allocations.

Tourism

23.7 A sum of Rs.36.00 million inclusive of an Austrian Grant of Rs.35.00 million was provided for Pakistan Austrian Institute of Tourism and Hotel Management at Swat. The

expenditure on the Project by the end of the year amounted to Rs.4.534 million. Civil works of the Project were in progress. A tourist motel at Mingora Swat was completed at a cost of Rs.29.047 million. Pakistan Institute of Tourism and Hotel Management, Karachi was heading towards completion.

23.8 The civil works on various motels of Pakistan Tourism Development Corporation (PTDC) were in progress. These included motels at Satpara Lake, Phandar, Bumborate, Mastuj, Gupis, Besham, Birmoglast, Rama Lake, Khaplu, Chakdara, Dir, Saidu Sharif, Hunza and Chitral. The total allocation for 1997-98 was Rs. 19.677 million for these schemes, out of which Rs. 18.935 million were utilized.

FEDERAL PROGRAMME FOR 1998-99

23.9 The culture, Sports, Tourism and Youth sector has been allocated Rs.212.721 million for the year 1998-99 against the last year's allocation of Rs.88.837 million reflecting an increase of Rs.139.5 percent. The sub-sector wise allocation is as follows:

Culture

23.10 The allocation for Culture sector is Rs.60.647 million against the last years allocation of Rs.18.324 million which shows an increase of 230 percent. The amount will be spent on speedy completion of ongoing projects for conservation and restoration of Jehangir's tomb, Lahore Fort, Expansion of Taxila Museum, and survey of archaeological sites. An amount of Rs.25.00 million are provided to National Art Gallery Islamabad for completion of building structure and Rs.20.00 million for the renovation and preservation of national monuments at Lahore, which include Shalimar Garden, Lahore Fort and Jahengir's Tomb.

Sports

23.11 The Sports sub-sector has been allocated Rs.86.886 million out of which Rs.8.884 million are earmarked for laying of hockey turfs at Gojra and Bannu. Rs.78.00 million have been allocated under the Prime Minister's Directive for payment of customs duty an account of import of Electronic Score Board and Display Screen for :Pakistan Sports Complex. The equipment is under installation currently.

Youth

23.12 Youth sub-sector is allocated Rs.4.5 million as against Rs.4.279 million last year. The allocation has not been increased due to slow progress on Youth Hostels at various places. Youth Development Centre at Quetta will received Rs.3.00 million and Rs.1.00 million will be spent on Youth Hostel at Jamshoro, and Rs.0.5 million will go to Youth Hostel Gilgit. All these projects will consume the funds on civil works.

Tourism

23.13 The allocation for Tourism is Rs.60.690 million. Funds to the tune of Rs.27.00 million have been allocated for institute of Tourism and Hotel Management, Gulibagh, Swat including Rs.26.00 million foreign grant. The civil works are already in progress and installation of equipment as envisaged earlier will not start this year. Institute of Hotel Management, Karachi will receive Rs.4.00 million and be fully functional by the end of the year. an amount of Rs.1.00 million as token allocation has been provided for Tourism Development Master Plan, to carry out feasibility for preparing a Tourism Development plan for future. An amount of Rs.28.69 million has been allocated for ongoing projects of PTDC, spread all over the country. These motels are at advanced stages of completion, but due to cost over run and pending liabilities, the work is either slow or suspended. Their commissioning will ensure better revenues to the PTDC,

PROVINCIAL PROGRAMME

REVIEW OF 1997-98

PUNJAB

23.14 The revised estimates for the year 1997-98 are Rs.16.462 million against the allocation of Rs.33.890 million. Information and Cultural Complex, Rawalpindi, Phase-I utilised Rs.9.250 million and achieved overall physical progress of 42% Rs.4.463 million were spent on Multan Arts Council, Phase-II with 53% physical progress.

NWFP

23.15 Against the allocation Rs.8.832 million, the revised estimates are Rs.5.900 million. Of which Rs.3.00 million were consumed by Conservation of historic buildings in Peshawar (Sethi House, Gor Khatree, Kotla Mohsin Kahn) and Rs.1.00 million by development of Kund as tourist site. The physical progress on both projects is about 30%.

BALUCHISTAN

23.16 The Culture, Sports and tourism sector was allocated Rs.5.700 million, the revised estimates are Rs.0.426 million utilised by stadium at Surab, district Kalat.

SINDH

23.17 Against an allocation of Rs.14.00 million, the revised estimates are Rs.15.00 million. The folk crafts museum at Sehwan utilised Rs.2.668 million taking the overall progress upto 66%. The Community Centre at Bhan Saeedabad spent Rs.2.088 million with physical progress of 88%. Children's dictionary, extension of sindh Archives, mini stadium at Nawabshah and repair of Rani Kot (Fort) consumed Rs.1.00 million each. The Sindhi language authority utilised Rs.1.412 million on the revised estimates of Sindh College of Arts and Crafts in Hindu Gymkhana at Karachi.

PROGRAMME FOR 1998-99**Punjab**

23.18 The allocation for the year 1998-99 is Rs.24.00 million. there is a block allocation of Rs.5.00 million for Tourism. Information and Cultural Complex, Rawalpindi is earmarked Rs. 9.500 million. Rs.5.650 million are allocated to Multan Arts Council, Multan and Rs.3.300 million to Air conditioning of permanent Art Gallery, Lahore.

Balochistan

23.19 The allocation is Rs.3.876 million for the sector. Stadium at Surab, will get Rs. 0.876 million and Rs.3.00 million are assigned for the continued nature scheme of promotion of games at district and division level.

NWFP

23.20 The sector has been allocated Rs.44.534 million for ongoing and new projects, Rs.10.00 million are allocated for conservation of historic buildings in Peshawar (Sethi House, Gor Khatree, Kotla Mohsin Khan). The new projects of improvement of sports facilities in NWFP, Improvement of Shahi Bagh Peshawar will receive Rs. 10.00 million and Rs.5.00 million respectively. Sports stadium at Bannu and Kohat have been assigned Rs.3 million each. The sports Stadium Bannu contract has been awarded and civil works will be initiated while civil works of stadium at Kohat are 86% completed.

23.21 Rs.1.00 million are allocated to Sports Stadium at Abbottabad for take off. Establishment of Ghani Dri at Charssada will consume Rs.3.649 million on land and preliminary works. Tourism Development activities in NWFP has been earmarked Rs.3.985 million for preliminary works.

Sindh

23.22 The allocation for Culture, Sports and Tourism sector is Rs.20.00 million of which Rs.3.500 million are allocated to Academy for folk Music of Sindh, Karachi for completion of the project. The Community Centre Bhan Saeedabad will also be completed by consuming Rs.1.522 million Rs. 4.00 million are earmarked for repair of Rani Kot(Fort) where the physical progress will be taken upto 26% Folk Crafts Museum at Sehwan is assigned Rs.2.770 million for 86% overall progress. Further, Arts and Crafts College at Hindu Gymkhana Karachi will attain 66% progress by spending Rs.2.208 million.

CHAPTER-24

RURAL DEVELOPMENT

24.1 Rural Development is a multi-sectoral approach for development of physical and social infrastructure with a view to realize full productive potential of rural areas and spread benefits of development to the rural population which currently forms about 68% of total population. Despite the emphasis of spreading the benefits of development to the rural areas in the past, the availability of social services is still lacking in the rural areas and the physical infrastructure is yet to be developed so as to bring out the full potential of these areas. The rural areas continue to lag behind in the availability of educational facilities, commercial energy i.e electricity & gas, safe drinking water, health & population facilities although the Annual Plans & Mid Term Plans set specific targets for rural development.

24.2 The strategic elements of planned rural development consist of (i) substantial public sector development investment in agriculture and water sectors. Currently these two sectors are on the average allocated about 41.5 percent of total public sector expenditure. The growth of agriculture affects progress in rural development through increased productivity and employment. (Details of targets and programmes in these sectors can be seen in the respective chapters). (ii) rural areas are specially targeted with regards to the provision of social amenities like safe drinking water, sanitation, rural electrification and education through Social Action Programme (SAP) and non SAP expenditures (Details of these programmes can be seen in the respective chapters).

24.3 In addition to the specific targets for provision of social and physical infrastructure, two programmes of farm-to-market/rural roads and multi-sectoral development projects are undertaken by the Provincial Governments for the uplift and development of the rural areas. These two Programmes concentrate on farm-to-market/rural roads and provide other social and physical infrastructure in specified areas.

REVIEW OF 1997-98

24.4 During the financial year 1997-98, 1868 Kms of farm-to-market/ rural roads were constructed against the target of 1870 Kms. 25 rural health centers were established/upgraded against the target of 30. Similarly 5 million of additional rural population was provided with safe drinking water against the target of 7.0 million and 5100 number of villages were electrified against the target of 5214 villages. Targets and achievements during 1997-98 in different sectors are summarized in Table-24.1.

TABLE-24.1
TARGETS & ACHIEVEMENTS OF SOCIAL & PHYSICAL
INFRASTRUCTURE FOR RURAL AREAS DURING 1997-98.

S.No.	Sector	Unit	Target	Achievement
A.	Construction of farm-to-market Rural Roads.	Km.	1870	1868
B.	Rural Water Supply & Sanitation			
	(i) Rural Water Supply	Addl.Pop. served in million.	7.00	5.00
	(ii) Rural Sanitation	-do-	1.77	1.10
C.	Rural Health			
	(i) Basic Health Units.	Nos	85	80
	(ii) Rural Health Centers	Nos	26	20
D.	Village Electrification	Nos	5214	5100

24.5 The following paragraphs describe financial allocations & utilization and physical targets as well as achievements in respect of farm-to-market/rural roads and integrated area development projects during 1997-98.

24.6 An allocation of Rs. 5,727.590 million was made in 1997-98 for the construction of farm-to-market/rural roads and provision of social & physical infrastructure under integrated area development projects against which Rs. 5,659.618 million were incurred showing utilization of 99 percent. Agency-wise details are presented in Table-24.2.

TABLE-24.2
FINANCIAL ALLOCATION AND UTILIZATION

(Million Rs.)

No.	Agency	1997-98		Percentage
		Allocation	Utilization	
1.	Federal	2,147.850	2,079.878	97.00
2.	Punjab	2,038.760	2,038.760	100.00
3.	Sindh	775.970	775.970	100.00
4.	NWFP	387.960	387.960	100.00
5.	Balochistan	377.050	377.050	100.00
Total:-		5,727.590	5,659.618	99.00

Source:- Federal/Provincial PSDPs.

FEDERAL

24.7 During the financial year 1997-98, an amount of Rs. 2,147.850 million including foreign aid of Rs. 1,905.000 million was allocated for rural development sector. Out of Rs. 2,147.850 million, Ministry of Environment, Local Government & Rural Development was allocated Rs. 1,986.360 million including Rs. 1,758.000 million of foreign aid for ADB Assisted and Japanese Assisted Farm-to-Market/Rural Roads Construction projects. Interior Division was allocated Rs. 2.690 million for rural roads projects and Narcotics Control Division was provided Rs. 158.800 million including Rs. 147.000 million of foreign aid for projects which aim at eradication of poppy cultivation by providing alternative means of income to the poppy growers. Agency-wise allocation and utilization is given in Table-24.3.

TABLE-24.3
ALLOCATION AND UTILIZATION IN 1997-98 AT THE FEDERAL LEVEL

(Million Rupees)

Sl. No.	Agency	Alloc. (1997-98)		Utiliz. (1997-98)	
		Total	F. Aid	Total	F. Aid
1.	2.	3.	4.	5.	6.
1.	Ministry of Envir. Local Govt. & Rural Dev.	1,986.360	1,758.000	1,915.680	1,695.000
2.	Narcotics Control Division.	158.800	147.000	161.510	151.959
3.	Interior Division.	2.690	0.000	2.688	0.000
Total:-		2,147.850	1,905.000	2,079.878	1,846.959

24.8 It is estimated that the Ministry of Environment, Local Government & Rural Development would utilize Rs. 1,915.680 million including Rs. 1,695.000 million of foreign aid for the construction of about 500 kilometer of farm to market/rural roads under ADB Assisted farm to Market Roads & Japanese Assisted Rural Roads Construction projects. Narcotics Control Division is expected to utilize Rs. 161.80 million including Rs. 151.000 million of foreign aid on integrated area development projects in Bajaur, & Mohmand agencies and Dir district in NWFP. Interior Division will be able to utilize Rs. 2.688 million for the construction of about 2 Km of rural roads in Islamabad capital Territory.

PROVINCIAL

Punjab

24.9 Government of the Punjab utilized the entire amount of Rs. 2,038.76 million allocated during 1997-98 for rural development projects. Major portion of this expenditure was incurred on the construction/improvement of about 850 kilometers of farm-to-market/rural roads, repair and construction of school buildings and pavement of streets in the backward rural areas.

Sindh

24.10 The Government of Sindh was able to utilize Rs. 775.970 million during the financial year 1997-98. The funds were utilized on construction of farm to market/rural roads and minor projects of Sindh Arid Zone Development Authority.

NWFP

24.11 The Government of NWFP utilized the entire amount of Rs. 387.96 million allocated during 1997-98. This amount was utilized mainly for the construction of farm to market/rural roads, integrated area development projects in Chitral and Mansehra districts and carrying out of small village level schemes including the community uplift programme.

Balochistan

24.12 The Government of Balochistan utilized Rs. 377.050 million for Rural Development. This amount is spent on construction of farm-to-market /rural roads, village electrification programme, Area development programme & BIAD reflected in rural Development sector. Out of Rs. 377.050 million utilized during the year, Rs. 155.21 million were provided on area development programmes and Rs. 211.84 million for construction of farm-to-market roads. It is estimated that about 88 kilometers of rural roads were improved/constructed during the year in the province.

PROGRAMME FOR 1998-99

24.13 An amount of Rs. 9,155.019 million has been allocated for rural development during the current year. Major projects under this programme include improvement/rehabilitation and construction of farm-to-market/rural roads, matching grants to District Councils, grant-in-aid to local councils and small village level schemes. Agency/province-wise allocation during 1998-99 is shown in Table-24.4.

TABLE-24.4
FINANCIAL ALLOCATION DURING 1998-99

		(Million Rupees)
Sl. No.	Agency	Allocation
A. Federal		
i.	Ministry of Environment, Local Government & Rural Development.	2,550.00
ii.	Interior Division	5.263
iii.	Narcotics Control Division	179.976
Sub-Total Federal		2,735.239
B. Provincial		
i.	Punjab	4,530.510
ii.	Sindh	651.338
iii.	NWFP	926.185
iv.	Balochistan	311.747
Sub-Total Provincial		6,419.780
Grand Total		9,155.019

FEDERAL

24.14 During 1998-99, an amount of Rs. 2,735.239 million has been allocated for Rural Development sector at the Federal level. Out of this, Ministry of Environment, Local Government & Rural Development have been provided Rs. 2,550.000 million including Rs. 2,541.000 million in foreign aid for construction/rehabilitation of farm to market/rural roads, under ADB Assisted and Japanese Assisted Rural Roads Construction Project. Construction work on these projects has been started and expected that total 400 km of roads will be constructed during 1998-99. The Interior Division have been provided Rs. 5.263 million for the construction of roads under on-going rural roads projects and Women income generating projects implementing in rural areas of Islamabad. Under this programme about 4 Kilometers of rural roads will be constructed in the Islamabad Capital Territory and establishment of 6 Women Community Centre in ICT. The Narcotics Control Division have been allocated Rs. 179.976 million including Rs. 165.760 million of foreign aid for Agricultural and Area Development projects in the poppy growing areas of NWFP. Agency-wise financial allocation at the federal level is given in Table-24.5.

TABLE-24.5

FINANCIAL ALLOCATION FOR 1998-99 AT FEDERAL LEVEL

(Million Rupees)

Sl No.	Agency	Allocation	
		Total	F.Aid
1.	2.	3.	4.
1.	Ministry of Environment Local Government & Rural Dev.	2,550.000	2,541.000
2.	Narcotics Control Division.	179.976	165.760
3.	Interior Division.	5.263	0.000
Total:-		2,735.239	2,706.760

Source: Federal PSDP 1998-99.

PROVINCIAL

24.15 Rural Development has been accorded a high priority by the provincial Governments during 1998-99. The total Provincial Programme has been kept at Rs. 5,919.780 million including foreign aid of Rs. 237.271 million. Details of Province-wise utilization during 1997-98 and allocation for 1998-99 are given in Table-24.6.

TABLE-24.6

**PROVINCE-WISE UTILIZATION FOR 1997-98
AND ALLOCATION FOR 1998-99**

(Million Rupees)

S.No.	Sub-sector	Revised Estimates 1997-98	Allocation 1998-99
1.	Punjab	2,038.760	4,530.510
2.	Sindh	775.970	651.338
3.	NWFP	387.960	926.185
4.	Balochistan	377.050	311.747
Total:-		3,579.74	6,419.780

Source: Provincial PSDPs.

Punjab

24.16 Government of the Punjab have allocated Rs. 4,530.510 million including Rs. 313.420 million of foreign aid for rural development programme during 1998-99. Out of this, Rs. 1,000.000 million (about 25 per cent) have been earmarked for the construction/rehabilitation/improvement of farm-to-market/rural roads in the Province. Revised estimates for the 1997-98 and allocations for 1998-99 under various sub-sectors are shown in Table-24.7.

**TABLE-24.7
FINANCIAL ALLOCATION
(GOVERNMENT OF PUNJAB)**

(Million Rupees)

S.No.	Sub-sector	Revised Estimates 1997-98	Allocation 1998-99
1.	Farm-to-Market Roads	1,022.000	1,000.000
2.	Priority Programme	0.000	600.000
3.	Regional Planning	199.130	430.510
4.	Matching Grant to Local Councils	0.000	500.000
5.	Rural Development Programme	606.970	2,000.000
6.	Un-Funded Schemes	210.660	0.000
Total:-		2,038.76	4,530.510

Source: Provincial PSDP.

24.17 During 1998-99 priority has been accorded to on-going programmes including schemes under Asian Development Bank Assisted Rural Access Roads Project & Japanese Assisted Rural Roads Construction Project Phase-I. It is estimated that about 900 kilometers of farm-to-market roads would be constructed/ improved in the Province during 1998-99 against the achievement of 1000 kilometers during 1997-98. Priority programme has been allocated Rs. 600.000 million, Rs. 500.000 million has been provided for matching grant to Rural councils. An amount of Rs. 2000.000 million has been allocated for Rural development Programme. A sum of Rs. 430.510 million has been earmarked for Regional Development Programme, which includes D.G Khan & Bahawalpur Development projects.

Sindh

24.18 Government of Sindh have allocated Rs. 651.338 million for rural development during 1997-98. Out of this Rs. 452.000 million (about 69 percent) have been earmarked for the construction/ rehabilitation/ improvement of farm-to-market/ rural roads in the Province. Revised estimates for the year 1997-98 & allocation for 1998-99 under various sub-sectors are shown in Table-24.8.

TABLE 24.8
FINANCIAL ALLOCATION
(GOVERNMENT OF SINDH)

(Million Rupees)

Sl. No.	Sub-sector	Revised Estimates 1997-98	Allocation 1998-99
1.	Rural Roads	525.300	452.000
2.	SAZDA	75.200	92.000
3.	Aid to Local Bodies.	173.770	107.338
4.	Updating Survey of Human Rural Settlements.	1.700	0.000
Total:-		775.970	651.338

Source: Provincial PSDP.

24.19 The emphasis on the construction of farm-to-market roads will continue during the year. Allocation of Rs. 452.000 million includes, with inter alia, schemes under the Federal Projects being implemented in the Province. The Federal Projects are being funded by the Asian Development Bank and the Government of Japan. Main policy underlying the programme for 1998-99 is to complete the maximum number of on-going schemes, especially those that have attained advanced stages of completion. It is expected that approximately 389 on-going schemes will be completed and 432 kilometers of farm-to-market roads will be constructed during 1998-99. Rs. 103.338 million have been provided for grant-in-aid to the local bodies for small level schemes in rural areas.

**Sindh Arid Zone Development
Authority (SAZDA)**

24.20 A block allocation of Rs. 150.00 million has been provided for implementation of on-going development works of Sindh Arid Zone Development Authority (SAZDA). An amount of Rs. 92.000 million has been provided for rural roads and other rural development schemes reflected in the rural development sector.

NWFP

24.21 A sum of Rs. 926.185 million including Rs. 205.604 million of foreign aid has been provided for rural development activities in the NWFP. Details of sector wise programmes are given in Table-24.9

TABLE-24.9

**FINANCIAL ALLOCATION
(GOVERNMENT OF NWFP)**

(Million Rupees)

S.No.	Sub-sector	Revised Estimates 1997-98	Allocation 1998-99
1.	Farm to Market Roads/Rural Roads	138.000	149.700
2.	Community Uplift Development Programme.	78.000	60.984
3.	Block allocation against counterpart funds for World Food Programme.	2.000	1.000
4.	Pak. German Integrated Rural Development Programme Phase-V.	5.000	8.100
6.	Area Development Programme	164.960	306.401
7.	Tamer-e-Watan Programme	0.000	400.000
Total:-		387.960	926.185

Source: Provincial PSDP

24.22 The above table shows that Rs. 149.700 million have been provided for the construction/improvement of about 169 kilometers of farm-to-market/rural roads under ADB Assisted Farm to market Roads, Japanese Assisted Rural Roads Construction project, Rural Access Roads project Phase-I and other minor black topping of rural roads in the NWFP province. An amount of Rs. 306.401 million including Rs 174.620 million of foreign aid have been provided for integrated areas development projects, which include green sectors, and provision of social infrastructure in the poppy growing areas & less developed areas of NWFP. Rs. 60.984 million including Rs. 30.984 million of foreign aid have been provided for community uplift Programme. Under this programme funds will be utilized on rural development works including construction of shingle/katcha/jeepable roads, pavement of

streets, construction of drains, culverts, water tanks, water wells and footpaths in the rural areas. A sum of Rs. 400.000 million has been set aside for Tamer-e-Watan programme in NWFP.

Balochistan

24.23 Government of Balochistan have allocated Rs. 311.747 million including Rs. 218.247 million of foreign aid for the development of rural areas. This amount is in addition to funds that will be spent through other sectors like water, agriculture, education, health, transport and communication. Sub-sector wise details of revised estimates for 1997-98 and allocations for 1998-99 are given in Table-24.10.

TABLE 24.10
FINANCIAL ALLOCATION
(GOVERNMENT OF BALOCHISTAN)

(Million Rupees)

S.No.	Sub-sector	Revised Estimates 1997-98	Allocation 1998-99
1.	Grant-in-Aid for Rural/Urban Councils	0.000	10.000
2.	Area Development Programme	20.000	98.247
3.	Rural/ Farm-to-Market Roads	211.840	47.000
4.	Balochistan Rural Support	59.210	46.500
5.	BIAD Phase-III	76.000	0.000
6.	Rural Electrification	10.000	110.000
Total:-		377.050	311.747

Source: Provincial PSDP.

24.24 For the current financial year an amount of Rs. 10.000 million is allocated for grant-in-aid to rural and urban councils. Rs. 47.000 million have been allocated as provincial share for the construction of farm-to-market roads with the assistance of Asian Development Bank and Rural Access roads project. Under this programme approximately 78 Km of rural roads has been proposed to construct in financial year 1998-99. An amount of Rs. 46.500 million including Rs. 30.000 million of foreign aid has been allocated for Balochistan Rural Support Programme and Rs 98.247 million including Rs. 88.247 million of foreign aid has been provided for Area Development Programme. A sum of Rs 110.000 million including Rs. 100.000 million has been provide for rural electrification in Balochistan.

24.25 Physical achievements during 1997-98 and targets for 1998-99 in respect of sectors aiming at provision of social & physical infrastructure in rural areas is given at S.A.Table-24.1.

CHAPTER-25

REGIONAL DEVELOPMENT & SPECIAL AREAS PROGRAMME

25.1 special Areas which include Azad Kashmir, Northern Areas, FATA and FATA-DC receive special allocations through Federal Public Sector Development Programme. During 1998-99 Rs.4005.00 million were allocated for the development programmes of these areas. This shows an increase of 20% over Rs.3337.20 million allocated in 1997-98. The area-wise allocation is given in Table 25.1

TABLE 25.1
ALLOCATION FOR 1997-98 AND 1998-99

(Million Rs)

Sl.No.	Area	1997-98 Agency Allocation	1998-99 Utilization	1998-99 Allocation	Percent Utilized during 1997-98	Percentage Change (Increase decrease in Allocation Col.5/3)
1	2	3	4	5	6	7
1.	Azad Jammu & Kashmir	1742.80	2342.25	2091.70	134.39	20.00
2.	Northern Areas	721.40	594.59	865.70	82.42	20.00
3.	FATA	769.20	737.32	923.00	95.86	20.00
4.	FATA-DC	103.80	81.84	124.60	78.84	20.00
Total:-		3337.20	3756.00	4005.00	112.55	20.00

As per policy decision the line Agency incurred over and above expenditure against PSDP allocation of F.Aid Component.

Source:-

- i) Detailed Annual Plan 1997-98.
- ii) Public Sector Development Programme 1998-99.
- iii) Respective P&D Departments of Special Areas.

25.2 Out of total allocation of Rs.4005.00 million to Special Areas during 1998-99, Rs.2091.70 million have been allocated to Azad Kashmir, Rs.865.70 million to Northern Areas, Rs.923.00 million to FATA and Rs.124.60 million to FATA-DC. Allocations to Special Areas for 1998-99 shows an increase of 20% as compared to last year's (1997-98) level Which is Rs 3337.20 Million.

AZAD JAMMU AND KASHMIR

REVIEW OF 1997-98

FINANCIAL

25.3 An amount of Rs.1742.80 million was allocated for the Development Programmes in Azad Jammu & Kashmir against which Rs.2342.25 million has been utilized during 1997-98. In percentage terms the level of utilization work out to be 134.39%. Power, F.Aid Projects, Rural Development, Education, Health and T&C Sectors received priority in sectoral PSDP allocation during 1997-98. An amount of Rs. 974.95 million has been utilized against the allocations of Rs.409.64 million (238% approx Utilization) for Power, Rs.367.80 million has been utilized against the allocation of Rs.330.00 million (111.45%) for foreign aided projects, Rs.338.97 million has been utilized against the allocation of Rs.225.09 million (150.59%) for rural development, Rs.232.37 million has been utilized against the allocation of Rs.169.40 million (137.17%) for T&C, Rs. 117.77 million has been utilized against the allocation of Rs.188.66 million (62.42%) for education sector and Rs.108.81 million has been utilized against the allocation of Rs.172.10 million (63.22%) for Health Sector.

TABLE-25.2
SECTORAL ALLOCATION AND UTILIZATION
AZAD JAMMU ND KASHMIR

(Rs in Million)

S.No.	Sector	1997-98 alloca- tion	Utili- zation	1998-99 alloca- tion	percen- tage change alloca- tion (Col/5/3)	percen utilized during 1997-98
1.	2.	3	4	5	6	7
1.	Agriculture	88.00	61.88	88.00	-	70.32
2.	Foreign Aided Project	330.00	367.80	431.00	30.60	111.45
3.	Industries/ Minerals	35.63	33.26	41.00	15.07	93.35

4.	Education	188.66	117.77	230.00	21.19	62.42
5.	Health	172.10	108.81	189.00	9.81	63.22
6.	Water	6.95	8.66	8.00	15.11	124.60
7.	Power	409.64	974.95	466.00	13.75	238.00
8.	T & C	169.40	232.37	236.00	39.31	137.17
9.	PP&H	88.64	84.36	106.00	19.58	95.40
10.	LG & RD	225.09	338.97	267.00	18.62	150.59
11.	S.Welfare	2.62	2.19	3.00	14.50	83.59
12.	Research & Development	8.69	4.26	10.70	23.13	49.02
13.	SDP	17.38	6.97	16.00	(-)7.94	40.10
Total:-		1742.80	2342.25	2091.70	20.00	134.39

* As per policy decision the line Agency incurred over hard above expenditure against PSDP allocation of F.Aid component.

PHYSICAL ACHIEVEMENTS

25.4 In agriculture sector 1350 kgs pesticides were provided to the farmers during 1997-98. 02 lifting devices were installed and training in different trades/level was imparted to 950 officials. Establishment of green house for experimental purpose of tea cultivation is in progress. In Animal Husbandry sub-sector constructional work on the project of expansion of A-I Services in cattle in AJ & K has been completed. To improve the basic health facilities construction work of 6 BHUs/RHCs/MCH has been completed. Training to 350 TBAS was also imparted and 18 new ambulances were provided to different hospitals. In Education sector buildings for 201 Primary, 50 middle, 15 High Schools were completed and constructional work of 6 colleges remained in progress. Under Water Sector work on flood protection and irrigation remained in progress. Under Power sector 2477 services connections were provided and 228 Kms HT< Lines were erected. Besides 42 Transformers were installed during the year. In the T&C Sector 8 Km single lane to double lane road and 10 Kms fair weather road has been completed. 45 Km link road was metalled while 04 bridges were constructed. In PP&H Sector 81400 sft office & 64057 sft residential accommodation was constructed. Under rural development sector 640 water supply schemes, 126 primary schools buildings and 96 Kms fair weather roads were constructed. In Forestry sub-sector about 26 million plants were raised and 8.043 million cft soil conservation work was carried out. In Industries sector development of Industrial estates, vocational and skill training programmes and exploration/extraction of minerals will remain continue.

PROGRAMME FOR 1998-99

25.5 During 1998-99 an amount of Rs.2091.70 million has been allocated for development programme of Azad Jammu & Kashmir against an allocation of Rs.1742.80 million during 1997-98 indicating an increase of 20.00%. The Sector-wise allocation alongwith percentage changes is given in Table 25.2.

25.6 During 1998-99 highest priority has been assigned to Power Sector which has been earmarked Rs,466.00 million followed by Foreign Aided Projects which were allocated Rs.431.00 million, LG&RD Rs.267.00 million, Transport and Communication Rs.236.00 million and Health Rs.189.00 million. Amongst social sectors Primary Education, Primary Health care and rural water and sanitation have been given special importance.

25.7 Major programmes during 1998-99 include the provision of 1500 Kgs pesticides, installation of 5 tubewells, construction of 7 Km Water Channels and training to 958 officials, establishment of green houses for tea cultivation on experimental basis. In Animal Husbandry sub-sector, establishment of dairy, sheep and goat farms and article insemination activities will remain in progress. In Forestry sub-sector 17.00 million plants will be produced and 6.0 million cft. soil conservation works will be carried out. Under Education Sector buildings for 300 primary schools, 75 middle schools, 35 high schools and 6 colleges will be constructed. In Health Sector construction work on 6 BHUs, 2 RHCs, 30 MCH Centers will be completed besides purchase of 20 ambulances. In T&C Sector 90 Km roads of different specifications will be constructed/mettled. In PP&H Sector 18700 sft. constructional work of office and 25220 sft residential accommodation will be carried out and work on flood protection and irrigation projects will remain in progress. Under Rural Development Sector 350 water supply schemes, 95 primary schools buildings, and 112 Km fair weather roads are to be completed. In power sector 4045 electricity service connections will be provided and 164 Km HT & LT Lines will be erected. In Industries Sector development of industrial estates, vocational and skill training programmes and exploration/ exploitation of minerals will remain continue.

NORTHERN AREAS

REVIEW OF 1997-98

FINANCIAL

25.8 An amount of Rs.721.40 million was allocated to Northern Areas under PSDP 1997-98 against which an amount of Rs.594.59 million was utilized showing utilization of 82.42%. During 1997-98 highest priority was accorded to T&C Sector which was allocated Rs.194.66 million indicating 26.98% of the total allocation. This was followed by Power Sector which was earmarked Rs.104.28 million(14.45%), PP&H Rs.65.18 million (9.03%) and Education Sector Rs.36.50 million (4.37). Besides these an amount of Rs.137.38 million, Rs.97.38 million and Rs.13.04 million were allocated to Education, Health and R.W.S.S. respectively under social action Programme. The sectoral allocation and utilization are given in Table-25.3.

TABLE 25.3
 SECTORAL ALLOCATION AND UTILIZATION
 (NORTHERN AREAS)

(Rs in Million)

S.No.	Sector	1997-98 alloca- tion	Utili- -zation	1998-99 alloca- tion	percen- tage change alloca- tion (Col/5/3)	percen utilized during 1997-98
1.	2.	3	4	5	6	7
1.	Agriculture	7.71	8.49	15.00	94.55	110.12
2.	Animal Husbandry	6.52	6.50	10.00	53.37	99.69
3.	Fisheries	1.22	0.90	2.00	63.93	73.77
4.	Forestry	10.43	12.00	13.00	24.64	115.05
5.	Industries	13.04	11.25	5.00	(-)61.68	86.27
6.	Water/ Irrigation	5.21	8.91	8.00	53.55	171.02
7.	Power	104.28	121.49	116.00	11.24	116.50
8.	T & C	194.66	239.55	200.00	2.74	123.26
9.	PP&H	65.18	62.30	38.00	(-)41.70	95.58
10.	Education	36.50	40.65	50.00	36.99	111.37
11.	Health	6.95	9.68	10.00	43.88	139.28
12.	LG & RG	21.90	20.00	20.00	(-)8.67	91.32
13.	Northern Areas Dev. Project	-	-	20.00	-	-
14.	New Schemes of MNAs	-	-	10.00	-	-
Total:-		473.60	542.25	517.00	9.16	114.49

Social action Programme

15.	Education	137.38	20.84	172.00	25.20	-
	Health	97.38	17.66	156.70	60.91	-
	R.W.S.S	13.04	13.83	20.00	46.30	-
Total		247.80	52.33	348.70	40.72	-
Grand Total		721.40	594.59	865.70	20.00	82.42

Physical Achievements

25.9 During 1997-98 in Agriculture Sector 22.00 Tones of Potato Seeds and 28148 Kg vegetable seeds were distributed. In Horticulture Sub-sector an area of 8 Canal was developed under forest nurseries and 54818 fruit plants were raised/distributed. In Animal husbandry sub-sector 0.048 million animals were vaccinated. In Forestry sector 0.100 million plants were planted and area of 318 acres was brought under afforestation. In Industries Sector 90% of the area of survey of Economic Minerals in Northern Areas was completed. In water/irrigation sector, 3 Km irrigation channel was constructed and 2300 MTR pipelines were laid down. In Power Sectors 5 power houses were established and 20 new transformers, 2000 MTR. penstock pipe were procured and 20 TG Sets installed. 3.00 Km power channel was built and 85 KM transmission lines and 70 Km distribution lines were erected. In T&C Sector 10 KM Jeepable roads, 28 KM metalled roads were constructed/improved. 7 suspension bridges, 6 Truss bridges and 5 RCC bridges were constructed and 140 Government buildings were repaired/renovated. 101500 Rft pipelines, 2 storage tanks were also built. In Education Sector, 46 Primary Schools were constructed and 28 schools were opened. 3 Primary Schools were upgraded to Middle level and 3 middle schools to high schools. Apart from this one high school building and one college building were also constructed. To improve basic health facilities one BHU was established, 6096 children were immunized under EPI programme. Rural Water supply Schemes has been completed.

PROGRAMME FOR 1998-99

25.10 During 1998-99 an amount of Rs.865.70 million has been allocated for development programme of Northern Areas against an allocation of Rs.721.40 million made during 1997-98. The sector-wise allocation along with percentage changes is given in Table-25.3.

25.11 During 1998-99 highest priority was accorded to SAP which was allocated Rs.247.795 million. This was followed by T&C Rs.194.656 million and power Rs.104.28 million.

25.12 The major programmes during 1998-99 include development 10 canal area under forest nurseries and vaccination of 0.095 million animals in the agriculture/livestock and forestry sector. In the water sector 6.5 Km water channels and 1200 meters pipelines with one pumping set are proposed to be installed. In the Power Sector, 8 TG sets are proposed to be installed and

15 transformers would be procured. In the Transport and Communication sector 75 Km of jeepable road and 40 Kms of metalled roads are proposed to be constructed, 30 residential quarters and installation of 2100 D.I. Pipe are proposed in the PP&H Sector. Special emphasis would be given to the primary education, primary health care and rural water supply and sanitation under the implementation of Social Action Programme. In this Connection Construction of 65 Primary Schools buildings. Construction of 25 Middle Schools buildings in the education sector. In the health sector construction of 10 dispensaries and immunization of 74000 children under EPI Programme are envisaged during 1998-99.

FEDERALLY ADMINISTERED TRIBAL AREAS(FATA)

REVIEW OF 1997-98

FINANCIAL

25.13 An amount of Rs.769.20 million was allocated to FATA under PSDP 1997-98 against which an amount of Rs.737.32 million was utilized showing utilization to the extent of 95.86%. During 1997-98 highest priority was accorded to Communication Sector which was allocated Rs.257.60 million indicating 33.49 percent of the total allocation. This was followed by Public Health Sector which was earmarked Rs.139.47 (18.15%) Education Section Rs.120.63 million (15.57%) Health Sector Rs.92.67 (12.05%), Forest Rs.54.13 million (7.04%) and Power Sector Rs.42.72 million (5.55%).

25.14 The Sectoral allocation and utilization are given in Table-25.4.

TABLE 25.4
SECTORAL ALLOCATION AND UTILIZATION (F.A.T.A)

(Rs in Million)

S.No.	Sector	1997-98 alloca- tion	Utili- zation	1998-99 alloca- tion	percen- tage change alloca- tion (Col/5/3)	percent utilized during 1997-98
1.	2.	3	4	5	6	7
1.	Agriculture	31.05	31.86	185.54	497.55	102.60
2.	Forests	54.13	54.13	118.28	118.51	100.00
3.	Communica- tion	257.60	248.85	89.33	(-)65.32	96.60

4.	Power	42.72	32.92	251.79	489.40	77.06
5.	Public Health	139.47	139.63	34.81	(-)75.04	100.11
6.	Housing	8.52	8.52	53.85	532.04	100.00
7.	Education	120.63	119.76	30.31	(-)74.87	99.28
8.	Health	92.67	83.06	61.32	(-)33.82	89.62
9.	Research & Development	7.54	7.34	33.30	341.64	97.35
10.	Rural Development	12.36	11.14	19.50	57.77	90.12
11.	Regional Development	2.49	-	45.00	1700.00	-
Total:		769.18	737.32	923.00	19.99	95.86

Physical Achievements

25.15 During 1997-98 in Agriculture Extension 103 scholarships were awarded and 14 agricultural shows were held. 0.199 million fruit plants were distributed and 784 demonstration plots were developed. For the development of livestock and dairy 10 scholarships for DVM Degree Course were awarded. 196655 animals were treated and 9638 were inseminated. With a view to promote forestry 7389 acres of block plantation and 38.62 acres of nurseries were developed 44000 Mulberry plants and 405 Pkt silk seeds were also distributed. In Power Sector, 13.95 miles H.T. Lines and 29.60 miles L.T. Lines were erected and 8 transformers were procured and electricity was provided to 21 villages. In Communication Sector, 9.90 KM shingled roads, 33.70 Kms of existing roads and 3 bridges were constructed besides the improvement of 65.76 Km,s of existing roads. In Education Sector, 77 Primary Schools were established and 24 were High Schools to Higher Secondary Status. In Health Sector, 1 hospital and 7 Civil Dispensaries were established.

PROGRAMME FOR 1998-99

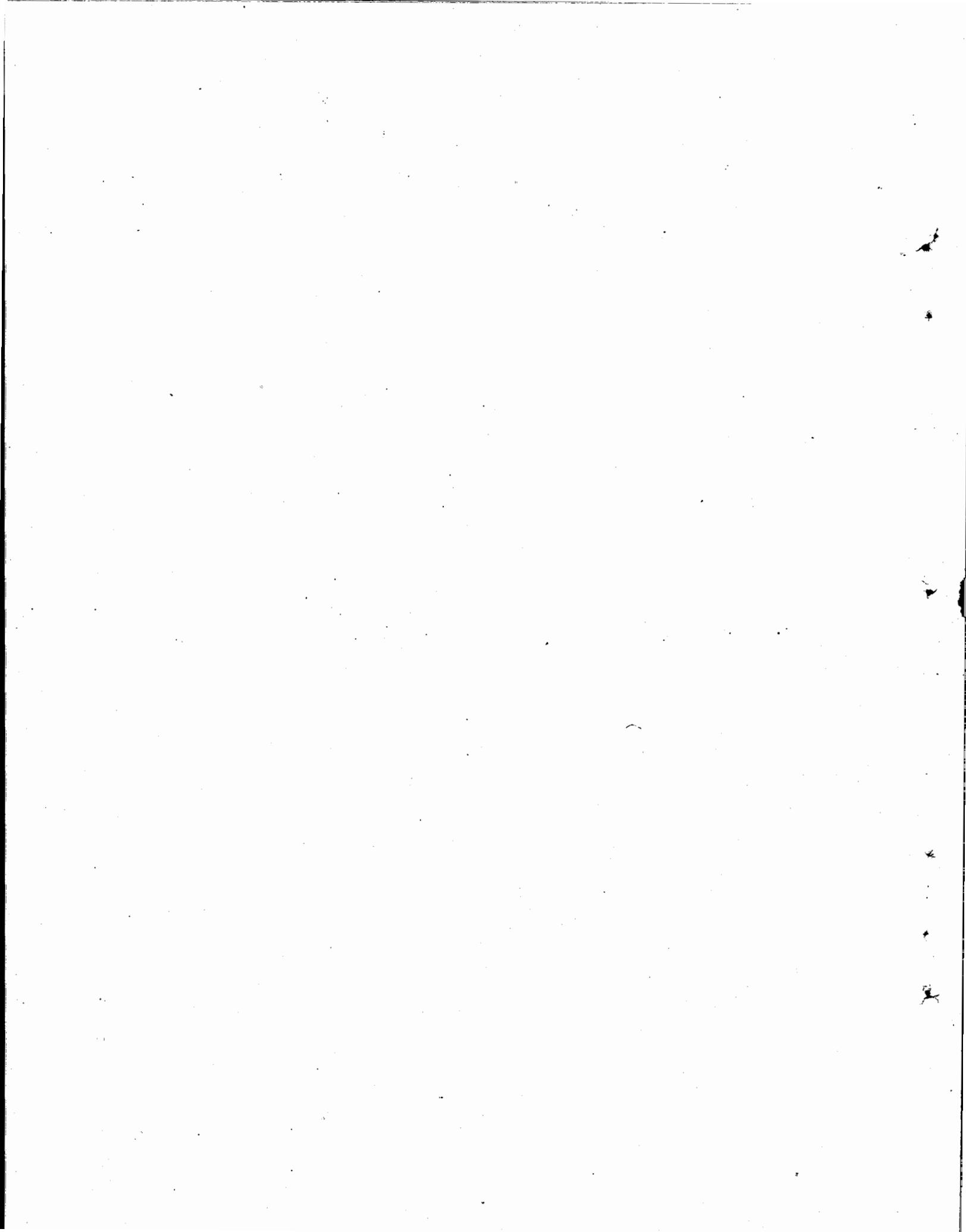
25.16 During 1998-99 an amount of Rs.923.00 million has been allocated for the development programme of FATA against the allocation of Rs.769.20 million earmarked during 1997-98. The Sector-Wise allocation along with percentage changes are given in Table-25.4.

25.17 During 1998-99 major sectoral allocation in order of priority are Power 27.28% Agriculture (20.10%) Forests Sector 12.81 Communication Sector 9.68% and Health 6.64% of the total allocations.

25.18 Major programmes during 1998-99 include 122 scholarships in agriculture, extension, holding of 14 agricultural shows, distribution of 96770 million fruit plants and establishment of 244 demonstration plots. 8 scholarships of DVM Degree course will be awarded and 60050 numbers animals will be treated. To promote Forestry, 80450.9 acres block plantation and 665.16 acres of nurseries will be developed. In Power Sector, 71.21 miles H.T. lines and 73.81 miles L.T. Lines will also be extended to 52 villages. In Education Sector 6 new Primary Schools will be upgraded to High Schools and 7 Middle to High Schools will be upgraded. In Health Sector 5 Civil Dispensaries are programmed to be opened.

FATA D.C

25.19 1. Originally, for ADP 1997-98 of FATA-DC, an amount of Rs.116.000 million was allocated, this allocation was reduced to Rs. 103.816 million due to cut on the ADP. The allocation for FATA DC includes Rs. 23.000 million for foreign funded schemes in water sector where as Rs.80.816 million is G.O.P. portion of ADP of FATA DC. The Corporation prepared their revised ADP consisting of 20 schemes (18 in water sector 2 in mineral sector). Rs.124.60 million have been allocated for the year 1998-99.



CHAPTER-26

SCIENCE AND TECHNOLOGY

26.1 Throughout the industrialized world, technology has become a focal point for efforts to link with national productivity and the competitive growth of enterprises. Many countries which progress along the development path see science and technology as a strategic tool which can be employed to drive the next phase of their development. Their current interest in technology is based on the recognition of the fact that the ever-increasing application of technology will lead to increased sophistication and development of economic activity. The acquisition of technology and its use as a strategic tool will be an important factor in Pakistan's future development especially because in an increasingly globalized and independent world economy, science & technology has emerged as the driving force behind the structure of domestic production, advantage in market competition, opportunities for cross border trade etc. The power to create wealth, which resides in productive enterprises is derived from the ability to innovate technologically and continuously. The key to achieving Pakistan's potential, therefore will be found in the capacity to understand Pakistan's current economic structure and learn from the experience of others to develop appropriate S&T strategies. Innovation and economic growth are systemic and depend equally on entrepreneurs, financiers, managers, as well as researchers.

REVIEW 1997-98

26.2 An allocation of Rs 234.039 million (including Rs 23.2 million for S&T Deptt Sindh) was made for S&T Programmes during 1997-98, against which an expenditure of Rs 223.378 million has been incurred, showing a utilization of 95 percent. Details of the sub sector wise allocation & actual utilization are given in Table-26.1.

TABLE-26.1
FINANCIAL REVIEW 1997-98

Sub-Sector %Utilization	Allocation	Utilization	
Education & Training	152.203	146.524	96
Industries	24.636	21.011	85
Biotechnology	30.000	30.000	100
Water	4.000	4.000	100
Provincial Component	23.200	21.843	94
Total:	234.039	223.378	95%

26.3 Ministry of Science & Technology has launched Consultancy Program for Industrial Technology Development for promotion of ISO 9000/14000 standards among SME's in the country. During the year 89 firms were recommended for government grant. Further

ministry has also started for the first time in the country, R&D work along with private sector through Contractual Research Project. The shuttless loom is the main example of this joint Venture. Two units of loom with 1/4th of the imported cost were completed with indigenous technology. The products made on these looms would be able to compete in the international market, confirming ISO 9000 Quality standards. Pakistan Council for Appropriate Technology has successfully commissioned 3 Micro Hydro Electric Power Plant & surveyed 10 new sites in NWFP. The Council while pursuing the promotion work of Fuel Saving Technology has installed 1610 cookstoves.

26.4 During the year, 49 S&T scholars (24 MS & 25 Ph.Ds) returned after completion of their studies. 287 scholars are still pursuing studies. This includes 140 fully funded scholars. The split Ph.D Programme has also been introduced with the main objective of indigenous capacity building. Four scholars have joined local universities under this programme while 5 proceeded abroad for one year training. In the Pak-Kazakh Joint Research Fund a total of 26 joint projects were launched, 16 from Pakistan & 10 from Kazakhstan.

26.5 National University of Sciences & Technology (NUST) is fully functional. Academic as well as R&D work is in progress. During the year 26 PG & 212 UG students have graduated from NUST. 11 students have earned M.S under Split Programme. At National Institute of Transportation (NIT) the 1st M.S session course work has been completed.

26.6 Pakistan Council of Scientific & Industrial Research (PCSIR) has pursued/expanded its R&D work in the field of food, oil & fats, leather propagation of medicinal plants, drugs extraction from traditional plants and solar energy. R&D work on deciduous fruits, fresh pistachio seeds has been under taken. The design fabrication & installation of incineration chamber has been completed. Council is also training manpower in CAD-CAM & Industrial Electronics. The equipment received under French Credit for Technical Training Centre in PSTC for Precision Mechanical and Instrument Technology Quetta has been installed & functional.

26.7 Pakistan Council for Research in Water Resources (PCRWR) major focus has been on the promotion of indigenously developed technology in the field of irrigation & water logging. More than fifty thousand cubic meter rainwater is harvested & collected in seven ponds at Dingarh in the Cholistan Desert for irrigation & drinking purposes. PCRWR has Reclaimed Saline Land by using tile drainage technology. Also number of farmers are benefiting from trickle irrigation technique.

28.8 The National Institute of Biotechnology & Genetic Engineering (NIBGE) is actively engaged on biotechnology R&D activities related to agriculture, health and environment. During 1997-98, NIBGE made significant contribution to the development of cotton leaf curl (CLCuV) resistant plants through genetic engineering. The first generation of transgenic cotton plants are undergoing stringent evaluation in the newly built contaminant facility. In addition, biofertilizers under the trade name of BioPower developed at NIBGE have been marketed and distributed among the farmers of rice and food legumes. In the area of health, PCR based gene targeted methods for early and rapid diagnosis of T.B., Hepatitis C,

Typhoid and B-thalassemia have been developed, optimized and are now being routinely carried out as a service to the medical community. In the area of environment, effluent treatment processes for pharmaceutical industry and tanneries were developed, Similarly a process based on microbial desulphurization of indigenous coal has been developed on a laboratory scale. NIBGE is also providing consultative service to various industries using fermentation processes.

26.9 The Department of S&T, Government of Sindh major thrust was to developed plant based pesticides from indigenous plants abundantly available in Sindh region to replace expensive & dangerous synthetic pesticides now being imported. The department has also introduced Contractual Research Programme for financing research activities which can be transformed in to market able products & processes.

PROGRAMME FOR 1998-99

26.10 An allocation of Rs 172.84 million (Including allocation of Rs 2.78 million for S&T Department Sindh) has been made for S&T programmes. The share of M/o Science & Technology and its organization is Rs 140.06 million with foreign aid of Rs 5.7 million. The agency-wise details of allocation may be seen in S.A. Table-26.1.

26.11 The Ministry of Science and Technology will continue with Rs 20.00 million the academic & administrative follow up of S&T scholars (287 No's) pursuing studies abroad as well as in Pakistan under the split PhD programme. 50 Scholars are expected to return this year and under the Pak-French Cooperation on HRD, a fresh batch of 20 scholars is likely to be selected for MS/DEA studies in France without any matching grant. An amount of Rs 9.66 million has also been allocated for funding ongoing projects under Technology Development Action Plan.

26.12 During 1998-99 new disciplines of Mechatronics and Business & Technology have been included in the NUST. Further NUST will upgrade the existing facilities and provide R&D support to the local industry and other government organizations in various field of economic development. It will also continue with the split programme at postgraduate & Ph.D level with universities in USA & Australia.

26.13 PCSIR in addition to the ongoing research work will procure & install equipment at PCSIR Laboratory Quetta & Technical Training Centre in PSTC for Process Control Instrumentation & Engineering Karachi. At Institute of Industrial Electronics Engineering. Training in quality control work in production of electronic components, devices, equipment & systems to be undertaken. Further design development and small scale production of electronic equipment and systems is to be initiated. PCRWR will expand its research activities in the field of water logging, salinity control and surface ground water irrigation. During the year the studies like "Preparation of shallow ground water Quality Map of Bari Doab Area and preparation of Monograph on irrigated agriculture in Pakistan" will be completed.

26.14 NIE will continue setting up Electronic Industry Promotion Centre & Electronic Instrumentation Laboratory with an allocation of Rs 6.00 million. During the year Hardware, Software and Training Lab's will be established. For new projects an amount of Rs 10.00 million has been

allocated for Establishment of Jhang Institute of Engineering Sciences & Technology and Rs 20.0 million for Acquisition of Multidisciplinary Oceanographic Research Vessel.

26.15 At National Institute for Biotechnology & Genetic Engineering (NIBGE) CLCuV resistant transgenic cotton seed will be further multiplied and arrangement for restricted field trials will be made. Since methodology for introducing foreign genes into cotton has been optimized, effort will be made to introduce other agronomically important genes into cotton. Similar project will be carried out with rice, tomato and potato where plant transformation methods have been earlier developed. The production of BioPower will be further upscaled. In the area of health, various genotypes of Hepatitis C prevalent in Pakistan will be determined by DNA sequencing. In addition, diagnosis of blood borne diseases namely Leukemia and other chromosomal aberrations will be carried out. In the area of environment detoxification of various industrial noxious effluents will be carried out alongwith studies on the bioremediation of hydrocarbon contaminated lands. The processes for microbial desulphurization of coal will also be upscaled.

26.16 An allocation of Rs 2.78 million has been made for S&T Department, Government of Sindh. During the year the department will pursue the ongoing research activities and implement R&D projects identified in the 9th Five Year plan. The department will also commercialize the developed pesticide through local industry. For financing most of the new projects the Department will try to find some donor agency.

CHAPTER-27

ENVIRONMENT

27.1 Pakistan is a country with a rich and diverse cultural heritage, abundant natural and human resources but has remained a low income country. The country has now embarked on a comprehensive economic reforms programme that emphasizes sound fiscal and monetary policies to improve macro-economic situation; Like most developing countries, Pakistan faces numerous environmental problems these include industrial, municipal, vehicular and air pollution, deforestation, desertification, waterlogging and salinity. Rapid population growth (around three percent per year since 1970) and growing consumption tendencies, have put pressures on the country's natural resource because few idle natural resources now remain untapped, future economic and population expansions portends increased pressure on the country's natural resource base and worsening environmental problems, some of which have already reached critical levels. Rapid expansion in industrial production and urbanization have led to increase levels of waste water pollution, solid waste and vehicle emissions that have resulted in serious health problems in the country.

27.2 Pakistan generates over 50,000 tons of solid waste per day; out of which only 20 to 25 percent are collected and disposed of through improper manner causing serious air, water and land pollutions and health problems. Only 3 percent of the industry treats their wastes according to the National Environmental Quality Standards (NEQS) while the rest discharge their effluents untreated into rivers, lakes and sea. About 47 percent of the population is still without access to safe drinking water, and nearly 84 percent of rural population is without sanitation facilities. Water borne diseases account for 20 to 30 percent of all hospital cases.

27.3 Vehicular pollution is one of the largest sources of air pollution in our cities. The total vehicles in the country which were about 0.85 million in 1992 are estimated to exceed 4.5 million by the year 2000. The level of air pollution in our cities is as high as three times the acceptable limits. It has been estimated that average vehicle in Pakistan emits 15-20 times more pollutants than the average vehicle in developed country.

27.4 Forests occupy only 5 percent of the total land area of Pakistan which are being depleted increasingly. According to the World Bank Report, Pakistan is facing one of the highest rate of deforestation in the World. According to an estimate, the country is loosing 25 percent of its potential crop production with a total value of \$2.5 billion every year. Only about 30 percent of our canal water reaches the crop due to high level of losses in the existing canal and water courses network. The Government has accorded high priority to this problem and launched a US \$3 billion National Drainage Programme with the help of international donors, spread over 25 years.

27.5 Soil erosion and salinity have caused reduced crop yields in some areas on what were previously some of the most productive soils in Pakistan. Forests are being depleted, rangelands are becoming degraded irreversibly, marine environment has been affected by industrial pollutants and increasing level of salinity in the upstream irrigation. Country's rich flora and fauna species are being depleted, rangelands are becoming degraded irreversibly,

marine environment has been affected by industrial pollutants and increasing level of salinity in the upstream irrigation. About 60 percent of mortality is caused by water borne diseases, a consequence of an unclean domestic water supply.

27.6 Despite all constraints, there is a marked headway for enactment of a new legislation for the protection and conservation of the environment in the country. The Environmental Protection Act 1997 has been promulgated which provides the framework for implementation of National Conservation Strategy, Establishment of Provincial Sustainable Development Funds; Protection and Conservation of Wildlife, Habitats and Biodiversity; Conservation of Renewable Resources; Formulation of Standards for Ambient Air Quality; Establishment of Environmental Tribunals and Appointment of Environmental Magistrates, Introduction of Initial Environmental Examination (IEE), Environmental Impact Assessment (EIA), procedures and promotion of public education and awareness on environmental issues through mass media.

27.7 The new Act provides for award of compensation to any person or organization for losses/damages sustained by him from a polluter. It also empowers the federal government to make rules for implementing important international environmental agreements, to which Pakistan is a party.

REVIEW OF 1997-98

FINANCIAL

27.8 An allocation of Rs 269.656 million was made during 1997-98, against which an expenditure of Rs 246.081 million was incurred, showing a utilization of 91 percent. Details of agency-wise allocations and actual utilizations are given in Table-27.1.

TABLE-27.1
AGENCY-WISE ALLOCATION AND UTILIZATION DURING 1997-98

<u>Agency</u>	<u>Allocation</u>	<u>Utilization</u>	<u>% of Utilization</u>
M/o Env.LG&RD	257.981	232.487	90
M/o Food & Agriculture	2.833	0.488	17
M/o Water & Power	8.690	8.690	100
Statistics Division	0.161	0.161	100
	269.665	246.081	91

PHYSICAL

27.9 An operational institutional set up was established at Federal level to implement National Conservation Strategy (NCS) under the guidance of the Pakistan Environmental Protection Council (PEPC) and implementation by the Pakistan Environment Protection Agency (PEPA) and NCS implementation Unit in the M/o ELG&RD. At the Provincial level, the Environment Protection Agencies (EPA's) and Environment Departments/Cells were made

functional. Similar structures were instituted by other organizations to ensure carrying out of development activities in line with the environmental standards and regulations.

27.10 In order to effectively implement the environment programmes country wide, all the provincial governments initiated formulation of respective provincial conservation strategies, delineating their action plans with emphasis to carry forward the conservation strategies, Government of NWFP have drafted its conservation strategy while Balochistan is in the process of doing so. The notable feature is the reorientation of existing environment programme to focus more on participatory implementation of projects, involvement of the private sector, defining the roles of both the government and the community.

27.11 On non-governmental side, the International Union of Conservation of Nature and Natural Resource Pakistan (IUCN-P), World Wide Fund for Nature - Pakistan (WWF-P) and Sustainable Development Policy Institute (SDPI) alongwith other NGOs actively participated protecting in the environment and conserving the natural resources. The NGOs Management Fund was operated under Ministry of Environment Local Government and Rural Development (ELG&RD), and financed different projects worth Rs 6.50 million for partial and equity based funding.

27.12 The Pakistan Environment Protection Council (PEPC), in 1993, had approved the National Environmental Quality Control Standards (NEQS) for industrial/municipal effluents and motor vehicles exhaust and noise. These Standards have been enforced after a three years grace period w.e.f. 1st July 1996. Legislative measures were framed for implementation of the standards on the basis of a national consensus through continuous dialogue with all relevant players.

27.13 The Federal Government with the assistance of International Agencies undertook a number of projects and programmes in the field of pollution abatement, conservation and Management of natural resources. The major projects/programmes undertaken by the Federal Government, inter alia, included: Master Plan for Urban Waste Water (Municipal and Industrial) Treatment Facilities and Future Needs in Pakistan, Tarbela and Mangla Watershed Management projects to maintain/enhance forests to protect soil erosion, siltation in dams reservoir and flooding; Kasur Tanneries Pollution Control Project and Kasur Clean Water Programme to overcome the growing environmental pollution problems as a result of toxic effluent discharges affecting human health, fisheries, soil and ecology in the area; Mass Awareness and Environmental Education project in which environmental NGOs and local communities were involved through establishing Environmental Clubs in school and colleges, Establishment of Rachna Doab Afforestation project and Forest Nurseries on 6000 acres in different parts of the country. Other projects/programmes included, Harbour Pollution Management at Karachi Port, Asian Least Cost Green House Gasses Abatement Strategy (ALGAS), Agricultural Tubewell Energy Efficiency Improvement Programme and Development of Textile Processing Industrial Estate in Faisalabad.

27.14 The Provincial Governments and Government of AJ &K also initiated the development of environmental protection and natural resources conservation programmes, in order to achieve the sectoral goals framed under the National Conservation Strategy.

PROGRAMMES FOR 1998-99

27.15 An allocation of Rs 333.647 million (FEC Rs 231.219 million) for Environment Sector in Federal PSDP 1998-99, has been made Sectoral allocation under Provincial PSDPs has been reflected in their respective ADP documents. Major emphasis of the PSDP and ADP funded projects would be on institutional strengthening and streamlining the functions of Environmental Agencies, besides provision of additional staff, training and procurement of equipment etc. Moreover role of different institutions would be activated and expanded to implement and enforce the Pakistan Environmental Protection Act 1997. Their functional capacities would also be enhanced to coordinate proper implementation of NCS at all levels, survey and monitor environmental pollution, and formulate the environmental programmes and implement projects, through mobilizing donors assistance, enhancing NGOs and private sector participation.

27.16 Following are the major sectoral programmes, to be implemented during 1998-99 in order to facilitate both short and long terms environmental objectives:

a) **LEGISLATION**

Methodologies and mechanism for enforcement of environmental laws will be worked out. Environmental Tribunals will start function during 1998-99 and redressal of grievances of the affects will be ensured.

b) **MASS AWARENESS CAMPAIGN**

Ministry of Environment, Local govt. and Rural Development and the Provincial Departments/agencies will launch Massive Environmental Campaigns, through TV and Radio programmes, panel discussions/seminars, publicity through print media and documentary films etc. A project at cost of Rs 19.4 million is under implementation.

c) **AFFORESTATION**

Both the Public and Private agencies and Forest Departments will launch massive afforestation campaign, throughout the country. The programme aims at two fold increase in the country's forest area i.e. from existing 5 percent to 10 percent in the next few years. Public and Private Sector will be encouraged to participate for successfulness of the programme. The power generation companies were asked to plant trees in the area adjacent to the plants on the basis of 10 acres per Megawatt produced. The Federal and Provincial governments will make available land, without violating the proprietary rights. To protect the destruction of rare Juniper Forests at Ziarat, the already approved project, by the Pakistan Environmental Pakistan Council (PEPC) will continue to be implemented. In lieu of growing forests, free of cost liquid petroleum gas cylinders will be distributed to the residents of Ziarat. This strategy would also be replicated in the Norther Areas to conserve the fastly depleting forests. The World Bank and the Global Environment Facility funded "Environment Protection and Natural Resource Conservation" (EPRC)

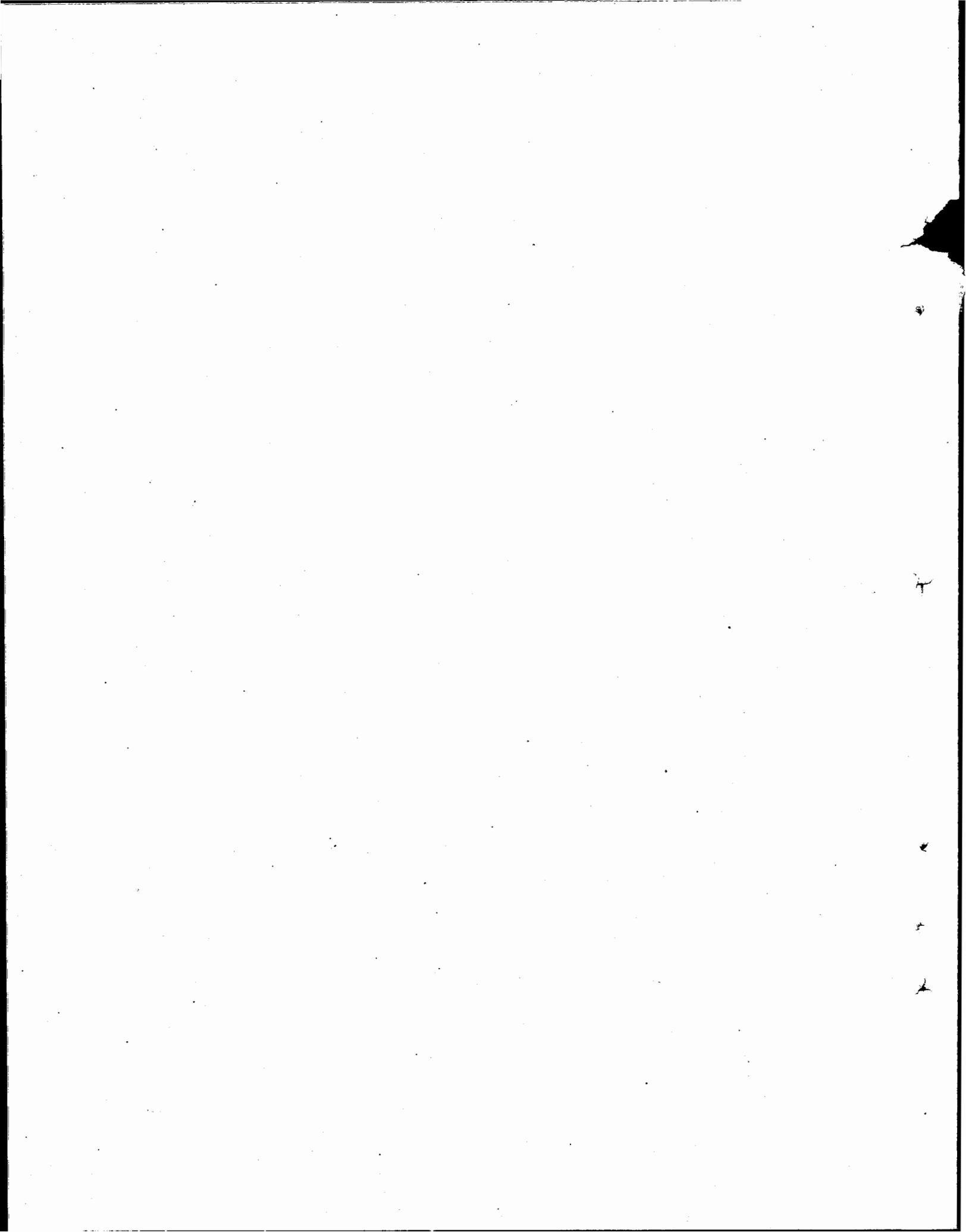
and "Bio-diversity Conservation" Projects, will continue to be implemented. The Mountain Area Conservancy project, as continuity to the Biodiversity project (PRIF Phase) will be started subject to approval by the GEF Council. The "Rachna Duab" and Karachi Harbour Tree Plantation Projects, envisaging planting and protecting the forests over 30,000 acres area in the Punjab and 500,000 trees along Karachi Coast, at an overall cost of Rs 939 million will continue to be implemented.

d) **ENVIRONMENTAL PROJECTS**

Based on the policy framework of NCS, Plan of Action consisting of 14 core priority areas for implementation in five years, was formulated in 1993 with a total financial outlay of Rs 19.00 billion, for seeking regeneration and momentum behind NCS, it was decided to identify at least 3 projects considered most important by the Federal Ministries and Provincial Governments, as included in the NCS Plan of Action. Accordingly, a "Portfolio of Environmental Projects" was circulated among the donors for possible assistance. The assistance has now been lined up for three projects and re being implemented for improvement in urban wastes management and treatment through adopting cleaner technology, including Kasur and Korangi tanneries effluent pollution control, solid waste management, energy conservation, re-cycling organic wastes, cleaning water bodies, air and noise pollution control, and social forestry in rural areas.

e) **ENVIRONMENTAL IMPACT ASSESSMENT**

Under Pakistan Environmental Protection Act 1997, it has been made mandatory for the proponents, of both public and private sectors, to carry out and submit the Initial Environmental Examination (IEE) or Environmental Impact Assessment (EIA) Report at the time of planning, to the Planning Authorities and to the concerned EPAs, to ensure that the proposed development would not have any adverse impact on environment. Integration of IEE/EIA in planning process refers to the systematic process of examining the environmental consequences of proposed activity and recommending appropriate remedial measures before making final decision, is the most suitable way of achieving the objectives of sustainable development. Since the enforcement of Pakistan Environmental Protection Ordinance (PEPO) 1983, the process of EIA in Pakistan was in its early stages of development, mainly due to un-awareness about its importance. The lack of guidelines, screening and reviewing procedures and non availability of funds, technical expertise and base-line data, were the main constraints in the proper implementation of EIA. To overcome these problems, a Canadian International Development Agency (CIDA) funded Pakistan Environment Programme (PEP) and the World Banks' Environment Protection and Resource Conservation Project (EPRC) would supplement the ongoing activities for capacity building of public and private institutions to protect the environment. As a first step, EIA guidelines for different Sectors are under preparation for the convenience of project proponents. A second step will be the institutionalization of EIA review process and also to ensure public participation through NGO/Local Communities and systematically institutionalization of EIA into planning and development process at the Federal/Provincial and Local Govt. levels so that EIA could be used as an effective decision making tool in the planning process.



CHAPTER-28

POVERTY ALLEVIATION

28.1 Poverty remains a critical problem in Pakistan. Approximately one-fifth (30 million) people in Pakistan continue to live below the poverty line. The vast majority of them live in rural areas. Poverty alleviation is dependent on the ability to devise and implement programs which are consistent with principles of awareness-raising, participation, sustainability and self-reliance. This suggests that any poverty alleviation initiatives should be based on a clear and in-depth understanding of the nature of poverty and its significance for poor, particularly poverty alleviation initiatives must reach to the poorest of the poor through programmes of asset building, income generation and wage employment. The Government is committed to fine-tune the poverty alleviation policies and programmes for their effectiveness and sustainability.

28.2. Economic growth is an important element in any effort to alleviate poverty. However, it is not in itself an adequate response to the problem of poverty. Pakistan has achieved high economic growth above 6 per cent per annum since the 1960s and is moving into middle income category of developing countries, but in terms of social indicators the country is bracketed with the lower income countries. Literacy rate, life expectancy, nutritional level, population growth rate and other social indicators do not reflect economic progress. It is imperative that with economic growth human resources and social indicators should also be improved.

28.3. Pakistan has adopted liberalized economic policies for trade and industry sector, as well as financial and capital markets. To improve efficiency of the trade regime, Pakistan has undertaken a program of simplification and rationalization of tariff structure. Reform of the banking and financial sector has been undertaken to improve financial management. The liberalization and structural adjustment reforms policies have become important for poverty

eradication as it create enabling environment for higher economic growth. The salient features of macro economic performance with reference to liberalized policies are as under:

- ◆ GDP increased by real growth rate of 5.4 per cent during 1997-98
- ◆ Inflation declined to 8 per cent as against 11.7 per cent of 1996-97
- ◆ Services Sector witnessed a growth rate of 4.7 per cent during 1997-98 as compared to 2.1 per cent of last year.
- ◆ Per capita income increased from Rs.4227 in 1996-97 to Rs.4347 in 1997-98, showing 2.8 per cent increases at constant factor cost of 1980-81.

Sectoral Plan for Poverty Alleviation

28.4. Briefly sectoral plan for poverty alleviation include the following:

1. Strengthening institutions for poverty alleviation: developing organizations at the national level, comprehensive level, project level and community level for:
 - Social mobilization,
 - Income generation
 - Social service provision
 - Ensuring financial sustainability
2. Strengthening social protection: Social uplift of the poorest of the poor through special employment and poverty alleviation programmes for assets building, income generation and wage employment

Social Agenda for Poverty Alleviation

28.5. The Government has provided priority to poverty eradication as the main goal of social agenda. Pakistan has adopted a program for reduction of poverty through an integrated approach of income generation, well-dispersed access to social and community services,

population welfare and social programs for targeted groups of rural areas. The government social agenda has several dimensions. A basic need dimension - people must get education, health services, housing and other basic facilities. A basic income and employment opportunities dimension - transition of people living below poverty line because of lack of resource and skills to move vertically. Basically the government agenda of poverty alleviation has three dimensions:

- i. Poverty alleviation program to support institution building. The programmes will encourage National Rural Support Program or other programmes and NGOs whosoever can mobilize and organize people. It will provide them support and lead to some kind of networking over time.
- ii. The program will create a system under which organizations dealing with poverty alleviation learn from each other. This dimension will create an enabling environment to develop dialogues with organizations at district and provincial level. The national and international programs will interact.
- iii. The Pakistan Poverty Alleviation Fund and other programmes will provide line of credit to those NGOs that want to have their own credit programmes. Micro enterprise loans will be provided. It will channel micro lending through partner organizations, which have a field presence and capacity to work through communities.

Major Poverty Alleviation Programmes and Safety Net

Social Action Programme (SAP)

28.6. Major thrust in bringing direct intervention for poverty eradication, the Social Action Programme (SAP) provides a better picture of progress made in improving the social indicators. The Government has committed a large portion of resources to this program and intends to protect resource allocation for this program despite a difficult financial position. The SAP is divided into four components: Primary education and primary health care, rural sanitation and drinking water and population programmes.

28.7. The Social Action Programme has helped to develop operational plans and selection criterion for schemes in order to ensure that the selection of social sector services is

done in a rational and effective manner. Under the program selection criteria has been developed for primary schools, water supply schemes and health facilities on the basis of which the schemes are located. In addition, some participatory approaches have been applied to identification, implementation, operation and maintenance and monitoring and evaluation of public sector services. It is expected that with community participation, social indicators will improve substantially.

Pakistan Poverty Alleviation Fund (PPAF)

28.8. The Government commitment to upscale direct intervention for poverty alleviation is reflected in creation of Pakistan Poverty Alleviation Fund (PPAF). The Government intends to make this umbrella organization grow and nurture initiatives of micro-enterprise development, institution development, capacity enhancement, and development of community based organizations on a fast track. The Pakistan Poverty Alleviation Fund (PPAF) which has been established under the company's act will have Partner Organizations to undertake a nation-wide poverty alleviation effort, making the poor self-reliant by the Government as a non profit company.

28.9. The Partner Organizations under PPAF will be selected on the basis of a specific set of criteria, setting high standards of transparency. The Fund will monitor field activities by its Partner Organizations. These Partner Organizations will be governmental and non-governmental depending on the activity and ready field presence to lower costs and pass on the benefits to the poor. The Fund, thus, would provide the least cost option for poverty alleviation initiatives.

28.10. The major functions of PPAF are to provide training as a facilitator and coordinator, facilitate institution strengthening, undertake the role of micro-credit wholesaler as a major activity to develop micro-enterprises as a means of providing self sustenance to the poor, allowing them the opportunity to stand on their own feet, and provide incentives for community development. It is possible the best catalyst to bring good practices in poverty

alleviation to scale on a nation-wide basis, to help the poor and provide better future for their children.

Public Works Programs for Special Employment

28.11. The Government intends to deal with increased unemployment and generate income supplements following recessionary tendencies. Slow growth in the construction, financial services and manufacturing sectors might reduce the employment prospects of new entrants to the labour market and the re-employment prospects of displaced workers. The combined impact of these two factors is likely to lead to increase in the open unemployment rates in future. Given falls in domestic demand, the aggregate income-generating potential of the rural and urban households may be influenced. The combined impact of the decline in labour demand and increased inflation caused by gaps emerging from absence of foreign assistance will need to be tackled. The increase in open employment, together with the fall in real earnings, is likely to swell the ranks of those with incomes below the poverty level. A system of meaningful social safety net is therefore needed to protect vulnerable groups of the society and majority of displaced workers because of economic crisis.

28.12. The Government recognizing the crisis has focused on policies and programs that are already in place and/or additional measures for poverty alleviation that are feasible and could be usefully introduced in the near term. Measures recently taken by the Government to address social and economic issues of poverty mainly based to put a system safety net to ensure that those effected be able to cover the basic subsistence needs of themselves and their dependants. The self-targeting measures guarantee of work on public projects in return for a subsistence wage mainly include:

- i. A program offering start-up loans for unemployed professionals and managers to set-up their own ventures or small firms to create new jobs.
- ii. A program targeting job creation in existing small and medium-sized enterprises. The program aims to provide loans for job creation and for improving working conditions.

- iii. A program to create temporary job opportunities in public works for those long-term unemployed.
- iv. A program for training and redeployment policies.
- v. The programme may be called "Prime Minister's Programme for Development and Employment" to separate it from the normal development programme and determine its impact after implementation.

28.13. The labour intensive activities to be included in the program likely to include the following:

- i) **Farm-to market roads including** speeding up of the aided programme, additional construction of roads under the normal farm-to-market roads construction program, and widening and repair of various categories of such roads including kutchra, gravel, and paved categories, depending on the needs of the provinces. Existing stock of rural roads comes to 76,755 kilometers in the country. Spin-off effects of these activities on employment and enhancement of productivity will be considerable.
- ii) **Water resources for irrigation**, including remodeling, rehabilitation, and improvement of canals and water channels, lining of canals where feasible, improvement of karezes, construction of checkdams, tubewells and small dams on a need based criteria.
- ii) **Renewal of small towns** which are in fact rural town committees (314) may be included. The concept includes upgradation of services such as solid and other waste removal, repair and pavement of roads within towns and provision of basic infrastructure to induce private sector to invest in new buildings and businesses and other undertakings and to encourage investment in housing projects. There is plenty of scope for resource absorption in such small towns which tend to get left out of the normal uplift programmes.

DISTRIBUTION AND STANDARDS

28.14. The programme proposes that each province may be allowed to determine its own priorities within the prescribed menu. Standards for corridor distance in the case of farm

to market roads will be fixed according to the existing standards in each province. Unit cost of roads will also be determined in accordance with the prevailing practice.

MECHANISM FOR IDENTIFICATION OF SCHEMES AND MONITORING

28.15. Under the programme schemes may be identified and assigned priority by public representatives. The following mechanism likely to be followed:

- i) Schemes will be processed through the Deputy Commissioners, who will be designated as Project Directors, on specified one page proforma and will be verified through that channel to avoid duplication.
- ii) Agencies for implementation of schemes may include Ministry of Local Government, Pak PWD, and provincial line departments. Administrative approval and technical sanctions may be accorded by Ministry of Local Government for all schemes under this programme, to facilitate coordination and monitoring of the schemes.
- iii) A Board which may compose of Minister for Education and the Committee members may oversee the program.
- iv) The Deputy Chairman Planning Commission may head the Monitoring Committee which may include Secretary Planning and Development Division, Secretary, Local Government, Secretary Housing and Works and Chairman Planning and Development Board/Additional Chief Secretaries of the provinces. This Committee be responsible for continuous monitoring to ensure that the funds are spent on the purpose for which they are meant and implementation is according to acceptable standards.
- v) Schemes will be structured on a constituency wise basis with priorities to be determined by the concerned parliamentarian.
- vi) All schemes will be undertaken on completion basis. No schemes will be partially funded. The underlying strategy will be to ensure quick flow of benefits to the people and creation of employment in the shortest period of time. The schemes for selection may be recommended on merit, by the recommendees keeping in focus the larger objectives of the program.
- vii) The maintenance of the new schemes completed under this program will be the responsibility of the respective provincial government or line agency.
- viii) Additional allocation for the backward areas may be allocated to the backward areas mentioned according to population and may follow the prescribed scheme menu.

- ix) Funds may be managed by the Ministry of Local Government, Rural Development and Environmental Affairs under oversight of the Board.
- x) Quarterly progress reports may be submitted to the Cabinet to apprise it of the progress under this program.
- xi) No expenditure may be allowed for acquiring land or road building equipment out of these funds. All schemes will fall under employment generation objective.

Food Stamps Program

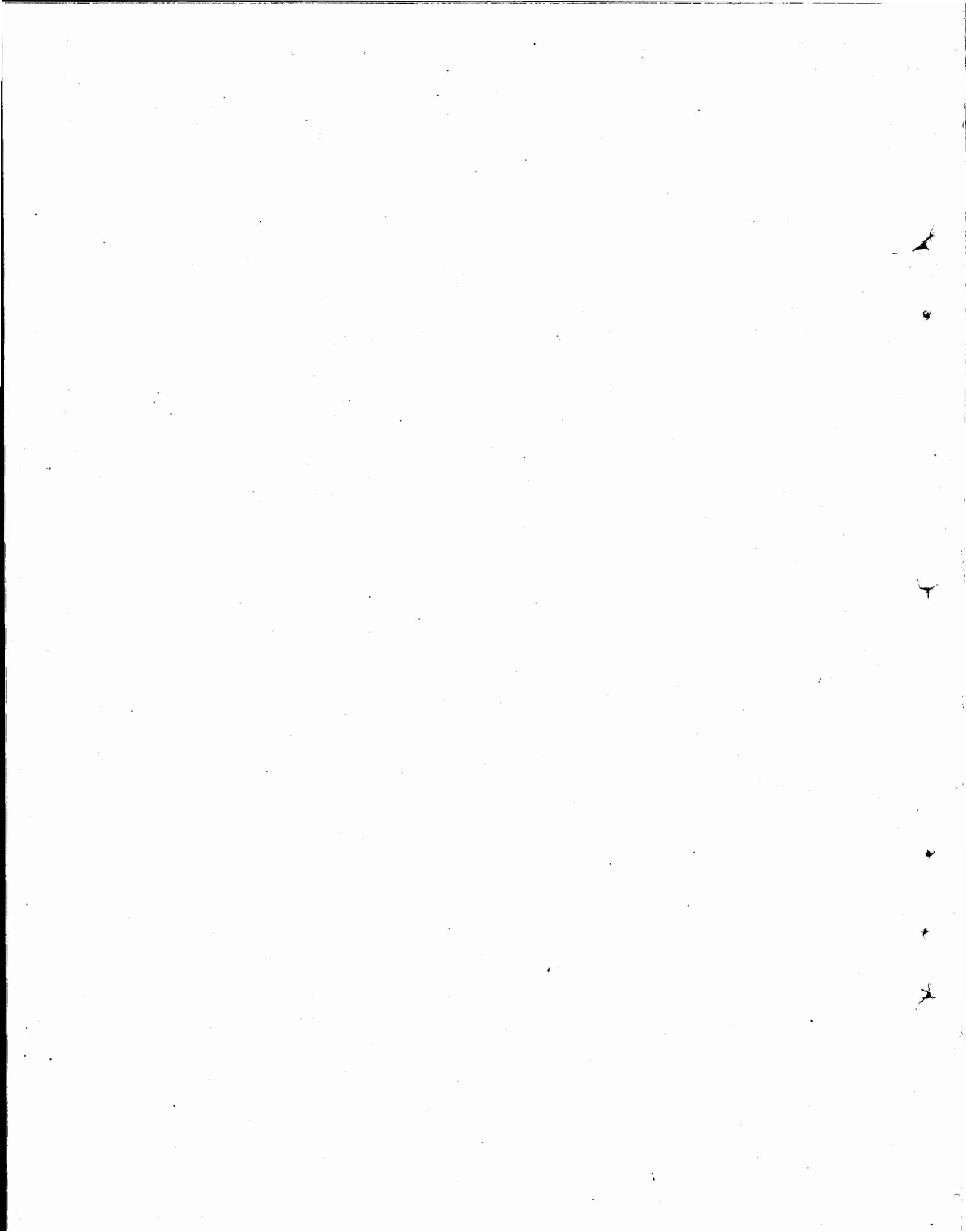
28.16. Food stamps program will be extended to the poor in the urban and the rural poor and the vulnerable likely to fall below the poverty line. The scheme has successfully launched in the Punjab. The *Atta* scheme in Punjab has been extended to 9 districts. The coverage has been enhanced to 4,50,000 households which get food stamps of Rs. 150 per month or RS. 1,800 per year. *Atta* in bags carrying special marking is sold through the Utility Stores. The annual bill for covering this household comes to about Rs. 810 million at current prices.

Participatory Poverty Alleviation

28.17. The Participatory poverty alleviation is a new concept being designed in Pakistan for the first time. The Participatory Poverty Assessment (PPA) is based on the perceptions of the poor themselves in key issues related to poverty reduction. The PPA will ensure that strategies framed for poverty alleviation reflect the concerns, priorities and obstacles to progress as seen by the poor themselves. It is expected that PPA will help determine poverty line and provide a design of a program which will enrich the ongoing efforts and provide a more effective way of addressing poverty issues and help institute a program for the poor to act independently through structures of community organizations.

28.18. The above initiatives would lead not only to increase the access of the poor to basic health, education, housing and sanitation services but also result in an increase in the productivity, employment and income of the poor while monitoring the progress with regard to different poverty alleviation programs will assist in establishing and strengthening the linkages between policy formulation and poverty alleviation strategy. Identification and reaching out to

target vulnerable groups such as disable, destitute, elderly, widow's, children at risk and female headed households will assist in mapping of poverty and ensure effectiveness of poverty alleviation programmes.



CHAPTER 29

GOOD GOVERNANCE

Background

29.1 The crisis of governance has many features. The first major issue is the breakdown of law & order, threatening the very life and livelihood of citizens. The second major issue is that of corruption that pervades all the three branches of the state; the legislature, executive and judiciary. The third issue is policy ineffectiveness, including for example the ability to raise revenues for the government, target policies to selected groups of regions, ensure that governmental assets are used and maintained efficiently, provide social services of adequate to the citizens, regulate or monitor potentially hazardous economic activities, or generally protect the lives and livelihood of citizens. Finally, ad-hoc policy making contributes directly to economic instability and unpredictability, discouraging long-term investment and encouraging lobbying and influence peddling.

29.2 Pakistan has been struggling to grapple with the above mentioned problems since its inception in 1947. Ever since total of 26 Commissions and Committees were formed to look into this subject. Thus there has been an average of approximately one report for every two years of Pakistan's existence.

29.3 In the backdrop of repeated attempts to diagnose the problems without proceeding to cure the disease, there is growing impatience about implementation. Apparently these are a number of bottlenecks which prevent the nation to make the necessary leap from identifying the problem to finding its solution.

29.4 The first one of these bottlenecks is a KNOWLEDGE GAP. This gap is with reference to the specific instruments of public policy which have been used world wide to improve the functioning of large organizations, both public and private. Pakistan needs to acquire and develop knowledge about such measures and instruments to convert its existing structures into performance based organizations.

29.5 Thus the leap from abstract policy consensus about good governance and institutional reforms to its concrete implementation requires the creation of a new type of knowledge. This knowledge bottleneck needs to be bridged.

29.6 The leap from consensus on the need for good governance and institutional reform to its concrete implementation is obstructed by another bottleneck, namely; the absence of an efficient system of debating various options for institutional reform. Trust is the key lubricant which runs the modern managerial machine. This type of trust develops through open discussions about organizational goals and debate on various options for achieving institutional objectives. This will be helpful in widening the level of participation of various stakeholder. This bottleneck is DEBATE GAP.

29.7 Based on our analysis that knowledge bottleneck and debate bottleneck are the two important obstacles to promoting good governance and implementing institutional reforms, the Good Governance Group initiated a number of activities during the first half of 1998. These activities are discussed in the succeeding paragraphs.

Establishment of Good Governance Group Secretariat

29.8 The G-3 was established and made functional. The services of a senior officer of the Management Services Wing were acquired for making institutional arrangements, coordinating with UNDP and other partner organizations, identifying research areas and designing various conferences, seminars and workshops. Necessary logistic support for G-3 Secretariat was acquired. The G-3 Project was prepared on PC-I form and the project was approved by the Central Development Working Party (CDWP) for the period 1998-2001. The G-3 performed the following activities since its establishment;

Workshops/Seminars/Conferences

29.9 A work plan for first 6 months of the year, 1998 was prepared which included conducting 18 conferences/workshops and five follow-up meetings. During the first 6 months of 1998, the G-3 conducted 18 conferences on the subjects i.e. Re-engineering Government, Media. The Link to Good Governance, Performance Indicators in Public Sectors Organizations, Local Government Reforms, Electronic Government Through Information Technology, Police Reforms, Criminal Justice system at District Level, Administrative Issues of Managing Large Cities, Orientation to Information Technology, New role & Functions of Local Councilors, Development of Mission Statements and Procedures Simplification.

29.10 Five follow up meeting were held on Re-engineering Govt., Information Technology, Performance Indicators, Media & Local Government Reforms. Summaries have been prepared for the approval of the Prime Minister and Cabinet on the Local Govt Reforms, Policy Reforms, Criminal Justice System and Information Technology.

Achievements

IT Policy

29.11 A Working Group has been set up under the chairmanship of Director General, National Data base Organization to prepare draft National Information Technology Policy. The draft IT Policy will be sent to the Cabinet for consideration after the approval of the Steering Committee on IT.

Guidelines for Inter-Net and E-Mail Users in Government

29.12 The G-3 prepared guidelines for the Inter-Net & E-mail Users in Government in collaboration with Pakistan Computer Bureau.

Facilitators on Information Technology

29.13 All the Federal Ministries/Divisions have nominated Senior Officers to act as facilitator on Information Technology. These facilitators were exposed to the nw concept of IT & IS through an Orientation Programme.

Mission statement & Performance Standards in the Public Sectors Organizations

29.14 All the Federal Ministries/Divisions have been advised to develop their Mission Statements and Performance Standards within two months. The G-3 has developed guidelines on Mission Statements and Performance Standards, which are supplied to Ministries/Divisions for guidance.

National University of Public Affairs

29.15 The present national and sectoral public training institutions show wide disparities in quality of syllabi, teaching staff, research and training facilities. In order to coordinate the activities, improve the quality of syllabi and strengthen the facilities of the training institutions, a National University of Public Affairs will be set up. The said university will not initially, be a teaching institution, but a coordinating body for the public sector training institutions as well as a degree/diploma awarding institution.

Civil Service Programmes

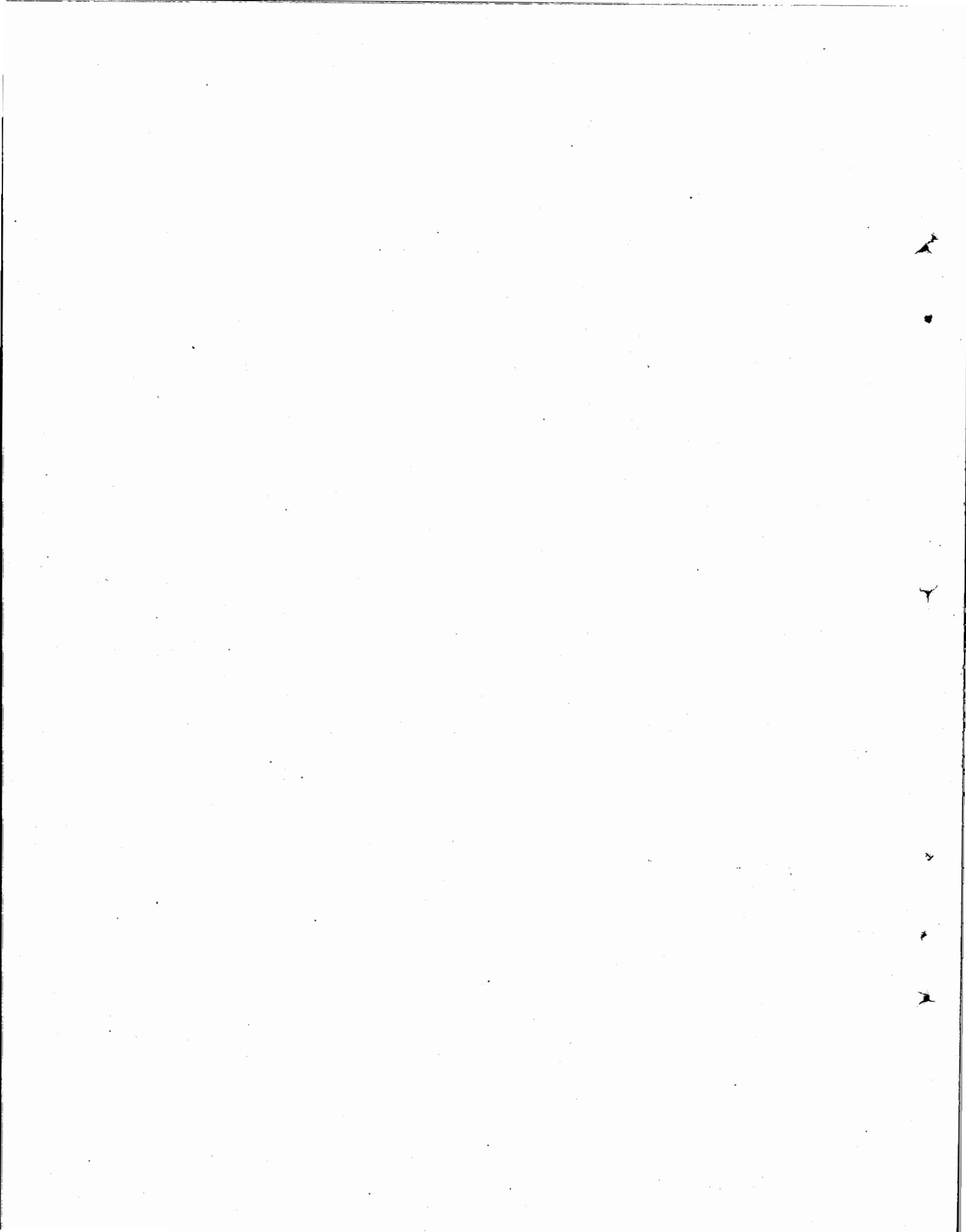
29.16 A draft package of Civil Services Reforms has been prepared after consulting all Ministries/Divisions which include incentives and control system with accountability for Civil Servants. It will be submitted to the Cabinet for approval.

Newsletters

29.17 The G-3 published newsletters for the months April, May, June and July, 1998. The activities of the G-3 were incorporated in these newsletters and these were circulated amongst the various stakeholder inside and outside the country.

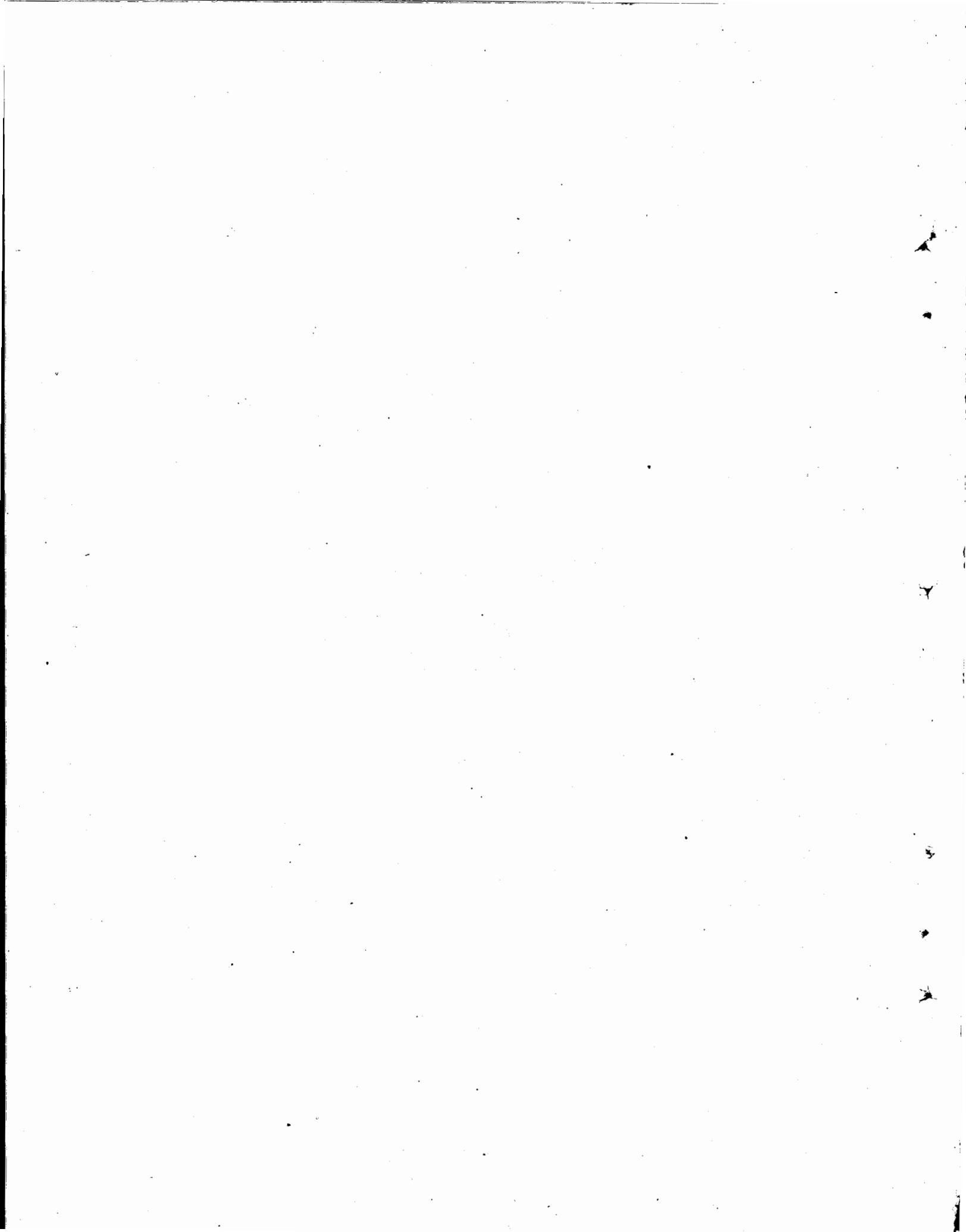
Press Release/TV & Radio Programme

29.18 A number of press conferences were held, press releases were published and programmes on TV and Radio were broadcasted/telecasted with the objective to create awareness among the stakeholder on governance issues.



STATISTICAL APPENDIX TABLES

(289—290)



S.A.Table-1.1

OUTPUT OF AGRICULTURE

ITEMS	UNIT	1996-97	1997-98		1998-99	Percent Change	
			Targets	Prov.		1997-98	1998-99
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I. KHARIF CROPS							
Rice	(000 MT)	4304.8	4394.1	4333.0	4394.0	0.7	1.4
Basmati	(000 MT)	1555.9	1486.0	1439.4	1486.0	-7.5	3.2
Others	(000 MT)	2748.9	2908.0	2893.6	2908.0	5.3	0.5
Bajra	(000 MT)	145.6	174.7	211.3	176.0	45.1	-16.7
Maize	(000 MT)	1259.4	1501.3	1251.2	150.3	-0.7	20.0
Jawar	(000 MT)	219.2	264.0	231.3	266.0	5.5	15.0
Sugarcane	(000 MT)	41998.4	48000.0	53104.2	51210.0	26.4	-3.6
Cotton	(Min Bales)	94.0	10.0	9.2	10.5	-2.0	14.3
II. RABI CROPS							
Wheat	(000 MT)	16650.5	18000.0	18564.4	19500.0	11.5	5.0
Barley	(000 MT)	150.0	164.0	152.7	165.0	1.8	8.1
Gram	(000 MT)	594.4	680.0	773.8	800.0	30.2	3.4
Rapessed & Mustard	(000 MT)	285.6	250.0	296.9	305.0	4.0	2.7
Tobacco	(000 MT)	91.0	85.0	96.2	100.0	5.0	4.0
III. LIVESTOCK							
Milk	(000 MT)	20950.0	22039.0	22039.0	23185.0	5.2	5.2
Meat	(000 MT)	2416.0	2541.0	25440.0	2743.0	5.3	7.8
Wool	(000 MT)	55.8	57.2	57.2	58.6	2.4	2.5
Hides	(Min No)	6.5	6.7	6.7	6.8	1.8	1.8
Skins	(000 No)	42181.0	44000.0	43722.0	45324.0	3.7	3.7

INDUSTRIAL AND MINERAL PRODUCTION

ITEMS	UNIT	1996-97 (Rev.)	1997-98		1998-99 Targets	Percent Change	
			Targets	Prov.		1997-98	1998-99
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A. INDUSTRIAL PRODUCTION							
(Large Scale)							
Sugar	(000 MT)	2383.0	2706.0	3554.8	3500.0	49.2	-1.5
Jute Goods	(000 MT)	68.8	70.5	92.0	98.0	33.7	6.6
Cement	(000 MT)	9536.0	9935.6	9364.0	10485.0	-1.8	11.8
Paper & Board	(000 MT)	346.6	360.1	344.8	347.0	-0.5	0.6
Fertilizer (N)	(000 NT)	1682.4	1825.6	1660.4	1900.0	-1.3	14.4
Soda Ash	(000 MT)	247.0	276.0	239.3	246.0	-3.1	2.8
Caustic Soda	(000 MT)	118.2	127.7	115.7	121.0	-2.1	4.6
Billets	(000 MT)	378.5	415.3	348.1	390.0	-8.0	9.1
H & CR Sheets	(000 MT)	672.7	731.3	642.7	700.0	-4.5	8.9
Cotton Yarn	(000 MT)	1520.8	1634.9	1533.1	1634.0	0.8	6.6
Cotton Cloth	(Mln Sq M)	333.5	366.7	339.9	360.0	1.9	5.9
Cigarettes	(Bln Nos)	46.1	49.2	48.2	51.0	4.6	5.8
Motor Tyres	(000 Nos)	525.0	574.1	441.0	500.0	-16.0	13.4
Trucks/ Buses	(000 Nos)	3.3	1.8	2.3	2.5	-30.4	9.6
LCVs/ Cars/ Vehicles	(000 Nos)	43.6	53.3	46.0	51.0	5.6	10.8
Bicycles	(000 Nos)	432.4	436.8	452.1	480.0	4.6	1.7
Tractors	(000 Nos)	10.4	12.0	14.0	15.0	34.5	7.1
Sewing Machines	(000 Nos)	61.1	60.8	36.4	39.0	-40.5	7.2
Air Conditioners	(000 Nos)	2.1	2.3	2.6	3.0	22.6	17.0
Electric Motors	(000 Nos)	22.6	25.2	27.3	28.0	20.5	2.7
Cotton Ginning	(Mln Bales)	9.4	10.0	9.2	10.5	-2.1	14.3
Petroleum Products	(Mln Ltr)	7166.8	7864.1	7463.0	7700.0	4.1	3.2
B. MINERAL PRODUCTION							
Crude Oil	(BPD)	58275.0	57882.0	56283.0	61904.0	-3.4	10.0
Natural Gas	(MMCFT)	1911.0	2210.0	1921.9	2372.0	0.6	23.4
Coal	(000 MT)	3553.0	3050.0	3450.0	3780.0	-2.9	9.6
Limestone	(000 MT)	9488.0	16000.0	9941.0	9723.0	4.8	-2.2
Rock salt	(000 MT)	1066.0	1000.0	961.0	995.0	-9.8	3.5

**GROSS DOMESTIC PRODUCT
(AT 1980-81 MILLION RS)**

	1996-97 Rev	1997-98		1998-99 Target	% change		
		Target	Prov		1997-98 Target	1998-99 Prov*	1998-99 Target**
I COMMODITY SECTORS	294014	312805	311884	331704	6.0	6.1	6.4
A. AGRICULTURE	141032	148443	149357	157445	5.1	5.9	5.4
Major crops	59235	63844	64194	67733	6.2	8.4	5.5
Minor crops	26934	28493	27820	29215	5.0	3.3	5.0
Livestocks	48762	50023	51119	53885	3.8	4.8	5.4
Fishing	5139	5165	5485	5837	4.5	6.7	6.4
Forestry	962	918	739	775	5.0	-23.2	4.9
B. INDUSTRY	152982	164362	162527	174259	6.8	6.2	7.2
Mining & quarrying	2886	3036	2606	2752	5.0	-9.7	5.6
Manufacturing	104161	111856	111413	119437	7.2	7.0	7.2
Large Scale	67631	72474	72031	76747	6.5	6.2	6.5
Small Scale	36330	39382	39382	42690	8.4	8.4	8.4
Construction	22183	23802	22553	23784	5.9	1.7	5.5
Electricity & gas distribution	23752	25668	25955	28286	6.5	9.3	9.0
II SERVICES SECTORS	281985	304556	295441	312303	5.9	4.8	5.7
Transport & communication	55165	60996	60021	63384	6.2	8.8	5.6
Trade	93555	101163	96326	102303	6.4	3.0	6.2
Banking & insurance	13597	15837	13704	14604	6.2	0.8	6.6
Ownership of dwelling	33095	34842	34842	36682	5.3	5.3	5.3
Public Administration & defence	36719	38609	37439	38753	3.8	2.0	3.5
Services (Other)	49854	53109	53109	56577	6.5	6.5	6.5
GDP (fc)	575999	617361	607325	644007	6.0	5.4	6.0

* The provisional estimates are those compiled by the Federal Bureau of Statistics on the basis of 8 months data and would be revised in the Next NAC meeting. Of special interest is the growth rate in Large Scale Manufacturing which on 12-months basis works out at 7.5%.

** The targets were set on the basis of economic prospects as existed at the close of 1997-98. Presently the prospects have changed due to financial constraints emanating from economic sanctions. The realized growth rates may, therefore, be lower.

MACRO-ECONOMIC FRAMEWORK
(Current Billion Rs)

	1996-97		1997-98		Percentage Change	
	(R)	(T)	(P)	(T)	1997-98 (P)	1998-99 (T)
GDP (G)	2201.9	2591.4	2533.3	2899.4	15.0	14.5
Indirect Taxes (Net)	202.7	252.5	226.2	258.9	11.6	14.5
GDP (MP)	2404.6	2843.9	2759.5	3158.4	14.8	14.5
Net Factor Income from abroad	-29.6	-39.0	-41.2	-56.7	-39.3	-37.6
GNP (MP)	2375.1	2804.9	2718.4	3101.7	14.5	14.1
External Resources Inflow (Net)	150.0	148.9	90.4	89.6	-39.7	-0.9
Total Resources/Uses	2525.1	2953.8	2808.7	3191.3	11.2	13.6
Total Consumption	2106.5	2413.2	2332.3	2602.1	10.7	11.6
Total Investment	418.5	540.6	476.4	589.2	13.8	23.7
Fixed Investment	380.3	496.3	405.0	538.6	6.5	33.0
Public	166.0	215.8	161.1	190.8	-3.0	18.4
Private	214.2	280.6	243.9	347.8	13.9	42.6
Changes in Stocks	38.3	44.3	71.4	50.5	-	-
Memo Items						
AS % of GDP						
Investment	17.4	19.0	17.3	18.7	-	-
Fixed Investment	15.8	17.5	14.7	17.1	-	-
Public	6.9	7.6	5.8	6.0	-	-
Private	8.9	9.9	8.8	11.0	-	-
External Resources	6.2	5.2	3.3	2.8	-	-
National Savings	11.2	13.8	14.0	15.8	-	-

**ESTIMATED BUDGETARY DEVELOPMENT EXPENDITURE FOR 1997-98
(NATIONAL)**

S.No.	Sectors	(Million Rupees)							
		Revised 1997-98 (COL 4+5+6)	Federal Departments	Corporations (Budgetary)	Provincial * (COL 7+8+9+10)	Punjab	Sindh	N.W.F.P.	Baluchistan
1	2	3	4	5	6	7	8	9	10
1.	Agriculture	940.3	272.1	0.0	668.2	303.1	98.2	131.4	135.5
2.	Industries	625.6	530.1	0.0	95.5	87.7	5.0	2.8	0.0
3.	Mineral	398.1	384.8	0.0	13.3	2.5	0.0	8.8	2.0
4.	Water	13370.6	9333.4	0.0	4037.2	1788.5	1189.0	414.3	645.4
5.	Power	18946.0	4471.8	14446.0	28.2	0.0	0.0	28.2	0.0
6.	Fuels	1874.0	930.0	944.0	0.0	0.0	0.0	0.0	0.0
7.	Transport and Communication	17362.3	2405.9	12807.1	2149.3	1198.0	385.9	313.8	251.6
8.	Physical Planning & Housing	10570.0	2623.0	0.0	7947.0	4348.0	1279.0	1509.0	811.0
9.	Education & Training	3940.7	744.6	0.0	3196.1	1637.2	630.7	767.7	160.5
10.	Science & Technology	223.3	201.5	0.0	21.8	0.0	21.8	0.0	0.0
11.	Health & Nutrition	5345.9	2006.1	0.0	3339.8	2524.7	465.7	141.0	208.4
12.	Rural Development	5659.8	2079.9	0.0	3579.9	2038.8	776.0	388.0	377.1
13.	Mass Media	92.5	92.5	0.0	0.0	0.0	0.0	0.0	0.0
14.	Culture, Sports, Tourism & Youth	85.5	47.7	0.0	37.8	16.5	15.0	5.9	0.4
15.	Manpower & Employment	217.6	185.9	0.0	31.7	20.4	8.0	0.5	2.8
16.	Women Development	41.9	41.6	0.0	0.3	0.0	0.0	0.3	0.0
17.	Population Welfare	1194.3	1194.3	0.0	0.0	0.0	0.0	0.0	0.0
18.	Social Welfare	101.3	71.9	0.0	29.4	22.2	3.5	2.9	0.8
19.	Research, Statistics & Planning	276.4	76.8	0.0	199.6	28.0	129.9	32.5	9.2
20.	Environment	738.0	246.1	0.0	491.9	51.1	190.2	41.1	209.5
21.	Others(Spl. Areas, TSP, ARRP & MI)	4660.0	4660.0	0.0	0.0	0.0	0.0	0.0	0.0
Total(Expenditure)		86664.1	32600.0	28197.1	25867.0	14066.7	5197.9	3788.2	2814.2

* An amount of Rs.26 billion had been provided to provinces as federal assistance in PSDP 1997-98 (Punjab Rs.12.1 billion, Sindh Rs.6.1 billion, NWFP Rs.4.6 billion and Balochistan Rs.3.1 billion). Against this amount provincial revised estimates stood at 'Rs. 25.9 billion (Punjab Rs. 14.1 billion, Sindh Rs.5.2 billion, NWFP Rs.3.8 billion and Balochistan Rs.2.8 billion).

**BUDGETARY PUBLIC SECTOR DEVELOPMENT PROGRAMME 1998-99
(NATIONAL)**

S.No.	Sectors	(Million Rupees)							
		Total PSDP* (COL 4+5+6)	Federal Departments	Corporations (Budgetary)	Provincial PSDP * (COL 7+8+9+10)	Punjab	Sindh	N.W.F.P.	Baluchistan
1	2	3	4	5	6	7	8	9	10
1.	Agriculture	1098.6	490.6	0.0	608.0	305.9	99.9	172.2	30.0
2.	Industries	1259.2	597.0	0.0	662.2	639.6	8.1	5.8	8.7
3.	Mineral	670.1	648.5	0.0	21.6	10.4	0.0	7.9	3.3
4.	Water	20218.9	13404.9	0.0	6814.0	3597.6	1769.9	651.6	794.9
5.	Power	20114.5	4446.4	15624.0	44.1	0.0	0.0	44.1	0.0
6.	Fuels	2278.0	1146.0	1132.0	0.0	0.0	0.0	0.0	0.0
7.	Transport & Communication	24278.3	4229.5	17265.0	2783.8	1537.0	510.0	429.7	307.1
8.	Physical Planning & Housing	10028.0	1748.0	0.0	8280.0	5410.0	1000.0	1060.0	810.0
9.	Education & Training	11099.2	889.2	0.0	10210.0	4428.0	2330.0	1597.0	1855.0
10.	Science & Technology	172.8	170.1	0.0	2.8	0.0	2.8	0.0	0.0
11.	Health & Nutrition	5078.3	2711.3	0.0	2367.0	1450.0	360.0	198.0	359.0
12.	Rural Development	9155.0	2735.2	0.0	6419.8	4530.5	651.3	926.2	311.8
13.	Mass Media	95.3	95.3	0.0	0.0	0.0	0.0	0.0	0.0
14.	Culture, Sports, Tourism & Youth	305.1	212.7	0.0	92.4	24.0	20.0	44.5	3.9
15.	Manpower & Employment	133.9	54.3	0.0	79.6	32.0	12.0	3.2	32.4
16.	Women Development	84.5	76.0	0.0	8.5	0.0	0.6	7.9	0.0
17.	Population Welfare	2000.0	2000.0	0.0	0.0	0.0	0.0	0.0	0.0
18.	Social Welfare	122.8	78.6	0.0	44.2	15.5	9.7	3.3	15.7
19.	Research, Statistics & Planning	1019.1	388.3	0.0	630.8	422.2	22.5	18.2	167.9
20.	Environment	1232.1	333.6	0.0	898.5	229.5	319.9	212.9	136.2
21.	Others(Spl. Areas, TSP, ARRP, Grant for local development & Misc)	12994.3	8105.0	0.0	4889.3	2748.6	1119.1	437.5	584.1
Total(PSDP)		123438.1	44560.5	34021.0	44856.6	25380.8	8235.8	5820.0	5420.0
(Less Federal+ Provincial Shortfall)		14011.0	0.0	0.0	1630.0	1630.0	0.0	0.0	0.0
Net (PSDP)		109427.1	44560.5	34021.0	43226.6	23750.8	8235.8	5820.0	5420.0

* An amount of Rs.32.0 billion has been provided to Provinces as Federal Assistance in PSDP 1998-99 (Punjab Rs.13.9 billion , Sindh Rs.7.4 billion, NWFP Rs.5.4 billion and Balochistan Rs.5.3 billion) . Against this amount the Provinces have formulated their development programme at Rs. 43.2 billion (Punjab Rs. 23.8 billion, Sindh Rs. 8.2 billion, NWFP Rs.5.8 billion and Balochistan Rs.5.4 billion. The excess amount will be provided by the provinces through self financing.

@ Total approved size of Federal PSDP 1998-99 stood at Rs.110.6 billion(Rs. 44.6 billion for Federal Ministries Programme, Rs.34.0 billion for Budgetary Corporation Programme and Rs.32.0 billion for Provincial Development Programme). However, due to resource constrained position the total size has been cut down to Rs. 98.2 billion. Due to self financing of Provinces to the tune of Rs.11.3 billion the total net PSDP comes at Rs.109.4 billion.

**PUBLIC SECTOR CORPORATIONS DEVELOPMENT PROGRAMME 1998-99
(BUDGETARY & OTHERS)**

(MILLION RUPEES)

SL NO	CORPORATIONS	PSDP 1997-98			PSDP 1998-99	
		TOTAL ALLOCATION	BUDGETED ALLOCATION	REVISED ESTIMATES	TOTAL ALLOCATION	BUDGETED ALLOCATION
1	2	3	4	5	6	7
	POWER	36222.9	13829.7	28169.1	34463.4	15624.0
1.	WAPDA	26965.7	13829.7	21414.0	28310.4	15624.0
2.	kesc	9257.2	0.0	6755.1	6153.0	0.0
	FUEL	26127.4	700.0	23137.3	41023.8	1132.0
3.	OGDC	6083.4	700.0	7616.4	6069.2	1132.0
4.	NRL	46.0	0.0	35.0	1879.0	0.0
5.	SSGC	4454.0	0.0	2655.3	7249.6	0.0
6.	SNGPL	5961.0	0.0	5005.6	4745.0	0.0
7.	PSO	850.0	0.0	866.0	503.0	0.0
8.	PARCO	8733.0	0.0	6959.0	20578.0	0.0
	T&C	33982.0	12200.0	27402.0	39336.0	17265.0
9.	NHA	12200.0	12200.0	12807.1	16640.0	16640.0
10.	NMTA	0.0	0.0	0.0	625.0	625.0
11.	PTCL	20000.0	0.0	14000.8	15000.0	0.0
12.	CAA	1181.0	0.0	594.1	5257.0	0.0
13.	PNSC	1.0	0.0	0.0	630.0	0.0
14.	PIAC	600.0	0.0	0.0	1184.0	0.0
	INDUSTRY	2567.0	0.0	0.0	56.0	0.0
15.	SEC	140.0	0.0	0.0	0.0	0.0
16.	NFC	2147.0	0.0	0.0	0.0	0.0
17.	USC	280.0	0.0	0.0	0.0	0.0
18.	Pakistan Steel Karachi	0.0	0.0	0.0	56.0	0.0
	TOTAL(Corp)	98899.3	26729.7	78708.4	114879.2	34021.0

**BUBLIC FINANCE: CONSOLIDATED BUDGET
(NET BASIS)**

	(Rs. Billion)						
	1996-97	1997-98		Budget Estimates of 1998-99			Growth rate %
	Provisional Actual	Budget Estimates	Revised Estimates	Without Measures	New Measures	With Measures	1998-99/1997-98RE
Total Revenue Receipts	384.3	462.1	452.2	506.5	16.4	522.9	15.6
Total Tax Receipts	324.6	373.7	363.0	402.4	16.4	418.8	15.4
Direct taxes	87.0	108.0	104.0	117.1	8.2	125.3	20.5
- Taxes on income	80.4	97.8	95.6	107.3	7.2	114.5	19.8
- Other direct taxes	6.6	10.2	8.4	9.8	1.0	10.8	28.6
Indirect taxes	237.6	265.7	259.0	285.3	8.2	293.5	13.3
- Custom duties	86.1	91.0	78.7	84.7	5.8	90.5	15.0
- Excise duties	56.2	65.6	64.1	70.8		70.8	10.5
- Sales tax	55.7	64.2	54.1	69.1	2.4	71.5	32.2
- Surcharges	27.3	30.1	47.0	43.4		43.4	-7.7
Petroleum	22.5	25.2	40.6	35.6		35.6	-12.3
Natural Gas	4.8	4.9	6.4	7.8		7.8	21.9
- Other indirect taxes	12.3	14.8	15.1	17.3		17.3	14.6
Non-tax revenues	59.7	86.4	89.2	104.1		104.1	16.7
Government expenditure	540.9	610.0	599.6	666.1		666.1	11.1
Current	455.4	519.9	510.5	555.5		555.5	8.8
General administration	45.9	41.0	39.4	42.3		42.3	7.4
Law and order	20.7	22.7	23.4	24.4		24.4	4.3
Defense	127.4	134.0	133.8	145.0		145.0	8.4
Subsidies	11.9	13.3	13.6	11.5		11.5	-15.4
Interest payments	161.2	191.0	189.3	214.1		214.1	13.1
Community services	10.6	15.2	14.2	15.6		15.6	9.9
Social services	54.1	69.9	64.5	73.5		73.5	14.0
Economic services	8.7	10.9	10.6	10.6		10.6	0.0
Grants to Prov./LB	8.2	13.3	14.7	13.6		13.6	-7.5
Other expenditures	6.7	8.6	7.0	9.0		9.0	28.6
Cut on Non-salary Exp.	0.0	0.0	0.0	-4.1		-4.1	
Development	85.5	90.1	89.1	110.6		110.6	24.1
Fiscal Deficit	156.6	147.9	147.4	159.6		143.2	-2.8
Financing:	156.6	147.9	147.4	159.6		143.2	-2.8
Bank borrowing	72.5	58.0	81.1	55.6		39.2	-51.7
Non-bank borrowing	56.5	59.7	49.7	89.3		89.3	79.7
External borrowing (net)	27.6	30.2	16.6	14.7		14.7	-11.4
Memorandum items:							
(GDP market prices)	2503.3	2843.9	2745.7	3134.3		3134.3	
As percentage of GDP							
Total Revenue Receipts	15.4	16.2	16.5	16.2		16.7	
Total Tax Receipts	13.0	13.1	13.2	12.8		13.4	
Direct taxes	3.5	3.8	3.8	3.7		4.0	
- Taxes on income	3.2	3.4	3.5	3.4		3.7	
- Other direct taxes	0.3	0.4	0.3	0.3		0.3	
Indirect taxes	9.5	9.3	9.4	9.1		9.4	
- Custom duties	3.4	3.2	2.9	2.7		2.9	
- Excise duties	2.2	2.3	2.3	2.3		2.3	
- Sales tax	2.2	2.3	2.0	2.2		2.3	
- Surcharges	1.1	1.1	1.7	1.4		1.4	
Petroleum	0.9	0.9	1.5	1.1		1.1	
Natural Gas	0.2	0.2	0.2	0.2		0.2	
- Other indirect taxes	0.5	0.5	0.5	0.6		0.6	
Non-tax revenues	2.4	3.1	3.2	3.3		3.3	
Government expenditure	21.6	21.4	21.8	21.3		21.3	
Current	18.2	18.3	18.6	17.7		17.7	
General administration	1.8	1.4	1.4	1.3		1.3	
Law and order	0.8	0.8	0.9	0.8		0.8	
Defense	5.1	4.7	4.9	4.6		4.6	
Subsidies	0.5	0.5	0.5	0.4		0.4	
Interest payments	6.4	6.7	6.9	6.8		6.8	
Community services	0.4	0.5	0.5	0.5		0.5	
Social services	2.2	2.5	2.3	2.3		2.3	
Economic services	0.3	0.4	0.4	0.3		0.3	
Grants to Prov./LB	0.3	0.5	0.5	0.4		0.4	
Other expenditures	0.3	0.3	0.3	0.3		0.3	
Cut on Non-salary Exp.	0.0	0.0	0.0	-0.1		-0.1	
Development	3.4	3.2	3.2	3.5		3.5	
Fiscal Deficit	6.3	5.2	5.4	5.1		4.6	
Financing:	6.3	5.2	5.4	5.1		4.6	
Bank borrowing	2.9	2.0	3.0	1.8		1.3	
Non-bank borrowing	2.3	2.1	1.8	2.8		2.8	
External borrowing (net)	1.1	1.1	0.6	0.5		0.5	

FEDERAL GOVERNMENT BUDGET, 1996-97 TO 1998-99
(Gross Basis-GOP Classification)

	(Rs. Billion)						
	1996-97	1997-98		Budget Estimates of 1998-99			Growth rate %
	Provisional Actual	Budget Estimates	Revised Estimates	Without Measures	New Measures	With Measures	
Total Revenue Receipts	360.0	435.6	423.1	475.6	16.4	492.0	16.3
Transfer to Provinces	131.5	124.1	118.3	134.9		134.9	14.0
Federal Govt. revenues	228.5	311.5	304.8	340.7	16.4	357.1	17.2
Total Tax receipts	310.6	355.6	346.2	393.5	16.4	399.9	15.5
Direct taxes	85.0	104.3	101.8	114.8	8.2	123.0	20.8
- Taxes on income	80.4	97.7	95.6	107.3	7.2	114.5	19.8
- Other direct taxes	4.6	6.6	6.2	7.5	1.0	8.5	37.1
Indirect taxes	225.6	251.3	244.4	268.7	8.2	276.9	13.3
- Custom duties	86.1	91.0	78.7	84.7	5.8	90.5	15.0
- Excise duties	55.3	64.5	63.0	69.5		69.5	10.3
- Sales tax	55.7	64.2	54.1	69.1	2.4	71.5	32.2
- Surcharges	27.3	30.1	46.9	43.4		43.4	-7.5
Petroleum	22.5	25.2	40.5	35.7		35.7	-11.9
Natural Gas	4.8	4.9	6.4	7.7		7.7	20.3
- Other indirect taxes	1.2	1.5	1.7	2.0		2.0	17.6
Non-tax revenues	49.4	80.0	76.9	92.1		92.1	18.8
Current Expenditure	346.0	391.9	388.3	418.2		418.2	8.3
General administration	20.7	20.5	19.5	21.0		21.0	7.7
Law and order	7.2	8.1	8.2	8.4		8.4	2.4
Defense	127.4	134.0	133.8	145.0		145.0	8.4
Subsidies	6.8	7.4	6.6	4.0		4.0	-39.4
Debt Servicing	154.1	185.4	182.1	206.7		206.7	13.5
Community services	4.9	5.7	5.8	6.0		6.0	3.4
Social services	9.0	9.3	9.5	9.7		9.7	2.1
Economic services	2.0	2.7	2.9	2.5		2.5	-13.8
Grants to Local Auth.	7.5	12.2	13.1	12.1		12.1	-7.6
Other expenditures	6.4	6.6	4.8	6.9		6.9	43.8
Cut on Non-salary Exp.	0.0	0.0	0.0	-4.1		-4.1	
Revenue Surplus	-117.5	-80.4	-81.5	-77.5		-61.1	-25.0
Net Capital Receipts	5.5	-16.9	-12.9	-25.1		-41.5	221.7
Bank Borrowing	72.4	57.9	30.7	39.2		39.2	27.7
Domestic Resources	-39.6	-39.4	-63.7	-63.4		-63.4	-0.5
External Resources	125.1	129.5	123.8	142.0		142.0	14.7
Development *	85.5	90.1	80.1	78.6		78.6	30.8
Memorandum items: (GDP market prices)							
% of GDP	2172.0	2511.8	2469.5	3134.3		3134.3	26.9
Total Revenue Receipts	16.6	17.3	17.1	15.2		15.7	
Transfer to Provinces	6.1	4.9	4.8	4.3		4.3	
Federal Govt. revenues	10.5	12.4	12.3	10.9		11.4	
Total Tax receipts	14.3	14.2	14.0	12.2		12.8	
Direct taxes	3.9	4.2	4.1	3.7		3.9	
- Taxes on income	3.7	3.9	3.9	3.4		3.7	
- Other direct taxes	0.2	0.3	0.3	0.2		0.3	
Indirect taxes	10.4	10.0	9.9	8.6		8.8	
- Custom duties	4.0	3.6	3.2	2.7		2.9	
- Excise duties	2.5	2.6	2.6	2.2		2.2	
- Sales tax	2.6	2.6	2.2	2.2		2.3	
- Surcharges	1.3	1.2	1.9	1.4		1.4	
Petroleum	1.0	1.0	1.6	1.1		1.1	
Natural Gas	0.2	0.2	0.3	0.2		0.2	
- Other indirect taxes	0.1	0.1	0.1	0.1		0.1	
Non-tax revenues	2.3	3.2	3.1	2.9		2.9	
Current Expenditure	15.9	15.6	15.6	13.3		13.3	
General administration	1.0	0.8	0.8	0.7		0.7	
Law and order	0.3	0.3	0.3	0.3		0.3	
Defense	5.9	5.3	5.4	4.6		4.6	
Subsidies	0.3	0.3	0.3	0.1		0.1	
Debt Servicing	7.1	7.4	7.4	6.6		6.6	
Community services	0.2	0.2	0.2	0.2		0.2	
Social services	0.4	0.4	0.4	0.3		0.3	
Economic services	0.1	0.1	0.1	0.1		0.1	
Grants to Local Auth.	0.3	0.5	0.5	0.4		0.4	
Other expenditures	0.3	0.3	0.2	0.2		0.2	
Cut on Non-salary Exp.	0.0	0.0	0.0	-0.1		-0.1	
Revenue Surplus	-5.4	-3.2	-3.3	-2.5		-1.9	
Net Capital Receipts	0.3	-0.7	-0.5	-0.8		-	
Bank Borrowing	3.3	2.3	1.2	1.3		1.3	
Domestic Resources	-1.8	-1.6	-2.6	-2.0		-2.0	
External Resources	5.8	5.2	5.0	4.5		4.5	
Development *	3.9	3.6	2.4	2.5		2.5	

* In 1996-97 and 1997-98 Budget Estimates includes provincial expenditures also.

EXPORTS
(Values in Million \$)

Commodities	1996-97	1997-98		1998-99	% Change	
	Actuals	Plan Target	Estimates	Projections	1997-98	1998-99
I. Primary Commodities	500	730	688	875	37.6	27.2
Raw Cotton	31	248	126	278	306.8	120.5
Volume (Min Bales)	0.12	1.00	0.52	1.30	323.7	149.4
Price (Cents/Lb)	67.2	66.1	64.5	57.0	-4.0	-11.6
Total Rice	469	482	562	597	19.8	6.2
Basmati Rice	205	216	253	265	23.4	4.7
Volume (000 MT)	457	500	552	568	20.9	2.8
Price (\$/MT)	449	432	458	467	2.1	1.9
Other Rice	264	266	309	332	17.0	7.4
Volume (000 MT)	1310	1300	1539	1582	17.5	2.8
Price (\$/MT)	202	205	201	210	-0.4	4.5
II. Cotton based Manufactures	4991	5331	4885	4819	-2.5	-5.1
Yarn	1411	1375	1160	1055	-17.8	-9.0
Volume (Min Kgs)	508	500	462	439	-9.2	-4.9
Price (\$/Kg)	2.78	2.75	2.51	2.40	-9.7	-4.4
Cloth	1262	1365	1250	1113	-0.9	-11.0
Volume (Min Sq. Meter)	1257	1300	1272	1170	1.2	-8.0
Price (\$/Sq Meter)	1.00	1.05	0.98	0.95	-2.0	-3.1
Readymade Garments	734	826	746	664	1.6	-11.0
Tents and Canvas	36	30	58	46	61.4	-20.8
Hosiery	689	763	697	739	1.1	6.1
Made ups (incl. towels)	859	972	955	1002	11.1	5.0
III. Other Traditionals	1100	1122	1198	979	8.9	-18.3
Fish and Fish Preparations	149	155	172	137	15.2	-20.2
Leather	240	252	208	166	-13.4	-20.1
Carpets	199	194	200	200	0.6	-0.1
Synthetic Textiles	512	521	618	476	20.7	-23.0
IV. All Others	1729	1893	1876	2007	8.5	7.0
Total (Gross)	8320	9076	8627	8480	3.7	-1.7
Total (fob)	8096	9003	8420	8299	4.0	-1.4

IMPORTS
(Values in Million \$)

Commodities	1996-97	1997-98		1998-99	% Change	
	Actuals	Plan Target	Estimates	Projections	1997-98	1998-99
Wheat	477	550	709	249	48.6	-64.9
Volume (Million MT)	2.50	3.30	4.10	2.00	64.0	-51.2
Price (\$/MT)	190.8	166.7	172.9	124.5	-9.4	-28.0
Tea	134	160	227	233	69.4	2.6
Volume (Million Kg)	85	100	99	100	16.5	1.0
Price (\$/Kg)	1.58	1.60	2.29	2.33	45.4	1.6
Edible Oils	611	614	768	777	25.7	1.2
Palm Oil	493	413	669	678	35.7	1.3
Volume (000 MT)	858	723	1034	1034	20.5	0.0
Price (\$/MT)	574.6	571.2	647.0	655.7	12.6	1.3
Soyabean Oil	118	101	99	99	-16.1	0.0
Volume (000 MT)	199	169	144	145	-27.6	0.7
Price (\$/MT)	593.0	597.6	687.5	682.8	15.9	-0.7
POL	2246	2327	1753	1493	-22.0	-14.8
Crude Oils	581	583	454	384	-21.9	-15.4
Volume (Million barrel)	28.20	30.30	29.80	30.70	5.7	3.0
Price (\$/barrel)	20.6	19.2	15.2	12.5	-26.1	-17.9
POL Products	1665	1744	1299	1109	-22.0	-14.6
Volume (Million MT)	10.40	11.20	11.00	11.40	5.8	3.6
Price (\$/MT)	160.1	155.7	118.1	97.3	-26.2	-17.6
Fertilizers	367	257	208	203	-46.3	-2.4
Volume (000 MT)	1703	1203	1049	875	-38.4	-16.6
Price (\$/MT)	227.2	213.6	198.3	232.0	-12.7	17.0
Capital Goods (Value)	4353	5000	3250	3350	-25.3	3.1
All Others	4011	3538	4316	2861	7.6	-33.7
Total (c&f)	12219	12346	11231	9166	-8.1	-18.4
Total (fob)	11241	11368	10310	8420	-8.3	-18.3

BALANCE OF PAYMENTS

Items	(\$ Million)			
	1996-97 Actuals	1997-98 Plan Target Estimates		1998-99 Projections
TRADE BALANCE	-3145	-2365	-1890	-121
Exports (fob)	8096	9003	8420	8299
Imports (fob)	11241	11368	10310	8420
INVISIBLES BALANCE	-701	-1066	-202	-1671
Services (net)	-3659	-3662	-3409	-2991
Invisibles Receipts	1840	1899	1691	1559
Invisibles Payments	5499	5561	5100	4550
Freight & Insurance	978	977	921	746
Public & Guaranteed Debt	963	976	975	1171
Others	3558	3608	3204	2633
Private Transfers	2958	2596	3207	1320
Remittances	1409	1400	1490	1100
F.C.A.(Resident Pakistanis)	1347	1000	1476	0
Others	202	196	241	220
CURRENT ACCOUNT BALANCE	-3846	-3431	-2092	-1792
Long term capital (net)	2108	3171	1705	766
Gross Disbursements	2233	2999	2801	1451
Project Aid	1821	1602	1550	1299
Commodity Aid	2	904	627	2
Food Aid	409	489	623	150
Refugees Assistance	1	4	1	0
Other official transfers (net)	89	79	57	2
Amortization	-1797	-1911	-1879	-1982
Private long term capital (net)	1583	2004	726	-237
Errors & Omissions	66	—	518	183
BAL. REQ. OFFICIAL FINANCING	-1672	-260	131	-2375
Official assistance & debt relief	541	552	556	-1274
Debt relief	0	0	0	0
Medium/short term capital (net)	204	361	373	-707
Other short term assets/liability	228	—	238	-482
FEBC, DBC, FCBC, Eu.Bond(net)	109	191	-55	-85
OVERALL BALANCE/ NET FOREIGN ASSETS	-1131	292	687	-3649
IMF (net)	-167	-241	160	-192
Purchases	152	-	389	0
Fund SAF	-	-	-	-
Fund SBA	-	-	-	-
Repurchases	-319	-241	-229	-192
Repayment of deposits	0	0	-	-
Bank's foreign currency deposits	196	150	-612	-1502
Other deposit money banks	-97	-201	-383	39
CHANGES IN RESERVES	-1199	0	-148	472
Reserve position	1143	1238	934	1300

This includes \$ 5526 million as financing gap.

PHYSICAL TARGETS AND ACHIEVEMENTS

Crops	Unit	1997-98		1998-99 Target	% change over 1997-98
		Target	Achievement		
A. CROPS					
Wheat	000*Tonnes	18000.0	18787.0	19500.0	3.8
Rice	"	4394.0	4333.0	4394.0	1.4
Basmati	"	1486.0	1343.0	1486.0	10.6
Others	"	2908.0	2990.0	2908.0	-2.7
Maize	"	1501.3	1251.0	1501.0	20.0
Others	"	670.0	600.0	607.0	1.2
Gram	"	680.0	772.0	800.0	3.6
Sugarcane	"	48000.0	53105.0	51660.0	-2.7
Cotton (Lint)*	Million Bales	10.0	9.2	10.5	14.1
Oilseeds					
Cottonseed	000*Tonnes	3402.0	3129.8	3572.1	14.1
Rape & Mustard	"	491.0	230.0	310.0	34.8
Non-Traditional	"	443.0	183.7	293.2	59.6
Potato	"	1205.0	1465.5	1465.5	0.0
Onion	"	1160.0	1177.0	1177.0	0.0
B. Livestock Products					
Milk	000*Tonnes	22039.0	22039.0	23141.0	5.0
Meat	"	2585.0	2541.0	2680.0	5.5
Beef	"	1082.0	1082.0	1136.0	5.0
Mutton	"	1075.0	1075.0	1145.0	6.5
Poultry	"	428.0	384.0	399.0	3.9

Source: Ministry of Food, Agriculture and Livestock.

S.A. Table 8.2**'FINANCIAL ALLOCATION AND UTILIZATION**

(Million Rs)

Executing Agency	1997-98		Per cent utilization
	Allocation	Utilization	
Federal	459.8	272.1	59.2
Punjab	313.2	303.1	96.8
Sindh	108.2	98.2	90.8
NWFP	81.2	131.4	161.8
Balochistan	181.1	135.5	74.8
Total	1143.5	940.3	82.2

Source : Federal and Provincial PSDPs 1998-99.

**PUBLIC SECTOR DEVELOPMENT PROGRAMME
All Pakistan**

S.No	Sub-sector	1997-98		1998-99 Allocation	(Million Rs) % change over actual 1997-98
		Allocation	Utilization		
1.	Agriculture Research	484.5	326.0	158.1	-51.5
2.	Agriculture Extension	55.5	70.2	227.9	224.6
3.	Oilseed Maximization Programme	17.4	8.4	11.2	33.3
4.	Agriculture Marketing	0.3	0.3	0.5	66.7
5.	Agriculture Education	17.5	12.9	44.5	154.3
6.	Improved Seed	1.6	4.7	55.8	1087.2
7.	Agriculture Economics & Statistics	7.4	21.7	12.8	-41.0
8.	Soil and Fertilizer	35.9	40.3	35.0	-13.2
9.	Plant Protection	1.6	1.0	4.2	320.0
10.	Soil Conservation and Land Development.	0.5	0.0	5.0	0.0
11.	Livestock & Poultry Development	155.3	121.2	38.5	-68.2
12.	Forestry and Wildlife	196.3	190.4	210.2	10.4
13.	Range Management	1.8	1.8	0.0	0.0
14.	Fisheries	67.3	50.1	32.3	-35.5
15.	Cooperatives	2.3	9.3	2.7	-71.0
16.	Government Storages	8.5	8.5	0.0	0.0
17.	Agriculture Mechanization	54.6	38.3	259.8	578.3
18.	Watershed Management	35.2	35.2	0.1	-99.7
Total Agriculture		1143.5	940.3	1098.6	16.8

Source:- Federal and Provincial PSDPs 1998-99.

**PUBLIC SECTOR DEVELOPMENT PROGRAMME
Federal**

(Million Rs.)

S.No	Sub-sector	1997-98		1998-99	% change over actual 1997-98
		Allocation	Utilization	Allocation	
1.	Agriculture Research	323.8	166.3	29.4	-82.3
2.	Agriculture Extension	38.1	2.4	126.8	5183.3
3.	Oilseed Maximization Programme	17.4	8.4	11.2	32.9
4.	Agriculture Marketing	0.3	0.3	5.0	1528.7
5.	Agriculture Education	17.4	12.8	43.1	236.4
6.	Improved Seed	1.0	0.1	1.0	900.0
7.	Agriculture Economics & Statistics	4.8	19.1	10.0	-47.6
8.	Soil and Fertilizer	16.4	32.2	18.3	-43.1
9.	Plant Protection	1.6	1.0	0.0	0.0
10.	Soil Conservation and Land Development.	0.0			
11.	Livestock & Poultry Development	0.0	0.0	3.2	0.0
12.	Forestry and Wildlife	0.0			
13.	Range Management	0.0			
14.	Fisheries	39.1	29.5	5.9	-80.2
15.	Cooperatives	0.0			
16.	Government Storage	0.0			
17.	Agri. Mechanization	0.0	0.0	236.8	0.0
18.	Watershed Management				
Total Agriculture		459.8	272.1	490.6	80.3

Source:- Federal PSDP 1998-99.

**PUBLIC SECTOR DEVELOPMENT PROGRAMME
ALL PROVINCES**

(Million R's)

S.No.	Sub-sector	1997-98		1998-99	% change over actual 1997-98
		Allocation	Utilization	Allocation	
1.	Agriculture Research	160.7	159.7	128.7	-19.4
2.	Agriculture Extension	17.4	67.8	101.1	49.1
3.	Oilseed Maximization Programme	0.0	0.0	0.0	0.0
4.	Agriculture Marketing	0.0	0.0	0.0	0.0
5.	Agriculture Education	0.1	0.1	1.5	1499.0
6.	Improved Seed	0.6	4.6	54.8	1097.3
7.	Agriculture Economics & Statistics	2.6	2.6	2.8	7.7
8.	Soil and Fertilizer	19.5	8.1	16.7	-16.2
9.	Plant Protection	0.0	0.0	4.2	0.0
10.	Soil Conservation and Land Development	0.5	0.0	0.5	0.0
11.	Livestock & Poultry Development	155.4	121.2	35.3	-70.9
12.	Forestry and Wildlife	196.3	190.4	210.2	10.4
13.	Range Management	1.8	1.8	0.0	0.0
14.	Fisheries	28.2	20.6	26.4	-28.2
15.	Cooperatives	2.3	9.3	2.7	-71.0
16.	Government Storages	8.5	8.5	0.0	0.0
17.	Agriculture Mechanization	54.6	38.3	23.0	-39.9
18.	Watershed Management	35.2	35.2	0.1	-99.7
	Total Agriculture	683.7	668.2	608.0	-9.0

Source:- Provincial PSDPs 1998-99.

**PUBLIC SECTOR DEVELOPMENT PROGRAMME
Punjab**

S.No.	Sub-sector	1997-98		1998-99	% change over actual 1997-98
		Allocation	Utilization	Allocation	
1.	Agriculture Research	76.6	76.6	119.7	56.4
2.	Agriculture Extension	0.2	0.6	15.4	2466.7
3.	Oilseed Maximization Programme	0.0			
4.	Agriculture Marketing	0.0			
5.	Agriculture Education	0.0			
6.	Improved Seed	0.0	0.0	50.0	0.0
7.	Agriculture Economics & Statistics	0.1	1.1	2.2	100.0
8.	Soil and Fertilizer	19.5	8.1	14.4	77.8
9.	Plant Protection	0.0	0.0	0.8	0.0
10.	Soil Conservation and Land Development.	0.0	0.0	0.5	0.0
11.	Livestock & Poultry Development	78.5	78.5	0.8	-99.0
12.	Forestry and Wildlife	105.0	105.9	97.7	-7.8
13.	Range Management	1.8	1.8	0.0	0.0
14.	Fisheries	3.6	3.6	1.4	-61.1
15.	Cooperatives	2.1	2.1	0.0	0.0
16.	Government Storages	1.6	1.6	0.0	0.0
17.	Agriculture Mechanization	23.2	23.2	3.0	-87.1
18.	Watershed Management				
Total Agriculture		313.2	303.1	305.9	0.9

*Excludes Rs. 367.5 million and Rs. 0.75 million for projects reflected under Water Resources and Environment Sectors respectively.

Source: Balochistan PSDP, 1998-99.

PUBLIC SECTOR DEVELOPMENT PROGRAMME**Sindh**

(Million Rs.)

S.No.	Sub-sector	1997-98 Allocation	Utilization	1998-99 Allocation	% change over actual 1997-98
1.	Agriculture Research	22.5	21.5	0.5	- 97.7
2.	Agriculture Extension	3.5	6.5	11.4	74.1
3.	Oilseed Maximization Programme	0.0			
4.	Agriculture Marketing	0.0			
5.	Agriculture Education	0.0			
6.	Improved Seed	0.0			
7.	Agriculture Economics & Statistics	0.0			
8.	Soil and Fertilizer	0.0	0.0	2.3	0.0
9.	Plant Protection	0.0	0.0	3.3	0.0
10.	Soil Conservation and Land Development.	0.0			
11.	Livestock & Poultry Development	10.1	13.6	12.6	-7.4
12.	Forestry and Wildlife	40.0	34.5	46.6	35.1
13.	Range Management	0.0			
14.	Fisheries	12.4	11.4	4.5	-60.5
15.	Cooperatives	0.0	7.0	2.7	-61.4
16.	Government Storages	3.7	3.7	0.0	0.0
17.	Agriculture Mechanization	16.0	0.0	16.0	0.0
18.	Watershed Management	0.0			
Total Agriculture		108.2	98.2	99.9	1.7

*Excludes Rs.27.0 million for projects reflected under Water Resources Sector.

Source: Sindh PSDP, 1998-99.

PUBLIC SECTOR DEVELOPMENT PROGRAMME

NWFP

S.No.	Sub-sector	1997-98		1998-99	(Million Rs.) % change over actual 1997-98
		Allocation	Utilization	Allocatoion	
1.	Agriculture Research	9.0	9.0	8.5	-5.6
2.	Agriculture Extension	13.7	60.7	74.3	22.4
3.	Oilseed Maximization Programme	0.0			
4.	Agriculture Marketing	0.0			
5.	Agriculture Education	0.0	0.0	1.5	0.0
6.	Improved Seed	0.6	4.6	4.8	4.2
7.	Agriculture Economics & Statistics	1.5	1.5	0.6	60.0
8.	Soil and Fertilizer	0.0			
9.	Plant Protection	0.0	0.0	0.1	0.0
10.	Soil Conservation and Land Development.	0.5	0.0	0.0	0.0
11.	Livestock & Poultry Development	5.0	3.6	1.5	58.6
12.	Forestry and Wildlife	47.1	46.1	62.4	35.4
13.	Range Management	0.0	0.0	0.0	0.0
14.	Fisheries	3.2	5.6	15.9	183.9
15.	Cooperatives	0.2	0.2	0.0	0.0
16.	Government Storages	0.0	0.0	0.0	0.0
17.	Agriculture Mechanization	0.4	0.1	2.5	2400.0
18.	Watershed Management	0.0	0.0	0.1	0.0
Total Agriculture		81.2	131.4	172.2	31.1

*Excludes Rs. 28.133 million for projects reflected under Water Resources.

Source: NWFP PSDP, 1998-99.

PUBLIC SECTOR DEVELOPMENT PROGRAMME**Balochistan**

(Million Rs.)

S.No.	Sub-sector	1997-98		1998-99 Allocation	% change over actual 1997-98
		Allocation	Utilization		
1.	Agriculture Research	52.6	52.6	0.0	0.0
2.	Agriculture Extension	0.0			
3.	Oilseed Maximization Programme	0.0			
4.	Agriculture Marketing	0.0			
5.	Agriculture Education	0.1	0.1	0.0	0.0
6.	Improved Seed	0.0			
7.	Agriculture Economics & Statistics	0.0			
8.	Soil and Fertilizer	0.0			
9.	Plant Protection	0.0			
10.	Soil Conservation and Land Development.	0.0			
11.	Livestock & Poultry Development	61.8	25.5	20.4	-20.0
12.	Forestry and Wildlife	4.2	3.9	3.5	-10.3
13.	Range Management	0.0			
14.	Fisheries	9.0	0.0	4.6	0.0
15.	Cooperatives	0.0	0.0	0.0	0.0
16.	Government Storages	3.2	3.2		
17.	Agriculture Mechanization	15.0	15.0	1.5	-90.0
18.	Watershed Management	35.2	35.2		
Total Agriculture		181.1	135.5	30.0	-77.9

*Excludes Rs. 52.314 million and Rs. 10.0 million for projects reflected under Water Resources and Environment Sectors respectively.

Source: Balochistan PSDP, 1998-99

SUPPORT/PROCUREMENT PRICES OF AGRICULTURAL CROPS

(Rs. per 40 kg)

Sr. No.	Crops	1996-97	1997-98	1998-99
1.	Wheat	185.00	240.00	
2.	Rice (Paddy)			
	a) Super Basmati	-	360.00	400.00
	b) Basmati-385	255.30	310.00	330.00
	c) IRRI-6 (FAQ)	128.80	153.00	175.00
	d) KS-282, DR-82, 83 & 92 (FAQ)	142.60	167.00	190.00
3.	Seed Cotton			
	a) NIAB 78 & 86, CIM 109 & 240 FH 87 & 682, CRIS 9, MNH 147 and Gohar 87	500.00	500.00	
	b) MNH 93, S 14, Rehmani, K 68/9, MS-84, Shaheen and Reshmi	540.00	540.00	
	c) Desi	440.00	440.00	
4.	Oilseed			
	a) Soyabean	345.00	345.00	
	b) Sunflower	450.00	450.00	
	c) Safflower	300.00	300.00	
	d) Canola	450.00	450.00	
5.	Sugarcane			
	a) Punjab and NWFP	24.00	35.00	35.00
	b) Sindh and Balochistan	24.50	36.00	36.00
6.	Vegetables			
	a) Potato	115.00	145.00	
	b) Onion	100.00	125.00	
7.	Gram	400.00	425.00	

Source: Ministry of Food, Agriculture and Livestock.

PHYSICAL ACHIEVEMENTS/TARGETS FOR LIVESTOCK PRODUCTS

S.No.	Item	Unit	1997-98 Achievement	1998-99 Target
1.	Milk			
	a. Gross Production	Million Tons	22.0	23.1
	b. Available for human consumption.	" "	17.6	18.5
2.	Meat	'000' Tons	2541	2680
	a. Beef	" "	1082	1136
	b. Mutton	" "	1075	1145
	c. Poultry	" "	384	399
3.	Eggs	Billion Nos.	6.1	6.3
4.	Hides	Million Nos.	6.7	7.1
5.	Skins	" "	43.7	45.3
6.	Wool	'000' Tons	57.2	58.6

Source : Ministry of Food, Agriculture and Livestock.

INSTITUTIONAL PERFORMANCE IN ANIMAL HUSBANDRY SUB-SECTOR

S.No.	Item	Unit	1997-98 Achievement	1998-99 Target
Infrastructure				
1.	Veterinary Research Institutes	Numbers	5	5
2.	Disease Diagnostic Laboratories	"	36	42
3.	Veterinary Hospitals	"	780	780
4.	Veterinary Dispensaries	"	1990	1995
5.	Veterinary Centres	"	2798	2798
6.	Semen Production Units	"	7	7
7.	Artificial Insemination Centres	"	247	252
8.	Artificial Insemination sub-centres	"	742	742
9.	Animals Inseminated	Million Nos.	1.17	1.19
10.	Vaccine Production Units	Numbers	5	5
11.	Vaccine Production	Million Dozes	184.13	185.13
12.	Animals Vaccinated	Million Nos.	27.06	23.47
13.	Animals Treated	Million Nos.	16.92	14.07
Livestock Farms				
14.	Breeding	Numbers	35	35
15.	Dairy	"	99	99
16.	Experimental	"	20	20
Animal Fattening Farms				
17.	Government Farms	Numbers	7	7
	- Sheep and Goat	"	5	5
	- Cattle	"	2	2
18.	Private Feed Lot Units	"	170	278
Poultry				
19.	Hatcheries	Numbers	250	250
20.	Actual output of hatcheries	Million Nos.	242.73	252.69
	a. Broiler Chicks	"	204.28	209.76
	b. Layer Chicks	"	35.52	39.55
	c. Breeder Chicks	"	2.93	3.38
21.	Feed Mills	Numbers	126	127
	- Installed Capacity	000 tonnes	2950	3010

Source : Livestock Departments of Provincial Governments.

PHYSICAL ACHIEVEMENTS/TARGETS FOR FORESTRY SUB-SECTOR

S.No.	Item	Unit	1997-98 Achievement	1998-99 Target
1.	Compact plantation	'000' Hectares	78.4	80.5
2.	Linear plantation	Avenue Kilometers	681	725
3.	Nursery raising	Hectares	290	300
4.	Distribution of plants	Million Nos.	208	216
5.	Wood production from Government Forests:	'000' Cu.M.	864	875
	a. Timber	" "	436	439
	b. Firewood	" "	428	436

Source : Ministry of Environment, Local Government and Rural Development.

PERFORMANCE OF FISHERIES SUB-SECTOR

S.No.	Item	Unit	1997-98 Achievement	1998-99 Target
1.	Fish Production	000 Tons	597.0	630.0
	a. Marine	" "	422.0	440.0
	b. Inland	" "	175.0	190.0
2.	Fishing crafts	Numbers	24885	25040
	a. Marine	"	12890	12940
	Gill-nets	"	2980	2990
	Trawlers	"	2350	2370
	Motorized boats	"	7560	7580
	b. Inland	"	11995	12100
	Motorized boats	"	495	500
	Sail boats	"	11500	11600
3.	Population of fishermen	"	404210	404500
	a. Marine	"	113750	113850
	b. Inland	"	290460	290650
4.	Processing Plants	"	26	26
	Freezing	"	17	17
	Canning	"	1	1
	Fishmeal	"	8	8

Source: Ministry of Food, Agriculture and Livestock.

S.A. Table-9.1

DISTRIBUTION OF EXPENDITURE FOR 1997-98 AND ALLOCATION FOR 1998-99

(Rs. Million)

Sector/Sub-Sector	Federal		Punjab		Sindh		N.W.F.P		Balochistan		Total Provincial		Federal + Provincial	
	Revised estimate 1997-98	Allocation for 1998-99												
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
IBP/Tarbela	53.53	10.00	-	-	-	-	-	-	-	-	-	-	53.53	10.00
Irrigation	2155.91	3800.00	910.40	909.72	320.96	418.09	363.65	422.58	386.70	429.67	1971.72	2180.06	4127.63	5980.06
Drainage and Reclamation	6284.03	7701.14	239.75	958.07	770.00	1257.00	40.00	120.02	34.09	105.50	1083.84	2440.58	7367.87	10141.73
Flood Control	629.94	995.00	346.81	329.80	0.00	0.00	0.00	32.49	9.95	9.50	366.76	371.79	986.70	1366.79
O.F.W.M	13.23	659.32	274.40	1375.09	97.00	67.00	16.77	17.98	207.19	230.21	595.36	1710.29	608.59	2369.61
Survey Investigation and Research	29.24	39.00	17.10	24.88	1.00	7.77	3.90	56.51	7.50	20.00	29.50	111.16	58.74	150.16
Others*	167.500	200.416	0.000	0.000	0.000	0.00	-	-	-	-	-	-	-	-
Total Water	9333.38	13404.88	1788.45	3597.55	1188.96	1788.87	414.32	651.58	645.43	794.88	4037.17	6813.88	13370.55	20218.76

* Acc. Water Management, Kinher Canal and M/O Defence

KEY PHYSICAL TARGETS 1998-99**(Federal)**

S.No	Sector	Unit	Target 1997-98	Achievement 1997-98	Target 1998-99
A: WAPDA					
1.	Water Availability	MHM MAF	16.44 133.28	16.44 133.28	16.62 134.72
2.	Surface Irrigation	MCM	17.90	9.6	16.68
3.	Area Protected (Disastrous)	Mha	0.30	0.28	0.39
4.	SCARP Tubewells				
	a) Drilling	No	129	37	182
	b) Energization	No	838	211	627
	c) Transition to Private Sector	No	560	582	570
5.	Surface Drains	MCM	10.05	5.75	6.85
6.	Tile drains	Km	1263	901	813
C: Flood Control Programme:					
7.	a) Earth work	MCM	1.70	1.70	8.09
8.	b) Stone work	MCM	0.16	0.16	0.76
B: Water Management					
9.	Watercourse Improvement	No	1040	1376	123
10.	Precision Land levelling	Ha	2955	3720	0.00
11.	Demonstration Center	No	63	127	39

Source: WAPDA, Flood Commission Provincial, OMWM Directorate (Fed. Cell) and Irrigation/Agriculture Departments.

**Physical Targets and Achievements
(PUNJAB)**

Item	Unit	1997-98		1998-99
		Target	Achievement	(Target)
1- Survey & Investigation				
a. Reconnaissance Survey	Sq.K.M	0.00	0.00	100.00
b. Topographic Survey	"	0.00	0.00	100.00
c. Detailed Investigation (Dam site)	No.	0	0	0
d. Investigation for Surface Water deve- lopment Scheme	No.	2	2	2
e. Other	No.	0	0	0
2- Irrigation				
a. Extension of Canals	K.M	7.00	0.00	5.00
b. Remodelling of Canals	"	25.00	10.00	30.00
c. Rehabilitation of Canals	"	50.00	50.00	60.00
d. Enlargement of Canals	"	0.00	0.00	0.00
e. Remodelling of Structure	No	0	0	0
f. New Structures	"	0	0	0
g. Residential accommodation	"	0	0	0
h. Metalled Road	K.M	0.00	0.00	0.00
i. Public tubewells rehab.	No	0	0	0
j. Small Dams	No	0	0	0
k. Pumping Station	No	0	0	0
l. Subsidised Tubewells	No	0	0	0
m. Cropped Area benefitted		0.00	800.00	1000.00
3. Drainage & Reclamation				
a. Extension & Remodelling of Open Drains	K.M	10.00	9.00	10.00
b. Area Protected	Sq.KM	40.00	36.00	40.00
c. Strengthening/restoration	K.M	0.00	0.00	0.00
d. Structures	No	0	0	0
4. Flood protection				
a. Extension of Flood Embankment	K.M	0.00	10.00	0.00
b. Stone Pitching	MCM	0.00	0.38	0.00
c. Strengthening/restoration	K.M	0.00	0.00	0.00
d. Structure	No.	0	0	0
e. Earth Work	MCM	0.00	2.00	0.00
5. Water Management				
a. Water-courses Improved	NO.	1552	260	1304
b. Water-courses Cleared	No.	0	0	0
c. Precision Land Levelling	Ha	9578.00	1605.95	8047.81
d. Training	No..	16899	2833	14199
e. Water Storage Tank	No.	-	-	-

**Physical Targets and Achievements
(SINDH)**

Item	Unit	1997-98		1998-99
		Target	Achievement	(Target)
1- Survey & Investigation				
a. Reconnaissance Survey	Sq.K.M	74.00	42.92	47.21
b. Topographic Survey	"	0.00	0.00	0.00
c. Detailed Investigation (Dam site)	No.	0	0	0
d. Investigation for Surface Water deve- lopment Schemes	"	0	0	0
e. Others	"	0	0	0
2- Irrigation				
a. Extension of Canals	K.M	96.00	55.68	61.25
b. Remodelling of Canals	"	115.00	66.70	73.37
c. Rehabilitation of Canals	"	0.00	0.00	0.00
d. Enlargement of Canals	"	1.00	0.58	0.64
e. Remodelling of Structure	No	14	8	8.93
f. New Structures	"	158	92	100.80
g. Residential accommodation	"	11	6	7.02
h. Metalled Road	K.M	0.00	0.00	0
i. Public tubewells rehab.	No	0	0	0
j. Small Dams	No	0	0	0
k. Pumping Station	No	19	11	12
l. Subsidised Tubewells	No	283	164	181
m. Cropped Area benefitted	Ha	1040.00	603.20	663.52
3. Drainage & Reclamation				
a. Extension & Remodelling of Open Drains	K.M	8.00	4.64	5.10
b. Area Protected	Ha	29.00	16.82	18.50
c. Strengthening/restoration	K.M	0.00	0.00	0.00
d. Structures	No	0	0	0.00
4. Flood protection				
a. Extension of Flood Embankment	K.M	0.00	0.00	0.00
b. Stone Pitching	MCM	0.20	0.12	0.13
c. Strengthening/restoration	K.M	0.00	0.00	0.00
d. Structure	No.	0	0	0.00
e. Earth Work	MCM	0.60	0.35	0.38
5. Water Management				
a. Water-courses Improved	NO.	1552	900	990.18
b. Water-courses Cleared	No.	0	0	0.00
c. Precision Land Levelling	Ha	9578.00	5555.24	6110.76
d. Training	No..	16899	9801	10782
e. Water Storage Tank	No.	0	0	0

**Physical Targets and Achievements
(NWFP)**

Item	Unit	1997-98		1998-99
		Target	Achievement	(Target)
1- Survey & Investigation				
a. Reconnaissance Survey	Sq.K.M	0.00	0.00	0.00
b. Topographic Survey	"	0.00	0.00	0.00
c. Detailed Investigation (Dam site)	No.	0	0.00	0
d. Investigation for Surface Water deve- lopment Scheme	No.	0	0.00	0
			0.00	
			0.00	
2- Irrigation				
a. Extension of Canals	K.M	2.00	1.56	3.53
b. Remodelling of Canals	"	1.00	0.78	1.77
c. Rehabilitation of Canals	"	0.00	0.00	0.00
d. Enlargement of Canals	"	0.00	0.00	0.00
e. Remodelling of Structure	No	0	0	0
f. New Structures	"	0	0	0
g. Residential accommodation	"	0	0	0
h. Metalled Road	K.M	0.00	0.00	0.00
i. Public tubewells	No	4	3	7
j. Small Dams(E/Work)	No	0	0	0
k. Pumping Station	No	0	0	0
l. Subsidised Tubewells	No	0	0	0
m. Cropped Area benefitted	Ha	3439.00	2682.42	3880.00
3. Drainage and Reclamation				
a. Extension & Remodelling of Open Drains	K.M	0.00	0.00	0.00
b. Area Protected	Ha	0.00	0.00	0.00
c. Strengthening/restoration	K.M	0.00	0.00	0.00
d. Structures	No	0	0	0
4. Flood protection				
a. Extension of Flood Embankment	K.M	0.00	0.00	0.00
b. Stone Pitching	MCM	0.00	0.00	0.00
c. Strengthening/restoration	K.M	0.00	0.00	0.00
d. Structure	No.	0	0	0
e. Earth Work	MCM	0.00	0.00	0.00
5. Water Management				
a. Water-courses Improved	NO.	170	170	316
b. Water-courses Cleared	No.	0	0	0
c. Precision Land Levelling	Ha	909.00	909.00	1336
d. Training of personal	No..	450	450	300
e. Water Storage Tank	No.	15	15	0

**Physical Targets and Achievements
(BALOCHISTAN)**

Item	Unit	1997-98		1998-99 (Target)
		Target	Achievement	
1- Survey & Investigation				
a. Reconnaissance Survey (Dam site)	Sq.K.M	2052.00	1641.60	4377.60
b. Topographic Survey	"	905.00	724.00	1930.67
c. Detailed Investigation (Dam site)	No.	23	18	49
d. Investigation for Surface Water deve- lopment Scheme	No.	20	16	43
e. Other	NO	17	14	36
2- Irrigation				
a. Extension of Canals	K.M	36.00	28.80	32.00
b. Remodelling of Canals	"	2227.00	1781.60	1979.56
c. Rehabilitation of Canals	"	58.00	46.40	51.56
d. Enlargement of Canals	"	0.00	0.00	0.00
e. Remodelling of Structure	No	383	306	340
f. New Structures	"	24	19	21
g. Residential accommodation	"	11	9	10
h. Metalled Road	K.M	0	0.00	0
i. Public tubewells	No	0	0	0
j. Small Dams	No	53	42	47
k. Pumping Station	No	0	0	0
l. Subsidised Tubewells	No	0	0	0
m. Cropped Area benefitted	Ha	85814.0	68651.20	93418
3. Drainage & Reclamation				
a. Extension & Remodelling of Open Drains	K.M	83.00	66.40	205.50
b. Area Protected	Ha	7649.00	6119.20	18938.50
c. Strengthening/restoration	K.M	110.00	88.00	272.35
d. Structures	No	6	5	15
4. Flood protection				
a. Extension of Flood Embankment	K.M	36.00	28.80	27.50
b. Stone Pitching	MCM	1.00	0.80	0.76
c. Strengthening/restoration	K.M	31.00	24.80	23.68
d. Structure	No.	116	93	89
e. Earth Work	MCM	6.00	5	4.58
5. Water Management				
a. Water-courses Improved	NO.	118	94	105
b. Precision Land Levelling	Ha.	834.00	667.20	741.33
c. Demonstration Plot	No..	19	15	17
d. Water Storage Tank	No.	65	52	58
e. Sailaba Rehabilitation	No.	10	8	9

INDUSTRIAL PRODUCTION

ITEM	UNIT	1996-97 (Revised)	1997-98		1998-99	Percentage Change	
			Targets	Prov.	Targets	1997-98 / 1996-97	1998-99/ 1997-98
1	2	3	4	5	6	7	8
Sugar	(000MT)	2383.0	2706.0	3554.8	3500.0	49.2	-1.5
Jute Goods	(000MT)	68.8	70.5	92.0	98.0	33.7	6.6
Cement	(000MT)	9536	9935.6	9364.0	10465.0	-1.8	11.8
Paper & Board	(000MT)	346.6	360.1	334.8	347.0	-0.5	0.6
Fertilizer (N)	(000MT)	1682.4	1825.6	1660.4	1900.0	-1.3	14.4
Soda Ash	(000MT)	247.0	276.0	239.3	246.0	-3.1	2.8
Caustic Soda	(000MT)	118.2	127.7	115.7	121.0	-2.1	4.6
Billets	(000MT)	378.5	415.3	348.1	380.0	-8.0	9.1
H&CR Sheets	(000MT)	672.7	731.3	642.7	700.0	-4.5	8.9
Cotton Yarn	(000MT)	1520.8	1634.9	1533.1	1634.0	0.8	6.6
Cotton Cloth	(Mln Sq M)	333.5	366.7	339.9	360.0	1.9	5.9
Cigarettes	(Bln Nos)	46.1	49.2	48.2	51.0	4.6	5.8
Motor Tyres	(000 Nos)	525.0	574.1	441.0	500.0	-16.0	13.4
Trucks/Buses	(000 Nos)	3.3	1.8	2.3	2.5	-30.4	9.6
LCVs/Cars/ Vehicles	(000 Nos)	43.6	53.3	46.0	51.0	5.6	10.8
Bicycles	(000 Nos)	432.4	436.8	452.1	460.0	4.6	1.7
Tractors	(000 Nos)	10.4	12.0	14.0	15.0	34.5	7.1
Sewing Machines	(000 Nos)	61.1	60.8	36.4	39.0	-40.5	7.2
Air Conditioners	(000 Nos)	2.1	2.3	2.6	3.0	22.6	17.0
Electric Motors	(000 Nos)	22.6	25.2	27.3	28.0	20.5	2.7
Cotton Ginning	(Mln Bales)	9.4	10.0	9.2	10.5	-2.0	14.3
Petroleum Products	(Mln Ltr)	7166.8	7864.1	7463.0	7700.0	4.1	3.2

SOURCE: *Federal Bureau of Statistics*

FINANCIAL ALLOCATION (1998-99) & UTILIZATION (1997-98)

S.No	Ministry / Division / Executing Agency / Project	1997 - 98		% Achievement of 1997-98 (Utiliz./alloc.)	1998-99 Allocation	(Rs in million)	
		Allocation Total/F.Aid)	Utilization **			% Increase (+) /decrease (-) of 1998-99 (Allocation) over 1997-98 (Utiliz.)	% Increase /decrease of 1998-99 (Allocation) over 1997-98 (Alloc.)
1	2	3	4	5	6	7	8
I.	FEDERAL - BUDGET (A....C)	530.081	556.380	105%	631.000	13%	19%
A.	MINISTRY OF INDUSTRIES & PRODUCTION	521.391	521.390	100%	567.000	9%	9%
1.	Peoples Steel Mills	521.391	521.390	100%	567.000	9%	9%
B.	Cabinet Division (Board of Investment)	8.690	8.690	100%	30.000	245%	245%
2.	Establishment of Spl. Industrial Zone	8.690	8.690	100%	30.000	245%	245%
C.	KA&NA AND SAFRON DIVISION	0.000	26.300	-	34.000	29%	-
3.	Small Industrial Corporation, Azad Kashmir	0.000	26.300	-	34.000	29%	-
4.	Northern Areas	0.000	0.000	-	0.000	-	-
5.	Federally Administered Tribal Areas Development Corporation (FATA/DC)	0.000 0.000	0.000 0.000	-	0.000 0.000	-	-
II.	PROVINCIAL - BUDGET (D.....G)	147.530	85.504	65%	662.185	593%	349%
D.	PUNJAB	133.970	87.710	65%	639.591	629%	377%
6.	Punjab Small Industries Corporation	133.970	87.710	65%	639.591	629%	377%
E.	SINDH	5.000	5.000	-	8.060	61%	61%
7.	Sindh Small Industries Corporation	5.000	5.000	100%	8.060	61%	61%
F.	NWFP	8.560	2.794	-	5.834	109%	-32%
8.	Small Industries Dev. Board	8.560	2.794	33%	5.834	109%	-32%
G.	BALUCHISTAN	0.000	0.000	-	8.700	-	-
9.	Industrial Estates Baluchistan	0.000 0.000	0.000 0.000	-	8.700 0.000	-	-
TOTAL MANUFACTURING (I+II)		677.611	651.884	96%	1293.185	88%	91%

Sources:

* Detail Annual Plan 1997-98

** Concerned Ministries / Divisions / Departments / Executing Agencies

FINANCIAL ALLOCATION (1998-99) & UTILIZATION (1997-98)
MINERAL SECTOR

S.No	Ministry / Division / Executing Agency	1997 - 98		%	1998-99	1998-99	
		Allocation Total(F.Aid)	Utilization **			Achievement of 1997-98 (Utiliz./alloc.)	Allocation
1	2	3	4	5	6	7	8
I. FEDERAL - BUDGET (A.....B)		414.758	408.758	98%	675.737	66%	63%
A. MINISTRY OF PETROLEUM AND NATURAL RESOURCES		384.758	384.758	100%	648.457	69%	69%
	(JICA 20.00)						
1. Geological Survey of Pakistan (GSP)		26.078	26.078	100%	10.000	-62%	-62%
	(JICA 20.00)						
2. Saindak Metals Limited (SML)		358.680	358.680	100%	638.457	78%	78%
B. KA&NA AND SAFFRON DIVISION		30.000	22.000	73%	27.280	24%	-9%
3. Azad Kashmir Minerals and Industrial Development Corporation (AKMIDC)		8.000	7.000	88%	7.000	0%	-13%
4. Northern Areas		15.000	15.000	100%	20.280	35%	35%
5. Federally Administered Tribal Areas Development Corporation (FATA/DC)		7.000	0.000	0%	0.000	-	-100%
II. PROVINCIAL - BUDGET (C.....F)		8.770	13.245	138%	21.629	63%	121%
C. PUNJAB		1.500	2.462	164%	10.409	323%	594%
6. Punjab Mineral Development Corporation (PUNJMIN DC.)		1.500	2.462	164%	10.409	323%	594%
D. SINDH		0.000	0.000	-	0.000	-	-
7. Directorate of Mineral Development, Sindh		0.000	0.000	-	0.000	-	-
E. NWFP		6.050	8.783	145%	7.800	-10%	31%
8. Sarhad Development Authority (SDA)		6.050	8.783	145%	7.800	-10%	31%
F. BALUCHISTAN		2.220	2.000	90%	3.320	66%	50%
9. Directorate of Mineral Development, Baluchistan		2.220	2.000	90%	3.320	66%	50%
TOTAL MINERALS (I+II)		424.528	420.003	99%	697.366	66%	64%

Sources:

* Detailed Annual Plan 1997-98

** Concerned Ministries / Divisions / Departments / Executing Agencies

**PRODUCTION OF SELECTED MINERALS
DURING
(1995-96, 1996-97 & 1997-98)
AND
PROJECTION / TARGETS FIXED FOR (1998-1999)**

Sr. No.	MINERALS	UNITS	Actual	Actual	Production (Revised) 1997-98	Targets Fixed for 1998-99
			Production 1995-96	Production 1996-97		
1	2	3	4	5	6	7
1.	Aragonite/ Marble	(000 Tonnes)	458	450	335	414
2.	China Clay	(000 Tonnes)	43	66	66	58
3.	Celestite	(Tonnes)	762	792	445	666
4.	Chromite	(000 Tonnes)	27	34	25	29
5.	Coal	(000 Tonnes)	3638	3553	3450	3780
6.	Dolomite	(Tonnes)	185115	200820	116000	167312
7.	Fire Clay	(000 Tonnes)	112	109	115	112
8.	Fuller's Earth	(000 Tonnes)	18	12	14	15
9.	Gypsum/ Anhydrite	(000 Tonnes)	420	521	307	416
10.	Limestone	(000 Tonnes)	9740	9488	9941	9723
11.	Magnesite	(Tonnes)	14981	6589	9678	10416
12.	Rock Salt	(000 Tonnes)	958	1066	961	995
13.	Silica Sand	(000 Tonnes)	184	155	130	156
14.	Ochre	(Tonnes)	8081	2047	3000	4376
15.	Sulphur	(Tonnes)	20	290	293	201
16.	Soapstone	(000 Tonnes)	40	45	49	45
17.	Barytes (Barite)	(000 Tonnes)	14	30	32	25
18.	Bauxite/Laterite	(Tonnes)	19554	34791	25000	26448
19.	Iron Ore	(Tonnes)	6046	4576	4000	4874

Sources:

Federal Bureau of Statistics, Mining and Energy Statistics Section, Islamabad.

Economic Survey (1997-98), Economic Adviser's Wing, Finance Division, Islamabad.

Mineral Wing, Ministry of Petroleum and Natural Resources, Islamabad.

FIELD WISE CRUDE PRODUCTION

No	Field	Main Operator	(BOPD)					
			1996-97 Actual	1997-98		% change in		% change in 1996-99 over 1997-98
				Target	Achievement	1997-98 over 1996-97	1998-99 Target	
OGDC								
1	Tando Alam	OGDC	808	1200	1046	29.46%	2100	100.76%
2	Thora	.	2139	1600	1510	-29.41%	650	-56.95%
3	Sono	.	1875	1400	1896	1.12%	550	-70.99%
4	Pasakhi & Pasakhi N	.	2716	2000	3142	15.68%	2000	-36.35%
5	Lashari Center	.	1103	800	791	-28.29%	700	-11.50%
6	Lashari South	.	0	200	0		0	
7	Bobi	.	610	1600	515	-15.57%	2500	385.44%
9	Daru	.	0	300	0		250	
10	Kumbar	.	0	2900	0		3000	
11	Qadir Pur	.	280	187	276	-1.43%	205	-25.72%
12	Toot	.	361	250	297	-17.73%	290	-2.36%
13	Chak Nazrang	.	860	700	880	2.33%	850	-3.41%
14	Finkassar	.	3122	3500	3868	23.39%	4100	6.00%
15	Dakhti	.	572	1200	611	6.82%	1200	96.40%
16	Dhodak	.	2220	2800	2477	11.58%	2600	4.97%
17	Bhal Syedan	.	0	0	0		125	
18	Rajjan	.	1138	2000	1379	21.18%	1125	-18.42%
19	Sodjal	.	523	400	248	-52.58%	220	-11.29%
20	Mianakawal	.	1473	1000	969	-34.22%	825	-14.86%
21	Pali	.	245	0	0		0	0.00%
22	Kal	.	1823	0	1618	-11.25%	1550	-4.20%
TOTAL (OGDC)			21668	24837	21523	-1.50%	26340	15.41%
POL								
23	Balkassar	POL	378	330	393	3.97%	350	-10.94%
24	Dhulan	.	19	300	29	52.63%	300	934.48%
25	Joyamir	.	311	300	282	-15.76%	250	-4.58%
26	Khar	.	7	5	7	0.00%	5	-28.57%
27	Moyal	.	1602	2275	775	-51.62%	700	-9.68%
28	Pazwala	.	842	557	743	-11.76%	1500	101.88%
29	Mirwali	.	265	825	469		400	-14.71%
30	Pindori	.	1834	498	1566	-14.61%	1550	-1.02%
31	Tarkwal	.	0	0	1025		3300	221.95%
TOTAL (POL)			5285	5993	5268	6.27%	8355	58.57%
UTP								
31	Bachal	UTP	4	0	0		0	
32	Beri	.	465	604	279	-40.00%	218	-21.86%
33	Dhabi	.	1284	955	1171	-8.30%	424	-63.79%
34	Chungro	.	2216	1568	1864	-15.38%	964	-48.28%
35	Haliqota	.	328	240	337	2.74%	534	58.46%
36	Khaakoti	.	1072	821	1460	36.19%	692	-32.60%
37	Laghari	.	976	821	773	-20.80%	692	-10.48%
38	Liasi	.	373	940	312	-16.35%	485	53.45%
39	Mazari	.	4123	3384	2537	-37.98%	2046	-19.98%
40	Mazari S	.	3942	1092	3462	-12.18%	4155	20.02%
41	Moyal Jamil	.	353	668	170	-51.84%	1555	814.71%
42	N Alari	.	1020	231	1344	31.76%	789	-41.29%
43	Panro	.	261	580	273	4.60%	417	52.75%
44	Sono	.	0	394	0		160	
45	S Buzder 1	.	269	539	0	-100.00%	0	
46	SMZ Deep	.	430	850	401	-10.89%	0	-100.00%
47	Tajodi	.	898	745	1012	12.69%	530	-47.63%
48	Jabo	.	2	0	300	14900.00%	0	-100.00%
49	Jagir	.	2115	2250	1425	-32.62%	2367	66.11%
50	Khorwah Deep	.	21	0	4	-80.95%	0	-100.00%
51	Muban	.	2	0	0	-100.00%	299	
52	Pir	.	2	0	131	6450.00%	0	-100.00%
53	Sakhi	.	394	3507	786	32.32%	1929	145.42%
54	Tangri	.	3271	2754	3982	21.74%	2033	-48.95%
59	Pir	.	2	0	0	-100.00%	0	
61	Mazari S Deep	.	0	0	0		418	
62	Buzder S. Deep	.	64	0	446	596.88%	301	-32.51%
63	Discovery -98	.	0	0	0		1391	
65	Laghari	.	341	0	0	-100.00%	0	
66	Dhabi	.	0	0	165		0	-100.00%
67	Kato	.	0	0	438		0	-100.00%
68	Keyhole-G	.	0	0	103		0	-100.00%
69	Rind	.	0	0	436		0	-100.00%
61	Condensate	.	1629	1894	1665	2.21%	1875	12.61%
Sub Total (UTP)			24677	24857	25296	-3.99%	24274	-4.60%
OFI								
62	Bangali	OFI	462	415	233	-49.57%	227	-2.58%
63	Djournal	.	1603	885	1072	-33.13%	1316	22.76%
64	Ratara	.	465	217	198	-57.42%	219	10.61%
Sub Total (OFI)			2530	1517	1503	-40.52%	1762	17.23%
PPL								
65	Adhi	PPL	2454	2381	2611	6.40%	2600	-0.42%
66	Kharokot	.	50	0	45		37	-17.78%
67	Sui	.	38	0	36		36	0.00%
Sub Total (PPL)			2542	2381	2692	5.98%	2673	-6.71%
Grand Total			58275	57883	56883	-3.42%	61984	5.99%

Source: Ministry of Petroleum and Natural Resources.

FIELD WISE GAS PRODUCTION

SA Table 12.2

(MMCFD)

No	Field	Main Operator	1996-97 Actual	1997-98		% change in 1997-98 over 1996-97		% change in 1998-99 over 1997-98
				Target	Achievement	Target	Target	
A OGDC								
1	Dakhni	OGDC	15	23	15	0.00%	28	86.67%
2	Dhodak	"	33	46	37	12.12%	45	21.62%
3	Misankiswal	"	3	3	2	-33.33%	1	-50.00%
4	Sadqal	"	19	15	12	-36.84%	11	-8.33%
5	Toot	"	11	1	1	-90.91%	1	0.00%
6	Loni	"	42	40	40	-4.76%	40	0.00%
7	Pirkoh	"	144	150	130	-9.72%	130	0.00%
8	Qadirpur	"	211	176	216	2.37%	164	-24.07%
9	Bobli	"	0	0	0		16	
10	Kunwar	"	0	0	0		6	
11	Deru	"	1	11	0	-100.00%	8	
12	Bhalseydan	"	0	0	0		1	
13	Finkamer	"	0	2	0		3	100.00%
14	Nand Pur/ Panjpir	"	0	7	0		51	100.00%
15	UCH	"	0	163	0		250	100.00%
16	Sari/ Hundi	"	3	3	3	0.00%	3	0.00%
17	Sub Total (A)		482	648	454	-5.39%	758	66.25%
B UTP								
18	Bachal	UTP	2	6	0	-100.00%	1	
19	Bhatti/ Nakurji	"	23	22	15	-34.78%	14	-6.67%
20	Bukhari	"	15	2	16	6.67%	1	-93.75%
21	Dhubi	"	0	3	7		19	100.00%
22	Golarchi	"	3	3	3	0.00%	3	0.00%
23	Halipota	"	1	0	1	0.00%	1	0.00%
24	Jaki	"	13	11	4	-49.23%	10	150.00%
25	Khowerah	"	26	4	32	23.08%	11	-65.63%
26	Khowerah Deep	"	3	2	4	33.33%	2	-50.00%
27	Kohi	"	12	11	4	-66.67%	13	225.00%
28	Mahi	"	1	7	2	100.00%	3	50.00%
29	Mukhdumpur	"	8	8	2	-75.00%	3	50.00%
30	Matli	"	3	1	0	-100.00%	2	
31	Mazari	"	9	0	1	-88.89%	1	0.00%
32	Mazari S	"	1	0	3	200.00%	1	-66.67%
33	Nari	"	0	3	11		3	100.00%
34	Tangri	"	0	0	0		1	
35	Bunder S	"	15	15	0	-100.00%	3	
36	Mukhdumpur Deep	"	2	4	0	-100.00%	7	
37	Pir	"	0	7	1		6	100.00%
38	Jabo	"	0	3	10		5	100.00%
39	Kato	"	0	4	8		3	100.00%
40	Rind	"	0	4	0		3	100.00%
41	Zaur	"	0	9	0		0	100.00%
42	Turk	"	12	17	30	150.00%	31	3.33%
43	Turk Deep	"	8	15	6	-25.00%	15	150.00%
44	SMZ-Deep	"	0	0	1		0	
45	Duphri	"	0	0	0		3	
46	Meyun Ismail	"	0	0	0		1	
47	Jagir	"	0	0	0		1	
	Sub Total (B)		157	161	161	2.53%	167	3.73%
C POL								
48	Meyal	POL	9	8	8.6	-4.44%	8	-6.98%
49	Dhullan	"	0	7	0		2	100.00%
50	Pariwala	"	9	6	8.7	-3.33%	15	72.41%
51	Pindori	"	5	2	5.6	12.00%	6	7.14%
52	Turkwal	"	0	0	0		4	
	Sub Total (C)		23	23	22.9	-6.43%	35	52.64%
D OXY								
53	Bhangali	OXY	0	0	0		0	
54	Dhurnal	"	7	5	6	-14.29%	7	16.67%
55	Relam	"	13	8	6	-53.85%	5	-16.67%
	Sub Total (D)		20	13	12	-40.00%	12	8.00%
E PPL								
56	Achi	PPL	18	17	19	5.56%	20	5.26%
57	Khandkot	"	98	96	99	1.02%	98	-1.01%
58	Sui	"	665	712	704	5.86%	784	11.36%
	Sub Total (E)		781	825	822	5.25%	802	9.73%
F LASMO/TULLOW								
59	Kadanwari	LASMO	76	96	75.8	-0.26%	72	-5.01%
60	Sara	TULLOW	0	0	0		30	
	Sub Total (F)		76	96	75.8	-0.26%	102	34.56%
G MGCL								
61	Mari	MGCL	372	402	372.2	0.05%	396	6.39%
62	Miano	OMV	0	30	0		0	100.00%
	Sub Total (G)		372	432	372.2	6.85%	396	6.39%
GRAND TOTAL								
(A+B+C+D+E+F+G)			1911	2218	1921.9	6.57%	2372	23.42%

Source: Ministry of Petroleum and Natural Resources.

FINANCIAL ALLOCATION / UTILIZATION

(Rs. Million)

No	Name of Agency	1997-98 PSDP				1998-99			
		REVISED			Utilization	PSDP			
		Through Budget	Out side	TOTAL Budget		Through Budget	Out side Budget	TOTAL Budget	
POWER									
Through Budget									
Ministry of Water & Power									
1	Rural Electrification (WAPDA)	T	1829.68	0.00	1829.68	2446.00	2500.00	0.00	2500.00
		F	700.00	0.00	700.00	1363.00	1700.00	0.00	1700.00
		L	1129.68	0.00	1129.68	1083.00	800.00	0.00	800.00
2	SHYDO	T	5.82	0.00	5.82	5.82	121.00	0.00	121.00
		F	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		L	5.82	0.00	5.82	5.82	121.00	0.00	121.00
Prime Minister's Secretariate									
3	PAEC	T	4370.91	0.00	4370.91	4466.00	4314.40	0.00	4314.40
		F	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		L	4370.91	0.00	4370.91	4466.00	4314.40	0.00	4314.40
Planning & Dev. Division									
4	Energy Management & Envoinment Planning Project.	T	0.00	0.00	0.00	0.00	11.00	0.00	11.00
		F	0.00	0.00	0.00	0.00	10.00	0.00	10.00
		L	0.00	0.00	0.00	0.00	1.00	0.00	1.00
	Sub Total (A)	T	6206.41	0.00	6206.41	6917.82	6946.40	0.00	6946.40
		F	700.00	0.00	700.00	1363.00	1710.00	0.00	1710.00
		L	5506.41	0.00	5506.41	5554.82	5236.40	0.00	5236.40
Outside Budget									
Budgetary Corporation									
5	WAPDA	T	12000.00	13136.00	25136.00	18968.00	13124.00	12686.40	25810.40
		F	12000.00	908.00	12908.00	10498.00	13124.00	525.40	13649.40
		L	0.00	12228.00	12228.00	8470.00	0.00	12161.00	12161.00
	Sub Total (B)	T	12000.00	13136.00	25136.00	18968.00	13124.00	12686.40	25810.40
		F	12000.00	908.00	12908.00	10498.00	13124.00	525.40	13649.40
		L	0.00	12228.00	12228.00	8470.00	0.00	12161.00	12161.00
Non-Budgetary Corporation									
6	KESC	T	0.00	9257.20	9257.20	6755.08	0.00	6153.00	6153.00
		F	0.00	4549.00	4549.00	3011.30	0.00	4190.10	4190.10
		L	0.00	4708.20	4708.20	3743.78	0.00	1962.90	1962.90
	Sub Total (C)	T	0.00	9257.20	9257.20	6755.08	0.00	6153.00	6153.00
		F	0.00	4549.00	4549.00	3011.30	0.00	4190.10	4190.10
		L	0.00	4708.20	4708.20	3743.78	0.00	1962.90	1962.90
	Total Corporations (B+C)	T	12000.0	22393.2	34393.2	25723.1	13124.0	18839.4	31963.4
		F	12000.0	5457.0	17457.0	13509.3	13124.0	4715.5	17839.5
		L	0.0	16936.2	16936.2	12213.8	0.0	14123.9	14123.9
	TOTAL Power (A+B+C)	T	18206.4	22393.2	40599.6	32640.9	20070.4	18839.4	38909.8
		F	12700.0	5457.0	18157.0	14872.3	14834.0	4715.5	19549.5
		L	5506.4	16936.2	22442.6	17768.6	5236.4	14123.9	19360.3

**FINANCIAL ALLOCATION/UTILIZATION
FUEL SECTOR**

(Rs. Million)

No	Name of Agency	1997-98			Utilization	1998-99 PSDP			
		PSDP				ORIGINAL			
		Through Budget	Out side Budget	TOTAL		Through Budget	Out side Budget	TOTAL	
	FUEL								
	Ministry of Petroleum & Natural Resources								
1	DGPC	T	1101.183	0	1101.18	904.794	1122	0	1122
		F	113	0	113		0	0	0
		L	988.183	0	988.183		1122	0	1122
2	GSP	T	25.79	0	25.79	23.534	23	0	23
		F	0	0	0		0	0	0
		L	25.79	0	25.79		23	0	23
3	HDIP	T	1.738	0	1.738	1.738	1	0	1
		F	0	0	0		0	0	0
		L	1.738	0	1.738		1	0	1
	Ministry of Environment								
4	ENERGY WING	T	0.2	0	0.2	0	0	0	0
		F	0	0	0		0	0	0
		L	0.2	0	0.2		0	0	0
	Sub Total (Fuel)	T	1128.911	0	1128.91	930.066	1146	0	1146
		F	113	0	113		0	0	0
		L	1015.911	0	1015.91		1146	0	1146
	Corporation (Fuel)								
5	OGDC	T	700	5383.3	6083.3	7616.4	1132	4937.2	6069.2
		F	700	0	700		1132	0	1132
		L	0	5383.3	5383.3		0	4937.2	4937.2
6	SNGFL	T	0	5961	5961	5005.6	0	4745	4745
		F	0	660	660		0	176	176
		L	0	5301	5301		0	4569	4569
7	SSGC	T	0	4454	4454	2655.34	0	7249.6	7249.6
		F	0	1387	1387		0	2139	2139
		L	0	3067	3067		0	5110.6	5110.6
8	PARCO	T	0	8733	8733	6959	0	20578	20578
		F	0	6068	6068		0	16415	16415
		L	0	2665	2665		0	4163	4163
9	PSO	T	0	850	850	866	0	503	503
		F	0	0	0		0	0	0
		L	0	850	850		0	503	503
10	NRL	T	0	46	46	35	0	1879	1879
		F	0	0	0		0	1123	1123
		L	0	46	46		0	756	756
	Sub-Total Fuel (Corporatio	T	700	25427.3	26127.3	23137.3	1132	39891.8	41023.8
		F	700	8115	8815		1132	19853	20985
		L	0	17312.3	17312.3		0	20038.8	20038.8
	Total (Fuel)	T	1828.911	25427.3	27256.2	24067.4	2278	39891.8	42169.8
		F	813	8115	8928		1132	19853	20985
		L	1015.911	17312.3	18328.2		1146	20038.8	21184.8

**TRANSPORT AND COMMUNICATIONS
FINANCIAL ALLOCATION AND UTILIZATION**

Sr. No.	Name of the Sub-Sector	1997-98		Allocation for 1998-99	Increase (+) decrease (-) in Allocn. 1998-99 over 1997-98
		Allocation	Utilization (Revised)		
1	2	3	4	5	6
FEDERAL PUBLIC SECTOR PROGRAMME					
A. Budgetary Programme.					
1.	Pakistan Railways	3828.97	2287.320	2123.74	-44.53
2.	Ministry of Communications				
(i)	Ports & Shipping Wing (P&S)	60.83	20.36	40.00	-34.24
(ii)	National Logistic Cell (NLC)	8.69	8.69	-	-100.00
(iii)	Pak. Telecom. Regulation & privatization Support Project	462.45	3.47	306.00	-33.83
(iv)	S.C.O. including Other Communications	142.79	47.79	500.00	250.16
(v)	Pakistan Post Offices	8.69	8.69	10.00	15.07
(vi)	National Transport Research Centre (NTRC).	4.78	3.50	5.00	4.60
(vii)	National Mass Transit Authority (NMTA).			625.00	
	Sub-Total (MOC)	688.23	92.60	1488.00	115.92
3.	Defence & Aviation Division				
(i)	Pakistan Met. Deptt. (PMD).	155.08	23.12	319.15	105.80
(ii)	Airport Security Force (ASF).	4.67	2.94	5.56	19.06
(iii)	Civil Aviation Authority (CAA). (*)			920.00	
	Sub-Total (MOD)	159.75	26.06	1244.71	679.18
4.	Special Areas				
(i)	A.K.	222.00	229.28	236.00	6.31
(ii)	N.A.	224.00	220.00	456.43	103.76
(iii)	F.A.T.A.	257.60	248.85	251.79	-2.26
	Sub-Total (Spl. Area)	703.60	698.13	944.22	34.20
	Total (Federal)	5380.55	3104.01	5788.67	7.77
B. PROVINCIAL					
1.	Punjab	1042.66	1197.99	1537.00	47.41
2.	Sind	542.00	385.87	510.00	-5.90
3.	NWFP	312.70	313.79	429.68	37.41
4.	Baluchistan	647.26	251.64	307.07	-62.56
	Sub-Total (Provincial)	2544.62	2149.29	2783.74	9.40
	Total Budgetary (A+B)	7925.17	5253.29	8582.42	8.29
C. Budgetary Corporations Programme.					
(i)	National Highways Authority (NHA)	12200.00	12807.12	16640.00	36.39
	Total Budgetary Corp. (C)	12200.00	12807.12	16640.00	36.39
D. Non-Budgetary Corporations Programme.					
(i)	Pak. Telecom. Company Limited (PTCL).	20000.00	14000.82	15000.00	-25.00
(ii)	Civil Aviation Authority (CAA).	1181.00	594.03	5257.00	345.13
(iii)	Pakistan Intl. Airlines (PIA).	600.00	0.00	1184.00	97.33
(iv)	Pak. National Shipping Corporation (PNSC).	1.00	0.00	630.00	62900.00
	Total Non-Budgetary Corp. (D)	21782.00	14594.85	22071.00	1.33
	Total T&C (A+B+C+D)	41907.17	32655.26	47293.42	12.85
(*):- This comprises of Rs.630.00 million for new Lahore Air Terminal & Rs.290.00 million for purchase of land for the establishment of new Sialkot Intl. Airport.					
A. Federal					
	Budgetary Programme	5380.55	3104.01	5788.67	7.77
	Budgetary Corporation	12200.00	12807.12	16640.00	36.39
	Non-Budgetary Corporation	21782.00	14594.85	22071.00	1.33
	Sub-Total (Federal)	39362.55	30505.97	44509.67	13.09
B. Provincial					
	Budgetary Programme	2544.62	2149.29	2783.74	9.40
	Sub-Total (Prov)	2544.62	2149.29	2783.74	9.40
	Total T&C (A + B)	41907.17	32655.26	47293.42	12.85

TRANSPORT AND COMMUNICATIONS
PHYSICAL TARGETS AND ACHIEVEMENTS

Sr.No.	Sub-Sector	Unit	1997-98		Targets for 1998-99
			Targets	Achievements	
1	2	3	4	5	6
I. PAKISTAN RAILWAYS					
(i). Track Rehabilitation					
	Rail Renewal	Km	100	31	67
	Sleeper Renewal	Km	68	21	38
	(ii). Traction Motors (Rehabilitation)	Nos	316 traction motors rehabilitated during 1996-97 were installed in 1997-98		-
	(iii). Fitment of Roller Bearings to freight Wagons	Nos	2000	1436	2400
	(iv). Rehabilitation of 101 DE Locos.	Nos	26	26	24
	(v). Track Circuiting on 94 stations.	%	10	4.6	11
	(vi). Procurement of 18 Locomotives.	Nos	2	2	-
	(vii). Procurement of 30 Locomotives (3000 HP).	Nos	10	4	6 locos. in completely built-up condition. Material for 10 locos in CKD & for other 10 locos to be manufactured in Loco Factory.
	(viii). Terminal Facilities at Pipri.	%	20	20	1
II. ROADS AND BRIDGES					
(i). National Highways					
	Construction.	Km	800	700	31
	Improvement.	Km	1000	874	1144
(ii). Provincial and Special Areas.					
	New Construction.	Km	200	161	187
	Improvement.	Km	700	691	925
	Bridges.	Nos.	30	26	44
III. PAKISTAN TELECOMMUNICATIONS CORPORATION Ltd.					
	(i). New telephones connections	Nos	-	309,660	300,000
	(ii). New telephones lines installed	Nos	600,000	350,000	300,000
	(iii). Number of internet subscribers	Nos	10,000	10,000	50,000
IV. PAKISTAN POSTAL SERVICES CORPORATION					
	(i). Const./Re-const./Extension of post office buildin	Nos	20	6	14
	(ii). Const./Re-const.of residential quarters.	Nos	63	63	-

**FINANCIAL ALLOCATION & UTILISATION
MASS MEDIA**

Sl.No.	1997-98		(Rs. Million)
	Allocation	Utilisation	1998-99 Allocation
1. PTV	15,251	58,172	291,946
2. PBC	34,348	34,348	45,000
3. Ministry of Information & Media Development	-	-	17,000
4. APP	-	-	3,400
	49,599	92,520*	95,346

*Rs. 44.5 million Japanese grant.

**PHYSICAL TARGETS & ACHIEVEMENTS
MASS MEDIA**

S.No	Items	Unit	1997-98		1998-99
			Targets	Achievements	Targets
1	2	3	4	5	6
A. Television					
1	Television Station	No.	-	-	-
2	V.P.C./P.B Centres	No.	3	-	5
3	Telecasting hours				
a)	PTV	Hours	26910	25555	26772
b)	PTV-2	Hours	2198	1970	1990
c)	PTV World	-	-	-	2065
d)	Local Area	-	40241	40020	-
B. Radio					
4	Mediumwave Transmitters	No	2	-	2
5	Shortwave Transmitters	No.	-	-	-
5	Radio Studios	No.	23	24	25

**ESTIMATED BUDGETARY DEVELOPMENT EXPENDITURE FOR 1997-98
(NATIONAL)**

(Million Rs.)

S.N.	Sector	Revised 1997-98 (COE 4+5+6)	Federal (incl. Spl. Areas)	Corporation (Budgetary)	Provincial (COE 7+8+9+10)	Punjab	Sindh	New F.P.	Baluchistan
1	2	3	4	5	6	7	8	9	10
1	Rural Water Supply and Sanitation (SAP Funded)	4245	338	—	3908	2390	597	662	252
2	Urban Water Supply & Sewerage	2501	1113	—	1387	537	250	382	220
3	Government Offices/Buildings	1145	750	—	395	180	75	115	25
4	Government Servant Housing	330	75	—	255	135	30	67	23
5	Urban Development/Traffic Improvement	2349	347	—	2002	1400	327	283	291
	Total	10570	2623		7947	4342	1279	1509	511

**BUDGETARY PUBLIC SECTOR DEVELOPMENT PROGRAMME 1998-99
(NATIONAL)**

(Million R)

SN	Sector	Total PSDP (COE 4-5+6)	Structural and Sp. Areas	Corporation (Budgetary)	Provisional PSDP (COE 7-8+9+10)	Samah	Sindh	NWFP	Baluchistan
1	2	3	4	5	6	7	8	9	10
1	Rural Water Supply and Sanitation (SAP-Funded)	4474	358	—	4316	2400	465	895	356
2	Urban Water Supply and Sewerage	2175	1000	—	1175	460	375	100	240
3	Government Offices/Buildings	440	200	—	240	150	35	25	30
4	Government Servant Housing	410	50	—	360	300	25	10	25
5	Urban Development/Basic Improvement	2529	140	—	2389	2800	100	30	159
	Total	10028	1748		8280	5410	1000	1060	810

Sector / Area	BUDGETY ALLOCATIONS									EXPENDITURE							
	Non-Development			Development			Grand Total	Non-Development			Development			Grand Total			
	Salary	Non-Salary	Total	Federal	Provincial	F. Aid		Salary	Non-Salary	Total	Federal	Provincial	F. Aid				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Punjab	29215.1	2197.5	22412.6	0.0	5697.9	2423.0	8991.0	26903.0	12755.5	1725.1	14480.6	0.0	4367.8	791.0	5068.6	19549.2	
Education	17699.2	591.3	18290.5		2395.0	1952.9	3047.8	22197.5	11177.9	328.9	11515.0		1291.9	439.0	1730.9	13245.9	
Health	2369.9	1119.0	3487.9		725.3	672.9	1597.9	5064.9	1393.9	933.9	2391.9		677.9	292.9	939.9	3329.9	
RWSS	177.9	497.2	675.1		2529.0	0.0	2529.0	3195.1	185.5	399.1	584.5		2296.8	0.0	2296.8	2991.2	
Miscellaneous	0.0	0.0	0.0		27.0	0.0	27.0	27.0	0.0	0.0	0.0		0.0	0.0	0.0	2.0	
Sindh	9929.2	949.0	7978.0	0.0	1193.3	1045.0	2299.1	10907.1	6713.0	929.0	7642.0	0.0	927.9	1366.0	2193.9	8938.5	
Education	5562.4	484.8	5998.4		414.3	367.5	801.8	8362.2	5354.9	562.0	5916.9		219.9	1825.0	1235.0	7161.9	
Health	1295.5	339.5	1668.0		229.1	419.1	287.1	1282.0	1282.0	291.9	1493.0		153.9	139.9	293.9	1769.0	
RWSS	157.9	129.3	283.0		439.0	293.3	729.2	1012.9	107.9	96.9	249.5		285.0	211.0	596.0	649.5	
Miscellaneous	0.0	0.0	0.0		79.9	0.0	79.9	79.9	0.0	0.0	0.0		79.9	0.0	79.9	79.9	
NWFP	4114.1	1396.4	5429.5	0.0	1911.9	993.0	2799.3	8209.0	4246.3	679.7	4919.0	0.0	1139.2	747.0	1886.2	6799.2	
Education	3299.1	655.9	3953.1		995.9	995.3	1719.3	5693.4	3375.9	132.9	3567.9		359.0	665.0	1919.0	4522.0	
Health	678.9	319.0	995.9		199.0	64.0	214.0	1299.0	852.0	299.9	922.0		121.0	82.0	293.0	1135.0	
RWSS	199.2	322.4	521.6		359.0	0.0	359.0	1391.5	213.3	269.7	489.0		662.0	0.0	662.0	1142.2	
Miscellaneous	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	
Balochistan	2245.9	349.4	2795.4	0.0	935.9	1994.1	2939.1	5424.5	2993.9	579.9	2599.7	0.0	292.5	731.0	1914.1	3594.9	
Education	1527.4	65.3	1592.7		271.2	1492.9	1764.2	3296.9	1929.0	69.0	1999.0		54.0	599.0	653.0	1957.9	
Health	539.4	364.9	944.2		224.7	195.9	339.3	1174.5	434.2	297.4	791.9		91.7	195.4	197.3	979.9	
RWSS	179.2	179.2	349.5		399.1	275.5	674.6	903.1	194.6	219.5	495.1		134.6	117.3	251.9	959.9	
Miscellaneous	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0		2.0	0.0	2.0	2.0	
TOTAL PROV.	39992.4	4994.1	39996.5	0.0	9479.3	9243.2	19719.5	54919.0	25719.2	3999.7	29922.9	0.0	6911.2	5445.0	19199.0	39779.7	
Education	27997.1	1799.9	29727.7		3995.5	4447.9	8399.3	39954.0	21291.9	1191.9	22322.0		1999.0	2639.0	4549.0	29979.0	
Health	4932.7	2992.3	7925.0		1339.3	1221.9	2599.4	9495.4	3791.2	1945.4	5577.6		1942.7	579.5	1822.3	7199.9	
RWSS	712.9	1129.2	1842.1		4149.0	579.9	4719.3	9552.5	751.0	962.3	1719.3		3579.5	329.0	3997.5	5629.9	
Miscellaneous	0.0	0.0	0.0		112.9	0.0	112.9	112.9	0.0	0.0	0.0		0.0	0.0	0.0	0.0	
AJK	939.4	134.0	965.3	319.0	0.0	193.0	512.0	1472.0	993.2	139.9	1923.1	299.5	0.0	119.0	327.5	1399.0	
Education	922.9	11.0	934.8	92.9		49.9	132.9	773.4	673.0	15.9	688.9	73.9		1.9	74.9	762.9	
Health	299.5	122.5	322.0	112.4		69.9	172.4	495.4	293.2	124.3	327.5	95.5		95.5	423.0		
RWSS	7.9	0.5	7.5	197.9		93.9	299.0	297.5	7.9	0.5	7.5	49.9		119.0	159.0	166.9	
Miscellaneous	0.0	0.0	0.0	1.9		0.0	1.9	1.9	0.0	0.0	0.0	0.0		0.0	0.0	0.0	
PANA	249.5	41.1	289.8	52.9	0.0	291.9	252.0	542.9	249.5	41.2	290.7	51.9	0.0	0.0	51.9	333.7	
Education	163.3	18.4	179.7	19.9		121.9	149.9	319.7	185.0	16.9	191.9	19.9		19.9	199.9		
Health	75.2	24.2	99.4	19.9		99.9	99.9	197.4	69.5	24.2	93.7	19.9		19.9	111.7		
RWSS	19.9	0.5	19.5	15.9		15.9	15.9	25.5	0.0	1.9	19.9	15.9		15.9	25.0		
Miscellaneous	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0		
PATA	929.1	99.7	1029.8	419.4	0.0	0.0	419.4	1445.2	799.4	92.1	799.5	294.1	0.0	0.0	294.1	1062.9	
Education	724.1	5.9	739.8	153.4		153.4	823.4	493.4	6.9	499.0	52.0		52.0	52.0	551.0		
Health	153.4	45.9	199.3	197.5		197.5	399.9	159.4	34.1	197.5	93.1		93.1	93.1	279.5		
RWSS	49.5	47.9	97.5	155.5		155.5	252.9	54.9	29.9	92.9	156.9		156.9	156.9	229.9		
Miscellaneous	0.0	0.0	0.0	3.9		3.9	3.9	3.9	0.0	0.0	0.0		0.0	0.0	3.9		
NOT	159.6	11.7	179.3	96.7	0.0	19.5	97.2	237.5	159.6	12.0	171.9	32.9	0.0	0.0	41.9	212.0	
Education	159.9	0.0	159.9	44.9		44.9	299.0	159.9	0.0	159.9	22.9		0.0	0.0	31.9	197.9	
Health	6.7	3.3	10.2	1.7		19.5	12.2	22.4	7.9	4.9	11.9	1.9		1.9	12.9		
RWSS	1.9	2.2	4.1	11.9		11.9	15.1	2.9	2.9	4.9	9.9	0.0		9.9	13.9		
Miscellaneous	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0		
TOTAL SPL. AREAS	2193.9	297.4	2491.9	947.1	0.0	494.5	1251.9	3792.0	1999.1	291.2	2247.3	953.6	0.0	129.9	719.6	2999.9	
Education	1669.3	49.2	1799.5	319.9		191.9	479.9	2179.5	1491.9	43.9	1529.9	195.9		19.9	179.9	1999.9	
Health	493.9	199.1	693.9	229.5		199.5	399.1	1922.9	433.1	193.9	619.7	197.9		0.0	197.9	917.9	
RWSS	97.5	51.1	119.6	299.5		93.9	391.5	999.1	72.0	31.5	103.5	229.0		0.0	119.6	441.9	
Miscellaneous	0.0	0.0	0.0	4.9		0.0	4.9	4.9	0.0	0.0	0.0	0.0		0.0	4.9		
M/O Population	0.0	0.0	0.0	1999.9		912.9	1921.9	1921.9	0.0	0.0	0.0	719.1		479.0	1194.1	1194.1	
M/O Health	2.9	0.4	2.4	1999.9		949.9	1979.9	1979.9	2.9	0.4	2.4	1197.2		0.0	1197.2	1199.9	
P.M.'s LHW Program				499.9		999.9	1299.9	1299.9				955.9			955.9	955.9	
AIDs				9.9		9.9	9.9	9.9				29.9			29.9	29.9	
EPI				499.9		49.9	599.9	599.9				252.5			252.5	252.5	
Nutrition				3.9		3.9	3.9	3.9				3.9			3.9	3.9	
TB Control				9.9		9.9	9.9	9.9				9.9			9.9	9.9	
Malaria Control	2.9	0.4	2.4	115.9		115.9	117.4	117.4	2.9	0.4	2.4	6.7			6.7	9.1	
M/O Education	0.0	0.0	0.0	199.9		0.0	199.9	199.9	0.0	0.0	0.0	99.9		0.0	99.9	99.9	
FeDEMS				0.0		0.0	0.0	0.0				0.0			0.0	0.0	
Non-formal Education				199.9		199.9	199.9	199.9				99.9			99.9	99.9	
NEP				0.0		0.0	0.0	0.0				0.0			0.0	0.0	
Miscellaneous	0.0	0.0	0.0	24.5		0.0	43.7	43.7	0.0	0.0	0.0	23.5		0.0	43.7	43.7	
PDP				0.0		0.0	0.0	0.0				0.0			0.0	0.0	
PPNS				15.0		15.0	15.0	15.0				15.0			15.0	15.0	
Auditor General				0.0		0.0	0.0	0.0				0.0			0.0	0.0	
FSS				1.5		43.7	45.2	45.2				0.5			48.2	48.7	
MSEITA				0.0		0.0	0.0	0.0				0.0			0.0	0.0	
TOTAL FEDERAL	2195.9	297.4	2493.4	3919.9	0.0	2299.2	3219.9	7979.2	1999.1	291.2	2247.3	2524.2	0.0	944.2	3199.6	5444.4	
Education	1669.3	49.2	1799.5	419.9		191.9	579.9	2279.5	1491.9	43.9	1529.9	252.9		19.9	299.9	1797.9	
Health	493.9	199.5	693.9	1275.9		999.5	2299.1	2999.4	433.1	197.9	622.1	1394.9		0.0	1334.9	1959.9	
RWSS	97.5	51.1	119.6	299.5		93.9	391.5	999.1	72.0	31.5	103.5	229.0		0.0	119.6	441.9	
Population																	

SAP PHYSICAL TARGETS AND ACHIEVEMENTS

Sl. No.	Items	Unit	Bench Mark 1996-97	Social Action Programme		
				1997-98		1998-99 Targets
				Targets	Achievement	
1	2	3	4	5	6	7
	EDUCATION (All Pakistan)					
1	Establishment of New Primary Schools	(Nos.)	4359	1546	1225	724
2	Additional Class Rooms in Primary Schools	(Nos.)	10648	2524	1431	6866
3	Improvement Reconst. & Repair in Primary Schools	(Nos.)	4839	3710	2286	2987
4	Buildings for Shelterless Primary Schools	(Nos.)	5503	2098	915	1434
5	Conversion of Mosque Schools to Primary Schools	(Nos.)	485	5169	1891	2982
6	Provision of Furniture to Primary Schools	(Nos.)	2123	44638	14674	43799
7	Up-gradation of Primary Schools to Middle Schools	(Nos.)	2156	1116	700	1344
8	Opening of Middle Schools	(Nos.)	336	92	139	198
9	Additional Class Rooms in Middle Schools	(Nos.)	1013	392	228	503
10	Improvement Reconst. & Repair in Middle Schools	(Nos.)	467	254	251	236
11	Provision of Furniture to Middle Schools	(Nos.)	1223	2080	1540	2660
12	Establishment of Non-formal/Community Schools	(Nos.)	2383	10007	4470	2428
13	Formation of SMCs/PTAs	(Nos.)	77439	59891	50387	5870
14	Closed Schools to be made functional	(Nos.)	4066	1976	947	1825
15	Training of Teachers	(Nos.)	28115	33717	31014	58059
16	Recruitment of Motivators/Learning Coordinators	(Nos.)	5858	2680	871	682
17	Recruitment of Primary/Elementary Teachers	(Nos.)	21329	13248	2309	12805
18	Student Teacher Ratio Primary School	(%)	38	39	36	38

SAP PHYSICAL TARGETS AND ACHIEVEMENTS

Sl. No.	Items	Unit	Bench Mark 1996-97	Social Action Programme		
				1997-98		1998-99
				Targets	Achievement	Targets
1	2	3	4	5	6	7
	HEALTH (All Pakistan)					
1	Traditional Birth Attendants (TBAs) Trained	(Nos.)	14868	4100	3896	2295
2	Lady Health Workers (LHWs) Recruited/Trained	(Nos.)	20354	14369	14337	18252
3	LHW Supervisors Trained/Recruited	(Nos.)	493	605	580	657
4	Lady Health Visitors (LHVs) Trained/Recruited	(Nos.)	988	287	207	194
5	Nurses Trained/Recruited	(Nos.)	1360	658	282	223
6	Paramedics Trained/Recruited	(Nos.)	4061	238	88	840
7	Establishment of Tehsil Hospitals	(Nos.)	2120	294	196	251
8	Establishment of New BHUs	(Nos.)	3263	6	6	29
9	Establishment of New RHCs	(Nos.)	378	4	3	14
10	Upgradation of BHUs	(Nos.)	514	50	20	48
11	Upgradation of RHCs	(Nos.)	66	24	14	40
12	Upgradation of Dispensaries into BHUs	(Nos.)	25	15	0	23
13	Establishment of New Health Centres/Dispensaries	(Nos.)	199	93	80	36
14	BHUs Non-functional or below optimum level	(Nos.)	1056	538	500	0
15	RHCs Non-functional or below optimum level	(Nos.)	89	4	0	0
16	Involvement of Health Outlets in F.P. Services	(Nos.)	1528	620	560	195
17	Village Health Committees (VHCs) Formed	(Nos.)	0	0	0	0
18	Average OPD Attendance in THQ Hospitals	(Nos.)	569	525	578	615
19	Average Bed Occupancy rate in THQ Hospitals	(% Rate)	28	28	25	28
20	Average Bed Occupancy rate in RHCs	(% Rate)	8	10	9	18
21	Immunization (million Children)	Million	6	4	5	3
	Percentage Coverage	(%)	37	47	40	50

SAP PHYSICAL TARGETS AND ACHIEVEMENTS

Sl. No.	Items	Unit	Bench Mark 1996-97	Social Action Programme		
				1997-98		1998-99
				Targets	Achievement	Targets
1	2	3	4	5	6	7
	RURAL WATER SUPPLY & SANITATION (All Pakistan)					
1	Water Supply Schemes Completed by:	(Nos.)	23243	8949	7932	6900
	PHED		5081	4620	3756	4110
	LG&RDD (Handpumps)		18162	4329	4176	2790
2	Water Supply Schemes Handedover to Community	(Nos.)	10394	4671	5281	2754
3	Water Supply Schemes Yet not Handedover	(Nos.)	6311	5837	5625	5364
4	Sanitation/Drainage Schemes Completed by:	(Nos.)	9065	10839	5756	10768
	PHED		3289	3637	3320	3556
	LG&RDD		5776	7202	2436	7212
5	Sanitation/Drainage Schemes Handedover to Community	(Nos.)	6442	8879	2938	8593
6	Household Latrines Completed by:	(Nos.)	52696	6265	23590	18763
	PHED		62	180	39	363
	LG&RDD		52634	6085	23551	18400
7	Demonstration Latrines Completed by:	(Nos.)	900	58	58	1950
	PHED		900	58	58	1950
	LG&RDD		0	0	0	0
8	Water User Committees (WUCs) Formed	(Nos.)	4182	7838	5494	1140
9	Sanitation/Drainage Committees (S/DCs) Formed	(Nos.)	3392	4069	3168	3856
10	Rural Water Supply Population Coverage	Million (%)	54 44	65 50	59 47	66 51
11	Rural Sanitation Population Coverage	Million (%)	24 12	28 15	25 15	31 17

SAP BUDGETARY ALLOCATION 1998/99

Sector / Area	BUDGET ALLOCATIONS								Grand Total
	Non-Development			Development				Total	
	Salary	Non-Salary	Total	Federal	Provincial	F. Aid			
1	2	3	4	5	6	7	8	9	
Punjab	20084.7	2133.5	22218.2	0.0	4820.0	3010.0	7830.0	30048.2	
Education	17500.0	655.0	18155.0		1870.0	2178.6	4048.6	22203.6	
Health	2424.7	1142.2	3566.9		550.0	831.4	1381.4	4948.3	
RWSS	160.0	336.3	496.3		2400.0	0.0	2400.0	2896.3	
Miscellaneous	0.0	0.0	0.0		0.0	0.0	0.0	0.0	
Sindh	7890.9	991.1	8882.0	0.0	1274.4	1306.0	2580.4	11462.4	
Education	6211.1	425.0	6636.1		551.5	914.0	1465.5	8101.6	
Health	1504.6	376.8	1881.4		256.9	392.0	648.9	2530.3	
RWSS	175.2	189.3	364.5		466.0	0.0	466.0	830.5	
Miscellaneous	0.0	0.0	0.0		0.0	0.0	0.0	0.0	
NWFP	5871.4	1028.0	6899.4	0.0	1387.0	883.9	2270.9	9170.3	
Education	4826.6	400.0	5226.6		400.0	797.5	1197.5	6424.1	
Health	778.7	407.5	1186.2		120.0	58.8	178.8	1365.0	
RWSS	266.1	220.5	486.6		867.0	27.6	894.6	1381.2	
Miscellaneous	0.0	0.0	0.0		0.0	0.0	0.0	0.0	
Balochistan	2520.6	522.6	3043.2	0.0	504.3	1758.0	2262.3	5305.5	
Education	1720.9	125.0	1845.9		70.5	1452.4	1522.9	3368.8	
Health	571.7	225.6	797.3		167.8	215.6	383.4	1180.7	
RWSS	228.0	172.0	400.0		266.0	90.0	356.0	756.0	
Miscellaneous	0.0	0.0	0.0		0.0	0.0	0.0	0.0	
TOTAL PROV.	36367.6	4675.2	41042.8	0.0	7985.7	6957.9	14943.6	55986.4	
Education	30258.6	1605.0	31863.6	0.0	2892.0	5342.5	8234.5	40098.1	
Health	5279.7	2152.1	7431.8	0.0	1094.7	1497.8	2592.5	10024.3	
RWSS	829.3	918.1	1747.4	0.0	3999.0	117.6	4116.6	5864.0	
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
AJK	869.5	164.6	1034.1	364.1	0.0	185.0	549.1	1583.2	
Education	671.7	27.6	699.3	83.6		70.0	153.6	852.9	
Health	162.6	135.5	298.1	177.0		0.0	177.0	475.1	
RWSS	35.2	1.5	36.7	103.5		115.0	218.5	255.2	
Miscellaneous	0.0	0.0	0.0	0.0		0.0	0.0	0.0	
FANA	266.3	72.9	339.2	210.0	0.0	118.0	328.0	667.2	
Education	175.3	35.9	211.2	60.0		112.0	172.0	383.2	
Health	80.7	35.7	116.4	130.0			130.0	246.4	
RWSS	10.3	1.3	11.6	20.0		6.0	26.0	37.6	
Miscellaneous	0.0	0.0	0.0	0.0			0.0	0.0	
FATA	908.1	160.9	1069.0	316.6	0.0	0.0	316.6	1385.6	
Education	656.9	61.0	717.9	103.7			103.7	821.6	
Health	193.9	54.0	247.9	123.6			123.6	371.5	
RWSS	57.3	45.9	103.2	89.3			89.3	192.5	
Miscellaneous	0.0	0.0	0.0	0.0			0.0	0.0	
ICT	167.4	16.6	184.0	96.5	0.0	0.0	96.5	280.5	
Education	157.6	11.6	169.2	68.6			68.6	237.8	
Health	7.5	2.8	10.3	3.5			3.5	13.8	
RWSS	2.3	2.2	4.5	24.4			24.4	28.9	
Miscellaneous	0.0	0.0	0.0	0.0			0.0	0.0	
TOTAL SPL. AREAS	2211.4	414.9	2626.3	987.2	0.0	303.0	1290.2	3916.5	
Education	1661.5	136.1	1797.6	315.9	0.0	182.0	497.9	2295.5	
Health	444.7	228.0	672.7	434.1	0.0	0.0	434.1	1106.8	
RWSS	105.2	50.8	156.0	237.2	0.0	121.0	358.2	514.2	
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
M/O Population			0.0	1438.0		596.5	2034.5	2034.5	
M/O Health	0.0	0.0	0.0	2065.5	0.0	0.0	2065.5	2065.5	
P.M's LHW Program			0.0	1100.0			1100.0	1100.0	
AIDs			0.0	80.0			80.0	80.0	
EPI			0.0	735.0			735.0	735.0	
Nutrition			0.0	40.5			40.5	40.5	
TB Control			0.0	0.0			0.0	0.0	
Malaria Control			0.0	110.0			110.0	110.0	
M/O Education	0.0	0.0	0.0	160.0	0.0	0.0	160.0	160.0	
FedEMIS			0.0	3.2			3.2	3.2	
Non-formal Education			0.0	156.8			156.8	156.8	
NEF			0.0	0.0			0.0	0.0	
Miscellaneous	0.0	0.0	0.0	420.2	0.0	24.8	445.0	445.0	
PDP			0.0	200.0			200.0	200.0	
PIHS			0.0	10.0			10.0	10.0	
Auditor General			0.0	8.0			8.0	8.0	
FSS			0.0	2.2		24.8	27.1	27.1	
M&E/TA			0.0	200.0			200.0	200.0	
TOTAL FEDERAL	2211.4	414.9	2626.3	5070.9	0.0	924.3	5995.3	8621.6	
Education	1661.5	136.1	1797.6	475.9	0.0	182.0	657.9	2455.5	
Health	444.7	228.0	672.7	2499.6	0.0	0.0	2499.6	3172.3	
RWSS	105.2	50.8	156.0	237.2	0.0	121.0	358.2	514.2	
Population	0.0	0.0	0.0	1438.0	0.0	596.5	2034.5	2034.5	
Miscellaneous	0.0	0.0	0.0	420.2	0.0	24.8	445.0	445.0	
TOTAL NATIONAL	38579.0	5090.1	43669.1	5070.9	7985.7	7882.2	20938.8	64607.9	
Education	31920.1	1741.1	33661.2	475.9	2892.0	5524.5	8892.4	42553.6	
Health	5724.4	2380.1	8104.5	2499.6	1094.7	1497.8	5092.1	13196.6	
RWSS	934.5	968.9	1903.4	237.2	3999.0	238.6	4474.8	6378.2	
Population	0.0	0.0	0.0	1438.0	0.0	596.5	2034.5	2034.5	
Miscellaneous	0.00	0.00	0.00	420.20	0.00	24.76	444.96	444.96	

S.A. Table 17.1

SUB-SECTOR & AGENCY WISE ALLOCATION & EXPENDITURE ON EDUCATION DURING 1997-98 Education & Training
Education & Training

Sl. No.	Sub-Sector	PUNJAB			SIND			NWFP			BALOCHISTAN			TOTAL PROVINCES		
		Allocation	R.E.	% Utili	Allocation	R.E.	% Utili	Allocation	R.E.	% Utili	Allocation	R.E.	% Utili	Allocation	R.E.	% Utili
2		3	4	5	7	8	9	10	11	12	13	14	15	16	17	18
1.	Elementary	2391.100	1290.847	54.0	394.480	370.000	93.8	598.823	598.823	100.0	132.399	77.990	58.9	3516.802	2337.660	66.5
2.	Secondary	216.232	133.446	61.7	89.898	80.000	89.0	121.455	120.576	99.3	34.000	23.679	69.6	461.585	357.701	77.5
3	Teacher	2.000	9.885	494.3	14.300	12.000	83.9	0.918	0.918	100.0	21.717	14.842	67.4	38.935	37.445	96.2
4.	Technical	105.213	42.438	40.3	75.882	65.000	85.7	19.398	19.398	100.0	2.500	1.880	75.2	202.993	128.716	63.4
5.	College	231.673	140.775	60.8	118.274	95.000	80.3	19.118	19.118	100.0	44.316	42.321	95.5	413.381	297.214	71.9
6.	Universities															
7.	Scholarships	78.034	16.161	20.7	0.200	0.200	100.0	6.823	6.823	100.0				85.057	23.184	27.3
8.	Literacy	1.900			2.500	2.500	100.0							4.400	2.500	56.8
9.	Miscellaneous	9.698	3.618	37.3	9.316	6.000	64.4	2.000	2.000	100.0				21.014	11.618	55.3
	TOTAL:	3036.860	1637.170	53.9	704.860	630.700	89.5	768.535	767.656	99.9	234.932	160.612	68.3	4744.167	3196.038	67.4

Sl. No.	Sub-Sector	M/O EDUCATION			M/O DEFENCE			AJ&K			NORTHERN AREA			FATA			TOTAL FEDERAL			TOTAL PAKISTAN			
		Allocation	R.E.	% Utili	Allocation	R.E.	% Utili	Allocation	R.E.	% Utili	Allocation	R.E.	% Utili	Allocation	R.E.	% Utili	Allocation	R.E.	% Utili	Allocation	R.E.	% Utili	
2		19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	
1.	Elementary	47.488	34.006	71.6	3.501	3.501	100.0	72.085	72.058	100.0	20.347	20.498	100.7	50.573	49.806	98.5	193.984	179.868	92.7	3710.796	2617.828	67.8	
2.	Secondary	27.394	24.898	90.9	10.395	10.395	100.0	27.660	27.660	100.0	10.543	10.718	101.7	31.336	31.243	99.7	107.328	104.914	97.8	668.913	462.616	81.3	
3	Teacher	19.738	15.341	77.7				1.050	1.050	100.0				0.547	0.547	100.0	21.335	16.938	79.4	60.270	64.383	90.2	
4.	Technical	46.080	40.809	88.6										46.080	40.809	88.6	70.166	59.051	84.2	249.073	168.525	68.1	
5.	College	19.987	8.472	42.4				17.562	17.552	100.0	28.701	29.101	101.4	3.926	3.926	100.0	408.922	367.680	89.9	483.547	366.265	73.7	
6.	Universities	408.922	367.680	89.9										23.892	23.892	100.0	173.833	167.443	96.3	408.922	367.680	89.9	
7.	Scholarships	149.592	143.202	95.7	0.349	0.349	100.0										87.767	82.805	94.3	258.890	180.627	73.6	
8.	Literacy	87.767	82.805	94.3													15.192	9.984	65.7	92.167	85.306	92.6	
9.	Miscellaneous	12.475	7.267	58.3				0.580	0.580	100.0	1.409	1.409	100.0	0.728	0.728	100.0	1124.617	1029.492	91.5	36.206	21.602	59.7	
	TOTAL:	819.443	724.480	88.4	14.245	14.245	100.0	118.927	118.900	100.0	61.000	61.726	101.2	111.002	110.141	99.2	3.850	3.850	100.0	5868.784	4225.530	72.0	
	Est. Division																						
	G. TOTAL:	819.443	724.480	88.4	14.245	14.245	100.0	118.927	118.900	100.0	61.000	61.726	101.2	111.002	110.141	99.2	1128.467	1033.342	91.5	5972.534	4229.380	72.0	

S.A. Table. 17.2

PHYSICAL ACHIEVEMENTS DURING 1997-98
Education & Training Sector

Sl.No.	Item	Punjab	Sindh	NWFP	Balochistan	Federal	Total
1.	PRIMARY EDUCATION (SAP):						
(a)	Opening of Primary Schools	357	106	64	481	6	1014
(b)	Conversion of Mosque Schools to Primary Schools	124	-	107	-	-	231
(c)	Construction of building of existing shelterless Primary Schools	306	300	37	298	-	941
(d)	Addition of classrooms in existing over-crowded Primary Schools	423	140	618	376	-	1557
(e)	Consolidation & Improvement of existing Primary & Mosque Schools	627	1460	136	725	-	2948
(f)	Establishment of Middle Schools	45	-	-	-	-	45
2.	SECONDARY EDUCATION:						
(a)	Upgradation of Primary Schools	366	35	79	23	9	512
(b)	Upgradation of Middle Schools	-	10	10	26	9	55
(c)	Upgradation of High Schools	-	3	19	-	-	22
(d)	Establishment of New High Schools	-	2	-	-	-	2
(e)	Reconstruction of building of existing Middle Schools	-	5	-	-	-	5
(f)	Reconstruction of building of existing High Schools	-	5	5	-	11	21
(g)	Addition of Classrooms in High Schools/M. Schools	-	40	-	156	24	220
(h)	Consolidation & Improvement of Existing Middle & High Schools	127	-	-	25	24	176

S.A. Table. 17.3A

SUB-SECTOR-WISE ALLOCATION FOR 1998-99
Education & Training Sector

Sl.No.	Sub-Sector	PROVINCIAL										TOTAL	FEDERAL	TOTAL
		PUNJAB	SINDH	NWFP	BALUCHISTAN	TOTAL	M/o Education	M/o Defence	Establishment Division	AJ&K	NA			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1.	Elementary	Local: 1850.465	519.016	648.286	135.479	3153.246	70.240	13.217	-	140.285	52.960	82.217	358.919	3512.165
		F.Aid: 1606.915	1150.826	796.260	1330.875	4884.876	13.172	-	-	70.000	-	-	83.172	4968.048
		Total: 3457.380	1669.842	1444.546	1466.354	8038.122	83.412	13.217	0.000	210.285	52.960	82.217	442.091	8480.213
2.	Secondary	Local: 226.578	103.978	83.921	58.174	472.651	23.947	2.147	-	36.416	18.214	107.831	188.555	661.206
		F.Aid: -	-	-	30.000	33.409	28.000	-	-	-	-	-	28.000	61.409
		Total: 226.578	103.978	87.330	88.174	506.060	51.947	2.147	0.000	36.416	18.214	107.831	216.555	722.615
3	Teacher	Local: 2.000	23.800	1.800	33.185	60.785	4.000	-	-	10.304	-	0.500	14.804	75.589
		F.Aid: 268.651	190.000	-	121.485	580.136	41.548	-	-	-	-	-	41.548	621.684
		Total: 270.651	213.800	1.800	154.670	640.921	45.548	0.000	0.000	10.304	0.000	0.500	56.352	687.273
4.	Technical	Local: 155.261	79.030	14.130	8.088	256.509	17.679	-	-	1.100	-	10.000	28.779	285.288
		F.Aid: 100.000	100.000	10.298	40.000	150.298	42.000	-	-	-	-	-	42.000	192.298
		Total: 155.261	179.030	24.428	48.088	406.807	59.679	0.000	0.000	1.100	0.000	10.000	70.779	477.586
5.	College	Local: 184.194	147.280	20.234	91.261	442.969	36.015	-	-	38.865	22.097	28.500	125.477	568.446
		F.Aid: -	-	-	-	-	-	-	-	-	-	-	0.000	0.000
		Total: 184.194	147.280	20.234	91.261	442.969	36.015	0.000	0.000	38.865	22.097	28.500	125.477	568.446
6.	Scholarships	Local: 78.034	0.500	8.657	-	87.191	167.417	0.500	-	-	-	-	167.917	255.108
		F.Aid: -	-	-	-	-	-	-	-	-	-	-	0.000	0.000
		Total: 78.034	0.500	8.657	0.000	87.191	167.417	0.500	0.000	0.000	0.000	0.000	167.917	255.108
7.	Universities	Local: -	-	-	-	-	207.792	-	-	-	-	-	207.792	207.792
		F.Aid: -	-	-	-	-	22.909	-	-	-	-	-	22.909	22.909
		Total: -	-	-	-	-	230.701	0.000	0.000	0.000	0.000	0.000	230.701	230.701
8.	Literacy	Local: -	-	-	-	-	141.250	-	-	-	-	-	141.250	141.250
		F.Aid: -	-	-	-	-	-	-	-	-	-	-	0.000	0.000
		Total: -	-	-	-	-	141.250	0.000	0.000	0.000	0.000	0.000	141.250	141.250
9	Miscellaneous	Local: 55.933	15.591	10.000	6.500	88.024	16.332	-	-	3.030	5.889	127.489	158.771	246.795
		F.Aid: -	-	-	-	-	35.000	-	-	-	-	-	35.000	35.000
		Total: 55.933	15.591	10.000	6.500	88.024	51.332	0.000	0.000	3.030	5.889	127.489	193.771	281.795
	Sub-Total Local:	2552.465	869.195	787.028	332.687	4561.375	684.672	15.864	0.000	230.000	99.160	356.537	1392.264	5953.639
	Sub-Total F.Aid:	1875.566	1440.826	809.967	1522.360	5648.719	182.629	0.000	0.000	70.000	0.000	0.000	282.629	5901.348
	G. TOTAL:	4428.031	2330.021	1586.985	1855.047	10210.094	867.301	15.864	6.031	300.000	99.160	356.537	1644.893	11854.987
	SAP	Local: 1850.465	519.016	648.286	135.479	3153.246	215.490	13.217	-	140.285	52.960	82.217	504.169	3657.415
		F.Aid: 1606.915	1150.826	796.260	1452.360	5006.361	54.720	-	-	70.000	-	-	124.720	5131.081
		Total: 3457.380	1669.842	1444.546	1587.839	8159.607	270.210	13.217	0.000	210.285	52.960	82.217	628.889	8788.496
	Non-SAP:	Local: 702.651	370.179	138.742	197.208	1270.038	469.182	2.147	-	89.715	46.200	274.320	881.564	2151.602
		F.Aid: 268.000	290.000	13.707	191.485	749.485	127.909	-	-	-	-	-	127.909	877.394
		Total: 970.651	660.179	152.449	388.693	2019.523	597.091	2.147	0.000	89.715	46.200	274.320	1008.473	3028.996

* (Including Textbooks Rs.3.221 million, Library & Museums Rs.1.435 Million).

• F. Aid is shown in parenthesis and included in total.

S.A. Table 17.4

PHYSICAL TARGETS DURING 1998-99
Education & Training Sector

Sl.No.	Item	Punjab	Sindh	NWFP	Baluchistan	Federal	Total
1.	PRIMARY EDUCATION:						
(a)	Opening of Primary Schools	-	153	1096	550	8	1807
(b)	Conversion of Mosque Schools to Primary Schools	647	-	-	-	-	647
(c)	Construction of building of existing shelterless Primary Schools	684	276	-	568	-	1528
(d)	Addition of classrooms in existing over-crowded Primary Schools	301	210	4561	565	-	5637
(e)	Consolidation & Improvement of existing Primary & Mosque Schools	12498	1200	-	-	-	13698
(f)	Establishment of Middle Schools	-	-	-	100	-	-
2.	SECONDARY EDUCATION:						
(a)	Upgradation of Primary Schools	272	265	400	10	17	964
(b)	Upgradation of Middle Schools	-	90	8	-	4	102
(c)	Upgradation of High Schools	-	25	22	-	-	47
(d)	Establishment of New High Schools	6	18	-	-	-	24
(e)	Reconstruction of building of existing Middle Schools	-	30	-	-	-	30
(f)	Reconstruction of building of existing High Schools	34	30	9	-	-	73
(g)	Addition of Classrooms in M.Schools/H.Schools	9	210	-	150	20	389
(h)	Consolidation & Improvement of Existing Middle & High Schools	7	-	-	120	9	136
(i)	Upgradation of High School to Higher Secondary Schools	21	-	-	-	(M.S.C.R.)	21

PHYSICAL TARGETS AND ACHIEVEMENTS

S. No	Item	Units	1997-98 Targets	1997-98 Achievements	Percent Achievement during 1997-98	1998-99 Targets
	<u>RURAL HEALTH</u>					
1.	Tehsil Hospitals	Nos.	294	196	67%	
2.	BHU	" "	85	6	7%	80
3.	RHC	" "	26	15	57%	30
4.	Upgradation of RHC	" "	82	14	91%	75
5.	Upgradation of BHU	" "	302	20	7%	304
6.	Urban Health Centres	" "	10	07	70%	07
	<u>HOSPITAL BEDS</u>					
7.	Beds in RHC/ BHU	" "	715	400	55%	450
8.	Beds in Hospital	" "	2000	1500	75%	2200
	<u>HEALTH MANPOWER DEVELOPMENT</u>					
9.	Doctors	" "	4055	4000	98%	4300
10	Dentists	" "	435	400	91%	430
11	Nurses	" "	2700	2500	92%	2800
12	Paramedics	" "	6750	6000	88%	6600
13	Training of Birth Attendants	" "	9100	3896	43%	9200
14	Immunization	Mill	9.25	5.0	55%	9.50
15	Oral Rehydration Salt.	Mill. Packt	27.00	25.00	92%	30.00
16	Training of LHW (Lady Health Workers).	Nos.	15,000	14,337	96%	

FINANCIAL ALLOCATION AND UTILIZATION

(Rs Million)

Sub-sector	1995-96 Revised Estimated (RE)	1996-97 Revised Estimates (RE)	1997-98 Revised Estimates (RE)	1998-99 Alloca- tion	% Change 1998-99 over 1997-98
Rural Health	261.151	1529.789	1532.700	1635.609	+ 10%
Preventive Programme	2971.084	904.948	901.778	1035.949	+ 13%
Hospital Beds	553.873	980.026	1479.907	1296.987	- 5%
Health Manpower	1083.026	974.915	1438.752	1003.665	- 43%
Social Action Program	-	-	-	-	-
Miscellaneous	134.045	67.007	983.197	518.633	- 89%
T O T A L	4127.626	4456.483	6336.582	5490.840	- 12%

Source: -Budget Book/PSDP 1995-96, 1996-97, 1997-98 and 1998-99.
- Provincial ADPs.

**PSDP ALLOCATION AND PERCENT INCREASE/CHANGE
DURING 1998-99 OVER 1997-98**

(Rs. Million)

Executing Agency	1996-97 Allocation	1997-98 Allocation	1998-99 Allocation	% Increase/ Change in 1998- 99 over 1997-98
<u>A. FEDERAL</u>				
Health Division	2867.715	2391.016	2329.665	+ 1 %
Islamabad Capital Territory	1.700	1.478	-	-
Narcotics Control	2.200	20.537	10.000	- 50%
Cabinet Division	35.000	72.573	47.000	- 64%
P.A.E.C (P.M.Sectt).	53.000	90.000	282.500	+300%
Planning Division	4.000	2.000	40.549	+202%
Sub.Total	2910.615	2505.603	2709.714	+ 8 %
<u>B. SPECIAL AREAS</u>				
F A T A	130.000	153.500	118.270	- 9 %
A J K	167.000	189.000	189.000	- 13%
Northern Areas	45.000	94.000	106.200	+ 02%
SUB.TOTAL	342.000	436.500	413.470	+ 32%
TOTAL (FEDERAL)	3252.615	2942.403	3123.840	+ 03%
<u>C. PROVINCIAL</u>				
Punjab	1260.000	2392.200	1450.000	+163%
Sindh	720.000	522.641	360.000	- 33%
N.W.F.P.	560.000	320.000	198.000	+169%
Balochistan	437.274	382.263	359.000	- 06%
TOTAL	2977.274	3616.954	2367.000	- 43%
GRAND TOTAL	6229.589	6559.257	5490.840	- 16%

Source: Federal PSDP 1998-99.

NON-DEVELOPMENT ALLOCATION FOR 1996-97 AND REVISED ESTIMATES 1995-96, 1996-97 AND ALLOCATION FOR 1997-98 (Million Rs)

	Alloca- tion 1995-96	Revised Estimates 1995-96	Alloca- tion 1996-97	Revised Estimates 1996-97	Alloca- tion 1997-98	% change over 1996-97
A. Federal						
i) <u>Health Division</u>	761.300	685.246	775.592	600.000	861.000	43
- Social Security & Social Welfare	80.300	72.000	82.000	75.500	97.000	25
ii) <u>Interior Division</u>						
- I.C.T	6.500	6.750	7.625	4.000	8.500	100
- Religious Affairs	30.015	27.450	32.075	22.250	38.080	72
- S & T	27.960	26.730	29.155	18.000	33.220	83
- FATA	112.800	111.500	114.000	90.750	130.520	44
- N A.	-	117.249	133.618	100.250	140.610	40
- Kashmir Affairs.	10.080	9.500	10.075	4.500	12.090	58
iii) <u>Reimburse- ments</u>	8.500	8.470	9.000	3.600	11.750	175
TOTAL (FEDERAL)	1121.455	1064.895	1193.140	918.850	1332.770	45
B. Province:						
Punjab	4742.191	4267.972	5701.366	5583.000	6429.600	15
Sindh	2214.304	1992.874	2544.507	2639.200	2602.907	- 1.4
NWFP	1686.481	1517.833	1839.453	1500.570	2100.020	26
Balochistan	850.318	765.286	969.312	885.292	1121.609	15
T o t a l (Provincial)	9493.294	8543.965	11163.588	10590.062	12254.136	18
GRAND TOTAL (A & B)	10614.749	9608.860	12356.728	11516.912	13586.906	10

SAP BUDGETARY ALLOCATION AND UTILIZATIONS FOR 1997-98

S.A.Table-18.5

(Rs. Million)

Sector/ Area	BUDGET ALLOCATIONS			EXPENDITURE		
	Non- Dev. Total	Dev. Total	Grand Total	Non- Dev. Total	Dev. Total	Grand Total
Punjab	3487.0	1597.0	5084.0	2381.0	939.0	3320.0
Sindh	1608.0	419.1	2027.1	1483.0	283.0	1766.0
NWFP	995.8	214.0	1209.8	932.0	203.0	1135.0
Balochistan	844.2	330.3	1174.5	781.6	197.9	978.9
Total Prov. (Health)	6935.0	2560.4	9495.4	5577.6	1622.9	7199.9
AJK	323.0	172.4	495.4	327.5	95.5	423.0
KANA	99.4	98.0	197.4	93.7	18.0	111.7
FATA	199.3	107.5	306.8	187.5	83.1	270.6
ICT	10.2	12.2	22.4	11.0	1.0	12.0
Total Special Areas	631.9	390.1	1022.0	619.7	197.6	817.3
Ministry of Health						
P.M's LHW Programme	0.0	1200.0	1200.0	0.0	855.0	855.0
AIDs.	0.0	50.0	50.0	0.0	20.0	20.0
EPI	0.0	508.0	508.0	0.0	252.5	252.5
Nutrition	0.0	3.0	3.0	0.0	3.0	3.0
T.B. Control	0.0	0.0	0.0	0.0	0.0	0.0
Malaria Control	2.4	115.0	117.4	2.4	6.7	9.1
Total Ministry of Health	2.4	1876.0	1878.4	2.4	1137.2	1139.6
Total FEDERAL	634.3	2266.1	2900.4	622.1	1334.8	1956.9
Total NATIONAL	7569.3	4826.5	12395.8	6199.7	2957.1	9156.8

DEVELOPMENT PROGRAMMES DURING 1997-98 AND 1998-99

Agencies	1997-98 Revised Estimates/ Expenditure	1998-99 Allocation
Federal		
Planning & Development Division		
1. Salt Iodization Programme:	1.883	3.000
2. Nutrition Programme-SAP-H		37.449
Sub-Total (Federal)	1.883	40.449
Provincial Programme:		
Punjab	0.500	5.00
Baluchistan	2.237	2.50
NWFP		5.00
Sub-Total (Provinces)	2.737	12.50
Total (Nutrition Programmes)	4.620	52.949

**PROJECT WISE ALLOCATION
1998-99**

		(Million Rupees)		
S.No.	Name of Project	1997-98 Utili- zation	1998-99 Allo- cation	Percentage Increase/ Decrease(+/-) change
1.	2.	3.	4.	5.
<u>Population Welfare Programme</u>				
	Federal	340.637	557.000	64
	Punjab	409.444	743.000	81
	Sindh	213.823	330.200	54
	NWFP	148.940	243.800	64
	Balochistan	81.465	126.00	55
	Total	1194.309	2000.000	67

PHYSICAL TARGETS AND ACHIEVEMENTS FOR POPULATION WELFARE 1993-1998

Sl. No.	Item	Unit	1992-93 Benchmark	1993-94 Targets	Achievement	1994-95 Targets	Achievement	1995-96 Targets	Achievement	1996-97 Targets	Achievement	1997-98 Targets	Achievement
1	2	3	4	5	6	7	8	9	10	11	12	13	14
A SERVICE DELIVERY													
1	Family Welfare Centres.	Nos	1290	1290	1290	1293	1293	1344	1344	1515	1515	1518	1518
2	RHS "A" Centres	Nos	79	79	79	80	80	87	80	105	105	107	104
3	Mobile Service Units	Nos	130	130	130	131	131	131	131	131	131	215	131
4	Village Based F.P. Workers	Nos	1546	3000	1738	3034	2858	6547	6329	11765	11765	12047	12047
5	Traditional Birth Attendants (TBAs)	Nos	5000	7000	5030	7000	4822	7000	4822	7086	7086	7086	7086
6	Health Outlets	Nos	2824	5954	4332	6082	4836	6347	5032	6509	6509	6971	6000
7	Registered Medical Practitioners (RMPs)	Nos	2500	6500	6500	12822	7611	14152	8013	21228	21228	21425	21755
8	Hakims & Homeopaths	Nos	4000	7570	7570	9190	6772	11488	8899	17362	17362	19770	20120
9	Involvement of NGOs	Nos	488	598	508	573	383	582	342	500	500	750	500
10	Target Group Institutes	Nos	174	228	174	229	140	140	339	394	394	450	450
11	Sales Points of SAC	Nos	20000	23000	23000	25000	25000	27000	27000	37450	37450	61100	53000
B. DEMOGRAPHIC INDICATORS													
12	Growth Rate	%	3	2.9	2.9	2.8	2.8	2.8	2.7	2.5	2.5	2.5	2.5
13	Total Fertility Rate (TFR)	%	6.2	5.9	5.9	5.7	5.7	5.6	5.3	5.1	5.1	4.8	4.8
C. CONTRACEPTIVE SERVICES/METHODS													
14	Contraceptive Users	Million	1.3	14.9	15	17.4	17.8	19.5	22	25.5	25.5	30	30
15	Contraceptive Prevalence Rate	%	14	14.9	15	17.4	17.8	19.5	22	25.5	25.5	30	30
16	Population Coverage	%	20	30	25	30	30.2	47	50	53	53	55	55
	Rural	%	5	10	7	10	12	30	40	45	45	47	47
	Urban	%	54	60	56	50	55	73	77	80	80	83	83
17	Contraceptive Requirements	Million	122	127.2	44	130.5	81.3	135.13	95.93	140.7	116.6	194.1	141.18
	Condoms Units	Million	3.3	3.4	0.85	4.5	1.02	5.53	1.24	6.25	1.48	8.57	2.47
	Oral Pills Cycles	Million	1.1	0.81	0.54	0.89	0.72	0.91	0.69	1.09	0.64	1.19	0.87
	IUD Cases	Million	1.6	2.01	0.88	2.78	1.03	3.46	1.08	4.5	1.2	6.05	1.65
	Injectibles Vials	Million	-	0.22	0.085	0.28	0.09	0.38	0.099	0.418	0.097	0.43	0.106
	C.S. Surgery	Million	-	0.22	0.085	0.28	0.09	0.38	0.099	0.418	0.097	0.43	0.106

**FINANCIAL ALLOCATION AND UTILIZATION
WOMEN AND DEVELOPMENT**

(Million Rs.)					
Sl.No.	Name of the Agency Ministry/Division	1997-98 Allocation	1998-99 Utilization	1998-99 Allocation	% Increase over Rev. Estimates
	1	2	3	4	5
I FEDERAL PROGRAMMES					
	Regular Programme	30.45	28.59	35.00	22.4
	Special Women Action Programme	13.04	13.04	15.00	15.0
	New Projects	0.0	20.0	25.98	29.9
II Provincial Programme					
	I Sindh	0.00	0.00	0.60	-
	III NWFP	2.94	0.30	7.91	2536
	Total	46.43	41.93	84.49	101.5

**FINANCIAL ALLOCATION AND UTILIZATION
MANPOWER AND EMPLOYMENT**

(Million Rs)

Sl.No.	Name of the Agency Ministry/Division	1997-98		1998-99	% Increase over Rev. Estimates
		Allocation	Utilization	Allocation	
1		2	3	4	5
I FEDERAL PROGRAMMES.					
1.	National Vocational Training Programme Phase-II.	173.80	174.18	32.2	-81.51%
2.	Workers Population Education Programme.	4.735	11.735	14.2	21%
3.	Building for P.M I. Hostel	0.00	0.00	7.854	-
II Provincial Programme					
I	Punjab	20.00	20.351	31.971	57.1%
II	Sindh	8.00	8.00	12.00	14.5%
III	NWFP	6.00	0.537	3.179	492.0%
IV	Baluchistan	7.10	2.80	32.40	1057.1%
Total		219.635	217.603	133.804	-38.5%

MANPOWER AND EMPLOYMENT
(Summary)

(Million Rs)

Name of the Agency Ministry/Division	Rev.Estimate for 1997-98 Total	FEC	Allocation for 1998-99
Manpower Division	174.180	0.000	40.054
Labour Division	11.737	10.002	14.20
Total:	185.917	10.002	54.254

S.Table-22.1

FINANCIAL UTILIZATION / ALLOCATION

(Rs. in Million)

S.No.	Sub-Sector / Agencies	1997-98			PSDP 1998-99			
		Allocation	Revised Estimates	Utilization	Original		Revised	
					Total	Foreign Aid	Total	Foreign Aid
1	2	3	4	5	6	7	8	9
A - FEDERAL GOVERNMENT								
(i)	Special Education and Social Welfare Division	52.013	57.286	56.761	55.000	-	55.000	-
1.	Special Education and Rehabilitation Services (Directorate General of Special Education)	48.841	54.114	54.114	52.000	-	52.000	-
2.	Social Welfare Services (Social Welfare Wing)	1.000	1.000	0.475	1.000	-	1.000	-
3.	Promotion of Voluntary Welfare Services (NCSW)	2.172	2.172	2.172	2.000	-	2.000	-
(ii)	Establishment Division							
4.	Staff Welfare Services (Staff Welfare Organization)	19.123	19.123	15.156	23.575	-	23.575	-
Total Federal Government:		71.136	76.409	71.917	78.575	-	78.575	-
B - PROVINCIAL GOVERNMENTS								
Punjab								
1.	Special Education and Rehabilitation Services	11.750	15.931	15.501	13.035	-	13.035	-
2.	Social Welfare Services	8.315	7.193	6.671	2.442	-	2.442	-
Total Punjab:		20.065	23.124	22.172	15.477	-	15.477	-
Sind								
1.	Special Education and Rehabilitation Services	1.916	0.521	0.521	0.700	-	0.700	-
2.	Social Welfare Services	3.000	3.000	3.000	9.000	-	9.000	-
Total Sind:		4.916	3.521	3.521	9.700	-	9.700	-
NWFP								
1.	Special Education and Rehabilitation Services	1.205	0.934	0.934	1.049	-	1.049	-
2.	Social Welfare Services	2.443	1.599	1.599	1.850	-	1.850	-
3.	Promotion of Voluntary Social Welfare Agencies	0.352	0.352	0.352	0.387	-	0.387	-
Total NWFP:		4.000	2.885	2.885	3.286	-	3.286	-
Baluchistan								
1.	Special Education and Rehabilitation Services	2.500	-	-	3.000	-	3.000	-
2.	Social Welfare Services	0.833	0.833	0.833	11.686	-	11.686	-
3.	Promotion of Voluntary Social Welfare Agencies	-	-	-	1.000	-	1.000	-
Total Baluchistan:		3.333	0.833	0.833	15.686	-	15.686	-
Total Provinces:		32.314	30.363	29.411	44.149	-	44.149	-
Total Social Welfare Sector:		103.450	106.772	101.328	122.724	-	122.724	-

S.A. Table 22.2

PHYSICAL TARGETS AND ACHIEVEMENTS

S.No.	Item	Unit	1997-98		1998-99
			Targets	Achievements	Targets
1	2	3	4	5	6
FEDERAL GOVERNMENT					
1.	Special Education and Rehabilitation Services	Institutions/ Centres	14	14	14
2.	Social Welfare Services	-do-	1	1	1
3.	Promotion of Voluntary Welfare Services/NGOs	Aided NGOs	200	200	-
Total Federal:			215	215	15
PROVINCIAL GOVERNMENTS					
<i>Punjab</i>					
1.	Special Education and Rehabilitation Services	Institutions/ Centres	11	11	12
2.	Social Welfare Services	-do-	15	15	16
3.	Promotion of Voluntary Welfare Services/NGOs	Aided NGOs	500	500	500
Total Punjab:			526	526	528
<i>Sindh</i>					
1.	Special Education and Rehabilitation Services	Institutions/ Centres	4	4	3
2.	Social Welfare Services	-do-	9	9	9
Total Sindh:			13	13	12
<i>NWFP</i>					
1.	Special Education and Rehabilitation Services	Institutions/ Centres	2	1	2
2.	Social Welfare Services	-do-	4	4	4
3.	Promotion of Voluntary Welfare Services/NGOs	Aided NGOs	200	-	200
Total NWFP:			206	5	206
<i>Baluchistan</i>					
1.	Special Education and Rehabilitation Services	Institutions/ Centres	2	-	2
2.	Social Welfare Services	-do-	1	1	1
3.	Promotion of Voluntary Welfare Services/NGOs	Aided NGOs	-	-	-
Total Baluchistan:			3	1	3
Total Provinces:			748	545	749
Total Social Welfare:			963	760	764

FINANCIAL ALLOCATION & UTILISATION
Culture, Sports, Tourism & Youth

S.No.				(Rs. Million)
		1997-98 Allocation	Utilization	1998-99 Allocation
FEDEAL				
1.	Culture & Archeology	16.324	10.769	60.647
2.	Sports	5.709	5.709	86.884
3.	Youth	4.279	3.930	4.500
4.	Tourism	60.657	27.320	60.690
	(a) Tourism Division	(41.000)	(8.385)	
	(b) PTDC	(19.657)	(18.935)	
Total Federal (A):-		88.969	47.729	212.721
PROVINCES				
1.	Punjab	33.890	16.462	24.000
2.	Sindh	14.000	15.000	20.000
3.	NWFP	8.832	5.900	44.534
4.	Balochistan	5.700	0.426	3.876
Total Provincial (B):-		62.422	37.788	92.410
Total CSTY (A+B)		151.391	85.516	305.131

PHYSICAL TARGETS & ACHIEVEMENTS
Culture, Sports, Tourism & Youth

S.No.	Items	Units	1997-98		1998-99	
			Targets	Achievements	Targets	Achievements
1. Archaeology & Archives						
	a) Quaid-e-Azam residency	%	100	-		100
	b) Extension of Lok Virsa Museum galleries	%	100	100		-
	c) Archaeological conservation and research laboratory at Taxilla	%	100	100		-
	d) Repair and renovation work on perimeter walls of Jehangir's tombs, Shish Mahal, for tombs at Lal-Mehra Sharif	%	-	-		100
	e) Survey and Documentation of archaeological sites in Punjab and Ancient Gandhara	%	-	-		100
2 Sports						
	Stadia at Sibi, Karachi, Gojra and Toba Tek Singh, Austro Turfs at Gojra, Abbottabad, Sialkot & Bannu	No	3	-		-
	Tennis Courts at NSTCC, Karachi	%	-	-		100
	Synthetic Track at NSTCC, Karachi	%	-	100		-
	Stadium at Mansehra	%	100	98		100
3. Tourism						
	Motel & Roadside facilities of PTDC	No	2	1		-
4. Youth						
	Youth Hostels	No	-	-		1

**ACHIEVEMENT DURING 1997-98
& TARGETS FOR 1998-99 IN RESPECT OF
SOCIAL & PHYSICAL INFRASTRUCTURE IN RURAL AREAS**

Sl.	Province/ Items	Unit	Targets Achievements During 1997-98.	Targets for 1998-99
1	2	3	4	5
A.	Construction & Improve- ment of Farm to market/ Rural Roads.	Km	1870	2066
B.	Rural Water Supply & Sanitation.			
	i) Rural Water Supply Addl. Pop. to be served in million	do	5.00	7.00
	ii) Rural Sanitation	do	1.10	1.77
C.	Rural Health			
	i) Basic Health Units.	Nos.	80	80
	ii) Rural Health Centers	do	20	30
	iii) Upgradation of RHU	do	275	75
	iv) Upgradation of BHU	do	275	304
D.	Village Electrification.	do	5100	5100

SCIENCE & TECHNOLOGY
FINANCIAL UTILIZATION AND ALLOCATION

Agency-wise	(Million Rs)		
	1997-98		1998-99
	Allocation	Utilization	Allocation
A. Ministry of Science and Technology			
1. Ministry of Science & Technology (Main)	60.300	54.621	30.000
2. National University of Sciences & Technology (NUST)	35.300	35.300	50.000
3. Pakistan Council for Scientific & Industrial Research (PCSIR)	48.303	48.303	09.000
4. Central Testing Laboratories (CTL)	06.569	03.094	06.700
5. Pakistan Council of Research in Water Resources (PCRWR)	04.000	04.000	04.000
6. Pakistan Science Foundation (PSF)	04.500	04.500	-
7. Technology Development Action Plan (TDAP)	15.067	15.017	09.660
6. National Institute of Electronics (NIE)	06.800	06.700	06.000
7. National Institute of Oceanography (NIO)	-	-	24.700
Total:	180.839	171.535	140.06
B. Prime Minister's Secretariat			
- Pakistan Atomic Energy Commission (PAEC)			
National Institute of Bio-technology & Genetic Engineering (NIBGE)	30.000	30.000	30.000
C. Provincial			
- S&T Department Sindh	23.200	21.843	2.780
Grand Total:	234.039	223.378	172.840