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**GOVERNMENT OF PAKISTAN
PLANNING COMMISSION**

**DETAILED
ANNUAL PLAN
1997-98**

**Islamabad
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P R E F A C E

The Planning & Development Division released the Annual Plan 1997-98 in June, 1997. The Plan presented the projected economic frame-work and main features of the Public Sector Development Programme (PSDP) for 1997-98. It also highlighted sectoral priorities and programmes to be implemented during the year.

2. This Detailed Annual Plan 1997-98 is an elaboration of the earlier version of the Annual Plan. It provides a review of the financial and physical progress during 1996-97 in various sectors and sets out details of the Plan Programmes and Projects for 1997-98.

3. The Annual Plan is formulated within the policy agenda of the new Government reflecting the market oriented approach for privatization, deregulation and liberalization and special focus on developments in social sectors. Delay in finalizing the document was due to downward revision in PSDP from Rs. 95 billion to Rs 90.1 billion.

FAZLULLAH QURESHI
SECRETARY

PART-I
ECONOMIC FRAMEWORK

(1-2)

CHAPTER-1

ECONOMIC PERFORMANCE AND PROSPECTS

I. REVIEW OF ANNUAL PLAN 1996-97

1.1 The Annual Plan 1996-97 envisaged a GDP growth rate of 6.3 percent. This growth was planned to be contributed by the sectoral growth rates of 5.0 percent in agriculture, 7.9 percent in industry (with 6.5 percent in large scale manufacturing) and 6.1 percent in services sectors. The provisional estimates of economic performance suggest that the GDP grew by 3.1 percent even lower than the last year's growth rate of 4.4 percent. Agriculture sector was not able to repeat its last year's performance. The production of major crops declined by 4.5 percent and targeted production of wheat, maize, bajra, jawar, cotton, gram barley and sugarcane could not be achieved. Output of large scale manufacturing sector declined. Performance of services sector was also lower than expected due to slower growth in trade and banking and insurance sectors.

1.2 External sector remained under heavy pressure due to high level of imports, particularly of machinery for energy sector, and raw materials for manufacturing sector, combined with decline in exports. Exports declined by 1.4 percent over 1995-96. This is largely attributed to a fall of 33 percent in exports of primary commodities; exports of manufactured items grew by 1.9 percent. Imports also declined by 5.0 percent. As a result the current account deficit amounted to \$ 4092 million compared to \$ 4575 million last year. Remittances from abroad declined by 3.6 percent amounting to \$ 1409 million. The foreign exchange reserves also declined to \$ 1238 million by end June 1997 from a level of \$ 2055 million at the beginning of the year.

1.3 Monetary expansion (M2) at 12.2 percent during 1996-97 compares favourably with 13.8 percent during the corresponding period last year. The low monetary expansion was, however, due mainly to heavy draw down on foreign assets. On the fiscal side, the government intensified efforts to improve government revenues and control non-productive expenditure. Nevertheless, the overall fiscal deficit remained at 6.2 percent of the GDP.

1.4 The process of deregulation, disinvestment and decontrol of the economy continued during the year. The policy of privatization of public sector enterprises (PSEs) and creation of conducive environment for foreign investment has started paying dividends. Direct foreign private investment stood at \$ 682.1 million during 1996-97. Portfolio investment, however, increased from \$ 205.2 million in 1995-96 to \$ 267.4 million during 1996-97.

1.5 During 1996-97 prices remained under pressure due mainly to reduced production of agricultural and industrial products, high prices of imports and increase in utility charges. All the three indices have shown growth larger than those registered last year. SPI, CPI and WPI

by the end of June 1997, increased by 13.64 percent, 12.45 percent and 12.05 percent respectively over the month of June, 1996. The full year inflation rate (CPI) during 1996-97 of 11.8 percent was higher than the projected 8.5 percent as well as when compared with 10.8 percent last year.

1.6 **Agriculture sector** was forecast to grow by 5.0 percent in 1996-97. The projected growth was to be achieved through increased productivity of the crops through intensive use of basic inputs.

1.7 During the year, a mixed trend has been witnessed in the output of **major crops**. Production of rice and rape seed is estimated to be higher by 8.5 percent and 12.2 percent respectively over the last year while, production of cotton, maize, sugarcane, wheat and gram is estimated to be lower by 11.5 percent, 1.9 percent, 7.1 percent, 1.5 percent and 12.5 percent respectively. Cotton crop was damaged by floods, attack of curl leaf virus, white fly and humid weather conditions. Sugarcane crop was hit by frost and damage in the Punjab was to the extent of 20-30 percent. Wheat production at 16.7 million tonnes falls short of both last years' level (16.9 million tonnes) and this year's target (18.0 million tonnes) due to persistent drought and late harvesting of sugarcane crop. Consequently, output of major crops has declined by 4.5 percent. However, because of the higher growth rates in other sub-sectors of agriculture except forestry, the overall growth in agriculture sector is 0.7 percent.

1.8 In the **mining and quarrying** sector, the output of crude oil, natural gas, and rock salt has shown increases of 0.9 percent, 4.6 percent, and 11.3 percent respectively. However, the production of coal has shown a decline of 1.3 percent over last year. The growth of the sector as a whole has been estimated at 2.0 percent.

1.9 **Total manufacturing** sector grew by 1.8 percent against the target of 7.2 percent. **Large scale manufacturing** was projected to grow by 6.5 percent during 1996-97. Based on the output data of 96 important items having a weight of 73.7 percent in large scale manufacturing sector, the Index of Industrial Production (IIP) has depicted a negative growth rate of 1.4 percent. Major items which showed positive growth are cotton yarn (1.7%), cotton Cloth (2.0%), cigarettes (1.3%), soda ash (11.7%), caustic soda (8.4%), paper & board (14.3%), billets (14.1%) and LCVs/cars/vehicles (9.7%). Items which showed decline during the period are jute goods (4.1%), sugar (1.8%), motor tyres (47.7%), trucks/buses (5.5%), tractors (35.3%), sewing machines (39.9%), air conditioners (29.6%), electric transformers (38.6%), cotton ginning (11.5%), petroleum products (5.7%) and bicycles (20.7%).

1.10 Like last couple of years, the **Electricity and Gas** sector has continued to show a healthy growth. This year it grew at a rate of 11.6 percent against a target of 15 percent. During 1996-97 Hub Unit-2,3 & 4 (969 MW) and Kohinoor Energy Limited (132 MW) in Private Sector has been commissioned while work on Bin Qasim Unit-6 and Muzzaffargarh Unit-4 in Public Sector and Tapal Energy Limited (126 MW) in private Sector is in advanced stages of implementation. Thus with the addition of 1757 MW (530 MW in public sector and 1227 MW in Private sector) the total installed capacity will increase from 13446 MW in 1995-96 to 15203 MW in 1996-97. The peak demand increased from 9512 MW in 1995-96 to 9817 MW in 1996-97

showing 3.2% increase over the previous year. During 1996-97, 614800 number of new connections have been provided by WAPDA and KESC.

1.11 In Services Sectors growth in the trade sector has been 2.7 percent against the target of 8.0 percent, due mainly to the chain effect of lower agricultural and manufacturing output. Growth in banking & insurance, transport & Communications, and public administration has been 1.6 percent, 5.0 percent and 3.6 percent respectively. Overall the services sector has shown a growth rate of 4.1 percent against the target of 6.1 percent.

1.12 The Annual Plan had projected total resources at Rs 2624.6 billion; the share of national resources being 94.1 percent (Rs 2476.5 billion) and that of external resources 5.9 percent (Rs 148.1 billion). It was also estimated that 79.5 percent of these resources (Rs 2108.5 billion) would go to consumption and 20.5 percent (Rs 516.1 billion) to investment. The provisional estimates placed total resources at Rs 2600.5 billion. The share of national resources declined to Rs 2440.9 billion and that of external resources increased to Rs 159.6 billion. This reflects deterioration in the balance of payments resulting in increased reliance on external resources.

1.13 The Annual Plan 1996-97 envisaged a nominal growth of 22.1 percent in fixed investment. The provisional estimates place the nominal fixed investment at Rs 416.7 billion showing a decrease of 12.5 percent over the target but an increase of 12.9 percent over last year's fixed investment of Rs 369.1 billion. The private sector investment of Rs 224.1 billion was 15.7 percent more than the last year's investment of Rs 193.8 billion. The public sector investment of Rs 192.6 billion, also, remained lower than its target of Rs 198.2 billion but increased at the rate of 9.8 percent over last year. As percentage of GDP, total and fixed investment declined from 18.6 and 17.0 percent in 1995-96 to 18.4 and 16.9 percent in 1996-97, respectively. The ratio of private sector investment to GDP, however, improved from 8.9 percent in 195-96 to 9.1 percent in 1996-97, whereas that of public sector investment decreased from 8.1 percent to 7.8 percent of GDP respectively.

1.14 According to the provisional estimates the ratio of national savings to GDP at 12.0 percent remained far below the target of 14.7 percent of GDP. The shortfall in national savings target realisation was due largely to the fall in remittances from abroad. Comparing with the last year's performance, the rate of National savings ratio to GDP, however, improved from 11.5 percent in 1995-96 to 12.0 percent in 1996-97. As a result 65.0 percent of the total investment was financed by the national savings compared to 62 percent last year. As such dependence on external resources declined from 7.1 percent of GDP in 1995-96 to 6.5 percent in 1996-97 (the target being 5.9 %).

ANNUAL PLAN 1997-98

1.15 The Annual Plan for 1997-98 has been conceived in the light of the Prime Minister's Economic Revival Programme and incentive packages for other sectors. These packages have been designed to improve economic performance through enhanced productivity

and investment in these sectors and various agents in the economy are believed to respond vigorously to the incentives embodied in these packages. The overall rate of growth of GDP is thus targeted at 6.0 percent with manufacturing sector growing at 7.2 percent. Agriculture sector is expected to grow at 5.1 percent, electricity and gas at 6.5 percent and services sector 5.9 percent. The improved supply position, strict demand management and prudent fiscal management is likely to moderate inflationary pressure in the coming year. The rate of inflation is therefore projected at 9 percent as compared to 12 percent during 1996-97.

1.16 Macro-economic framework for the Annual Plan 1997-98 is presented in Table 1.1 below.

	1995-96	1996-97		1997-98 Target	Percentage Change	
		Target	Prov.		1996-97	1997-98
GDP (fc)	1957.2	2250.9	2245.9	2591.4	14.7	15.4
Indirect Taxes (Net)	214.8	260.9	223.6	252.5	4.1	12.9
GDP (mp)	2172.0	2511.8	2469.5	2843.9	13.7	15.2
Net factor income form abroad	-16.5	-35.3	-28.6	-39.0	-73.1	-36.5
GNP (mp)	2155.5	2476.5	2440.9	2804.9	13.2	14.9
External Resources Inflow (net)	153.6	148.1	159.6	148.9	3.9	-6.7
Total Resources/Uses	2309.1	2624.6	2600.5	2953.8	12.6	13.6
Total Consumption	1904.8	2108.5	2145.0	2413.2	12.6	12.5
Total Investment	404.3	516.1	455.5	540.6	12.7	18.7
Fixed Investment	369.1	476.1	416.7	496.3	12.9	19.1
Public	175.3	198.2	192.6	215.7	9.8	12.0
Private	193.8	277.9	224.1	280.6	15.7	25.2
Changes in Stocks	35.2	40.0	38.8	44.3	---	---
National Savings	250.7	368.0	296.0	391.7	18.0	32.3

<u>Memo Items</u>						
National Savings/Investment	62.0	71.3	65.0	72.5	---	---
AS % OF GDP (PM)	18.6	20.5	18.4	19.0	---	---
Investment	8.1	7.9	7.8	7.6	---	---
Fixed Investment	8.9	11.1	9.1	9.9	---	---
Public						
Private	7.1	5.9	6.5	5.2	---	---
External Resources	11.5	14.7	12.0	13.8	---	---
National Savings						

1.17 Macro-economic framework shows an increase of 13.6 percent in total resources of Rs 2953.8 billion during 1997-98 over provisional estimated resources of Rs 2600.5 billion for 1996-97. The consumption expenditure is projected at Rs 2413.2 billion and total investment at Rs 540.6 billion including fixed investment of Rs 496.3 billion and changes in stocks of Rs 44.3 billion. The consumption will thus increase by 12.5 percent whereas total investment will increase by 18.7 percent during the year.

GDP Growth

1.18 The forecast of GDP growth rate of 6.0 percent for 1997-98 is mainly supported by growth in agriculture and the manufacturing sectors. The agriculture sector as a whole is projected to grow by 5.1 percent, industries sector by 6.8 percent and services sector by 5.9 percent. The growth targets of the Annual Plan 1997-98 are given in Table-1.2.

TABLE-1.2

GDP GROWTH

<u>Growth Rates (%)</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u> <u>Provisional</u>	<u>1997-98</u> <u>Target</u>
GDP	5.2	4.6	3.1	6.0
Agriculture	6.6	5.3	0.7	5.0
Manufacturing	3.6	4.4	1.8	7.2
Large Scale manufacturing	1.5	2.6	-1.4	6.5
Services	4.8	4.7	4.1	5.9

1.19 **Agriculture:** The Prime Minister has announced a very comprehensive package for the development of agriculture sector. The package includes adequate returns for farmers, relief in the prices of agricultural inputs and enhanced availability of agricultural credit to farmers. It also includes measures to reform irrigation and drainage system and provides

safeguards against adulteration of critical inputs such as fertilizer, pesticides and seed. Special emphasis has also been given to agricultural research, an important component of any strategy designed to develop agriculture. Apart from these general incentives, Special Wheat and Oil Seed Promotion programmes have been launched. Enhanced procurement prices of wheat, coarse rice, canola oilseed and sunflower oilseed would serve as great incentive for farmers to increase production of these crops. Similarly, reduced cost of key agricultural inputs, exemption from general sales tax of cotton seed and 10 percent duty on the import of second hand and reconditioned harvesters will reduce the cost of production of farmers and thus enhance their incomes. The provision of Rs 30 billion as credit to be provided to small farmers before next Rabi Crop will ease their financial position and enable them to make urgently required investment in this sector. Improved irrigation and drainage system will help farmers economize on the use of this scarce input. Thus based upon benefits accruing from the adoption of the package the agriculture sector is forecast to attain a growth rate of 5.1 percent. Major crops are forecast to grow by 6.2 percent as compared to an estimated negative growth of 4.5 percent during the current year. This growth would emanate from increased production of wheat (8.1%) sugarcane (14.3%) and cotton (6.7%). Minor crops are projected to grow by 5.0 percent, livestock by 3.8 percent, fishing by 4.5 percent and forestry by 5.0 percent. Production of major crops is shown in S.A.Table-1.1.

1.20 **Manufacturing:** During the last few years manufacturing sector has not been able to grow to its potential because of inadequate domestic raw material, increased cost of production due to increased utility charges and high rate of sales tax and erosion in the international competitiveness because inflationary pressures developed in the economy. It may be noted that investment in manufacturing sector over the last four years has not resulted in the corresponding increase in production and as such abundant productive capacity is available for increasing production to meet the rising demand.

1.21 The Prime Minister's Economic Revival Programme has been designed to rectify this situation by providing incentives for improving capacity utilization hence production and investment in the manufacturing sector. Various incentives included in the package are: reduction of tariff rates, exemptions from general sales tax of domestically produced and imported machinery, reduction in the standard GST and income tax rates, both personal and corporate. Reduction in the rates of import duty and exemption from sales tax of locally and imported machinery is expected to bring down investment cost of projects. Similarly, aggressive measures to curb smuggling in the economy and reduction in duty on a wide range of smuggling prone items will lead the increased production in the manufacturing sector.

1.22 Export enhancement package is expected to substantially increase exports of manufactured goods, thus exerting a positive backward linkage effect on the production activity of the manufacturing sector. As a result of these measures, the large scale manufacturing expected to attain its potential. It is expected to grow by 6.5 percent for the year 1997-98 as compared to negative growth of 1.4 percent in the current year. The overall growth for the manufacturing sector is projected at 7.2 percent. The targeted production of major industrial items is shown in S.A.Table-1.2.

1.23 **Mining and Quarrying:** Growth forecast for the mining sector is projected at a rate of 5.0 percent. Production of natural gas is projected to increase by 12.8 percent.

1.24 **Electricity and Gas:** Electricity and gas distribution sector is expected to grow at rate of 6.5 percent. It is planned to add 2290 MW additional capacity during 1997-98 comprising of Chashma low head hydro unit 1-4 (92 MW) in Public Sector and AES Lalpir Limited (362 MW), AES Pakgen Limited (365 MW), Altern Energy Limited (14 MW), Davis Enegen Limited (11 MW), Gul Ahmed Energy Limited (136 MW) Habibulah Energy (140 MW), Japan Power Generation Limited (120 MW) Sabah Shipyard Pakistan Limited (288 MW), Southern Electric Power Limited (115 MW), Liberty Power Project (235 MW) and Rowsh. Pak. Power Limited (412 MW) in Private Sector. Accordingly, the total installed capacity is expected to increase from 15203 MW in 1996-97 to 17492 MW. The energy generation is targeted to be 64456 GWH in 1997-98 as compared to 60787 GWH during 1996-97 showing an increase of 6.0% over 1996-97. The peak demand is expected to increase from 9817 MW in 1996-97 to 10474 MW in 1997-98, which shows an increase of 6.69 percent.

1.25 **Services Sector :** Services sector as a whole is projected to grow by 5.9 percent. This growth is likely to stem from trade (6.4%), banking (6.2%) and transport & communications sector (6.2%). Other services will contribute 6.5 percent. The projection of GDP and its main components are shown in S.A. Table-1.3.

Investment and Savings

1.26 In the Prime Minister's Economic Revival Programme many incentives have been 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 1997-98 is projected at Rs 540.6 billion, 18.7 percent higher over the last year's investment of Rs 455.5 billion. As a proportion of GDP investment is forecast to reach 19.0 percent against 18.4 percent during 1996-97. The fixed investment of Rs 496.3 billion consists of Rs 215.7 billion in the public and Rs 280.6 billion in the private sector. To reduce foreign dependence, efforts would be made to finance about 72.5 percent of investment through national savings and 27.5 percent through external resources.

1.28 The fixed investment of Rs 496.4 billion consists of Rs 215.7 billion in public and Rs 280.6 billion in the private sector, implying that 56.5 percent of fixed investment will be in the private sector. As a proportion of GDP the public and private sector shares are projected at 7.6 and 9.9 percent respectively. While the highest priority in the public sector

would continue to be enjoyed by power, transport & communications, and social sectors, the major share of investment in private sector will be claimed by manufacturing, agriculture, energy and housing sectors. The macro-economic framework showing total resources and their uses is presented in Table-1.1.

1.29 National savings are expected to rise to 13.8 percent of GDP and would finance 72.5 percent of total investment. External savings are forecast to decline from 6.5 percent of GDP in 1996-97 to 5.2 percent in 1997-98. 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 an improved marginal rate of national savings of 25.6 percent as against 15.2 percent of GDP attained in 1996-97. The marginal rate of domestic savings is expected to increase to 28.4 percent as compared to 19.3 percent in 1996-97.

Inflation

1.30 Enlarged production of the commodity producing sectors, fiscal discipline and judicious demand management would moderate inflationary pressure developed in the current fiscal year. Timely imports, adjustment in the duty structure and administrative measures would also be adopted to curb inflation. The rate of inflation for the year 1997-98 is, therefore, targeted at 9.0 percent as compared to 11.8 percent during 1996-97.

CHAPTER-2

PUBLIC SECTOR DEVELOPMENT PROGRAMME

2.1 The PSDP 1996-97 was formulated in line with the two major policies objectives of the present government. The first is to pursue the goal of structural and macro economic adjustment to bring about stability in the economy. The second is to accelerate development in infrastructure and social sectors so as to ensure sustained high growth and wider dispersal of economic benefits amongst people at large, removing regional disparities as far as possible.

2.2 The total size of the budgetary PSDP 1996-97 approved by NEC was Rs.104.8 billion. M/o Finance applied a cut of Rs.20.0 billion on development budget and hence reduced the PSDP 1996-97 to Rs.85.2 billion. Against which Rs 81.0 billion were utilized. Sector-wise details and other bifurcations are shown in S.A.Table 2.1. Agency-wise allocations and corresponding utilization is shown in Table-2.1.

TABLE-2.1

REVISED ESTIMATES OF BUDGETARY PSDP DURING 1996-97

(Billion Rs)

Agency	Allocation	Revised Estimates	% Utilization
1	2	3	4
Federal Programme	37.6	29.5	78.5
Provincial Programme	25.5	29.3	114.9
Budgetary Corporations Programme (WAPDA, OGDC AND NHA)	22.1	22.2	100.5
Total PSDP	85.2	81.0	95.1

Federal Budgetary Programme

2.3 During 1996-97 an amount of Rs 37.6 billion was allocated to the development programme of Federal Ministries/ Divisions. Against which the revised estimates are Rs 29.5 billion i.e. 78.5 per cent. The allocation and revised estimates are shown in Table 2.2.

TABLE-2.2

REVISED ESTIMATES OF FEDERAL BUDGETARY PSDP 1996-97

(Billion Rs)

Agency	Allocation	Revised Estimates	% Utilization
1	2	3	4
Federal Ministries/ Divisions, Programme	35.3	28.4	80.5
Tameer-e-Sindh	2.2	1.0	45.5
Afghan Rehabilitation Programme	0.1	0.1	100.0
Total (Ministries)	37.6	29.5	78.5

Provincial Programme

2.4 During 1996-97 the estimated development expenditure in the Provinces amounted to Rs 29.3 billion against an allocation of Rs. 25.5 billion. In sectoral terms, Water sector was accorded highest priority (Rs 8.8 billion) followed by Rural Development (Rs 6.9 billion), PP&H (Rs 6.5 billion), Education (Rs 2.7 billion), Health & Nutrition (1.5 billion) and Transport & Communication (Rs 1.3 billion) respectively.

Corporations Programme

2.5 The Public Sector corporations (Budgetary and Non Budgetary) were allocated Rs 86.7 billion during 1996-97. The corresponding revised estimates are Rs 80.9 billion (93.3%). The Corporation-wise details are given in S.A.Table-2.3.

Public Sector Development Programme 1997-98

2.6 The PSDP has been prepared in line with the objective of macro-economic stability thus putting main emphasis on the reduction of fiscal deficit. The size of original budgetary PSDP has been considerably lowered to bring down the fiscal deficit from 5.5 per cent to 4 per cent within the overall macro-economic frame work.

2.7 An amount of Rs 95.1 billion was allocated to the Budgetary Public Sector Development Programme 1997-98. However, Finance Division reduced it to Rs.90.1 billion thus saving Rs.5.0 billion. Later on the total size of PSDP 1997-98 has been adjusted at Rs.90.1

billion in consultation with the Federal Ministries/Divisions. The share of federal Ministries/Divisions amounts to Rs.37.4 billion. Provincial programme has been earmarked Rs 26.0 billion. The share of Budgetary Corporations amounts to Rs 26.7 billion. The sectoral details are given in the S.A. Table 2.2 and the agency-wise details are shown in Table 2.3.

TABLE-2.3

BUDGETARY PSDP 1997-98

(Billion Rs)				
Agency	Allocation 1996-97		Allocation 1997-98	
	Total	F. Aid	Total	F. Aid
1	2	3	4	5
Federal Ministries/ Divisions, Programme	<u>37.6</u>	<u>12.8</u>	<u>37.4</u>	<u>13.9</u>
i) Ministries Prog.	35.3	12.8	36.4	13.9
ii) Tameer-e-Sindh	2.2	0.0	0.9	0.0
iv) Afghan Refugees Programme	0.1	0.0	0.1	0.0
Provincial Programme	<u>25.5</u>	<u>10.0</u>	<u>26.0</u>	<u>10.0</u>
Corporations Budget Programme	<u>22.1</u>	<u>14.3</u>	<u>26.7</u>	<u>17.0</u>
Total Budgetary PSDP	85.2	37.1	90.1	40.9

* 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.

2.8 Sectoral allocations for budgetary PSDP 1997-98 (National) which is an indication of inter-sectoral priority assigned, shows highest allocation for T&C followed by Water, Energy, Education and Physical Planning & Housing.

2.9 Federal PSDP for 1997-98 excluding budgetary Corporations has been placed at Rs 63.4 billion out of which Rs 36.4 billion has been earmarked for Federal Ministries, Rs 0.9 billion for Tameer-e-Sindh Programme, Rs 0.1 billion for Afghan Refugees Programme. Budgetary Corporations Programme amounts to Rs 26.7 billion.

PROVINCIAL PROGRAMME

2.10 For 1997-98 Rs 26.0 billion have been earmarked in Federal PSDP for Provincial SAP and non SAP programme. Province-wise allocation/utilization during 1996-97 and allocation during 1997-98 is shown in Table 2.4.

TABLE-2.4

REVISED ESTIMATES OF PROVINCIAL PSDP DURING 1996-97 & ALLOCATION FOR 1997-98

(Billion Rs)

Province	Allocation for 1996-97	Revised estimates during 1996-97	Allocation for 1997-98
1	2	3	4
1. Punjab	9.4	15.0	12.1
2. Sindh	7.5	7.3	6.1
3. NWFP	5.2	4.3	4.7
4. Balochistan	3.4	2.7	3.1
Total	25.5	29.3	26.0

* The size of the programme formulated by the provinces however amount to Rs 42.0 billion. Provincial Governments will mobilize resources to meet this additional expenditure or will adjust their programmes in line with the above allocations.

2.11 Sectoral allocation in the total Provincial Programme for 1997-98 is the reflection of highest priority accorded to Water, Education, Physical Planning & Housing, Health and Rural Development respectively.

CORPORATION PROGRAMME

2.12 Public Sector Corporations Programme 1997-98 amounts to Rs 98.9 billion compared to Rs 86.7 billion in 1996-97. An amount of Rs 26.7 billion of the total Corporation programme will be provided through Rupee resources in the Federal Budget and Foreign Aid channelled through Budget. Rest of the Financing is Planned to come from self financing and local/foreign equity. 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 1997-98 is shown in S.A. Table 2.3.

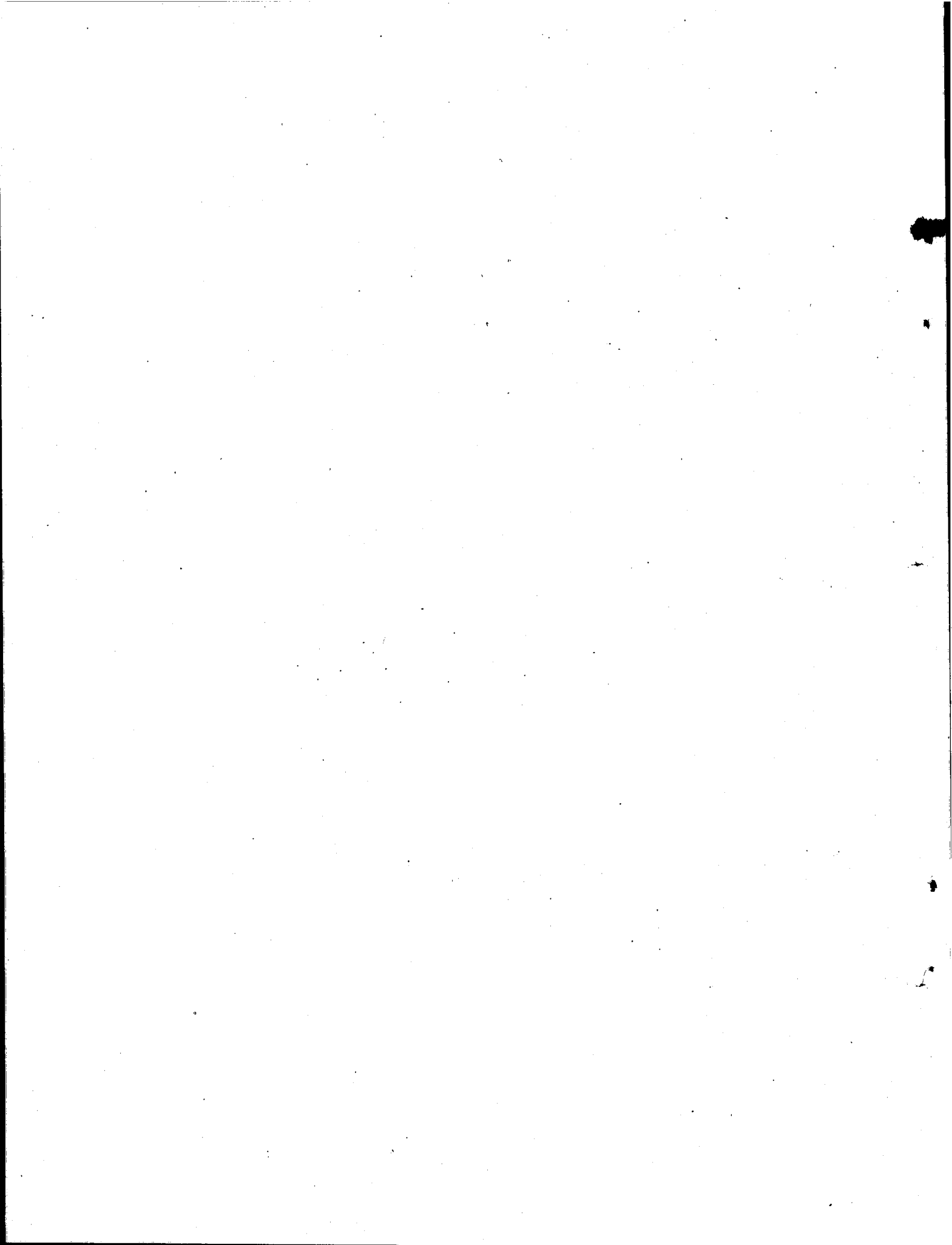
Special Areas Programme

2.13 An allocation of Rs 3.3 billion has been made in Federal PSDP 1997-98 for the Special Areas (AJ&K, NA, FATA & FATA Development Corporation). Allocation to these areas in 1996-97 was also Rs 3.3 billion. The area-wise allocation and utilization is shown in Table 2.5.

TABLE-2.5

SPECIAL AREAS PROGRAMME FOR 1996-97 & 1997-98

Province	(Million Rs)		
	Allocation for 1996-97	Revised estimates during 1996-97	Allocation for 1997-98
1	2	3	4
Azad Kashmir	1744.0	1647.1	1742.8
Northern Areas	560.0	575.5	721.4
FATA	855.0	840.8	769.2
FATA-DC	116.0	0.0	103.8
Total	3275.0	3063.4	3337.2



CHAPTER-3

PUBLIC FINANCE

3.1 The reduction of budgetary deficit to sustainable levels has been one of the main objectives of fiscal policy in Pakistan. However, due to inelasticity of the tax system and built-in rigidities in public expenditures, achievement of this objective has continued to pose a serious challenge. Since 1995-96, specific measures have been adopted consisting of effective implementation of a broad-based low rate consumption tax, documentation of the economy, expansion of direct tax base and inclusion of agriculture in direct tax which increased to raising the tax-GDP ratio. The measures including structural and procedural reforms in taxation, mobilization of additional resources and control of current as well as development expenditure were also taken up. In the area of taxation, efforts were continuously made to improve elasticity and buoyancy, bring about transparency and simplicity in taxation structure, and reduce tax exemption. On the expenditure side, there was a need to reduce stock of debts through fiscal consolidation and the use of privatization proceeds was used to retire the most expensive debts.

Fiscal Developments During 1996-97

3.2 The consolidated budget for 1996-97 envisaged mobilization of Rs 40.8 billion additional revenues while keeping an overall fiscal deficit of 4.0 per cent of GDP to be financed by bank borrowing of Rs 45.9 billion (1.7 per cent of GDP), non-bank borrowing of Rs 44.0 billion (1.8 per cent of GDP) and external borrowing of Rs 11.5 billion (0.5 per cent of GDP). It seems, however, that expenditures were under estimated and revenues over estimated, particularly from customs and consequently deficit target could not be realised. The overall budgetary position during 1995-98 is given in S.A. Table-3.1.

3.3 During 1996-97, a Task Force of Fiscal Reforms under the chairmanship of Deputy Chairman, Planning Commission was set up. The Task Force had recommended that provincial governments would impose land tax with the assumption of 12.5 acres for irrigated and 25 acres for barani areas with the variations in rates between irrigated and barani lands. The collection of Agriculture Income Tax will be the responsibility of Provincial Board of Revenue. The provincial governments were expected to collect Rs 2 billion in 1996-97 and progressively achieve a target of 0.5% of GDP in 3-4 years. To curtail the expenditure, the Ministries/Divisions in the Federal Government were rationalized by reducing the number of Divisions from 48 to 31.

3.4 During 1996-97, the budget and post-budget taxation measures helped mobilize revenues of Rs 388.2 billion (15.7 per cent of GDP). The revised estimates of government expenditure of Rs 543.1 billion (22 percent of GDP) are lower than the budget estimate of Rs 547.9 billion (21.8 per cent of GDP), mainly due to reduction in development expenditure from Rs 104.8 billion to Rs 85.1 billion. The resulting, fiscal deficit of Rs 154.9 billion (6.3 per cent of GDP) indicates an increase of 12.4 per cent over the fiscal deficit of Rs 137.8 billion (6.3 per cent of GDP) in 1995-96. The domestic borrowing of Rs 138.3 billion financed

about 89.3% of the overall fiscal deficit compared to budgeted level of 88.6 per cent and the previous year's provisional/actual of 79.2 per cent. The overall budgetary position for 1995-96 and 1996-97 is summarized in Table 3.1.

TABLE 3.1
CONSOLIDATED BUDGET 1995-96 and 1996-97

(Billion Rs)

	1995-96 Prov. <u>Actual</u>	1996-97 Budget <u>Est.</u>	1996-97 Revised <u>Est.</u>	%Growth Rate <u>FY97/FY96</u>	Shortfall in 1996-97 <u>(Rev. B.E)</u>
Government revenues	380.3	446.5	388.2	2.1	-58.3
Tax	305.6	378.0	326.5	6.8	-51.5
Non-tax revenues	62.7	68.5	61.7	-1.6	-6.8
Financing for SAP	12.0				
Government expenditure	518.1	547.9	543.1	4.8	-4.8
Current	423.9	443.1	458.0	8.0	14.9
Development	94.2	104.8	85.1	-9.7	-19.7
Fiscal Deficit	137.8	101.4	154.9	12.4	53.5
Primary deficit	5.3	-49.5	4.7	-11.3	54.2
Interest payments	132.5	150.9	150.2	13.4	-0.7
Financing:	137.8	101.4	154.9	12.4	53.5
Bank borrowing	52.3	45.9	88.6	69.4	42.7
Non-bank borrowing	56.9	44.0	49.7	-12.7	5.7
External borrowing (net)	28.6	11.5	16.6	-42.0	5.1
GDP (MP)	2172.0	2511.8	2469.5	13.7	-42.3
Memorandum Items					
Share of GDP					
Government revenues	17.5	17.8	15.7		
Tax	14.1	15.0	13.2		
Non-tax revenues	2.9	2.7	2.5		

Government expenditure	23.9	21.8	22.0
Current	19.5	17.6	18.5
Development	4.3	4.2	3.4
Fiscal Deficit	6.3	4.0	6.3
Primary deficit	0.2	-2.0	0.2
Interest payments	6.1	6.0	6.1
Financing:	6.3	4.0	6.3
Bank borrowing	2.4	1.8	3.6
Non-bank borrowing	2.6	1.8	2.0
External borrowing (net)	1.3	0.5	0.7

3.5 Both government revenues and expenditures have grown by less than the growth in the nominal GDP in 1996-97 (equivalent to 13.7%) with the result that revenues as well as expenditures as a ratio of GDP have fallen in 1996-97 as compared to the year 1995-96. Total revenues have declined from 17.5 per cent of GDP in 1995-96 to 15.7 per cent in 1996-97 and total expenditures have also dropped from 23.9 per cent of GDP in 1995-96 to 22 percent in 1996-97. The decline in tax revenues is from 14.1 percent of GDP in 1995-96 to 13.2 percent in 1996-97 while the decline in the non-tax revenues is from 2.9 percent to 2.5 percent GDP for the comparable period.

3.6 With a view to matching the fall in revenues, the Government had to adopt measures to curtail both the current and development expenditures. Consequently, the current expenditures have fallen from 19.5 percent of GDP in 1995-96 to 18.5 percent in 1996-97 while the development expenditure were reduced to 3.4 percent of GDP in 1996-97 against 4.3 percent in 1995-96.

Government Revenues

3.7 The salient features of government revenue performance during 1996-97 are as following:

- a) The government revenues at Rs 388.2 billion in 1996-97 indicate a decrease of Rs 58.3 billion over budget estimate of Rs 446.5 billion for the year. In terms of GDP, the government revenues declined by a substantial margin from the budget estimates of 17.8 per cent to a level of 15.7 percent (revised estimates).
- b) Compared to gross revenues of Rs 380.3 billion during 1995-96, however, revenues in 1996-97 showed an increase of 2.1 per cent.

- c) The tax revenues increased from Rs 305.6 billion in 1995-96 to revised estimates of Rs 326.5 billion in 1996-97 showing an increase of 6.8 per cent.
- d) The direct taxes increased from Rs 80.1 billion in 1995-96 to Rs 89.9 billion in 1996-97, showing an increase of 12.2 per cent, whereas the indirect taxes increased by 4.9 percent from Rs 225.5 billion in 1995-96 to Rs 236.6 billion in 1996-97. The share of indirect taxes in GDP has declined from 10.4 per cent in 1995-96 to 9.6 per cent in 1996-97.
- e) The non-tax receipts declined by 1.6 per cent from Rs 62.7 billion in 1995-96 to Rs 61.7 billion in 1996-97. As a ratio of GDP, the decline was from 2.9 per cent in 1995-96 to 2.5 per cent in 1996-97. Details are given in Table-3.2.

Table-3.2
CONSOLIDATED BUDGET 1995-96 AND 1996-97

(Billion Rs)

	1995-96	1996-97		% Growth Rate FY97/FY96	Shortfalls in 1996-97 (Rev-BE)
	Prov. Actual	Budget Est.	Revised Est		
Government revenues	380.3	446.4	388.2	2.1	-58.2
Tax	305.6	377.9	326.5	6.8	-51.4
Direct taxes	80.1	92.2	89.9	12.2	-2.3
- Taxes on income	75.7	85.3	83.9	10.8	-1.4
- Other direct taxes	4.4	6.9	6.0	36.4	-0.9
Indirect taxes	225.5	285.7	236.6	4.9	-49.1
- Custom duties	88.9	113.0	83.0	-6.6	-30.0
- Excise duties	51.9	59.1	59.9	15.4	0.8
- Sales tax	49.9	76.7	56.0	12.2	-20.7
- Surcharges	24.9	26.3	25.0	0.4	-1.3
Petroleum	15.1	19.5	19.5	29.1	0.0
Natural Gas	9.8	6.8	5.5	-43.9	-1.3

- Other indirect taxes	9.9	10.6	12.7	28.3	2.1
Non-tax revenues	62.7	68.5	61.7	-1.6	-6.8
Financing For SAP	12.0				
GDP (MP)	2172.0	2511.8	2469.5	13.7	-42.3
Memorandum Items					
% of GDP					
Government revenues	17.5	17.8	15.7		
Tax	14.1	15.0	13.2		
Direct taxes	3.7	3.7	3.6		
- Taxes on income	3.5	3.4	3.4		
- Other direct taxes	0.2	0.3	0.2		
Indirect taxes	10.4	11.4	9.6		
- Custom duties	4.1	4.5	3.4		
- Excise duties	2.4	2.4	2.4		
- Sales tax	2.3	3.1	2.3		
- Surcharges	1.1	1.0	1.0		
Petroleum	0.7	0.8	0.8		
Natural Gas	0.5	0.3	0.2		
- Other indirect taxes	0.5	0.4	0.5		
Non-tax revenues	2.9	2.7	2.5		
Financing For SAP	0.6				

Government Expenditure

3.8 The revised estimates of the Government expenditures at Rs 543.1 billion (22 per cent of GDP) decreased by 0.8 per cent in 1996-97 from the budget estimate of Rs 547.9 billion (21.8 per cent of GDP). This is partially due to decline in current expenditure from budget estimate of Rs. 462.7 billion (18.4 per cent of GDP) to revised estimate of Rs 458.0 billion (18.5 per cent of GDP). The current expenditure increased from 423.8 billion in 1995-96 to

Rs.58 billion in 1996-97 showing an increase of 8.1 per cent. However, as a share in GDP this expenditure decreased from 19.5 per cent in 1995-96 to 18.5 per cent in 1996-97. Expenditure on community, social and economic services increased from Rs 74.3 billion in 1995-96 to Rs.85.6 billion in 1996-97 showing an increase of 15.2 per cent. However this expenditure on community, social and economic services decreased marginally in 1996-97 from Rs 86.0 billion in the budget estimates to Rs 85.6 billion in the revised estimates. The development expenditure for 1996-97 has decreased by Rs. 0.1 billion to Rs 85.1 billion from Rs 85.2 billion of budget estimate. Details are provided in Table-3.3.

TABLE-3.3

CONSOLIDATED BUDGET 1995-96 and 1996-97

(Billion Rs)

	<u>1995-96</u> Provisional Actual	<u>1996-97</u> Budget Estimates	Revised Estimates	% Growth Rate FY97/FY96	Shortfalls in 1996-97 (Eev-BE)
Government expenditure	518.0	547.9	543.1	4.8	-4.8
Current	423.8	462.7	458.0	8.1	-4.7
General administration	47.8	44.3	42.0	-12.1	-2.3
Law and order	20.7	21.7	21.7	4.8	0.0
Defence	119.7	131.4	127.4	6.4	-4.0
Subsidies	10.7	10.7	12.9	20.6	2.2
Community Services	10.9	13.5	12.4	13.8	-1.1
Social services	53.9	61.0	63.6	18.0	2.6
Economic services	9.5	11.5	9.6	1.1	-1.9
Grants to Local Auth	10.4	11.2	11.6	11.5	0.4
Interest payments	132.5	150.9	150.2	13.4	-0.7
-Domestic	106.8	120.8	120.4	12.7	-0.4
-External	25.7	30.1	29.8	16.0	-0.3
Other expenditure	7.7	6.5	6.6	-14.3	0.1
Development	94.2	85.2	85.1	- 9.7	-0.1
GDP (MP)	2172.0	2511.8	2469.5	13.7	-42.3

Memorandum Items

% of GDP

Government expenditure	23.8	21.8	22.0
Current	19.5	18.4	18.5
General administration	2.2	1.8	1.7
Law and order	1.0	0.9	0.9
Defence	5.5	5.2	5.2
Subsidies	0.5	0.4	0.5
Interest payments	0.5	0.5	0.5
- Domestic	2.5	2.4	2.6
- External	0.4	0.5	0.4
Community services	0.5	0.4	0.5
Social services	6.1	6.0	6.1
Economic services	4.9	4.8	4.9
Grants to Prov./LB	1.2	1.2	1.2
Other expenditure	0.4	0.3	0.3
Development	4.3	3.4	3.4

3.9 The budget financed development expenditure dropped from Rs 94.2 billion in 1995-96 to Rs 85.1 billion in 1996-97 showing a decline of 9.7 per cent. In terms of GDP, the budget financed public sector development expenditure (PSDP) of 3.4 per cent has been lower than the 1995-96 PSDP expenditure of 4.3 per cent.

Fiscal Performance of the Federal Government during 1996-97

3.10 The gross revenues of federal government for 1996-97 of Rs 364.5 billion (excluding transfer to provinces of Rs 131.6 billion) remained Rs 80.1 billion less than the 1996-97 budget estimates of Rs 444.6 billion. Details may be seen in Table-3.4.

TABLE 3.4
FEDERAL GOVERNMENT REVENUES AND EXPENDITURES

(Billion Rs)

	1995-96 Provisional Actual	1996-97 Budget Estimates	1996-97 Revised Estimates	% Growth Rate FY97/FY96	Shortfalls in 1996-97 (Rev-B/E)
Government revenues	347.8	444.6	364.5	4.8	-80.1
(Gross)					
Tax	293.9	363.7	312.2	6.2	-51.5
Direct taxes	78.2	88.6	88.0	12.5	-0.6
Indirect taxes	215.7	275.1	224.2	3.9	-50.9
Non-tax revenues	53.9	80.9	52.3	-3.0	-28.6
Less Transfer to Provinces	121.3	133.2	131.6	8.5	-1.6
Government Revenues (Net)	226.5	311.4	232.9	2.8	-78.5
Government Current Exp.	316.0	400.3	343.1	8.6	-57.2
General administration	18.9	23.2	21.1	11.6	-2.1
Defense	119.7	131.4	127.4	6.5	-4.0
Law and Order	7.2	7.4	7.6	5.6	0.2
Subsidies	8.0	5.8	7.6	-5.0	1.8
Debt Servicing	128.0	193.8	145.6	13.8	-48.2
Community services	5.0	5.3	5.1	2.0	-0.2
Social services	9.1	8.8	8.9	-2.2	0.1
Economic services	2.8	3.0	2.6	-7.1	-0.4
Grants	10.1	16.5	10.8	6.9	-5.7
Other expenditures	7.2	5.1	6.4	-11.3	1.3
GDP(MP)	2172.0	2511.8	2469.5	13.7	-42.3
% of GDP					
Government revenues	16.0	17.7	14.8		
(Gross)					

Tax	13.5	14.5	12.6
Direct taxes	3.6	3.5	3.6
Indirect taxes	9.9	11.0	9.1
Non-tax revenues	2.5	3.2	2.1
Less Transfer to Provinces	5.6	5.3	5.3
Government Revenues(Net)	10.4	12.4	9.4
Government Current Exp.	14.5	15.9	13.9
General administration	0.9	0.9	0.9
Defense	5.5	5.2	5.2
Law and Order	0.3	0.3	0.3
Subsidies	0.4	0.2	0.3
Debt Servicing	5.9	7.7	5.9
Community services	0.2	0.2	0.2
Social services	0.4	0.4	0.4
Economic services	0.1	0.1	0.1
Grants	0.5	0.7	0.4
Other expenditures	0.3	0.2	0.3

3.11 The main features of the Federal Government revenues during 1996-97 are as follows:-

- a) The gross federal revenues collection of Rs 364.5 billion in 1996-97 increased by Rs.16.7 billion or 4.8 per cent over the revenue collection of Rs 347.8 billion in 1995-96. Tax revenues increased by Rs 18.3 billion or 6.2 per cent from Rs.293.9 billion in 1995-96 to Rs 312.2 billion in the revised estimates of 1996-97.
- b) Direct tax collection increased by Rs 9.8 billion or 12.5 percent from Rs 78.2 billion in 1995-96 to Rs 88.0 billion in 1996-97 while collection of indirect taxes registered an increase of Rs 8.5 billion or 3.9 per cent from Rs 215.7 billion during 1995-96 to Rs 224.2 billion in 1996-97.
- c) The non-tax receipts decreased by Rs.1.6 billion from Rs 53.9 billion in 1995-96 to Rs 52.3 billion in 1996-97.

3.12 The federal government's current expenditure during 1996-97 increased by Rs 27.1 billion or 8.6 per cent from Rs 316 billion in 1995-96 where as Rs 57.2 billion decreased from

the budget estimates of Rs 400.3 billion in 1996-97. The increase in current expenditure was mainly due to higher spending on two major heads i.e. defense and debt servicing.

Fiscal Performance of Provincial Governments During 1996-97

3.13 The provincial governments mobilized Rs 23.7 billion or about 15 per cent of their total revenues from their own sources during 1996-97 while the balance of Rs 131.6 billion had to be met from the Federal Government transfer (divisible pool). The provincial taxes increased by 22.2 percent from Rs 11.7 billion in 1995-96 to Rs 14.3 billion in 1996-97 whereas non-tax revenues increased by 6.8 per cent from Rs 8.8 billion in 1995-96 to Rs 9.4 billion during 1996-97. The provincial government expenditure increased by 6.4 percent from Rs 107.8 billion during 1995-96 to Rs.114.8 billion during 1996-97, most of the increase being in social, economic and community services, as reflected in Table-3.5.

TABLE-3.5
PROVINCIAL GOVERNMENT REVENUES AND EXPENDITURE
(Billion Rs)

	1995-96 Provisional Actual	1966-97 Budget Estimates	1996-97 Revised Estimates	% Growth Rate FY97/FY96	Shortfalls in 1996-96 (Rev.B.E)
Total Resources	141.8	135.0	155.3	9.5	20.3
a) Transfer From Fed.	121.3	133.2	131.6	8.5	-1.6
b) Government Own revenues	20.5	1.8	23.7	15.6	21.9
Tax	11.7	14.2	14.3	22.2	0.1
Direct taxes	1.9	3.6	1.9	0.0	-1.7
Indirect taxes	9.8	10.6	12.4	26.5	1.8
Non-tax revenues	8.8	-12.4	9.4	6.8	21.8
Government expenditure	107.8	56.1	114.8	6.4	58.6
General administration	28.9	21.1	20.9	-27.7	-0.2
Law and order	13.5	14.3	14.1	4.4	-0.2
Defense	0.0	0.0	0.0		0.0
Subsidies	2.7	4.9	5.3	96.3	0.4
Debt Servicing	4.5	5.0	4.6	2.2	-0.4
Community services	5.9	8.2	7.3	23.7	-0.9
Social services	44.9	52.2	54.7	21.8	2.5
Economic services	6.7	8.5	7.0	4.5	-1.5

Grants	0.3	-5.3	0.8	166.7	6.1
Other expenditures	0.4	-4.8	0.1	-87.5	4.9
GDP(MP)	2172.0	2511.8	2469.5	13.7	-42.3
% of GDP					
Total Resources	6.5	5.4	6.3		
a) Transfer From Fed.	5.6	5.3	5.3		
b) Government Own revenues	0.9	0.1	1.0		
Tax	0.5	0.6	0.6		
Direct taxes	0.1	0.1	0.1		
Indirect taxes	0.5	0.4	0.5		
Non-tax revenues	0.4	-0.5	0.4		
Government expenditure	5.0	2.2	4.6		
General administration	1.3	0.8	0.8		
Law and order	0.6	0.6	0.6		
Defence	0.0	0.0	0.0		
Subsidies	0.1	0.2	0.2		
Debt Servicing	0.2	0.2	0.2		
Community services	0.3	0.3	0.3		
Social services	2.1	2.1	2.2		
Economic services	0.3	0.3	0.3		
Grants	0.0	-0.2	0.0		
Other expenditures	0.0	-0.2	0.0		

Consolidated Budget, 1997-98

3.14 The salient features of the budget 1997-98 are discussed below:-

- (I) The budget for 1997-98 envisages an improvement in the fiscal position with the overall deficit expected to fall from 6.3 per cent of GDP in 1996-97 to 5.2 percent of GDP during 1997-98. This improvement is premised restraints on government expenditure, particularly current expenditure. Details are at Table-3.6.

TABLE-3.6
CONSOLIDATED BUDGET 1996-97 AND 1997-98

(Billion Rs)

	<u>1996-97</u> Revised <u>Estimates</u>	<u>1997-98</u> Budget <u>Estimates</u>	% Growth Rate <u>FY98/FY97</u>
Government revenues	388.2	462.1	19.0
Tax	326.5	373.7	14.5
Non-tax revenues	61.7	88.4	43.3
Government expenditure	543.1	610.0	12.3
Current	457.9	519.9	13.5
Development	85.2	90.1	5.8
Fiscal Deficit	154.9	147.9	-4.5
Primary deficit	-69.7	-57.8	-17.1
Interest payments	224.6	205.7	-8.4
Financing:	154.9	147.9	-4.5
Bank borrowing	88.6	57.9	-34.7
Non-bank borrowing	49.7	59.8	20.3
External borrowing (net)	16.6	30.2	81.9
GDP (MP)	2469.5	2843.9	15.2
Memorandum Items			
% of GDP			
Government revenues	15.7	16.2	
Tax	13.2	13.1	
Non-tax revenues	2.5	3.1	
Government expenditure	22.0	21.4	
Current	18.5	18.3	
Development	3.5	3.2	
Fiscal Deficit	6.3	5.2	

Primary deficit	-2.8	-2.0
Interest payments	9.1	7.2
Financing:	6.3	5.2
Bank borrowing	3.6	2.0
Non-bank borrowing	2.0	2.1
External borrowing (net)	0.7	1.1

- (ii) Government revenues are estimated to increase by 19 per cent over the previous year. As a proportion of GDP government revenues are estimated at 16.2 per cent in 1997-98 compared to the level achieved at 15.7 per cent in 1996-97. This increase in government revenue would be contributed both by tax and non-tax revenues and the taxes are projected to increase by 14.5 per cent whereas non-tax revenues are estimated to rise by 43.3 per cent over the revised estimates of 1996-97.
- (iii) The budget provides for an increase of 5.8 per cent in development outlay and 13.5 per cent in the current expenditure.
- (iv) As a proportion of GDP, the deficit will be financed by bank borrowing (2 per cent of GDP), non-bank borrowing (2.1 per cent of GDP) and external borrowing (1.1 per cent of GDP).

Federal Government Budget 1997-98

3.15 The main features of Federal Budget for 1997-98 are discussed as under :

- a) The Federal Government revenue (gross) are estimated to increase from Rs 364.5 billion in 1996-97 to Rs 435.7 billion in 1997-98, showing an increase of 19.5 per cent over the year 1996-97. This increase is favourable with the expected growth in nominal GDP of 15.2 per cent during the same period.
- b) The tax revenues are projected by 13.9 percent from Rs. 312.2 billion in 1996-97 to Rs. 355.7 billion in 1997-98. The direct taxes are expected to increase by 18.5 percent whereas increase in indirect taxes is estimated at 12.1 percent during 1997-98.
- c) The non-tax revenues have been estimated to increase by 53 percent from Rs 52.3 billion in 1996-97 to Rs 80 billion in 1997-98.
- d) The current government expenditure estimates show an increase of 14.2 percent from Rs 343.1 billion in 1996-97 to Rs 391.9 billion in 1997-98. The budgetary position related to Federal Government during 1995-98 is given in S.A. Table-3.2.

Fiscal Policy Measures 1997-98

3.16 The budgetary measures adopted by the Government for 1997-98 aim at ensuring fiscal and financial stability by increasing revenues and controlling government expenditures. In this regard, necessary steps taken to reform the tax structure and administration, to downsize the public sector to increase its efficiency and to encourage the private sector. The major reforms are outlined as follows:-

Income Tax reforms

- a) Income of non-residents from foreign investment in government and fixed income securities is proposed to be exempted from tax.
- b) Bonus shares are proposed to be exempted from taxation completely.
- c) Exemption from tax on capital gains from sale of shares is proposed to be extended for another 3 years since 30th June 1998.
- d) Minimum tax under section 80 (D) of the Income Tax Ordinance, 1979 will not be applicable on turnover representing trading in all types of shares. Mutual funds which distribute at least 90% profits amongst shareholders may be exempted from tax.

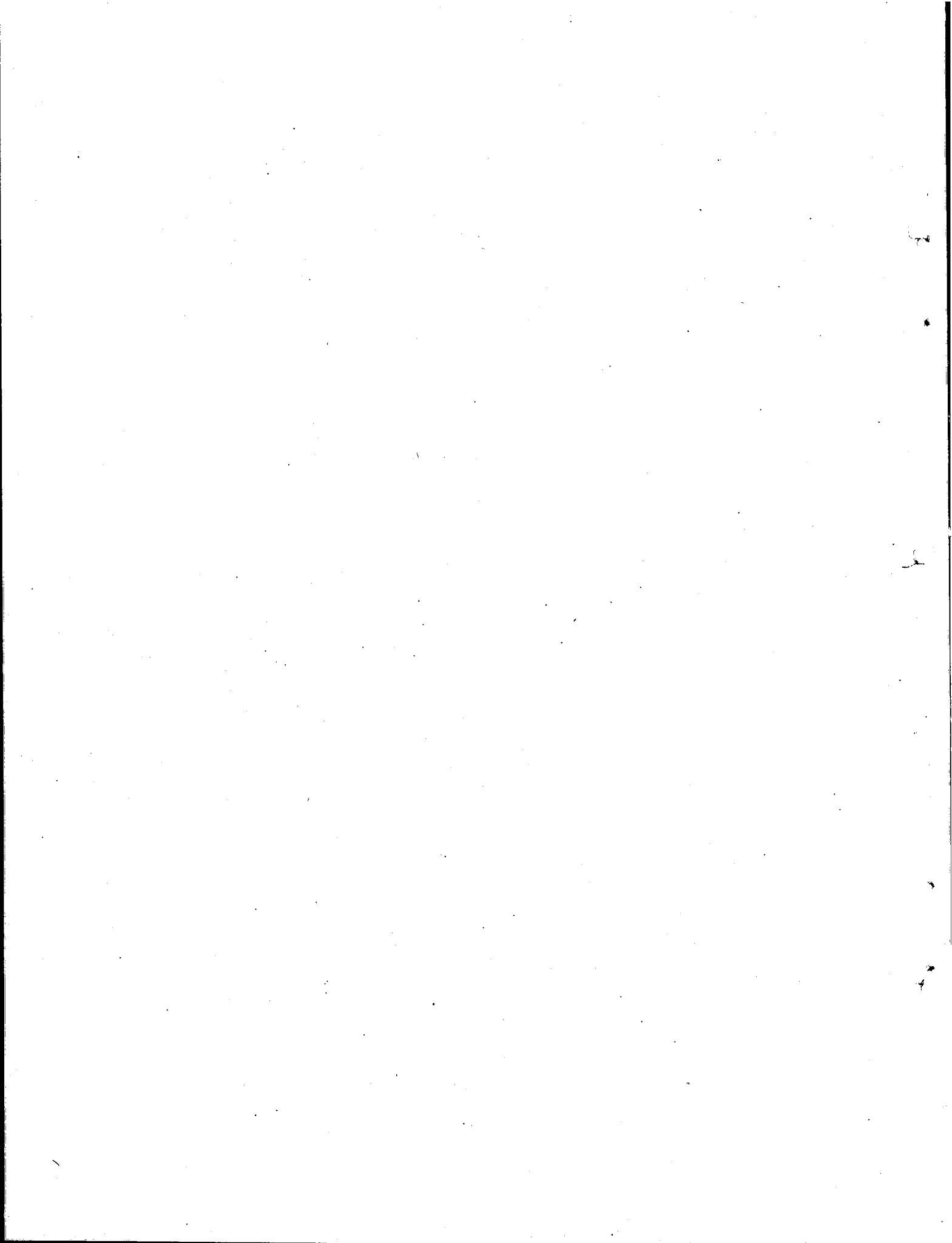
Industrial Reforms

- a) A fixed tax @ Rs. 1500 p.a, on mobile phones is imposed, rather than @ 10% of the monthly bill to promote telecommunication industry.
- b) Manufactures importing raw materials exclusively for their own use can obtain a certificate of reduced rate up to 50% of collection of tax at import stage. The Regional Commissioners are being empowered to reduce the rates of collection of tax at import stage, up to 100%.
- c) Tax holiday for five years to manufacturers of solar energy equipments between July 1997 and June 2000.
- d) Tax holiday is granted on export of computer software.
- e) The import of motor spirit, fuel oil, JP-I and MTBE is being exempted from withholding tax at import stage.
- f) Senior citizens are entitled to Special Tax Rebate (STR) at the rate of 25% of the tax payable, subject to the upper limit of total income of Rs. 200,000/-. the rate of STR is proposed to be enhanced to fifty per cent of the tax payable.

- g) The limit of income of Rs. 100,000 for exporters for availing export rebate is being removed.
- h) Income tax allowance on purchase of books is revived with no upper limit.
- I) A tax rebate of 5% is granted on tax payable against education expenses with an upper limit of Rs. 30,000 per child per annum against receipt and NTN of the educational institution.
- j) Industries based on indigenous raw material like manufacture of soft and stuffed toys and processing of fruit are entitled to tax holiday if set up by 30th June 1997 up to 30th June 2000.

Incentives for documentation

- a) For availing concessions or tax credit, NTN of the recipient and service provider is proposed to be made obligatory.
- b) Tax rebate @ 5% is proposed to be allowed to non corporate tax payers deriving increase from business or profession for the issuance of cash memos.
- c) ITOs would no longer be able to use their personal knowledge about concealed assets, in framing of provisional assessment.
- d) The amounts of various penalties imposed by ITO are proposed to be fixed or substantially reduced.
- e) The limited companies are required to pay advance tax, if their last assessed income is Rs. 50,000.
- f) It is proposed that limited companies and registered firms may be required to pay advance tax by applying the tax turnover ratio to the base year in their case, to the turnover of the current year of working out the advance tax liability.
- g) The motor vehicles, immovable property owners, and those who have undertaken foreign travel or subscribed a telephone should file their returns compulsorily.
- h) Non resident Pakistanis who do not own any taxable income in Pakistan are exempted from filing of tax returns, even if they own a house or vehicle, however they will have to pay tax on income earned in Pakistan.



CHAPTER-4

PRIVATE INVESTMENT AND ITS FINANCING

REVIEW OF 1996-97

4.1 The Annual Plan 1996-97 envisaged private fixed investment target of Rs.277.9 billion against the actual investment of Rs 224.1 billion during 1996-97. The investment targets have not fully been achieved. Investment exceeded the target only in Transport and Communications by 62 percent, Services /Others by 47.6 percent, Small-scale manufacturing by 9.9 percent and Ownership of Dwellings by 6.4 percent respectively. Investment fell short of target in the case of energy by 11.3 percent, manufacturing by 52.1 percent Agriculture by 18.7 percent. Sector-wise achievements vis-a-vis targets for 1996-97 are given in Table-4.1.

TABLE-4.1

PRIVATE INVESTMENT DURING 1996-97

(Current Billion Rs)

Sector	1995-96	1996-97		% increase over 1995-96	Estimates as % of Target
		Target	Estimates		
Agriculture	21.8	26.7	21.7	-0.4	81.3
Manufacturing	<u>58.6</u>	<u>131.5</u>	<u>63.0</u>	<u>7.5</u>	<u>47.9</u>
Large-scale	46.7	117.4	47.5	1.7	40.5
Small-scale	11.9	14.1	15.5	30.3	109.9
Energy	23.3	36.2	32.1	37.8	88.7
Transport and Communications	13.3	10.0	16.2	21.8	162.0
Ownership of Dwellings	38.7	42.2	44.9	16.0	106.4
Services/Others	38.1	31.3	46.2	21.3	147.6
Total	<u>193.8</u>	<u>277.9</u>	<u>224.1</u>	<u>15.6</u>	<u>80.6</u>

4.2 Agriculture sector investment target of Rs 26.7 billion accounted for 9.6 percent of total private investment in 1996-97. According to provisional estimates, agriculture sector's investment is estimated to be 0.4 percent lower than that in the 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 10145 tractors were inducted against the target of 27500 tractors during 1996-97.

4.3 Agricultural investment has been financed predominantly from credit provided by the Agricultural Development Bank of Pakistan (ADBP). In aggregate terms, ADBP has disbursed about Rs 11655 million in 1996-97, 12.0 percent lower than Rs 10254 million disbursed in the preceding year. Agricultural Development Bank of Pakistan established Kisan Banking Windows in all its 356 branches to cater to the credit needs of small farmers having subsistence holdings of 12.5 acres in Punjab and NWFP, 16 acres in Sindh and 32 acres in Baluchistan.

4.4 The manufacturing sector, investment target of Rs 63.0 billion was not fully achieved. With large scale manufacturing exceeding the target only by 1.7 percent over 1995-96, small scale manufacturing sector investment, exceeded the target by 30.3 percent over last year. Sanctions and disbursements of loans for fixed investment during 1996-97 amounted to Rs 12104 million and Rs 12926 million respectively. Agencywise sanctions and disbursements in 1996-97 are given in Table-4.2.

TABLE-4.2
SANCTIONS AND DISBURSEMENTS
BY DFIS IN 1996-97

Agency	Sanctions	Disbursements	As % of Sanctions
			(Million Rs)
-----	-----	-----	-----
NDFC	226	1225	542
PICIC	-	341	--
BEL	895	--	--
ICP	--	--	--
Pak Libya	314	296	94
Pak Kuwait	2118	2015	95
Saudi Pak	583	292	50
RDFC	-	--	--
SBFC	-	745	--
IDBP	484	287	59
ADBP (Agro-based only)	-	28	--
NCBs	2160	3111	144
Privatized Banks	1411	1005	71
Pak Private Bank	869	792	91
Foreign Private Bank	3044	2789	92
Total	12104	12926	107
-----	-----	-----	-----

4.5 Industrial investment, as reflected by the disbursements of credit by the financial institutions remained concentrated in textiles, food & beverages, petro-chemicals, 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.

4.6 Investment in energy sector at Rs 32.1 billion was 37.8 percent higher than that of last year. 48 projects with total power output of 9704.7 MW have been issued Letter of Support (LOS), out of which 28 firms have signed implementation agreement. 23 firms have signed Power Purchase Agreement (PPA) and 18 firms have signed Fuel Supply Agreement (FSA). In total 19 projects of around 3454 MW have achieved financial close upto June, 1997. During 1996-97 4 projects of 275 MW capacity have achieved financial close.

4.7 Investment in transport and communications sector at Rs 16.2 billion was 21.8 percent higher than that of last year. In this sector National Highway Authority had offered the following projects to private sector for construction on BOT basis:-

1. Pindi Bhattian - Faisalabad Expressway (52 Km)
2. Sheikhpura - Faisalabad - Multan - D.G. Khan Motorway (400 Km)
3. Islamabad - Murree dual carriageway (Satra mile - Jhikagali, 40 km)
4. Hub - Dureji - Kahar Highway (286 km)
5. Gawadar - Ratodero Expressway (889 km)
6. Road cum Rail bridge over Indus at Mithankot.
7. Peshawar - Torkham Expressway (46 km).

4.8 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.

4.9 In air transport the entry of private sector alongside the national carrier is a promising new developments. Following the early 90's policy of inducing the private sector in air travel services, three private air lines i.e. Shaheen Airlines, Bhoja Air and Aero Asia are now operating in the country.

4.10 The Housing Sector has been the third largest after the manufacturing sector with a share of 20.0 percent of total private investment. The housing sector private investment target of Rs 44.9 billion was fully achieved. 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 groups 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.

4.11 The direct foreign investment amounted to \$ 949.5 million in 1996-97 including portfolio investment of \$ 267.4 million. As regards the source of supply, direct foreign investment (including portfolio) came from USA (37.6%) followed by UK (33.5%), UAE (5.2%), Japan (4.6%), Germany and Netherland (3.9% & 1.2% respectively). Other sources accounted for 14 percent.

4.12 Privatization: During the year 1996-97, 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 108 units 89 industrial units stood disinvested up to June, 1997.

ANNUAL PLAN 1997-98

4.13 The development programme for 1997-98 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 emphasis major reliance on private sector to serve as main instrument of economic change. Private investment of Rs 280.6 billion envisaged for 1997-98 is 25.2 percent higher than the estimated investment of Rs 224.1 billion in 1996-97.

Manufacturing sector has been accorded the highest priority with 31.6 percent share in total investment, followed by ownership of dwellings 17.7 percent, services 17.4 percent and energy sector 15.0 percent. Sector wise details of investment are given in Table-4.3.

TABLE-4.3

PRIVATE INVESTMENT DURING 1997-98

(Current Billion Rs)

Sector	1996-97 Estimates	1997-98 Targets	% change
Agriculture	21.7	30.2	39.2
Manufacturing	63.0	88.7	40.8
Large-scale	47.5	67.4	41.9
Small-scale	15.5	21.3	37.4
Energy	32.1	42.2	31.5
Transport & Comm.	16.2	21.0	29.6
Ownership of Dwellings	44.9	49.8	10.9
Services/Others	46.2	48.7	5.4
<u>Total</u>	<u>224.1</u>	<u>280.6</u>	<u>25.2</u>

4.14 The details of sectoral programme for 1997-98 are given in the subsequent paragraphs:-

- a) **Agriculture:** Investment in agriculture sector is projected to grow by 39.2 percent from Rs 21.7 billion in 1996-97 to Rs 30.2 billion in 1997-98. 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 27,400 tractors are targetted for the year. It is estimated that during the course of the year 6,000 tubewells would be sunk to augment the water supply position. 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:** A dynamic policy 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 1997-98 will improve the relative profitability of investment in export oriented sectors. Reduction in tariffs on industrial raw materials will stimulate industrial production. The rationalization of tariff on plant and machinery will provide a major boost to private investment. Reduction in tariffs on imported machinery as well as raw materials, exemption of general sales tax on plant & machinery and abolition of regulatory duty will decrease the cost of production in the range of 25 percent to 35 percent and also encourage and

contribute to private investment boom, the rate of implementation will improve during the year with a provision of Rs 88.7 billion has been made (Rs 67.4 billion for large scale and Rs 21.3 billion for small scale industries), which is 40.8 percent higher than the revised estimates of Rs 63.0 billion in 1996-97. Major portion of investment is expected to take place in industries like transport vehicles and equipments, tractors, cement, textile, petroleum products, pharmaceutical, fertilizers, chemicals, and petrochemicals, metal products, beverages, food processing, electronics, sugar and other miscellaneous industries.

- 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 petroleum policy announced by the Government forms part of an integrated energy plan and offers attractive incentives to upstream and downstream petroleum industries to develop an indigenous base in exploration and production. A comprehensive hydel policy was introduced in May, 1995. The transmission policy was approved by the government and formulated in March 1995. The policy had the same parameter as the private sector power generation policy and provided incentives to the private sector. 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 32.1 billion in 1996-97 the energy sector is expected to attract an investment of Rs 42.2 billion in 1997-98.
- d) **Transport & Communications:** Transport and Communications sector will share 7.5 percent of the total private sector investment during 1997-98. This sector is expected to attract an investment of Rs 21.0 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 1997-98.
- e) **Ownership of Dwellings:** Keeping in view the ever increasing demand for the construction of houses in the private sector, a sum of Rs 49.8 billion has been provided during 1997-98. The proposed investment is 10.9 percent higher than

the provisional estimates of Rs 44.9 billion during 1996-97. 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 48.7 billion during 1996-97 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.

4.15

The private investment by sectors is shown in S.A. Table-4.1.

CHAPTER-5

MONETARY POLICY AND CREDIT PLAN

REVIEW OF CREDIT PLAN 1996-97

5.1 The original Credit Plan for 1996-97 approved by National Credit Consultative Council envisaged overall Monetary expansion of Rs. 116 billion (12.38%) and domestic credit expansion Rs.102 billion with Major Share of Rs. 55 billion for the private sector and Rs.20 billion for budgetary support. Taking into account the position of the first quarter of the year, the Plan was revised and the new targets for Monetary expansion and domestic credit were set at Rs.123 billion (13.10%) and Rs.137.10 billion (14.18%) respectively. This upward adjustment was made to provide for additional demand for credit mainly emanating from the enhanced level of government budgetary support and increased private sector credit requirements.

5.2 The actual credit expansion at Rs. 147.9 billion or 15.30 per cent during 1996-97 exceeded the revised Credit Plan targets of Rs. 137.1 billion compared with an expansion of Rs. 152.9 billion in 1995-96. The increase in domestic credit during 1996-97 was shared both by public and private sectors. Public sector borrowing including autonomous bodies increased by Rs. 79.2 billion overshooting the revised Credit Plan target by Rs. 18.53 billion and exceeding the original target by Rs. 37.23 billion. Within Public Sector, Government borrowing for budgetary support increased by Rs. 72.50 billion against the revised credit plan target of Rs.44.0 billion and Government borrowing on account of Commodity operations also exceeded the plan target of Rs. 5.0 billion and recorded a rise of Rs. 5.7 billion. Bank credit to private sector including PSCEs at Rs. 70.33 billion during 1996-97 was also higher than the revised Credit Plan target of Rs. 63.80 billion and the actual expansion of Rs. 60.26 billion in 1995-96.

5.3 During 1996-97 the net foreign assets of the banking system exerted a contractionary impact of Rs. 33.3 billion as compared with estimated draw-down of Rs. 14.1 billion and an actual contractionary impact of Rs. 39.0 billion in 1995-96. Details are provided in Table-5.1.

TABLE-5.1

CREDIT PLAN 1997-98

(Billion Rs)

S.No.	1996-97		1997-98		
	Original	Revised	Actual	Target	
I.	Public Sector	42.000	60.700	79.233	66.000
a)	Budgetary Support	20.000	44.000	72.502	58.000
b)	Commodity Operation	5.000	5.000	5.702	5.500
c)	Effect of Zakat Fund etc	-	-	-2.873	-
d)	Use of Privatization Proceeds for Budgetary Financing	14.000	8.700	8.804	-
e)	Use of Privatization Proceeds for Debt Retirement	-	-	-4.660	-
f)	Autonomous Bodies	3.000	3.000	-0.242	2.500
II.	Private Sector and Public Sector Commercial Enterprises (PSCEs)	60.000	63.800	70.328	82.000
a)	<u>Commercial Banks</u>	55.000	58.800	67.446	79.000
i)	PSCEs	-	-	2.214	-
ii)	Private Sector	-	-	65.232	-

b)	Other Institutions	5.000	5.000	2.882	3.3000
III.	Other Items (Net)	-	12.600	-1.672	2.000
IV.	Domestic Credit Expansion (I+II+III)	120.000	137.100	147.886	150.000
V.	Foreign Assets(Net)	14.000	-14.100	-33.288	
VI.	Monetary Expansion (IV+V)	116.600 (12.38%)	123.000 (13.10%)	114.601 12.21%	150.000 (14.0%)

Credit Plan 1997-98

5.4 The monetary expansion for 1997-98 is tentatively targetted at Rs. 150 billion (14 per cent). During the year substantial part of this credit i.e. Rs. 79 billion i.e. 52.7 % of the Monetary expansion would be provided by the Commercial Banks while the remaining Rs.3 billion would be financed by Specialized Banks and other financial institutions. Similarly budgetary borrowings of the government are proposed at Rs. 58.0 billion (about 38.7 per cent of the total Monetary expansion) while Rs. 5.5 billion and Rs. 2.5 billion would be for Commodity Operations of the Government and the five autonomous bodies respectively. It has also been proposed that privatization proceeds would not be utilized to finance the budget deficit.

5.5 As part of financial sector reforms the State Bank of Pakistan has recently been assigned a more independent role in the management of monetary expansion. However, concerted efforts would be required to keep the monetary expansion target within limit.

Credit Control and Other Policy Measures

5.6 The following important measures were taken to fine-tune the existing monetary and credit policy during 1996-97.

- i. Banks were allowed to remunerate deposits received in their current accounts. A weightage of 0.50 was advised to banks to work out rate of profit to this category of deposits.
- ii. The facility of concessionary finance under the Export Finance scheme was extended to Blister Copper, Magnesite and Chrome concentrates in the processed form. Simultaneously, period of export finance facility was enhanced from 150 days to 180 days for cloth made-ups, medical and surgical instruments, handicrafts (including onex/marble products), spices, fish and fish preparations and tobacco/cigarettes for the years 1995-96 and 1996-97.

- iii. The State Bank relaxed scales of fines applicable to exporters under the Export Finance Scheme to paisas 28 per Rs. one thousand under both Part-I and II of the Scheme.
- iv. Having observed that some banks were recovering additional charges from exporters, the banks were directed to refrain from levying charges other than those notified in the schedule of charges prescribed by the State Bank.
- v. The banks were directed to obtain prior clearance in writing from NBFTs Regulation & Supervision Department before granting financing facilities (whether fund based or non fund based) to Modarabas.
- vi. Surgical and medical instruments were also included in the list of export goods which were allowed relaxation in fines leviable under the Export Finance Scheme.
- vii. The SBP 3-day repo rate against short term Federal Bonds (STFBs) and Federal Investment Bonds (FIBs) were raised from 17 per cent to 20 per cent. However, effective from 18th June 1997 the rate was reduced by 1.0 percentage point to 19 percent in a move to enable banks to reduce their mark-up rate to facilitate export finance and other financing needs of the private sector.
- viii. Banks were advised to recover mark-up to a maximum of 16 per cent on finances provided by them to governments and their agencies for commodity operation purposes. Banks were also urged to attempt full recovery of such loans through the sale of stocks of commodities.
- ix. Banks liquid asset requirements under section 29 of the Banking Companies Ordinance (excluding Statutory Cash Reserve) were reduced to 20 per cent of the total of their time and demand liabilities in Pakistan.
- x. In June, 1997 liquidity ratio requirements for NDFIs was reduced to 14% while cash reserve ratio of 1% was kept intact.

POLICY MEASURES 1997-98

5.7 Having observed that some Banks/DFIs were offering incentives e.g. Insurance cover etc. To mobilise deposits from the public in contravention of State Bank's instructions, Banks/DFIs/NBFIs were advised on 15th July, 1997 to desist from offering cash prizes, insurance cover or any other such incentives without specific permission of SBP. Any scheme if introduced in contravention of these instructions should be discontinued forthwith and if necessary, submitted for explicit approval of the State Bank.

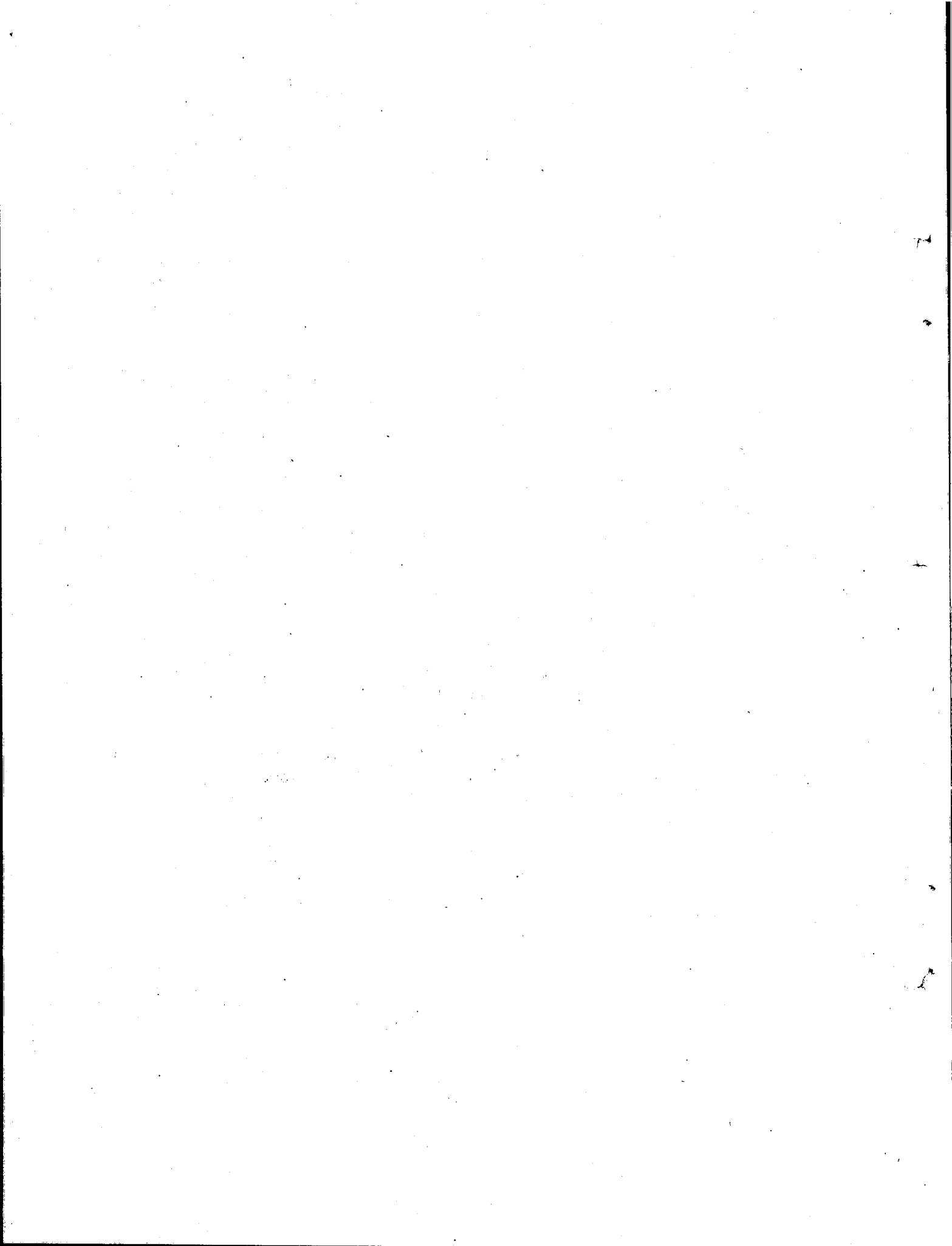
5.8 It was decided that henceforth all locally produced engineering goods supplied locally against international tenders under Export Finance Scheme would qualify for export finance for a period of 180 days instead of 150 days as at present. It was also decided that the refinance

facility under the Export Finance Scheme for export of computer software by the software houses/companies would be available for 180 days instead of 150 days.

5.9 In terms of Section 36(1) of the State Bank of Pakistan Act, 1956, every scheduled bank was required to maintain with the State Bank an average balance of 5% of its total time and demand liabilities in Pakistan worked out on weekly basis provided that the amount of the balance would not at the close of business on any day be less than 4% of the total demand and time liabilities in Pakistan. For the purpose of calculating average balance of 5% required to be maintained during a week time and demand liabilities at the close of business on the last working day of the week preceding the concerned week would be taken into account.

5.10 The following changes were also made in the rate of return structure.

- a) SBP 3-day repo rate and the minimum rate of return charged by the State Bank for meeting temporary liquidity shortages was reduced from 19 per cent to 18.5 per cent.
- b) The maximum annual rate of return to be derived by a bank/NBFIs for export under Export Finance Scheme and export sales under Scheme for Locally Manufactured Machinery (LMM) was lowered from 13 per cent to 11 per cent, where refinance is obtained by the financial institutions against finances already provided under the above mentioned schemes, the State Bank will share in the overall profit of the financial institutions subject to a maximum of 9% per annum. The reduction of two percentage points in the mark-up rate would be shared equally by the State Bank and the scheduled banks.
- c) The maximum mark-up rate charged by banks on finances provided by them to Government and other agencies for commodity operation purposes was raised from 16 per cent to 16.5 per cent.
- d) The minimum annual rate of return to be derived by banks/NBFIs on advances for other purposes under both Trade-related and Investment type modes of financing was abolished.



CHAPTER-6

BALANCE OF PAYMENTS

OVERVIEW

6.1 The Annual Plan for 1996-97 had predicted the balance of payments to show a significant improvement on account of strong export growth, moderate increase in remittances and a marginal decline in imports. The exports (fob) were projected to grow by 11.2 percent and imports (fob) to decline by only 0.1 percent. As a result, the current account deficit was projected to decline to \$ 3.7 billion. The expected gross disbursements of foreign economic assistance was placed at \$ 2.8 billion which after taking into account other receipts and payments of the capital account, was supposed to result in a drawdown of \$ 453 million in foreign exchange reserves. During the year 1996-97, a number of policies for export promotion were announced and two successive devaluations of 3.65 percent in September 1996 and 7.85 percent in October 1996 were made to improve the export competitiveness.

6.2 The provisional data for 1996-97 has revealed that the external sector has shown some improvement in the current account during the year despite a persistent setback to exports and constrained inflow of remittances. The moderate decline in exports as well as in the flows of remittances was more than offset by a substantial decline in imports and a marked increase in the foreign currency account reducing the current account deficit to \$ 4.1 billion (6.5% of GDP) from last year's level of \$ 4.6 billion (7.1% of GDP). On the financing side, a decline of over 20 percent in the long term capital flows (net) was witnessed due to a sharp fall in the private long term capital and the project aid. After taking into account other capital flows including the net position with IMF and the transactions of banking system, the year ended with a reserves draw down of \$ 1189 million against a draw down of \$ 395 million in 1995-96.

6.3 The year 1997-98 foresees a significant improvement in the balance of payments position particularly in the trade account. The exports (fob) are projected to increase by 10 percent owing to the Export Enhancement Package of the PM's Economic Revival Programme. The imports (fob) are forecast to decline marginally in view of increased domestic production of wheat, sugar and edible oils as well as weakening prices of POL, fertilizers and wheat. As a result, the current account deficit is estimated to decelerate to \$ 3.4 billion (5.2 % of GDP) in 1997-98 from \$ 4.1 billion (6.5% of GDP) recorded in 1996-97.

REVIEW OF 1996-97

6.4 **Exports:** Exports (fob) for 1996-97 were projected at \$ 9.7 billion implying a growth rate of 11.2 percent. This target was predicated on the assumption of high growth (6.5%) in the commodity producing sectors, favourable external demand conditions and positive impact of incentives announced for investment and exports of textile and non-textile products. However, the exports (fob) declined by 1.4 percent to \$ 8.2 billion on account of shortfall in exportable surplus and the weak prices for certain exportables in the world market. With the exception of ready made garments, synthetic textiles, textile made

ups, POL products, sports goods, leather manufactures, fruits and fish & fish preparations, all other major exports showed a sharp decline in value terms. The exports of raw cotton, cotton yarn and carpets decreased on account of fall both in prices and volumes and those of basmati rice, cotton cloth, leather, guar & guar products, hosiery and tents & canvas due to decline in the quantum. Cotton exports were adversely affected as its production fell due to plant disease and floods in southern Punjab. The cotton based manufactures exports accounted for about 60 percent of total exports, pointing to the persistent problem of lack of diversification. Table-6.1 below provides composition of major exports in nominal dollar terms whereas details are given in S.A.Table-6.1.

TABLE-6.I
COMPOSITION OF MAJOR EXPORTS

(\$ Million)

Item	1995-96 (Actuals)	1996-97 (Prov)	% change
Raw Cotton	506	30	-94.1
Rice	504	460	-8.7
Yarn	1540	1397	-9.3
Cloth	1276	1217	-4.6
Garments	648	727	12.2
Hosiery	703	671	-4.6
Madeups	775	843	8.8
Fish	141	148	5.0
Leather	259	240	-7.3
Carpets	209	194	-7.2
Synth. Textiles	457	496	8.5
Others	1689	1839	8.9
Total (gross)	8707	8262	-5.1
Total (fob)	8311	8195	-1.4

6.5 **Imports:** The imports (fob) for 1996-97 were envisaged to decrease marginally by 0.1 percent to \$ 12.0 billion assuming some stability in prices for key imports like edible oils as well as reduction in import quantum of wheat and sugar in view of increased domestic production. On the basis of provisional data available for 1996-97, the imports (fob) declined by 5 percent to \$ 11.4 billion. The decline was largely attributed to a significant fall in imports of edible oils, tea, milk & milk food, pulses, synthetic fibre, insecticides, plastic material and medicinal products. However, the import bill of wheat, fertilizers and sugar rose due to a substantial increase in their import quantum. Table-6.2 summarises the imports in 1995-96 and 1996-97, while details are given in S.A.Table-6.2.

TABLE-6.2
COMPOSITION OF MERCHANDISE IMPORTS

(\$ Million)

Items	1995-96 (Actuals)	1996-97 (Prov.)	% Change
Wheat	455	611	34.3
Tea	170	134	-21.2
Edible Oils	855	508	-40.6
Crude Oil	521	583	11.9
POL Products	1481	1662	12.2
Fertilizers	345	387	12.2
Capital Goods	4172	4353	4.3
Others	5061	4162	-17.8
Total (cif)	13060	12400	-5.1
Total (fob)	12015	11418	-5.0

6.6. **Invisibles Account:** The Plan had forecast a deficit of \$ 1.4 billion in the invisible balance for 1996-97. The latest estimates for the year indicate a deficit of \$ 869 million. The private transfers on account of workers' remittances and foreign currency account (FCA) of resident Pakistani during the year aggregated \$ 2.9 billion as compared to \$ 2.4 billion last year. While the remittances component showed a decline of 3.5 percent, that of FCA rose by 77 percent to \$ 1.3 billion. In fact, these inflows accelerated during the last quarter of the year due to the favourable political environment and the Prime Minister's Debt Retirement Programme. Table-6.3 indicates details of invisibles account:-

**TABLE-6.3
INVISIBLES BALANCE**

(\$ Million)

Items	1995-96 (Actuals)	1996-97 (Prov.)	% Change
Invisibles Balance	-871	-869	-0.2
Services (Net)	-3249	-3820	17.6
Receipts	2100	1771	-15.7
Payments	5349	5591	4.5
(Interest)	997	967	-3.0
Private Transfers	2378	2951	24.1
Remittances	1461	1409	-3.5
FCA (Resident Pakistanis)	763	1351	77.1
Others	154	191	24.0

6.7 **Current Account Balance:** With the trade deficit at \$ 3.2 billion and invisibles deficit at \$ 869 million, the current account deficit for 1996-97 was estimated at \$ 4.1 billion (6.5 % of GDP) compared to the level of \$ 4.6 billion (7.1% of GDP) in the preceding year and \$ 3.7 billion (5.9% of GDP) as the target for the year.

6.8 The Plan for 1996-97 had projected the gross aid disbursement at \$ 2.8 billion. The latest estimates for the year place it as \$ 2.5 billion as against \$ 2.6 billion disbursed in 1995-96. The shortfall occurred in project aid disbursement. Allowing for other capital flows, the deficit in the overall balance of payments was recorded at \$ 1.1 billion. However, after taking into account the net position with IMF and other transactions of the banking system, the year 1996-97 witnessed a draw down of \$ 1.2 billion in cash foreign exchange reserves. This has brought down the reserves to a level of \$ 1.2 billion equivalent to 5.2 weeks imports from \$ 2.1 billion equivalent to 8.2 weeks imports in 1995-96.

External Sector Policies Announced in 1996-97

6.9 During the period under review, a number of external sector policies were announced pertaining both to demand side and supply side management. Two successive devaluations of Pak rupee against US dollar were made on September 10, 1996 and October 22, 1996 meant to reduce the widening gap between market rate and official rate of Pak rupee for a dollar. A package of duty reduction was provided for textile spinning sector on November 23, 1996 to enhance the availability of cotton and polyester fibre, improve value addition in the textile sector, provide cheap and assured working capital and improve duty drawback scheme. Another special package of tax concessions for value added textile

sector was announced on December 4, 1996 to infuse dynamism in the manufacturing sector. A three year Textile Quota Management Policy containing objectives of transparency, abolition of discretionary quota, emphasis on value addition and discouraging the trading of quota was introduced from January 30, 1997.

6.10 A full package of Export Enhancement was included in the Prime Minister's Economic Revival Programme announced on 28th March 1997. Main items included in the package are:

- Reducing number of tariff slabs from 13 to 5 with appropriate cascading;
- Declaring imports of raw materials used for exports as zero rated;
- Standardizing and bringing down import duty on all machinery and plant for export oriented industries at 10%;
- Exempting completely the import of machinery and plant from sales tax;
- Reducing minimum ceiling of 25% exports to 20% in case of engineering goods and leather footwear to avail the facility of importing plant and machinery duty and sales tax free for initial installation, BMR and expansion;
- Duty draw back to be paid in 14 days, instead of 30 days at present;
- Revamping of Export Houses Scheme of 1981 for promoting export of small and medium enterprises;
- Setting up Federal Export Development Board under the Prime Minister to monitor performance of exports and resolve any problems.

Outlook for 1997-98

6.11 The balance of payments position is expected to depict a significant improvement in 1997-98, particularly in trade account. With a significant increase in exports (10%) and a marginal decrease in imports (-0.4%) trade deficit will decline to \$ 2.4 billion. The export growth target of 10 percent is largely based on two counts: firstly, the output in the commodity producing sectors (i.e agriculture and manufacturing) which provides exportable surplus, is expected to grow at a much higher rate(6%) than that estimated in the outgoing year (1.2%); secondly, there is an expectation of improved competitiveness resulting from the incentives already announced for revival of industrial sector and exports. Of special importance are the incentives provided to the export industries, like, declaring imports of raw materials used for exports as zero rated; exempting completely the import of machinery and plant from sales tax; reducing minimum ceiling of 25 percent exports to 20 percent in case of engineering goods and leather footwear to avail the facility of importing plant and machinery duty and sales tax free for initial installation, BMR and expansion. Trade Policy for 1997-98 has also provided new incentives to expand the exports: (i) The

exporters will get 50 percent of the admissible duty draw back within three days of the presentation of complete documents and the balance after verification of the claim, (ii) The Government will share the cost of ISI 9000 certification for manufacturers/exporters upto Rs.150,000 per certification, (iii) The rate of mark up for exports finance has been reduced from 13 percent to 11 percent.

6.12 Imports are projected to decline marginally in 1997-98 assuming some stability in prices for key imports like crude oil, POL products and wheat as well as reduction in import quantum of sugar in view of the increased domestic production. Larger imports are expected for plant, machinery and intermediate raw materials specially for export oriented industries, as rates of tariffs and sales tax on these imports have been reduced significantly.

6.13 **Prospects for the Invisible Balance** will continue to be governed largely by the behaviour of the workers' remittances. For 1997-98, remittances have been projected at \$ 1.4 billion, in line with the trends witnessed in recent past. Allowing for other invisibles receipts and payments, the deficit in invisibles is anticipated to amount to a level of \$ 1.1 billion. However, with a substantial fall in trade deficit, the current account deficit is estimated to improve as it is likely to drop to \$ 3.4 billion (5.2% of GDP) in 1997-98 from \$ 4.1 billion (6.5% of GDP) in 1996-97.

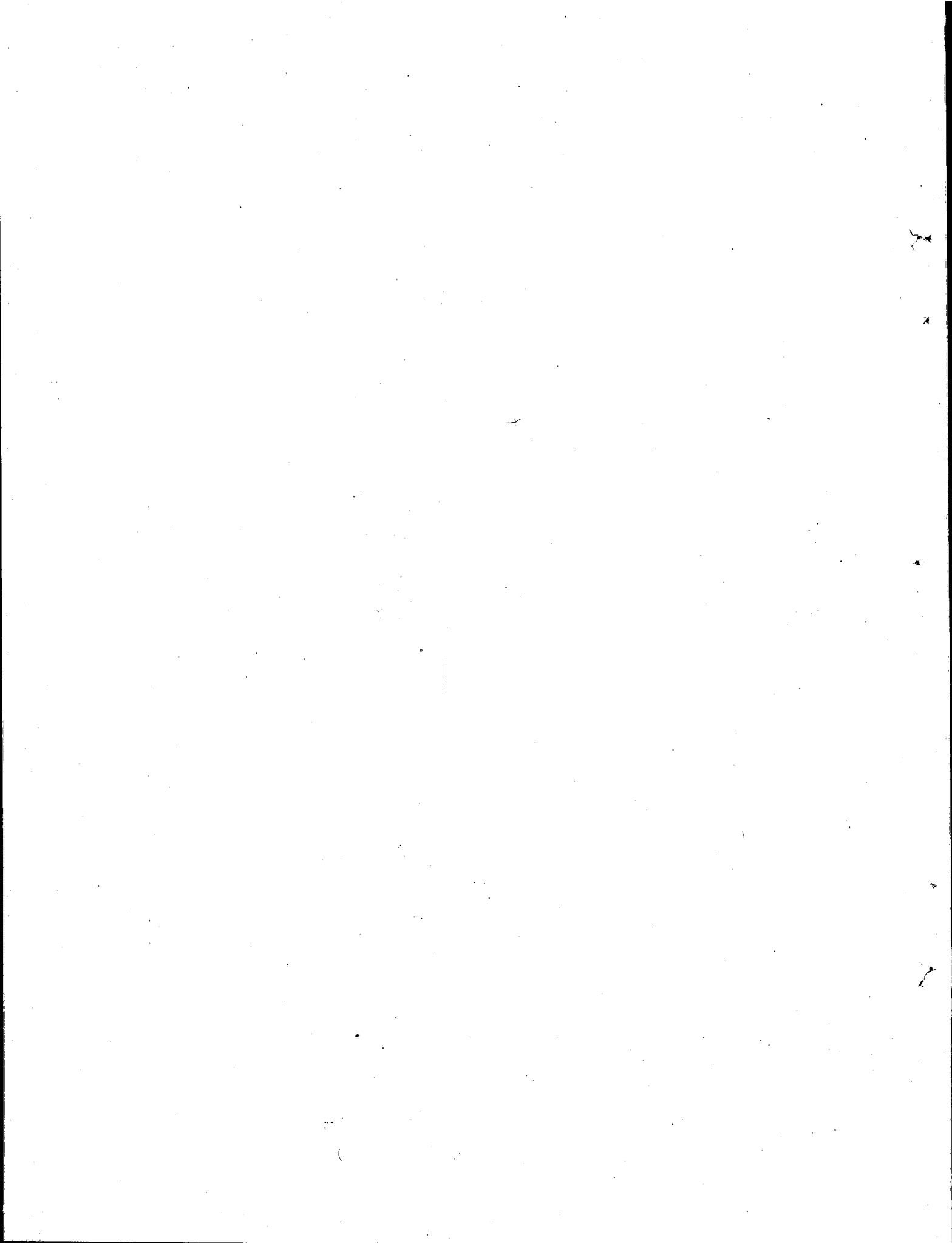
6.14 **Gross disbursements** of official development assistance are expected to increase by 19.6 percent to \$ 3.0 billion mainly on account of higher disbursements of commodity aid. After allowing for other capital movements, a surplus of \$ 292 million is likely to occur in 'the overall balance of payments'. Taking into consideration the Pakistan's net position with IMF and other transactions of the banking system, no change in reserves is assumed in 1997-98 and the level of total foreign exchange reserves would remain equivalent to 5.2 weeks' import. It may, however, be pointed out that this scenario assumes no fresh disbursement from IMF. In case ESAF/EFF becomes available and funds disbursed, the reserves position will improve.

6.15 S.A. Table-6.3 depicts detailed balance of payments position for 1995-96 to 1997-98.

PART-II

**PRODUCTION PROGRAMMES AND
PHYSICAL INFRASTRUCTURE**

(51-52)



CHAPTER-7

AGRICULTURE

REVIEW OF 1996-97

Growth and Output

7.1. The agriculture sector registered a growth rate of 0.7 per cent during 1996-97 against a target of 5.0 per cent. The poor performance was due to unfavorable weather conditions which affected the production of all major crops except rice. The growth rate of major crops was -4.5 per cent against a target of 3.8 per cent. The performance of minor crops was also not encouraging. Its growth rate was 3.4 per cent against a target of 8.8 per cent. The growth rate of livestock, fisheries and forestry sub-sectors was 6.5, 0.8 and -3.9 per cent, against targets of 4.5, 4.5 and 5.0 per cent, respectively.

7.2. The production of wheat was 16.3 million tonnes against a target of 18.0 million tonnes. The production of cotton was 9.3 million bales against a target of 10.0 million bales. The shortfall in cotton production was due to attack of cotton leaf curl virus disease in some areas of Punjab. The production of sugarcane was 41.9 million tonnes against a target of 49.2 million tonnes. However, a record rice production of 4.3 million tonnes was achieved showing an increase of 2.9 per cent against the target of 4.2 million tonnes. The production of gram was 0.7 million tonnes, which was 2.6 per cent higher than the target of 0.67 million tonnes. The production of onion was 1.1 million tonnes which was close to the target. The potato production of 1.0 million tonnes fell short of target by 15 per cent. Although, the production of non-traditional oilseeds was below the target, it showed a significant improvement as compared to last year. Its production of 224 thousand tonnes was 50 per cent higher than the last year's production of 149 thousand tonnes.

7.3. The physical targets and achievements are given in S.A. Table 7.1.

PSDP Allocation

7.4. During 1996-97, an allocation of Rs.1,623.4 million was made for the agriculture sector in the Public Sector Development Programme (PSDP), against which Rs.1,209.6 million was incurred, showing a utilization of 74.5 per cent. The agency-wise details are given in S.A. Table 7.2.

PROSPECTS AND PROGRAMMES FOR 1997-98

7.5. A growth rate of 5.1 percent has been projected for the agriculture sector for 1997-98. The major and minor crops will contribute 6.2 and 5.0 per cent, respectively. The contribution of livestock, forestry and fisheries sub-sectors will be 3.8, 4.5 and 5.0 per cent, respectively. Improved supply of inputs such as irrigation water, fertilizer, quality seed, appropriate plant protection measures, timely availability of credit, enhancement in support

prices, transfer of technology to farmers and other promotional measures will facilitate in achieving the projected growth rate.

7.6. The implementation of policies and programmes enunciated in the Eighth Five Year Plan will be continued. Government has given a high priority to the development of agriculture sector in order to make the country self-sufficient in food items, particularly wheat. In this regard, the Prime Minister has announced an "Agricultural Package" with the main objective of increasing the agriculture productivity and attaining self-sufficiency in food items and generating surpluses for export. The package includes the following incentives:

- i) Increase in the support prices of wheat by Rs.55 per 40 kg, rice by Rs.25 per 40 kg and edible oilseeds by Rs.50 over 40 kg.
- ii) Abolition of General Sales Tax on certified seed and initiation of Green Tractor and Tubewell schemes.
- iii) An additional amount of Rs.3.0 billion will be made available for agricultural credit. The small farmers will be given preferential treatment for agricultural loans.
- iv) Waiver of 50 per cent interest amount on loans paid within next six months.
- v) Legislation to check fertilizer, pesticide and seed adulteration.
- vi) 25,000 cows/buffaloes and 50,000 sheep/goats will be provided to the landless farm workers through ADBP.
- vii) Special research fund of Rs.500 million per year will be created through levy of research cess. Two outstanding agriculture scientists will be awarded 50 acres of land.
- viii) Special programmes will be launched to increase production of wheat and edible oils in the country.
- ix) State land will be distributed among poor landless farmers.
- x) Electricity tariff for agriculture purposes will be half of industrial tariff.

It is expected that these incentives will arrest dwindling performance of the agriculture sector and promote its growth and development during 1997-98.

Financial

7.7 An allocation of Rs.1,143.5 million has been made for the agriculture sector in PSDP 1997-98. The agency wise details are given in Table 7.1. The sub-sectoral details are presented in S.A.Tables 7.3 to 7.9.

TABLE 7.1
FINANCIAL ALLOCATION FOR 1997-98
(Million Rupees)

Executing Agency	Allocation 1996-97	Revised Estimates	Allocation 1997-98	% increase/Decrease over Revised Estimates for 1996-97
Federal	578.2	417.1	459.8	10.2
Punjab	427.4	323.0	313.2	-3.0
Sindh	168.4	149.8	108.2	-27.8
NWFP	261.5	161.7	81.2	-49.8
Balochistan	187.9	158.0	181.1	14.6
Total:	1623.4	1209.6	1143.5	-5.5

Source: Federal and Provincial PSDPs 1997-98.

Crop Production

7.8 The crop production targets for 1997-98 were fixed keeping in view past performance, local demand, export requirements, availability of inputs and cultivable land. The estimated achievements of important crops for 1996-97 and targets for 1997-98 are presented in Table 7.2.

TABLE 7.2

PRODUCTION OF MAJOR CROPS

('000' Tonnes)

Crops	1996-97 (Achievements)	1997-98 Targets	% Change over 1996-97
Wheat	16313.1	18000.0	10.3
Rice	4304.8	4394.0	2.1
Basmati	1486.6	1486.0	0.0
Others	2818.2	2908.0	3.2
Maize	1260.3	1501.3	19.1
Other Cereals	561.8	602.7	7.3
Gram	697.3	680.0	-2.5
Sugarcane	41998.1	48000.0	14.3
Cotton Lint *	9.3	10.0	7.5
Oilseed:			
- Cotton seed	3164.0	3402.0	7.5
- Rape & Mustard	182.0	91.0	-50.0
- Canola	128.7	400.0	210.8
- Non-Traditional	223.5	443.6	98.5
Potato	970.0	1205.0	24.2
Onion	1108.0	1160.0	4.7

* Million bales each of 375 lbs.

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

7.9 The year 1997-98 has been declared as 'Wheat Year' in order to achieve self-sufficiency. The target for wheat production has been fixed at 18.0 million tonnes, which is 10.3 per cent higher than the last year's achievement of 16.3 million tonnes. A target of 4.4 million tonnes has been set for the rice production against the achievement of 4.3 million tonnes in 1996-97. The maize production target has been fixed at 1.5 million tonnes against last year's achievement of 1.3 million tonnes. The production target for other cereals has been fixed at 602.7 thousand tonnes against the estimated achievement of 561.8 thousand tonnes in 1996-97. A target of 0.7 million tonnes has been kept for gram. The production target of sugarcane has been fixed at 48.0 million tonnes which is 14.3 per cent higher than the achievement of 1996-97. The cotton target has been set at 10.0 million bales, which is 7.5 per cent higher than the last year's achievement of 9.3 million bales. The production targets for potatoes and onion have been kept at 1.2 and 1.1 million tonnes, respectively. A target of 0.4 million tonnes for non-traditional oilseeds and 0.4 million tonnes for canola has been fixed in order to reduce the import of edible oil.

Agricultural Credit

7.10. Agricultural credit plays an important role in enhancing productivity. It provides the monetary resource for purchase of primary inputs like seed, fertilizer, pesticides, machinery and equipments, besides enabling the farmer to take long term development measures to improve agricultural productivity. The Government considers it an important instrument for achieving production targets and attaches a high priority to ensure its availability at the doorsteps of the

farmers, specially small landholders. The Government has decided to issue pass books to all farmers in order to facilitate them in obtaining credit.

7.11. An amount of Rs.19.5 billion was disbursed to the farmers in 1996-97 against a target of Rs.26.2 billion, showing an achievement of 74.4 per cent. A target of Rs.30.0 billion has been fixed for the year 1997-98, which is 54 per cent higher than the disbursement of last year. The credit disbursement for 1996-97 and target for 1997-98 are presented in Table 7.3.

TABLE 7.3
DISBURSEMENT OF AGRICULTURAL CREDIT
DURING 1996-97 AND TARGET FOR 1997-98

(Billion Rs)

Type	1996-97 Disbursement	1997-98 (Target)
Production loan	13.6	24.0
Development loan	5.9	6.0
Total:	19.5	30.0

Source : State Bank of Pakistan.

Soil and Fertilizer

7.12. During 1996-97, the fertilizer off-take was 2405.5 thousand nutrient tonnes as compared to 2515 thousand nutrient tonnes in 1995-96, showing a decrease of 4.4 per cent. The nitrogen off-take of 1,982 thousand nutrient tonnes in 1996-97 was slightly higher than that of 1995-96. However, the off-take of phosphates declined from 486 thousand nutrient tonnes in 1995-96 to 415 thousand nutrient tonnes in 1996-97. Thus, the N:P ratio which was 4.1:1 in 1995-96 further deteriorated to 4.8:1. The off-take of potassic fertilizer decreased from 29.7 thousand nutrient tonnes in 1995-96 to 8.1 thousand nutrient tonnes in 1996-97. The main reasons of low usage of phosphatic and potassic fertilizers are their high prices, lack of promotional activity and poor marketing. The distant areas from port/main warehouses, experienced frequent break-down in supply system resulting in shortages and high prices. The active involvement of the private sector in the import and marketing, and improving the efficiency of public sector may help in keeping the fertilizer prices at a reasonable level and ensure their regular availability to farmers.

7.13. A fertilizer off-take target of 2,730 thousand nutrient tonnes has been fixed for 1997-98, showing an increase of 13.5 per cent over the actual consumption of 1996-97. The nutrient wise details of fertilizer off-take and targets are given in Table 7.4.

TABLE 7.4

FERTILIZER OFF-TAKE DURING 1996-97 AND TARGET FOR 1997-98

('000' Nutrient Tonnes)

Fertilizer	1996-97 (Actual)	1997-98 (Target)	% Increase over 1996-97
N	1982.3	2,000.0	0.9
P	415.1	650.0	56.6
K	8.1	80.0	887.77
Total:	2405.5	2730.0	13.5

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

7.14. The on-going schemes for land development and reclamation will be continued. The distribution of gypsum for reclamation of saline sodic soils will be continued in Punjab and Sindh. The National Fertilizer Development Centre's Project "Phosphate Use Development in Pakistan" will be continued to promote phosphate use through demonstration plots and publicity campaigns.

Improved Seed

7.15. Quality seed plays an important role in enhancing productivity of crops. The overall improved seed coverage is nominal (about 11.5%). However, certified seed coverage for cotton is about 40 per cent, whereas it meets about 56 per cent replacement requirements of wheat seed, it was anticipated that distribution of quality seed would improve in the country with the involvement of private sector. But it fell short of the expectations. Its main contribution remained confined to cotton seed and imported sunflower, corn, fodder and forage seed only. However, efforts will be made to gear up the private sector to invest in research and development of quality seed particularly hybrids. The policy of encouraging the private sector in the production and distribution of improved seed will be continued.

7.16. An improved seed distribution target of 244.2 thousand tonnes has been fixed for 1997-98, against the actual achievement of 119.5 thousand tonnes in 1996-97. The crop-wise details are presented in Table-7.5.

TABLE 7.5

IMPROVED SEED DISTRIBUTION

('000' Tonnes)

Crop	Seed Distribution 1996-97	Target 1997-98	% Increase over 1996-97
Wheat	82.7	147.7	78.60
Cotton	26.6	65.3	145.49
Paddy	1.8	9.2	411.11
Maize	2.0	6.8	240
Gram	0.1	8.7	8600
Others	6.3	6.5	3.17
Total:	119.5	244.2	104.35

Source: Ministry of Food, Agriculture and Livestock.

Plant Protection

7.17. Pests and insects cause heavy losses to crops. The farmers have to adopt adequate plant protection measures in order to protect crops against pests and diseases. However, the use of insecticides has increased substantially during the last few years. There is a need to check excessive and indiscriminate use of pesticides and introduce integrated plant protection measures including biological control methods.

7.18. 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 country. During 1996-97, 22.27 thousand hectares of orchards were aeri ally sprayed in Balochistan. There was no demand for aerial spray from Punjab, Sindh and NWFP during the year. The crop-wise targets of aerial spray during 1997-98 are presented in Table 7.6.

TABLE 7.6

ESTIMATED PLANT PROTECTION COVERAGE FOR 1996-97 AND TARGET FOR 1997-98

(‘000’ Hectares)

Crop	Estimated Aerial Spray 1996-97	Target for Aerial Spray 1997-98
Cotton	-	104.05
Paddy	-	105.27
Sugarcane	-	230.77
Orchards	22.27	22.27
Others	-	-
Total:	22.27	462.36

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

7.19. The Cotton Leaf Curl Virus (CLCV) Project and other on-going research and development activities to control insects, pests and diseases will be continued during 1997-98. Efforts will be made to popularize Integrated Pest Management (IPM) techniques among the farmers in order to discourage the indiscriminate use of insecticides. The use of "Pheromones" to control the harmful insects will also be promoted. Administrative and judicial measures are being taken to prevent the sale of adulterated pesticides.

Mechanization

7.20. Mechanization in the country is selective and only those operations are mechanized for which there is constraint of labour or power or both. However, the overall impact of mechanization is positive. It has not only helped in increasing the income of farmers by minimizing pre-and post-harvest losses, but also generated off-farm employment.

7.21. During 1996-97, 10,145 tractors were sold against plan target of 27,500 tractors. The off-take of tractors remained below the target mainly due to lack of limited credit facility and high cost of tractors. An off-take of 27,400 tractors has been envisaged in the Eighth Plan for 1997-98.

7.22. The provision of bulldozers and allied machinery to the farmers, for reclamation and development of culturable wasteland will be continued. During 1996-97, 54 thousands hectares were reclaimed/developed by using bulldozers.

Agricultural Research

7.23 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.

7.24 The implementation of Agricultural Research Project-II (ARP-II) will be continued during 1997-98 in order to strengthen research capabilities of federal and provincial research organizations and agricultural universities of Faisalabad and Tandojam. Under this project, major focus would be on research priority setting, control of resources and human resource development through short and long term training. High priority research programmes in the fields of horticulture, livestock, integrated pest management, soils and social sciences, will be continued. A National Master Agricultural Research Plan has recently been prepared by the Pakistan Agricultural Research Council. The provinces have set up autonomous bodies on similar operational lines like PARC which will help in improving research capabilities of provincial agricultural research institutes.

7.25 The "Management of Cotton Leaf Curl Virus (CLCV) Project" will be continued during 1997-98 by the federal and provincial cotton research institutes, which have been strengthened by providing necessary laboratory equipments/ materials and local and foreign trainings to the scientists. So far, 33 sub-projects are under implementation for developing CLCV resistant varieties of cotton crop. Two virus resistant varieties, namely; CIM-1100 and CIM-448 have been developed and are under consideration for approval for general cultivation. In the laboratories, work on virus isolation, purification and identification is in progress.

7.26 The implementation of "Project Type Technical Cooperation for Genetic Resources Preservation and Research Laboratories" for transfer of Japanese technology regarding introduction/exploration and conservation of plant genetic resources/germplasm will be continued. The "Coordinated Research Project for Improvement of Sheep and Wool", aiming at improving wool quality as well as increasing meat production in the country, will also be continued.

7.27 The research programme for development of local sunflower hybrid seed under "Sunflower Hybrid Seed Production" project will be continued. The development of Canola varieties and transfer of production technology to the farmers under the project "Promotional Programme for Canola Production" will be continued during 1996-97.

Agricultural Education

7.28 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.

7.29 The project entitled "Improvement of Existing Facilities and Other Development Activities" at Agricultural University, Faisalabad and Collage of Veterinary Sciences, Lahore will be continued during 1997-98. Under this project, teaching, research laboratory and field facilities will be strengthened. Upgradation of educational and research facilities in biotechnology, biochemistry and genetic engineering, at the "Center of Agricultural Biochemistry and Biotechnology at the Agricultural University, Faisalabad" will be continued.

7.30 The on-going construction work and provision of field and laboratory equipments and other facilities at Agricultural Colleges at Multan and Dokri/ Larkana, will be continued during 1997-98.

Support Price Policy

7.31 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, cotton, sugarcane, gram, onion, potato, sunflower, soyabean, canola and safflower. The support prices are fixed keeping in view various factors such as cost of production, domestic demand, import and export parity, supply and stock position, comparative advantage etc. The support prices from 1995-96 to 1997-98 are given at S.A. Table 7.10.

Animal Husbandry

7.32 The research and development programmes in livestock sub-sector aim to increase the production of meat and milk through genetic improvement of animal breeds, better feeding and management practices, and maintenance of healthy and well-nourished herd.

7.33 At present, the national herd comprises 17.9 million cattle, 20.7 million buffaloes, 30.5 million sheep, 47.6 million goats and 5.9 million other animals. Small farmers, landless families and nomads in Cholistan, Thar and some parts of Balochistan are responsible for maintaining this herd.

7.34 During 1997-98, 22.0 million tonnes of milk, 1.08 million tonnes of beef, 1.07 million tonnes of mutton, 428.0 thousand tonnes of poultry meat, 57.2 thousand tonnes of wool and 6.3 billion eggs, will be produced. The physical achievements for 1996-97 and targets of livestock products for 1997-98, are given in Statistical Appendix Table 7.11. The institutional position is provided in S.A. Table-7.12.

Dairy Development

7.35 The dairy development programmes aim to increase production of milk and improve its collection, storage and marketing. Institutional support, training and credit facilities will be provided to farmers in order to increase the production of milk and dairy products. These activities will be carried out through the Livestock Development Project and Punjab Small Holders Dairy Development Project.

Poultry Development

7.36 About 16450 commercial poultry farms will rear 26.0 million layers and produce 179.1 million broilers during 1997-98. It is estimated that 195 million day old chicks will be produced by 249 hatcheries as compared to 146 million day old chicks produced by 235 hatcheries in 1996-97. Poultry disease diagnostic facilities will be expanded. Research on the control of the poultry diseases will be continued.

Animal Health

7.37 Comprehensive disease control cover will be provided for foot and mouth disease, rinderpest and common bacterial diseases through provision of vaccines and other prophylactic measures. The number of veterinary hospitals and dispensaries is expected to increase from 705 to 793 and from 3,887 to 4144, respectively during 1997-98.

Livestock Improvement

7.38 The implementation of the project for improvement of sheep and wool will be continued. It aims to improve the quality of wool and increase meat production. Livestock Development Project in Punjab and Balochistan will be continued. The establishment of a semen production unit at Bahawalpur will be completed in 1997-98. Supply of high quality inputs for animal production and transfer of technology to farmers will be implemented in Sindh. Livestock extension activities through women will be carried out in NWFP. The use of bio-technology for animal health and reproduction will be introduced. A study will be carried out in NWFP on the present status of raw hides and skins.

Forestry and Wildlife

7.39 It has been estimated that 76.3 thousands hectares of compact plantation and 640 avenue kilometers of linear plantations were raised in 1996-97. Nurseries were raised on 301 hectares and 200 million saplings were distributed for plantation. The Government forests produced 332 and 440 thousand cubic meters of firewood and timber, respectively.

7.40 About 208 million trees are expected to be planted in 1997-98. Compact plantations will be raised on 78.4 thousand hectares, linear plantations on 681 avenue kilometres and nurseries on 290 hectares. It is expected that Government forests will produce 433 thousand cubic meters of timber and 502 thousand cubic meters of fire wood. The details are given in S.A Table-7.13.

7.41 Programmes for silk seed production at Pakistan Forest Institute, Peshawar and sand dune stabilization in Ladgasht Mashkel, Kharan district will be continued during 1997-98. The strengthening of forestry wing at the Federal level under the Forestry Sector Master Plan will also be continued. The project aims to monitor and evaluate the effectiveness of forestry programmes.

7.42 In Punjab, re-forestation of riverine land along Chenab and Ravi will be continued. The Punjab Forest Sector Development Project will be implemented to increase the area under forests. In addition, raising of eucalyptus species under irrigated plantations in Multan and Shorkot will be continued. Plantations will be carried out alongwith the highways other than G.T. road in Rawalpindi circle. The implementation of Sindh forestry development project will be continued. Raising of a network of linear plantation along roadside strips in Sindh will also be continued. Plantation of coconut and establishment of oil palm farms in coastal areas of Thatta and Badin districts will be takenup. A pilot project for massive afforestation in Sindh, to accelerate tree planting activities in different ecological zones will be launched. Massive cultivation of eucalyptus in saline and waterlogged areas of Sindh will be started. In the NWFP, Dir Social Forestry Project Phase-II, Environmental Rehabilitation in Malakand, Kalam Integrated Development Project Phase-IV, Dir Kohistan Upland Rehabilitation Programme and Siran/Kaghan Forestry Development Project, will be continued. Natural resource conservation in Galiat will also be continued. A comprehensive project on forestry sector development will be undertaken in NWFP. It will carryout activities like afforestation, range management, farm forestry and resource management planning. Watershed planning and management project and inter-regional programme for upland conservation will be continued in Balochistan.

7.43 Development of wildlife park at Lahore and Punjab Wildlife Survey and Management Planning Projects, will be continued. In the NWFP, development of tourist facilities at Ayubia National Park and Manglot Wildlife Park will be continued. Wildlife development activities through community led biodiversity conservation project will be started in NWFP. Establishment of game reserve in Kundah reserve forests in Dadu district will be continued. Establishment of national park at Hingol/Harboi and Musakhail will be initiated.

Fisheries

7.44 Procurement of fish/port handling equipment, navigational aids, construction of net-mending sheds and internal development works under Korangi Fisheries Harbour Project will be continued. The project will be completed in 1997-98. It will handle 413 fishing vessels, annually. Establishment of hatchery complex for production of fish and shrimp seeds will also be continued. In Punjab, strengthening of fisheries extension services will be undertaken. Extension programme for promotion of fish culture in Layyah district and introduction of Murrel fish culture will be continued. Studies will be carriedout on control of fish fry predators by locally available chemicals. Introduction of cage culture system will be launched. In the NWFP, remodelling of Alpuri trout hatchery and reconstruction works of flood damaged Shinu trout hatchery in Kaghan will be continued. The remaining works of Peshawar carp hatchery and training centre will be completed. Establishment of carp fish hatcheries at Manchar lake will be continued. A project will be started to improve fishermen's skills in fish farming and disease control. In Balochistan, establishment of a fisheries training centre at Gawadar will be initiated.

7.45 The data on fisheries sub-sector are given in S.A. Table-7.14.

CHAPTER-8

WATER RESOURCES DEVELOPMENT

8.1 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, replacing public tubewells with private ones, improving existing management practices using the latest technologies available, and protecting land and infrastructure from waterlogging, salinity, and floods.

REVIEW OF 1996-97

A. Financial

8.2. Against financial allocation of Rs. 20725.412 million (Federal + Provincial), an amount of Rs. 15740.154 million (76%) was utilized. Sub-sector-wise Federal and Provincial allocations as well as expenditures (revised estimates) are summarized in Table-I whereas the details are given in S.A.Table-8.1.

TABLE-8.1
FINANCIAL ALLOCATIONS AND REVISED ESTIMATES FOR 1996-97

(Million Rs)

S.No	Sub-sector	Allocations 1996-97	Revised Estimates 1996-97	Percent Utiliz- ation
<u>Federal</u>				
i)	Irrigation Schemes (including schemes of Ministry of Defence)	3017.00	1768.374	59
ii)	Drainage & Reclamation	6550.100	4186.361	64
iii)	General Investigation	53.100	* 76.684	144
iv)	IBP/Tarbela	127.000	*141.060	111
v)	Flood Control Program	555.000	555.000	100
vi)	1992 Flood/Rain Damages Restoration Project.**	140.000	** 140.000	100
vii)	Onfarm Water Management	80.000	47.000	59
viii)	Accelerated Water Management Programme	659.000	-----	---
Sub-total: (Federal)		11181.200	6914.479	62

Provincial

i) Punjab	4475.098	3860.737	86
ii) Sindh	3216.075	3344.530	
iii) N.W.F.P	797.179	564.548	71
iv) Balochistan	1055.860	*** 1055.860	100

Sub-total: (Provincial) **9544.212** **8825.675** **92**

Total: (Federal + Provincial) **20725.412** **15740.154** **76**

* The excess expenditure has been take care of through inter-sectoral adjustment

** Federal component only.

*** Revised estimates have not been provided by Balochistan, therefore utilization has been assumed 100%.

8.3. Sub-sector-wise break-up of Federal and Provincial revised estimates for 1996-97 is given in Table-8.2.

TABLE-8.2

SUB-SECTOR-WISE DETAILS OF EXPENDITURE FOR 1996-97

(Rs. Million)

Sr.No.	Sub-Sector	Federal	Provincial	Total
i)	IBP/Tarbela	141.060	-	141.060
ii)	Irrigation (including Acc. Water Management)	1768.374	3764.204	5532.578
iii)	Drainage & Reclamation	4186.361	1812.560	5998.921
iv)	Flood Control	555.000	66.532	621.532
v)	1992 Flood/Rain Damages Restoration Project	140.000	1115.066	1255.066
v)	On-Farm Water Management	47.000	2053.531	2100.531
vi)	Survey, Investigation and research	76.684	13.782	90.466
Total:		6914.479	8825.675	15740.154

Source:- Federal and Provincial ADPs, and WAPDA.

B. Physical

8.4 The overall water availability in the irrigation system increased by 0.15 Mhm from 16.14 Mhm in 1995-96 to 16.29 Mhm in 1996-97 (10.08 Mhm surface and 6.21 Mhm groundwater). Out of total water available during 1996-97, about 9.42 Mhm was available during Kharif and 6.87 Mhm during Rabi.

8.5 Sub-Sector-wise physical targets and achievements are briefly presented in Table-8.3 whereas details can be seen in S.A.Table-8.2.

TABLE-8.3
PHYSICAL TARGETS AND ACHIEVEMENTS DURING 1996-97

S.No.	Item	Unit	Targets 1996-97	Achievements 1996-97	Percent Achievement
1.	Water Availability	Mhm	16.29	16.29	100
2.	Disastrous area Protected from Waterlogging and Salinity	MH	0.28	0.25	89
3.	SCARP Tubewells				
	a) Drilling	NO	438	339	77
	b) Energization	NO	377	251	67
	c) Transition to Private Sector	NO	225	127	56
4.	Surface Drains	MCM	15.32	17.06	111
5.	Sub-surface Drain	Km	2017	1703	84
6.	Flood Control *				
	- Earth work	MCM	22.65	4.73	21
	- Stone work	MCM	1.84	0.44	24
8.	OFWM Programme				
	- Watercourse Improvement	No.	4292	3054	71
	- Precision Land Levelling	Ha	17647	14780	83

* Excluding 1992-Flood/Rain Damages Restoration Project.

Source:- WAPDA / Federal Flood Commission / Provincial
Irrigation and Agriculture Departments.

REVIEW OF FEDERAL PROGRAMME 1996-97

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

i) **Chashma Right Bank Canal (Stage-I)** covering a length of 83 Km was completed in December, 1986 to irrigate an area of 10117 hectares. Stage-II of the project covering a length of 38 Km has also been completed to irrigate an area of 38041 hectares. Work on Stage-III, which will ultimately cover 150 Kms, is in progress. Under stage-III, work on flood carrier channels and construction of access roads has been completed. In addition, construction of main canal, flood carrier channels and dikes involving excavation of 0.88 MCM of earth, laying of 0.01 MCM of concrete lining and 0.02 MCM of stone work has been completed. An amount of Rs. 1355 million was allocated for Stage-III during the financial year 1996-97, out of which Rs. 346.478 million (26%) were spent due to non-tendering of Contract No.65.

ii) **Work on Pat Feeder Canal Project** is 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 and contract No.4 (for the main canal) and 5A (for rehabilitation of six distributaries), 5B (for rehabilitation of three distributaries), 6A, 6B, 6C (for surface drainage) are under progress (more than 90% completed). In addition, construction of Bari Tail Escape and Waste-way has been completed. A sum of Rs. 1570 million was allocated to the project during the financial year under review. The financial utilization was 84 percent (Rs. 1322.333 million).

iii) **For Drainage and Reclamation works**, an allocation of Rs. 6550.100 million (including Rs. 10.00 million for NDP) was made, out of which Rs. 4186.361 million (64 percent) were utilized. Against the targets of drilling and energizing 438 and 377 tubewells respectively, excavating 15.32 MCM of earth for open drains and laying tile drains in an area of 2017 K.m, 339 (77%) and 251 tubewells (67%) were drilled and energized respectively, 17.06 MCM of earth (111%) excavated while constructing open drains and 1703 K.m (84%) provided with tile drainage system. Work on LBOD project was continued with full swing for which a financial allocation of Rs. 3350 million was made. About 84% physical works of LBOD have been completed whereas the remaining works will be carried out during the next financial year. However, the remaining Chotiari works will be undertaken under NDP. Preparatory works on RBOD are in progress. Entire work of Indus-Link has been divided into three contracts and the work on contract 1L-1, 1L-2 and 1L-3 has been completed more than 50%, 86% and 78% respectively. A sum of Rs. 142 million was allocated in the financial year of 1996-97. It is expected that project will gain momentum in the next financial year.

iv) **Flood Sector Project** was provided with an amount of Rs. 144 million against which Rs.226 million (157%) had been utilized. Against the target of 22.65 MCM of earth-work, 1.84 MCM of stone-work, about 4.73 MCM of earth-work and 0.44 MCM of stone-work have been achieved.

v) An amount of Rs 659.000 million including foreign aid of Rs. 489 million was allocated to the Accelerated Water Management Programme. The F.Aid has not been arranged yet. The local component of the allocation could not be utilized as the PC-I of the programme was not finalized by the sponsoring agency.

vi) Under the On-Farm Water Management programme about 0.04 MMH water was saved by improving, cleaning, remodelling and lining of 3054 watercourses (71%) and precisely levelling of 14780 hectares (83%) of agricultural land against the target of 4292 watercourses and precision land levelling of 17647 hectares respectively.

vii) An amount of Rs. 2100.531 million (Rs. 47 million Federal and Rs. 2053.531 million Provincial) was utilized on the On-Farm Water Management activities. The province-wise physical targets and achievements are given in Table-8.4

TABLE-8.4

ON-FARM WATER MANAGEMENT PROGRAMME

Year 1996-97						
	Watercourses Improved			Precision Land Levelling		
	Target (No)	Achievement (No)	(%)	Target (HA)	Achievement (HA)	(%)
Punjab	3026	2132	70	9122	7430	81
Sindh	693	570	82	5206	5124	98
N.W.F.P	457	236	52	2524	1431	57
Balochistan	116	116	100	795	795	100
Total	4292	3054	71	17647	14780	83

Source:- Provincial On-Farm Water Management Programmes.

REVIEW OF PROVINCIAL PROGRAMMES 1996-97

8.7 About Rs. 8825.675 million were spent on water resources projects in the provinces. The provincial programmes consisted mainly of improvement, re-conditioning, remodelling and extension of the existing irrigation system. The detailed physical achievements are given at S.A.Tables 8.3 to 8.6. A brief review of major works carried out in provinces is given in the following paragraphs.

Punjab

8.8 A sum of Rs. 3860.737 million (86 percent) was spent against the allocation of Rs. 4475.098 million. Under Irrigation sub-sector, about 5 K.m. and 52 K.m of irrigation canals were remodelled and rehabilitated respectively and an extension of 5 K.m of existing canals were made. These efforts led to benefit additional area of 6070 hectares under irrigation. Details of physical achievements are given in S.A.Table-8.3.

Sindh

8.9 Against an allocation of Rs. 3216.075 million, a sum of Rs. 3344.530 million (104 percent) was utilized on extension / remodelling / rehabilitation of the 178 K.m of irrigation channels and other relevant activities. Efforts were made towards efficient and effective utilization of water which resulted in benefitting existing as well as new cropped area. Details of achievements are given in S.A.Table-8.4.

N.W.F.P.

8.10 Against an allocation of Rs 797.179 million, an expenditure of Rs. 564.548 million (71 percent) was incurred on remodelling and rehabilitation of canals and allied structures. The physical achievements included remodelling and rehabilitation of irrigation channels which in turn benefitted an irrigated cropped area of 172 hectares. Detailed achievements are given in S.A.Table-8.5.

Balochistan

8.11 The overall allocation of Rs 1055.860 million, was utilized against various irrigation works including survey, investigation and remodelling/rehabilitation of irrigation channels and allied structures. About 306 k.m of canals were extended/rehabilitated /remodelled and 388 structures constructed/remodelled. The improvement measures benefitted 81728 hectares of cropped land. Accomplishment of various activities is given in S.A.Table-8.6.

ANNUAL PLAN 1997-98

8.12 The Annual Plan 1997-98 reflects major objectives of the Eighth 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 and programmes such as National Drainage Programme, National Irrigation Programme and Accelerated Water Management Programme will be implemented;

8.13 For realizing the afore-mentioned objectives an amount of Rs. 20084.095 million (Rs. 9892.260 million Federal and Rs. 10191.835 million Provincial) has been allocated to the water resources development projects/programmes during the year 1997-98. Agency-wise and sub-sector-wise financial distribution is shown in S.A.Table-8.1.

8.14 The proposed programme envisages an increase of 0.15 Mhm of water from 16.29 Mhm in 1996-97 to 16.44 Mhm in 1997-98. Out of total 16.44 Mhm, about 10.11 Mhm would be available from surface water supplies through watercourse improvement, canal remodelling and small irrigation schemes. The remaining 6.33 Mhm would be extracted from underground fresh water aquifer mainly by private and SCARP tubewells. About 0.30 Mha of affected land would be reclaimed by drilling and energizing 71 and 1053 SCARP tubewells and other remedial measures mentioned below. Further, 5000 private tubewells will be installed/replaced during the year. Moreover, excavation of 17.88 MCM of earth for surface drains and construction of 1323 Km of sub-surface drainage will be carried out. In addition about 2135 water-courses will be improved and 13287 hectares land precisely levelled. Details of physical works to be undertaken during the year are given in S.A.Table-8.2.

8.15 Some of the main programmes/projects to be implemented are briefly described below:

FEDERAL

i) Surface Irrigation

Stage-II of the ADB assisted Chashma Right Bank Canal project has been completed. The 39 k.m. long canal with the capacity of 2780 - 3608 cusecs, in the entire length, would command 9713 hectares of agricultural land in D.I. Khan District of NWFP. The survey and investigation for Stage-III and dove-tailing of Stage-II with Stage-III, Flood Carrier Channel and dikes have been completed. An amount of Rs. 2000 million has been allocated for the works to be undertaken in the year 1997-98. These include (i) main canal (14 miles, 262 Mcft earthwork), (ii) distributaries and minors (64 miles) and other relevant works. Contract No. 65 (main canal), 66, 67 and 68 of distributaries for stage-III have been awarded in 1997 and the work is in progress. Stage-III is being financed by ADB (65%), KFW (14%) and G.O.P (21%).

The work on the ADB assisted Pat Feeder Canal Rehabilitation project, started during 1988-89, will continue in 1997-98 for which a provision of Rs. 900 million has been made. Physical works in the quantitative terms include excavation / embankment of 2.83 MCM earth. Work on the on-going Contract No.4 (main canal); Contract No. 5 A&B (nine distributaries); Contract No. 6 A, B & C (surface drains); Contract No. 7.42 & 7.43 (minor canals) and Contract No. 7A and B (Minor Canal) will be carried out. Substantial part of the civil works will be completed during the currency of the year.

ii) Drainage and Reclamation Programme

This programme will continue to receive major share i.e Rs. 5952.00 million (Federal 60%, including allocation of National Drainage Programme (NDP), of Water Sector financial allocations. The programme envisages drilling and energization of 71 and 1053 SCARP tubewells respectively, excavation of 17.88 MCM earth for surface drains, construction of 1323 Km of sub-surface drains (4399 hectares). It is expected that 0.30 Mha will be protected from waterlogging and salinity. The programme includes 14 drainage projects (8 in Punjab, 5 in Sindh and 1 in NWFP) in addition to NDP which has been shown separately. Adequate allocations have been made for LBOD, RBOD, Khushab Sub-unit, Fordwah Sadiqia (South), Fordwah Sadiqia Remaining and Swabi SCARP for their timely completion.

The National Drainage Programme costing Rs. 31400 million will be 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 the Indus Basin to the sea. For this purpose a sum of Rs. 2859.61 million (Federal Rs. 1170 million and Provincial Rs. 1689.61 million) has been allocated.

(iii) Accelerated Water Management Programme

Accelerated Water Management Programme will be under-taken for proper management and development of available water resources under a crash programme. This programme comprises three components namely, (a) Priority Drainage Schemes, (b) Flood control Works, and (c) Harnessing of Hill Torrents. An amount of Rs. 124 million has been allocated for this programme during the year 1997-98.

iv) Survey, Investigation and Research

Survey, Investigation and Research is a continuing programme being carried out by WAPDA. During the year 1997-98, the work will continue on a number of important projects such as International Waterlogging and Salinity Research Project, SCARP Monitoring and Salinity Control, Ground Water Development in D.G. Khan district, Phase-II and Ground Water Investigation-Cum-development in Barani areas of Gujrat district. An amount of Rs. 31.50 million been allocated to this programme.

v) Flood Protection Programme

The flood control works are undertaken under two main programmes namely, Flood Sector Project Phase-II and Reformulated 1992/1994 Flood/Rain Damage Restoration Project. Moreover, the Flood Sector Project phase-I, an on-going project, will be completed during the currency of year. The ADB assisted Flood Sector Project II is aimed at protecting village abadies, private property and public infrastructure situated along the rivers. The World Bank and ADB assisted Reformulated 1992/1994 Flood/Rain Damage Restoration Project provides for restoring public infrastructure of irrigation and power, communication and works, education, and health facilities at Provincial and Federal levels. The programme during 1997-98 envisages execution of a number of small schemes in Punjab, sindh, NWFP and Balochistan. A total of Rs. 235.94 million have been allocated for the above programmes.

vi) On-Farm Water Management(OFWM)

It is an on-going programme being implemented with the assistance of World Bank, Government of Japan and Asian Development Bank. Physical work includes renovation of 2135 (excluding National OFWM) watercourses, precision land levelling of 13287 hectares and establishment of demonstration centers. Allocation to this programme during 1997-98, will be reflected in the Provincial ADPs. However, Rs. 58.32 million have been allocated to Federal OFWM Cell and other small projects reflected under this sub-sector. A new component of the same programme " Accelerated National OFWM " has been initiated so as to improve 18000 watercourses, construct 1400 storage tanks, train 194000 farmers and establish 3880 demonstration centers. For this purpose a sum of Rs. 9.6 million has been allocated in the PSDP 1997-98.

PROVINCIAL PROGRAMMES

Punjab

An amount of Rs. 6749.046 million has been allocated in the ADP 1997-98 for remodelling and extension each of 5 K.m of canals respectively, construction of 5 new structures, remodelling of 10 existing structures. It is expected that with accomplishment of the aforementioned works, new cropped area of 202 hectares would be provided with irrigation water. Details are given in S.A.Table-8.3.

Sindh

Rs. 2111.895 million have been allocated in the provincial ADP 1997-98 to water resources development activities like remodelling/ rehabilitation of 115 K.m of canals, extension of 96 K.m of canals, construction/remodelling of 206 structures. It, in turn, would benefit 1040 hectares of cropped area. Details are given in S.A.Table-8.4.

N.W.F.P

To strengthen the existing irrigation network and also to take-up new irrigation schemes, the NWFP Government has provided an amount of Rs. 526.754 million in their ADP 1997-98. The physical targets envisage some minor works of rehabilitation/remodelling of canals and construction of new structures and installation of 4 public tubewells. These measures would increase the cropped area by 414 hectares. Details are given in S.A.Table-8.5.

Balochistan

A large number of small irrigation schemes like small dams, infiltration galleries, delay action dams, weirs, irrigation channels, tubewells and dug-wells are being implemented with the financial assistance of various international donor agencies. Some important irrigation projects include Remodelling of khirther Canal, Balochistan Ground Water and Trickle Irrigation Projects, Balochistan Community Irrigation and Agriculture Project, On-farm Water Management Project, Establishment of Bureau of Water Resources in Balochistan, Delay Action Dams and Recharge to Groundwater in the valleys of Quetta, Pishin, and Mongachar, etc. An amount of Rs. 804.140 million has been allocated in the provincial ADP 1997-98. Some important physical targets include extension, rehabilitation and remodelling of 36 k.m, 58 K.m and 227 K.m canals respectively and construction of 24 new structures. It in turn would benefit a cropped area of 85814 hectares. Details are given in S.A.Table-8.6.

CHAPTER - 9

INDUSTRY

9.1 The share of Manufacturing Sector in GDP is about 18%. Its share is 89% of the total exports during 1996-97 comprising 21% for semi manufactured and 68% for manufactured goods. It provided employment opportunity to about 10.4% of labour force during 1996-97. Manufacturing Sector did not perform well during the first three years of the Eighth Plan. This exhibited an overall growth rate of 4.4 percent including 5.4 percent in 1993-94, 3.1 percent in 1994-95 and 4.8 percent during 1995-96. The large scale manufacturing indicated major fluctuations. After falling from 4.1 percent in 1993-94 to only 0.5 percent in 1994-95, the growth rate increased to 3.1 percent during 1995-96. Whereas the small scale manufacturing grew at its historic growth rate of 8.4 percent, several factors constrained the growth of large scale manufacturing sector in the previous year which included sluggish performance of cotton sector in 1993-94 which affected cotton ginning, cotton yarn and fabrics, the other major constraints were load shedding in power and gas sectors, shift in demand to import of finished goods specially in electronics, chemicals, tyres etc. The law and order situation in Karachi also adversely affected the production. The performance of Manufacturing Sector is improving as a result of the reforms made under the Prime Minister's Economic Revival Programme announced on 28th March 1997 and the packages to revive capital market.

REVIEW OF 1996 - 97

9.2 **Growth Rate:** In the manufacturing sector, small scale manufacturing have grown by 8.4 percent while the large scale manufacturing registered a decline of 1.4 percent during the year under review. Thus the growth of manufacturing as a whole is estimated at 1.8 percent in 1996-97 compared with 4.4 percent last year. During the course of the year two textile packages were announced to boost the ailing textile sector. An Economic Revival Programme was announced in March 1997 which contained numerous incentives for boosting the production of the manufacturing sector. It has been supplemented with new policy measures aimed at the rapid recovery of the stock market. Supported by the extensive reforms in the budgetary and financial sector and with strong export promotion measures in the trade sector, it is expected that the supply side fiscal reforms announced by government would help the revival of the industrial sector of the economy.

Industrial Production

9.3 The production trend of some selected large Scale Manufacturing industries during 1996-97, compared with last year have been compiled and placed at S.A. Table 1.2 Major industrial items which increased during 1996-97 are cigarettes, cotton yarn, cotton cloth, paper board, soda ash, caustic soda, nitro phosphate, steel products, cars and LCV's. The production of some industries like sugar, Jute goods, Urea, ammonium nitrate, ammonium sulphate, super phosphate, glass sheets, motor cycle, motor tyres, bicycles, jeeps, trucks, buses and tractors declined during 1996-97 over 1995-96. The decline is attributed mainly to closure of units for maintenance or due to financial constraints, power break downs, increased costs of electricity/gas etc, exchange rates. The reasons for decline in production of major industrial items are as under:-

Sugar

The sugar production during 1996-97, was 2383.08 (thousand) tonnes as against target of 2750 (thousand) tonnes in last year showing a shortfall of 13.3%. The shortfall in production of sugar is due to late commencement of sugar mills owing to un-economical cost of sugar caused by:-

- i) Less production of sugarcane.
- ii) Excise duty on sugar on local production increased cost.
- iii) Imposition of sales tax on baggase, which is used by mills as fuel for their factories.
- iv) Increase in cost of utility tariffs, wages, petroleum products owing to inflationary trend in the economy.
- v) High cost of imported chemicals caused by depreciation of Pakistan currency.
- vi) Late crushing of sugar mills for want of higher cost of sugarcane by the farmers as against the support prices in various provinces.

Jute Goods

The production of Jute goods during 1996-97 was 68.7 (thousand) tones as against target of 78.0 (thousand) tons in last year showing a shortfall of 11.9%. The shortfall is attributable to:

- i) Closure of one mill (Khalik Jute Mills, Jouharabad).
- ii) Increase in price of raw jute in international market.
- iii) Devaluation of pak rupee.
- iv) Dumping of Bangladesh Jute goods at Karachi.
- v) Monopolistic policy of purchasers compelling local manufacturers to sell their products even below the production cost.

Urea

The production of Urea during 1996-97 was 3,258,666 M.Tonnes against 3,260,076 M.Tonnes during 1995-96 showing a shortfall of 0.04%. The reasons of decline are:

- i) Pak China Fertilizer Hazara plant was shut down during May-June, 1997 due to WAPDA power outage.
- ii) Pak Arab Fertilizer Multan plant remained stopped for 227 hours in May, 1997 for scheduled maintenance.
- iii) Maintenance in ENGRO Chemical in June, 1997.

Ammonium Nitrate

The production of ammonium nitrate during 1996-97 stood at 330,196 tonnes as against 383,492 tonnes produced in 1995-96 showing a decline of 13.90%. The shortfall is due to stoppage of Pak Arab Fertilizer, Multan Plant for 118 hours in April 1997 and 233 hours in May 1997 due to process, mechanical and maintenance reasons.

Ammonium Sulphate

The production of Ammonium Sulphate during 1996-97 was 80,936 tonnes as against 83,660 tonnes in 1995-96 showing a decline of 3.26%. The shortfall is due to stoppage of Pak American Fertilizer Ltd., Daudkhel plant for 422 hours in June, 1997 due to mechanical/electrical maintenance reasons.

Super Phosphate

The requirement of SSP is being met through Dia Ammonium Phosphate (DAP). The units producing super phosphate, viz Lyallpur Chemical Fertilizer Limited, Jaranwala and Faisalabad and Hazara Phosphate, Haripur have closed down since April, 1996 due to un-economical higher production cost and non-release of industrial subsidy.

Glass Sheet

The production of glass sheet during 1996-97 was recorded at 31,764 tonnes as against 40,303 tonnes during the corresponding last year showing a shortfall of 21.19%. The decline in production is reported due to:-

- i) Closure of Nowshera Sheet Glass Industries for major repair of glass melting furnace from November, 1996 to January, 1997.
- ii) Strict quality control being observed by companies owing to stiff competition in the market.
- iii) Reduction in demand owing to slump in construction activity.

Motor Cycle

The motorcycle production during 1996-97 is 94,618 Nos. as against 95,991 Nos. showing a shortfall of 1.43%. The main reasons of shortfall are:-

- (i) Fall in sale/demand due to increase in cost of production.
- (ii) Increase in taxes, power rates etc.
- (iii) Repeated devaluation of Pak Rupees.
- (iv) Slump in market.

Motor Tyres

Motor tyres/tubes estimated production during 1996-97 is 525 (thousand) as against target of 1058 (thousand) showing a shortfall of 50.4%. The shortfall is mainly due to go-slow/strike in the General Tyres & Rubber Company of Pakistan Ltd., Karachi since December, 1996.

Bicycles

Bicycles estimated production during 1996-97 is 432.4 (thousand) as against target of 612.4 showing shortfall of 29.4%. The decline is due to:-

- (i) Less demand reported by M/s. Pakistan Cycle Industries, Shahdara Lahore.
- (ii) Financial problems faced by PECO owing to fear of privatization resulting consequential shortfall in production.

Jeeps

The production of jeeps during 1996-97 is 792 as against 2,274 in the corresponding period of last year showing a shortfall of 65.17%. Jeeps are mostly purchased by government and other semi government institutions/ organizations. Since the government has curtailed the expenditures, purchase of new Jeeps has been almost stopped.

Tractors

The production of tractors have declined to 10.4 (thousand), as against the target of 15.5 (thousand) showing decline of 32.9% during 1996-97. It has been informed by Pakistan Automotive Manufacturers Association that production of these vehicles have declined as the sale have fell down because expectation of potential buyers that on the advent of new government there would be reduction in taxes and duties. The sale picked up once the effect of the " financial package" and budget work out. The production of tractors declined due to reduction in ADBP loans.

9.4 Industrial Policies/Incentives: The industrial policies remained under review and were modified to accelerate industrialisation and attract local and foreign investment in the country. The Prime Minister's Economic Revival Programme announced on 28th March 1997 and the package to revive capital market would give needed support to the manufacturing sector. Presently, following policy incentives for the foreign and local investors are available:

- ◆ Foreign exchange controls have been relaxed.
- ◆ Foreign investors have been allowed participation in local projects on 100 percent equity basis.
- ◆ There is no requirement of having local partners and full repatriation of capital and dividend is allowed.
- ◆ Ceilings on payment of royalties and technical fee have been abolished.

- Work permit restrictions on expatriate managers and technical personnel working in industrial undertakings have been withdrawn and remittance restrictions have been eased. The limits on their salaries have also been removed.
- Number of Specified Industries requiring Government sanction has been reduced to four as:
 - Arms and ammunition.
 - High explosives.
 - Radio-active substances.
 - Security printing, currency and mint, establishment of new units for the manufacture of alcohol, except industrial alcohol, is banned.
- There is no requirement for obtaining No Objection Certificate (NOC) from the provincial government for locating the project anywhere in the country except the areas which are notified as negative areas.

9.5 **Restructuring of Tariff Regime:** There has been significant tariff rationalization to lead to rapid economic recovery through export led growth. Maximum rate of tariff has been reduced to 45% from 65%. To restore the largest and the oldest textile industry the duty on various inputs were reduced i.e., PTA (from 25% to 15%), polyester chip (from 30% to 20%), polyester staple fibre (from 30% to 20%). Similarly duties on man-made fibre were reduced from Rs 30 per kg plus 25% to only 25% when not locally produced and to 35% when locally produced. Similarly, tariffs on auxiliary inputs of Engineering goods industry such as machine tools, hand tools, cutting tools testing equipment, moulds and dies, the duties were reduced from the 25% - 45% range to the range of 10 - 25% ad val. Duties on large number of inputs for electronic industry were also reduced from 25% to 10% ad val to boost local manufacturing and employment. To help the recovery process in Automotive vehicle industry the concessional rate of 22% on CKD Kits of passenger Car were continued. Duties on CKD Kits for two wheelers, three wheeler and commercial vehicles were reduced from 25% - 30% to 20% ad val. Furthermore tariff structure on machinery was reduced from 15% - 70% to 10% - 45% with bulk of machinery imports taking place at 20% tariff.

9.6 **Privatization:** The privatization programme, being pursued in Pakistan has been made both attractive and rewarding for potential investors both local and foreign to enhance the role of the private sector as the engine of growth, employment and income. The Privatization Commission took certain steps to accelerate and broaden the base of the commission and to ensure maximum transparency in the process. Foreign investors are also allowed to purchase divested public assets alongwith their local counterparts. Eighty Five (85) Industrial Units have so far been privatized of which only one unit was privatised during the year 1996-97.

Private Investment (1996-97)

9.7 The industrial investment in manufacturing sector for 1996-97 is estimated as Rs 68616 million showing an increase of Rs 9.76 percent over 1995-96 estimates of Rs 62515. Out of it the Private Sector, Investment of Rs 63029 million has been provisionally estimated for the year 1996-97 as compared to Rs 58575 million in 1995-96 showing an increase of 7.42%. This includes Rs 47506 million in the large scales Manufacturing against Rs 46718 million for 1995-96 showing an increase of 1.69%. In the small scale manufacturing investment during 1996-97 is

estimated at Rs 15523 against an amount of Rs 11957 million in 1995-96, depicting an increase of 29.28%. The position is summarized in the Table 9.1.

TABLE 9.1.
INDUSTRIAL INVESTMENT

(Million Rs.)

		1994-95	1995-96	1996-97*	% Change
Manufacturing		51187	62515	68616	10%
	Public Sector	--	3840	5587	45%
	Private Sector	48721	58675	63029	7%
Large Scale		41355	50558	53093	5%
	Public Sector	2457	3840	5587	45%
	Private Sector	38898	46718	47506	2%
Small Scale		9823	11957	15523	30%
	Public Sector	--	--	--	--
	Private Sector	9823	11957	15523	30%

* Provisional Source: Federal Bureau of Statistics.

9.8 In order to tap the opportunities for investment in Pakistan, and to meet the challenges of speedy industrial and economic development of the country, many new measures are being taken. A Board of Investment has already been established to act as a "One Stop Shop". The Board is performing the facilitating and coordinating role both for domestic and foreign investors to meet all their genuine requirements. Board of Investment redresses the problems faced by the private sector investors, keeping in view the fact that the private sector should spearhead the drive for industrialization with government playing a complementary role of developing infrastructure facilities and taking such policy measures as are conducive to healthy growth of industries. The Board has also launched a world-wide campaign of investment promotion and projecting Pakistan as an investment friendly country.

9.9 **Public Sector Investment (1996-97):** The Industrial Investment in Public Sector is estimated at Rs 5587.87 million during 1996-97 as against Rs 3840 million for 1995-96 showing an increase of 45.49% over the previous year. It comprises 8.1 percent of the total Industrial Investment of Rs 68616 million for the year 1996-97.

Review Projects/Programmes (1996-97)

9.10 **Federal PSDP (Budget):** Total allocation of Rs 273.068 million was for four projects i.e. Heavy Electrical Complex Rs 10 million, Rehabilitation of People's Steel Mills Rs 250 million, Special Industrial Zone Nawabshah Rs 10 million and Modernization of CTL Karachi and Lahore Rs 3.068 million. Against this allocation no funds were released to HEC & SIZ. Peoples Steel was provided Rs 261.5 million from PSDP and in addition Government guaranteed loan of Rs.371.00 million and Temporary Loan of Rs 200 million to be paid from PSDP allocation 1997-98 was also arranged. Thus the total utilization was Rs 832.5 million, showing utilization of 330%.

- Heavy Electrical Complex (HEC), Haripur, NWFP has been completed.
- Peoples Steel Mills (PSM), Karachi, about 95 percent of the machinery has arrived at the site and about 82 percent of physical work regarding plant erection stands completed.
- The Special Industrial Zone, Nawabshah is completed upto 40%. However, no funds were released. The sponsors are facing difficulty due to pressure to meet contractual obligations and have been demanding the release of funds allocated during the year 1996-97.

9.11 **Corporation Programme (1996-97):** As regards non-budgetary public corporation programme Rs 3253 million were utilized against an allocation of Rs 1164.025 million, showing utilization of 270 percent. The over utilization was mainly because of availability of sufficient fund by OECF, Japan for BMR of Pak-American Fertilizer, Daud Khel. A summary of corporation wise allocation and utilization during the year under review is given in Table - 9.2 below.

TABLE-9.2
PUBLIC CORPORATIONS ALLOCATION AND UTILIZATION
(OUTSIDE BUDGET)

(Million Rs)			
Public Corporations	Allocation 1996-97	Utilization 1996-97	Percentage Utilization
State Engineering Corporation (SEC)	90.025	0.000	0%
National Fertilizer Corporation (NFC)	1049.000	3253.000	310%
Utility Store Corporation (USC)	25.000	--	--
Total	1,164.025	3,253.000	279%

* Donor Agency (OECF Japan).

- 9.12 The major projects to be carried out under Corporation Programme include:
- i) Pak-American Fertilizer's Modernisation/Expansion Project which is expected to be completed by 30th June, 1998.
 - ii) Commercial credit of Rs 90.025 million for SEC was meant for Heavy Electrical Complex, Kot Najibullah, NWFP which could not be utilized due to non-availability of fund.
 - iii) Utility Stores Corporation allocation was for new stores in NWFP, which were not found commercially viable.

Provincial Programmes:

9.13 **Punjab:** The agencywise budget allocation and utilization in the industry sector of Punjab Province is summarised in Table 9.3 below.

TABLE-9.3
ALLOCATION AND UTILIZATION
(PUNJAB)

(Million Rs)

Sector/Sub-Sectors	Allocation 1996-97	Utilization 1996-97	Percentage Utilization
Punjab Small Industries Corporation (PSIC)	87.780	53.183	61%
Directorate of Industries	13.000	0.000	0%
Printing press	05.100	0.000	0%
Total	105.880	53.183	50%

9.14 The overall utilization in the industry sector of Punjab was 50 percent. The Punjab Small Industries Corporation (PSIC), which is mainly responsible for promotion of small industries in the Punjab Province, carried out various projects during 1996-97 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. There is no utilization of funds by directorate of Industries and Printing Press.

9.15 **Sindh:** Allocation and utilization during the year 1996-97 in the industry sector of the Sindh Province is given in Table 9.4 below.

TABLE-9.4
ALLOCATION AND UTILIZATION
(SINDH)

(Million Rs)

Sector/Sub-Sector	1996-97		
	Allocation	Utilization	Percentage Utilization
Sindh Small Industries Corporation (SSIC)	0.000	5.500	-

9.16 There was no allocation in SSIC for the Industry Sector of the Sindh Province during 1996-97, an expenditure of Rs 5.50 million has however been intimated. 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.

9.17 **NWFP:** A summary of industry sector allocation and utilization in NWFP during the year 1996-97 is given in Table-9.5.

TABLE 9.5
ALLOCATION AND UTILIZATION
(NWFP)

Sector/Sub-sector	1996-97		Percentage Utilization
	Allocation	Utilization	
Sarhad Development Authority (SDA) Industrial Estates	47.100	31.878	68%
Small Industries Development Board (SIDB)	11.913	21.614	181%
Total	59.013	53.492	91%

9.18 During the year under review, SIDB utilized Rs 21.614 million against the allocation of Rs 11.913 million showing 181 percent utilization. The expenditure over and above the allocation during 1996-97 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. In addition, SIDB provided subsidized credit of Rs 23.267 million for self employment scheme in the Province.

9.19 Sarhad Development Authority (SDA), with an investment of Rs 31.878 million against an allocation of Rs 47.10 million carried out development work on Industrial Estates at Peshawar, Swat, Hattar and Improvement/ Extension of infrastructure of existing Industrial Estates. SDA also carried out some joint ventures including Nizampur Cement Plant and Suzuki Cement Plant. The equity participation in this regard was to the tune of Rs 47.10 million during 1996-97.

9.20 **Baluchistan:** A summary of budget allocation and utilization in the industry sector of the Baluchistan Province is given in Table 9.6 below.

TABLE 9.6
ALLOCATION AND UTILIZATION
(BALUCHISTAN)

Sector/Sub-Sectors	1996-97		Percentage Utilization
	Allocation	Utilization	
Industrial and Trading Estates (Tubewell)	2.942	2.000	68%

9.21 During the year under review, an allocation of Rs 2.942 million was made for Industrial Estate Quetta, against which Rs 2.00 million was used for installation of Tubewell in the Estate.

PROGRAMME FOR 1997-98

9.22 **Physical:** The overall manufacturing sector is projected to grow by 7.2 percent in 1997-98 as compared to the growth rate of 1.8 percent in the previous year. The output of large scale manufacturing is projected to grow by 6.5 percent during 1997-98 as compared to the negative growth of 1.4 percent in the previous year. These projection are based on the expected positive results of the Prime Minister's economic revival programme announced on 28th March and similar other 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 (1997-98)

9.23 **Production Target:** To achieve this growth various sectoral policy packages i.e. for the chemical and petrochemical sectors etc. have already been approved by the BOI for the removal of constraints faced by the manufacturing sector. 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 1997-98 for selected industrial items has been projected as given at S.A. Table-1.2.

Private Investment

9.24 Privatization, deregulation and liberalization policies of the government have greatly widened the scope of investment and opened up new opportunities of investment for both local and foreign investors. In view of Government policy of fully encouraging and providing all possible facilities to private investors, private investment in the manufacturing sector is targetted to be Rs 131.5 billion comprising of Rs 117.4 billion in the large scale and Rs 14.1 billion in the small scale manufacturing. The proposed plan of Rs 131.5 billion compares with estimated investment of Rs 100.7 billion during 1995-96 reflecting 30.6 percent increase over previous year.

Public Sector

9.25 **Federal PSDP (1997-98):** For the year 1997-98, a development budget of Rs 530.081 million has been earmarked for the manufacturing sector in Federal PSDP (SA Table-9.1). It compares with an actual investment of Rs 230.000 million during last year 1996-97 reflecting 43.4 percent increase. The major PSDP allocation for 1997-98 include: Rs 521.391 million for Rehabilitation of Peoples Steel Mills (PSM) Ltd, Rs 8.690 million for Industrial Estate, Nawab Shah, Sindh. The gradual decrease in number of projects in the public sector is in line with the government policy of privatisation and deregulation.

9.26 **Public Corporation Programmes (1997-98):** The corporation wise detail of Public corporation programme alongwith source of financing during 1997-98 is given in Table-9.7.

TABLE-9.7
PUBLIC CORPORATION PROGRAMME 1997-98

(Million Rs.)

Corporations	Total	Self Financing	Commercial/Bank Borrowings	Foreign Loan/ Equity
State Egnineering Corporation (SEC)	140.000	0.000	140.000	0.000
National Fertilizer Corporation (NFC)	2,147.00 0	140.000	1486.000	521.000
Utility Stores Corporation (USC)	280.000	0.000	280.000	0.000
Total	2,567.00 0	140.000	1,906.000	521.000

9.27 The proposed public corporation programme of Rs 2567.00 million compares with Rs 1164.025 million during previous year exhibits 45 percent increase. This increase is due to increased expenditure on Pak American Fertilizer due to imposition of custom duty (2200 million) devaluation of Pak Rupee, escalation in Civil cost or delay in implementation due to lack of fund and uncertain prevailing conditions. Among Non-Budgetary Public Corporation programmes a bank loan provision of Rs 140.00 million has been made for Heavy Electrical Complex under SEC to start commercial production, however the project is under privatization. Another major allocation of Rs 2147.00 million is mainly OECF (Japan) soft loan for Modernization and Expansion of Pak American Fertilizer under NFC including a self financing of Rs 140 million. The balance Rs 280 million is a commercial borrowing earmarked for Utility Stores Corporation.

Provincial Programmes:

9.28 **Punjab:** An allocation of Rs 133.970 million has been made for the industry sector of Punjab for the year 1997-98 as compared to the revised estimates of Rs 53.183 million during 1996-97. Budgetary allocation for 1997-98 as compared with the year 1996-97 are summarized in Table-9.8.

TABLE-9.8
DEVELOPMENT OUTLAYS (1997-98)
(PUNJAB)

(Million Rs)

Sector/Sub-Sectors	Revised Estimates 1996-97	Allocation for 1997-98	Percentage increase/(decrease) over Revised Estimates 1996-97
Punjab Small Industries Corporation (PSIC)	53.183	133.970	152%

9.29 PSIC is the main contributor for the promotion of Small Scale Industries in the Punjab Province. For the year 1997-98 PSIC has planned to carry out a programme of Rs 133.970 million. Major Programmes include:

- i) Subsidy on Rural Industrial Programme (RIP)
- ii) Provision of loan to Small Entrepreneurs under State Bank of Pakistan.
- iii) Modernization of Ceramics at Gujrat
- iv) Modernization of Institute of Pottery Development Shahdara,
- v) Leather Service Centre, Multan
- vi) Four Readymade Garments Training Centres (RMGTCs) for Ladies at Faisalabad, Multan, Bahawalpur and Sialkot
- vii) BMR of Cutlery and Small Tools Service Centre
- viii) Loan from Bank of Punjab, principal amount provided from PSIC own resources and Industry Technology Centre Multan

9.30 **Sindh** An allocation of Rs 5.00 million has been made for the year 1997-98 for industry sector of Sindh. A summary of sector-wise allocations as compared with revised estimates of the previous year is given in Table-9.9.

TABLE 9.9
DEVELOPMENT OUTLAYS (1997-98)
(SINDH)

(Million Rs)

Sector/Sub-Sectors	Revised Estimates for 1996-97	Allocation for 1997-98	Percentage increase (+) / Decrease (-) over R.E. 1996-97
Sindh Small Industries Corporation (SSIC)	5.500	5.00	-9%

9.31 An Allocation of Rs 5.00 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.

9.32 **N W F P:** An allocation of Rs 8.560 million has been earmarked for 1997-98 for the industry sector of NWFP. A summary of sector-wise allocation as compared with previous year estimates is given in Table 9.10.

TABLE 9.10
DEVELOPMENT OUTLAYS (1997-98)
(NWFP)

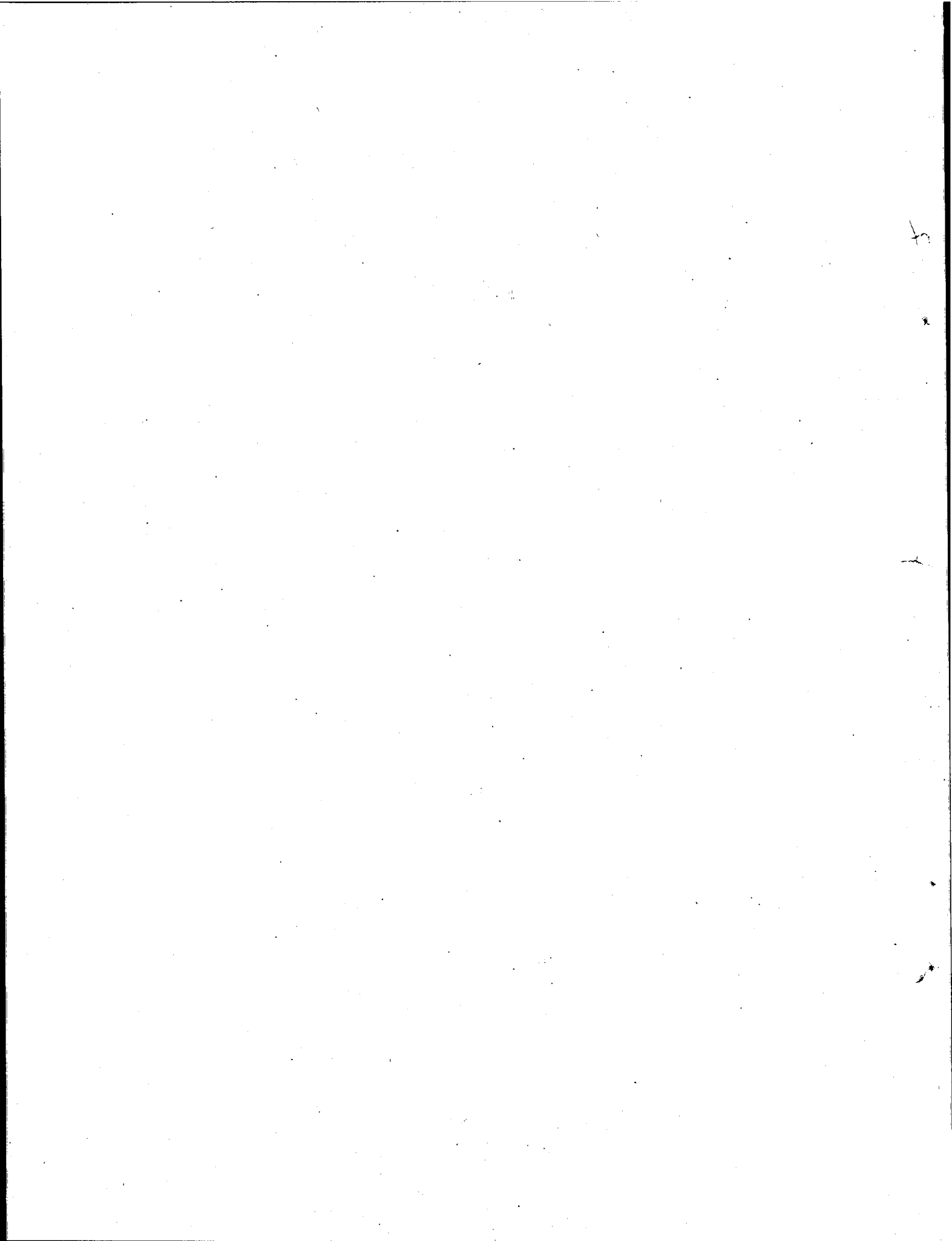
(Million Rs)

Sector/Sub-Sectors	Revised Estimates for 1996-97	Allocation for 1997-98	Percentage increase (+)/decrease (-) over Rev. E. 1996-97
Industrial Estates Sarhad Development (SDA)	31.878	2.500	-92%
Small Industries Development Board (SIDB)	21.614	6.060	-72%
Total	53.492	8.560	-84%

9.33 The programme of SDA for 1997-98 includes: Rs 2.500 million for the Improvement/Extension of infrastructure facilities in the existing Industrial Estates, provision for link Road Hattar and Industrial Estates at Peshawar and Swat.

9.34 An allocation of Rs 6.060 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.

9.35 **Baluchistan:** During 1997-98 there is no allocation for the Industry Sector in Baluchistan.



CHAPTER-10

MINERALS

10.1 The mineral sector contribution to GDP has historically been about 1% (excluding fuel minerals e.g; coal, uranium, gas and oil etc). This was inspite of the fact that the available geological information provides ample evidence that Pakistan could be blessed with large or even world class mineral deposits as are existing in similar geological environments elsewhere in the world. This is because private sector did not play its role due to lack of special incentives for mining sector comprehending the peculiarities of the sector such as high risks, heavy costs, less availability of credits, in-capability for preparing bankable document, collateral problems and long gestation period of over a decade which is generally spent in exploration of a mineral deposit and still longer period for its exploitation, require a fairly stable and equitable regulatory regime.

10.2 The Private Sector operates in small dispersed units. The private sector has restricted its activities to minerals that can easily be located and exploited with little capital, have low processing requirements and technical skills, and can ensure large returns. Thus most of the non-metallic minerals which are found at or near the surface (gypsum, limestone, clay, soapstone, marble etc.) were extracted by the private sector.

10.3 Public sector, due to financial constraints and policy for encouraging major role to private sector, restricted its role to on-going projects of survey/exploration.

10.4 The Eights Five Year Plan emphasised announcement of National Mineral Policy in order to expand mineral sector activity mainly through private investment and thereby enhance the contribution made by this economic activity to GDP and also lend support to the social uplift programmes, This policy was announced in 1995.

10.5 This policy document provides for appropriate institutional arrangements, a modern regulatory framework, an equitable and internationally competitive fiscal regime and a programme to expand Pakistan's geological database. The provisions of Mineral Policy distinctly convey the message that focus of all activities and decision making is at the Provincial level while the Federation would provide requisite support and advice to the Provinces to take up the challenge of achieving sustainable benefit from the development of non-renewable mineral resources.

REVIEW OF 1996-97

10.6 The mining and quarrying sector as a whole has grown by 6.8 percent during the year 1996-97 against target of 1 percent growth as compared to negative growth of a year ago (1995-96). The output of coal, crude oil and natural gas, which carries 79 percent weight in the mineral sector has been reported growth of 3.8 percent, 1.9 percent and 8.7 percent respectively. An overview of production of principal minerals during 1996-97 with production of corresponding period last year is given on the following Table-10.1.

TABLE-10.1

EXTRACTION OF MAIN MINERALS

(000 tonnes)

Minerals	1994-95	1995-96	1996-97	Increase(+) Decrease (-) over 95-96(%)
Coal	3010	3465	3515	1.4
Natural Gas (000 m.cu.mtr)	17.72	18.89	19.50	3.2
Crude Oil (mln.barrels)	19.86	21.06	22.05	4.7
Rock salt	890	958	1161	21.2
Gypsum	620	420	465	10.7
Limestone	9682	9740	9016	-7.4
China Clay	31	43	66	53.5
Soapstone	34	40	45	12.5
Marble	467	458	460	0.4
Salica Sand	152	194	190	-2.1
Chromite	13	27	26	-3.7
Magnesite (tonnes)	5227	14981	5525	-63.1
Sulphur(tonnes)	510	20	-	-
Baryte	20	14	22	57.1

10.7 Production of major minerals during 1996-97 showed increase as compared to 1995-96 in rock salt (21.2%), gypsum (10.7%), China clay (53.5%), soapstone (12.5%), marble (0.4%). The decline was in limestone due to less demand by cement industry and silica sand/ dolomite mainly due to less demand from glass sheet industry, unit of which remained closed for sometime during the year under review.

INVESTMENT:

I. Private Sector:

10.8 The investment figures of private investment in the mineral sector (excluding oil, gas and coal) are not available, however, some foreign investors have been attracted in the field of exploration due to the frame work for competitive regulatory and fiscal regimes laid down in the National Mineral Policy of Pakistan. PASMINGO of Australia is working with PMDC for

Lead Zinc in Khuzdar, an Irish Company is also working in this field in the same area. BHP of Australia is working with BDA for exploration of copper gold in Chaghai District of Balochistan. MINARCO of Netherlands is working with SDA in Northern Areas for assessment of gold potential.

II. Public Sector

10.9 The Mineral Sector during the period under review was originally allocated an amount of Rs 646.572 million including Special Areas against which an amount of Rs 674.031 million was utilized. The S.A Table-10.1 transpires the detail of agency/ department-wise Federal and Provincial utilization (1996-97) and the following Table-10.2 reflects an overall Federal & Provincial Review in comparison to the allocation (1997-98).

TABLE-10.2
OVERALL FEDERAL & PROVINCIAL ALLOCATION/ UTILIZATION

	(Million Rs)			
	1996-97			1997-98 Allocation
	Allocation	Utilization	Achievement	
GSP	48.000	78.320	163%	26.078
RDC/SML	559.000	559.000	100%	358.680
AKMIDC	7.000	8.000	114%	8.000
Northern Areas	5.000	4.954	99%	15.000
FATADC	4.000	0.176	4%	7.000
Punjab	3.072	6.133	200%	1.500
Sindh	0.100	0.000	0%	0.000
NWFP	15.000	12.778	85%	6.050
Balochistan	5.400	4.670	96%	2.220
Total	646.572	674.031	104%	424.528

10.10 The above table indicates that an overall utilization had been 104 percent in the Mineral Sector. Excess utilization was due to the expenditure of Foreign Aid of Rs 69.000 million directly incurred by JICA on the project "GSP-JICA follow-up Technical Cooperation in the Geoscience Laboratory at Islamabad".

Federal PSDP (Budget) Review

10.11 The Federal agencies including Special Areas utilized Rs 650.450 million, detail of which is given in S.A.Table-10.1.

Geological Survey of Pakistan (GSP): Geological Survey of Pakistan (GSP) worked on the execution of two development projects during the year under review (1996-97) and utilized Rs 78.320 million showing 163 % utilization. Excess utilization was due to the expenditure of Foreign Aid of Rs 69.00 million directly incurred by JICA on the project "GSP-JICA Follow up Technical Cooperation in the Geoscience Laboratory at Islamabad". 110 % utilization has been achieved for the project "Construction of Laboratories and Offices for GSP at Lahore" incurring Rs 4.400 million as against an allocation of Rs 4.000 million. Details are given on the following Table-10.3.

TABLE-10.3

GEOLOGICAL SURVEY OF PAKISTAN (GSP)

	1996-97			1997-98
	Allocation	Utilization	% Achievement	Allocation (Revised)
1. Construction of Lab., and Offices for GSP at Lahore (1994-97)	4.000	4.400	110%	-
2. GSP-JICA Follow-up Technical Cooperation in the Geoscience Lab., Islamabad (1994-97)	44.000	73.920	168%	26.078
Total	48.000	78.320	163%	26.078

Saindak Metals Limited (SML): Saindak Copper-Gold Project District Chagai Baluchistan, has incurred an expenditure of Rs 559 million against the same allocation during 1996-97 showing 100% utilization. ECC of the Cabinet had approved financial restructuring of the project allowing Rs 1500 million from Banks to restart its production but the sponsors could not arranged it during 1996-97. SML is trying to reactivate and recommence the production operation of the project.

10.12 Saindak Copper-Gold Project (SCGP) envisages mining, milling and smelting with a planned annual production of blister copper (15810 tonnes) together with gold (1.47 tonnes) and silver (2.76 tonnes), annually, followed by marketing /processing of magnetite, molybdenite & Pyrite concentrates. Trial production operation performance test on the plant facilities has been completed during November 1995 to January 1996. Production operation is

suspended since January, 1996 as chemicals and spares could not be arranged on account of inadequate funds.

10.13 The project was approved by ECNEC on 31st December, 1989 at a cost of Rs 6001 million including foreign exchange cost of Rs 3806 million. A Revised PC-I at an estimated cost of Rs 11,922.34 million with an FEC of Rs 7061.31 million was approved by ECNEC in May 1994. PC-I scheme with 2nd revision in cost is under preparation by SML.

10.14 MCC has completed the construction, installation and commissioning of project facilities including mine, concentrator, smelter and auxiliary facilities while the infrastructure of the project is being supported by Government of Pakistan (GOP) and Government of Balochistan (GOB). The work completed by SML for infrastructure components at Saindak include: construction of power house (50MW), tubewell development (8 Nos.), installation of bulk water pipeline from Tahlab to Saindak (34 Kms), construction of rail track from Taftan to Saindak (38 Kms) and part civil construction of the township facilities for 2000 persons at Saindak. The construction of model school, 20 bed hospital at Saindak and road between Taftan and Saindak have been completed by the Government of Balochistan.

Special Areas

10.15 PSDP allocation for Special Areas was Rs 16.000 million against which Rs 13.130 million were spent, exhibiting an achievement of 82 percent. Special Areas 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 the concerned administrative Ministries/ Divisions/ implementing organizations and agencies respectively. Detail is given in the following Table-10.4.

TABLE-10.4
SPECIAL AREAS

	(Million Rs)			
	1996-97			1997-98
	Allocation	Utilization	% Achievement	Allocation
AKMIDC	7.000	8.000	114%	8.000
Northern Areas	5.000	4.954	99%	15.000
FATADC	4.000	0.176	4%	7.000
Total	16.000	13.130	82%	30.000

Azad Kashmir Minerals and Industrial Development Corporation (AKMIDC): An amount of Rs 8.000 million has been spent against an original allocation of Rs 7.000 million by

AKMIDC, showing 114 percent utilization over the original allocation. AKMIDC carried on work on the following four ongoing projects given in Table-10.5. Project entitled "Development and Exploitation of Ruby Deposits of Nangimali Area, Neelum Valley, Azad Kashmir could not be implemented during 1996-97 due to in-sufficient ADP allocation. However, as per disinvestment policy of the Government, the said project is now being disinvested in private sector.

TABLE-10.5
AZAD KASHMIR MINERALS & INDUSTRIAL DEVELOPMENT CORPORATION
((Million Rs))

Projects	1996-97				1997-98
	Allocation		Utilization	% Achievement over revised allocation	Allocation
	Orig.	Rev.			
1. Mineral Exploration and Evaluation in AJ&K in Collaboration with UNDP	1.500	1.500	1.500	100%	1.500
2. Exploration & Evaluation of Base, Precious Metals and Industrial Minerals in Southern Region of A.K.	3.000	4.400	4.400	100%	2.000
3. Exploration and Evaluation of Base and precious metals along Bheri-Chham-Kailer Belt in Distt. Muzaffarabad and Tehsil Haveli, Distt. Bagh, A.K.	1.500	2.100	2.100	100%	2.500
4. Geological Mapping and Mineral Exploration in Districts, Poonch, Sudh-Nutti and Bagh of A.K.	0.000	-	-	-	1.000
5. Development and Exploitation of Ruby deposits of Nangi-Mali Area Neelum Valley	1.000	-	-	-	1.000
Total	7.000	8.000	8.000	100%	8.000

Northern Areas: 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.4.954 million against budgetary allocation of Rs 5.000 million. Work regarding geochemical stream sediments sampling and their analysis was carried alongwith study of aerial photographs and satellite imageries and Mineralogical/ petrological studies of geochemical/ rock samples.

TABLE-10.6
NORTHERN AREAS

	Allocation 1996-97		Utilization 1996-97	% Achievement over revised allocation	Allocation 1997-98
	Orig.	Rev.			
Exploration and Evaluation of Economic Mineral Resources of Northern Areas - Revised (Australian Assisted) Approved on 30.01.1996.	5.000	10.994	4.954	45%	15.000

Federally Administered Tribal Areas Development Corporation (FATADC): Against revised allocation of Rs 4.300 million, FATADC incurred an expenditure of Rs 0.176 million, showing an overall utilization of 4 percent. Low utilization was due to less releases by Finance Division. Only one project namely "Copper exploration project (Formulation of Exploration Strategy) in North Waziristan Agency" was executed during the year under review.

TABLE-10.7
FEDERALLY ADMINISTERED TRIBAL AREAS DEVELOPMENT CORPORATION

(Million Rs)

	1996-97 Allocation		Utilization 1997-98	% Achieveme nt	1997-98 Allocation
	Orig.	Rev.			
1. Copper Exploration Project (Formulation of Exploration Strategy) North Waziristan Agency.	2.300	4.300	0.176	4%	6.500
2. Mining of Manganese in North Waziristan Agency.	1.700	0.000	0.000		0.500
Total	4.000	4.300	0.176	4%	7.000

Provinces

10.16 A total expenditure of Rs 23.581 million has been reported in the mineral sector projects (excluding fuel minerals) in the Provinces against budgetary allocation of Rs.23.572 million showing nearly 100 percent achievement. Financial utilization against their respective allocations are given at S.A.Table-10.1. Details of major projects in each province is given below.

TABLE-10.8
PROVINCIAL ALLOCATION/UTILIZATION

(Million Rs)

	1996-97			1997-98
	Allocation	Utilization	% Achievement	Allocation
PUNJAB	3.072	6.133	200%	1.500
SINDH	0.100	0.000	0%	0.000
NWFP	15.000	12.778	85%	6.050
BALUCHISTAN	5.400	4.670	86%	2.220
Total	23.572	23.581	100%	9.770

Punjab Minerals Development Corporation (PUNJMINDC): Against the revised budgetary allocation of Rs 3.072 million by Punjab Government, Rs 6.133 million utilization has been reported by PUNJMINDC during the year under review. PUNJMINDC started executing the project namely "Exploration and Evaluation of Iron Ore in Chiniot area Distt. Jhang". A total

drilling of 6660 feet has been completed. In addition 35 samples were chemically and petrographically analysed till 30.06.1997. The results so far achieved are very encouraging.

Directorate of Industries, Commerce and Mineral Development Sindh: During the year under review, nil expenditure has been reported against an allocation of Rs 0.100 million in the mineral sector excluding fuel minerals. Even, Industries, Commerce and Mineral Development Department could not initiate its project on Strengthening of Economic Cell in Industries, Commerce and Mineral Development Department.

Sarhad Development Authority (SDA) - NWFP: Sarhad Development Authority (SDA) incurred an expenditure of Rs 12.778 million against an allocation of Rs 15.000 million during 1996-97. The major projects executed are given at Table:10.9.

TABLE-10.9
SARHAD DEVELOPMENT AUTHORITY (SDA)

	1996-97			1997-98
	Allocation	Utilization	% Achievement	Allocation
1. Regional Mineral Exploration for precious and base Metals in Malakand Division, Batkhela. (PC.II)	3.500	2.848	81%	1.545
2. Regional Mineral Exploration for gold & Base Metals in Hazara Division, Shinkiari (PC.II)	3.500	3.570	102%	1.545
3. Application of remote sensing & satellite imagery for base mapping & mineral exploration in NWFP (PC.II)	0.500	0.000	0%	0.010
4. Exploration and detail feasibility studies for rapid development of low grade phosphate in Hazara (PC.II).	0.500	0.000	0%	0.000
5. Regional Mineral Exploration for Gold & Base Metals in Chitral, PC.II.	2.250	3.061	136%	1.550
6. Survey and exploration of Limestone and Clay deposits in NWFP (PC-II)	4.750	3.299	69%	1.400
Total	15.000	12.778	85%	6.050

Directorate of Mineral Development - Balochistan: During the year under review an expenditure of Rs 4.670 million against an original allocation of Rs 5.400 million were incurred. The projects executed by Directorate of Mineral Development Balochistan are given at Table-10.10.

Balochistan Development Authority (BDA) - Balochistan: During the year under review nil expenditure against an allocation of Rs 1.60 million were incurred.

TABLE-10.10

BALUCHISTAN

(Million Rs.)

	1996-97			1997-98	
	Allocation		Utilization	% Achievement over rev. allocation	Allocation
	Orig.	Rev.			
1. Reconnaissance Survey and Mineral Investigation in Musakhail Distt: Barkah, Zhob and Kohlu Districts.	1.800	0.670	2.670	399%	2.220
2. Construction of Roads in Mining Areas of Balochistan	2.000	2.000	2.000	100	-
3. Gold Exploration in District Chagai (Joint Venture with BHP Minerals of Australia)	1.600	1.600	-	0	-
Total	5.400	4.270	4.670	109%	2.220

PROGRAMME FOR 1997-98

10.17 In line with the National Mineral Development Policy, Federal Government agencies 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. Foreign Direct Investment of \$ 30 million has been anticipated.

MINERAL PRODUCTION TARGETS

10.18 In view of expected activation of Industrial units using minerals during the year 1997-98, increased production is expected in the minerals namely Gypsum, Dolomite, Marble, Soapstone and Silica sand. Production targets for 1997-98 are given at S A. Table-10.2.

INVESTMENT PROGRAMME

Private Sector

10.19 No substantial investment is expected, however Foreign Companies already working in Baluchistan, NWFP and Northern Areas may bring more investment if satisfied with the working arrangement etc.

Public Sector

Federal PSDP (Budget) Programme

10.20 An overall allocation of Rs 424.528 million has been made for the Mineral Sector Projects (excluding fuel mineral) for the year 1997-98. This includes budgetary allocations of Rs 414.758 million for the federal government projects and Rs 9.770 million for the provincial government projects. Within the federal budget, Rs 30.000 million has been allocated to special areas i.e., AJ&K, Northern Areas and FATA. Agency-wise PSDP allocation and details of the programmes for 1997-98 are given below:

Geological Survey of Pakistan (GSP): Revised allocation of Rs 26.078 million has been made for the ongoing mineral project of GSP namely "GSP-JICA Follow up Technical Cooperation in the Geoscience Laboratory, Islamabad". It includes JICA-Japan's grant-in-aid of Rs 20 million. 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 characterized by X-ray Diffractometer (XRD) and Differential Thermal Analyzer (DTA) Thermogravimetric Analyzer (TG).

Saindak Metals Limited (SML): Saindak Copper-Gold Project of SML has been allocated Rs 358.680 million from Government budget for the year 1997-98. The budgetary allocation will be utilized for repayment of German/ French credit & corporate loans etc.

10.21 The production operation performance test on the plant facilities have been completed during November, 1995 to January 1996. Production operation is suspended since January 1996 as chemicals and spares could not be arranged. The commercial production is expected during 1997-98 provided the releases of funds. The project may start if Rs 1500 million as approved by ECC of the Cabinet for working capital is arranged and contract with Chinese Project Management Company is finalized.

Special Areas

10.22 An allocation of Rs 30.000 million has been earmarked by the concerned mineral agencies of Special Areas for the Mineral Sector Development Projects, which includes: Rs 23.000 million for Kashmir Affairs and Northern Affairs Division and Rs 7.000 million for State and Frontier Regions Division. Detail of allocation is given at Table-10.4.

Azad Kashmir Minerals and Industrial Development Corporation (AKMIDC): AKMIDC has planned to implement a programme of Rs 8.000 million for five development projects. These projects are mentioned at Table-10.5 alongwith their proposed allocations.

Northern Areas: Northern Areas in collaboration with Pakistan Mineral development Corporation (PMDC) will continue work on the ongoing project "Exploration and Evaluation of Economic Mineral Resources" and has targeted Rs 15.000 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 in progress.

Federally Administered Tribal Areas Development Corporation (FATADC): A sum of Rs 7.000 million has been allocated to FATADC for 2 mineral development projects. Project-wise allocation is given at Table-10.7.

Provincial Programme:

10.23 An allocation of Rs 9.770 million has been earmarked for 1997-98 by the provincial mineral development agencies. Detail of allocations proposed by each province is given at Table-10.8.

Punjab: An amount of Rs 1.500 million has been allocated by Punjab Minerals development Corporation (PUNJMINDC) for the implementation of project "Exploration and Evaluation of Iron Ore in Chiniot area district Jhang. Drilling of approximately 4713 feet is targeted alongwith chemical and petrographic analysis of 51 samples.

Sindh: No allocation has been made for mineral sector by the Government of Sindh.

NWFP: For the year 1997-98, an allocation of Rs 6.050 million has been proposed for the execution of various mineral projects by Sarhad Development Authority (SDA). Project-wise detail of allocations made by SDA are given at Table-10.9.

Balochistan: An allocation of Rs 2.220 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. Barkah, Zhob & Kohlu Districts". Detail of allocation is given at Table-10.10.

CHAPTER-11

ENERGY

REVIEW OF 1996-97

I. POWER

Installed Capacity

11.1 The total installed generating capacity in the country increased from 13446 MW in 1995-96 to 14992 MW by 1996-97, by the addition of 1546 MW comprising Muzaffargrah unit 4 (320 MW) in Public Sector, Hubco Units-2,3&4 (969 MW), Tapal Energy Limited (126 MW) and Kohinoor Energy Limited (131 MW) in Private Sector against the target of 1756 MW comprising Muzaffargrah unit 4 (320 MW) and Bin Qasim unit-6 (210 MW) in Public Sector, Hubco Unit 2, 3 & 4 (969 MW), Tapal Energy Limited (126 MW) and Kohinoor Energy Limited (131 MW) in Private Sector, showing 88.04 percent achievement of the target. Details are in given Tables 11.1 and 11.2. Bin Qasim Unit 6 is delayed due to the reasons explained at S.A.Table-11.1.

TABLE 11.1

ADDITION IN INSTALLED CAPACITY

(MW)

	Target for 1996-97				Achievement 1996-97			
	WAPDA	KESC	Private	Total	Wapda	KESC	Private	Total
Hydel	0	0	0	0	0	0	0	0
Steam	320	210	969	1499	320	0	969	1289
Gas Turbine & Combined Cycle	0	0	257	257	0	0	257	257
Nuclear	0	0	0	0	0	0	0	0
Total	320	210	1226	1756	320	0	1226	1546

Source :- WAPDA & KESC

**TABLE 11.2
PROGRESSIVE INSTALLED CAPACITY**

(MW)

	Total 1995-96				Total 1996-97			
	WAPDA	KESC	Private	Total	WAPDA	KESC	Private	Total
Hydel	4825	0	0	4825	4825	0	0	4825
Steam	1575	1513	1944 *	5032	1895	1513	2913	6321
Gas Turbine & Combined Cycle	3227	225	0	3452	3227	225	257	3709
Nuclear	0	137	0	137	0	137	0	137
Total	9627	1875	1944	13446	9947	1875	3170	14992

Source:-WAPDA & KESC

* Includes 1621 MW Kot Addu Power plant.

Energy Generation

11.2 The energy generated in 1996-97 was 59044 GWh against the target of 60930 GWh showing 96.90 percent achievement. The energy generation in 1996-97 increased by 2.75 percent over the last year. In 1996-97 hydel generation contribution decreased to 20855 GWh from 23206 GWh in 1995-96. The decrease in hydel generation is attributable to dry season during the year. The contribution of thermal generation increased from 34258 GWh in 1995-96 to 39189 GWh in 1996-97 due to the commissioning of 320 MW thermal power plants in WAPDA system and 1226 MW Thermal plant in private sector. Details are shown at table 11.3 below:

**TABLE 11.3
ENERGY GENERATION**

(GWH)

ITEM	1995-96 (Actual)	1996-97		% increase
		Target	Achievement	
WAPDA				
Hydel	23206	23000	20855	-10.13
Thermal	25355	28948	19415	-23.43
Sub Total	48561	51948	40270	-17.07
KESC	8057	8382	7434	-7.73
Aggregate	56618	60330	47704	-15.74
PASMIC Export to KESC	132	140	128	-3.03
KANNUP export to KESC	416	460	289	-30.53
WAPDA export to KESC *	(781)	0	(1236)	58.26
TAPAL export to KESC	0	0	200	-
TOTAL export to KESC	548	600	617	12.59
PRIVATE SECTOR				
KAPCO	0	0	5825	
HUBCO	298	0	4749	
Kohinoor Energy Limited	0	0	149	
TOTAL	57464	60930	59044	2.75

* Figure of generation export/import by KESC from WAPDA excluded to avoid double counting.

Maximum Demand

11.3 The maximum computed peak demand in 1996-97 was 8552 MW in WAPDA system and 1559 MW in KESC system. Diversified maximum demand for the country was 9913 MW in 1996-97 as compared to 9370 MW in 1995-96 showing 5.80 percent increase. The reasons for less growth rate are virtually due to stagnant position in the industrial sector, law and order situation in Sindh 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 11.4.

TABLE 11.4
COMPUTED MAXIMUM DEMAND

(MW)

Agency	Actual		% Increase in 1996-97 Over 1995-96
	1995-96	1996-97	
WAPDA	8038	8552	6.39
KESC	1519	1559	2.63
Aggregate	9557	10111	5.80
Diversified	9370	9913	5.80

Source:-WAPDA & KESC

Nuclear Power

11.4 The nuclear power plant of 300 MW at Chashma is in progress with Chinese assistance and its implementation targets set for the year 1996-97 were fully met.

Load Shedding

11.5 Power load shedding continued around the year both in WAPDA and KESC systems. The maximum load shedding was 1712 MW (April 1997) which is 741 MW more than maximum load shedding (971 MW) during the last year (January 1996). Similarly in KESC system the maximum load shedding was 341 MW (March 1997). The load shedding was increased in 1996-97 due to dry year and record low reservoir level at Tarbella and Mangla which caused the low capability of hydel generation. Monthwise load shedding of both the systems is given in Table 11.5 below.

TABLE 11.5
MONTHWISE LOAD SHEDDING DURING 1995-96 AND 1996-97

(MW)

Month/Year	1995-96		1996-97	
	WAPDA	KESC	WAPDA	KESC
July	-527	0	-294	-171
August	-167	-219	-197	-175
September	-290	-268	-554	-223
October	-113	-74	-60	-164
November	-60	-123	-40	-55
December	-854	0	-138	-243
January	-971	-69	-430	-144
February	-180	0	-97	-162
March	-96	-123	-641	-341
April	-741	-190	-1712	-232
May	-415	-173	-787	-166
June	-429	-129	-1297	-300

Distribution

11.6 The total energy generation in the country during 1996-97 was 59044 GWh which includes 40270 GWh by WAPDA, 7434 GWh by KESC and 11340 GWh by Private Sector and others. In WAPDA system energy generation decreased due to privatization of Kot Addu combined cycle Power Plant (1621 MW) from 48561 GWh in 1995-96 to 40270 GWh in 1996-97. The energy sale in WAPDA system increased at a rate of 4.4 Percent from 36925 GWh in 1995-96 to 38578 GWh in 1996-97. Similarly in KESC system, the energy generation decreased from 8057 GWh in 1995-96 to 7434 GWh in 1996-97 and energy sale decreased from 6036 GWh in 1995-96 to 5766 GWh in 1996-97. Details of both the systems may be seen in Table-11.6.

11.7 Losses in both WAPDA and KESC systems were 24.3% and 37.91% respectively against the targets of 22.46% for WAPDA and 33.7 for KESC for 1996-97. This high losses were mainly due to old systems and also attributed to constraints of transmission/distribution lines which resulted in over loading of system. Further in case of WAPDA the increase of losses was also attributed to extensive rural electrification and large theft losses. However efforts are being made to minimise theft losses.

TABLE 11.6
Energy Sale and Losses

(GWH)

	WAPDA		KESC		TOTAL *	
	1995-96	1996-97	1995-96	1996-97	1995-96	1996-97
Energy Generation	48561	40270	8057	7434	56618	47704
Import						
1. Hubco	298	4749	-	-	298	4749
2. KAPCO	-	5825	-	-	-	5825
3. KEL	-	149	-	-	-	149
4. Pasmic	-	-	132	128	132	128
5. KANUPP	-	-	416	289	416	289
6. Tapal	-	-	-	200	-	200
7. WAPDA	-	-	781	1236	(781)	(1236)
Total	298	10723	1329	1853	846	11340
Total available for sale	48859	50993	9386	9287	57464	59044
Energy Sale (Excluding import/export between WAPDA/KESC System)	36925	38578	6036	5766	42961	44344
Losses (%)	24.42	24.3	35.69	37.91	25.23	24.89

Source:- WAPDA & KESC.

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

Consumption

11.8 The consumption of electricity has increased from 42971 GWH in 1995-96 to 44344 GWH in 1996-97 showing an increase of 3.22 percent. Details are given in Table 11.7.

TABLE 11.7
CONSUMPTION OF ELECTRICITY BY ECONOMIC GROUP
(GWH)

	1995-96			1996-97		
	WAPDA	KESC	TOTAL	WAPDA	KESC	TOTAL
Domestic	14792	2324	17116	15590	2218	17808
Commercial	1663	537	2200	1757	492	2249
Industrial	10329	1854	12183	10118	1885	12003
Agriculture	6658	38	6696	7015	73	7088
Other	3493	1283	4776	4098	1098	5196
TOTAL	36935	6036	42971	38578	5766	44344

Consumers

11.9 In 1995-96, a total number of 614880 new consumers were proposed to be added in both WAPDA and KESC system. Out of which only 437580 new consumers were added in 1995-96 showing 71.16 percent achievement. With the addition of 437580 new connections, the total commulated number of consumers have increased from 10.76 millions in 1995-96 to 11.20 millions in 1996-97. Details are given below in Tables-11.8 and 11.9.

TABLE 11.8
NUMBER OF CONSUMERS (INCREMENTAL)

(Nos)

	Target 1996-97			Achievement 1996-97		
	WAPDA	KESC	TOTAL	WAPDA	KESC	TOTAL
Domestic	563000	24868	587868	371492	38017	409509
Commercial	-	9463	9463	9965	10835	20800
Industrial	9400	621	10021	3140	1597	4737
Agriculture	7400	23	7423	1210	25	1235
Others	-	25	25	986	313	1299
Total	579800	35000	614800	386793	50787	437580

Source :- WAPDA & KESC

**TABLE 11.9
CUMULATIVE NUMBER OF CONSUMERS**

(Nos)

	1995 -96			1996-97		
	Wapda	KESC	Total	Wapda	KESC	Total
Domestic	7783832	972105	8755937	8155324	1010122	9165446
Commercial	1344975	286154	1631129	1354940	296989	1651929
Industrial	181092	26223	207315	166324	27820	194144
Agriculture	165114	1251	166365	184232	1276	185508
Others	6718	548	7266	7704	861	8565
Total	9481731	1286281	10768012	9868524	1337068	11205592

Source :- WAPDA & KESC

Rural Electrification

11.10 For the year 1995-96, the target was set for 5214 villages electrification. Out of this, 5000 villages were to be electrified by WAPDA and remaining 214 villages by KESC. Against this target only 2441 villages/abadies have been electrified upto June 1997 by WAPDA only thus recording 46.8 percent achievement of the target. Details are given in table 11.10 below.

**TABLE 11.10
RURAL ELECTRIFICATION**

(Nos)

AGENCY	Target 1996-97	Achievement 1996-97
WAPDA	5000	2441
KESC	214	NA
TOTAL	5214	2441

Source :- WAPDA & KESC

Private Sector Power Projects

11.11 In 1996-97, 1226 MW capacity was installed in private sector comprising of HUBCO unit 2,3 and 4 (969 MW), Tapal Energy Limited (126 MW), Kohinoor Energy Ltd, (131 MW). Whereas financial close was achieved for 687 MW comprising Liberty power project (235 MW), Roush power project (412 MW), Eashatech power project (19 MW), Altern energy limited (14 MW), and Northern Electric (7 MW) during the period.

PLAN FOR 1997-98

Installed Capacity

11.12 In the year 1997-98, it is envisaged that a total capacity of 1717 MW would be added in the National Grid System comprising of 200 MW Bin Qasim unit-6 in Public Sector (KESC system) whereas, Gul Ahmad Energy Ltd (136 MW), AES Lalpir (362 MW), AES Pakgen (365 MW), Japan Power Generation Limited (120 MW), Altern Energy Ltd (14 MW), Southern Electric Co Limited (115 MW), Liberty Power Project (235 MW), Habibullah Energy Limited (140 MW) and Eashatech limited (20 MW) in private sector. With the addition of 1717 MW the total installed capacity in the country would increase from 14992 MW to 16709 MW. Details are given in Table 11.11.

**TABLE 11.11
PROGRESSIVE INSTALLED CAPACITY**

	(MW)							
	Total 1996-97				Total 1997-98 (Target)			
	WAPD A	KESC	Private	Total	WAPDA	KESC	Private	Total
Hydel	4825	0	0	4825	4825	0	0	4825
Steam	1895	1513	2913	6321	1895	1723	4420	8338
Gas Turbine & Combined Cycle	3227	225	257	3709	3227	225	257	3709
Nuclear	0	137	0	137	0	137	0	137
Total	9947	1875	3170	14992	9947	2085	4677	16709

Source:-WAPDA & KESC

Energy Generation

11.13 The total Energy generation is projected to increase from 59044 GWH in 1996-97 to 62030 GWH in 1997-98, showing an increase of 5.05 percent. Details are given in the Table 11.12.

**TABLE 11.12
ENERGY GENERATION (GWH)**

ITEM	1996-97	1997-98	% change over 1996-97
WAPDA			
Hydel	20855	22157	6.24
Thermal	19415	13961	-28.08
Sub Total	40270	36118	-10.31
KESC	7434	7963	7.12
Aggregate	47704	44081	-7.5
PASMIC Export to KESC	128	394	207.8
KANNUP export to KESC	289	88	-69.55
WAPDA export to KESC	(1236)	(308)	-75.08
TAPAL export to KESC	200 0	576 437	188.00
GULAHMED export to KESC			
TOTAL export to KESC	617	1495	142.30
Private Sector			
KAPCO	5825 4749	16454	
HUBCO			
KEL	149		
Total private sector	10723	16454	53.44
Total	59044	62030	5.05

Maximum Demand

11.14 The diversified maximum demand in 1997-98 is envisaged to be 10618 MW against 9913 MW in 1996-97 anticipating an increase of 7.11 percent. The details are given in the Table-11.13.

**TABLE 11.13
MAXIMUM DEMAND**

ITEM	1996-97 (Actual)	(MW)	
		1997-98 (Projected)	Percentage increase
WAPDA System	8552	9155	7.05
KESC System	1559	1675	7.44
Aggregate	10111	10830	7.11
Diversified	9913	10618	7.11

Source :- WAPDA & KESC

Power Surplus/Deficit

11.15 Due to commissioning of private sector power project (1507 MW) in WAPDA system and (210 MW) by KESC it is expected that power surplus would be in range of (900 MW to 206 MW). However, the load shedding in KESC system during the period will be met out of surplus power available in WAPDA system.

Distribution

11.16 In WAPDA system 40251 GWH energy is projected to be sold in 1997-98 against the sale of 38578 GWH in 1996-97 showing an increase of about 4.3 percent. The losses in WAPDA System would reduce from 24.3 percent in 1996-97 to 23.4 percent in 1997-98. In KESC system, the energy sale in 1997-98 is projected as 6519 GWH against 5766 GWH in 1996-97 showing an increase of 11.6 percent. The losses in the KESC system would be reduced by operational improvements from 37.9 percent in 1996-97 to 33.2 percent in 1997-98. The structural breakup is given in Table-11.14.

**TABLE 11.14
ENERGY SALE AND LOSSES**

(GWH)

	WAPDA		KESC		TOTAL	
	1996-97	1997-98	1996-97	1997-98	1996-97	1997-98
Energy Generation	40270	36118	7434	7963	47704	44081
Import						
1. Habco	4749		-	-	4749	
2. KAPCO	5825	16454	-	-	5825	16454
3. Kohinoor	149		-	-	149	
Energy	-	-	128	394	128	394
4. Pasmic	-	-	289	88	289	88
5. KANUPP	-	-	200	576	200	576
6. Tapal Energy	-	-	-	437	-	437
7. Gul Ahmed	-	-	1236	308	(1236)	(308)
8. WAPDA	10723	16454	1853	1803	11340	17949
Total						
Total available for sale	50993	52572	9287	9766	59044	62030
Energy Sale (Excluding import/export between WAPDA/KESC System)	38578	40251	5766	6519	44344	46770
Losses %	24.3	23.4	37.9	33.2	24.8	24.6

Source :-WAPDA & KESC

* Losses in Wapda system in 1996-97 does not include auxiliary Consumption . However the increase in T& D losses besides others are mainly due to theft losses .

Consumers

11.17 In 1997-98 total number of 683201 new consumers are proposed to be added in both WAPDA and KESC system. The sectoral break up is shown in Table 11.15 below:

**TABLE 11.15
NUMBER OF CONSUMERS (INCREMENTAL)**

(Nos)

	Achievement 1996-97			Target 1997-98		
	WAPDA	KESC	TOTAL	WAPDA	KESC	TOTAL
Domestic	371492	38017	409509	471613	28421	500034
Commercial	9965	10835	20800	135715	10815	146530
Industrial	3140	1597	4737	34383	710	35093
Agriculture	1210	25	1235	1233	26	1259
Others	986	313	1299	257	28	285
Total	386813	50787	437580	643201	40000	683201

Rural Electrification

11.18 During 1997-98, the target set for village electrification is 5000 villages /abadies by WAPDA. The details are given in the Table 11.16 below:

TABLE 11.16
RURAL ELECTRIFICATION

(Nos)

Agency	Target 1997-98
WAPDA	5000
KESC	N.A
Total:	5000

Source :- WAPDA & KESC

FUEL SECTOR

OIL

REVIEW OF 1996-97

Domestic Crude Production

11.19 Total domestic production of crude oil in 1996-97 is 58275 BPD against the target of 53406 BPD, showing 109 percent achievement and against actual crude production of 57549 BPD in 1996-97 showing an increase of 1.26 percent. This increase is mainly due to the increased production from Pasaki North, Qadirpur, Kal, Balkassar, Bhabi and Pari oil fields. Fieldwise domestic crude production is shown in the S.A. Table 11.2.

11.20 The POL consumption in the country decreased to 15.944 million metric tonnes in 1996-97 as compared to 15.951 million metric tons in 1995-96 showing an overall decrease of 0.04 percent during the period. Details alongwith category-wise increase/decrease in consumption are given in the Table 11.17.

TABLE 11.17
POL CONSUMPTION (CATEGORYWISE)

(Million Metric Tonnes)

	1995-96 (Actual)	1996-97	%Increase/Decrease
Domestic	0.602	0.514	-14.6
Industrial	2.676	2.384	-0.04
Agriculture	0.250	0.269	7.6
Transport	7.214	7.249	0.5
Power	4.789	5.111	6.7
Others	0.420	0.417	-0.7
Total	15.951	15.944	-0.4

Sources Ministry of Petroleum and Natural Resources

Refining

11.21 During 1996-97, a total of 6.202 million tons of crude was processed in the country against 6.742 million tons in 1995-96, comprising of 3.836 million tons of imported crude and 2.836 million tons of domestic crude. Details are given in Table 11.18.

TABLE 11.18
CRUDE SOURCE-WISE 1996-97

(Million Tonnes)

Sector	1995-96 Actual	1996-97 Actual	% change in 1996-97
Total Crude	7.031	6.672	-5.1
Imported Crude	4.231	3.836	-9.3
Domestic crude	2.800	2.836	1.3
Export of Domestic crude	0.289	0.470	62.6
Net to refinery	6.742	6.202	-8.0

11.22 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 naphtha production by the refineries is exported. The balance sheet of POL sources and consumption is given in Table 11.19.

TABLE 11.19
POL CONSUMPTION (MILLION TONNES)

	1995-96 (Actual)	1996-97 (Actual)
POL Production from Refineries	6.352	5.930
POL Import	10.136	10.398
Sub Total	16.488	16.328
Domestic Consumption	15.951	15.944
Export/Bunkers	0.271	0.234

Sources: Ministry of Petroleum and Natural Resources

Drilling

11.23 A total of 46 wells both in public and private sectors were drilled as against the target of 59 wells, comprising of 33 exploratory and 26 appraisal / development wells. Details of achievements are given in the Table.11.20.

TABLE 11.20
NO. OF WELLS DRILLED

	Actual 1995-96	1996-97	
		Target	Achievement
Exploratory			
OGDC	8	8	5
Private Sector	13	25	18
Sub-Total Exploratory	21	33	23
Appraisal/Development			
OGDC	13	9	9
Private Sector	10	17	14
Sub-Total (Dev)	23	26	23
Total OGDC	21	17	14
Total Private Sector	23	42	32
Grand Total	44	59	46

Sources: Ministry of Petroleum and Natural Resources

New Discoveries

11.24 A total of 5 new oil and gas fields were discovered out of which 2 are oil producing and 3 are gas producing. Details are given in the Table.11.21 below.

**TABLE 11.21
DISCOVERIES IN 1996-97**

No	Name of Field	Operator	Type of Discovery
1	Sakhi	UTP	OIL
2	Minwal	POL	OIL
3	Muban	UTP	OIL
4	Bhit	LASMO	GAS
5	Mari Deep	MGCL	GAS

Sources: Ministry of Petroleum and Natural Resources

Foreign Exchange Bill

11.25 The net foreign exchange bill for the import of deficit POL products and crude was US\$ 2212.79 million in 1996-97 against US\$ 1987.30 million in 1995-96. The details of the main elements of foreign exchange bill is given in the Table.11.22

**TABLE 11.22
OIL IMPORT BILL**

	1995-96		1996-97	
	Quantity (million. Tonnes)	Cost (\$ million)	Quantity (million. Tonnes)	Cost (\$ million.)
IMPORTS				
Crude oil	4.231	520.74	3.836	564.30
Foreign Companies Share in indigenous Crude	0.360	42.45	0.353	45.72
Products Imported	10.136	1471.58	10.398	1658.66
Freight for Crude	-	9.51	-	8.77
Total	14.727	2044.28	14.587	2277.45
EXPORTS				
POL Naphta	0.133	17.50	0.084	16.22
Bunkers	0.138	39.48	0.150	48.44
Total	0.271	56.98	0.234	64.66
Net	14.456	1987.30	14.353	2212.79

Sources: Ministry of Petroleum and Natural Resources

PROGRAMME FOR 1997-98

Oil

11.26 The consumption of POL is envisaged to be 18.578 million tonnes in 1997-98 as compared to 15.944 million tonnes in 1996-97 showing an increase of 16.5 percent. This high increase over the last year is mainly attributed to commissioning of thermal power in private sector. Sectoral breakup of consumption is given in the Table.11.23.

TABLE 11.23
POL CONSUMPTION (CATEGORYWISE)

(Million Tonnes)

	1996-97 (Actual)	1997-98 (Projected)
Domestic	0.514	0.510
Industrial	2.384	2.33
Agriculture	0.269	0.295
Transport	7.249	7.908
Power	5.111	6.760
Others	0.417	0.775
Total	15.944	18.578

Sources: Ministry of Petroleum and Natural Resources

Crude Production:

11.27 The domestic crude production is expected to be 57882 barrels per day in 1997-98 compared to 58275 barrels per day in 1996-97 showing a decrease of 0.67 per cent. The decrease is attributed to declines in production from Balkassar, Missakiswal, Sadqal, Bangali, Mazari, Dhurnal and Ratena oil fields. The decrease is due to natural decline of the fields. The details are given in S.A.Table-11.2.

Refining

11.28 The projected amount of crude to be processed by the three refineries in the country will be 6.417 million tonnes in 1997-98 as compared to 6.202 million tonnes in 1996-97. The breakup of imported and domestic crude to be processed in the refineries is given in the table 11.24 below

**TABLE 11.24
CRUDE SOURCE WISE 1997-98**

(Million Tons)

	1996-97 (Actual)	1997-98 (Projected)
Imported Crude	3.836	4.040
Domestic Crude	2.836	2.817
Domestic Crude Export	0.470	0.440
Net Domestic Crude for Refineries Processing.	6.202	6.417

Sources: Ministry of Petroleum and Natural Resources

POL Consumption

11.29 The expected POL imports, production from refineries and its consumption are given in the table 11.25.

**TABLE 11.25
POL CONSUMPTION**

(Million Tons)

	1996-97 (Actual)	1997-98 (Projected)
POL Production from Reineries	5.930	6.300
POL Import	10.398	11.207
Sub Total	16.328	17.507
Domestic Consumption	15.944	16.941
Export/Bunkers	0.234	0.205

Sources: Ministry of Petroleum and Natural Resources

Refineries

11.30 The refining capacity of existing refineries is much less than existing POL consumption in the country and it results 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, 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

after 9th plan period. Another project of PARCO mid country refinery (4 million tons per annum capacity) is also under way which would also be completed by the year 2000.

Drilling

11.31 A total of 58 exploratory and appraisal /development wells including 19 wells by Public Sector (OGDC) and 39 wells by Private sector are envisaged to be drilled during 1997-98. Breakup is given in table 11.26.

TABLE 11.26
NO. OF WELLS

	1996-97 (Actual)	1997-98 (Target)
Exploratory		
OGDC	5	8
Private Sector	18	24
Sub Total Exploratory	23	32
Appraisal/Development		
OGDC	9	11
Private Sector	14	15
Sub Total Development	23	26
Total OGDC	14	19
Total Private Sector	32	39
Grand Total	46	58

Sources: Ministry of Petroleum and Natural Resources

Oil transmission and storage capacity

Furnace Oil Pipeline to HUBCO Power Project

11.32 The oil pipeline which will supply 2.5 million tonnes furnace oil to HUBCO Power Project was commissioned during 1996-97.

Storages

11.33 A project for up-country storage development of 163,900 million tonnes is under implementation by PSO.

Foreign Exchange Bill

11.34 Estimates for oil bill based on term contract and spot prices from diversified sources for the year 1997-98 are given in the Table 11.27.

**TABLE 11.27
OIL IMPORT BILL**

	1997-98 (target)	
	Quantity(Million Tonnes)	Cost(\$ Million)
Imports		
Crude Oil	4.040	602.97
Foreign Companies Share in Indegenious Crude	0.496	72.94
Products Imported	11.207	1806.93
Freight for Crude	-	12.00
Total(Imports)	15.743	2494.84
Exports		
POL (NAPHTA)	0.044	8.36
Bunkers	0.161	54.15
Total	0.205	62.51
Net	15.538	2432.33

Sources: Ministry of Petroleum and Natural Resources

NATURAL GAS REVIEW OF 1996-97

Production

11.35 The average production of natural gas in the country increased from 1821.3 MMCFD in 1995-96 to 1911 MMCFD in 1996-97 showing an increase of 4.9 percent. Field- wise gas production is given in S.A.Table-11.3 . This increase is mainly attributed to increased production at Toat, Qadirpur, Daru, Mazari gas fields.

Consumption

11.36 The consumption of natural gas increased from 1042 MMCFD in 1995-96 to 1120.4 MMCFD in 1996-97, showing 7.5 percent increase. The company-wise details are given in Table 11.28 whereas natural gas consumed by different categories of consumers in 1995-96 and 1996-97 is given in the Table 11.29.

**TABLE 11.28
CONSUMPTION OF NATURAL GAS**

AGENCY	(MMCFD)	
	1995-96	1996-97
SSGC	471	479.4
SNGPL	571	641
TOTAL	1042	1120.4

Source: SSGC and SNGPL

TABLE 11.29
SECTORAL CONSUMPTION OF NATURAL GAS
(MMCFD)

Field	1995-96			1996-97		
	SSGC	SNGPL	Total	SSGC	SNGPL	Total
Domestic	118.6	182.0	300.6	131.2	229.0	360.2
Commercial	13.6	35.0	46.8	15.0	35.0	50.0
Industrial	158.6	166.0	324.6	170.1	168.0	338.1
Fertilizer	-	101.0	101.0	-	104.0	104.0
Power	180.2	89.0	269.2	163.1	105.0	268.1
Other	-	-	-	-	-	-
TOTAL	471.0	571.0	1042.0	479.4	641.0	1120.4

Source: SSGC and SNGPL.

11.37 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-11.30 below.

TABLE 11.30
CONSUMPTION OF RAW NATURAL GAS (DIRECT)

(MMCFD)

Gas Field	WAPDA GUDDU Power Station		Fertilizer Plants		TOTAL	
	1995-96	1996-97	1995-96	1996-97	1995-96	1996-97
	SUI	110	110	-	-	110
MARI	100	66	300	334	400	400
KHANDKOT	100	100	-	-	100	100
TOTAL	310	276	300	334	610	610

Distribution

11.38 Total 255203 number of new connection were provided in year 1996-97 against target of 255450 numbers in both SNGPL and SSGC system showing 99.9 percent achievement. With the addition of 255203 number of consumers, the commulative number of consumers

increased to 2836604 in 1996-97 from 2581401 in 1995-96. The Category- wise break up is given in the Tables 11.31 & 11.32.

**TABLE 11.31
NEW GAS CONNECTION DURING 1996-97 (INCREMENTAL)**

(Nos)

	TARGET 1996-97			ACHIVEMENT 1996-97		
	SNGPL	SSGC	TOTAL	SNGPL	SSGC	TOTAL
Domestic	150000	100000	250000	139549	110545	250094
Commercial	4000	1260	5260	3176	1743	4919
Industrial	100	90	190	44	146	190
TOTAL	154100	101350	255450	142769	112434	255203

Source: SSGC and SNGPL

**TABLE 11.32
COMMULATIVE NUMBER OF CONSUMERS**

(Nos)

	As on 30th June 1996			As on 30th June 1997		
	SNGPL	SSGC	TOTAL	SNGPL	SSGC	TOTAL
Domestic	1368032	1159279	2527311	1507581	1269824	2777405
Commercial	34079	15517	49596	37255	17260	54515
Industrial	2614	1880	4494	2658	2026	4684
TOTAL	1404725	1176676	2581401	1547494	1289110	2836604

Project

11.39 The SNGPL's Project 6, phase-II, is in advance stage of completion and is expected to be completed by March 1998.

PLAN FOR 1997-98

Production

11.40 The production of natural gas is estimated to increase to 2210 MMCFD in 1997-98 as compared to actual production of 1911 MMCFD in 1996-97 showing an increase of 15.6 percent. The estimated production would change with any change in the field behaviour. Fieldwise production is shown in the S.A. Table 11.3.

Consumption

11.41 The consumption of gas in SSGC system in 1997-98 is projected to increase to 507.3 MMCFD from 479.4 MMCFD in 1996-97 and in SNGPL it is projected to increase from 641 MMCFD in 1996-97 to 716 MMCFD in 1997-98. Details are given in Table 11.33.

TABLE 11.33
CONSUMPTION OF NATURAL GAS

COMPANY	1996-97 (Actual)	1997-98 (PROJECTED)
SSGC	479.4	507.3
SNGPL	641	716
TOTAL	1120.4	1223.3

Source: SSGC and SNGPL

11.42 Some Power and Fertilizer plants use raw gas directly. The consumption during 1997-98 is projected to 611 MMCFD from different fields. Details are given in Table 11.34 below.

TABLE 11.34
CONSUMPTION OF RAW NATURAL GAS (DIRECT)

Field	WAPDA Guddu Power Station	Fertilizer Plants	Total
Sui	105	-	105
Mari	66	340	406
Khandkot	100	-	100
Total	271	340	611

11.43 The difference between production and consumption which comes to 17% is attributed to compression, losses and internal use.

Distribution

11.44 In 1997-98, a total of 214250 new consumers are proposed to be added in both SSGC and SNGPL systems. Details are given in Table 11.35.

TABLE 11.35
NEW GAS CONNECTIONS 1997-98 (INCREMENTAL)

	SNGPL	SSGC	TOTAL
Domestic	125000	83775	208775
Commercial	4000	1225	5225
Industrial	100	150	250
TOTAL	129100	85150	214250

Source: SSGC and SNGPL

LPG Production

11.45 Liquefied Petroleum Gas (LPG) supply decreased from 431 tonnes per day in 1995-96 to 422 tonnes per day in 1996-97, showing a decrease of 2.1 percent. For 1997-98, it is estimated that LPG supply would increase to 535 tonnes per day, which shows an expected increase of 26.8 percent than the previous year. The source-wise production of LPG is given in Table 11.36 below.

TABLE 11.36
LPG PRODUCTION

(Metric Tonnes)

Agency	1995-96 Actual	1996-97 Actual	1997-98 Projected
PRL	14317	22248	21900
NRL	16271	13676	15330
ARL	5656	4618	7300
DHAKNI (OGDC)	3128	2726	2920
ADHI (PPL)	20522	21885	23725
DHODAK (OGDC)	62814	61138	69350
DHURNAL (OXY)	11791	7688	7300
ELMKASSAR (OGDC)	2384	6815	7300
PARIWALI (POL)	-	-	9125
MAYAL (POL) RATAHA (OXY)	20591	13043	25550
PINDORI (POL)	-	276	5475
TOTAL	157474	154113	195275
TOTAL PER DAY	431	422	535

COAL

REVIEW OF 1996-97

11.46 The total coal production (exclusive of unreported) in 1996-97 was 3.28 million tonnes (Private Sector 2.73 million tonnes and public sector 0.55 million tonnes) against the target of 3.33 million tonnes showing 98.49 percent achievement. Performance in areas of explorations, development and production/sales is summarized in Table 11.37.

TABLE-11.37

PHYSICAL ACHIEVEMENT DURING 1996-97

ITEM/ACTIVITY	Agency/Sector	Target 1996-97	Achievement 1996-97
EXPLORATION a: Drill Holes (Nos) (depth-meters)	GSP	43 (10500)	36 (9005)
	LCDC	-	-
	PMDC	-	-
	PUNJMIN	3-5 (1850)	
Addition of Measured Reserves (Million Tonnes)	GSP	640	320
	LCDC	-	-
	PMDC	-	-
	PUNJMIN	-	-
DEVELOPMENT Incline/shaft/Drivages (Mts)	LCDC	183/914	101 / 533
	PMDC	-	3789
	PUNJMIN	463	377
PRODUCTION (TONES)	a) PUBLIC SECTOR	218570	181711
	i). LCDC	324000	310025
	ii). PMDC	58000	60140
	iii). PUNJMIN	2731167	2731167
	b). Private sector *		
	Total (a&b)	3331737	3283043
Sale(Tones)	a.PUBLIC SECTOR	218570	181711
	i). LCDC	324000	256431
	ii). PMDC	58000	61926
	iii). PUNJMIN	2731167	2731167
	b). Private sector**		
	Total (a + b)	3331737	3231235

* Excludes the unreported production.

**Excludes the unreported sales.

Source: GSP, PMDC, Punjmin, LCDC, Ministry of Pet. & Natural Resources.

11.47 AGENCY -WISE ACTIVITIES DURING 1996-97

A) GEOLOGICAL SURVEY OF PAKISTAN (GSP)

Geological Survey of Pakistan (GSP) carried out the following activities under different coal projects:-

1) SYSTEMATIC EVALUATION AND APPRAISAL OF COAL RESOURCES OF FOUR SPECIFIC TRACTS IN THAR COAL FIELD, MITHI DISTRICT, SINDH.

- Drilling of 34 bore holes (7800 meter) completed alongwith geological and geophysical logging.
- Geotechnical and chemical studies in progress.
- 320 million tonnes of coal reserves proved.

2. GEOPHYSICAL RECONNAISSANCE AND EXPLORATORY DRILLING FOR COAL IN CHOLISTAN DESERT, PUNJAB.

- Four precise gravity and magnetic profiles of 310 line km completed.
- Seismic survey for 70 line km completed.
- 19 deep resistivity probes in Fort Abbas area observed. Report completed.
- Modelling of gravity magnetic data for Burewala, Shaikh Fazal area in progress.
- Quraish-II & III drill holes completed (640 & 565 meter respectively).

B. PAKISTAN MINERAL DEVELOPMENT CORPORATION (PMDC)

Pakistan Mineral Development Corporation (PMDC) produced 310025 metric tones of coal from its collaries against the target of 324000 metric tones showing 95.68 percent achievement and sales was 256441 metric tons against the target of 32400 metric tons showing 79.14 percent achievement.

C. LAKHRA COAL DEVELOPMENT COMPANY (LCDC)

Lakhra Coal Development Company (LCDC) produces 181711 metric tones of coal from its mines and supply to WAPDA (3x50) MW FBC power plants at Khanote, District Daddu.

D. PUNJAB MINERAL DEVELOPMENT CORPORATION (PUNJMIN)

PUNJMIN covered an area of 37066 acres through Geophysical Survey by resistivity method in Fort Abbas, Cholistan desert. Drilling of 3-5 bore holes with an aggregate depth of about 6000 ft was envisaged by PUNJMIN for 1996-97 in project of Exploration and evaluation of coal in Cholistan. Since GSP commenced a drill hole near PUNJMIN area, the scheme was deffered till results obtained by GSP. This was done to ovoid duplication of work. Moreover Punjmin produced 60140 metric tonnes of coal against the target of 58000 metric tones showing 103.69 percent achievement.

PROGRAMME FOR 1997-98

11.48 Target of coal production (exclusive of unreported) for 1997-98 is fixed as 3.52 million tonnes (2.86 million Tones by Private Sector and 0.66 million tones by Public Sector) against total production of 3.23 million tonnes during 1996-97.

11.49 Details of physical targets for exploration and development programmes of different orgnizations for the year 1997-98 are given in Table 11.38

TABLE-11.38

PHYSICAL ACHIEVEMENT DURING 1996-97 AND TARGETS FOR 1997-98

ITEM/ACTIVITY	Agency/Sector	Achievement 1996-97	Target 1997-98
EXPLORATION a: Drill Holes (Nos) (depth-meters)	GSP	36 (9005)	40 (11000)
	LCDC	-	-
	PMDC	-	-
	PUNJMIN	-	-
Addition of Measured Reserves (Million Tonnes)	GSP	320	300
	LCDC	-	-
	PMDC	-	-
	PUNJMIN	-	-
DEVELOPMENT Incline/shaft/Drivages (Mts)	LCDC	101/533	-
	PMDC	3789	1590
	PUNJMIN	377	442
PRODUCTION (TONES)	a.PUBLIC SECTOR	181711	190796@
	i). LCDC	310025	361000
	ii).PMDC	60140	62000
	iii).PUNJMIN	2731167	2867725@
	b).Private sector *		
	Total(a&b)	3283043	3481521
Sale (Tones)	a.PUBLIC SECTOR	181711	190796@
	i). LCDC	256431	406000
	ii).PMDC	61926	62000
	iii).PUNJMIN	2731167	2867725@
	b).Private sector**		
	Total(Sale)	3231235	3526521

*Excludes the unreported production.

**Excludes the unreported sales.

@Increased at the rate of 5%.

Source: GSP,PMDC,Punjmin, LCDC, Ministry of Pet. & Natural Resources.

1.50 AGENCY-WISE ACTIVITIES DURING 1997-98 ARE GIVEN BELOW:-

A). Geological Survey of Pakistan (GSP)

1. SYSTEMATIC EVALUATION AND APPRAISAL OF COAL RESOURCES OF FOUR SPECIFIC TRACTS IN THAR COAL FIELD, MITHI DISTRICT, SINDH

- Drilling of 40 bore holes (10000 meter) in block-IV.
- Geological- geotechnical and geophysical logging of the drill holes.
- Evaluation studies for assement of specific block II & III.
- Issue of appraisal report on specific block-II & III.

2. GEOPHYSICAL RECONAISSANCE AND EXPLORATORY DRILLING FOR COAL IN CHOLISTAN DESERT, PUNJAB.

- Coverage of 1000 sq km gravity and megnetic surveys.
- Seismic profile of 20 line km.
- Resistivity / 1.P soundings at 25 sites.
- Processing and report writing.
- Test drilling at 2-3 selected sites.

B. PAKISTAN MINERAL DEVELOPMENT CORPORATION (PMDC)

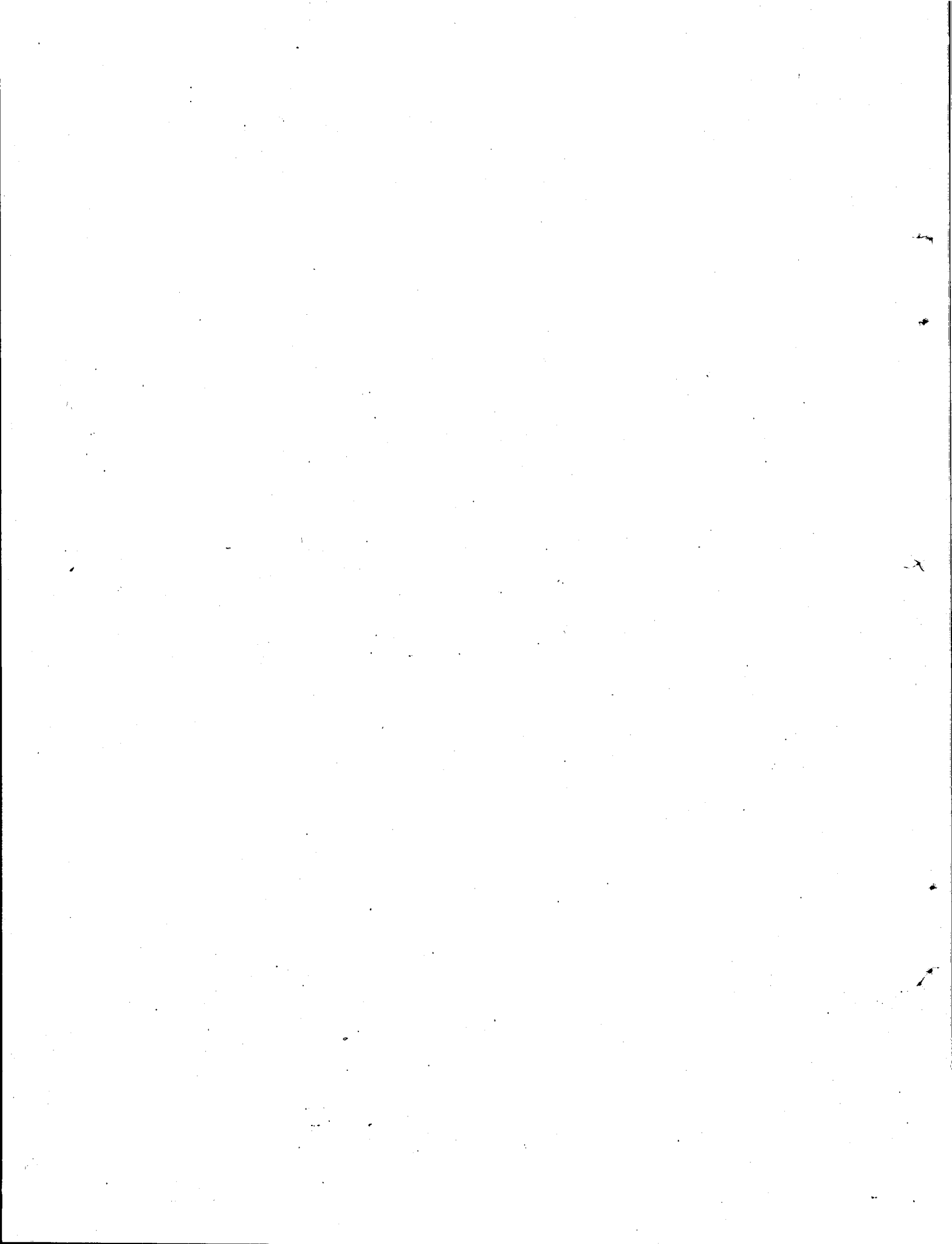
Pakistan Mineral Development Corporation (PMDC) proposes to produce/sales 361000/406000 metric tones coal, during 1997-98.

C. PUNJAB MINERAL DEVELOPMENT CORPORATION (PUNJMIN)

Punjab Mineral Development Corporation proposes to abandone the scheme exploration and evaluation of coal in Cholistan in the light of results in Quresh wala-III hole obtained by GSP. Further expansion of dandot coal mines District Chakwal would also be undertaken.

PSDP Allocation

11.51 The agency wise details of PSDP allocations for energy Sector for 1997-98 are shown in S.A. Table-11.4.



CHAPTER - 12

TRANSPORT AND COMMUNICATION

REVIEW OF 1996-97

12.1 The Public Sector Development programme for 1996-97 originally envisaged an outlay of Rs.31,868.2 million in the Federal Public Sector Programme comprising of Rs.2661.772 million for the budgetary programme, Rs.10,518.0 million for the budgetary corporation (NHA) and Rs.18,688.424 million for non-budgetary corporations viz. PTCL, PIAC, CAA and PNSC. Against this the expenditure incurred was Rs.29,188.1 million giving an overall utilization of 92 per cent. Under the provincial programme of Rs. 2538.975 million an expenditure of Rs. 1311.0 million was incurred giving a utilization of 52 per cent. Comparison of the financial allocation and utilization by major sub-heads during 1996-97 is tabulated below:-

ALLOCATION/EXPENDITURE, 1996-97				
			(Million Rs)	
		PSDP Allocation	Expenditure incurred	Per cent Utiliza- tion
A. Federal				
i)	Budgetary Programme.	2,661.772	3,384.3	127
ii)	Budgetary Corporations	10,518.000	9,147.0	87
iii)	Non-budgetary Corporations	18,688.424	16,656.8	89
Sub-Total (A)		31,868.195	29,188.1	92
B. Provincial				
Budgetary Programme.		2538.975	1311.0	52
Total (T&C)		34407.170	30499.1	89

12.2 Sub-sector wise details may be seen at S.A.Table 12.1. Major physical achievements are given in S.A.Table-12.2.

PHYSICAL IMPLEMENTATION

A. FEDERAL PROGRAMME

I- RAILWAYS

12.3 The freight traffic projected for 1995-96 and 1996-97 and actual carried by the Pakistan Railways is tabulated in Table-12.1.

TABLE 12.1

COMPARISON OF PASSENGER AND FREIGHT TRAFFIC
BY PAKISTAN RAILWAYS WITH PROJECTIONS DURING 1995-97 PERIOD

	Freight Traffic (MPKM)	Passenger Traffic (MPKM)
1995-96		
- Plan Target	8,288	22,042
- Actual	5,077	18,905
Achievement (%)	61	86
1996-97		
- Plan Target	9,034	22,483
- Actual	4,607	19,114
Achievement (%)	51	85

12.4 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 1996-97 was 10 per cent lower than the traffic carried during 1995-96. Compared to plan target the achievement was hardly 51 per cent. Similarly the Passenger traffic, carried during 1996-97 declined by 1 per cent compared to the traffic carried during 1995-96. The passenger traffic also fell short of the plan target by 15 per cent.

12.5 An allocation of Rs.2351.7 million was made for Pakistan Railways against which the expenditure incurred stood at Rs.3282.5 million indicating a utilization of 139.6 per cent. The expenditure exceeded the allocation by 39.6 per cent. Major works included sleeper renewal of 15 Km, rail renewal of 22 Km, rehabilitation of 306 traction motors, fitment of 660 roller bearing to freight wagons and rehabilitation of 30 DE Locos.

II. PORTS & SHIPPING

12.6 Against the allocation of Rs.67.0 million an expenditure of Rs.17.7 million was incurred. Details are given as under:-

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

12.7 Against an allocation of Rs.67.0 million an expenditure of Rs.17.7 million was incurred. The National Ports Master Plan study & feasibility Study for the Keti Bundur Fish Harbour Cum Mini Port were completed. Works relating to piling, pile cap, services diversion, auxiliary bridge and piers on construction of Jinnah bridge Phase-II were undertaken. Work on shifting of Turshian Mouth Tower to a new site was initiated.

III. NATIONAL HIGHWAYS & BRIDGES

NATIONAL HIGHWAY AUTHORITY (NHA)

12.8 Against an allocation of Rs.9,838 million an expenditure of Rs.9147 million was incurred on the development programme of National Highways. Details are given as below:-

A. National Highways

- i) The bulk of the National Highway allocation for 1996-97 was earmarked for the core programme. An expenditure of Rs.277.0 million was incurred on construction of 355 Km of second carriageway along National Highway (N-5) including 16 bridges under the IBRD Fourth Highway project co-financed by the World Bank, Rs.236.0 million on Maintenance Backlog Reduction & Re-surfacing and Strengthening Programme also co-financed by the World Bank, Rs.2341.0 million for improvement work on the 1,189 Km long Indus Highway N-55 including the Kohat Tunnel, Rs.609.0 million on restoration of 1992 flood damages and Rs.158.0 million on the Sukkur bridge project.
- ii) An expenditure of Rs.3094.0 million was incurred on dualization of National Highway (N-5). This included Hyderabad by-pass, Hala-Moro, Moro-Baberlo, Baberlo- Ubaro, Ubaro- Rahim Yar Khan, Rahim Yar Khan- Bahawalpur, Bahawalpur-Multan, Multan-Mian Channu, Okara-Lahore, Kharian-Rawalpindi and the Chablat-Nowshera sections and the Lahore by-pass.
- iii) An expenditure of Rs.1705.0 million was incurred on acceleration of work on Lahore-Islamabad Motorway Project.
- iv) An expenditure of Rs.577 million was incurred on the improvement of National Highways in Baluchistan, out of which Rs.242.0 million were incurred on construction and improvement of 149 Km Karachi- Khuzdar-Quetta-Chaman Section (N-25) and Rs.335.00 million on improvement of 176 Km long Quetta-Dalbandin-Taftan (N-40).

B. Other Projects

- i) An expenditure of Rs.138.0 million was incurred on improvement and upgradation of the Barian-Nathiagali- Abbottabad road and Rs.17.0 million on Islamabad Chowk-Barakhu under provincial projects.
- ii) Under P.M directives an expenditure of Rs.206.0 million was incurred on the construction/completion of ongoing works including Chiniot bridge, Tal-Parachinar road, Rato Dero-Shahdaskot-Khuzdar road, Keti bunder road, Kotli Sattian-Korina road, Nilore-Kotli Sattian road and feasibility study and design for Mithan Kot bridge over river Indus and Tando Alla Yar by-pass etc.

NATIONAL LOGISTIC CELL (NLC)

12.9 The entire allocation of Rs.5 million was incurred on continuation of work on Kalabagh-Shakardara road project.

SPECIAL AREAS

12.10 Against an allocation of Rs.752.195 million an expenditure of Rs. 1279.52 million was incurred on construction of 208.3 Kms of black topped roads and improvement of 49.9 Kms of shingle roads in the Special Areas. Details are given below:-

Azad Kashmir

Against an allocation of Rs.371.40 million an expenditure of Rs.381.186 million was incurred on construction of 5 Km of double lane metalled and 56 Km of black top roads and improvement of 13 Km of the existing roads. Work on bridges progressed.

Northern Areas

Against an allocation of Rs. 170.0 million an expenditure of Rs. 687.680 million was incurred on construction of 165 Km black top roads, 190 Km shingle roads and 15 bridges.

F.A.T.A.

Against an allocation of Rs.210.795 million an expenditure of Rs. 210.654 million was incurred on construction of 38.3 Km of black top, 24.79 Km of shingled roads, improvement of 36.9 Km of the existing black top roads and one bridge.

IV. AIR TRANSPORT

CIVIL AVIATION AUTHORITY

12.11 Against an allocation of Rs.988.6 million an expenditure of Rs.556.102 million was incurred on continuation of work on Aeronautical Communications and Control (AC&C) project. Construction of departure lounge at Lahore airport, Construction of terminal building and allied facilities at Rahim Yar Khan, establishment of basic aerodrome facilities at D.G. Khan, Development of airport at Nawab Shah as alternate to Karachi, strengthening of runway at Bhawalpur, upgradation of Moenjodaro airport for Boeing 737 operations, new airport at Sehwan Sharif and procurement of crash fire vehicles for CAA airports.

PAKISTAN INTERNATIONAL AIRLINES CORPORATION (PIAC)

12.12 During 1996-97, PIAC carried a passenger traffic of 11,648 million RPKs against 10,592 million RPKs carried during 1995-96. Traffic during the period registered a growth of 10 per cent over the previous year. Seat factor achieved during the period under review was 64.9 per cent.

12.13 The freight traffic during 1996 - 97, was 422 million RFTKS against 430 million RFTKS in 1995-96. The load factor achieved was 55 per cent against 53 per cent in the preceding year.

Major activities during 1996-97 were as follows:

- Effective from 1st July 1996 additional capacity was provided on Kathmandu route by operating four frequencies per week with Boeing 737 aircraft.
- Capacity to Saudi Arabia was increased by additional Peshawar-Riyadh-Peshawar and Islamabad-Lahore-Jeddah v.v flights.
- Effective from 6th July 1996, Yangon was added to PIA's international network.
- Besides the normal scheduled services, PIA operated extra sections to meet additional demand during the various peak seasons.
- In order to cater for Umra traffic, extra-sections to Jeddah were operated during December 1996 and January 1997.
- In December 96 several extra sections were operated on UK and European routes to cater to Christmas/Winter vacation traffic.
- In February 1997, several extra sections were operated to cope with Eid-ul-Fitr traffic.

- During Haj 1997 PIA carried 113,211 Hajis for which dedicated PIA aircraft as well as leased in capacity was utilised.
- 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.

12.14 Against an allocation of Rs. 5675 million as expenditure of Rs.1000 was incurred. The shortfall in expenditure is attributed to the fact that PIAC could not replace their aging fleet of Boeing 747 and Fokker F-27 aircraft.

V. RESEARCH NATIONAL TRANSPORT RESEARCH CENTRE

12.15 Against an allocation of Rs.7 million, including an FEC of Rs.3.50 million an expenditure of Rs.10.5 million was incurred on continuation of research programme. Eleven research studies on various aspects of transportation were completed while work on data bank, demonstration projects, highway safety and dissemination of research progressed. The excess in expenditure is due to provision of supplementary grant of Rs.4.0 million to meet the salaries of contract staff.

VI. TELECOMMUNICATION PAKISTAN TELECOMMUNICATION CORPORATION

12.16 Against the allocation of Rs. 12,000.0 million an expenditure of Rs. 15,100.7 million was incurred indicating a utilization of 126 per cent. The following achievements were made:-

Exchange Lines and other systems:

Auto/Digital Lines	2,23,736
New Telephone Connections	3,07,730
P.C.Os	587
NWD exchanges	348
Number of Internet Subscribers	7,446

SPECIAL COMMUNICATION ORGANIZATION (S.C.O.)

12.17 Against an allocation of Rs. 81.1 million an expenditure of Rs.43.0 million was incurred for providing 3040 new telephone connections, improvement of 43 VHF PCOs, provision of 20 Fax machines etc in different parts of AJ&K and Northern Areas.

B. PROVINCIAL PROGRAMME

12.18 Against the allocation of Rs. 2538.975 million an expenditure of Rs. 1311.0 million was incurred giving a utilization of 77 per cent. In physical terms 163 Km of roads were constructed while 444 Km of the existing roads were improved in addition to construction of 5 new bridges. Details are given in subsequent paras.

PUNJAB

Roads and Bridges

12.19 Against the allocation of Rs.935.0 million an expenditure of Rs 644.2 million was incurred on widening and improvement of 246 Km of existing roads and construction of 42 Km of new roads.

SINDH

Roads and Bridges

12.20 Against the allocation of Rs. 589.0 million an expenditure of Rs. 303.785 million was incurred giving a utilization of 52 per cent. In physical terms construction of 46 Km of new and improvement of 164 Km of existing roads was completed in addition to completion of work on 2 bridges.

N.W.F.P.

Roads and Bridges

12.21 Against the allocation of Rs.745 million an expenditure of Rs. 167.166 million was incurred on construction of 19 Km of black top, 5 Km of shingled roads, improvement of 17 Km of the existing roads and construction of one bridge.

BALUCHISTAN

Roads and Bridges

12.22 Against an allocation of Rs. 281.824 million an expenditure of Rs. 195.807 million was incurred on construction of 56 Km of black top, 73 Km of shingle roads, improvement/ reconditioning of 17 Kms existing roads, 12 culverts and 2 bridges.

PROGRAMME FOR 1997-98

12.23 An allocation of Rs.42,110.455 million has been made for development of Transport & Communications. This comprises of the following:-

PSDP 1997-98 ALLOCATION

(Million Rs)

A. Federal	
i) Budgetary Programme.	5,583.835
ii) Budgetary Corporations	12,200.000
iii) Non-budgetary Corporations	21,782.000
Sub-Total (A)	39,565.835
B. Provincial	
Budgetary Programme.	2544.62
Total (T&C)	42,110.455

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

A. FEDERAL PROGRAMME**I - PAKISTAN RAILWAYS**

12.24 An allocation of Rs.4,887.358 million has been made for rail renewal of 110 Km, sleeper renewal of 100 Km, fitment of 3900 roller bearings to freight wagons, installation of 306 traction motors in locomotives, rehabilitation of 24 DE locos, procurement of 8 locos, material for 15 passenger coaches would be procured, track circuiting on 18 stations.

II. PORTS & SHIPPING**D.G. Ports & Shipping (D.G. P&S)**

12.25 An allocation of Rs.60.83 million has been made for the Port Development Programme. Among the major works Rs.26.07 million have been earmarked for continuation of work on construction of bulk water main from Gujoo Canal to Port Qasim Industrial Area and Rs.34.76 million for the Gawadar Fish Harbour project.

Pakistan National Shipping Corporation (PNSC)

12.26 An allocation of Rs.1.0 million is envisaged for acquisition of one bulk carrier of 60/70,000 DWT by the PNSC.

III. NATIONAL HIGHWAY AND BRIDGES

12.27 An allocation of Rs.12,200.000 million including an FEC of Rs.3580.0 million has been made for the National Highways development Programme. Details are given below:

National Highways

- i) Among the core programme an allocation of Rs.10.00 million has been made for the Fourth Highway Project co-financed by the World Bank for completion of work on second carriageway including 16 bridges over the remaining portion of Gujranwala-Chenab Bridge Section & provision of overlay over the Gujranwala-Rawalpindi Section of National Highway N-5, Rs.3117.00 million for acceleration of work on the Indus Highway Project Rs.319.0 million for rehabilitation of 1992 floods and Rs.450 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.2478 million has been made for construction of second carriageway along National Highway N-5 over the Hala-Moro, Moro-Baberlo, Baberlo- Ubero, Ubero-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. 3700 million has been made for acceleration of work on the Lahore-Islamabad Motorway Project.
- iv) An allocation of Rs. 220 million has been made for improvement of National Highways in Baluchistan. This includes Rs.17 million each for improvement of Karachi- Khuzdar-Quetta-Chaman (N-25) and improvement of Quetta-Dalbandin-Taftan (N-40) Sections.

OTHER PROJECTS

- v) An allocation of Rs.1151 million has been made for implementation of various projects. This includes Rs.30 million for Chiniot bridge, Rs.65 million for feasibility studies. Rs. 931 million for Sukkur Bridge, Rs.100 million for improvement of KKH and Rs.25 million for Ratodero-Shahdad Kot - Khuzdar.

12.28 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 and the Lahore Bypass.

NATIONAL LOGISTIC CELL (NLC)

12.29 An allocation of Rs.8.69 million has been made for acceleration of work on Kalabagh-Shakardara road project including completion of work on two bridges.

SPECIAL AREAS

12.30 An allocation of Rs.665.09 million has been made for the construction of 167.4 Km of black top roads and improvement of 71 Km of roads in Special Areas. Details are given in the subsequent paras:-

AZAD KASHMIR

- An allocation of Rs.222.0 million has been made for construction of 45 Km of black top roads.

NORTHERN AREAS

- An allocation of Rs.224 million has been made for construction of 53 Km of metalled road and improvement of 53 Km existing roads in Northern Areas besides 15 bridges.

F.A.T.A

- An allocation of 219.09 million has been made for black topping of 69.4 Km, improvement of 18 Km, construction of 38.9 Km of roads and one bridge.

IV. AIR TRANSPORT

CIVIL AVIATION AUTHORITY

12.31 An allocation of Rs. 1181 million has been made for completion of work on Aeronautical Communications and Control (AC&C) Systems project, procurement of Crash Fire & Rescue vehicles at CAA airports, refurbishment of CAA calibration aircraft, indigenous manufacture of 11 small and 8 large fire crash tenderers (CFT's), refurbishment of existing CFT's, Strengthening of runway at D.I. Khan, reconstruction of secondary runway at Karachi, departure lounge at Lahore, completion of work on upgradation of Moenjodaro airport for Boeing 737 operations, terminal building at Sukkur, upgradation of Nawabshah as alternate to Karachi and acceleration of work on terminal building at Rahim Yar Khan.

PAKISTAN INTERNATIONAL AIRLINES (PIA)

12.32 PIAC has projected a passenger traffic of 12,310 million RPKs and freight traffic of 473 million RFTKs. The operating plan for 1997-98 envisages the following main characteristics.

- Additional capacity has been planned on the Gulf routes by upgrading five of the Karachi-Dubai-Karachi flights.
- Singapore to be served twice weekly as an enroute point on the Jakarta flights and one weekly with Kuala Lumpur.
- Due to growth in Malaysian market, once a week direct terminator from Karachi to Kuala Lumpur has been planned.
- Yangon to be directly connected with Karachi.
- PIA plans to close down some off-line offices of PIA abroad and suspend non-profitable routes.
- PIAC also plans to raise domestic fares during the current financial year.

12.33 An allocation of Rs.600.0 million has been made for PIAC during 1997-98.

AIRPORT SECURITY FORCE (ASF)

12.34 An allocation of Rs.4.668 million has been made for completion of construction of barrack accommodation for 128 ASF guards at quetta airport and 50 per cent progress on construction of barrack accommodation at Gilgit, Rawalakot, Nawab Shah and D.I. Khan airports.

PAKISTAN METEOROLOGICAL DEPARTMENT

12.35 An allocation of Rs.3.578 million has been made for acceleration of work on provision of Met. Observatories in Northern Areas and establishment of Met. radars at D.I.Khan and Rahim Yar Khan.

V. Research

National Transport Research Centre (NTRC)

12.36 An allocation of Rs. 4.777 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)

12.37 An allocation of Rs. 20,000 million has been made for development of telecommunication facilities during 1997-98 to achieve the following targets:

Exchange Lines:

Auto/Digital exchange Lines	6,00,000
Long Distance PCO's	587
Manual Exchange Lines (C.B.)	7,400
Expansion/replacement of Karachi International Gateway Exchange	100
International Circuits	2,800
No of Internet Subscribers	10,000

SPECIAL COMMUNICATION ORGANIZATION (SCO)

12.38 An allocation of Rs.142.794 million has been made for providing the following telecommunication facilities in different parts of AJ&K and Northern Areas:-

- i) New Digital lines. 36,400

VII. PAKISTAN POST OFFICES

12.39 An allocation of Rs. 8.69 million has been made for carrying out their on-going works.

B. PROVINCIAL PROGRAMME

12.40 The Provincial Programme envisages an allocation of Rs.2544.662 million for continuation of work on new construction of 244 Km and improvement of 707 Km of existing roads besides construction of 12 bridges. Province wise details are given in subsequent paras.

PUNJAB

Roads and Bridges

12.41 An allocation of Rs.1042.66 million has been made for construction of 70 Km of new roads and widening/improvement of 424 Kms of existing roads.

SINDH

Roads and Bridges

12.42 An allocation of Rs.542.0 million has been made for continuation of work on construction of 59 Km of new roads, improvement of 212 Km of existing roads in addition to completion of work on 3 bridges. Work on repair of 73 held up off road buses would also be completed.

N.W.F.P.

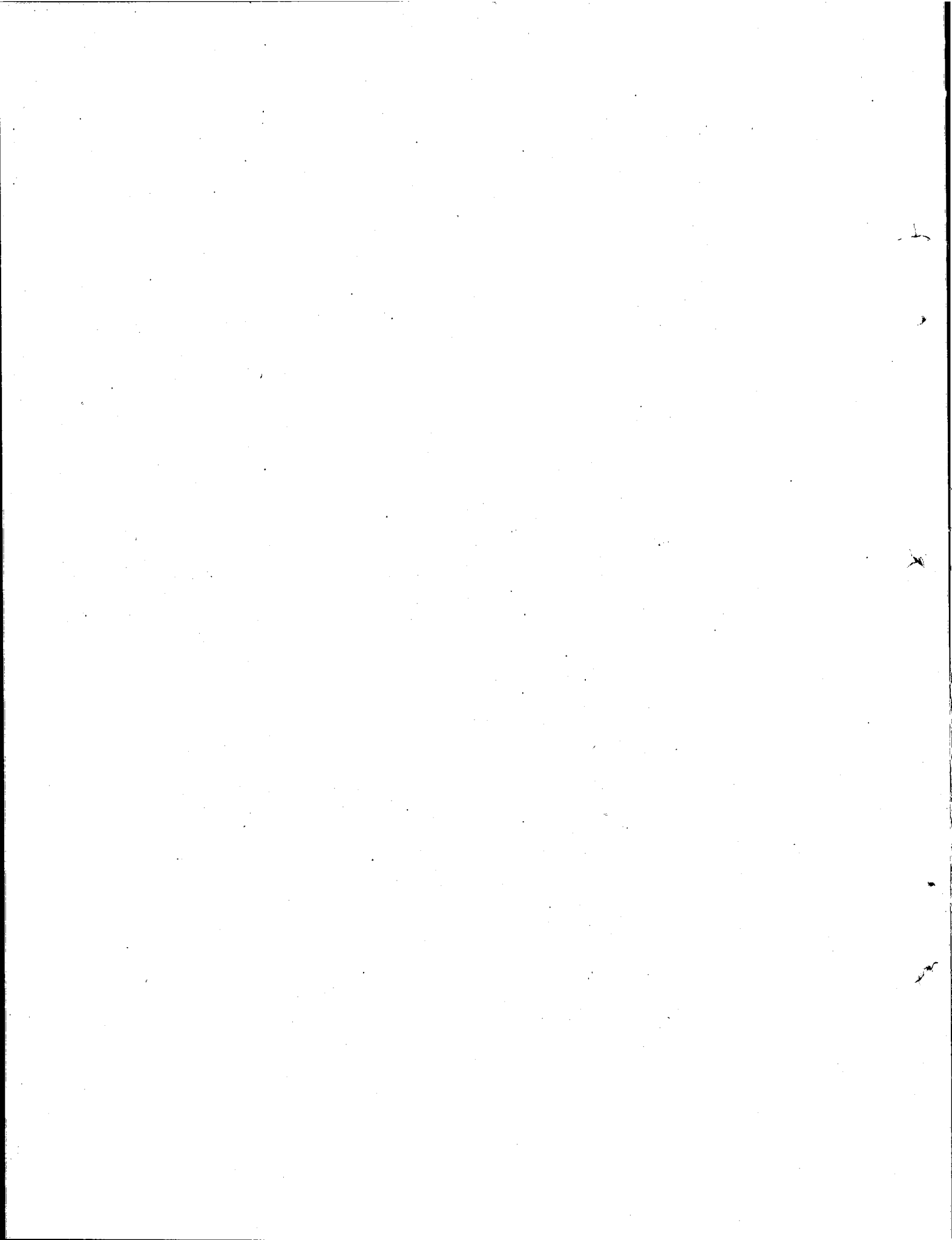
Roads and Bridges

12.43 An allocation of Rs. 312.7 million has been made for construction of 43 Km of black top, 13 Km of shingled roads and 5 bridges, and improvement of 40 Km of existing roads.

BALUCHISTAN

Roads and Bridges:

12.44 An allocation of Rs. 647.262 million has been made for construction of 72 Km of black top, 9 Kms of shingled roads, improvement/reconditioning of 31 Kms of existing roads, construction of 16 culverts and 4 bridges.



CHAPTER-13

MASS MEDIA

REVIEW OF FEDERAL PROGRAMME 1996-97

13.1 The sector was allocated Rs.47.951 million but at the end of the year the revised estimates came out to be Rs.211.683 million i.e. 441.45% higher than the original allocation. This included Rs.178.769 million technical supplementary grant to cover Japanese grant for educational television (PTV-2). Financial details are available in S.A.Table-13.1 while physical performance is shown in S.A.Table-13.2.

Pakistan Television Corporation (PTV)

13.2 The agency was allocated Rs.19.324 million during the year which was fully utilised and additional technical supplementary grant was provided to cover the Japanese grant for the second phase of educational TV. Civil works on Video Playback Centres (VPC) Wad, Daroosh, Booni, Turbat and Pasni were completed during the year. Civil works on VPCs at Dukki and Lasbella continued. News Bureau at Larkana consumed Rs.1.00 million on purchase of equipment.

Pakistan Broadcasting Corporation (PBC)

13.3 During 1996-97, the agency was allocated Rs.27.520 million, out of which Rs.18.064 million i.e. 65.63% were released and utilised. The on-going schemes of 10 KMMW Transmitters and Broadcasting House, Loralai, 100 KMMW Transmitter, Rawalpindi and Karachi and Broadcasting House, Karachi were allocated funds for speedy completion of civil works by the end of the year. The physical progress was encouraging and civil works were almost completed. Minor projects like balancing and modernization of equipment at various stations throughout the country were provided funds. Additional security works as a regular exercise, also continued. The 100 KW MW and SW transmitter and Broadcasting House, Mirpur could not make any headway due to non-release of major allocation during the year. Equipment for 100 KW MW and Broadcasting House, Larkana were received during the year while civil works were in progress. Extension of Broadcasting House, Hyderabad made no progress due to non-release of PSDP allocations.

FEDERAL PROGRAMME FOR 1997-98

13.4 An amount of Rs.49.599 million has been allocated for the entire Mass Media Sector. The major recipient of funds this year is again Pakistan Broadcasting Corporation (PBC). Like previous year, the thrust will be on completion of on-going schemes.

Pakistan Television Corporation (PTV)

13.5 The agency has been allocated Rs.15.251 million for those ongoing schemes which are nearing completion. Five Video Playback Centres (VPC) at Panjgoor, Zob, Daroosh, Booni and Pasni are likely to be operational by the end of this year by installing equipment and completing some minor works. Work on three VPCs Wad, Dukki and Lasbella will continue and it is likely that the civil works will be completed this year.

Pakistan Broadcasting Corporation (PBC)

13.6 The agency has been allocated Rs.34.348 million against the allocation of Rs.27.520 million. The primary thrust will be on the completion of long delayed projects. 100 KW MW Transmitter, Rawalpindi and 100 KW MW Transmitter, Hyderabad and Larkana have been provided funds to complete civil works. Equipment has been fabricated but outstanding duties and allied works are pending. The gigantic project of Broadcasting House, Karachi has been revised and approved by ECNEC at a cost of Rs.141.620 million this year. Rs.19.820 million have been allocated to complete civil works. The rest of the money will be made available by the agency as self-financing. For 100 KW MW and SW Transmitter and Broadcasting House, Mirpur, Rs.10.00 million have been allocated for making payment of duties on equipment, already imported.

CHAPTER-14

PHYSICAL PLANNING & HOUSING

REVIEW OF 1996-97

14.1 The PP&H programme for 1996-97 has focussed on implementing the sectoral policies as spelt out in Eighth Five Year Plan and initiatives taken under Social Action Programme (SAP). It aimed to increase housing stock by regularizing and improving Katchi Abadis ; urban development, provision of site and services for urban poor ; provision of small size plots schemes for rural shelterless ; increasing coverage of drinking water supply and sanitation services ; construction of houses for Government Employees ; and Government offices/ buildings.

14.2 For implementing sectoral programme, a total allocation of Rs. 9959 million was provided during 1996-97, against which an expenditure of Rs.7638 million is reported to have been incurred, showing a utilization of 76 percent. Details of allocations and estimated expenditure are given in Table 14-1 below. This utilization is about 17 percent lower than the last year's utilization. The overall reduction is attributed to the shift of development priorities due to change of the Government in late 1996 and budgetary constraints resulting into PSDP down sizing of PP&H programmes.

TABLE-14.1

ALLOCATION AND EXPENDITURE (1996-97)

Agency	Allocation	Expenditure As Per Rev. Estimates	Percentage Utilization
<u>Federal Government*</u>	<u>2072</u>	<u>1120*</u>	<u>54%</u>
<u>Provincial Governments</u>	<u>7887</u>	<u>6518</u>	<u>82%</u>
Punjab	4323	3621	84%
Sindh	1249	1061	85%
NWFP	1504	1203	80%
Balochistan	811	633	78%
Total:	9959	7638	76%

* Excluding Special Areas

1996-97's Targets and Achievements

14.3 Major targets included residential plots mainly for low income groups in urban areas, 7-Marla plots in rural areas ; water supply and sanitation services both in urban and rural

areas; regularization and environmental improvement of Katchi Abadis/slums, construction of houses/flats for Federal Employees at various places. Details are given in Table-14.2 below:

TABLE-14.2
PHYSICAL TARGETS & ACHIEVEMENTS (1996-97)

Item	Unit	Target	Achievement	%age Achievement
a) Residential Plots in Urban Area Development Schemes	No	150,000	83,000	58
b) Urban Water Supply	Addl. Population served (in million)	3.00	2.25	75
c) Urban Sewerage/ Drainage	-do-	2.80	2.12	76
d) Rural Water Supply (SAP)	-do-	6.50	6.00	92
e) Rural Sanitation (SAP)	-do-	3.50	2.80	80
f) Govt. Servants Housing	No	40,000	27,500	69
g) Katchi Abadis Development	Population Benefitted (in million)	1.00	0.50	50
h) 7-Marla Plots in Rural Areas	Number (in million)	0.40	0.25	62

ANNUAL PLAN 1997-98

14.4 Implementation of projects started in 1996-97 and earlier will be followed up instead of taking up new ones, to avoid cost over-runs. Main elements of 1997-98 programme are as under :

- i) Development of small sized residential plots in Site and Services schemes for provision to the urban poor, and provision 5 or 7 Marla plots to the rural shelterless population.
- ii) Regularization and improvement of Katchi Abadis, and undertaking of urban slums' upgradation besides urban-renewal in major cities.
- iii) Housing for Federal Government Employees through provision of developed plots in various cities, by the Housing Foundation.
- iv) To increase overall piped water supply coverage to 90 percent and sewerage connection to 65 percent population living in urban areas.
- v) In rural areas, to extend drinking water supply and sanitation coverage upto 57

percent and 28 percent, respectively. Under second phase of Social Action Programme, the Unified Policy regarding selection criteria, community participation, recovery of O&M costs besides achieving sustainability of completed schemes, would be implemented upto District Headquarter level.

Sectoral Allocation 1997-98

14.5 Overall size of the PP&H programme during 1997-98 is proposed around Rs.10018 million (Federal Rs.2077 million and Provincial Rs.7941 million), including the increased funding proposed to be allocated under the second phase of Social Action Programme for rural water supply & sanitation. It shows an overall increase of 31 percent over the last year's PP&H sectoral expenditure of Rs.7638 million. However, in case of Provincial allocations, at Sindh and NWFP the lessor sectoral allocations have been made during 1997-98 as compared to the last year's provision.

14.6 The overall share of allocation for implementing water supply and sewerage/sanitation projects throughout Pakistan is about 71 percent. Whereas the balance allocation (i.e.29%) will be utilized for undertaking the projects of Housing for Federal Employees, Government Office Buildings and Urban Development including roads/foot paths, parks etc. besides environmental improvement of Katchi Abadis. The Federal and Province-wise breakup is given in Table-14.3.

TABLE-14.3
ALLOCATION (1997-98)
(INCLUDING SAP'S ALLOCATION FOR RW&S COMPONENT)

		(Million Rs)	
Agency	Allocation	Increase/ Decrease over last year's Allocation	
I. Federal Government*	2077*	(+)	0%
II. Provincial Governments:	7941	(+)	22%
- Punjab	5461	(+)	51%
- Sindh	710	(-)	33%
- NWFP	989	(-)	18%
- Balochistan	781	(+)	23%
Total:	10018	(+)	31%

* Excluding Special Areas.

Physical Targets

14.7 Keeping in view priority of the Government to extend social services cover among the poor masses, during 1997-98 the major sectoral targets would ensure increased provision of water supply facilities and extension in environmental improvement with focus on rural sanitation. An additional 2 million urban population and 6.30 million persons in rural areas will get piped water supply. The provision of sewerage/sanitation facilities will be extended to an

additional 2.5 million urban and 4.5 million rural population. With the anticipated achievement of these targets by June 1998, the overall national water supply coverage would increase to 68 percent and that of sanitation to 35 percent. Other targets are the provision of 0.253 million 5/7-Marla plots to the shelterless in rural areas, environmental improvement of Katchi Abadis and slums to benefit additional One million urban poor, construction of about 20,000 houses for Government Employees and development of about 0.100 million small size residential plots in the urban areas. Sub-Sectoral targets proposed for 1997-98 are given in Table-14.4.

Table-14.4

Physical Targets (1997-98)

Item	Unit	Physical Targets
a) Residential Plots in Urban Area Development Schemes	Nos	100,000
b) Urban Water Supply	Addl. Population to be served (in million)	2.000
c) Urban Sewerage/Drainage	-do-	2.500
d) Rural Water Supply (SAP)	-do-	6.300
e) Rural Sanitation (SAP)	- do -	4.500
f) Govt. Servant Housing	Nos	20,000
g) Katchi Abadis Improvement	Population to served (in million)	1.000
h) 7-Marla Plots in Rural Area	Nos (in million)	0.253

14.8 PP&H programmes of the Federal and Provincial Governments including various Sub-sectors to be implemented during 1997-98, are briefed in the following paragraphs.

Federal

14.9 Main elements of Federal PP&H programme include the construction of Government Employees Housing at Federal and Provincial Capitals and buildings of national importance at Islamabad, besides the development of water supply and sewerage/sanitation projects in Islamabad Capital Territory Area. The Federal Programme will also meet the essential residential/non-residential needs of the Civil Armed Forces(CAF), and of Special Areas including Azad Kashmir, Northern Areas and FATA .

i) **Islamabad Capital :** This programme includes completion of left- over works of the Prime Minister's Secretariat, Heliport for VIPs, Parliament Lodges for the Parliamentarians, Residences for Supreme Court Judges, Clover Leaf at Faizabad and Dualization of Kashmir Highway from Zero point to G.T. Road. Also, the work on Water Supply Project Khanpur (Phase-I) to bring in 51 Mgd drinking water to Islamabad/Rawalpindi etc. will continue, while the projects of Augmenting Islamabad Water Supply from Tubewell Source and the Replacement of Mains Lines would be completed during 1997-98. Under its self-financed programme, the Capital Development Authority will complete area development works in Sectors F-11, E-11, E-12 and G-11. Also, such activities will be started in Sectors D-12, E-12, G-13 & I-12 during 1997-98.

- ii) **Government Offices and Buildings:** Most of the on-going projects at various places will be completed such as Election House & F.P.S.C. Building in Islamabad and AGPR Office at Karachi. In addition, work on construction of Office Buildings for Income Tax and Excise Departments at different locations in Pakistan and Audit House & Passport Office at Islamabad etc., will continue. However, during 1997-98, low priority will be assigned to initiate new Office Buildings in public sector.
- iii) **Government Employees Housing:** This programme envisages construction of about 5000 houses for Federal Government employees in Islamabad, Lahore, Karachi, Peshawar and Quetta. Of these about 1000 houses/flats will be constructed in Islamabad which will help in reducing the housing shortage to some extent. The ongoing works like construction of FGE residential accommodation including 5160 houses for FGE (Phase-II) and 152 Cat-V Quarters at Islamabad will be further progressed, and 258 Houses at Dhana Singwala, Lahore. The Housing Foundation plans to provide about 5000 developed plots to Federal Government Employees in planned schemes at Islamabad (Sector G-13), Lahore and Peshawar. In order to overcome the housing shortage in Islamabad/Rawalpindi, the CDA in collaboration with private sector intends to provide bulk land in Zone-II Islamabad for the development of housing schemes by the Cooperatives Societies of Government Employees.
- iv) **Islamabad Capital Territory:** Allocations have been made for the construction of residential-cum-office accommodation at Islamabad to meet requirement of ICT's Administration, and extension of water supply facilities in the rural areas of Islamabad Capital Area.
- v) **Civil Armed Forces:** This includes projects for the construction of offices and residential accommodation, Thanas and Levies for agencies including Frontier Constabulary, Balochistan Force, Mehran Force, Coast Guards, Pakistan Rangers, Police and Federal Investigation Agency. Major schemes on which work will continue are construction of CAF Forts, Thanas and accommodation for FC in NWFP and Balochistan, Border Out-Posts for Pakistan Rangers along the Indo-Pakistan Border, and office-cum-residential accommodation for Mehran Force in Sindh.
- vi) **Other Programme:** Other projects to be executed during 1997-98 relate to construction of National Police Academy at Islamabad, houses for Judges of Supreme Court, accommodation for Income Tax Department, Haji Camps at Sukkur, Civil Defence Training School at Quetta, Federal Judicial Academy Building at Islamabad, Water supply schemes at Ghallanai South Waziristan Agency, Training Centre for Islamabad Police etc.

Provincial PP&H Programme (1997-98)

14.10 Total sectoral allocation for the four Provinces is Rs.7941 million. It includes the SAP's funding of Rs.4320 million for water supply and sanitation schemes in rural areas (i.e. Rs.2520 million to implement 2147 schemes in Punjab, Rs.359 million for 210 schemes in Sindh, Rs.827 million for 457 schemes in NWFP and Rs.614 million for implementing 36

programmes in Baluchistan). The Provincial PP&H programmes include development of residential plots in urban areas, increased provision of piped water supply, sewerage and drainage facilities both in the urban and rural areas, provision of housing and offices for the Provincial Government employees, improvement of Katchi Abadis and slums, and allotment provision of 5/7-Marla plots to the rural shelterless. Out of total provision, the major share of about 63 percent is for urban and rural water supply and sanitation sub-sectors. Province-wise details are given in the following paragraphs.

Punjab

14.11 In 1997-98's PSDP, an allocation of Rs.5461 million has been made for PP&H sector. Major sectoral targets include the development of about 40,000 small size residential under plots in various Site and Services schemes in the urban areas, provision of drinking water to additional One million population in urban and 3.50 million persons in rural areas, and sewerage/sanitation services to additional population of 3.00 million in urban and 2.50 million in rural areas. Details of various programmes under different sub-sectors are hereunder.

- i) Work will continue on about 13 on-going projects of plot development during current financial year. As a result, about 10,000 plots will be developed by the Department of Housing & Physical Planning. In addition, about 27,000 plots will be developed in Lahore, Faisalabad and Multan by the respective Development Authorities. Additional 3000 plots will be developed in the Labour Colonies under the Workers Welfare Fund's Programme.
- ii) Construction of housing for Provincial Employees and Government Offices will be continued and new projects initiated. The target envisaged is the construction of about 5000 houses.
- iii) Provincial Public Health Engineering Department will be undertaken in rural areas to implement 2147 projects of constructing, rehabilitating and augmenting the water supply, sanitation and drainage schemes. These include 300 schemes being undertaken in Barani Districts under Asian Development Bank's assistance.
- iv) Besides, in urban areas including cities of Lahore, Rawalpindi, Faisalabad and Multan the works on 100 sectoral projects will continue, to serve an additional population of One million with water supply and about 1.70 million with sewerage.
- v) The Provincial Housing & Physical Planning Departments envisage under-taking of 32 urban development projects in major cities including the Punjab Urban Development Project, and the development packages in other cities for improvement of infrastructure services.
- vi) Under Accelerated Development Programme, the targets envisaged are the provision of 0.245 million 7-Marla plots in rural areas and Up-gradation of Katchi Abadis/slums to benefit about 0.50 million population in various cities of the Province.

Sindh

- 14.12 Physical Planning & Housing Sector has been allocated an amount of Rs.710 million under ADP 1997-98 for implementing 336 schemes, out of which 160 schemes are to be completed by June, 1998. Sub-Sectoral main programme, is the SAP component pertaining to rural water supply and sanitation, for which Rs.359 million are earmarked as local component to implement 210 schemes including IDA assistance mechanized water supply and sanitation schemes, out of which 106 will be completed by June, 1998. In overall terms, 0.80 million additional persons would be served with potable water supply whereas 0.75 million additional population would get drainage facilities in 1997-98.
- 14.13 Besides, an allocation of Rs.351 million is kept for executing various schemes of other Sub-sectoral programmes. These include Rs.11 million for urban water supply and sewerage projects. With this investment 0.25 million additional persons will be served with water supply facilities and 0.2 million additional population with sanitation facilities. Out of total 48 schemes, 14 schemes (4 water supply and 10 sewerage) are to be completed by June, 1998.
- 14.14 Under the financial aid schemes to KDA, KW&SB, HDA and other local bodies, a sum of Rs.95 million is kept for the KDA to complete 5 SSDP projects in 1997-98. These schemes upon completion would strengthen the Malir Bund, channelize Korangi Nallah, provide improved traffic engineering measures on city arterials and complete two bridges at University Road over railway track and over Lyari River at Rashid Minhas Road.
- 14.15 In the year 1997-98, the KW&SB would complete Greater Karachi Sewerage Scheme through ADB assistance, to provide 54 Mgd. sewage treatment facilities at Mauripur. It would also lay 15 Kms long Lyari Trunk Sewers, 37 Km of Baldia Trunk/Secondary Sewers, and undertake clearing/repair of existing sewers to facilitate collection of sewage. Thereafter, the total sewage treatment facilities would be augmented to 131 Mgd in Karachi City.
- 14.16 During 1997-98, additional 100 Mgd of water is likely to be added to the existing Karachi Water Supply system upon the completion of K-II Project through IDA assistance. This would increase the total supplies to Karachi upto 488 Mgd. Besides this, the balance 17 Mgd of water would also be added upon the completion of Pumping Conveyance System for Balance Quantity of Phase-IV, thus making total water supplies of 505 Mgd to Karachi. Also, the work for providing water treatment facilities at Hub and Pipri, with OECF assistance, would remain under execution in 1997-98.
- 14.17 A sum of Rs.55 million is allocated to the HDA to continue work on 3 PP&H schemes at Hyderabad, including Greater Sewerage Project. An allocation of Rs.64 million is kept to complete 7 schemes of interior cities of Sindh, being executed through IDA assistance, for providing Bus and Truck terminals in Larkana, Mirpurkhas, Sehwan and Nawabshah. Major roads of Sukkur and Jacobabad will be improved/rehabilitated and Wagon/Taxi Stands to be constructed. In addition, Rs.75 million will be incurred to construct office buildings and residential accommodation for the Government Employees.

N.W.F.P

14.18 Out of total Provincial PP&H allocation of Rs.989 million in 1997-98, an amount of Rs.33 million has been allocated for implementing 32 schemes of Government Buildings, Employees housing and urban development in major cities and various District Headquarters, etc.

14.19 An amount of Rs.130 million has been earmarked for the urban water supply and sewerage sub-sector. The allocation covers 17 schemes, out of which 12 schemes will be completed during 1997-98. About 457 (on-going and new) projects of rural water supply and sanitation will be undertaken under the SAP during 1997-98. Major overall physical targets for 1997-98 include provision of water supply facilities to 0.40 million urban and One million rural population, sanitation facilities to 0.50 million urban and 0.50 million rural population, and construction of 500 housing units for Government Employees at various places in NWFP.

14.20 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 4500 plots will be developed. Also, the living conditions of about 0.10 million urban slum-dwellers will be improved. In rural areas, about 5000 small sized plots will be developed and distributed among the Shelterless population.

Balochistan

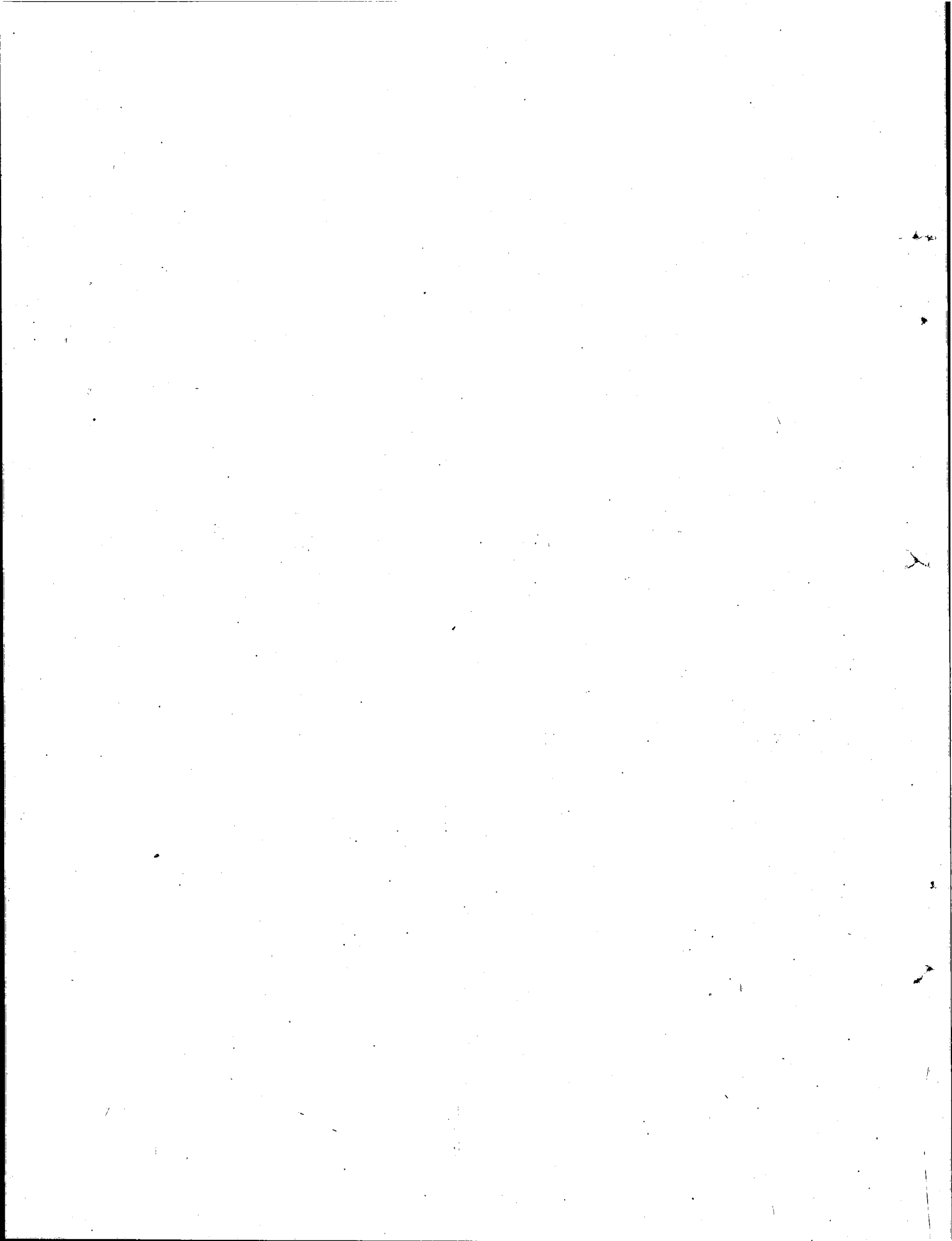
14.21 During 1997-98, an allocation of Rs.781 million is provided for implementing 56 PP&H schemes. It includes Rs.38 million to develop 3 small size residential plots schemes, Rs.47 million for urban sewerage and water supply projects, Rs.82 million for Government offices/buildings and accommodation at Quetta and other places and Rs.615 million is implement 36 programmes envisaging implementation of numerous rural water supply and sanitation schemes in Baluchistan Province under the SAP.

14.22 During 1997-98, additional population of 0.35 million will be served with water supply and 0.10 million with sewerage in urban areas. In rural areas additional One million population will benefit from piped water supply and 0.25 million persons with sanitation facilities. The projects for improvement of Katchi Abadis in Quetta will upgrade environmental conditions of 0.15 million dwellers. Also, 3,000 small size residential plots will be allotted during 1997-98, to rural shelterless population.

PART-III

**HUMAN RESOURCES AND SOCIAL
DEVELOPMENT**

(157-158)



CHAPTER-15

EDUCATION & TRAINING

15.1 Education is a process through which nation 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 earning level of individuals, improves health status and control family size. 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, however, are no less important. Without adequate development and expansion of non-SAP programmes achievements under SAP will be wasted.

REVIEW OF 1996-97

15.2 Education sector outlay, in Public Sector Development Programme, initially was Rs.8.1 billion. After economy cut in October 1996 the allocation for education sector was reduced to Rs.5.8 billion against which Rs.3.8 billion were utilized giving a utilization rate of 66 per cent. Allocation for education related SAP programme was Rs.3600.0 million against which Rs.2100 million were spent. Details are in S.A.Table-15.1. In sub-sectoral utilization of development funds there have been variations among various agencies as given in Table-15.1.

TABLE - 15.1
PERCENTAGE (%) UTILIZATION OF PSDP ALLOCATION
FOR THE YEAR 1996-97 BY SUB-SECTORS & EXECUTING AGENCIES

Sub-Sector	Punjab	Sindh	NWFP	Baloch- istan	Federal Govt.	Pakistan
Primary	46	42	100	41	68	57
Secondary	96	76	100	69	95	88
Teacher	-	14	100	62	89	54
Technical	87	89	96	10	11	41
College	104	110	99	76	101	103
University	-	-	-	-	90	-
Scholarship	53	-	100	100	93	82
Literacy	-	70	-	-	100	99
Miscellaneous	75	7	100	30	59	46
Total:	54	52	100	51	76	66

PHYSICAL ACHIEVEMENTS

School Education

15.3 During the year 2133 primary schools were established. Buildings of 1259 shelterless primary schools were constructed and 249 Mosque schools were converted as primary schools. In over-crowded primary schools 965 classrooms were added besides improving physical facilities of 1934 primary schools. To accommodate increasing output of primary and middle schools 629 primary and 41 middle schools were upgraded. Intermediate classes were added in existing 27 high schools. On-going works for establishment of four high schools, reconstruction of buildings of 28 middle and 8 high schools were completed. About 162 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-15.2.

Teacher Education

15.4 During the year construction work was completed for two Elementary Teacher Training Colleges in Sindh and an hostel building with Elementary Teacher Training College Kalat. 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) were started while the functions of PITE were started in borrowed buildings in all the four provinces. Other activities of this 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.

Technical Education

15.5 During the year ongoing work for establishment of four Mono-technic Institute; two colleges of technologies and three Government Commercial Institutes; upgradation of one Commercial Centre as Commercial Training Institute and one Vocational Training Institute as Polytechnic Institute; and improvement of physical facilities of five colleges of Commerce were completed. Work remained in progress for establishment of two Polytechnic Institute and construction of building of three Commercial Training Institutes. Under Community Based Technical Project two centres have been established at Rawalpindi/Islamabad and Gujrat.

College Education

15.6 During the year work on construction of buildings for five inter and six degree colleges; addition of postgraduate classes in four degree colleges; upgradation of six inter colleges to degree level and improvement of physical facilities in 30 inter/degree colleges were completed.

15.7 Work remained in progress for construction of buildings of three intermediate and two degree colleges, addition of post graduate classes in two degree colleges; upgradation of four inter colleges to degree level; construction of buildings of four intermediate and five degree colleges and improvement of physical facilities of 20 inter/degree colleges.

15.8 Work was initiated for; upgradation of three inter colleges to degree level; construction of buildings of six inter and degree colleges and improvement of physical facilities of 15 inter/degree colleges in the country.

Scholarships

15.9 Agency-wise expenditure on scholarships during 1996-97 is given below:

(Million Rs.)

Punjab	Sindh	NWFP	Baloch istan	M/o Edu.	M/o Def.	AJK	NA	FATA	Pakistan
41.6	-	7.7	-	159.4	0.3	-	-	19.7	228.7

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.

15.10 During the year 40 students were sent abroad for higher studies while 70 returned after completing their studies from abroad. In addition students were awarded scholarships in different disciplines under Cultural Exchange Programme offered from different countries. Admission of about 700 foreign students was arranged in various institutions in the county on self-finance basis.

University Education

15.11 Work were completed for the development project of University of engineering & technology, Lahore, Construction of Marvi hostel in Sindh University Jamshoro, and development scheme of NED University of Engineering and Technology (UET), Karachi. Promotion of teaching of Arabic and training of in-service Arabic teachers through AIOU with collaboration of Arab League (ALESCO) was also completed.

15.12 Work remained in progress on various on-going development projects of university campuses and other institutions of higher education. Linkage programmes of Pakistani Universities with foreign universities remained in progress.

Literacy and Mass Education

15.13 About 7117 Non-formal Basic Education Schools/Centres were established by Prime Minister's Literacy Commission (PMLC) directly and partly through NGOs. Provincial Governments have established literacy councils with network at district level to help implement the PMLC programme. Legislation for compulsory education have been enacted by Government of Punjab, Sindh and NWFP, while it is under process in province of Balochistan. Public awareness campaign continued to create value for education in the general public, participation of local communities in administration and supervision of schools through School Management Committees was initiated.

Miscellaneous

15.14 Construction of office building for Directorate of Education in Punjab and Sindh, development of public library, Arts Council and Museum at Peshawar, Chitral and Dir, work on development of Academy of Educational Planning and Management, Islamabad and National Museum of Science and Technology, Lahore were completed. Work on construction of building for Directorate of Education Balochistan, DEO Office, improvement of educational facilities in Deeni Madaris, National Education Foundation, Reader Club and establishment of National Education Testing Service (NETS) remained in progress.

Establishment Division

15.15 About Rs. 7.8 million were spent on the on-going development projects of Secretariat Training Institute, Islamabad, Civil Services Academy, Lahore, Pakistan Academy for Rural Development, Peshawar and NIPA Lahore.

SPECIAL AREAS

a) Azad Jammu & Kashmir

15.16 Out of Rs.146.0 million allocated for expansion and development of educational programmes in AJ&K Rs.133.3 million were utilized. The physical performance included construction of building of existing 85 shelterless primary schools, addition of 50 classrooms in over-crowded primary schools. Construction of buildings of four inter colleges, one Elementary Teachers Training College and Provision of equipment for elementary teacher training colleges and technical colleges remained in progress.

b) Northern Areas

15.17 An amount of Rs.77.5 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 primary schools through community support programme, completion of on-going works for up-gradation of seven primary, three middle and one high school. Construction of buildings of 28 primary schools, three High schools, one college were also completed.

c) FATA

15.18 An amount of Rs.165.5 million were allocated for the expansion and development of education sector programme which were utilized 98 percent. Expenditure on primary education was Rs.71.2 million while on secondary education it was Rs.50.5 million. On-going work for establishment of 77 primary schools was completed besides addition of class rooms in 8 existing primary schools, and construction of buildings of 10 existing primary schools. Work on the upgradation of 24 primary and 8 middle schools and two high schools remained in progress. Rs.19.7 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 1996-97

15.19 Total of Rs. 5855.0 million were allocated (revised PSDP) for the development and expansion of Education Sector programmes in the country against which Rs. 3859.5 million were utilized showing utilization rate of 66 per cent. Out of the expenditures incurred Rs.2200 million was the foreign aid utilized during the year. Social Action Programme (SAP) designed to provide basic education facilities was the main focus on which Rs. 2100 million (54% of total expenditure for the year) were spent.

15.20 Out of total expenditure of Rs.3859.5 million in 1996-97, Rs.2726.6 million (71%) 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-15.1.

PROGRAMME FOR 1997-98

Financial

15.21 Rs.7872.0 million are allocated for expansion and development of Education and Training Programme in the country of which Rs.6475.7 million have been allocated by the Provincial Governments while Rs.1396.3 million have been allocated to Federal Agencies - Ministry of Education Rs.819.4 million, Defence Division Rs.14.2 million, AJK Rs.200.0 million, NA Rs.185.0 million, FATA Rs. 173.9 million and Establishment Division Rs. 3.8 million. Allocation for SAP related education sector programme is Rs.5716.8 million. Sub-Sector-wise and agency-wise PSDP allocation for the year are given in S.A.Table 15.3. 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 15.2 below:

TABLE-15.2
SUB-SECTOR-WISE PERCENTAGE (%) SHARE OF ALLOCATION
DURING 1997-98

Sub-Sector	PUNJAB	SINDH	NWFP	BALO- CHISTAN	FEDERAL	PAKISTAN
Primary	55.6	52.8	88.0	69.5	28.2	57.5
Secondary	26.8	16.6	8.3	20.2	10.7	19.4
Teacher	1.2	2.1	0.2	4.8	2.2	2.1
Technical	3.9	11.3	0.5	1.5	3.5	3.5
College	7.2	15.8	1.6	3.1	5.3	6.0
Scholarships	2.6	0.0	0.8	0.0	12.4	3.3
University	0.0	0.0	0.0	0.0	29.2	5.2
Literacy	0.4	0.0	0.0	0.0	0.1	0.2
Miscellaneous	2.3	1.4	0.6	0.9	8.4	2.8
Total:	100.0	100.0	100.0	100.0	100.0	100.0

Physical

School Education

15.22 During the year 1514 primary schools will be opened. Buildings of 1718 shelterless primary schools will be constructed and 728 mosque schools will be converted as primary schools. In over-crowded primary schools 4388 new classrooms will be added. To accommodate the increasing output of Primary level 1086 primary and 185 middle schools will be upgraded besides establishment of 31 high schools in the country. Buildings of 85 existing middle and high schools will be reconstructed while 179 new classrooms will be added in over crowded middle and high schools. Agency-wise targets for school education during 1997-98 are summarized in S.A.Table-15.4.

Teacher Education

15.23 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 buildings of four Elementary Colleges in Azad Jammu & Kashmir. Establishment of two male and two female Elementary Colleges in Sindh and construction of a hostel at elementary teachers' training college Kalat will also be completed. ADB assisted teachers, Training project will gain momentum in all the four provinces. Establishment of Provincial Institutes of Teachers 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

15.24 The Technical Education programmes, for the year include completion of construction work of four Government Commercial Training Institutes, five Vocational Institutes and Upgradation of one Commercial Training Institute to College of Commerce. Improvement and strengthening of existing four colleges of Commerce and two Polytechnic Institutes will also be completed. Establishment of two Government Commercial Training Institutes and Five Vocational Institutes will remain in progress. Upgradation of three Commercial Training Centres to Institute level and construction of buildings for four Government Vocational Institutes will be continued. Under Vocational Education & Training Programme (VETP) Vocational Model high schools will be established and vocational trades will be introduced in 25 existing high schools. National Institute of Science & Technical Education (NISTE) will be strengthened.

College Education

15.25 Some projects in this respect include upgradation of 15 Inter Colleges to Degree level; provision of additional facilities in 40 intermediate and Degree Colleges; establishment of four Degree Colleges in the country. Establishment of 9 Inter, 29 Degree colleges will remain in progress. 14 Inter colleges will also be upgraded to Degree level besides the provision of additional facilities to 37 Inter & Degree colleges.

Scholarships

15.26 During the year Rs.259.3 million will be spent on scholarships for higher studies in the country and abroad. Under foreign scholarships 40 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.

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

Punjab	Sindh	NWFP	Baloch- istan	M/o Edu.	M/o Def.	AJK	NA	FATA	Pakistan
78.0	0.2	7.3	-	149.6	0.3	-	-	24.0	259.4

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

15.28 Development and expansion work of all the university campuses will be continued. Development work for upgradation of Sindh University Engineering college as Mehran University of Engineering & Technology, Immediate needs of university of Peshawar, New Primary Teachers Orientation Course (PTOC) & Women Middle level Education 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.

Literacy and Mass Education

15.29 Work will remain in progress on the motivational campaign for provision of primary education and rural development in 35 villages of Islamabad. Work on establishment of remaining 2500 Non-formal Basic Education schools will be completed. 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.

Miscellaneous Programmes

15.30 Work on construction of office buildings for three District Education and seven Deputy Education Offices, construction of three sport complexes and four sport stadium will remain in progress. Construction of buildings for Directorate of School Education Offices at Sukkur, Larkana and Quetta will be completed and work on construction of Planning & Monitoring cell, education department office will remain in progress. 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 7000 members will be benefitted through readers club scheme launched by National Book Foundation.

Establishment Division

15.31 About Rs.3.8 million are 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

15.32 Rs. 200.0 million are allocated for expansion and development of educational programmes in AJ&K. Out of total PSDP allocation Rs.93.9 million (47 %) will be spent on elementary education for construction of building of primary and middle schools, addition of classrooms with existing middle schools provision of furniture and teaching material for primary

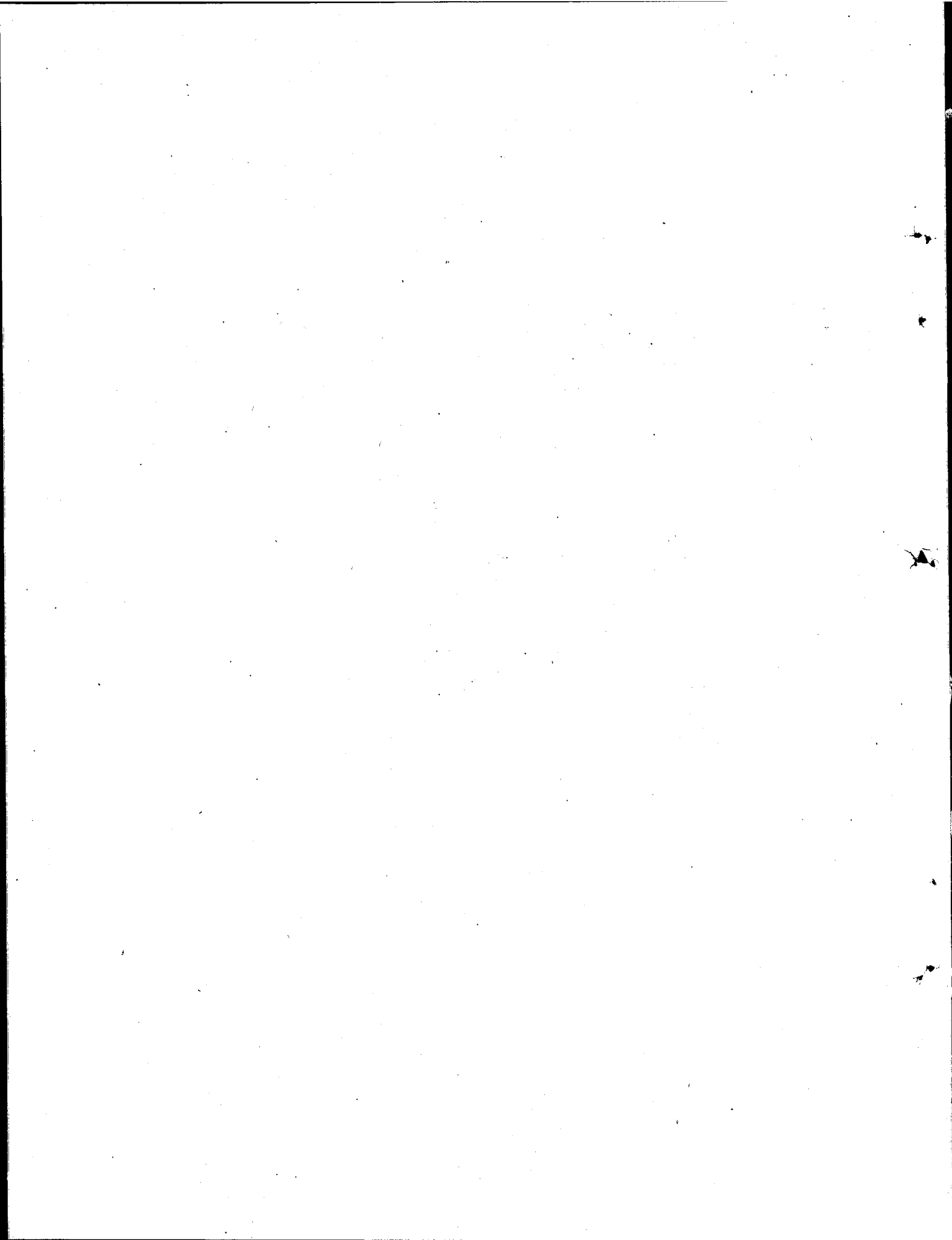
schools and improving facilities for Elementary colleges. Work on provision of additional classrooms to high schools; sport stadium with three degree colleges and one polytechnic will remain in progress. Work on construction of building of seven Inter colleges and a hall with Board of Intermediate & Secondary education will be completed.

b) Northern Area

15.33 Rs.185.0 million are allocated for expansion and development of various education related programmes for Northern Areas. Out of total PSDP allocation Rs.145 million (78 %) will be spent on primary education. Under foreign aided project besides opening of primary schools under community support programme some primary schools will be opened under public sector programme. Work on establishment of two elementary teachers training colleges for women will be started. Other programmes for staff development, development of teaching learning material and creation of Women Development Unit/Cell in Planning & Development Department will be initiated. 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

15.34 An amount of Rs.173.9 million are allocated for development and expansion of education related programmes. During the year 12 new primary schools will be opened; 20 primary, 5 middle and 4 high schools will be upgraded. Work for establishment of 2 high schools and 1 vocational centre for women will be initiated. Scholarships will be awarded to students.



CHAPTER-16

SPECIAL DEVELOPMENT PROGRAMME FOR WOMEN

16.1 The Eighth Plan acknowledges the prevailing low status of women and their neglect in the past. It provides for full integration of women in development by ensuring equality of opportunity in education, health, employment and all other spheres of national life. The Plan also provides for creation of awareness among policy makers and public at large regarding discrimination of women and its economic and social consequences.

16.2 Within above imperatives, the Plan envisioned to expand opportunities for women education, health and employment. The Plan provided for removal of gender disparities in education and opening of all branches of learning, including physical and social sciences as well as professional, technical and vocational subjects, for women. The health programmes included education on health and nutrition for mothers, families and communities. The employment programmes included skill development and credit facilities for women, securing a larger share of employment in professions like teaching and nursing, and involvement of women cooperatives. The Plan also provided for encouragement of NGOs including legal aid societies who were expected to mount a bulk of effort for women development. The Plan also envisioned to raise a cadre of women development workers.

16.3 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, grant-in-aid for women programmes and to NGOs. The programme is divided under two main heads viz regular programme and special women action programme (SWAP). SWAP consists of projects recommended by elected representatives.

16.4 In line with Eighth Plan, the thrust of policy during the year will be (i) improving educational status (ii) expanding health facilities, and (iii) providing more openings for income generation. In addition, removal of discrimination in education and employment and better information and communication of women issues, on their rights and responsibilities would be ensured.

16.5 Programmes of vocational training in the fields of secretariat work, computers, communications, pharmaceutical, hairdressing etc will be strengthened, expanded and improved. New field training areas like wax molding, precision casting and electronics will be explored.

I. FEDERAL

16.6 The projects for the current year were prepared keeping in view the improvement in the conditions of poor/ needy women & children, development programme for overall welfare of female population. Out of lump amount of Rs.100 million provided in the financial year, 1996-97 for regular and Special Women Action Programme (SWAP), Rs.81.776 million (Rs.48.258 million for regular and Rs.33.518 million for SWAP) were utilized under the funding of 85 on-going/new development projects (47 under regular and 38 under SWAP programme) for women all over the country 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.

II. Provincial Women Welfare Programmes

16.7 The provincial Governments of Sindh and NWFP have provided separate allocations in their Provincial PSDP 1996-97 for Women Welfare Programmes. The Province of Punjab and Balochistan have not provided any separate amount for women welfare activities in their respective PSDPs. The Province-wise details of the programmes is given below:-

Province of Sindh

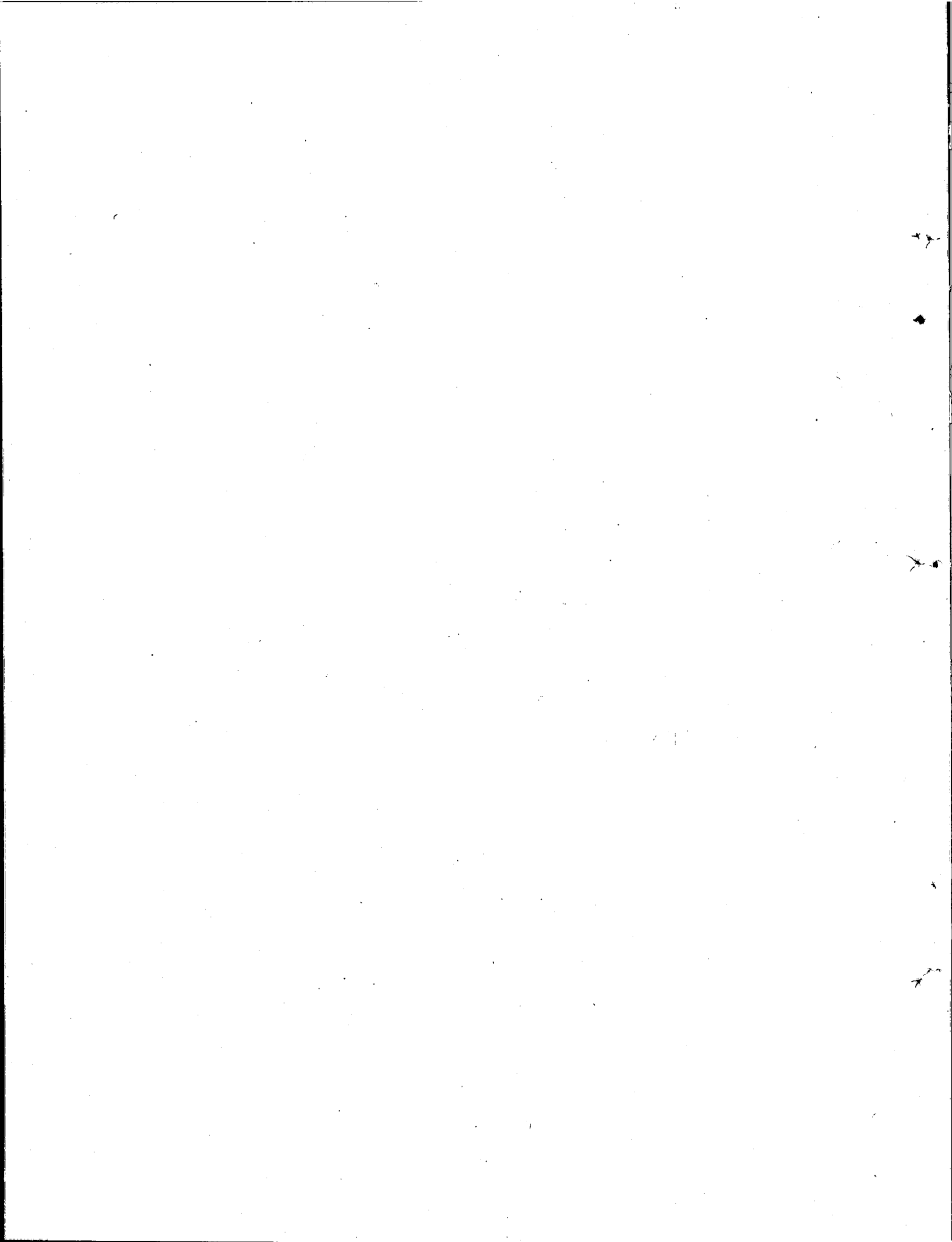
16.8 An amount of Rs.19.3 million was provided for 1996-97. The schemes provided funds were; Project for Imparting Training Institute/workshops for women at 8 District Headquarters DHQs(Rs 0.6 million), Establishment for Research and Training Institute(RTI) at Karachi (Rs 5.6 million) Legal and Medical Aid Units for women at Divisional Headquarters (Rs 3.5 million, establishment of Libraries for Women & Book Banks at Divisional Headquarters (Rs 6.3 million) and Establishment of Cottage Industries for women in local Handicrafts with improved Technology particularly in rural areas of Sindh(Rs 3.3 million). No scheme has been funded during 1997-98 in the Women Development Sector.

Province of NWFP

16.9 The NWFP Government has provided an amount of Rs 7.00 million for the uplift of women folk against which Rs 0.24 million were spent. During 1997-98, an amount of Rs 2.943 million has been provided for five projects. These project are; Establishment of Five Women Industrial Training Centres (Rs 0.500 million) Establishment of NWFP Centre for the rights of Women and Children(Rs 0.5 million), Institutional Strengthening of Women Development Department(Rs 0.443 million), Development of Women Studies Centre, University of Peshawar (Rs 0.500 million), Establishment of 3 Days Care Centres at Peshawar, Mardan and Abbottabad (Rs 1.00 million).

III. PSDP FOR 1997-98

16.10 A lump provision of Rs.43.45 million has been made in the current financial year 1997-98 for the development programme of Women Development Wing. Out of total, Rs. 30.41 million has been allocated for regular programmes while, Rs.13.04 million for Special Women Action Programme (SWAP). The NWFP Government has allocated Rs.2.943 million for women development projects. Details are given in S.A.Table-16.1.



CHAPTER-17

CULTURE, SPORTS, TOURISM AND YOUTH

OVERALL PROGRAMME

17.1 During the year 1996-97, Rs.185.703 million were allocated to Archaeology, Culture, Sports, Tourism and Youth sector with Federal share of Rs.74.476 million and Provincial programmes of Rs.111.227 million. Of this Rs.67.2 million were spent which shows 36.1% utilization; Rs.46.759 million were utilized by the Federal agencies and Rs.20.408 million by the provinces. Financial details are available in S.A.Table-17.1 while physical progress is shown in S.A.Table-17.2. The sub-sectoral details are given below:

REVIEW OF FEDERAL PROGRAMME 1996-97

Culture & Archaeology

17.2 The primary thrust during the year was on the speedy completion of on-going projects at various places. Jehangir's Tomb and Shish Mehal at Lahore Fort, Survey of Archaeological sites in Punjab and Sindh, Expansion of Taxila Museum, Mughal Gardens-Wah, Islamabad Museum were the major on-going projects which consumed funds on repair and construction works. An amount of Rs.16.182 million has been spent during the year on completion of Archaeological Conservation Research Laboratory at Taxila. Extension of Lok Virsa museum galleries was completed by spending Rs.0.380 million. The sub-sector utilized Rs.31.648 million against the revised allocation of Rs.34.727 million, showing utilization rate of 91.11%.

Sports

17.3 Sports stadia at Nawabshah and Mansehra were allocated Rs.7.5 million under the revised PSDP allocations; but only Rs.2.5 million were released for the stadium at Nawabshah and Rs.1.875 million for stadium at Mansehra.

Tourism

17.4 Pakistan Tourism Development Corporation's on-going motel projects at Satpara lake, Skardu, Phandar, Baran Kalay, Mastuj, Besham and Chail Mankial utilized Rs.5.514 million. The progress was slow due to weather limitations and revision of PC.Is. The work on Pakistan Institute of Tourism and Hotel Management, Karachi made headway and the building component was in the final stages of completion. The sector utilized only Rs.6.497 million as released out of Rs.29.760 million during the year, showing a utilization rate of 21.83 percent. (Rs.18.00 million allocated to Austrian Pakistan Institute of Tourism and Hotel Management at Swat could not be utilized due to non-completion of design work required for taking up civil works.

Youth

17.5 Under the Youth Development Fund (YDF) Rs.0.750 million were disbursed to Youth NGO. The Youth Hostel Larkana is in advanced stages which utilised Rs.1.489 million on civil works this year. The hostels at Jamshoro and Gilgit consumed Rs. 0.500 million each and are at initial stages. Rs.1.000 million were spent on the provision of additional recreational facilities in the existing 13 youth hostels. The sector consumed Rs.4.239 million as released against the initial allocation of Rs.2.489 million. The funds were utilised fully. The utilization rate against the initial allocation stands at 170.3%.

FEDERAL PROGRAMME FOR 1997-98

17.6 For 1997-98, Rs.151.4 million (revised) have been allocated to the sector including Rs.62.4 million for the programmes carried out by the Provinces and Rs.88.969 million by the Federal Ministries. The sectoral priority during 1997-98 will be early completion of ongoing schemes initiated during the Eighth Five Year Plan. Since the progress on all the schemes has not been very encouraging, maximum funds have been allocated to those schemes which are at the final stages of completion.

Culture and Archaeology

17.7 An amount of Rs.18.324 million has been allocated to the sub-sector. The restoration work in the four projects of Lahore Fort namely Shish Mehal, basement chamber of Shish Mehal, and eastern and western dalans of Jahangir's quadrangle will continue with a total allocation of Rs.3.900 million. Similarly renovation work on Jahangir's tomb will also continue through three projects with a combined allocation of Rs.2.250 million. The remaining works on Moghal Gardens, Wah will continue during the year for which Rs.2.00 million have been allocated. For expansion of Taxila Museum. Rs.2.00 million have been earmarked. The National Art Gallery will utilise Rs.2.00 million on civil works. The renovation work of Quaid-e-Azam Residency at Ziarat is complete. Rs.1.500 million will be spent on landscaping and some minor works. The repair work on group of 4 anonymous tombs at Lal-Mehra Sharif, D.I. Khan perimeter wall of Jehangir's tomb, and Shish Mahal will be completed this year. The survey and documentation of archaeological sites in Punjab and Ancient Gandhara will also be completed.

Sports

17.8 The amount earmarked for sports this year is Rs.5.709 million. The major share amounting to Rs.3.478 million will go to Synthetic Athletic Track at National Sports Training and Coaching Centre, Karachi (NSTCC) for completion. The Tennis courts at NSTCC Karachi will be completed, while sports stadium at Mansehra has been provided Rs.2.118 million also for completion.

Tourism

17.9 This sector has been allocated Rs.60.657 million. The Pakistan Institute of Tourism and Hostel management at Swat has been allocated Rs.36.00 million which also includes an Austrian Grant of Rs.35 million. The amount will be spent on starting civil works. Another such project namely Pakistan Institute of Tourism and Hotel Management at Karachi will receive Rs.5.00 million for completion of civil works. Sixteen projects of Pakistan Tourism Development Corporation (PTDC) have been allocated Rs.19.657 million. Most of the projects have been the victims of poor projects planning and mis-management in past which resulted in cost escalation and revisions of PC-Is. These projects being mostly in Northern areas of the country gained poor response for private sector investment, mainly due to limited business season. These projects are in advanced stages of civil works. Motel at Satpara Lake, Bamburet, Mastuj, have been earmarked Rs.2.00 million each for continuing the civil works. Tourist complex at Saidu Sharif will consume Rs.3.100 million on finishing and furnishing.

Youth

17.10 The allocation to this sector is Rs.4.279 million, of which Youth Hostel at Larkana will get Rs.3.364 million for completion. An amount of Rs.0.915 million will be spent on provision of additional recreational facilities in the existing Youth Hostels.

PROVINCIAL PROGRAMME

REVIEW OF 1996-97

N.W.F.P.

17.11 A sum of Rs.45.800 million was allocated to Archaeology, Sports and Tourism sectors for 33 schemes of which only Rs.4.300 million have been spent. The conservation of historic buildings in Peshawar (Seti House, Gor Khattree, Kotla Mohsin Khan) consumed Rs.1.00 million. Over 25% rehabilitation work has been completed so far. The development of Kund as archaeological and tourist site also utilised Rs.1.000 million and the progress is so far 30%. The scheme has a Prime Minister's directive. The project of Public Library and Art Council at Kohat is nearing completion and it consumed Rs.1.000 million this year.

Balochistan

17.12 An amount of Rs.6.500 million were allocated for promotion of sports and games at district and divisional level but no progress has been reported.

Sindh

17.13 The revised estimates are Rs.6.623 million against the allocation of Rs.28.427 million. The training Institute for Crafts at Sindh Provincial Museum, Hyderabad utilised Rs.2.00 million. The physical progress on the project is 42%; Rs.1.200 million were consumed by Sindh College of Arts and Crafts in Hindu Gymkhana at Karachi where the progress is 45%

so far. While Rs.1.00 million each were spent on children dictionary (Sindhi to English) and Academy for folk music of Sindh, Karachi.

Punjab

17.14 Against the allocation of Rs.30.500 million, Rs.9.485 million have been released and utilized of which the major amount of Rs.6.072 million was utilised by Information and Cultural Complex, Rawalpindi, Phase -I. The physical progress is 42%, while Rs.3.148 million have been spent on Faisalabad Arts Council, Faisalabad Phase-I, which is 68% complete.

Azad Jammu and Kashmir

17.15 The tourism sector was allocated Rs.4.00 million and the revised estimates are Rs.2.270 million. The project of tourist rest houses in Azad Kashmir consumed Rs.1.328 million, the physical progress is 70%. Extension of tourist facilities in Azad Kashmir spent Rs.0.435 million during the year with 70% progress upto now.

PROGRAMME FOR 1997-98

NWFP

17.16 The development programme for 1997-98 is Rs.8.832 million. Rs.2.500 million will be spent on completion of various tourism development projects which were initiated under the project of tourism development activities in NWFP. Feasibility study for rehabilitation of Taj building Nowshehra will consume Rs.0.500 million; Public library and arts council building at Kohat will consume Rs.1.00 million for completion this year. A feasibility study will also be carried out for construction of Sports City in Abbottabad at a cost of Rs.1.00 million. The Sports Stadia at Bannu and Kohat each will consume Rs.0.800 million. The physical progress so far is 40% and 30% respectively.

Balochistan

17.17 The allocation for Culture, Sports and Tourism sectors is Rs.5.700 million. Rs.5.00 million will be utilised on promotion of sports and games at district and divisional level while Rs.0.700 million will be spent on construction of stadium at Sarab, district Kalat.

Sindh

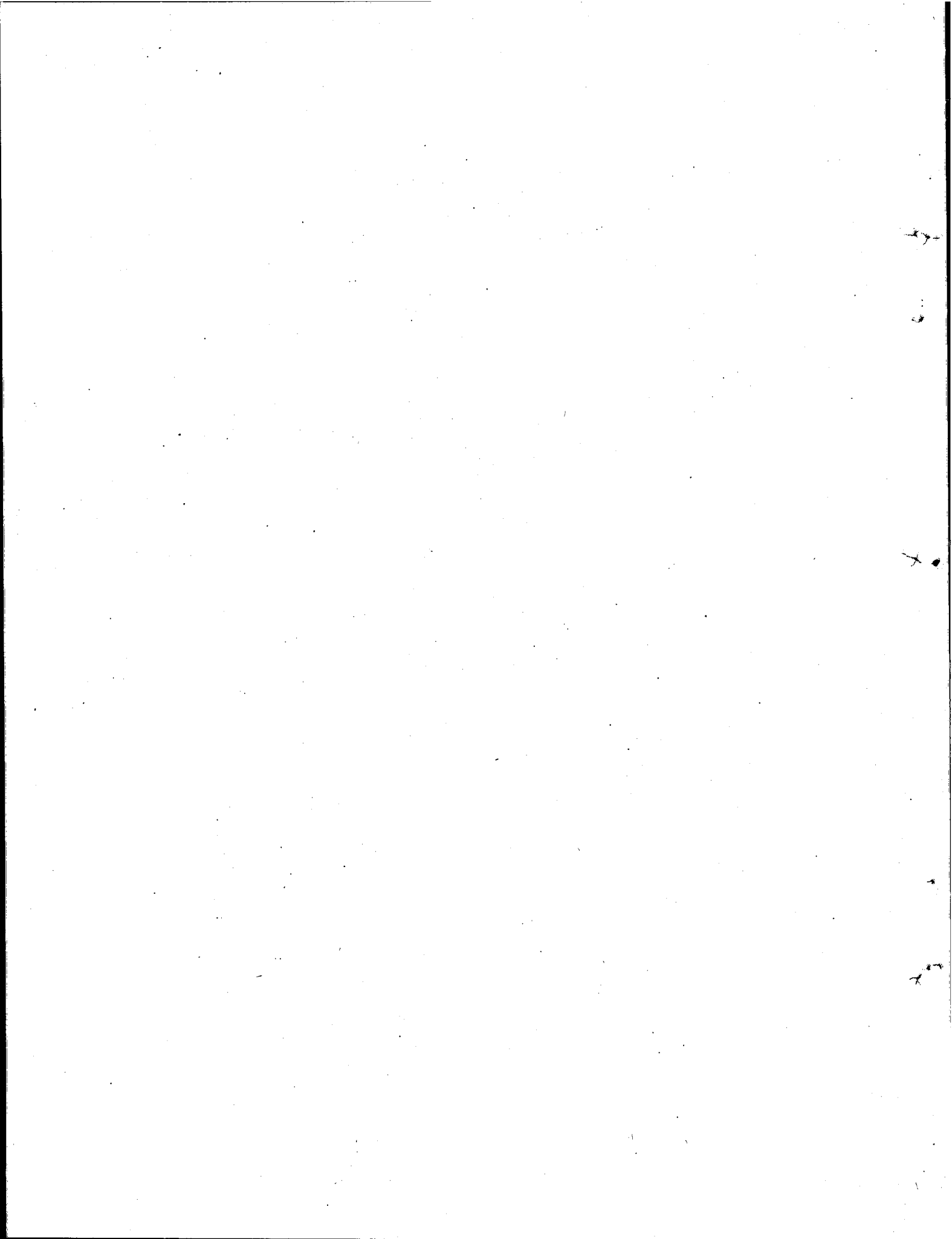
17.18 The allocation for current year stands at Rs.14.00 million. Folks craft museum at Sehwan will receive Rs.2.668 million for taking the progress upto 51%. Sports complex at Bhan Saeedabad will get Rs.2.088 million as the project is nearing completion. Mini Stadium at Nawabshah will utilise Rs.1.00 million for achieving 87% physical progress. Sindhi language Authority, Hyderabad will utilise Rs.1.412 million. The project is 50% complete. Rs.1.500 million each have been assigned to training institute for crafts, Hyderabad and academy for folk music of Sindh, Karachi for further work.

Punjab

17.19 The allocation for the next year is Rs.33.980 million. The major share of Rs.10.00 million goes to Information and Cultural Complex, Rawalpindi, Phase-I which will be completed. Rs.8.790 million will go to Multan Arts Council, Multan, Phase-II also for completion. And Faisalabad Arts Council, Faisalabad, Phase-I will also be completed by spending Rs.7.500 million. Rs.4.701 million have been earmarked for conversion of Changa Manga Lodge into a Commercial Motel. The project is 50% complete.

Azad Jammu and Kashmir

17.20 The tourism sector is allocated Rs.4.00 million. Tourist resort in Neelum Valley is earmarked Rs.0.500 million, the scheme is under revision. Physical progress so far is 61%. The feasibility study of hill resorts at Pir Chinasi will be carried out at a cost of Rs.0.535 million. Rs.0.205 million will be spent on tourist village at Sharda. The project will be completed this year. And tourist rest houses in Azad Kashmir will receive Rs.2.255 million to take the physical progress to 81%.



CHAPTER-18

HEALTH & NUTRITION

REVIEW OF 1996-97

HEALTH

18.1 To improve quality and access of Primary Health Care (PHC) services, the Annual Plan emphasized on upgradation of rural health facilities, training of the paramedical staff; and preventive programmes, especially immunization, control of diarrhoeal diseases, acute respiratory infections among children and malaria control.

18.2 Establishment of new health facilities in the rural areas included construction of 55 BHUs and 17 RHCs besides up-gradation of 200 BHUs and 55 RHCs. A total 2164 hospital beds were added 6.1 million children were fully immunized, While 19.75 million packets of ORS were provided for management of diarrhoea among children. During the year 3100 Doctors, 298 Dentists, 1890 Nurses 5250 paramedics and 7600 TBAs were trained. 43000 LHWs have been trained under Prime Minister's Programme for Family Planning and Primary Health Care. Physical targets and achievements appear in S. A. Tables-18.4, 18.5.

18.3 Total allocation for health sector was Rs. 18394.810 million; Rs.11857.429 million for current budget and Rs.6485 million as development outlay including federal allocation of Rs.2523.741 million. Revised estimates of both development and current budget are Rs.13736.486 million, showing 83 percent utilization. Details of revised estimates 1996-97 and PSDP allocation 1997-98 are given in S.A Tables 18.1 and 18.2.

FEDERAL

18.4 PSDP allocation for federal areas was Rs.3594.615 million while revised estimates stood at Rs.2996.774 million showing 83 percent utilization during 1996-97. Agency-wise revised estimates are given in Table-18.1.

TABLE-18.1
AGENCY-WISE REVISED ESTIMATES OF FEDERAL PSDP, 1996-97

S.No.	Agency	Allocation 1996-97	Revised Estimates 1996-97	Percent Utilization
i)	Health Division	3244.75	2811.575	86
ii)	Islamabad Capital Territory (ICT)	1.700	1.700	100
iii)	Planning Division	4.00	2.00	50
iv)	Narcotics Division	2.2	17.020	774
v)	Azad Kashmir	167.00	88.60	53
vi)	Northern Areas	45.00	16.900	38
vii)	FATA	130.00	58.979	45
Total:		3594.615	2996.774	83

Health Division

18.5 An allocation of Rs.2902.00 million was made through PSDP for the Health Division, against which revised estimates were Rs.2811.575 million showing 96 percent utilization. Sub-sector-wise allocation and utilization is given in Table 18.2.

TABLE 18.2
SUB-SECTOR WISE REVISED ESTIMATES OF HEALTH DIVISION'S
PSDP, 1996-97

S.No.	Sub-sector	Allocation 1996-97	Revised Estimates 1996-97	Percent Utilization
i)	Hospital beds	319.00	435.575	136
ii)	Health Manpower	203.00	386.00	190
iii)	Preventive	880.00	790.00	89
iv)	Rural Health	1500.00	1200.00	80
v)	Nutrition	-	-	-
Total:		2902.00	2811.575	96

18.6 Priority was accorded to the Preventive Programmes; major activities were malaria control, and immunization (EPI) 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.1200.00 million and were utilized on the training of LHWs and procurement of medicines and equipment.
- Rs.558 million were provided for EPI Programme which were fully utilized for procurement of vaccines, Syringes and cold chain etc.
- Malaria Control Programme utilized Rs.180 million on equipment and selective spray at Country level to control malaria.

Planning Division

18.7 PSDP allocation was Rs.4.20 million for nutrition activities including provision of iodized salt to endemic areas. Revised estimates were Rs.2.00 million showing 48 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.

Pakistan Atomic Energy Commission (PAEC) P.M's Secretariat

18.8 Revised estimates remained Rs.25.00 million against allocation of Rs.53.000 million for the year 1996-97. Thus the utilization was 47%. The expenditure incurred was only for the project upgradation of six Nuclear Medical Centres.

Narcotic control Division

18.9 Revised estimates were Rs.17.000 against allocation of Rs.2.200 million. Allocation and utilization of Area Development Programmes for Narcotics Control are reflected under chapter on Rural Development.

Azad Jammu and Kashmir

18.10 Against PSDP allocation of Rs.167.00 million, revised estimates were Rs.88.600 million, showing 53 percent utilization of revised 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 1996-97	Revised Est. 1996-97	Percent Utilization
i)	Rural Health	91.408	26.858	29
ii)	Hospital beds	39.381	59.379	151
iii)	Preventive	0.502	0.167	32
iv)	Nutrition	2.396	1.896	82
v)	Health Manpower	0.720	0.300	42
vi)	Miscellaneous	32.593		-
Total:		167.000	88.600	53

18.11 During the period under review, 10 Dispensaries, 7 BHUs, 5 RHCs and 7 Tehsil Hospitals were completed with addition of 150 beds.

Northern Areas

18.12 Revised estimates were Rs.16.9 million, against PSDP allocation of Rs. 45.000 million, showing 37 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, 1996-97

S.No.	Sub-Sector	Allocation 1996-97	Revised Estimates 1996-97	Percent Utilization
i)	Rural Health	3.500	3.840	110
ii)	Preventive Program.	4.800	0.352	7
iii)	Hospital Beds	3.300	8.555	259
iv)	Health Manpower Development.	1.00	4.008	40
v)	Nutrition	-	-	-
vi)	Miscellaneous	32.4	0.145	0.45
Total:		45.00	16.900	38

F A T A

18.13 PSDP allocation was Rs. 130.00 million, revised Estimates were Rs.58.979 million during the period under review. Breakup is given in Table 18.5 :-

TABLE 18.5
SUB-SECTOR WISE REVISED ESTIMATES OF FATA PSDP FOR, 1995-96

S.No.	Sub-Sector	Allocation 1996-97	Revised Estimates 1996-97	Percent Utilization
i)	Rural Health	42.300	15.750	38
ii)	Preventive Program.	17.500	11.35	65
iii)	Hospital beds	55.00	23.630	44
iv)	Health Manpower	8.00	3.745	50
v)	Nutrition	2.500	1.750	68
vi)	Miscellaneous	4.700	2.754	64
Total:		130.00	58.979	45

Punjab

18.14 An amount of Rs.1260.00 million, was allocated to health sector during 1996-97. The revised estimates were Rs. 833.246 million showing utilization of 66 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 1996-97

S.No.	Sub-Sector	Allocation 1996-97	Revised Estimates 1996-97	Percent Utilization
i)	Hospital beds	215.430	322.942	149
ii)	Health Manpower	835.533	361.863	43
iii)	Preventive	31.00	13.901	45
iv)	Rural Health	118.429	115.512	48
v)	Health Foundation	10.187	10.187	100
vi)	Nutrition.	-	2.267	-
vii)	Miscellaneous	49.421	6.754	14
Total:		1260.0	833.246	66

18.15 Physical achievements during the period include establishment of 6 RHCs, 10 BHUs, and up-gradation of 15 RHCs and 130 BHUs and 5 Urban Health Centres. 1300 Doctors, 900 Nurses and 3200 TBAs were trained. 2.5 million children were immunized and 9.00 million packets of ORS were distributed for the management of diarrhoea among children.

Sindh

18.16 Revised allocation for the year 1996-97 was Rs.339.657 million original allocation for Health Sector during 1996-97 were Rs.720.00 million, while revised estimates were placed at Rs.287.677 million showing utilization of 85 percent. Subsector-wise allocations and revised estimates are given in Table: 18.7.

TABLE 18.7
SUB-SECTOR WISE REVISED ESTIMATES, OF SINDH PSDP, 1996-97

(Million Rs)

Sl. No.	Sub-Sector	Original Allocation 1996-97	Revised Allocation 1996-97	Revised Estimates 1996-97	Percent Utili- zation
i)	Hospital Beds.	142.791	42.764	43.288	100
ii)	Health Manpower.	160.903	62.833	49.127	77
iii)	Rural Health.	315.622	163.459	125.708	77
iv)	Preventive Program.	39.916	50.459	30.554	60
v)	Health Foundation.	25.00	5.00	5.00	100
vi)	Nutrition.	1.768	-	-	-
vii)	Miscellaneous.	34.000	34.000	34.000	100
T o t a l		720.00	339.657	287.677	85

18.17 Physical achievements include establishment of 480 hospital beds, 3 RHCs and 25 BHUs. Upgradation of 5 RHCs and establishment of 2 Urban Health Centres. 3000 TBAs were trained for expansion of services for Mother and Child Health Care at village level; 2.500 million children were immunized against six preventable diseases; and 2.5 million ORS packet were distributed for management of Diarrhoea among children during the period under review. 1250 Doctors, 725 Nurses, 110 Dentists, and 800 paramedics were trained during 1996-97.

N W F P

18.18 An amount of Rs. 560.00 million was allocated through PSDP for 1996-97 while allocation for 1996-97 was revised at Rs.166.775 million. The revised estimates were Rs. 142.00 million showing utilization rate of 85 percent. Sub-sectorwise allocation and estimated utilization is given in Table-18.8

TABLE 18.8
SUB-SECTOR WISE REVISED ESTIMATES, OF NWFP PSDP FOR 1996-97

(Million Rs)

Sl. No.	Sub-Sector	Original Allocation 1996-97	Revised Allocation 1996-97	Revised Estimates 1996-97	Percent Utili- zation
i)	Hospital Beds.	253.382	86.884	55.101	64
ii)	Health Manpower.	120.326	41.409	41.872	100
iii)	Rural Health.	111.992	36.434	41.365	113
iv)	Preventive.	74.400	2.050	3.662	150
v)	Miscellaneous.	-	-	-	-
T o t a l		560.000	166.775	142.000	85

18.19 Physical achievements include 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

18.20 During the year 1996-97, Rs.437.274 million were allocated while revised estimates were Rs.196.786 million Sub-sectorwise allocation and utilization is given in Table-18.9

18.21 Physical achievements include establishment of 195 hospital beds, 3 RHCs 3 BHUs upgradation of 6 RHCs and 8 BHUs 350 TBAs were trained. Immunization coverage of children under one year was 0.260 million children during 1996-97. 0.750 million packets of ORS were distributed for the management of diarrhoea. On the manpower side 120 Doctors, 75 Nurses, 18 Dentists and 225 paramedics were trained.

TABLE 18.9
SUB-SECTOR WISE REVISED ESTIMATES OF BALOCHISATAN'S
PSDP 1996-97

(Million Rs)

S.No.	Sub-sector	Allocation 1996-97	Revised Estimates 1996-97	Percent utilization
i)	Rural Health	30.000	12.256	40
ii)	Preventive Programme	51.747	34.742	67
iii)	Hospital Beds	31.000	31.554	100
iv)	Health Manpower	202.087	116.000	57
v)	Nutrition	2.400	1.440	58
vi)	Health Foundation	20.000	-	-
vii)	Miscellaneous	100.000	0.792	0.79
Total:		437.274	196.786	45

PROGRAMME FOR 1997-98

18.22 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.

18.23 Expanded Programme of Immunization and Control of Diarrhoeal Diseases will also be extended. Treatment of acute respiratory infections among children; anaemia in Child Bearing women including expectant and lactating mothers; and control of iodine deficiency disorders will be given due priority. Training of non-doctor health manpower including nurses and lady health visitors will be intensified and programmes for in service training of all categories of health manpower will be carried out as a part of continuing education. Health Development Centres and Human Resources Development Units in all provinces for effective planning and management of health services will also be established.

18.24 The physical targets for 1997-98 include the new construction of 26 RHCs and 85 BHUs. Upgradation of 82 RHCs and 302 BHUs, construction of 10 urban health centres and a total of 2715 hospital beds will be established. Expected manpower production targets are graduation of 4055 Doctors, 435 Dentists, 2700 Nurses 6750 paramedics, and 9100 TBAs

Immunization programme has plans to protect 9.25 million children while management of diarrhoea through ORS will be supported by provision of 27.00 million ORS packets.

18.25 Details of financial and physical achievements during 1996-97 and targets set for 1997-98 by various executing agencies and by sub-sectors are given at S.A. Tables 18.1-18.7. While trend analysis of total national health budgets over the last two decades in nominal terms is given at S.A. Table-18.8.

Federal

18.26 Allocation for various federal executing agencies including Health Division is Rs.2941.566 million. Details are given in Table 18.10.

TABLE 18.10
AGENCY WISE PSDP ALLOCATION FOR FEDERAL AREAS, 1997-98

			(Million Rs)
S.No.	Executing Agency	Allocation 1997-98	Percent Share
i)	Health Division	2391.589	81.00
ii)	Islamabad Capital Territory	1.477	0.10
iii)	Narcotics Control Division	20.000	0.7
iv)	Pakistan Atomic Energy Commission.	90.000	3.1
v)	Planning Division	2.000	0.1
vi)	Azad Jammu & Kashmir	189.000	6.5
vii)	Northern Areas	94.000	3.2
viii)	F A T A	153.500	5.3
Total:		2941.566	100.00

18.27 Physical targets for 1997-98 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

18.28 PSDP allocation for the health sector Development Projects is Rs. 2391.589 million against the revised estimates of Rs. 2811.575 million during 1996-97. The higher increase in allocation is due to the Prime Minister's Programme for Family Planning and Primary Health Care for which Rs.1030 million has been allocated during 1997-98. Sub sector wise details are given in Table 18.11 :

TABLE 18.11
SUB-SECTOR WISE PSDP ALLOCATIONS FOR HEALTH DIVISION, 1997-98

(Million Rs)			
S.No.	Sub-Sector	Allocation 1997-98	Percent Share
i)	Preventive Programme	606.570	25.3
ii)	Hospital beds	317.446	13.3
iii)	Health Manpower	411.073	17.2
iv)	Rural Health	1056.500	44.2
v)	Nutrition	-	-
Total:		2391.589	100.0

18.29 Priority is accorded to the preventive programmes followed by health manpower sub-sector. Main preventive programmes are as follows:-

- Prime Minister's Programme for Family Planning and Primary Health Care has been allocated Rs.1030 million which will be utilized for the training of Lady Health Worker and purchase of material, medicine and equipment.
- A sum of Rs.486.00 million have been earmarked for EPI programme.
- Malaria Control Programme which has been provided Rs.100.00 million for procurement of equipment, larvicide and selective spray to control malaria .

Cabinet Division

18.30 An amount of Rs.72.573 million has been provided in the PSDP for Up-gradation of the Institute of Nursing and Health Services, Sheikh Zayed Hospital Lahore.

Islamabad Capital Territory

18.31 PSDP allocation is Rs.1.477 million for the upgradation of 13 BHUs and 3 RHCs in ICT area. The funds are also provided through the Family Health Project assisted by the World Bank under the Ministry of Health to expand primary and preventive health services.

Narcotics Control Division

18.32 An amount of Rs.20.537 with a Foreign Aid of Rs.16.00 million has been allocated for the year 1997-98 for the following project.

	(Million Rs)	
	Total	F.Aid
- Drug Abuse Prevention Resource Centre	18.587	16.00
- National Survey on Drug Abuse in Pakistan	1.950	0.000
	<hr/>	<hr/>
	20.537	16.000
	<hr/>	<hr/>

Planning & Development Division

18.33 An amount of Rs.2.00 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 :

18.34 An amount of Rs.90 million have been provided for Nuclear Medicines and diagnostic equipment for following project.

	(Million Rs)
1. Punjab Institute of Nuclear Medicines & Oncology	Total F.Aid 10.00 -
2. Upgradation of Six Nuclear Centres at Karachi, Jamshoro, Peshawar, Islamabad, Quetta	30.00 -
3. Karachi Institute of Radiotherapy & Nuclear Medicines (KIRAN) Karachi	50 -
Total:-	<u>90.000</u> -

Azad Jammu & Kashmir

18.35 An amount of Rs.189.00 million has been provided in the PSDP, Sub-sector-wise break-up is given in Table-18.12.

TABLE 18.12
SUB-SECTOR WISE PSDP ALLOCATIONS, AJ&K, 1997-98

			(Million Rs)
S.No.	Sub-sector	Allocation 1997-98	Percent share
i)	Rural Health	34.007	18
ii)	Hospital beds	54.790	29
iii)	Preventive	2.000	1
iv)	Nutrition	3.190	2
v)	Health Manpower	12.827	7
vi)	Miscellaneous	82.000 *	43
Total:		189.000	100

* Includes allocation of Rs.74 million for Northern Health Project.

Northern Areas

18.36 PSDP allocations are Rs.94.00 million. Detailed break-up of allocations is given in Table-18.13.

TABLE 18.13
SUB-SECTOR WISE PSDP ALLOCATIONS, NORTHERN AREAS, 1997-98

(Million Rs)

S.No.	Sub-sector	Allocation 1997-98	Percent share
i)	Rural Health	11.000	12
ii)	Hospital beds	18.200	19
iii)	Health Manpower	3.800	4
iv)	Preventive Programme	1.000	1
v)	Nutrition	-	-
vi)	Miscellaneous	60.000	64
Total:		94.000	100

F A T A

18.37 An amount of Rs. 153.500 million have been provided through PSDP 1997-98 which shows 17.6 percent increase over last year.

TABLE 18.14
SUB-SECTOR WISE PSDP ALLOCATIONS, FATA, 1997-98

(Million Rs)

S.No.	Sub-sector	Allocation 1997-98	Percent share
i)	Rural Health	50.000	33
ii)	Preventive Programme	21.000	14
iii)	Hospital beds	65.000	42
iv)	Health Manpower Development	10.500	7
v)	Nutrition	3.500	2
vi)	Miscellaneous	3.500	2
Total:		153.500	100

Punjab

18.38 An amount of Rs.2392.20 million, have been earmarked during 1997-98 for the Health Sector in the total Public Sector Development Programme out of total allocation Rs.570.00 million have been allocated for Family Health Project, while Rs.302.00 million to Health Care Development Project. Sub-sector wise allocation is given in Table 18.15

TABLE - 18.15
SUB-SECTOR WISE REVISED ESTIMATES, PUNJAB PSDP 1997-98

(Million Rs)			
S.No.	Sub-Sector	Allocation 1997-98	Percent Share
i)	Hospital beds	104.727	4.30
ii)	Health Manpower	1229.616	51.40
iii)	Rural Health	122.914	5.20
iv)	Nutrition	-	-
v)	Health Foundation	12.313	0.50
vi)	Miscellaneous	907.559	38.00
vii)	Preventive.	15.071	0.62
Total:		2392.200	100.00

18.39 During 1997-98, 10 RHCs and 22 BHUs will be completed, whereas 30 RHCs and 215 BHUs will be upgraded. On the hospitals side, 880 hospitals beds will be added. Under preventive programmes, training of 3900 TBAs, immunization of 3.5 million children and distribution of 10 million packets of ORS for diarrhoeal management is targeted. Manpower production targets include graduation of 1700 Doctors 1100 Nurses, 175 Dental surgeons, and 4500 paramedics.

Current Budget

18.40 The Current budget for 1997-98 is estimated at Rs.6429 million against revised estimates of Rs.5583.0 million in 1996-97 .

Sindh

18.41 An allocation of Rs.522.690 million (Table 18.16) has been made in the Public Sector Development Programme, 1997-98.

TABLE 18.16
SUB-SECTOR WISE PSDP ALLOCATIONS, SINDH PROVINCE, 1997-98

(Million Rs)

S.No.	Sub-sector	Allocation 1997-98	Percent share
i)	Hospital beds	93.842	18.00
ii)	Health Manpower	27.117	5.20
iii)	Rural Health	128.705	24.20
iv)	Preventive Programme	29.026	5.60
v)	Nutrition	-	-
vii)	Health Foundation	5.00	1.00
viii)	Miscellaneous	239.00 *	46.00
Total:		522.690	100.00

* Rs.130 million for Family Health Project & Rs.50 million for Health Care Development project have been allocated.

18.42 Priority has been accorded to primary health care which includes rural health preventive programmes, Urban Health Centres and nutrition interventions.

18.43 Under the Primary Health Care Programmes, 22 BHUs, 5 RHCs, 40 dispensaries 2 urban health centres and 2 Unani Shafakhanas will be completed while 2 BHUs and 2 RHCs will be upgraded. Target for Immunization is 3.5 million children and mothers 4.00 million packets of ORS will be distributed.

18.44 During the year 1500 Doctors, 800 Nurses, 160 Dentists, and 1000 Paramedics are expected to graduate from the provincial medical schools and colleges, besides training of 3000 TBAs.

Current Budget

18.45 The current budget for 1997-98 is estimated at Rs.2602 million against revised estimates of Rs.2629 million in 1996-97.

N W F P

18.46 An amount of Rs.320.00 million has been allocated during 1997-98. Sub-sector wise breakup of allocations is in Table 18.17:

TABLE 18.17
SUB-SECTOR WISE PSDP ALLOCATION, NWFP PROVINCE 1997-98

(Million Rs)

S.No.	Sub-Sector	Allocation 1997-98	Percent Share
i)	Hospital Beds	72.549	22.80
ii)	Rural Health	134.313	41.90
iii)	Preventive Programme	13.187	4.00
iv)	Health Manpower	35.951	11.30
v)	Miscellaneous.	64.000 *	20.00
Total:		320.000	100.00

* Rs.50 million for Family Health Project and Rs.14 million for Health Care Development Project.

18.47 Physical targets include upgradation of 55 BHUs, 20 RHCs. During the year 225 Doctors 325 Nurses, 700 paramedics, and 1300 TBAs/CHWs will be trained. Targets on the preventive side include immunization of 1.25 million children and 3.00 million packets of ORS for management of diarrhoea.

Current Budget

18.48 The current budget for 1997-98 is estimated at Rs.2100 million against revised estimates of Rs.1500 million in 1996-97 with an increase of 23% over last year.

Balochistan

An allocation of Rs.382.263 million (Table 18.18) have been made during 1997-98.

TABLE 18.18
SUB-SECTOR WISE ALLOCATIONS, BALOCHISTAN PROVINCE 1997-98

(Million Rs)

S.No.	Sub-Sector	Allocation 1997-98	Percent Share
i)	Rural Health	16.790	4.40
ii)	Preventive Programme	46.300	12.00
iii)	Hospital Beds	136.000	35.60
iv)	Health Manpower	154.534	40.60
v)	Nutrition	2.277	0.60
vi)	Health Foundation	-	-
vii)	Miscellaneous	26.362	6.80
Total:		382.263	100.00

18.49 Physical targets includes completion of 3 RHCs and 7 BHUs, upgradation of 10 RHCs and 20 BHUs.

18.50 On the manpower side the expected output includes graduation of 180 Doctors 125 Nurses 350 Paramedics & 500 TBAs Immunization programme is expected to protect 0.700 million new borns.

Current Budget

18.51 An amount of Rs.1121 million have been provided in the recurring budget of during 1997-98 against revised estimates of Rs.885.00 Million during 1996-97 showing 16% increase over last year.

NUTRITION

REVIEW OF 1996-97

18.52 Out of Rs. 19.02 million allocated during 1996-97, Rs.4 million were allocated for nutrition programme in the federal PSDP 1996-97 against which Rs. 1.727 million have been utilized. Details are given in Statistical Appendix. Low utilization was mainly due to the abandoning of the Pakistan Nutrition Project. PPF by the World Bank which decided that separate comprehensive Pakistan Nutrition Project is not feasible because of lack of infrastructure in the provinces. Details of the expenditure on nutrition programmes during 1996-97 is given in the appendix. A review of 1996-97 programmes is given below:

Iodine Deficiency Disorders (IDD) Control Programmes

18.53 The IDD control programme through iodised oil and iodised salt continued. The iodised oil therapy was limited to Primary Health Care level. The iodised salt programme continued country wide. In the public sector, the Utility Stores Corporation marketed 12,000 tonnes iodised salt at their own outlets. In the private sector, some 240 salt processors were involved in the manufacture and marketing of iodised salt in all the provinces and federal areas. Promotional Campaign to increase demand for iodised salt was launched in local languages through 17 radio stations covering all areas of the country. Mass awareness about iodised salt was also created through the printed material and interpersonal communication.

Monitoring of IDD Control Programme

18.54 Two survey were conducted in the endemic areas and country wide to assess the progress of the IDD control programmes. The survey reports have been completed which revealed that 87 percent population in endemic areas and 23 percent in all the country is using iodised salt.

Promotion, Protection and Support of Breast Feeding

18.55 To reduce malnutrition in children breastfeeding promotion programme continued with assistance from UNICEF. Baby Friendly Hospital Initiative was introduced in more hospitals and a total of 40 hospitals have been awarded as the baby friendly. Lactation Management Courses were organized for health personnel. World Breasfeeding week was observed and promotional activities were organized for mass awareness.

P.M. Programme on Health and Family Planning

18.56 Training was imparted to Lady Health Workers (LHWs) in different aspects of maternal and child nutrition. All the 48,000 LHWs in position delivered nutrition services on breastfeeding, healthy, nutritional practices, benefits of iodised salt and anaemia for benefit of mothers and young children.

Pakistan Nutrition Project

18.57 A comprehensive Pakistan Nutrition Project document was drafted with IBRD assistance which will be implemented as part of Nutrition Component in SAP-II. The studies conducted/completed on different aspects/components of Pakistan Nutrition Project will be used to develop nutrition programme under SAP-II.

Food Availability/Consumption

18.58 As shown in Table-18.19 the overall food availability during 1996-97 increased by 0.39 percent over 1995-96.

18.59 The per capita food availability for rice, milk, fruit and vegetables and sugar increased in 1996-97 by 10.95 percent, 2.11 percent, 0.74 percent and 7.02 percent respectively over 1995-96. However, the per capita availability of wheat, other grains, pulses, edible oil and meat in 1996-97 decreased by 0.06 percent, 5.53 percent, 4.88 percent, 11.03 percent and 0.42 percent over 1995-96. The per capita availability of calories and protein in 1996-97 increased to 2532 and 67.89 grams from 2522 calories and 67.38 grams protein in 1995-96.

TABLE - 18.19

AVAILABILITY OF ESSENTIAL ITEMS OF CONSUMPTION

S.No.	Items	Unit	1995-96	1996-97	% change in 1996-97 over 1995-96
1.	Wheat	(Kgs/annum)	130.93	130.85	(-) 0.06
2.	Rice	"	15.52	17.22	(+)10.95
3.	Other grains	"	10.49	9.91	(-) 5.53
4.	Pulses	"	6.15	5.85	(-) 4.88
5.	Milk	(Litre/annum)	67.16	68.58	(+) 2.11
6.	Vegetable Ghee/ edible oil	(Kgs/annum)	11.42	10.16	(-)11.03
7.	Meat(Beef, Mutton Poultry, Fish and eggs.	"	23.57	23.47	(-)0.42
8.	Fruit & Vegetables	"	73.84	74.39	(+)0.74
9.	Sugar	"	26.35	28.20	(+) 7.02
Weighted Growth Rate:					(+) 0.39
Availability of:					
	Calories		2522	2532	
	Protein(Grams)		67.38	67.89	

PROGRAMME FOR 1997-98

Food Availability/Consumption

18.60 The overall production of major food items has been targeted to improve the quality and overall availability of food during 1997-98.

18.61 The average food availability is targeted to increase by 2.37 percent in 1997-98 over 1996-97 due to increase in wheat production and other food items. The availability of all essential food commodities except edible oil would increase. On individual basis the percapita availability of wheat, rice, other grains, pulses, milk, meat, fruits and vegetables and sugar will increase by 2.79 percent, 0.64 percent, 12.01 percent, 5.13 percent, 1.79 percent, 2.56 percent, 1.13 percent, 1.38 percent respectively in 1997-98 over 1996-97. The percapita availability of edible oil will decrease by 4.23 in 1997-98 over 1996-97 because of lesser imports to boost up local production of oil-seeds. The percapita availability of calories and protein in 1997-98 will increase to 2579 calories and 69 grams protein from 2532 calories and 67.89 grams protein in 1996-97.

TABLE-18.20
AVAILABILITY OF ESSENTIAL ITEMS OF CONSUMPTION
SITUATION

S.No.	Items	Unit	1996-97	1997-98	% change in 1997-98 over 1996-97
1.	Wheat	(Kgs/annum)	130.85	134.50	(+) 2.79
2.	Rice	"	17.22	17.33	(+)0.64
3.	Other grains	"	0.91	11.10	(+)12.01
4.	Pulses	"	5.85	6.15	(+)5.13
5.	Milk	(Litre/annum)	68.58	69.81	(+) 1.79
	Vegetable Ghee/ edible oil	(Kgs/annum)	10.16	9.73	(-)4.23
7.	Meat(Beef, Mutton Poultry, Fish and eggs.	"	23.47	24.07	(+)2.56
8.	Fruit & Vegetables	"	74.39	75.23	(+)1.13
9.	Sugar	"	28.20	28.59	(+) 1.38
Weighted Growth Rate:					(+) 2.37
Availability of:					
	Calories		2532	2579	
	Protein(Grams)		67.89	69.63	

18.62 An amount of Rs. 19.237 million have been allocated during 1997-98 which include Rs. 2 million for nutrition programmes in the federal PSDP 1997-98. Details are given in S.A. Table 18.9.

18.63 Details of the programme to be implemented during 1997-98 is given in the following paragraphs.

Iodine Deficiency Disorders (IDD) Control Programme

18.64 In the Public Sector Utility Stores Corporation will continue to promote production and marketing of iodised salt. They will market about 12,000 tonnes iodised salt at their outlets. Multi-media promotional campaign through radio, road-side hoarding, printed material and T.V. will continue to increase demand for iodised salt.

18.65 In the private sector support will be provided to 250 salt processors involved in production and marketing of iodised salt through UNICEF assistance.

Monitoring of IDD control programme will be done.

Promotion and Protection of Breastfeeding

18.66 The programme for promotion and protection of breastfeeding will continue during 1997-98, to reduce the infants/child malnutrition. Baby Friendly Hospital Initiative will be extended to award 65 hospitals by the end of 8th Plan. Lactation Management courses will be organized. Different breastfeeding activities will be organized during World Breastfeeding week to disseminate information on the benefits and management of the breastfeeding.

Prime Minister's Programme on Basic Health and Family Planning

18.67 The capacity of the LHWs in P.M. Programme, will be enhanced to deliver nutrition services to mothers and the infants. They will deliver inputs and services for protection and management of breastfeeding, elimination of micro-nutrient malnutrition e.g. IDD, IDA and Vitamin A deficiency, and counselling for benefits of mothers and young children.

SAP-II Programme

18.68 Nutrition activities at Primary Care level will be integrated, to reduce child and maternal malnutrition and number of underweight new-borns.

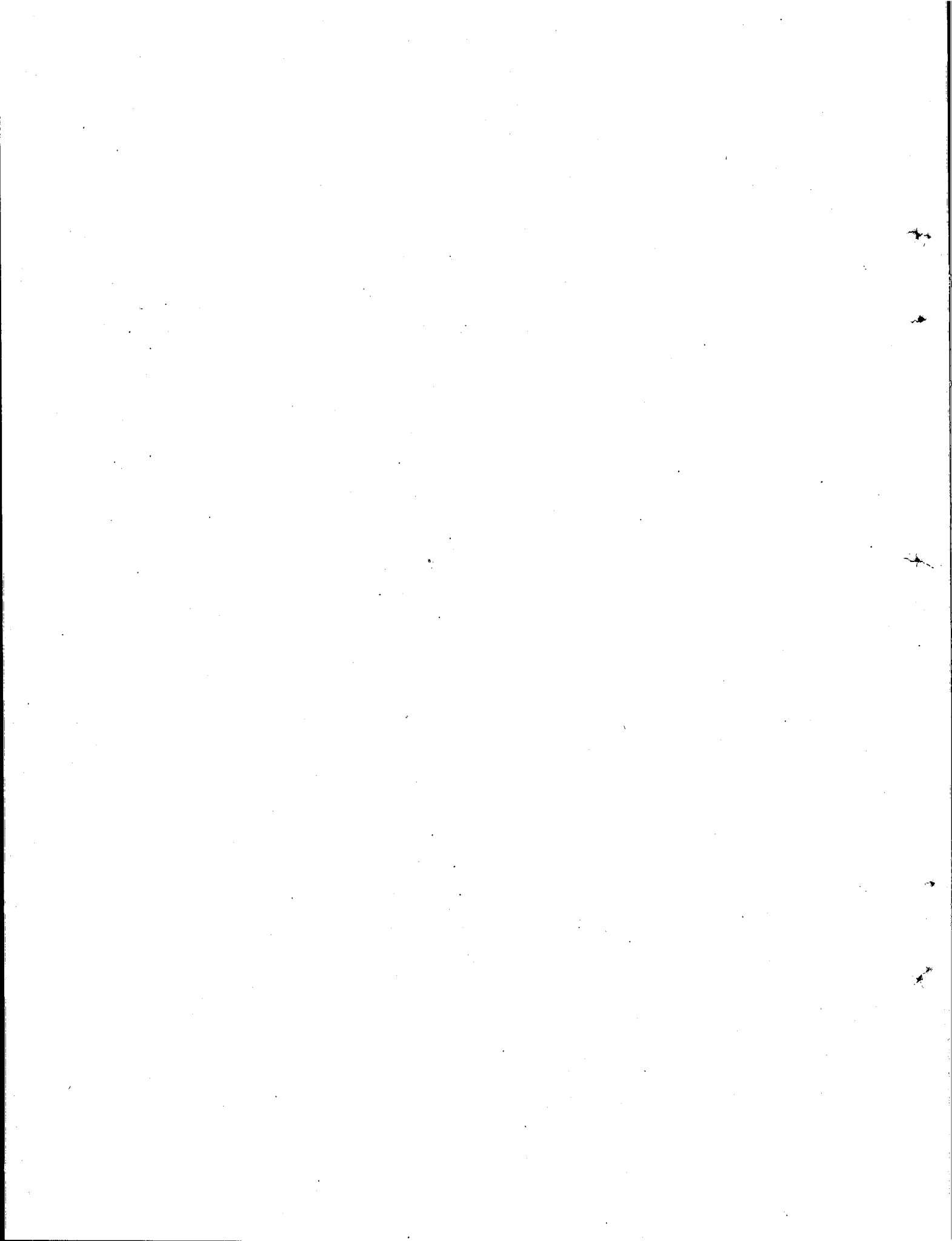
The programme will comprise the following components:

- i) Establishment of Nutrition Centers/clinics at first Health Care Level.

- ii) Micronutrient programme involving iron and Vitamin A supplementation, salt iodization and food fortification.
- iii) Information, Education and Communication for Mass awareness.

Micro-Nutrient Quality Control

18.69 A mechanism for quality control of iodised salt will be developed to ensure availability of adequate and safe level of iodine to the population.



CHAPTER-19

POPULATION WELFARE PROGRAMME

INTRODUCTION

19.1 Pakistan's total population is estimated at over 137 million for the financial year 1997-98. It is increasing at an accelerated rate of growth of 2.7 percent, one of the highest in the World. Pakistan is adding about 3.7 million people annually, which is equal to total population of a country like Lebanon or Newzealand or Ireland. The increase in population is contributing to the growth of slums, shanty towns, traffic congestions and shortage of almost every basic service facilities in the urban areas. Large cities like Karachi, Lahore etc., have become unmanageable. Rural areas also show similar position. Unemployment situation is worsening.

19.2 The population programme is fully funded by federal government and covered under social action programme (SAP). The sector has been given top priority in allocation of funds. In addition the federal government also provides sufficient funds to lady health workers scheme of Ministry of Health, which offers family planning and primary health care services to the unattended rural and urban population.

REVIEW OF 1996-97

19.3 During the period under review, the main objective of the population welfare programme was fertility management through voluntary birth intervals and maternity care. A multi-sectoral strategy was adopted, emphasis was given to the involvement of Family Planning Workers in the rural area and commercial sale points in the private sector. The performance of the private sector remained satisfactory, however the performance of NGOs remained low in providing family planning services, due to non-functional position of NATPOW.

Financial Performance

19.4 As against the PSDP allocation of Rs.2000 million for the year 1996-97, the sector utilized Rs.1256.9 million (63%). The low utilization is due to bans on (i) recruitment, (ii) purchase of durable goods and vehicles and (iii) non-salary expenditure. It has resulted in increased vacancies and freezing of the Village Based Family Planning Workers(VBFPWs) Programme. The available female paramedics(222), specially trained for the program, could not be recruited while 333 vacant posts of FWWs exist since July 1, 1996. As a result of the restriction on non-salary expenditure, during last quarter of the year, the rent, of majority of the hired buildings(FWCs) and utility bills were not paid. The program could only pay staff salaries.

19.5 In addition, there has been delay in releases of funds by the provincial Accounts departments to the Population Welfare departments. Unique status of population programme with Federal money, provincial management and Federal staff is another reason of poor performance and low utilization. Province wise allocation and utilization is given in Table 19.1.

TABLE 19.1
SUB-SECTOR WISE ALLOCATION AND Utilization
1996-97

(Million Rupees)

Sl. No	Name of Province/Area	Allocation	Utilization	% utilization
1	2	3	4	5
1	Population Welfare Programme- Federal	596	366.21	61
2	Population Welfare Programme- Punjab	745.95	491.74	66
3	Population Welfare Programme- Sindh	324.65	187.258	58
4	Population Welfare Programme-NWFP	226.2	138.493	61
5	Population Welfare Programme-Balochistan	94.2	63.365	67
6	Population Welfare Programme in AJK	9	8.75	97
7	Population Welfare Programme in Northern Areas	4	1.08	27
8	Total:	2000	1256.9	63

19.6. The Province/Area wise financial performance ranged between 27 percent in Northern Area and 97 percent in AJK. Balochistan utilized 67 percent, it was followed by Punjab at 66 percent, Federal Programme and NWFP at 61 percent. The performance of Sindh remained at the lower side which was only 58 percent.

PHYSICAL PERFORMANCE

A- Public Sector

19.7. During the year under review, the service delivery was strengthened. The performance of Family Welfare Centres was quite satisfactory. The population welfare programme was able to establish 1733 service outlets and involve 6,800 service outlets of Line Departments in the public sector, besides recruiting 7120 Village Based Family Planning workers and 7,096 Traditional Birth Attendants in the Programme. It also involved 38,590 Registered Medical Practitioners, Hakims & Homoeopaths and 351 service outlets of Non-Governmental Organizations(NGOs).

B- Private Sector

19.8 The Social Marketing Pakistan(SMP) under the brand name "Green Star Clinics" have involved registered medical practitioners, imparted necessary training, in family planning techniques. These doctors/practitioners offer wide range of services to their clients. An effective media campaign has also been launched.

19.9 A pharmaceutical company namely "Searl Pakistan(Pvt.) Ltd" without any assistance of Government, is marketing condoms effectively, under the brand name "Hamdam". Another project namely "Key Social Marketing" has also initiated it's programme in the districts of Larkana and Faisalabad for distribution of hormonal contraceptives through private sector. This project is funded by DFID.

19.10 Under the special programme for recruitment of 100,000 lady health workers (LHWs), Ministry of Health have recruited and deployed 43000 LHWs for the provision of primary health care and family planning services. Details are given in Table-19.2.

TABLE-19.2

**Overall PHYSICAL PERFORMANCE
1996-97**

(Accumulative Number)

Sl.No	Name of Service outlet	Targets 1996-97	Achievements 1996-97	% Achievements
1	Family Welfare Centres.	1515	1344	89
2	Reproductive Health'A' Centres.	104	90	87
3	Mobile Service Units.	195	131	67
4	Village Based Family Planning Workers.	11765	11765	100
5	Involvement of NGOs.	500	351	70
6	Involvement of provincial Line Deptts.	168	168	100
7	Hakims & Homeopath.	17645	17362	98
8	Target Group Institutions.	394	354	90
9	Involvement of Private Medical Practitioners.	21376	21228	99
10	Traditional Birth Attendants.	7096	7096	100
11	Sale points of SMC.	75000	37450	50
12	Green Star Clinics.	300	300	100
13	Involvement of Health Sector Service Outlets.	6650	6509	98
14	Outlets of AJK and N.A	214	205	96
15	Lady Health Workers.	100000	43000	43

CONTRACEPTIVE AND DEMOGRAPHIC PERFORMANCE

19.11. As against the target of 0.659 million, the programme prevented 0.316 million (48%) births were averted during the year 1996-97. As compared to the financial performance of 63 % the demographic performance remained poor. Method wise details are given in Table 19.3.

TABLE-19.3

OVERALL CONTRACEPTIVE PERFORMANCE 1996 - 97

(Figures in Million)

Sl. No	Name of Method	Targets	Achievements	Percent Achievement
1	2	3	4	5
1	Condom	137.976	116.252	84
2	Oral Pills(cycles)	6.014	0.148	3
3	IUD (cases)	1.098	0.633	58
4	Injectable(vials)	4.446	0.407	10
5	Contraceptive Surgery(cases)	0.417	0.046	11
6	Foam (bottles)	0.236	-	-
7	Birth Preventions	0.659	0.316	48

19.12 Method-wise overall performance of contraceptives ranged between 3 percent Oral Pills and 84 percent (Condom). The performance of contraceptive surgeries at 11 percent and injectables at 10 percent remained on the lower side. It declined due to weak monitoring & Evaluation and lack of follow-up programmes. The overall performance of the programme in birth preventions also showed poor performance.

PROGRAMMES FOR 1997-98

FINANCIAL ALLOCATION:

19.13. An overall amount of Rs.1920.891 million has been earmarked as PSDP allocation for Population Sector for the year 1997-98, including foreign assistance of Rs.912 million (47%). There is a 53 percent increase in the allocations, over the expenditure in the previous year. Project-wise details are given at S.A. Table 19.1, whereas, details of Province/Area-wise utilization for financial year 1996-97 and allocation for 1997-98 of Population Welfare programme appear in Table-19.5.

19.14. In addition, an amount of Rs.1100 million has been allocated to Lady Health Workers Project. The Ministry of Education for its project "Population Education Through Formal School System", and ministry of Labour and Manpower for its project "Worker's Education On Population" have allocated Rs.4.434 million and Rs.4.735 million respectively in their sectoral PSDPs. Details are given in Table-19.4.

TABLE-19.4

SECTOR-WISE UTILIZATION AND ALLOCATION

(Million Rupees)

Sl. No.	Name of Sector.	UTILIZATION 1996-97	Allocation 1997-98	Percent change increase/ decrease
1	2	3	4	5
1	Ministry of Population Welfare.	1256.896	1920.891	53
2	Ministry of Health, P.M's Special Programme of LHWs.	1200	1100	-8
3	M/O Education (Population Education)	8	4.434	-45
4	Ministry of Labour and Manpower (Workers Population Education.	6.8	4.735	-30
5	Total.	2471.696	3030.06	23

Details of Province-wise utilization of population programme for the year 1996-97 and allocation for 1997-98 are given in Table-No 19.5 .

TABLE-19.5**PROVINCE WISE UTILIZATION AND ALLOCATION****(Million Rupees)**

SL. No.	Name of Province/Area	Utilization (1996-97)	Allocation (1997-98)	% change
1	2	3	4	5
1	Population Welfare Programme- Federal	366.21	612	67
2	Population Welfare Programme- Punjab	491.74	673.5	37
3	Population Welfare Programme- Sindh	187.258	300.2	60
4	Population Welfare Programme-NWFP.	138.493	219.1	58
5	Population Welfare Programme-Balochistan	63.365	103.091	63
6	Population Welfare Programme-AJK	8.75	10	14
7	Population Welfare Programme in Northern Areas.	1.08	3	178
8	Total.	1256.896	1920.981	53

PHYSICAL TARGETS (1997-98)

19.15 During the period 1997-98, the involvement of service outlets in public sector will be increased to 63370 and NGOs to 750. The sector will increase number of Family Welfare Centres to 1515, while 131 MSUs, 104 Reproductive Health Services (RHS-A Centres) and 132 RHS-B Centres will be maintained. The programme will

involve 6871 outlets of health and provincial line departments, 450 outlets of TGIs and 12047 Village Based workers. Involvement of Registered Medical Practitioners (RMPs) will be increased to 21425, Hakims & Homoeopaths to 20220, TBAs to 7096 and that of "Green Star Clinics" to 300. The number of sale points working under social marketing of contraceptives will be increased to 611000. In addition, the Ministry of Health will maintain the deployment of 43,000 Lady Health Workers. Details are given in Table-19.6

TABLE-19.6

**PHYSICAL PERFORMANCE
1996-97**

(Accumulative Number)

Sl. No	Name of Service outlet.	Achievements. 1996-97	Targets 1997-98	%change increase/ decrease
1	Family Welfare Centres.	1344	1515	13
2	Reproductive Health 'A' Centres.	90	104	16
3	Mobile Service Units.	131	131	-
4	Village Based Family Planning Workers.	11765	12047	3
5	Involvement of NGOs.	351	750	114
6	Involvement of provincial Line Deptts.	168	168	-
7	Hakims & Homeopath.	17362	20220	17
8	Target Group Institutions.	354	450	27
9	Involvement of Private Medical Practitioners.	21228	21425	1
10	Traditional Birth Attendants.	7096	7096	-
11	Sale points of SMC.	37450	61000	63
12	Green Star Clinics.	300	600	100
13	Involvement of Health Sector Service Outlets.	6509	6871	6
14	Outlets of AJK and N.A.	205	205	-
15	Family Planning Workers.	43000	43000	-

CONTRACEPTIVE & DEMOGRAPHIC TARGETS (1997-98):

19.16. During the period 1997-98, the population Programme will make efforts to prevent 1.223 million births. Details of method wise contraceptive and demographic targets appear in Table-19.7.

TABLE -19.7

CONTRACEPTIVE TARGETS 1997-98

(Figures in Million)

SL. N o	Name of Method	Achievements 1996-97	targets 1997-98	Percent Increase/decrease
1	2	3	4	5
1	Condom	116.252	147.435	27
2	Oral Pills(cycles)	0.148	7.372	4881
3	IUD (cases)	0.633	1.168	85
4	Injectable(vials)	0.407	5.679	1295
5	Contraceptive Surgery(cases)	0.046	0.43	835
6	Foam (bottles)	-	0.273	-
7	Birth Preventions	0.316	1.223	287

TRAINING TARGETS (1997-98)

19.17 The Population Welfare Programme envisages to impart clinical training/orientation to 3399 personnel through it's existing 12 Regional Training Institutes(RTIs). It will also provide short term orientation/training to 20240 personnel in management techniques, IEC and monitoring & evaluation through it's 3 Population Welfare Training Institutes(PWTIs). Category-wise training details are given in Table-19.8.

TABLE-19.8

**TRAINING TARGETS
1997-98**

SL.NO	Training	Achievements (1996-97)	Targets (1997-98)	% Increase/ decrease
1	2	3	4	5
A.	Clinical Training			
1	Teachers Training	145	275	90
2	Training of Field Officers of RH & MSUs	60	45	-25
3	Basic Training of Paramedics(18 months)	350	699	100
4	Regular Advance on-job Training of Paramedics	650	1100	69
5	Training of NGOs Paramedics.	320	350	9
6	Training for TGIs,Line Departments, AJK&N.A	200	900	350
B.	Non-Clinical Training.			
1	Programme Personnel.	1200	1600	33
2	Employees of Other Nation Building Deptts.	8000	8735	9
3	Community Based groups.	9000	9905	10

MAJOR SUB-SECTORS OF POPULATION WELFARE PROGRAMME

19.18 There are six major sub-sectors of Population Welfare Programme which are as follows:

Administrative Organization

19.19 This sub-sector includes administrative set-ups at federal, provincial, divisional, district and tehsil level. It is responsible for administration, planning, implementation, coordination, monitoring and evaluation. The Programme has allocated an amount of Rs.35.5 million for this sub-sector in the PSDP 1997-98.

Population Welfare Services

19.20 This sub-sector is the most important, it offers family planning services through all available service delivery outlets. An amount of Rs.972.281 million have been earmarked for this sub-sector in the PSDP 1997-98.

information, Education and Communication (IEC):

19.21. This component covers information, education and communication (IEC) activities undertaken at federal and provincial level. It covers mass media campaign through radio, T.V and press, production and printing of motivational material, documentation of information through PTC network and production of motivational and educational films, arranging seminars, conventions and provision for awards to the journalists for writing on population issue. Expertise of the private sector would be utilized to strengthen, and improve the motivational campaign. An allocation of Rs.115 million for this sub-sector has been earmarked.

Training

19.22 This sub-sector is responsible to meet all training requirements of programme personnel, Family Planning Workers, medic and paramedic staff of Nation Building Departments, NGOs and Community Based Groups. Clinical training will be imparted through 12 Regional Training Institutes (RTIs), whereas training in management techniques, IEC, monitoring and evaluation is given through 3 Population Welfare Training Institutes (PWTIs) of the programme, in addition to this training is also given in RHS 'A' Centres and Family Welfare centres. An amount of Rs. 78 million have been earmarked for this sub-sector in the PSDP 1997-98

Research & Monitoring

19.23. The Programme envisages to conduct more Research in the areas of clinical studies, field trials, demographic studies, data analysis, surveys and birth/ death registration. Two existing Research Institutes i.e. National Research Institute of Fertility Control(NRIFC) and National Institute of Population Studies (NIPS) will be responsible to carry out research. The monitoring & evaluation wing of the Ministry will be strengthened. It will undertake monitoring and evaluation of various components of Population programme on war footings. Various Field studies will be undertaken to identify the weaknesses. It is also envisaged to undertake Special surveys and impact studies of the Population programme. An amount of Rs.30 million have been earmarked for this sub-sector in the PSDP 1997-98.

Logistics & Supplies

19.24. This is the most important component of the Programme, entire requirement of contraceptives and logistics is met through this component. Conventional and Clinical contraceptives are procured and distributed by the service outlets in public , NGOs and private sectors. A PSDP allocation of Rs.361.2 million has been earmarked for the sub-sector.

Construction

19.25. At present most of the federal, provincial, divisional and district offices as well as the training institutes of Population Welfare Programme are in the rented buildings. These buildings are in bad condition and do not meet the requirements. The Programme envisages to construct federal and provincial offices besides, buildings for Population Welfare Training Institutes (PWTIs) and Regional Training Institutes (RTIs).An amount of Rs.8 million have been allocated to this sub sector in PSDP 1997-98.

Problems Confronted by the Population Welfare Programme

19.26 The provincial Population Welfare Departments do not enjoy the status and privileges given to other Provincial Line Departments. Provinces cannot hire any staff. Provincial Planning and Development Departments do not include the Population Welfare Program in their regular reviews. The provincial programme is dependent on the releases from the Federal Government. Delays in releases of funds.

19.27 The programme is federally funded and so the staff of the programme are federal employees; however, service delivery has been transferred to the provinces. This distribution of federal and provincial responsibilities continues to complicate personnel and financial issues. The system of monitoring visits in all provinces is seriously hampered by inadequate logistic support (like vehicles and POL). Information collected during visits is neither computerized nor analyzed. This is a serious issue that

needs to be addressed. Feedback to service outlets and necessary remedial action taken must be a part of district monthly review meetings in future. Analysis of service statistics is weak at all levels; capacity to undertake this analysis needs strengthening, so that it may be used regularly as tool for good management. The monitoring system should include verification teams, who may focus on determining client drop-out rates and reasons of drop-outs.

CHAPTER-20

MANPOWER DEVELOPMENT AND EMPLOYMENT POLICY

Employment Situation

20.1 Pakistan has to reformulate its priorities of development planning on two fronts. First, the whole society must give priorities to bring down the rate of population growth. Second, the country needs to start a perspective plan for human resource development including employment generation programmes for the new entrants into labour market and existing backlog of unemployed.

20.2 The employment situation in the country is not satisfactory. The main reasons for growing unemployment are fast expanding labour force, relative decline in the absorptive capacity in agriculture, large scale manufacturing sectors, low level of skills/productivity, lack of industrialization and inflexibility in the rural market. Sector-wise employment is given in Table-20.1 below:

TABLE-20.1
SECTORAL DISTRIBUTION OF EMPLOYED LABOUR FORCE

(Million)

Sector	1994-95	1996-97(E)	1997-98 (E)
Agriculture	15.56	16.45	16.90
Mining & Manf.	03.49	03.69	03.79
Construction	02.40	02.53	02.60
Trade	04.82	05.10	05.24
Transport	01.69	01.78	01.83
Comm.Soc.ser.	04.75	05.02	05.16
Others	00.55	00.58	00.60
Total	33.26	35.15	36.12

Source: Economic Survey 1996-97

20.3 The Labour Force Survey (LFS) annually conducted by the Federal Bureau of Statistics is the main source of information about labour force and its characteristics. An estimate of the current labour force is built from the data of the latest LFS for the year 1994-95. The total labour force estimated on the basis of total population (about 139.03 million) and participation rate about 27.46 percent comes to 37.15 million as on 1st January, 1997. The average increase of the labour force is 2.3 percent during the last few years. Most of the labour force is illiterate with relatively low skills and is self-employed in the informal sectors. Detail of unemployed Labour Force is given in Table-20. 2 below:

TABLE-20.2

DISTRIBUTION OF UN-EMPLOYED LABOUR FORCE

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
1994-95	128.01	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	2.06	0.73	1.33	5.39	6.92	4.82

Source: Economic Survey 1996-97.

20.4 According to the latest Labour Force Survey, 1994-95, the Crude Activity Rate (CAR) was 27.46 percent in 1994-95 as compared to 27.88 percent in 1993-94. Similarly, Refined Activity Rate (RAR) declined from 42.01 percent in 1993-94 to 41.25 percent in 1994-95. (Table-20.3).

TABLE-20.3

LABOUR FORCE PARTICIPATION RATES BY AREA & SEX

Years	Crude Activity Rate			Refined Activity Rate		
	Pak.	Rural	Urban	Pak.	Rural	Urban
1994-95						
Both Sex	27.46	28.00	26.12	41.25	43.13	36.99
Male	45.93	46.03	45.68	69.10	71.27	64.26
Female	7.59	8.66	4.94	11.39	13.26	7.04
1993-94						
Both Sex	27.88	28.73	25.79	42.01	44.18	37.04
Male	45.74	45.90	45.36	69.07	71.04	64.66
Female	8.86	10.46	4.94	13.32	15.98	7.15
1992-93						
Both Sex	27.86	28.76	25.83	42.35	44.64	37.47
Male	45.87	46.27	44.96	69.24	71.29	64.93
Female	8.59	10.13	5.03	13.15	15.86	7.34

Source: Economic Survey 1996-97.

Employment and Un-employment

20.5 Using the latest LFS (1993-94) data, the total number of employed labour force was 34.92 million as on 1st January, 1996 as against 33.96 million in the preceding year. The total number of employed persons in urban areas is 10.10 million whereas the rural employment was estimated at 24.82 million. The self-employed and unpaid family helpers dominated the employment scene. Wage employment constituted about one third of the total employment and was mainly urban based.

20.6 The rate of un-employment has been ranging between 4.74 to 5.85 percent since the concepts and definitions used in LFS were revised. It was 5.85 percent in 1991-92 as compared to 4.84 percent in 1993-94 and 5.37 in 1994-95. In absolute numbers, about 2.06 Million of the labour force was estimated as unemployed as on 1st January, 1997 against 1.78 million in 1996. The unemployment rate was higher in urban areas as compared to rural areas. It was estimated at 6.51 percent in urban areas and 4.22 percent in rural areas in 1993-94. The unemployment rate was relatively higher among the younger age groups.

20.7 Comparing the present un-employment with some of the developed countries, it seems to be rather low. Mostly the level of un-employment depended on how the concept was defined. Effective employment is difficult to measure or even to define in a country like Pakistan where less than one-third of the labour force comprises of employees or employers. Thus, the rate of un-employment is hardly a relevant concept where self-employed and unpaid family workers account for about 70 percent of the labour force. In the absence of any sort of un-employment insurance/security, every one included in the labour force has to do some activity for his living. According to new definition adopted in labour force survey 1990-91 a person is employed "who worked at least one hour during the reference week". This situation gave reason for evolving the concept of underemployment. There is a lot of underemployment in the country. The main reason for the un/underemployment are attributed to be the decline in the absorptive capacity of agriculture and large scale manufacturing, inflexibility in the rural market and rural to urban migration. Apart from the growing un-employment, other structural problems such as low productivity and poor skills of the labour due to poor education and training, particularly of the youth need to be noted. The educated youth are the main victims of un-employment; because of rural-urban migration due to declining employment opportunities in rural areas, most of the educated unemployed youth are concentrated in urban areas. Distribution of unemployed by area, sex and education level is given in Table-20.4.

TABLE-20.4

**PERCENTAGE DISTRIBUTION OF UNEMPLOYED BY SEX
AREA AND LEVEL OF EDUCATION 1994-95**

Level of Education	Total			Rural			Urban		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
1	2	3	4	5	6	7	8	9	10
Total (Literate+Illit)	100.00	66.11	33.89	100.00	63.88	36.12	100.00	70.22	29.78
Illiterate	50.18	25.23	24.95	57.21	27.18	30.03	37.26	21.64	15.62
Literate	49.82	40.88	8.94	42.79	36.70	6.09	62.74	48.58	14.16
No formal Education	1.16	0.79	0.37	0.94	0.54	0.40	1.56	1.26	0.30
With formal Education	48.66	40.09	8.57	41.85	36.16	5.69	61.18	47.32	13.86
Pre-matric	24.95	21.24	3.71	24.23	20.98	3.25	27.39	21.71	5.68
Matric	13.94	11.19	2.75	12.53	10.30	2.23	16.53	12.82	3.71
Intermediate	4.99	3.71	1.28	2.98	2.17	0.81	8.70	6.55	2.15
Degree	3.59	3.09	0.50	1.72	1.72	0.00	7.02	5.18	1.84
Post Graduate	1.18	0.87	0.31	0.99	0.97	0.02	1.54	0.65	0.89

Source: Labour Force Survey, 1994-95,
Table- 39, 39(A) and 39 (B)

Child Labour

20.8 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.

20.9 The Child Labour Survey (CLS) conducted in 1996 by the Federal Bureau of Statistics in collaboration with the Ministry of Manpower & Overseas Pakistanis 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.

20.10 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 distribution of over all developmental benefits is relevant too. Some policies which have direct bearing on employment generation are enlisted in the following sub. paras.

Employment Promotion Policies

- 20.11 i. Realizing that a sound base of economic development and its faster growth has a direct bearing on the growth employment, government is making concerted efforts to shove the growth process. P.M's Economic Relief 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 and industrialists/investors, particularly foreign investors are being attracted to make investments. 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 speed up the pace of economic growth to generate new employment opportunities in the country.
- ii. The completion of Islamabad-Lahore Motor way, hopefully by the end of 1997, and setting up of seven industrial zones alongside the road, will not only give rise to lot of economic activity but will also generate many new job opportunities.
- iii. The Social Action Programme (SAP) which is chiefly meant to bring about improvement in the sectors of primary education, basic health care, population welfare, rural water supply and sanitation will substantially help in creating employment opportunities within these sectors.
- iv. With a view to reducing educated un-employment, self-employment is being encouraged through the schemes of Youth Investment Promotion Society and National Self Employment Scheme. Under these schemes, small loans of upto Rs.200,000/- in the case of individual applications are advanced on soft terms to the educated unemployed for setting up their own business.
- v. Under the YIPS scheme, an amount of Rs. 205.08 million has been disbursed during July-February, 1996-97 as against Rs. 291.12 million in the comparable period last year. During July-February, 1996-97. YIPS generated employment for 1104 individuals as against 2272 individuals in the corresponding period last year. Under the National Self-Employment Scheme, during July-February, 1996-97, 1186 loans amounting to Rs. 348.6 million were disbursed as against 8068 loans

amounting to Rs. 1522.57 million in the comparable period last year. These loans advanced by the Small Business Finance Corporations (SBFC) have generated 3558 employment opportunities during July-February, 1996-97.

20.12 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) 1996-97

20.13 An allocation of Rs. 456 million was made for the Federal Manpower Sector in 1996-97. Thrust continued to be on skill development programmes.

I. National Vocational Training Project Phase-II

20.14 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.

20.15 The project was allocated an amount of Rs. 430 million including FEC of Rs. 350 million. Out of that allocation Rs.536.864 million with FEC of Rs. 508.664 million were utilized to complete 90% construction work at 19 Technical Training Centres (TTCs) including completion of construction work of NSTI building. Remaining 10% construction work at 19 TTCs will be completed in 1997-98. Equipment to 20 existing and 19 new TTCs were also procured.

II. Human Resource Development/Strengthening of Data Base

20.16 The project was approved by the ECNEC on July 9, 1987 at a total cost of Rs.44.561 million including FEC of Rs. 35.481 million by the Government of Netherlands as grant in aid and the rest of Rs. 9.08 million by the Government of Pakistan. The aim of the project was to collect and analyze basic information about Labour Market Information System (LMIS) to enable Manpower Division and the Provincial Directorates of Labour and Manpower to formulate better programme and policies in the manpower and employment sector. Phase-II of the project was approved at total cost of Rs.67.2 million with Dutch assistance of Rs. 60 million for the period of 3 years. The project were allocated an amount of Rs.10 million with FEC of Rs.8 million to implement the programmed surveys, studies and training activities under the project which were achieved at Rs.9.571 million with FEC of Rs.8.00 million to the full utilization of the project. The scheme has been transferred to revenue side w.e.f. July, 1997.

III. Workers Population Education Programme

20.17 The project with the assistance of UNDP was approved in February, 1993 at a cost of Rs. 43 million with UNFPA grant of Rs. 30 million. The PSDP of Rs.6 million including FEC of Rs.3.5 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 Sukkar. Rs.6.237 million including FEC of Rs.4.160 million were utilized with achievement of 327 training courses out of targeted training courses of 315. Revised allocation of Rs.4.74 million with FEC of Rs.3.00 million is provided for the year of 1997-98.

IV. Prime Minister's Special Programme for Training in Technical Trades and Domestic Services

20.18 The Prime Minister's special programme for training launched with an aim of training 50,000 persons in essential technical and domestic services trades as a crash programme. Accordingly, a training scheme was designed by Manpower Division in the existing training institutions by utilizing the facilities in the evening shift. The participating institutions are paid capital charges to defray the costs involved in management of the training and for the material consumed in training. The programme implemented through Directorates of Manpower, National Agriculture Research Council(NARC), Agency for Barani Area(ABAD), Overseas Pakistanis Foundation (OPF). Construction Machinery Training Institute, (CMTI) Ministry of Sport and Culture, Ministry of Special Education and Social Welfare, Ministry of Railways, Ministry of Health and Punjab Small Industries Corporation (PSIC) with an estimated cost of Rs.306 million. Rs.10 million were allocated for the programme which were utilized fully. The programme was discontinued on the direction of Social Sector Cabinet Committee(SSCC).

PROVINCIAL PROGRAMMES, 1996-97

Punjab

20.19 PSDP allocation for the year was Rs.20 million, out of which Rs.8.076 million were utilized for completion of 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

20.20 PSDP allocation for the year was Rs.16.4 million, out of which Rs.6.985 million were utilized on ten on-going projects.

NWFP

20.21 An allocation of Rs.6 million was made, out of which Rs.1.073 million were spent on two on-going schemes.

Balochistan

20.22 An allocation of Rs.7.1 million was made for the year 1996-97 out of which Rs.3.00 million were utilized.

PUBLIC SECTOR DEVELOPMENT PROGRAMME, 1997-98

20.23 An allocation 220.74 million is provided for Manpower and Employment Sector out which 42.20 million is for Provincial Projects and Rs.178.54 million with FEC of Rs.3.00 million for two Federal on-going schemes titled National Vocational Training Project Phase-II (Rs.173.8 million) and Workers Population Education Programme DWE. (Rs.4.74 million). Details are given in S.A. Tables-20.1 & 20.2.

I- National Vocational Training Project, Ph-II

20.24 Revised allocation of Rs.173.9 million is provided for custom clearance and installation of equipment for current financial year, 1997-98. Under which fifteen new vocational training centres are being established at Attock, Toba Tak Singh, Jaranwala, Okara, Muzaffargarh, and Vehari in the Punjab; Sanghar, Khairpur, Shikarpur, and Naushero Feroze in Sindh; Abbottabad, Hangu, and Karak in NWFP; and Dera Murad Jamali, and Gawadar in Baluchistan whereas, extension in work has been carried out at TTC, Rahim Yar Khan. In addition to the normal training programmes short skill upgrading courses will also be imparted to meet local needs of informal sector. Civil Works of the project in respect of new centres are nearing completion. Five Women Technical Training Centres (WTTCs) are also 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 is possible. WTTCs Quetta and Peshawar have commenced their training activities. Construction of WTTC Hyderabad and Multan is nearing completion. Construction work of WTTC Rawalpindi is at 90% of its completion.

II- Workers' Population Education Programme

20.25 The project was approved in February, 1993 at total cost of Rs.43 million with the assistance of UNDP including UNFPA Grant of Rs.30 million. Revised allocation of Rs.4.74 million including FEC of Rs.3.00 million have been allocated for the year 1997-98 to expand the scope of the programme. As per work plan of the project 391 training/workshops/meetings/seminars will be conducted at different Regional offices located all over the country including DWE Islamabad.

PROVINCIAL PROGRAMMES, 1997-98

Punjab

20.26 PSDP allocation for the year is Rs.22 million which will be allocated to complete on-going activities of the projects i.e. civil works at TTC Kamalia, TTC Chichawatni, and introduction of the master craft training at staff training institute gulburg, Lahore.

Sindh

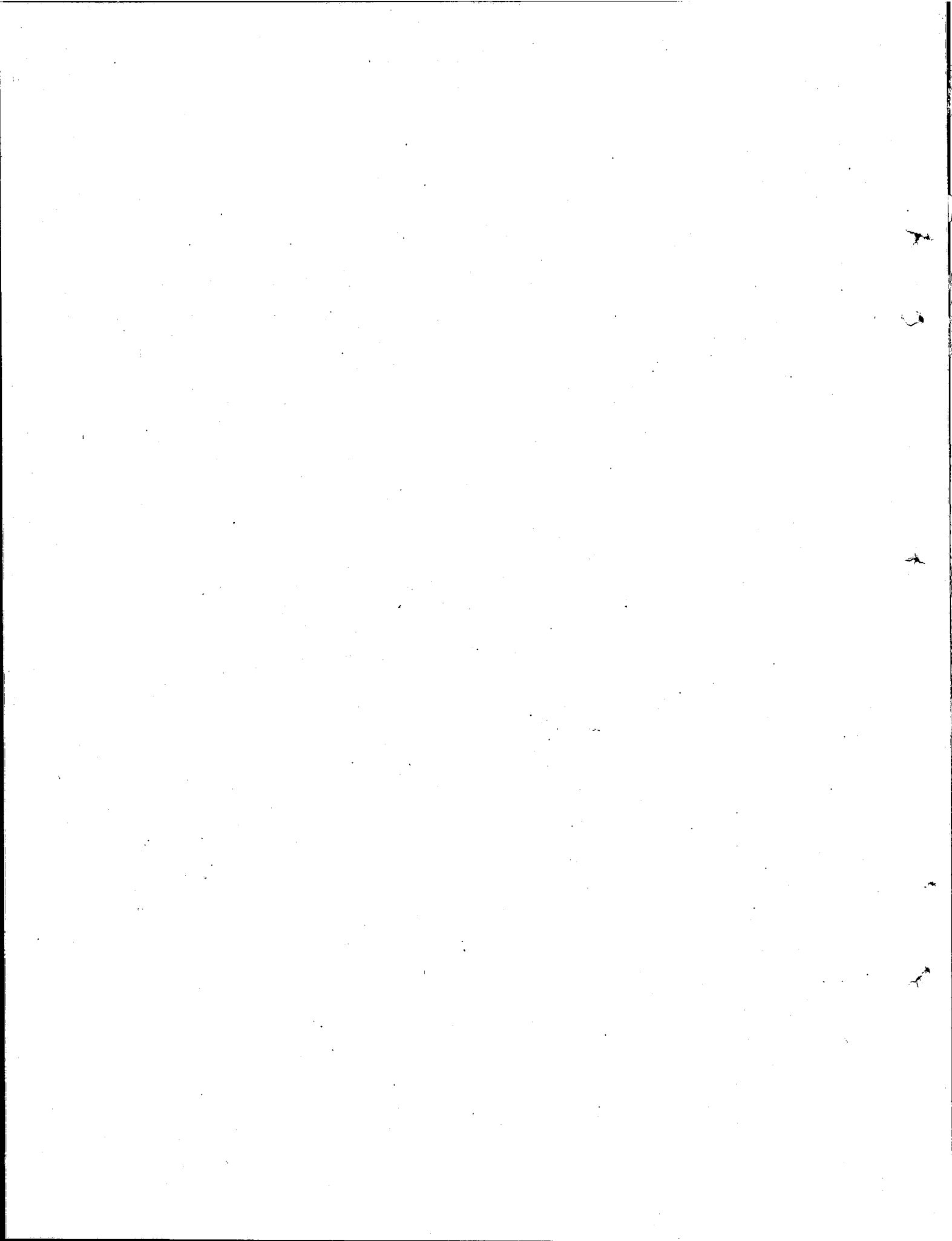
20.27 • An amount of Rs.8.00 million have been allocated under current financial year to complete the on-going activities of ten on-going projects.

NWFP

20.28 An allocation of Rs.3.309 million have been allocated for carrying on activities of two on-going and two new schemes located at Lakki, Manshera, Peshawar and Balakot.

Balochistan

20.29 An amount of Rs.8.885 million have been allocated for three on-going and two new schemes located in the province.



CHAPTER-21

SOCIAL WELFARE AND SPECIAL EDUCATION

21.1 The Social Welfare Programmes are designed to provide help to socially, economically and physically handicapped groups of the population. Therefore, the main strategy of the Annual Plan for 1997-98 will be to initiate and concentrate on consolidation and strengthening of social welfare programmes for the needy individuals, families, groups and communities.

REVIEW OF 1996-97

21.2 The Social Welfare sector was allocated Rs. 107.921 million (revised) out of which Rs. 104.529 million were utilized. Table 21.1 reflects the Federal and Provincial utilization.

TABLE-21.1
FEDERAL AND PROVINCIAL ALLOCATION/UTILIZATION

S. No.	Federal/ Provincial	1996-97		Utilization%
		Allocation (Revised)	Utilization	
1.	Federal Agencies	73.853	73.853	100
2.	Punjab	25.165	22.035	87.56
3.	Sindh	1.281	1.019	79.55
4.	NWFP	7.272	7.272	100
5.	Balochistan	0.350	0.350	100
TOTAL:		107.921	104.529	96.86

21.3 The overall utilization against the revised allocation had been satisfactory. The Federal Agencies fully utilized Rs. 73.853 million (Special Education Rs. 53.954 million, Social Welfare Rs. 3.281 million, National Council of Social Welfare Rs. 2.500 million and Staff Welfare Organization Rs. 14.118 million). The Provinces utilized an amount of Rs. 30.676 million against the revised allocation of Rs. 34.068 million, which comes to 90 percent (Punjab Rs. 22.035 million, Sindh Rs. 1.019 million, NWFP Rs. 7.272 million and Balochistan Rs. 0.350 million).

21.4 The physical progress in terms of targets was greatly affected due to cut on the development budget. The Federal Agencies concentrated on the continuation of its ongoing

programmes. The construction work on the buildings of the Special Education was particularly affected due to the resource constraints. The National Council of Social Welfare though provided financial assistance to 350 NGOs as per its target, the quantum of assistance to each NGO had to be reduced considerably because of the drastic cut applied to the allocation of the National Council of Social Welfare. In Punjab, eleven special education institutions and fourteen social welfare institutions were developed and grant-in-aid to five hundred social welfare agencies was given. The Sindh Government also applied a drastic cut, reducing the provision from Rs. 17.117 million to Rs. 1.281 million, which made it difficult even for the on-going projects to survive. The physical achievements in NWFP had also a similar scenario because seven projects reflected in the ADP were not provided any assistance. Only five ongoing projects were continued. The position of Balochistan was also not different because its allocation was reduced only to Rs.0.350 million against Rs. 5.983 million. This amount was utilized for the continuation of only one project. The position of private/voluntary sector remained the same. No NGO or voluntary social welfare agency could be provided financial or technical assistance.

PROGRAMME FOR 1997-98

21.5 The Annual Plan 1997-98 provides for an allocation of Rs. 103.450 million against Rs. 107.921 million (net) in 1996-97. The overall allocation is 1.03 percent less than the actual expenditure of the preceding financial year. There is a deteriorating trend in the Federal and Provincial allocations except Balochistan which shows an increase of 8 percent in its allocation.

FEDERAL AND PROVINCIAL ALLOCATIONS 1997-98

(Million Rs)

S. No.	Federal/ Provincial	Utilization 1996-97	Allocation 97-98		%Increase/ Decrease Over Uti- lization in 1996-97
			Original	Revised	
1.	Federal Agencies	73.853	81.861	71.136	- 3.68
2.	Punjab	22.035	20.065	20.065	- 8.94
3.	Sindh	1.019	4.916	4.916	+ 3.82
4.	NWFP	7.272	4.000	4.000	- 4.50
5.	Balochistan	0.350	3.333	3.333	+ 8.52
TOTAL:		104.529	114.175	103.450	- 1.03

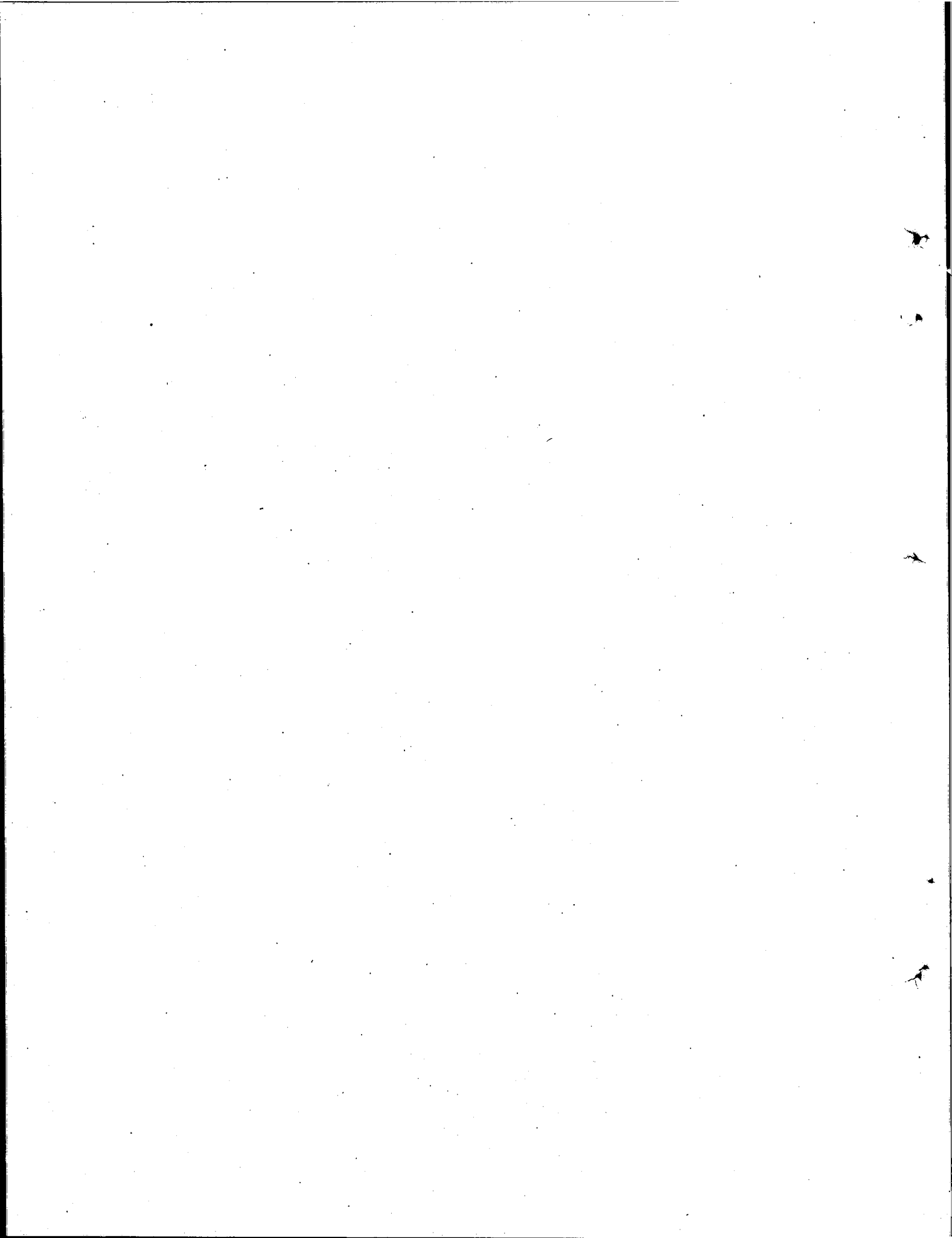
21.6 The Special Education and Rehabilitation Services for the Handicapped sub-sector carries the highest priority because more than 64 percent (Rs. 66.212 million) have been allocated to it. The allocation for Social Welfare Services and Promotion of Voluntary Social Work/NGOs is Rs. 15.591 million and Rs 2.524 million respectively. An amount of Rs.19.123 million is meant for the provision of welfare services to Federal Government employees for the reinforcement of their efficiency and performance. S.A.Table 21.1 gives agency wise and sub-sector- wise position.

21.7 The Annual Development Plan for the year 1997-98 primarily aims at the continuation, strengthening and revitalization of existing services. The major physical targets in the field of Special Education will be the completion of on-going construction work of buildings at Islamabad, Lahore, Faisalabad, Nawabshah, Khuzdar and Mardan. The vocational training programme for the disabled will be continued at Islamabad, Lahore and Karachi. The training programme for teachers, vocational teachers, physio-therapists, speech therapists, case workers and para professionals will be the significant feature of the Annual Plan 1997-98. Twenty one courses of different type such as in service, pre-service and courses for parents counselling and guidance, speech development and mobility training would be conducted through the National Institute of Special Education to benefit about 700 persons. The provincial programme for education, training and rehabilitation would include the construction and establishment of ten special education schools, (seven for the deaf and three for the blind children) to be established at Chakwal, Khushab, Pak Pattan, Muzzaffargarh, Rajanpur, D.G.Khan, Chiniot, Faisalabad, Multan and Kasur. The special education programme for Sindh will include the complex for handicapped children at Sukkur services centre for disabled at Shahdad Kot, District Larkana, service centre for multiple handicapped children Korangi, Karachi and institute for physically handicapped children at Nawabshah.

SOCIAL WELFARE SERVICES

21.8 A variety of existing social welfare institutions, established earlier, will be continued, expanded and developed during 1997-98. These centres include six socio-economic centres for women in jails, five district industrial homes, one destitute home in Punjab, pilot social welfare complex (Hyderabad) day care centre Korangi, Karachi, construction of sub-divisional offices of social welfare in Sindh. The country wide breakdown of Social Welfare Centres is Federal-1, Punjab-15, Sindh-9, NWFP-4 and Balochistan-1. The National and Provincial Councils of Social Welfare will provide financial and technical assistance to 900 NGOs.

21.9 Details of Agency wise and sub-sector wise physical achievements during 1996-97 and targets for 1997-98 are given in S.A. Table-21.2.



CHAPTER-22

RURAL DEVELOPMENT

22.1 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.

22.2 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).

22.3 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 of the rural areas. These two Programmes concentrate on farm-to-market/rural roads and providing other social and physical infrastructure in specified areas.

REVIEW OF 1996-97

22.4 During the financial year 1996-97, 1868 Kms of farm-to-market/ rural roads were constructed against the target of 1870 Kms. 25 number of rural health centres were established/upgraded against the target of 30 numbers. 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 1996-97 in different sectors are summarized in Table-22.1.

TABLE-22.1
TARGETS & ACHIEVEMENTS OF SOCIAL & PHYSICAL
INFRASTRUCTURE FOR RURAL AREAS DURING 1996-97.

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. summed in million.	7.00	5.00
	(ii) Rural Sanitation	-do-	1.77	1.10
C.	Rural Health			
	(i) Basic Health Units.	Nos	130	110
	(ii) Rural Health Centres	Nos	30	25
D.	Village Electrification	Nos	5214	5100

22.5 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 1996-97.

22.6 An allocation of Rs.7,970.20 million was made in 1996-97 for the construction of farm-to-market/rural roads and provision of social & physical infrastructure under integrated area development projects against which Rs.7,983.55 million were incurred showing utilization of 100.15 percent. Agency-wise details are presented in Table-22.2.

TABLE-22.2
FINANCIAL ALLOCATION AND UTILIZATION

(Million Rs.)

No.	Agency	1996-97		Percentage
		Allocation	Utilization	
1.	Federal	1,061.90	1,067.25	100.50
2.	Punjab	4,052.70	4,052.70	100.00
3.	Sindh	1,626.80	1,626.80	100.00
4.	NWFP	1,083.00	1,080.00	99.72
5.	Balochistan	146.80	156.80	106.81
Total:-		7,971.20	7,983.55	100.15

Source:- Federal/Provincial PSDPs.

FEDERAL

22.7 During the financial year 1996-97, an amount of Rs. 1,061.919 million including foreign aid of Rs. 1,032.650 million was allocated for rural development sector. Out of Rs. 1,061.969 million, Ministry of Environment, Local Government & Rural Development was allocated Rs. 879.000 million for ADB Assisted and Japanese Assisted Farm-to-Market/Rural Roads Construction projects. Interior Division was allocated Rs. 4.269 million for rural roads projects and Narcotics Control Division was provided Rs. 178.650 million including Rs. 167.650 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-22.3.

TABLE-22.3
ALLOCATION AND UTILIZATION IN 1996-97 AT THE FEDERAL LEVEL
(Million Rupees)

Sl. No.	Agency	Alloc. (1996-97)		Utiliz. (1996-97)	
		Total	F. Aid	Total	F. Aid
1.	2.	3.	4.	5.	6.
1.	Ministry of Envir. Local Govt. & Rural Dev.	879.00	865.00	879.00	865.00
2.	Narcotics Control Division.	178.65	167.65	184.33	173.33
3.	Interior Division.	4.27	0.00	4.92	0.00
Total:-		1,061.92	1,032.65	1,068.25	1,038.33

22.8 It is estimated that the Ministry of Environment, Local Government & Rural Development would utilize Rs. 879.00 million including Rs. 865.00 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. 184.33 million including Rs. 173.33 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. 4.92 million for the construction of about 4 Km of rural roads in Islamabad capital Territory. Utilization would be slightly higher than the PSDP allocation due to higher utilization of foreign aid under poppy eradication projects of Narcotics Control Division.

PROVINCIAL

Punjab

22.9 Government of the Punjab utilized the entire amount of Rs. 4,052.70 million allocated during 1996-97 for rural development projects. Major portion of this expenditure was incurred on the construction/improvement of about 850 kilometres of farm-to-market/rural roads, repair and construction of school buildings and pavement of streets in the backward rural areas.

Sindh

22.10 The Government of Sindh was able to utilize Rs. 1,626.80 million during the financial year 1996-97. The funds were utilized on construction of farm to market/rural roads and minor projects of Sindh Arid Zone Development Authority.

NWFP

22.11 The Government of NWFP utilized the entire amount of Rs. 1,080.00 million allocated during 1996-97. 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

22.12 The Government of Balochistan utilized Rs. 156.80 million for Rural Development. This amount is slightly higher than the allocation of Rs. 146.80 million. Higher utilization is due to Rs. 10.00 million spent on village electrification programme not reflected in rural Development sector. Out of Rs. 156.80 million utilized during the year, Rs. 25.00 million were provided as grant in-aid to rural/urban councils for undertaking projects to be identified by these institutions relating to the improvement of rural roads, supply of clean drinking water and disposal of sewerage. Rs. 107.5 million were utilized for the construction of farm-to-market roads. It is estimated that about 100 kilometres of rural roads were improved/constructed during the year in the province. An amount of Rs. 55.0 million was allocated for Balochistan Rural Support Programme which was fully utilized.

PROGRAMME FOR 1997-98

22.13 An amount of Rs. 5,727.79 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 1997-98 is shown in Table-22.4.

TABLE-22.4

FINANCIAL ALLOCATION DURING 1997-98

(Million Rupees)

S. No.	Agency	Allocation
A.	Federal	
i.	Ministry of Environment, Local Government & Rural Development.	1,986.36
ii.	Interior Division	2.69
iii.	Narcotics Control Division	158.80
	Sub-Total:-	2,147.85
B.	Provincial	
i.	Punjab	2,038.76
ii.	Sindh	775.97
iii.	NWFP	387.96
iv.	Balochistan	377.05
	Sub-total:	3,579.74
	Total:-	5,727.59

FEDERAL

22.14 During 1997-98, an amount of Rs. 2,147.85 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. 1,986.36 million including Rs. 1,758.00 million in foreign aid for construction/rehabilitation of farm to market/rural roads. During 1997-98, an amount of Rs. 427.36 million including Rs. 200.00 million of foreign aid has been provided for meeting the outstanding liabilities of ADB Assisted Farm to Market Roads Project Phase-II. Under the Japanese Assisted Rural Roads Construction Project, design work has been completed and construction of roads started. The Interior Division have been provided Rs. 2.69 million for the construction of roads under on-going rural roads projects in rural areas of Islamabad. Under this programme about 4 Kilometres of rural roads will be constructed in the Islamabad Capital Territory. The Narcotics Control Division have been allocated Rs. 158.80 million including Rs. 147.0 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-22.5.

TABLE-22.5.

FINANCIAL ALLOCATION FOR 1997-98 AT FEDERAL LEVEL.

(Million Rupees)

Sl No.	Agency	Allocation	
		Total	F.Aid
1.	2.	3.	4.
1.	Ministry of Environment Local Government & Rural Dev.	1,986.36	1,758.00
2.	Narcotics Control Division.	158.80	147.00
3.	Interior Division.	2.69	0.00
Total:-		2,147.85	1,905.00

Source: Federal PSDP 1997-98.

PROVINCIAL

22.15 Rural Development has been accorded a high priority by the provincial Governments during 1997-98. The total Provincial Programme has been kept at Rs. 3,579.74 million including foreign aid of Rs 619.05 million. Details of Province-wise utilization during 1996-97 and allocation for 1997-98 are given in Table-22.6.

TABLE-22.6

PROVINCE-WISE UTILIZATION FOR 1996-97
AND ALLOCATION FOR 1997-98

(Million Rupees)

S.No.	Sub-sector	Revised Estimates 1996-97	Allocation 1997-98
1.	Punjab	4,052.70	2,038.76
2.	Sindh	1,626.80	775.97
3.	NWFP	1,080.00	387.96
4.	Balochistan	156.80	377.05
Total:-		6,916.30	3,579.74

Source: Provincial PSDPs

Punjab

22.16 Government of the Punjab have allocated Rs. 2,038.76 million including Rs.51.70 million of foreign aid for rural development programme during 1997-98. Out of this, Rs. 1,669.42 million (about 87 per cent) have been earmarked for the construction/ rehabilitation/ improvement of farm-to-market/rural roads in the Province. Revised estimates for the 1996-97 and allocations for 1997-98 under various sub-sectors are shown in Table-22.7.

TABLE-22.7

FINANCIAL ALLOCATION
(GOVERNMENT OF PUNJAB)

(Million Rupees)

S.No.	Sub-sector	Revised Estimates 1996-97	Allocation 1997-98
1.	Farm-to-Market Roads	1,100.00	1,022.00
2.	Special Development. Programme for Education & Local Development	1,540.00	0.00
3.	Priority Programme	884.00	0.00
4.	Regional Planning	178.70	199.13
5.	Grant to Local Councils	300.00	0.00
6.	Rural Dev. Programme	0.00	606.97
7.	Un-Funded Schemes	50.00	210.66
Total:-		4,052.70	2,038.76

Source: Provincial PSDP

22.17 During 1997-98 priority has been accorded to on-going programmes including schemes under Asian Development Bank Assisted Farm-to-market roads phase-II project. It is estimated that about 900 kilometres of farm-to-market roads would be constructed/ improved in the Province during 1997-98 against the achievement of 850 kilometres during 1996-97. No allocation has been provided for Special Development Programme for Education & Local Development, Priority programme and Grant to Rural councils. An amount of Rs. 606.97 million has been allocated for Rural development Programme. Out of this amount Rs. 500.00 million has been set aside for construction of rural roads, but this programme is yet unapproved. A sum of Rs. 210.32 million has been earmarked as block allocation for schemes that will be identified later on.

Sindh

22.18 Government of Sindh have allocated Rs. 775.97 million for rural development during 1997-98. Out of this Rs. 355.00 million (about 68 percent) have been earmarked for the construction/ rehabilitation/ improvement of farm-to-market/ rural roads in the Province. Revised estimates for the year 1996-97 & allocation for 1997-98 under various sub-sectors are shown in Table-22.8.

TABLE-22.8

**FINANCIAL ALLOCATION
(GOVERNMENT OF SINDH)**

(Million Rupees)

S.No.	Sub-sector	Revised Estimates 1996-97	Allocation 1997-98
1.	Rural Roads	900.00	525.30
2.	SAZDA	412.00	75.20
3.	Aid to Local Bodies.	314.30	173.77
4.	Updating Survey of Human Rural Settlements.	0.00	1.70
Total:-		1,626.30	775.97

Source: Provincial PSDP.

22.19 The emphasis on the construction of farm-to-market roads will continue during the year. Allocation of Rs. 525.30 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 1997-98 is to complete the maximum number of on-going schemes, especially those that have attained advanced stages of completion. It is expected that approximately 300 on-going schemes will be completed and 432 kilometres of farm-to-market roads will be constructed during 1997-98. Rs. 173.77 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)

22.20 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. 75.20 million has been provided for rural roads and other rural development schemes reflected in the rural development sector.

NWFP

22.21 A sum of Rs. 387.96 million has been provided for rural development activities in the NWFP. Details of sector wise programmes are given in Table-22.9

TABLE-22.9

FINANCIAL ALLOCATION
(GOVERNMENT OF NWFP)

(Million Rupees)

S.No.	Sub-sector	Revised Estimates 1996-97	Allocation 1997-98
1.	Farm to Market Roads/Rural Roads	174.00	138.00
2.	Community Uplift Development Programme.	400.00	78.00
3.	Block allocation against counter-part funds for World Food Programme.	2.00	2.00
4.	Pak. German Integrated Rural Development Programme Phase-II.	4.00	5.00
6.	Area Development Programme	500.00	164.96
Total:-		1080.00	387.96

Source: Provincial PSDP

22.22 The above table shows that Rs. 138.00 million have been provided for the construction/improvement of about 142 kilometres 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. 164.96 million including Rs 92.00 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. 78.00 million including Rs. 32.00 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.

Balochistan

22.23 Government of Balochistan have allocated Rs. 377.05 million 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 1996-97 and allocations for 1997-98 are given in Table-22.10.

TABLE - 22.10

**FINANCIAL ALLOCATION
(GOVERNMENT OF BALOCHISTAN)**

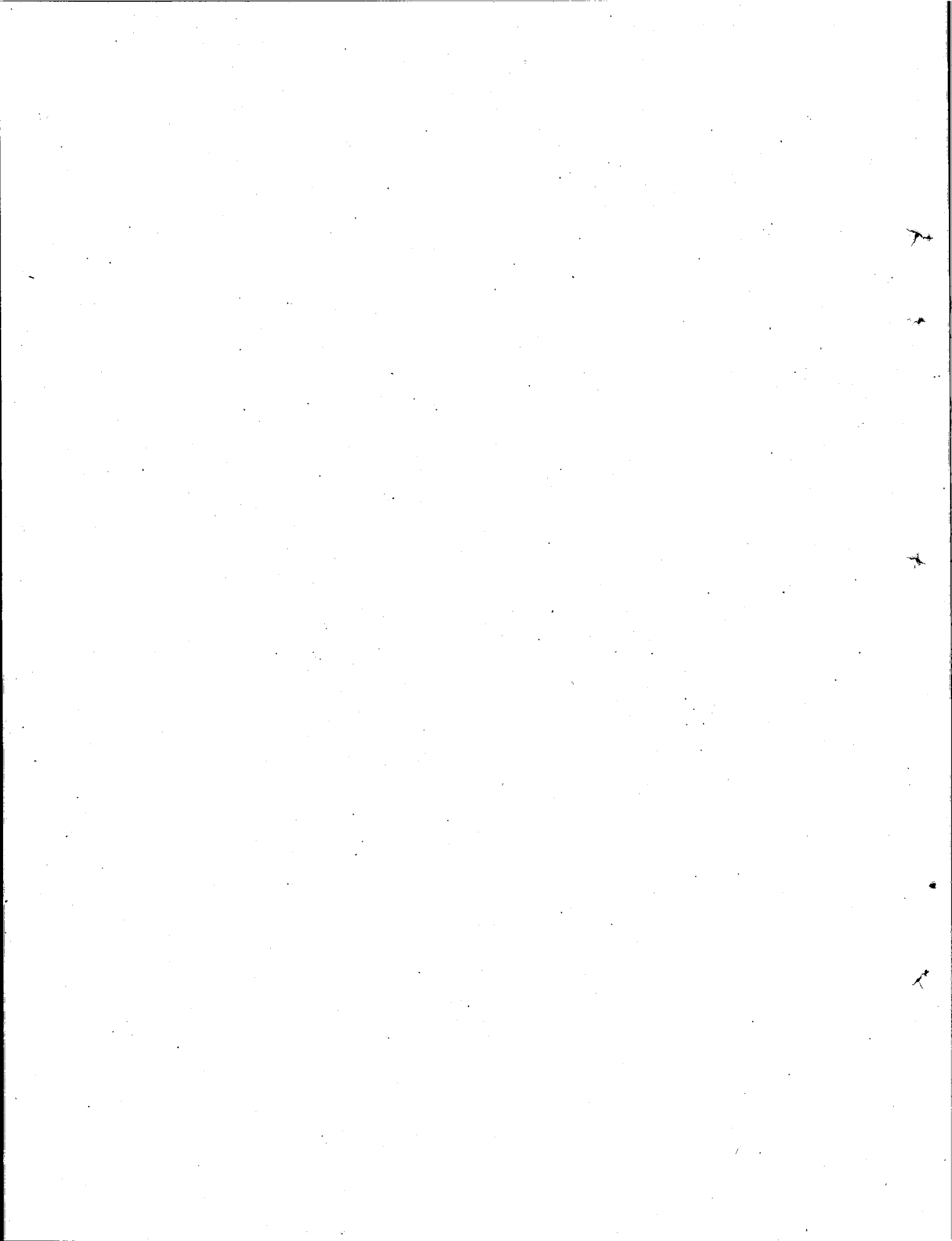
(Million Rupees)

S.No.	Sub-Sector	Revised Estimates 1996-97	Allocation 1997-98
1.	Grant-in-Aid for Rural/Urban Councils	25.00	0.00
2.	Area Development Programme	0.00	20.00
3.	Rural/ Farm-to-Market Roads	76.80	211.84
4.	Balochistan Rural Support	45.00	59.21
5.	BIAD Phase-III	0.00	76.00
6.	Rural Electrification	10.00	10.00
Total:-		156.80	377.05

Source: Provincial PSDP.

22.24 For the current financial year no allocation has been provided for grant-in-aid to rural and urban councils. Rs. 211.84 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 1997-98. An amount of Rs. 60.91 million has been allocated for Balochistan Rural Support Programme and Area Development Programme in Zhob & Loralai districts.

22.25 Physical achievements during 1996-97 and targets for 1997-98 in respect of sectors aiming at provision of social & physical infrastructure in rural areas is given at S.A.Table-22.1.



CHAPTER-23

SCIENCE AND TECHNOLOGY

23.1 It is well recognised that Science and Technology provide the most effective means for achieving rapid economic development, enhancing self-reliance, improving the living conditions of a society and ensuring national security. As such, the policies and plans for the national effort on S&T should be directly linked with the national socio-economic development needs and goals.

23.2 Pakistan has an adequate set up of technology organization, however, they have not working upto their mandate level, linkages between them are negligible which often causes duplication of work. Without liaison with ultimate user, their developed technologies do not find much use. Technological human resources are inadequate though the potential for their production and development exist in the country. S&T could not play a significant role because no attention was given to technology facilities and technology finance. Inadequacies in these areas have greatly affected the performance of innovation. This is due to neglect of S&T and R&D activities in the national policy, the fragmentation of sources, and the absence of expertise to market the developed technologies.

REVIEW OF 1996-97

23.3 A total of Rs 232.0 million (including allocation of Rs 23.1 million for S&T Deptt, Sindh) was made for S&T programmes during 1996-97 against which an expenditure of Rs 196.9 million has been incurred, showing a utilization of 85 percent. Details of sub sector-wise allocation and actual utilization are given in Table-23.1.

TABLE-23.1
FINANCIAL REVIEW OF 1996-97 (Million Rs)

S.No	Sub-Sector	Allocation	Utilization	% Utilization
1.	Education & Training	131.1	104.7*	80
2.	Industries	40.2	40.2	100
3.	Oceanography	5.5	0.8*	15
4.	Health	26.0	26.0	100
5.	Water	6.1	2.8*	46
6.	Provincial Component	23.1	22.4	97
Total:		232.0	196.9	85

*Due to financial constraints only these amount has been released.

23.4 The Ministry of Science and Technology for the first time in the country carried out R&D work along with private sector through Contractual Research under National Technology Policy. In its first phase, shuttles looms with 1/4th cost of the imported ones have been developed using indigenous technology. The products made on these looms would be able to compete in the international market, confirming to ISO-9000 standards. Further ministry has also launched consultancy programme with the help of local consultants to assist SME's in improving their products, services & productivity. Ten companies have shown their interest for training & compliance of ISO-9000 certification, Ministry is also assisting PARC to develop & install an indigenous plant for processing of locally grown green tea at Shinkirai, NWFP. The plant with the production capacity of 50 Kg of tea per day will reduce the foreign exchange burden on the state exchequer. Under the HRD Programme the total number of scholars enrolled for higher studies in various countries was 320 out of which 35 scholars have completed their studies during the year 1996-97.

23.5 National University of Science & Technology (NUST) has completed the restructuring of all UG and PG level programme to bring them in line with international standards. 55 students were awarded degrees whereas 8 students earned MSU degrees under split programme.

23.6 Pakistan Council for Scientific Industrial Research (PCSIR) has developed technology for production of Sodium Sulphate, disperse dyes, high temperature refractories, chamois leather and coal briquettes by using indigenous material. Tenekil pesticide, Musaffa water purifier and Neem pesticides are becoming big success. Solar water desalination technology for drinking water was successfully demonstrated for coastal areas & masses living in desert areas. PCSIR is also training manpower in precision mechanics, dies & mould etc. at its Pak Swiss Training Centre. Equipment & machinery received from the Swiss Government has been installed and is being utilized in Training Industrial Electronics Engineering. The Technical Training Centre in PSTC for Precision Mechanical & Instrument Technology at Quetta is 70% complete & the equipment procured through French Credit has been installed.

23.7 Pakistan Council of Research in Water Resources (PCRWR) major focus has been on the promotion of indigenously developed technology in the field of irrigation and water logging. WAPDA reclaimed more than 200,000 acres of saline land in Khairpur District by using tile drainage technology developed by PCRWR. The council have successfully developed techniques to preserve rain water in cholistan desert. Also Number of farmers are benefitting from trickle irrigation technique. The National Institute of Oceanography (NIO) completed data processing & analysis of NASEER-III Cruise, while data processing & analysis of Cruise IV&V were in progress. The basic idea behind this programme is to understand/predict applied aspects such as fisheries productivity & Pollution damage to the environment.

23.8 The National Institute for Biotechnology & Genetic Engineering (NIBGE) has developed excellent infrastructure to carry out R&D work in biotechnology related to Agriculture, Health, Industry & Environment. In the area of agriculture NIBGE's major focus has been on development of cotton leaf curl virus (CL CuV) resistant cotton through genetic engineering. This has been achieved by first isolating the causative virus, its molecular characterization, identification of genes obstructing viral replication and then introduction of such

genes in the elite cotton cultivars. Such transgenic plants are now in the green house and are undergoing further evaluation.

23.9 In addition to cotton biotechnology, NIBGE made a headway in the commercial production of biofertilizers under the name of BioPower, for rice, wheat and legumes. The farmers using these biofertilizers reported yield increases of 20-50%. Encouraged by these results the production is being upscaled and marketing strategies are being developed.

23.10 In the area of health care, NIBGE was able to develop the PCR/DNA based diagnostics of Hepatitis C and Tuberculosis. These tests are now being routinely provided to hospitals and various clinics. Regarding Environmental Biotechnology, NIBGE has developed very sensitive tests for detecting toxic and carcinogenic substances in any effluent samples. This service is being provided in the industry. NIBGE also carries out contract R&D for different industries such as sugar, pharmaceutical and mining industry.

23.11 The Department of S&T, Government of Sindh major thrust was to develop plant based pesticides from indigenous plants abundantly available in Sindh region to replace expensive and dangerous synthetic pesticides. To enhance agriculture production the department developed high yielding varieties and production technology.

PROGRAMME FOR 1997-98

23.12 An allocation of Rs. 233.9 million (including allocation of Rs. 23.2 million for S&T department, Sindh) has been made for S&T Programmes. The share of Ministry of Science and Technology and its organization is Rs. 180.8 million with foreign aid Rs. 26.7 million. The agency-wise details of allocation may be seen in S.A. Table-23.1.

23.13 Ministry of Science and Technology will continue its HRD programme, for which Rs. 40.3 million has been earmarked for funding the scholars already abroad. An amount of Rs.20.0 million has been allocated to establish a joint revolving fund of US\$ 1.0 million (with equal contribution) between Govt of Pakistan and Kazakhstan for corporation in the field of S&T and to establish close links between the scientific institutions of both countries.

23.14 During 1997-98 new disciplines of aerospace engineering, avionics engineering medicine and dental surgery which are the dire need of the country have been included in the NUST. A lead assessor courses on ISO-9000 as joint venture with Germany to be introduced in order to train and qualify person for registration with IRCA as well as to provide consultancy services to help the industry to produce quality products at competitive rates.

23.15 In view of the importance of food, oil & fats, leather and solar energy production to the economy of the country, PCSIR will be expanding its activities for development of technologies in these fields. Scope of R&D work for the propagation of medicinal plants, extraction of drugs from traditional plants, preservation of fruits and testing of mineral oils will be further expanded. The equipment received under French Credit is to be installed at the Technical Training Centre Quetta, to cater the diploma level training programmes in the field of Precision Mechanical & Instrument Technology. PCRWR expanded its research activities in

the field of water logging and salinity control and surface and ground water irrigation. The Council will develop catchment area over 2 kilometer radius in Cholistan desert for better collection of rain water in excavated reservoirs and irrigation distribution system for supply of water to field area for conjunctive use.

23.16 An amount of Rs 4.5 million has been allocated to complete the Display Centre of Pakistan Museum of Natural History. National Institute of Electronics (NIE) will initiate work on Artillery Computer System, Automatic Test Equipment and Electronics Industries Promotion Centre. NIE will also establish a marketing cell in order to achieve maximum business in all spheres of activities including computer training, PCB design & fabrication and consumer electronic products. The central Testing Laboratories (CTL) will strengthen the testing facilities at CTL, Karachi & Lahore to keep pace with the fast moving technology & analytical techniques, and will get the laboratories certified under ISO 9000 to help increase exports & check import quality.

23.17 In view of the importance of cotton production to the economy of the country, NIBGE will be greatly strengthening and expanding its activities in Cotton Biotechnology. Work in the area of health care biotechnology will be expanded with emphasis on PCR/DNA based diagnosis of all infectious diseases and genetically linked diseases. Recently the President have announced the establishment of a Cotton Biotechnology Centre at NIBGE.

23.18 In addition to on-going research activities the S&T Department, Government of Sindh plans to initiate new scheme "Consolidation and Rationalisation of Agriculture Research Institute for increasing research efficiency in Sindh" under Agriculture Sector Investment Project (ASIP) sponsored by the World Bank.

CHAPTER-24

SPECIAL AREAS PROGRAMME

24.1 Special Areas which include Azad Kashmir, Northern Areas, FATA and FATA-DC receive special allocations through Federal Public Sector Development Programme. During 1997-98 Rs. 3337.173 million were allocated for the development programme of these areas. This shows an increase of 1.898 % over Rs. 3275 million allocated in 1996-97. The area-wise allocation is given in Table-24.1, below.

TABLE-24.1
ALLOCATION FOR 1996-97 AND 1997-98

(Million Rs)						
S.No.	Area	1996-97		1997-98		Percentage change (Increase/ decrease in in allocation (column 5/3)
		Allocation Revised)	Utilization	Allocation	Percent Utilized during 1996-97	
1.	2.	3.	4.	5.	6.	7.
1.	Azad Jammu & Kashmir	1744.000	1647.069	1742.772	94.442	-0.07
2.	Northern Areas	560.000	*575.480	721.400	102.764	28.821
3.	FATA	855.000	840.812	769.184	98.341	-10.037
4.	FATA-DC	116.000	**	103.817	-	-10.503
Total :		3275.000	3063.361	3337.173	93.538	1.898

* Actual utilization includes Rs. 37.000 million provided as technical supplementary grant against SAP expenditure and Rs.40 million released against Development Package.

** No funds were released to FATA DC during 1996-97.

Source :
 i) Detailed Annual Plan 1996-97.
 ii) Public Sector Development Programme 1997-98 (Revised Nov:97).
 iii) Respective P&D Departments of Special Areas.

24.2 Out of total allocation of Rs. 3337.173 million to Special Areas during 1997-98, Rs. 1742.772 million have been allocated to Azad Kashmir, Rs. 721.400 million to Northern Areas, Rs. 769.184 million to FATA and Rs. 103.817 million to FATA-DC. Allocations to Northern Areas for 1997-98 shows an increase of 28.821 percent, while allocations to AJ&K, FATA and FATA-DC were decreased by 0.07%, 10.037% and 10.503%, respectively as compared to last year's (1996-97) level.

AZAD JAMMU AND KASHMIR

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24.3 An amount of Rs. 1744 million was allocated for financing the development schemes in AJK during 1996-97, against which an amount of Rs. 1647.069 million was utilized showing utilization to the extent of 94.442 %. During 1996-97 highest priority was assigned to Transport and Communication Sector which was allocated Rs. 381.185 million indicating 21.857% of the total allocation. This was followed by Power Sector which was earmarked Rs.330.750 million (18.965 %); Local Government and Rural Development Rs. 279.600 million (16.032 %); Foreign Aided/NCS Rs. 269.500 million (15.452 %), Education Rs. 133.300 million (7.643 %), PP & H Sector Rs.101.400 million (5.814 %) and Health Sector Rs.88.600 million (5.080 %).

24.4 Amongst the priority sectors highest utilization was recorded by Local Govt. and Rural Development (100.928 %), followed by Health Sector (100.740 %); T&C Sector (100.259 %); Education Sector (98.570 %); PP & H Sector (98.500 %); Foreign Aided projects (98.240) and Power Sector (76.499 %). The Sectoral allocation and utilization are given in Table-24.2, below.

TABLE-24.2

**SECTORAL ALLOCATION AND UTILIZATION
AZAD JAMMU & KASHMIR**

(Million Rs)

S. No.	Sector	1996-97		1997-98	Percentage change in allocation (column 5 over 3)	Percent Utilised during 1996-97
		Allocation	Utilization	Allocation (Estimates)		
1.	2.	3.	4.	5.	6.	7.
1.	Agriculture	76.800	73.591	88.000	14.583	95.822
2.	F. Aided Project	269.500	264.756	330.000	22.450	98.240
3.	Industries / Minerals	43.500	42.031	35.629	(-)18.094	96.622
4.	Education	133.300	131.394	188.597	41.483	98.570
5.	Health	88.600	89.256	172.100	94.243	100.740
6.	Water	14.150	10.508	6.952	(-)50.869	74.261
7.	Power	330.750	253.019	409.643	23.853	76.499
8.	T & C	381.185	382.174	169.455	55.545	100.259
9.	PP & H	101.400	99.880	88.638	(-)12.586	98.500
10.	LG & RD.	279.600	282.195	225.088	(-)19.496	100.928
11.	S. Welfare	2.500	2.296	2.600	4.00	91.84
12.	Research & Dev.	6.300	5.267	8.690	37.937	83.603
13.	SDP	16.415	10.702	17.380	5.879	65.196
Total:		1744.000	1647.069	1742.772	(-)0.070	94.442

Physical Achievements

24.5 During 1996-97, 2457 Kgs insecticides & 3000 Kgs vegetable seeds were provided to farmers. Five lifting devices were installed and training was imparted to 257 officials in different trades/levels. Establishment of a green house for experimental purposes of tea cultivation is in progress. In Animal Husbandry sub-sector payment of Mark up has been made on behalf of 26 farmers besides provision of 5000 doses of semen and 7500 doses of liquid nitrogen. To improve the basic health facilities construction work on 5 BHUs, 2 RHCs and 2 MCH centres have been completed. Training to 350 TBAs was also imparted. In Education sector buildings for 50 Primary, 60 Middle, 18 High Schools and one College were also completed. Under Water sector, work on flood protection and irrigation remained in progress. Under Rural Electrification Programme 3468 service connections were provided and 491 Km HT & LT lines were erected. 123 Transformers were installed during the year. In the Transport and Communication sector 8 Km double lane and 45 Km single lane roads were metalled while construction work on bridges and 12 Km fair weather roads remained in progress. In PP&H sector 10814 sft. office and residential accommodation was constructed. Under Rural

Development sector 110 water supply schemes, 15 primary schools buildings and 170 Km fair weather roads were constructed. In forestry sub-sector 9.850 million plants were raised and 4.709 million cft. soil conservation work was carried out. Physical targets and achievements are given in S.A Table-24.1.

PROGRAMME FOR 1997-98

24.6 During 1997-98 an amount of Rs. 1742.772 million has been allocated for development programme of Azad Jammu & Kashmir against an allocation of Rs. 1744 million during 1996-97 indicating a decrease of 0.07 %. The Sector-wise allocation alongwith percentage changes is given in Table-24.2.

24.7 During 1997-98 highest priority has been assigned to Power Sector which has been earmarked Rs.409.643 million followed by Foreign Aided projects which were allocated Rs. 330.00 million, LG & RD Rs. 225.088 million, Education Rs. 188.597 million. and Health Rs. 172.100 million. Among social sectors, primary education, primary health care and rural water supply & sanitation have been given special importance.

24.8 Major programmes during 1997-98 include the provision of 1925 Kgs pesticides, installation of 5 tubewells, construction of 7 Km Water Channels, establishment of green houses for tea cultivation and training to 958 officials. In Animal Husbandry sub-sector, establishment of dairy, sheep and goat farms and artificial insemination activities will remain in progress. In Forestry Sub-Sector 9.1 million plants will be produced and 3.7 million cft. soil conservation works will be carried out. Under Education sector buildings for 60 Primary schools, 80 middle schools, 40 High schools and 3 Colleges will be constructed. In Health sector construction work on 10 BHUs, 2 RHCs, 10 MCH centers will be completed besides purchase of 20 ambulances. In T&C sector 80 Km roads of different specifications will be constructed/metalled. In PP&H sector 1849 sft. construction work of office and residential accommodation will be carried out and work on flood protection and irrigation projects will remain in progress. Under Rural Development sector 228 water supply schemes, 56 primary schools buildings, 168 sanitation schemes and 200 Km fair weather roads are to be completed. In Power sector 4886 electricity service connections will be provided and 247 Km HT & LT lines will be erected. In Industries sector development of industrial estates, vocational & skill training programmes & exploration/exploitation of minerals will remain continue.

NORTHERN AREAS

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Financial

24.9 An amount of Rs. 560 million was allocated to Northern Areas under PSDP 1996-97 against which an amount of Rs. 575.480 million was utilized showing utilization of 102.764%. The actual utilization includes Rs. 37 million as technical supplementary grant against SAP expenditures and Rs.40 million released against N.A Development package. During

1996-97 highest priority was accorded to T&C sector which was allocated Rs. 165 million indicating 29.464 % of the total revised allocation. This was followed by Power sector which was earmarked Rs.141.500 million (25.268 %), PP&H Rs. 45 million (8.036 %); and Education Sector Rs. 31.500 million (5.625 %). Besides these an amount of Rs. 21 million, Rs.8 million and Rs. 16 million were allocated to Education, Health and R.W.S.S respectively under Social Action Programme.

24.10 Utilization in these priority sectors ranges between 57% to 143%. The sectoral allocation and utilization are given in Table-24.3

TABLE-24.3
SECTORAL ALLOCATION AND UTILIZATION
(NORTHERN AREAS)

(Million Rs.)

S. No.	Sector	1996 - 97		1997-98 Allocation Estimates	Percentage change in allocation (column 5 over 3)	Percent utilized during 1996-97
		Allo- cation (Revised)	Utili- zation			
1.	2.	3	4	5	6	7
1.	Agriculture	7.900	7.900	7.708	0.000	100.000
2.	Animal Husbandry	6.800	6.800	6.517	-4.162	100.000
3.	Fisheries	1.000	1.000	1.217	21.700	100.000
4.	Forestry	10.800	10.720	10.428	-3.444	99.259
5.	Industries	8.500	8.500	13.035	53.353	100.000
6.	Water /Irrigation	5.000	2.839	5.214	4.28	56.780
7.	Power	141.500	160.797	104.28	-26.304	113.637
8.	T & C	165.000	193.923	194.656	17.973	117.529
9.	PP & H	45.000	46.367	65.175	44.833	103.038
10.	Education	31.500	45.255	36.498	15.867	143.667
11.	Health	8.000	9.900	6.952	-13.100	123.750
12.	LB & RD	20.000	20.000	21.725	8.625	100.000
		451.000	514.001	473.605	5.012	113.969

SOCIAL ACTION PROGRAMME

13.	Education	21.000	29.338	137.38	554.190	139.75
14.	Health	8.000	15.061	97.38	1117.050	188.263
15.	R.W.S.S	16.000	17.080	13.04	-18.531	106.750
TOTAL:-		45.000	61.479	247.795	450.655	136.620
F.Aid		64.00	-	-	-	-
GRAND TOTAL:-		560.000	575.480	721.400	28.821	102.764

*Actual utilization includes Rs. 37 million as technical supplementary grant against SAP expenditure and Rs.40 million released against N.A Development package.

Physical Achievements

24.11 During 1996-97 in Agriculture sector 10.550 Tonnes of Potato seeds and 2500 Kg vegetable seeds were distributed. In Horticulture Sub-sector an area of 8 Kanal was developed under Forest Nurseries and 91000 fruit plants were raised / distributed. In Animal Husbandry Sub-sector 0.250 million animals were vaccinated. In Forestry sector 0.100 million plants were planted and an area of 310 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, 42500 Rft irrigation channel was constructed and 5000 Rft pipelines were laid down. In Power sectors 5 Power Houses were established and 20 new Transformers, 17730 Rft. penstock pipe were procured and 10 TG Sets installed. 31500 Rft Power channel was built and 60 KM Transmission Lines and 70 KM Distribution Lines were erected. In T&C sector 75 KM Jeepable Roads, 24 KM metalled roads, 34 KM truckable roads and 5 KM truckable metalled roads were constructed/improved. 6 suspension bridges, 6 truss bridges, 3 RCC bridges and 274 RCC culverts were also constructed. In PP & H sector 28 residential quarters and 7 non-residential buildings were constructed and 140 Government buildings were repaired/renovated. 101500 Rft pipeline, 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. Physical targets and achievements are given in S.A. Table-24.2.

PROGRAMME FOR 1997-98

24.12 During 1997-98 an amount of Rs. 721.4 million has been allocated for development programme of Northern Areas against an allocation of Rs. 560 million made during 1996-97. The Sector-wise allocation alongwith percentage changes is given in Table-24.3.

24.13 During 1997-98 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.

24.14 The major programmes during 1997-98 include development of 10 kanal area under forest nurseries and vaccination of 0.2 million animals in the agriculture/livestock and forestry sector. In the water sector 6.5 Km water channels and 1200 meters pipeline with one pumping set are proposed to be installed. In the power sector, 19 TG sets are proposed to be installed and 20 transformers would be procured. In the Transport & Communication sector 107 Km of Jeepable road and 30 Kms of metalled roads are proposed to be constructed. Construction of 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 & sanitation under the implementation of Social Action Programme. In this connection construction of 30 primary schools, 3 secondary schools and up-gradation of 2 middle schools besides 2 colleges are programmed in the education sector. In the health sector construction of 2 RHCs and immunization of 74000 children under EPI Programme are envisaged during 1997-98.

FEDERALLY ADMINISTERED TRIBAL AREAS (FATA)

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24.15 An amount of Rs. 855 million was allocated to FATA under PSDP 1997-98 against which an amount of Rs. 840.812 million was utilized showing utilization to the extent of 98.341 %. During 1996-97 highest priority was accorded to Communication Sector which was allocated Rs. 210.795 million indicating 24.654 per cent of the total allocation. This was followed by Education Sector which was earmarked Rs. 174.890 million (20.455 %), Public Health Engineering Rs. 156 million (18.245 %); Health Sector Rs. 94.149 million (11.012 %); Power Sector Rs. 84.083 million (9.834 %) and Forests Rs. 54 million (6.316 %).

24.16 During 1996-97 utilization amongst priority areas ranges between 95% to 100 %. The Sectoral allocation and utilization are given in Table-24.4, below:-

TABLE-24.4
SECTORAL ALLOCATION AND UTILIZATION

F A T A

(Million Rs)

S. No.	Sector	1996-97		1997-97 Allocation (Estimates)	Percentage Change in Allocation (Column 5 over 3)	Percent utilized During 1996-97
		Alloca- tion	Utili- zation			
1.	Agriculture	36.314	34.656	27.616	-23.952	95.434
2.	Forests	54.000	52.000	48.940	-9.370	96.296
3.	Communications	210.795	210.654	197.093	-6.500	99.933
4.	Power	84.083	83.000	25.630	-69.518	98.712
5.	Public Health Engineering	156.000	155.976	139.902	-10.319	99.998
6.	Housing	18.053	17.953	17.062	-5.489	99.446
7.	Education	174.890	170.890	163.602	-6.454	97.713
8.	Health	94.149	89.638	96.697	2.706	95.208
9.	Research & Dev.	12.716	12.716	7.232	-43.124	100.000
10.	Rural Dev.	14.000	13.329	12.125	-13.392	95.207
11.	Regional Dev.	-	-	33.285	-	
Total :		855.000	840.812	769.184	-10.036	98.341

Physical Achievements

24.17 During 1996-97, in Agriculture Extension 113 scholarships were awarded and 14 agricultural shows were held. 0.199 million fruit plants were distributed and 848 demonstration plots were developed. For the development of livestock and Dairy 10 scholarships for DVM Degree Course were awarded. 17700 animals were treated and 8400 were inseminated. With a view to promote forestry 5479 acres of block plantation and 38.25 acres of nurseries were developed and 1000 plants were distributed. 35000 Mulberry plants and 535 Pkt silk seeds were also distributed. In Power Sector, 34.15 miles H.T Lines and 31.15 Miles L.T. Lines were erected and 26 transformers were procured and electricity was provided to 7 villages. In Communication Sector, 24.79 KM Shingled roads, 38.30 KMs Black Top roads and one bridge was constructed besides the improvement of 36.90 KMs of existing roads. In Education Sector, 77 primary schools were established and 24 were upgraded to Middle Status, 8 Middle Schools were upgraded to High Status and 2 High Schools to Higher Secondary Status. In Health Sector, 3 Hospitals and 4 Basic Health Centres were established. Physical targets and achievements are given in S.A.Table-24.3.

PROGRAMME FOR 1997-98

24.18 During 1997-98 an amount of Rs. 769.184 million has been allocated for the development programme of FATA against the allocation of Rs. 855 million earmarked during 1996-97. The Sector-wise allocation alongwith percentage changes are given in Table-24.4.

24.19 During 1997-98 major sectoral allocations in order of priority are Communications (25.623 %), Education (21.270 %), Public Health Engineering (18.188 %) Health (12.571%) and Forests Sector (6.362 %) of the total allocations.

24.20 Major programmes during 1997-98 include 122 scholarships in agriculture extension, holding of 14 agricultural shows, distribution of 0.168 million fruit plants and establishment of 431 demonstration plots. 10 scholarships of DVM Degree course will be awarded and 0.147 million animals will be treated. To promote forestry, 9027.65 acres block plantation and 173.92 acres of nurseries will be developed. In Power Sector, 75.4 miles H.T. lines and 83.6 Miles L.T. Lines will be erected and 111 transformers will be provided. Electricity will also be extended to 63 villages. In Education Sector 12 new Primary Schools will be opened and 20 will be upgraded. Similarly, 5 Middle Schools will be upgraded to High Schools and 5 high school buildings will be constructed. In Health Sector 5 Hospitals and 10 Basic Health Centers and 15 MCH Centers are programmed to be established.

FATA Development Corporation

24.21 An amount of Rs. 116 million was earmarked for the development programme of FATA-DC during 1996-97. However, no fund were released to the corporation during the financial year 1996-97. The allocation of Rs. 103.817 million for the year 1997-98 has been earmarked.

CHAPTER-25

ENVIRONMENT

25.1 Like most developing countries, Pakistan is facing serious environmental pollution and natural resources degradation problems. Rapid population growth, unplanned urbanization, industrialization and unsustainable use of natural resources have put enormous pressure on the environment. In recognition of the problem the government has accorded high priority to the Environment Sector. The National Conservation Strategy (NCS) approved by the Federal Cabinet in 1992, has sought to integrate the efforts of Government, NGOs and private sector for the protection of Environment in the country.

25.2 At the national level, the Pakistan Environmental Protection Council (PEPC), constituted under Pakistan Environmental Protection Ordinance, 1983, which could not meet for more than 10 years, has now gained momentum to the policy and programme formulation. These, inter alia, included review of National Environmental Quality Standards (NEQS), preparation of a comprehensive Pakistan Environmental Protection Act, transfer of environmentally sound technologies (EST), research on environmental issues and massive afforestation with the involvement of public sector and NGOs and CBOs. This marks headway for enactment of a new legislation for the protection and conservation of the environment in the country.

25.3 The Environmental Protection Act 1997, attempts to overcome the short comings of Pakistan Environmental Protection Ordinance, 1983 and provides the framework for implementation of National Conservation Strategy; establishment of Provincial Sustainable Development Funds; protection and conservation of species, wildlife, habitats and biodiversity; conservation of renewable resources; establishment of standards for the quality of the ambient air, water and land; establishment of Environmental Tribunals and appointment of Environmental Magistrates, Initial Environmental Examination (IEE), Environmental Impact Assessment (EIA), and promotion of public education and awareness of environmental issues through mass media.

25.4 Under the new Act, the protection of the environment, in addition to official environmental agencies, any person or organization can request for inquiries and investigation into environmental issues and for award of compensation for losses/damages sustained by him from a polluter.

25.5 It has also empowered the federal government to make rules for implementing important international environmental agreements, to which Pakistan is a party. Pakistan is also playing active part internationally by supporting and establishing a new global partnerships to protect the environment at national, regional and global level and has become signatory to many international Conventions/Protocols/Agreements like Agenda-21, UN Framework Convention on Climate Change (UNFCCC), Montreal Protocol on Ozone Depleting Substances, Global Environment Facility (GEF), Commission on Sustainable Development (CSD) and Convention on the Control of Transboundary Movement of Hazardous Waste and their Disposal. Pakistan

has also membership of important regional organizations like ECO, SAARC and South Asia Cooperative Environment Programme (SACEP).

REVIEW OF 1996-97

25.6 At the Government level, concerted efforts were initiated to formulate environmental programmes as recommended in NCS for which an allocation of Rs.1319.998 million was made during 1996-97, against which an expenditure of Rs.998.479 million has been incurred, showing a utilization of 76 percent. Details of agency-wise allocations and actual utilizations during 1996-97 are given in Table-25.1.

TABLE-25.1

AGENCY-WISE ALLOCATION AND UTILIZATION DURING 1996-97

Agency	Allocation	Utilization	% Utilization
Federal	522.963	334.963	64.1
Provincial	538.035	394.016	73.2
Punjab	299.735	249.573	83.3
Sindh	16.300	43.560	267.2
* NWFP	80.000	40.483	50.6
Balochistan	142.000	60.400	42.5
Spl.Areas	259.000	269.500	104.1
AJ & K	143.000	132.500	92.7
N.A	116.000	137.000	118.1
FATA --	--	--	--
Total:	1319.998	998.479	75.6

25.7 An operational institutional set-up has been established at Federal level to implement NCS since 1992-93 consisting of establishment of Pakistan Environmental Protection Council (PEPC), Pakistan Environment Protection Agency (PEPA) and NCS Implementation Unit in the M/o ELG&RD. At the provincial level, the Environmental Protection Agencies (EPAs) and Environment Departments/Cells have become now functional. Similar structures have been instituted by other Organizations to ensure, carrying out of, development activities in line with the environmental standards and regulations.

25.8 On non-governmental side, the International Union of Conservation of Nature Pakistan (IUCN-P), World Wide Fund For Nature - Pakistan (WWF-P), and Sustainable Development Policy Institution (SDPI) alongwith other NGOs have been active on protecting the environment and conserving the natural resources. An environmental NGOs Management Fund

has been created under Ministry of Environment Local Government and Rural Development which is being used both to provide grant assistance and credit or subsidies to the private sector.

25.9 The Pakistan Environmental Protection Council (PEPC) in 1993, approved the National Environmental Quality Control Standards (NEQS) for industrial/municipal effluents and motor vehicle exhaust and noise. These Standards have been enforced after a three years grace period w.e.f. 1st July, 1996. The standards are being implemented on the basis of a national consensus through continuous dialogues with all relevant sectors.

25.10 The Federal Government, with the assistance of different international agencies, has undertaken a number of projects and programmes in the fields of pollution abatement and conservation of natural resources. The major projects/programmes undertaken by the Federal Government, inter alia, include: Master Plan for Urban Waste Water (Municipal and Industrial) Treatment Facilities and Future Needs in Pakistan, Tarbela and Mangla Watershed Management Projects; to maintain and 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 effecting the human health and surrounding environment in Kasur; Mass Awareness and Environmental Education project in which environmental NGOs and local communities have been involved through setting up of Environmental clubs in schools and colleges. Rachna Doab Afforestation Project and Forest Nurseries on 6000 Acres in different parts add to afforestation capacity in the country. Other projects/programmes include, Harbour Pollution Management at Karachi Port, Asian Least Cost Green House Gasses Abatement Strategy (ALGAS) Project, Agricultural Tubewell Energy Efficiency Improvement Programme and Development of Textile Processing Industrial Estate in Faisalabad.

25.11 The Provincial Governments and the Government of AJ & K have also initiated the development of environmental protection and natural resources conservation programme, in order to achieve the sectoral goals framed under the National Conservation Strategy. In this connection, all the Provinces have developed and implemented environmental protection and conservation projects during 1996-97 in order to ensure sustainable development throughout the country.

PROGRAMME FOR 1997-98

25.12 The Environmental Programmes 1997-98 would continue focussing on efficient and effective implementation of NCS at all levels and in all the areas identified under its 14 core areas. Major emphasis will, however, be on institutional up-gradation, legislation, mass awareness, massive afforestation, marine pollution management sectoral programmes and projects.

25.13 The Government has allocated Rs.269.715 million (FEC Rs.183.422 million) for Environment Sector in Federal PSDP 1997-98, whereas the overall sectoral allocation under Provincial PSDPs is Rs.794.137 million. The Federal PSDP includes 16 projects, of which 13 projects are being implemented by Ministry of Environment, Local Government and Rural Development. Major emphasis of these projects would be on institutional strengthening and

streamlining the functions of Environment Agencies, besides provision of additional staff, training and procurement of equipment etc. Moreover their roles would be activated and expanded to implement and enforce the Pakistan Environmental Protection Bill, 1997, to enforce the NEQS for the discharge of pollutants into air, water and soil, and to review Environmental Impact Assessments (EIA) for development projects. Their functional capacities would also be enhanced to coordinate proper implementation of NCS at all levels, to survey and monitor environmental pollution, and to formulate the environmental programmes and projects for implementation, through mobilizing donors assistance as well as through enhancing the participation of NGOs and private sector.

25.14 Following are the major sectoral programmes, to be implemented during 1997-98 in order to facilitate both the short and long-term environmental achievements.

a) **Legislation**

The Environmental Protection Act 1997 would provide legal tools and back-up to revamp effective control of pollution and preservation of living environment.

b) **Mass Awareness Campaign**

Responding to the pressing need for increasing of environmental awareness, a massive Mass Awareness Campaign have been launched. Under this Programme, many activities including T.V and Radio programmes, panel discussions/seminars, publicity through print media and cinema films etc, are being undertaken. A project at a cost of Rs 19.4 million is under implementation and an amount of Rs 10.3 million have already been spent whereas Rs 5.00 million have been allocated for this year.

c) **Afforestation**

Both the public and private agencies and the forest departments launched a massive afforestation campaign, throughout the country. The programme aimed at two fold increase in the country's forest area i.e. from existing 5 percent to 10 percent in few years. For this purpose, both public and private sectors are being encouraged to participate in the programme. The power generation companies were asked to plant trees in the area adjacent of 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, a pilot project have already been approved by the PEPC to provide free of cost Liquid Petroleum Gas Cylinders to the residents of Ziarat. This strategy would also be replicated in the Northern Areas to conserve the fastly depleting forests. The World Bank and the Global Environment Facility have launched "Environmental Protection and Natural Resource Conservation" (EPRC) and "Bio-diversity Conservation" Projects, whose efficient implementation is being ensured since 1995-96. In addition, the Government has approved "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. 939.00 million.

d) **Environment Projects**

Based on the policy framework of NCS, a 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 to be most important by the Federal Ministries and Provincial Governments, as included under NCS Plan of Action. Accordingly, a "Portfolio of Environmental Projects 1995-96", comprising 46 projects with capital outlay of Rs. 12.3 billion were circulated among the donors for possible assistance. The assistance has now been lined up and projects are being implemented. These projects aim to achieve 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 like Tarbela and Mangla Watershed Management, Air and Noise Pollution Control, and Social Forestry in Rural Areas i.e afforestation including the parks development with flora and fauna reserves conservation, etc.

e) **Environmental Impact Assessment**

Under Pakistan Environmental Protection Act 1997, it is mandatory for the proponent of both Public and Private Sectors to carry out and submit an Initial Environmental Examination (IEE) or Environmental Impact Assessment (EIA) report at the time of planning, to the concerned EPA to ensure that the proposed development would not have any adverse impact on environment. Integration of IEE/EIA in planning process, which 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 Environment Ordinance (PEPO)-1983, the process of EIA in Pakistan is still in its early stages of development, mainly due to un-awareness about its importance. The lack of guidelines, screening and reviewing procedure and non-availability of funds, technical expertise and base-line data are the main constraints in the proper implementation of EIA. To overcome these problems, the Government under CIDA funded Pakistan Environment Programme and the World Bank's Environment Protection and Resource Conservation Project is addressing the 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. Second step will be the institutionalization of EIA review process to ensure public participation through NGO/local communities and to systematically institutionalize 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 instrument in the planning process.

Financial Programme for 1997-98

25.15 Overall size of the sectoral allocation (including Special Areas) has been proposed as Rs.1063.764 million. Major projects under sectoral programmes focus on the maintenance

and rehabilitation of environment, conservation of natural resources as well as increasing efficiency in the use of critical renewables and non-renewables. It comprises all approved projects of Federal and Provincial Governments.

Federal

25.16 An amount of Rs.269.715 million (Foreign Aid Rs.183.422 million) has been allocated under Federal Programme. Agency-wise financial allocation at the Federal level is given in Table.25.2

TABLE 25.2

FINANCIAL ALLOCATION FOR THE YEAR 1997-98

(Million Rs)

S.No	Agency	Total	F.Aid
1.	M/o ELG&RD	257.981	181.761
2.	M/o Food, Agriculture & Livestock	2.883	1.500
3.	M/o Water & Power	8.690	0.000
4.	Statistics Division	0.161	0.161
Total:		269.715	183.422

25.17 An analysis of Federal programme reveals that the share of institutional strengthening and pollution abatement is about Rs.51.00 million (19 percent), while rest of the allocation of Rs 219.00 million (81 percent) is for the projects of resource conservation, watershed management, mass awareness and afforestation.

Provincial & Special Areas

25.18 Total sectoral allocation for the four Provinces and Special Areas is Rs 464.00 million and Rs 330.00 million respectively. In addition to Federal Government Programmes, the Provincial and AJ & K Governments have also formulated their Environmental Protection & Resource Conservation projects to be implemented during 1997-98. Details of allocations are given in Table.25.3

TABLE.25.3

PROVINCE/AREA-WISE ALLOCATION FOR THE YEAR 1997-98

S.No.	Area	ADP Allocation
<u>Provincial</u>		
1.	Punjab	116.186
2.	Sindh	47.000
3.	N.W.F.P	184.863
4.	Balochistan	116.000
(a). Total (Provincial) 464.049		
<u>Special Areas</u>		
1.	AJ & K	156.0
2.	Northern Areas	174.0
3.	FATA	--
(b) Total (Spl. Areas) 330.0		
Grand Total(a+b) <u>794.049</u>		

Punjab

25.19 The Government of Punjab has allocated Rs 116.00 million for development projects in the field of environment. Most of the schemes fall in the NCS Core Areas which include: Afforestation of Shorkot Plantation (Phase-II), Rs 3.385 million, Growing of EUC for paper and Pulp in S.Z.Multan Phase-II Rs 8.850 million, Planting of blank reaches along roads in S.Z.Multan Rs 1.763 million, Rehabilitation of Irrigation System in Irrigated Plantation in S.Z. Multan Rs. 3.188 million, Riverine Reforestation along Chenab and Ravi Rs 2.234 million, Motor Vehicle Emission Control Advisory Cell Rs.1.050 million, Abatement Air Surveillance Programme in big Cities of Punjab Rs 0.956 million, Development of Solid Waste Analysis facilities in EPD Punjab Rs 0.500 million, Data Collection of Chloroflouro Carbon consumption in Punjab Rs 0.637 million, Environment Education Programme in Punjab Rs 1.800 million, etc.

Sindh

25.20 The Government of Sindh has allocated Rs 47.00 million for Environmental projects during 1997-98, out of which Rs 46.00 million have been provided to on-going schemes while Rs 1.00 million are provided for new schemes.

N.W.F.P

25.21 A sum of Rs 184.863 million has been provided for environmental projects such as institutional strengthening of NWFP-EPA; mass awareness about environment; support to Environmental NGOs; creation of EIA expertise in NWFP; investigation and project formulation studies; improvement of Urban Environment in Peshawar; Environmentally safe disposal of Hospital wastes and sustainable development in NWFP, etc.

Balochistan

25.22 The Government of Balochistan has allocated Rs 116.00 million for undertaking Environment projects including, Watershed Rehabilitation Programme, Institutional Strengthening of Environment Protection Agency and Environment Section (P & D Deptt), Conservation of Hazar-Gangi Chiltan National Park, Makran Coast Sand Dunes Stabilization and Conservation and Management of Juniper Forests etc. An amount of Rs 64.20 million have been allocated for Markran Coast Sand Dunes Stabilization Project while balance of Rs 51.80 million have been allocated for other projects in the Province.

CHAPTER-26

POVERTY ALLEVIATION

26.1. Poverty is multi-dimensional in nature. It implies a severe lack of material and cultural goods, which impedes normal development of individuals or households. Pakistan over the past three decades has witnessed significant decline in poverty both in rural and urban areas mainly due to sound economic policies and structural changes in the society though there seems to have been an increase over the last ten years. Moreover, the incidence of poverty has been relatively higher in rural areas of Pakistan. However, about 30 million people (5 million households) live in absolute poverty line and are unable to meet the minimum nutritional requirements. Out of these, about 10 million live in urban and about 20 million in rural areas.

26.2. Pakistan's poor social indicators which have important manifestation of human dimensions of poverty compare unfavorably with countries with comparable levels of per capita income. Over two-thirds of Pakistan's adult population is illiterate, 17 million children are out of primary school, 60 million people do not have access to health facilities, 36 million people are without safe drinking water and 72 million people are deprived of basic sanitation facilities. There are 740,000 child deaths a year, half of them linked to malnutrition. Life expectancy is low. The situation is worse if gender, rural urban, and regional disparities are taken into account. Social indicators tend to be substantially worse in rural areas than in urban areas and women and children are particularly disadvantaged. Table-26.1 below gives comparison of selected social indicators.

TABLE-26.1
COMPARISON OF SELECTED SOCIAL INDICATORS

INDICATOR	COUNTRY					
	PAKISTAN	SRI LANKA	CHINA	INDIA	BANGLA DESH	NEPAL
GNP per capita (US \$ 1995)	460	700	620	340	240	200
Poverty (% of people living on less than \$ 1 a day ¹)	11.6	4.0	29.4	52.5	..	53.1
Total fertility rate ²	5.2	2.3	1.9	3.2	3.5	5.3
Life expectancy at birth ²	60	72	69	62	58	55
Infant Mortality rate (per 1,000 live births) ²	90	16	34	68	79	91
Adult Literacy (%) ²	38	90	81	52	38	27
Adult Literacy (%) (Male) ²	50	93	90	65	49	41
Adult Literacy (%) (Female) ²	24	87	73	38	26	14
Gross Enrollment Rate (Boys) ²	80	106	120	113	128	129
Gross Enrollment Rate (Girls) ²	49	105	116	91	105	85
Population with access to (%)						
- Health services ³	55	..	88	85	45	..
- Safe water ⁴	74	57	67	81	97	63
- Sanitation ³	47	63	24	29	48	18

..not available.

¹1981-95, ²1995, ³1990-95, ⁴1990-96

Source: World Bank 1997, **World Development Report 1997: The State in a Changing World**, Oxford University Press, USA: Washington, DC
UNDP 1997, **Human Development Report 1997**, Oxford University Press, USA: New York.

POVERTY TRENDS

26.3 Absolute poverty based on calorie-based approach declined from 46.5 per cent in 1969-70 to 17.3 per cent in 1987-88. In the same period rural poverty has declined from 49.1 per cent to 18.3 per cent and in urban areas from 38.8 per cent to about 15 per cent. However, since 1987-88 poverty began to rise again. The incidence of poverty determined under calorie-based approach on the basis of micro data of Household Integrated Economic Survey, 1992-93 conducted by the Federal Bureau of Statistics show that 22.3 per cent of the population has income below the poverty level compared with 17.3 per cent in 1987-88. The rural poverty at 26.2 per cent and urban poverty at 21.7 per cent in 1992-93 also increased from the 1987-88 level.

TABLE-26.2
CONSISTENT TIME SERIES ON POVERTY: HEAD COUNTS

Year	Total	Rural	Urban
1963-64	40.24	38.94	44.53
1966-67	44.50	45.62	40.96
1969-70	46.53	49.11	38.76
1979	30.68	32.51	25.94
1884-85	24.47	25.87	21.17
1987-88	17.32	18.32	14.99
1990-91	22.11	23.59	18.64
*1992-93	22.32	26.24	21.70

Source: Rashid Amjad and A.R.Kemal (1997). Macroeconomic Policies and their impact on Poverty Alleviation in Pakistan, ILO, Multidisciplinary Team Mimeo.

* S.M. Younus Jafri paper prepared for the Working Group on Poverty Alleviation for the Ninth Five Year Plan (1998-2003).

26.4 Since the early 1990s, the problem of poverty has been intensified. The structural adjustment programmes and macroeconomic stabilization measures have imposed heavy burden on the poor. An increase in tax incidence has increased on the lower income groups. Coupled with reduction of development expenditure has also contributed to growing levels of poverty. The targeted anti-poverty programmes are limited with spending on social safety nets amounting to a mere 0.2 per cent of the GDP. The Zakat system caters the need of about one million mustaheqeen, but the amount is insufficient to make a positive impact on poverty. Baitul Maal also has a limited outreach.

Poverty Alleviation Policies and Programmes

26.5. The Government has recognized the urgent need for national strategy to reduce overall poverty from the country and efforts are underway to lift poor out of poverty with the assistance of communities and non-governmental organizations (NGOs). The Government has made a promising beginning by launching a comprehensive programme for reducing the level of poverty. The Government poverty alleviation initiative aims to evolve a mechanism to assist the rural and urban poor population to organize themselves into effective and well managed organizations to resolve their own problems. In this framework the village organizations are expected to play an active role in the provision of social services: education, health and municipal services

26.6. To provide institutional setup, the Government has decided to gradually establish District Support Organizations in all the district as non-profit private limited companies to promote and support rural organizations. Such organizations already working at the national and provincial level will be made more effective, while new organizations will be encouraged.

26.7. The Government has introduced a number of poverty alleviation programmes. Some of these programmes are discussed below:

Social Action Programme (SAP)

26.8 Social Action Programme (SAP) was conceived in 1992-93 and formally launched for a period of three years (1993-96) and SAP II was launched in 1996. While most of the expenditure is financed through the local sources, World Bank/IDA, ADB, UK, and the Netherlands Government also provide assistance. Total outlay for SAP was Rs. 54.965 billion and the utilization has been Rs. 52.164 billion during 1996-97. As a result the SAP investment of about 1.7 per cent of GDP during 1992-93 increased to 2.0 per cent of the GDP during fiscal year 1996-97. The enhanced level of SAP expenditure has resulted in improvement in social indicators.

26.9. The SAP seeks to address four very important sectors of primary education, basic health care, family planning and rural water supply and sanitation. It is striving specifically to reach out to rural females, children, and the elderly people at the grass-roots level. Considerable progress has been achieved under the first phase of the SAP (1993-96). The first phase 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.

26.10 During implementation of SAP-II following themes will be kept in focus: quality, decentralization, streamlining the management, shift of control to the community. SAP II will also encourage provision of services through NGOs and private sector and encourage community participation in the development process. The focus will remain on the improvement of living standards of the vulnerable groups of society.

26.11 Under the SAP, there have been sizable increases in public funding for designated basic social services (elementary education, basic health, rural water supply and sanitation, and family planning), coupled with initiation of policy reforms to improve implementation capacity and the quality of service delivery. During 1996-97, against the allocation of Rs 53.7 billion (development and recurrent expenditure) for education,

health, rural water supply and sanitation and Population Welfare it is expected that about Rs 52.2 billion or 97.2 per cent have been incurred on these programmes.

Rural Development Programme

26.12 The Government places highest priority on rural development. The Government strategy is based to bring the majority of the population closer to the people to bring socio-economic changes to uplift the poor at the grassroots level. The programme is seeking institutional approaches that have been identified through participatory experience of approaching people, particularly poor people, more effectively. The rural development programmes cover a wide variety of small/medium infrastructure schemes, and also which include construction of farm to market roads, village electrification, supply of clean drinking water, improvement in the provision of health and education and municipal services. The programme also aims at facilitating non-infrastructure inputs.

Rural Support Programme

26.13. The Government has supported the establishment of an independent, non-profit joint stock company called the Rural Support Programme (RSP) at the national level. The RSP is multiplying the proven experience of internationally acclaimed non-governmental organizations (NGOs). The programme functions as an umbrella organization to facilitate the establishment of village organizations and other local NGOs.

26.14 The provincial Rural Support Programmes and many Non-governmental Development Organizations (NGDOs) are also working towards poverty alleviation in more than 29 districts with a target population of more than 30 million. Of the 18 RSPs and NGDOs, some have shown exemplary impact towards improving the quality of life of the communities generally and particularly the poor.

Participatory Development Programme

26.15 The Participatory Development Programme (PDP) as a pilot community development programme was launched during 1995-96 for a period of two years. The programme aims to empower communities in identification of schemes, decision-making and management of service delivery in an environment where government, private sector and NGOs are partner in the provision of social services to indigent segments of society, especially women and children. The standard operational procedures developed for the operation of the programme are further reviewed and institutionalized to allow more participation of the communities.

Creation of Employment Opportunities

26.16 The Government has supported and launched number of employment generating schemes to provide opportunities to poor and unemployed through promulgation of legislation and introduction of schemes such as the National Individual Pension Scheme, Employment Corporation, the Workers Welfare Foundation, The Workers Profit Participation Fund, the Workers Children Education Scheme and Youth Investment Scheme. Through these schemes funds are provided at nominal interest rate to help needy to establish their own business to earn livelihood and improve real long run earnings of the workers.

Directed Credit Schemes

26.17 The small scale sector in Pakistan plays an important role in the development of the economy. Growth of this sector, however, is constrained by the non-availability of financial resources, especially from the credit institutions. At various level of the Government arrangements are made to provide credit to rural and urban poor. Arrangements are made that financial institutions should provide credit to small entrepreneurs, including the farmers without stringent collateral requirements. Establishment of cooperative societies and self-help schemes are encouraged to improve the availability of credit for inputs and marketing needs. The village and other community organizations will promote collective savings on the basis of which credit will be extended. Priority will be given to the livestock sector by providing credit to landless people from rural areas to help improve their incomes and to increase production. The micro credit programme will be handled by a separate wing of the Poverty Alleviation Fund and could eventually become a separate credit institution on the lines of Grameen Bank of Bangladesh.

Women Development

26.18 Women play a very important role in economic development, in particular for rural economy development. Economic activities undertaken by the women, besides family responsibility include taking care of livestock, cutting of fodder crops, harvesting, milking animals, cleaning sheds, making dung cakes, feeding calves and animals, running small home based enterprises etc. Their role however has not been properly recognized.

26.19 Women are poorer than men. They are more deprived if linked to employment and marital status. In the labour force their share is only 28 per cent. Against 100 males, only 16 females are economically active. Women have fewer employment opportunities than men in rural areas: they rarely find work outside agriculture. Adult female literacy rate is only 23 per cent. Basic health facilities are limited. The maternal mortality rate is very high at 340 per 100,000. Mothers' are under nourished. As a result, one-fourth of new born babies are under-weight and malnourished.

26.20 Women development is highest in the Government agenda. The government has evolved policies aimed at insuring women as valuable resource in development. Almost all the RSPs and major NGOs in Pakistan are working successfully to improve the social and economic condition of the women. Successful RSPs have offered enormous help to women and low income communities by establishing linkages with the departments of Public Health Engineering, Water Management, Fisheries, Livestock, Agriculture, Education, Forest, Health, Communication and Works as well as various Development Authorities.

Social Safety Nets

System of Zakat and Baitul-Mall

26.21. The Zakat, Ushr and Baitul-Maal provide social security support to various categories of disadvantaged and vulnerable population. The Zakat fund provides Rs 225 to each individual and rehabilitation grant of Rs 3000 as a one time transfer. Under the system of Zakat, sixty per cent of the total Zakat funds are meant for subsistence allowance provided to widows, orphans, old/disabled persons who cannot be rehabilitated through education, vocational training or small business. The remaining 40 per cent of Zakat funds are distributed to education institutions, Deeni Madaris, Health and Social Welfare Institutions. For a more efficient distribution of Zakat and Ushr to mustehqueen, the Zakat and Ushr Ordinance has been amended and the administration of the Zakat and Ushr will be handed over to the provincial governments from the next year.

26.22. Baitul Maal was established in 1992 and since then it has been providing financial assistance to widows, physically and mentally handicapped individuals, orphans and the destitute. Under the scheme, a person who does not receive Zakat and has income less than Rs 1500 can receive the grant from Baitul Maal. Those having shelter receive Rs 300 plus Rs 50 for each child per month and those without shelter receive Rs 500 plus Rs 50 for each child per month.

Poverty Alleviation Fund

26.23 To mitigate the short-term negative effects of stabilization on poor and vulnerable groups, the Government has established the Pakistan Poverty Alleviation Fund with an endowment of Rs 2 billion, which is to be delivered through NGOs for training in productive activities, provision of credit for establishing microenterprises, and creation of local infrastructure needed for income generation. The Pakistan Poverty Alleviation Fund is meant for helping the poor, the landless and the assetless in order to enable them to gain access to resources for their productive self-employment. The Fund will encourage NGO-based infrastructural and income generation activities, subsidized distribution of food to the poor through food stamps and rural employment schemes for enhancing their quality of life.

Food Security

26.24 The Government supports Food Security Programme for the very poor families or families without a breadwinner. The programme include a Food Coupon Scheme in selected cities to enable the families to buy flour, cooking oil and pulses from stores and shops. Another part of the Programme will be the provision of milk and bread for school going children in rural areas to supplement their nutrition. On implementation the programme would provide up to Rs 1.3 billion worth of food stamps annually to the poor, to be distributed through government primary schools, health facilities, family welfare centers, mother and child health centers, and NGOs located in slum areas.

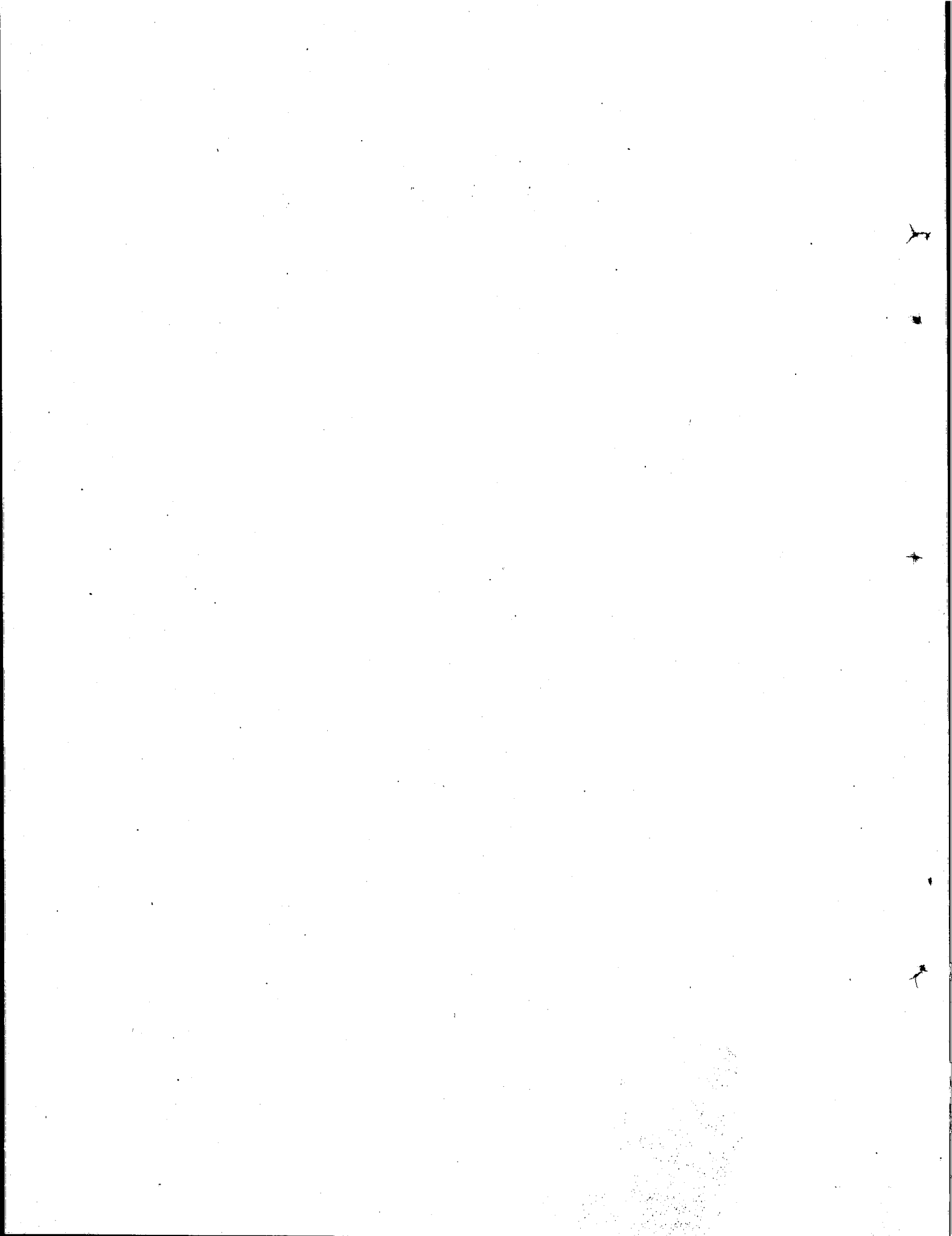
An Agenda for Poverty Alleviation

26.25 In Pakistan incidence of poverty must fall significantly from the present level of about 22 per cent in terms of calorie-based poverty. It is therefore essential that the currently very wide gap in levels of earnings and skill among the population be significantly narrowed. The Government is endeavoring to incorporate several new dimensions to alleviate poverty from the country. To achieve this, efforts are being made to further expand the existing poverty alleviation programmes through an integrated approach for social mobilization and involvement of the poor in the formulation and implementation of plans through participatory institutions at the grass roots level. This will be achieved by:

- i. Creating widespread opportunities for generating economic growth and improving the composition of such growth to reduce the incidence of poverty from the country.
- ii. Expanding delivery and improving the quality of basic social services through the Social Action Programme
- iii. Enabling environment for communities at the grassroots level to organize themselves to solve their problems.
- iv. A bigger role for the private sector in restructuring programs and emphasizes on the importance of human resource development as a fundamental requirement for achieving the objectives of growth and equity.
- v. Developing of a transparent system of NGOs participation in communities development activities to help communities in strengthening income generation programmes.
- vi. Establishing a transparent system of micro-credit facility for the poor, both in urban and rural areas..
- vii. Developing a sound system of training to improve educational and technical skills of the poor.

- viii. Ensuring a greater participation of women in pro-poor programmes design and implementation.
- ix. Effective, well-targeted mechanisms to protect the poor. A bigger role of Pakistan Poverty Alleviation Fund in poverty alleviation programmes design and implementation.

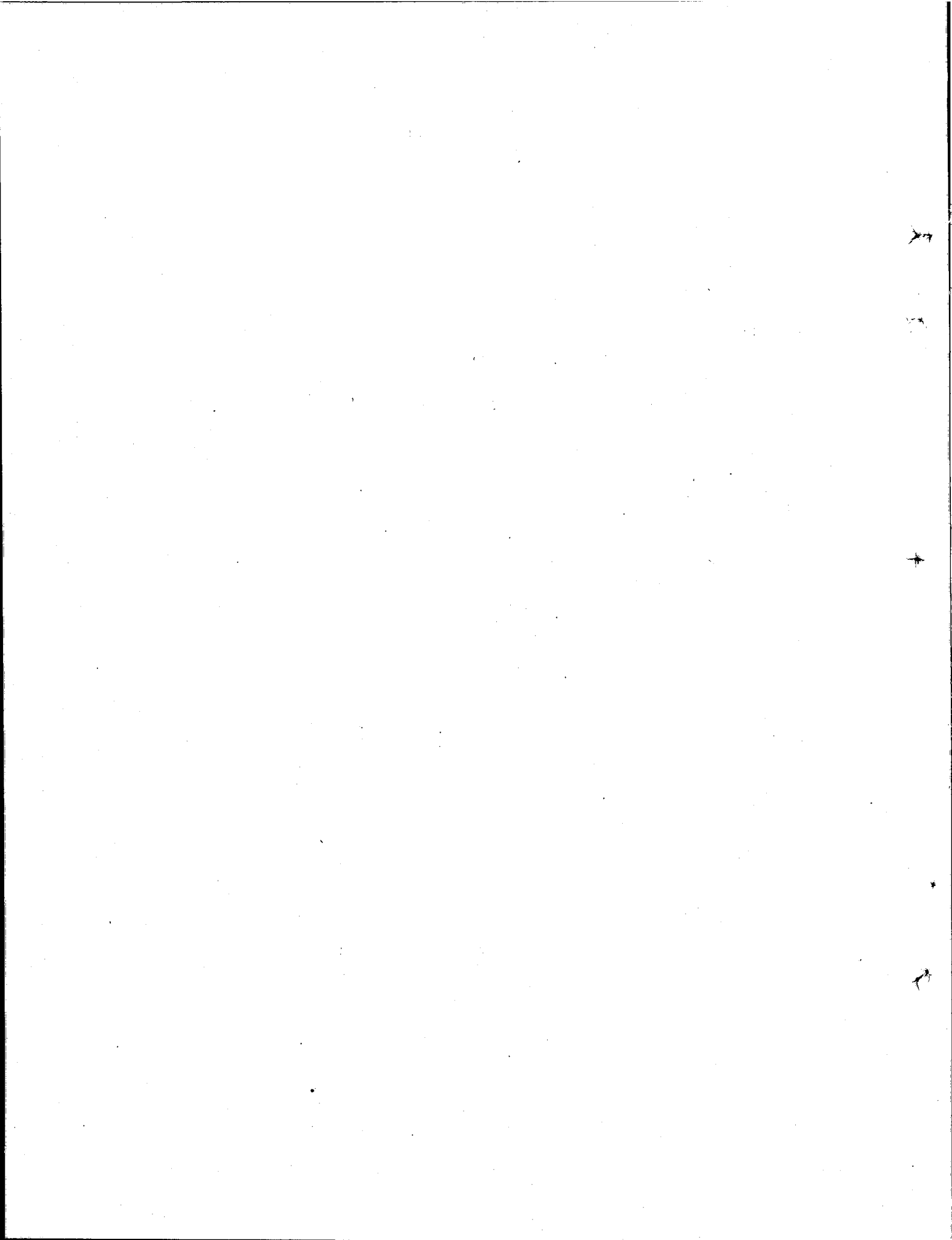
26.26 The policies and programmes for poverty alleviation discussed above have achieved significant progress in recent years in improving the distribution of income, availability of credit and access of poor to services like primary education, basic health, clean drinking water, and family planning. The Government is making substantial efforts to reinforce social development and poverty alleviation programmes by improving access of the poor to basic services, credit and other income generating activities.



PART-IV

SOCIAL ACTION PROGRAMME

(273-274)



CHAPTER-27

SOCIAL ACTION PROGRAMME

27.1 The first phase of the SAP (1993-96) has successfully been completed with an expenditure of Rs 106.4 billion against a planned outlay of Rs 127 billion. Its scope envelops Primary Education, Primary Health, Rural Water Supply and Sanitation and Population Welfare Planning. The programme envisaged 75 percent funding through government contribution and 25 percent by the foreign donors. The SAP programme emphasizes the resolution of key implementation issues by an overall strengthening of institutional capacity to better utilize increased funds by restructuring social sector priorities towards delivery of primary level services. 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.

27.2 The success of SAP-I has provided ground for launching SAPP-II for a four year time with estimated expenditure of Rs 270.0 billion starting from 1996-97. The year 1996-97 was the first year of SAPP-II. The Donor assistance for SAP-II already committed comes to US \$ 79.44 million by EU, US \$ 200.0 million by ADB and NLG 60.00 million by Netherlands. Other donors who have envisaged interest in assisting SAPP-II are IDA, OECF of Japan, Norway, CIDA of Canada, DFID of UK, WFP and UNDP etc.

REVIEW OF SAP 1996-97

a) Financial Allocations

27.3 During 1996-97, an allocation of Rs 54.965 billion was earmarked for SAP - Rs 20.110 billion for development expenditure and Rs 34.855 billion for current budget. The development expenditure earmarked to provinces was Rs 14.522 billion while the balance Rs. 5.558 billion to federal areas and concerned ministries. Against these allocations Rs 52.164 billion was spent, Rs 17.893 billion on development side and Rs 34.271 billion on recurrent side. At this level of expenditure utilization was of 94.9 percent of the budget. The Table 27.1 below provides details of expenditure in respect of development, and recurrent. S.A. Table 27.1 presents the province wise, sector wise and programme wise details of SAP expenditure for the fiscal year 1996-97.

TABLE-27.1
SAP TIED DEVELOPMENT AND RECURRENT
EXPENDITURES & DISBURSEMENT 1996-97

(Billion Rs)

Agency	Budget 1996-97	Utilization 1996-97	% Utilization
A. DEVELOPMENT:	20.110	17.893	89.0
(a) Provinces	14.522	13.719	94.5
(b) F.Areas/Ministries	5.587	4.174	74.7
B. RECURRENT:	34.855	34.271	98.3
(a) Provinces	32.639	32.072	98.3
(b) F.Areas/Ministries	2.216	2.199	99.2
TOTAL (A + B)	54.965	52.164	94.9
(a) Provinces	47.161	45.791	97.1
(b) F.Areas/Ministries	7.804	6.373	81.7

Note: Figures may not tally with Statistical Tables because of rounding of figures.

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

b) Physical Progress

27.4 The specific achievements in the SAP Primary Education sector during 1996-97 included opening of 2570 new primary schools and buildings for 1696 shelterless primary schools. In addition to this additional class rooms were provided in 4233 over crowded primary schools and physical conditions were improved of 6144 primary schools. To accommodate the increasing output of primary level education, middle school education was also included in the SAP project. The primary school enrollment percentage of age group of 5-9 years increased to 71.6 percent in 1996-97 from 68.0 percent in 1995-96.

27.5 The physical achievements in the Primary Health Sector during 1996-97 included construction of new 70 Basic Health Units (BHUs), 23 Rural Health Centers (RHCs) and upgradation of 7 BHUs and 22 RHCs, Immunization of 4.9 million children, training of 3328 Traditional Birth Attendants (TBAs) [excluding TBAs of Population Welfare Sector]. Training of 4800 Lady Health Workers (LHWs) was also undertaken during 1996-97.

27.6 The physical progress achieved in Family Planning sector during 1996-97 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 about 25.0 percent was achieved. This progress helped pull down population growth rate from 3.0 percent in 1992-93 to 2.78 percent in 1996-97.

27.7 The major physical achievements in the Rural Water Supply and Sanitation sector included provision of water supply facilities to 69.8 million rural population and sanitation facilities to 24.1 million rural population. In rural areas water supply coverage was now as high as 72.6 percent whereas sanitation facilities coverage was 25.0 percent. A comparison of physical targets and achievements for major components of SAP Sector programme is provided in Table-27.2 and detailed physical achievement for the fiscal year 1996-97 and targets for year 1997-98 are given at S.A. Table 27.2.

TABLE-27.2
PHYSICAL ACHIEVEMENTS AND TARGETS 1996-97

Item	Unit	Achievements 1995-96	Targets 1996-97	Achievements 1996-97
<u>I. PRIMARY EDUCATION</u>				
New Primary Schools	Nos	6918	4692	2570
Additional Class Rooms	Nos	1818	4233	2258
Buildings for Shelterless Schools	Nos	2368	1696	1384
<u>II. PRIMARY HEALTH</u>				
New BHUs	Nos	2634	79	70
New RHCs	Nos	352	24	23
Upgradation of BHUs	Nos	237	54	7
Upgradation of RHCs	Nos	50	54	22
LHW Recruited & Trained	Nos	40200	11800	4800
Immunization	Million Nos	6.9	5.8	4.9
<u>III. FAMILY PLANNING</u>				
TBAs Trained	Nos	30972	4296	3328
Contraceptive Prevalence rate	%	22	25.5	25.0
TFR	%	5.3	5.1	5.1
<u>IV. RWSS</u>				
Rural Water Supply (% Pop)	%	55.0	59.3	72.6
Rural Sanitation (% Pop.)	%	23.3	26.1	25.0

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

POLICIES AND IMPLEMENTATION STRATEGIES DURING 1996-97

27.8 **Primary Education:** Official policy of co-education in primary education sector witnessed some positive impacts on enrolment and school participation rates especially for girls. The enrollment increased from 11.14 million in 1995-96 to 11.83 million in 1996-97. The enrollment rate also increased from 68.0 percent in 1995-96 to 71.6 percent in 1996-97. The female enrollment rate increased from 52.3 percent to 56.0 percent for the same period. 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) and Provincial Education Management Information System (PEMIS) 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. To involve community, Teachers-Parents Committees (TPCs) were established and some of schools were given in the supervision of local community organizations. In addition to this, private engineering firms were engaged to design schools and supervise construction and maintenance activities.

27.9 Primary Health Care (PHC): In all provinces agreement, non-salary budget under PHC was raised to improve quality of services. 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 new constructions in the health sector remained limited. However, the focus remained on the consolidation of available facilities for delivery of quality services.

27.10 Rural Water Supply and Sanitation (RWSS): Uniform policies for RWSS 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 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 on experimental basis and there were 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.

27.11 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. 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 and the print media were involved to motivate target groups.

27.12 Participatory Development Programme (PDP): In a search for new and innovative approaches, a pilot project outside PSDP namely Participatory Development Programme (PDP) was launched with the financial assistance of IDA during 1995-96 for a period of two years. The primary objective of the PDP was to encourage community involvement in the institutional options available for promoting SAP related activities. The PDP continued to assist community organizations, NGOs, private institutions and the foundations (Education, Health etc) to explore strong linkage with communities in expanding quality and availability of social services.

- (e) Preparation of procurement plans and the extension of the scope of the Procurement Regulatory Authority approved recently by the Cabinet to the SAP also;
- (f) Prudent implementation of (c), (d) and (e) requires that the SAP should not be subjected to cuts in allocation/slow releases and recruitment bans;
- (g) Setting up of Special Inspection Committees at the level of Planning and Development Departments for third-party checks on staff absenteeism through linkages with communities;
- (h) Ensuring greater community participation by expanding and provincialising the implementation of Participatory Development Programme and by encouraging line agencies to enter into partnerships with NGOs/CBOs;
- (i) Involving Private Sector through partnerships on the basis of land grant wherever possible in rural areas and one-third construction cost;
- (j) Strengthening of Institutional arrangements for the SAP Secretariat both at Federal and Provincial levels and establishment of a computerized Management Information System (MIS).
- (k) Posting of Primary and Middle school teachers (particularly the females) close to their homes.
- (l) Encouragement of unemployed educated persons with teachers training (particularly the females), to open primary and middle schools in their areas with suitable grants.
- (m) Use of selected "Masajids" for primary schools, wherever justified feasible.
- (n) 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

27.17 During 1997-98: 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.

27.18 An allocation of Rs 65.881 billion (26.3 percent higher than 1996-97) has been provided for SAP, of which Rs 22.108 billion have been provided in development budget and Rs 43.773 billion for recurrent budget. Rs 5.648 billion or 13.0 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 27.3 provides agency wise actual for 1996-97 and allocations for 1997-98 alongwith amount reimbursed. S.A. Table-27.3 provides sector wise, programme wise and areas wise details of financial allocations for the fiscal year 1997-98.

TABLE-27.3

**SAP TIED DEVELOPMENT AND RECURRENT
EXPENDITURES & DISBURSEMENT 1996-97 and 1997-98**

(Billion Rs)

Agency	Allocations 96-97	Utilization 96-97	% Utilization	Budget 97-98	% Increase Over 96-97
A. DEVELOPMENT:	<u>20.110</u>	<u>17.893</u>	<u>89.0</u>	<u>22.108</u>	<u>23.6</u>
(a) Provinces	14.522	13.717	94.5	16.599	21.8
(b) F.Areas/Ministries	5.587	4.174	74.7	5.509	33.0
B. RECURRENT:	<u>34.855</u>	<u>34.271</u>	<u>98.3</u>	<u>43.773</u>	<u>27.7</u>
(a) Provinces	32.639	32.072	98.3	41.243	28.6
(b) F.Areas/Ministries	2.216	2.199	99.2	2.530	15.1
TOTAL (A + B)	<u>54.965</u>	<u>52.164</u>	<u>94.9</u>	<u>65.881</u>	<u>26.3</u>
(a) Provinces	47.161	45.791	97.1	57.843	26.3
(b) F.Areas/Ministries	7.804	6.373	81.7	8.038	26.1

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

D) Physical Targets

27.19 During 1997-98 following physical targets have been set for various SAP sectors. The Primary school enrolment would be raised from 71.6 percent to 77.2 percent. 1205 new primary schools will be opened, 1347 buildings for shelterless schools constructed and 655 Mosque schools converted into regular primary schools. In health sector, 5.9 million children under 5 years of age will be immunized and about 3565 TBAs trained. 102 new BHU and 24 RHCs will be completed and 67 BHUs and 46 RHCs upgraded. In rural water supply sector 78.1 percent population will be served with safe drinking water supply and 28.7 percent rural population provided with sanitation facilities. The major physical achievements for 1996-97 and Targets for 1997-98 are given in the Table 27.4 below.

TABLE-27.4
PHYSICAL ACHIEVEMENTS 1996-97 & TARGETS FOR 1997-98

Item	Unit	Targets 1996-97	Achievements 1996-97	Targets 1997-98
<u>I. PRIMARY EDUCATION</u>				
New Primary Schools	Nos	4692	2570	1205
Additional Class Rooms	Nos	4233	2258	4217
Buildings for Shelterless Schools	Nos	1696	1384	1347
<u>II. PRIMARY HEALTH</u>				
New BHUs	Nos	79	70	102
New RHCs	Nos	24	23	24
Upgradation of BHUs	Nos	48	7	67
Upgradation of RHCs	Nos	54	22	46
LHW Recruited & Trained	Nos	11800	4800	7276
Immunization	Million Nos	5.8	4.9	5.9
<u>III. FAMILY PLANNING</u>				
TBAs Trained	Nos	4296	3328	3565
Contraceptive Prevalence rate	%	25.5	25.0	30.0
TFR	%	5.1	5.1	4.8
<u>IV. RWSS</u>				
Rural Water Supply (% Pop)	%	59.3	72.6	78.1
Rural Sanitation (% Pop.)	%	26.1	25.0	28.7

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

PROVINCIAL SAP PROGRAMMES

I. PUNJAB

27.20 In 1996-97, total SAP budget was Rs 25.028 billion - Rs 6.275 billion for development and Rs 18.753 billion for recurrent expenditure. The non-salary component of the budget was Rs 1.978 billion or 10.5 percent of total recurrent budget. Against this allocation Rs 24.909 billion or 99.5 percent were utilized on SAP sector development projects.

27.21 The total SAP budget for 1997-98 is Rs 30.799 billion (23.6 percent increase over 1996-97) - Rs 8.386 billion for development and Rs 22.414 billion for recurrent expenditure. The non-salary component of the budget is Rs 2.448 billion or 10.9 percent of the total recurrent budget. The Table 27.5 provides sector wise allocations and utilization for 1996-97 and 1997-98 respectively.

TABLE-27.5
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Billion Rs)

Sector	Allocations 1996-97	Utilization 1996-97	% Utilization	Allocations 1997-98	% Increase Over 96-97
Elementary Education	18.035	17.558	97.4	22.198	26.4
Primary Health	3.519	3.520	0.3	5.084	44.4
RWSS	3.225	3.682	14.2	3.480	(-) 5.5
Monitoring & Evaluation	0.249	0.149	59.8	0.037	(-) 75.2
Total	25.028	24.909	99.5	30.799	23.6

SOURCE:- Government of the Punjab.

27.22 SOEs authenticated by the AG Office amounting to Rs 11.032 billion were submitted by the Government of Punjab to the SAP Donors upto the month of April, 1997. Total reimbursement received during 1996-97 amounted to Rs 0.933 billion (upto September 1997) against an agreed disbursement of Rs 1.281 billion.

II. Sindh

27.23 In 1996-97, the total SAP budget was Rs 9.572 billion - Rs 2.954 billion for development and Rs 6.619 billion for recurrent expenditure. The non-salary component of the budget was Rs 0.757 billion or 11.4 percent of the total recurrent budget. Against this Rs 8.938 billion has been utilized. Thus over all utilization rate achieved was 93.4 percent with 95.4 percent for education sector and 88.8 percent for RWSS sector.

27.24 The total SAP budget for 1997-98 is Rs 11.723 billion, with Rs 2.370 billion for development and Rs 9.354 billion for recurrent budget. The non-salary component of the recurrent budget is Rs 0.892 billion or 9.5 percent of the total recurrent budget. Table 27.6 provide financial allocations and sector wise utilizations for the year 1996-97 and 1997-98 respectively.

TABLE-27.6
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Billion Rs)

Sector	Allocations 1996-97	Utilization 1996-97	% Utilization	Allocations 1997-98	% Increase Over 96-97
Elementary Education	6.527	6.224	95.4	8.470	36.1
Primary Health	1.792	1.599	89.2	1.943	21.5
RWSS	1.161	1.031	88.8	1.231	19.4
Monitoring & Evaluation	0.092	0.084	91.3	0.080	(-) 4.8
Total	9.572	8.938	93.4	11.723	31.2

SOURCE:- Government of Sindh.

27.25 SOEs authenticated by the AG Office amounting to Rs 6.328 billion were submitted by the Government of Sindh to the SAP Donors in 1996-97 upto the month of May, 1997. Total reimbursement during 1996-97 amounted to Rs 0.307 billion against an agreed amount of Rs 0.594 billion.

III. NWFP

27.26 In 1996-97, the total SAP budget was Rs 7.578 billion of which Rs 2.894 billion was for development and Rs 4.683 billion for recurrent expenditure. The non-salary component of the recurrent budget was Rs 1.201 billion or 25.6 percent of total recurrent budget. Against this Rs 7.284 billion or 96.1 percent of funds were utilized by the Government of NWFP on SAP tied development projects.

27.27 The total SAP budget for 1997-98 is Rs 9.709 billion with Rs 3.099 billion for development and Rs 6.610 billion for recurrent budget. The non-salary component of the recurrent budget is Rs 1.433 billion or 21.7 percent of the total recurrent budget. The sector-wise break up for allocation and utilization for 1996-97 and budget for 1997-98 is given in the Table 27.7 below:

TABLE-27.7
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Billion Rs)

Sector	Allocations 1996-97	Utilization 1996-97	% Utilization	Allocations 1997-98	% Increase Over 96-97
Elementary Education	5.046	5.059	100.3	7.014	38.6
Primary Health	1.114	0.974	87.4	1.224	25.7
RWSS	1.412	1.247	88.3	1.465	17.5
Monitoring & Evaluation	0.006	0.006	100.0	0.006	-
Total	7.578	7.284	96.1	9.709	33.3

SOURCE:- Government of NWFP.

27.28 SOEs authenticated by the AG Office amounting to Rs 4.582 billion were submitted to the SAP Donors for the period upto May 1997. Against an agreed amount of Rs 0.340 billion Rs 0.242 billion were reimbursed by the donors to the Government of NWFP for the fiscal year 1996-97 (upto September 1997).

IV. Balochistan

27.29 In 1996-97 the total SAP budget was Rs 4.984 billion of which Rs 2.399 billion was for development and Rs 2.584 billion was for recurrent expenditure. The non-salary component of the recurrent budget was Rs 0.494 billion or 19.1 percent of the total recurrent budget. Against these allocations Rs 4.660 billion or 93.5 percent of funds were utilized by the Government of Balochistan on SAP tied development projects.

27.30 The total SAP budget for 1997-98 is Rs 5.611 billion or 20.4 percent increase over 1996-97 with Rs 2.745 billion for development and Rs 2.866 billion for non-development budget. The non-salary component of the recurrent budget is Rs 0.569 billion or 18.8 percent of the total recurrent budget. The sector-wise break-up for allocation and utilization for 1996-97 and budget for 1997-98 is given in the Table 27.8 below:

TABLE-27.8
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Billion Rs)

Sector	Allocations 1996-97	Utilization 1996-97	% Utilization	Allocations 1997-98	% Increase Over 96-97
Elementary Education	2.911	2.900	99.6	3.240	11.7
Primary Health	1.002	0.942	94.0	1.194	26.8
RWSS	1.060	0.808	76.2	1.083	34.0
Monitoring & Evaluation	0.010	0.010	100.0	0.094	940.0
Total	4.984	4.660	93.5	5.611	20.4

SOURCE:- Government of Balochistan.

27.31 SOEs authenticated by the AG Office amounting to Rs 1.638 billion were submitted by the Government of Balochistan to the SAP donors for the period upto April 1997. Against an agreed amount of Rs 0.112 billion, Rs 0.080 billion were reimbursed for the fiscal year 1996-97 (upto September, 1997).

V. Federal Areas

a) FATA

27.32 The original SAP budget for 1996-97 was Rs 1168.4 million, of which Rs 341.0 million were allocated to for development and Rs 827.4 million for recurrent expenditure including the non-salary part of Rs 138.2 million or 16.7 percent of recurrent budget. Against this Rs 1323.2 million or 113.2 percent of funds were utilized by the FATA on SAP tied development programmes. The higher achievement was on account of increase in recurrent budget by 18.6 percent during the financial year 1996-97. This increase was made by supplementary allocation for recurrent budget.

27.33 The total SAP budget for 1997-98 is Rs 1440.9 million or 8.9 percent increase over 1996-97 with Rs 418.9 million for the development component and Rs 1022.0 million for the recurrent component, including the non-salary part of Rs 99.7 million or 9.8 percent of the total recurrent budget. The Table 27.9 provides sector wise details of the allocations and utilization for 1996-97 and budget for 1997-98 respectively.

TABLE-27.9
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Million Rs)

Sector	Allocations 1996-97	Utilization 1996-97	% Utilization	Allocations 1997-98	% Increase Over 96-97
Elementary Education	662.5	809.0	122.1	879.5	8.7
Primary Health	251.9	259.1	102.9	306.9	18.4
RWSS	251.0	251.0	100.0	252.0	0.4
	3.0	4.0	133.3	2.5	(-) 37.5
Total	1168.4	1323.2	113.2	1440.9	8.9

SOURCE:- Government of NWFP/FATA.

27.34 SOEs authenticated by the AG Office amounting to Rs 735.7 million were submitted by the Government of NWFP for FATA SAP programme to the SAP Donors, upto the month of April, 1997. Against an agreed amount of Rs 78.724 million an amount of Rs 36.31 million was reimbursed by donors to the FATA for the fiscal year 1996-97 (upto September, 1997).

b) NORTHERN AREAS

27.35 In 1996-97, the total SAP budget was Rs 445.4 million, of which Rs. 184.7 million was for development and Rs 260.7 million was for recurrent expenditure. The non-salary component of the budget was Rs. 57.8 million or only 22.2 percent of the total recurrent budget. Against this allocation Rs 323.5 million or 72.6 percent of funds was utilized by the Northern Areas administration on SAP tied development projects.

27.36 The total SAP budget allocated for 1997-98 is Rs 625.9 million, of which Rs 299.2 million is for development and Rs 326.7 million for recurrent. The non-salary component of the recurrent budget for 1997-98 is Rs 56.0 million or 17.1 percent of the total recurrent budget. The Table 27.10 provide sector-wise break up of allocations and utilization for the year 1996-97 and 1997-98 respectively.

TABLE-27.10
Table-26.10: FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Million Rs)

Sector	Allocations 1996-97	Utilization 1996-97	% Utilization	Allocations 1997-98	% Increase Over 96-97
Elementary Education	173.1	171.0	98.8	319.7	87.0
Primary Health	173.3	126.3	72.9	277.2	219.5
RWSS	99.0	26.2	26.5	25.5	(-) 3.8
Monitoring & Evaluation	0.0	0.0	0	3.6	
Total	445.4	323.5	72.6	625.9	93.5

SOURCE:- Northern Areas Administration.

27.37 SOEs authenticated by the AG Office amounting to Rs 167.8 million were submitted by the FANA administration to the SAP donors in 1996-97 up to December 1997. Total reimbursement during 1996-97 amounted to Rs 3.613 million has been made by the donors against an agreed amount of Rs 11.41 million (upto September, 1997).

c) ICT

27.38 In 1996-97, the total SAP budget was Rs 223.9 million, of which Rs 67.7 million was for development and Rs 156.1 million was for recurrent expenditure. The non-salary component of the budget was Rs 7.6 million or only 4.9 percent of the total recurrent budget. However, against these allocations Rs 145.2 million or 64.8 percent funds were utilized.

27.39 The total SAP budget for 1997-98 is Rs 228.4 million, with Rs 57.8 million for development and Rs 170.6 million for recurrent. The non-salary component of the recurrent budget is Rs 12.0 million or 7.0 percent of the total recurrent budget. The Table 27.11 provides sector wise allocations and utilization for the financial year 1996-97 and 1997-98 respectively.

TABLE-27.11
FINANCIAL ALLOCATIONS AND UTILIZATIONS

(Million Rs)

Sector	Allocations 1996-97	Utilization 1996-97	% Utilization	Allocations 1997-98	% Increase Over 96-97
Elementary Education	205.3	135.1	65.8	201.1	48.9
Primary Health	9.2	6.0	65.2	11.9	98.3
RWSS	9.2	3.8	41.3	15.1	297.3
Monitoring & Evalu.	0.20	0.20	100.0	0.2	-
Total	223.9	145.2	64.8	228.4	57.3

SOURCE:- ICT Administration

27.40 SOEs authenticated by the AG office amounting to Rs 85.3 million were submitted by the ICT administration to SAP donors during 1996-97 upto the month of December, 1997. An amount of Rs 11.8 million was agreed and reimbursed by the donors upto September 1997.

d) Azad Jammu & Kashmir

27.41 In 1996-97, the total SAP budget was Rs 1241.2 million, of which Rs 393.5 million was for development and Rs 847.7 million was for recurrent expenditure. The non-salary component of the budget was Rs 105.2 million or 12.4 percent of the total recurrent budget. Against this Rs 1163.4 million or 93.7 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.

27.42 The budget for 1997-98 is Rs 1552.3 million or 33.4 percent higher than 1996-97, with Rs 577.9 million for development and Rs 974.4 million for recurrent. The non-salary component of the recurrent budget is Rs 137.8 million or 14.1 percent of the recurrent budget. The sector wise details of allocations and utilization are given in table 27.12 below:

TABLE-27.12
ALLOCATION AND UTILIZATIONS

(Million Rs)

Sector	Allocations 1996-97	Utilization 1996-97	% Utilization	Allocations 1997-98	% Increase Over 1996-97
Elementary Education	695.0	667.7	96.1	781.7	17.1
Primary Health	410.2	258.6	63.0	495.0	91.4
RWSS	135.0	236.5	175.2	274.6	16.1
Monitoring & Evaluation	1.0	0.6	60.0	1.0	66.7
Total	1241.2	1163.4	93.7	1552.3	33.4

SOURCE:- Government of AJK.

27.43 SOEs authenticated by the AG Office amounting to Rs 470.2 million were submitted by the Government of AJK to the SAP donors for 1996-97 upto the month of December, 1997. Total reimbursement amounted to Rs 32.45 million were made by the donors to the Government of AJK during 1996-97 as against eligible amount of Rs 32.45 million for SAP sectors (upto September, 1997).

IV SAP PROGRAMME BY FEDERAL MINISTRIES

27.44 During 1997-98, the Ministries of Education, Health and Population Welfare were allocated funds for SAP programme. The M/O Education was allocated Rs 283.9 million and Ministry of Health Rs 1806.4 million for EPI, AIDs Malaria and PMs Family Planning projects etc, Ministry of Population Welfare was allocated Rs 1953.9 million for under taking family planning activities and various projects. Monitoring and Evaluation of SAP activities was allocated Rs 63.9 million during 1997-98. The Table 27.13 provide allocations and expenditure for programmes under jurisdiction of these ministries.

TABLE-27.13
ALLOCATION AND UTILIZATIONS

(Million Rs)

Sector	Allocations 1996-97	Utilization 1995-96	% Utilization	Allocations 1997-98	% Increase Over 1995-96
Elementary Education	300.3	122.6	40.8	283.9	131.6
Primary Health	2353.1	1969.7	83.7	1806.4	(-) 8.3
Population Welfare	2032.0	1285.4	63.0	1953.9	52.0
Monitoring & Evaluation	39.7	39.7	100.0	63.9	(-) 61.0
Total	4725.1	3417.4	72.3	4108.2	20.2

SOURCE:- Ministries of Education, Health and Population Welfare.

i) **Ministry of Education**

27.45 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 1996-97 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 1996-97 and would continue during the fiscal year 1997-98.

ii) **Ministry of Health**

27.46 The years 1995-96 and 1996-97 augured well for the National EPI Programme as the required funds were provided by the Federal Government and supplies restored to provinces / areas since the month of July 1995 to undertake activities of EPI programme.

27.47 Two successful round of National Immunization Days (NIDs) were launched during 1997. 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.

27.48 The Health sector programme priorities during 1997-98 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.
- c) Develop curriculum for training of LHWs and TBAs in selected districts. Also introduce and provide safe delivery disposable kits to TBAs.
- d) Strengthen the supervisory and monitoring system by making required recruitment and provision of training to supervisors.

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

iii) Ministry of Population Welfare

27.49 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

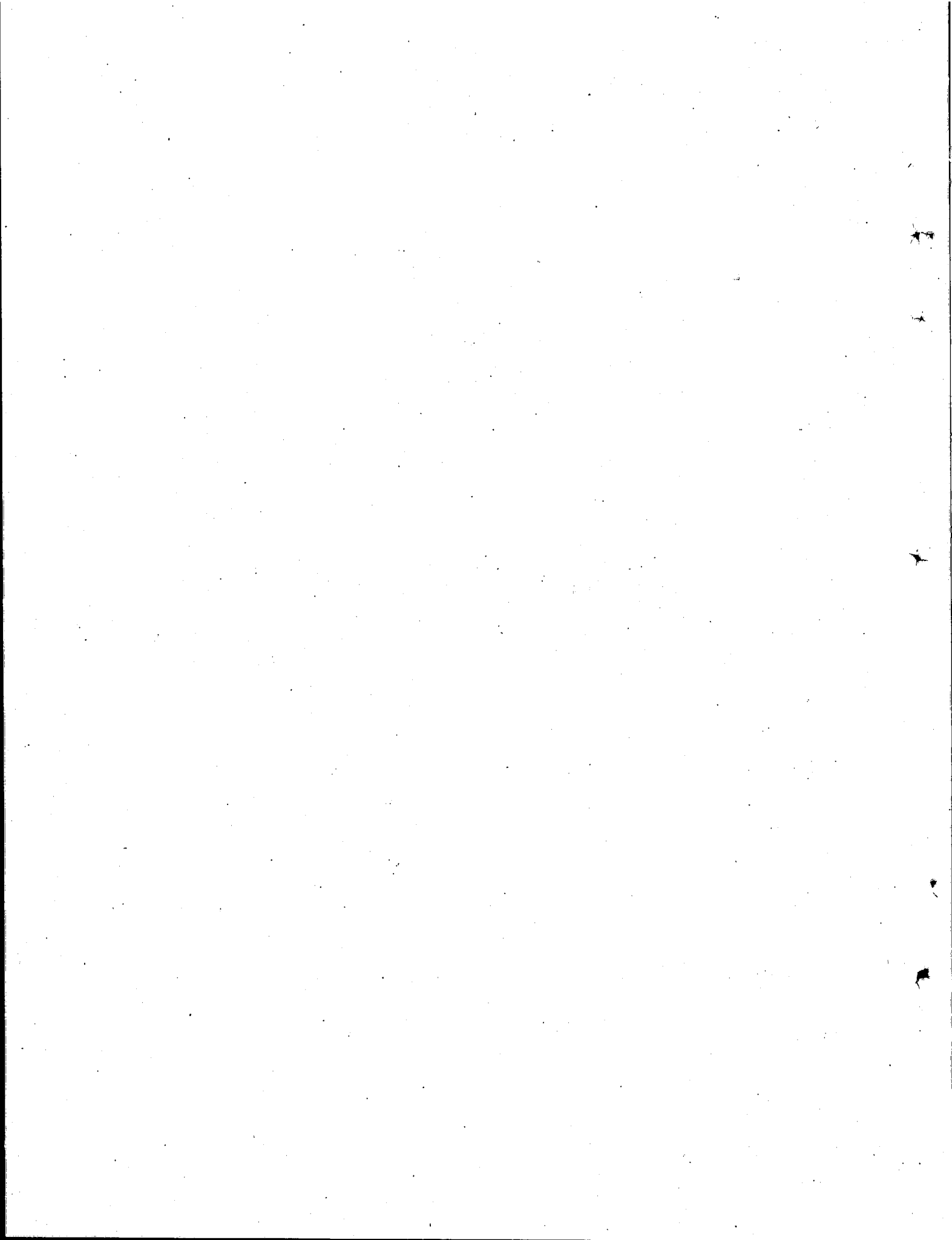
27.50 During 1996-97 the pace of the on-going as well as new schemes was accelerated. In primary education sub-sectors the activities of establishment, addition of rooms, construction of buildings for shelterless primary schools, repairs and reconstruction of school buildings were carried out at national 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 BHUs and RHCs were constructed and upgraded, 4.9 million children were immunized. In the area of manpower development, about 3328 TBAs were trained. Total 45,000 Lady Health Workers (LHWs) and 2377 supervisors were recruited, trained and deployed within the local communities upto June 30, 1997. To control iodine deficiency disorder (IDD) in the endemic areas of NWFP, Northern Areas, Punjab and Balochistan, iodized salt was distributed. 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 1996-97 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 targets will be fully achieved for both clean water supply and sanitation services.

27.51 As a general policy adopted for SAPP-II, during the current financial year focus will be on strengthening and consolidation of services already established and built during implementation of SAP phase-I which was successfully completed in June 1996. For maximum benefit the programme has been designed to include middle school, literacy and non-formal education sub-programmes in SAP project. 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 PDE has completed its one and half year and shows positive results. A number of facilities for provision of utility social services have established by NGOs working at national and local level in all four provinces and special areas. The programme will be provincialized and included in PSDP during the next financial year.

STATISTICAL APPENDIX TABLES

(293-294)



OUTPUT OF AGRICULTURE

S.A. Table-1.1

ITEMS	UNIT	1995-96	1996-97		1997-98	Percent Change	
			Targets	Prov.		96-97 95-96	97-98 96-97
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I. KHARIF CROPS							
Rice	(000 MT)	3966.5	4184.0	4304.8	4394.0	8.5	2.1
Basmati	(000 MT)	1483.0	1482.1	1555.9	1486.0	4.9	-4.5
Others	(000 MT)	2483.5	2701.9	2748.9	2908.0	10.7	5.8
Bajra	(000 MT)	161.5	210.0	145.6	174.7	-9.8	20.0
Maize	(000 MT)	1283.4	1430.0	1259.4	1501.3	-1.9	19.2
Jawar	(000 MT)	254.8	270.0	219.2	264.0	-14.0	20.4
Sugarcane	(000 MT)	45229.7	49200.0	41998.1	48000.0	-7.1	14.3
Cotton	(Mln Bales)	10.6	10.8	9.4	10.0	-11.5	6.7
II. RABI CROPS							
Wheat	(000 MT)	16907.4	18000.0	16650.5	18000.0	-1.5	8.1
Barley	(000 MT)	174.4	190.0	150.0	164.0	-14.0	9.3
Gram	(000 MT)	679.6	670.0	594.4	680.0	-12.5	14.4
Rapeseed & Mustard	(000 MT)	254.5	258.0	285.6	250.0	12.2	-12.5
Tobacco	(000 MT)	80.1	105.0	80.8	85.0	0.9	5.2
III. LIVESTOCK							
Milk	(000 MT)	19919.0	21076.0	20950.0	22039.0	5.2	5.2
Meat	(000 MT)	2272.0	2074.0	2416.0	2541.0	6.3	5.2
Wool	(000 MT)	54.4	56.0	55.8	57.0	2.5	2.2
Hides	(Mln No)	6.4	7.0	6.5	6.7	2.2	1.8
Skins	(Mln No)	40.7	42.4	42.2	44.0	3.6	4.3

INDUSTRIAL AND MINERAL PRODUCTION

ITEMS (1)	UNIT (2)	1995-96 (Rev.) (3)	1996-97		1997-98 Targets (6)	Percent Change	
			Targets (4)	Prov. (5)		1996-97 95-96 (7)	1997-98 96-97(P) (8)
A. INDUSTRIAL PRODUCTION							
(Large Scale)							
Sugar	(000 MT)	2425.8	2750.0	2383.0	2706.0	-1.8	13.6
Jute Goods	(000 MT)	71.6	78.0	68.7	70.5	-4.1	2.7
Cement	(000 MT)	9567.0	9500.0	9536.0	9935.6	-0.3	4.2
Paper & Board	(000 MT)	302.8	300.0	346.0	360.1	14.3	4.1
Fertilizer (N)	(000 NT)	1694.3	1837.3	1682.4	1825.6	-0.7	8.5
Soda Ash	(000 MT)	221.2	218.6	247.0	276.0	11.7	11.7
Caustic Soda	(000 MT)	109.0	118.4	118.2	127.7	8.4	8.1
Billets	(000 MT)	331.8	330.0	378.5	415.3	14.1	9.7
H & CR Sheets	(000 MT)	699.7	800.0	672.7	731.3	-3.8	8.7
Cotton Yarn	(000 MT)	1495.1	1550.0	1520.1	1634.9	1.7	7.6
Cotton Cloth	(Mln Sq M)	327.0	350.0	333.5	366.7	2.0	10.0
Cigarettes	(Bin Nos)	45.5	44.6	46.1	49.2	1.3	6.8
Motor Tyres	(000 Nos)	1003.0	1058.0	525.0	574.1	-47.7	9.4
Trucks/ Buses	(000 Nos)	3.5	1.7	3.3	1.8	-5.5	-45.1
LCVs/ Cars/ Vehicles	(000 Nos)	40.2	31.1	44.1	53.3	9.7	20.9
Bicycles	(000 Nos)	545.1	612.4	432.4	436.8	-20.7	1.0
Tractors	(000 Nos)	16.1	15.5	10.4	12.0	-35.3	15.2
Sewing Machines	(000 Nos)	84.1	95.0	50.6	60.8	-39.9	20.2
Air Conditioners	(000 Nos)	79.6	3.0	58.0	55.7	-29.6	-0.5
Electric Motors	(000 Nos)	23.7	25.6	22.6	25.2	-4.4	11.4
Transformers	(000 Nos)	22.7	27.0	13.9	17.5	-38.6	25.7
Cotton Ginning	(Mln Bales)	10.6	10.8	9.4	10.0	-11.5	6.7
Petroleum Products	(Mln Ltr)	7602.7	8184.6	7166.6	7864.1	-5.7	9.7
B. MINERAL PRODUCTION							
Crude Oil	(BPD)	57706.8	53300.0	58250.7	58000.0	0.9	-0.4
Natural Gas	(MMCD)	1827.6	2000.0	1911.2	2210.0	4.6	15.6
Coal	(000 MT)	3401.5	4000.0	3358.9	3050.0	-1.3	-9.2
Limestone	(000 MT)	9837.6	9845.0	9488.0	16000.0	-3.6	68.6
Rock salt	(000 MT)	957.8	1015.0	1066.4	1000.0	11.3	-6.2

**GROSS DOMESTIC PRODUCT
(AT 1980-81 MILLION RS)**

S.A. Table-1.3

Items	1995-96 Rev.	1996-97		1997-98		% Change		1997-98 Target
		Target	Prov.	Target	Target	1996-97 Target	Prov.	
I. AGRICULTURE	140240	148313	141223	148443	5.0	0.7	5.1	
Major crops	62938	66420	60097	63844	3.8	-4.5	6.2	
Minor crops	26237	27709	27136	28493	8.8	3.4	5.0	
Livestocks	45252	47308	48175	50023	4.5	6.5	3.8	
Fishing	4904	5716	4941	5165	4.5	0.3	4.5	
Forestry	909	1160	874	918	5.0	-3.9	5.0	
II. INDUSTRY	148932	162468	153848	164362	7.9	3.3	6.8	
Mining & quarrying	2833	2896	2891	3036	1.0	2.0	5.0	
Manufacturing	102554	109477	104381	111856	7.2	1.8	7.2	
Large Scale	69039	73147	68051	72474	6.5	-1.4	6.5	
Small Scale	33515	36330	36330	39382	8.4	8.4	8.4	
Construction	21944	23329	22475	23802	5.0	2.4	5.9	
Electricity & gas distribution	21601	26766	24101	25668	15.0	11.6	6.5	
III. SERVICES	276130	294081	287568	304556	6.1	4.1	5.9	
Transport & communication	54683	58617	57435	60996	5.0	5.0	6.2	
Trade	92613	101401	95078	101163	8.0	2.7	6.4	
Banking & insurance	14684	14128	14912	15837	4.5	1.6	6.2	
Ownership of dwelling	31435	33095	33095	34842	5.3	5.3	5.3	
Public Administration & defence	35917	36986	37194	38609	3.2	3.6	3.8	
Services (other)	46798	49854	49854	53109	6.5	6.5	6.5	
GDP (fc)	565302	604862	582639	617361	6.3	3.1	6.0	

**ESTIMATED BUDGETARY DEVELOPMENT EXPENDITURE FOR 1996-97
(NATIONAL)**

S.No.	Sectors	(Million Rupees)							
		Revised 1996-97 (COL 4+5+6)	Federal Departments	Corporations (Budgetary)	Provincial (COL 7+8+9+10)	Punjab	Sindh	NWFP	Baluchistan
1	2	3	4	5	6	7	8	9	10
1	Agriculture	1209.6	417.1	0.0	792.5	323.0	149.6	161.7	158.0
2	Industry	946.7	832.5	0.0	114.2	53.2	5.5	53.6	2.0
3	Mineral	674.0	650.5	0.0	23.6	6.1	0.0	12.8	4.7
4	Water	16746.2	6914.6	0.0	6826.7	3860.7	3344.5	564.5	1055.9
5	Power	16546.1	3798.0	12720.6	27.6	0.0	0.0	16.6	11.0
6	Fuels	1306.6	1066.6	300.0	0.0	0.0	0.0	0.0	0.0
7	Transport & Communication	13842.3	3384.3	9147.0	1311.6	644.2	303.8	167.2	195.8
8	Physical Planning & Housing	7437.0	919.0	0.0	6518.0	3621.0	1061.0	1203.0	633.0
9	Education & Training	3486.1	759.6	0.0	2726.6	1304.1	368.1	848.4	206.0
10	Science & Technology	196.9	174.5	0.0	22.4	0.0	22.4	0.0	0.0
11	Health & Nutrition	4316.7	2657.3	0.0	1459.4	833.0	287.7	142.0	196.7
12	Rural Development	7983.6	1067.3	0.0	6916.3	4052.7	1626.8	1080.0	156.8
13	Mass Media	211.7	211.7	0.0	0.0	0.0	0.0	0.0	0.0
14	Culture, Sports, Tourism & Youth	67.2	46.8	0.0	20.4	9.5	6.6	4.3	0.0
15	Manpower and Employment	625.5	606.3	0.0	19.2	8.1	7.0	1.1	3.0
16	Women Development	82.0	81.8	0.0	0.2	0.0	0.0	0.2	0.0
17	Population Welfare	1256.9	1256.9	0.0	0.0	0.0	0.0	0.0	0.0
18	Social Welfare	104.6	73.9	0.0	30.7	22.0	1.0	7.3	0.4
19	Research, Statistics & Planning	231.2	130.8	0.0	100.3	17.6	61.7	17.0	4.0
20	Environment	729.0	336.0	0.0	394.0	249.6	43.6	40.5	60.4
21	Others (Spl. Areas, PSP, ARRP and Misc)	4133.4	4133.4	0.0	0.0	0.0	0.0	0.0	0.0
Total (Expenditure)		81927.2	29567.6	22167.6	29302.1	15004.9	7289.5	4320.1	2687.6

* An amount of Rs. 25,500 Million had been allocated to provinces as Federal Assistance in PSDP 1996-97 (Punjab Rs. 9353.8 million; Sindh Rs. 7531.4 million; NWFP Rs. 5250.0 million and Balochistan Rs. 364.8 million). Against this amount Provincial Revised Estimates stood at Rs. 29,302.1 million (Punjab Rs. 15,004.9 million; Sindh Rs. 7,289.5 million; NWFP Rs. 4,320.1 million and Balochistan Rs. 2,687.6 million). The excess amount was provided by the provinces through self-financing.

**BUDGETARY PUBLIC SECTOR DEVELOPMENT PROGRAMME 1997-98
(NATIONAL)**

(Million Rupees)									
S.No.	Sectors	Total PSDP (COL 4+5+6)	Federal Departments	Corporations (Budgetary)	* Provincial PSD (COL 7+8+9+10)	Punjab	Sindh	N.W.F.P.	Balochistan
1	2	3	4	5	6	7	8	9	10
1	Agriculture	1143.5	459.8	0.0	683.7	313.2	108.2	81.2	181.1
2	Industry	877.7	530.1	0.0	147.6	134.0	5.0	8.6	0.0
3	Mineral	394.6	384.8	0.0	9.8	1.5	0.0	6.1	2.2
4	Water	20084.1	9892.3	0.0	10191.8	6749.0	2111.9	526.8	804.1
5	Power	18238.3	4376.7	13829.7	31.9	0.0	0.0	21.9	10.0
6	Fuel	1826.9	1128.9	700.0	0.0	0.0	0.0	0.0	0.0
7	Transport & Communication	20328.5	5583.8	12200.0	2544.7	1042.7	542.0	312.7	647.3
8	Physical Planning and Housing	10017.8	2076.8	0.0	7941.0	5461.0	710.0	989.0	781.0
9	Rural Development	5727.6	2147.9	0.0	3579.7	2036.8	776.0	386.0	377.1
10	Education	10443.1	837.5	0.0	9605.5	4567.9	1353.5	1824.7	1839.5
11	Science & Technology	234.0	210.8	0.0	23.2	0.0	23.2	0.0	0.0
12	Health & Nutrition	6122.8	2505.6	0.0	3617.2	2392.2	522.7	320.0	362.3
13	Mass Media	49.6	49.6	0.0	0.0	0.0	0.0	0.0	0.0
14	Culture, Sports, Tourism & Youth	151.4	89.0	0.0	62.4	33.9	14.0	8.8	5.7
15	Manpower & Employment	220.7	178.5	0.0	42.2	22.0	8.0	3.3	8.9
16	Women Development	46.4	43.4	0.0	2.9	0.0	0.0	2.9	0.0
17	Population Welfare	1920.9	1920.9	0.0	0.0	0.0	0.0	0.0	0.0
18	Social Welfare	103.4	71.1	0.0	32.3	20.1	4.9	4.0	3.3
19	Research, Stats & Planning	629.2	336.9	0.0	292.3	28.0	194.3	38.0	32.0
20	Environment	733.8	269.7	0.0	464.1	116.2	47.0	184.9	116.0
21	Others (Spl. Areas, TSP, ARRP and Misc)	8695.9	4276.2	0.0	4419.7	2193.1	1183.0	414.0	629.6
TOTAL (PSDP)		107792.2	37370.4	26729.7	43692.1	25133.6	7603.7	5134.8	5820.1
Less (Operational Shortfall)		1650.8	0.0	0.0	1650.8	1650.8	0.0	0.0	0.0
NET (PSDP)		106141.4	37370.4	26729.7	42041.3	23482.8	7603.7	5134.8	5820.1

* An amount of Rs.26,000 million has been provided to Provinces as Federal Assistance in PSDP 1997-98 (Punjab Rs.12,138.0 million, Sindh Rs.6,099.2 million, NWFP Rs.4,646.2 million and Balochistan Rs.3,116.6 million). Against this amount the Provinces have formulated their Development Programme at Rs.42041.3 million (Punjab Rs.23,482.8 million, Sindh Rs.7,603.7 million, NWFP Rs.5,134.8 million and Balochistan Rs.5,820.1 million). The excess amount will be provided by the provinces through self-financing

PUBLIC SECTOR CORPORATIONS PROGRAMME 1997-98
(BUDGETARY & OTHERS)

SL NO	CORPORATIONS	TOTAL	PSDP 1996-97		(MILLION RUPEES) PSDP 1997-98	
			BUDGET	REVISED ESTIMATES	TOTAL	BUDGET
1	2	3	4	5	6	7
	POWER	36622.3	11268.2	32226.1	36222.9	13829.7
1	WAPDA	28900.2	11268.2	24504.0	26965.7	13829.7
2	KESC	7722.1		7722.1	9257.2	
	FUEL	19676.6	300.0	19576.6	26127.4	700.0
1	OGDC	5738.3	300.0	5738.3	6083.4	700.0
2	NRL	50.1		50.1	46.0	
3	SSGC	4173.2		4173.2	4454.0	
4	SNGPL	7047.0		7047.0	5961.0	
5	RSO	470.0		470.0	850.0	
6	PARCO	2098.0		2098.0	8733.0	
7	PERAC	100.0		0.0	0.0	
	T&C	29206.4	10518.0	25803.8	33982.0	12200.0
1	NHA	10518.0	10518.0	9147.0	12200.0	12200.0
2	PTCL	12000.0		15100.7	20000.0	
3	CAA	988.6		556.1	1181.0	
4	PNSC	1.0		0.0	1.0	
5	PIAC	5675.0		1000.0	600.0	
6	PPSC	23.8		0.0	0.0	
	INDUSTRY	1164.0		3253.0	2567.0	
1	SEC	90.0		0.0	140.0	
2	NFC	1049.0		3253.0	2147.0	
3	USC	25.0		0.0	280.0	
	MASS MEDIA	25.0		25.0	0.0	
1	PTV	25		25.0	0.0	
	TOTAL (Corp)	86694.3	22086.2	80884.5	98899.3	26729.7

PUBLIC FINANCE: CONSOLIDATED BUDGET
(NET BASIS)

S.A. TABLE 3.1

	(Rs. Billion)						Growth rate % 1997-98/ 1996-97RE
	1995-96	1996-97		Budget Estimates of 1997-98			
	Provisional Actual	Budget Estimates	Revised Estimates	Without New Measures	New New Measures	New New Measures	
Total Revenue Receipts	380.3	446.4	388.2	452.3	9.8	462.1	19.0
Total Tax Receipts	305.6	377.9	326.5	367.5	6.2	373.7	14.5
Direct taxes	80.1	92.2	90.0	104.2	3.8	108.0	20.0
- Taxes on income	75.7	85.3	83.9	97.8	-	97.8	16.6
- Other direct taxes	4.4	6.9	6.1	10.2	-	10.2	67.2
Indirect taxes	225.5	285.7	236.5	263.3	2.4	265.7	12.3
- Import duties	88.9	113.0	83.0	87.0	4.0	91.0	9.6
- Excise duties	51.9	59.1	59.9	66.1	-0.5	65.6	9.5
- Sales tax	49.9	76.7	56.0	65.3	-1.1	64.2	14.6
- Surcharges	24.9	26.3	25.0	30.1	0.0	30.1	20.4
Petroleum	15.1	17.4	19.5	25.2	0.0	25.2	29.2
Natural Gas	9.8	6.8	5.5	4.9	0.0	4.9	-10.9
- Other indirect taxes	9.9	10.6	12.6	14.8	0.0	14.8	17.5
Non-tax revenues	62.7	68.5	61.7	84.8	3.6	88.4	43.3
Financing For SAP	12.0						
Government expenditure	518.1	547.9	543.1	610.0	0.0	610.0	12.3
Current	423.9	462.7	458.0	519.9	0.0	519.9	13.5
General administration	47.8	44.3	42.0	41.0	0.0	41.0	-2.4
Law and order	20.7	21.7	21.7	22.7	0.0	22.7	4.6
Defense	119.7	131.4	127.4	134.0	0.0	134.0	5.2
Subsidies	10.7	10.7	12.9	13.3	0.0	13.3	3.1
Interest payments	132.5	150.9	150.2	191.0	0.0	191.0	27.2
- Domestic	106.8	120.8	120.1	159.5	0.0	159.5	32.8
- External	25.7	30.1	30.1	31.5	0.0	31.5	4.7
Community services	10.9	13.5	12.4	15.2	0.0	15.2	22.6
Social services	53.9	61.0	63.6	69.9	0.0	69.9	9.9
Economic services	9.5	11.5	9.6	10.9	0.0	10.9	13.5
Grants to Prov./LB	10.4	11.2	11.6	13.3	0.0	13.3	14.7
Other expenditures	7.8	6.5	6.6	8.6	0.0	8.6	30.3
Development	94.2	85.2	85.1	90.1	0.0	90.1	5.9
Fiscal Deficit	137.8	101.5	154.9	147.9	0.0	147.9	-4.5
Financing:	137.8	101.5	154.9	147.9	0.0	147.9	-4.5
Bank borrowing	52.3	46.0	88.6	58.0	0.0	58.0	-34.5
Non-bank borrowing	56.9	44.0	49.7	59.7	0.0	59.7	20.1
External borrowing (net)	28.6	11.5	16.6	30.2	0.0	30.2	81.9
Memorandum items:							
(GDP market prices)	2172.0	2511.8	2469.5	2843.9		2843.9	
As percentage of GDP							
Total Revenue Receipts	17.5	17.8	16.7	15.9		16.2	
Total Tax Receipts	14.1	15.0	13.2	12.9		13.1	
Direct taxes	3.7	3.7	3.6	3.7		3.8	
- Taxes on income	3.5	3.4	3.4	3.4		3.4	
- Other direct taxes	0.2	0.3	0.2	0.4		0.4	
Indirect taxes	10.4	11.4	9.6	9.3		9.3	
- Import duties	4.1	4.5	3.4	3.1		3.2	
- Excise duties	2.4	2.4	2.4	2.3		2.3	
- Sales tax	2.3	3.1	2.3	2.3		2.3	
- Surcharges	1.1	1.0	1.0	1.1		1.1	
Petroleum	0.7	0.7	0.8	0.9		0.9	
Natural Gas	0.5	0.3	0.2	0.2		0.2	
- Other indirect taxes	0.5	0.4	0.5	0.5		0.5	
Non-tax revenues	2.9	2.7	2.5	3.0		3.1	
Government Expenditure	23.9	21.8	22.0	21.4		21.4	
Current	19.5	18.4	18.5	18.3		18.3	
General administration	2.2	1.8	1.7	1.4		1.4	
Law and order	1.0	0.9	0.9	0.8		0.8	
Defense	5.5	5.2	5.2	4.7		4.7	
Subsidies	0.5	0.4	0.5	0.5		0.5	
Interest payments	6.1	6.0	6.1	6.7		6.7	
- Domestic	4.9	4.8	4.9	5.6		5.6	
- External	1.2	1.2	1.2	1.1		1.1	
Community services	0.5	0.5	0.5	0.5		0.5	
Social services	2.5	2.4	2.6	2.5		2.5	
Economic services	0.4	0.5	0.4	0.4		0.4	
Grants to Prov./LB	0.5	0.4	0.5	0.5		0.5	
Other expenditures	0.4	0.3	0.3	0.3		0.3	
Development	4.3	3.4	3.4	3.2		3.2	
Fiscal Deficit	6.3	4.0	6.3	5.2		5.2	
Financing:	6.3	4.0	6.3	5.2		5.2	
Bank borrowing	2.4	1.8	3.6	2.0		2.0	
Non-bank borrowing	2.6	1.8	2.0	2.1		2.1	
External borrowing (net)	1.3	0.5	0.7	1.1		1.1	

FEDERAL GOVERNMENT BUDGET, 1995-96 TO 1997-98
(Gross Basis-GOP Classification)

	(Rs. Billion)						Growth rate % 1997-98/ 1996-97RE
	1995-96	1996-97		Budget Estimates of 1997-98			
	Provisional Actual	Budget Estimates	Revised Estimates	Without New Measures	New With Measures		
Total Revenue Receipts	347.8	444.6	364.5	426.0	9.8	435.8	19.6
Transfer to Provinces	121.3	133.2	131.6	124.2		124.2	-5.6
Federal Govt. revenues	226.5	311.4	232.9	311.6		311.6	33.8
Total Tax receipts	294.0	363.7	312.2	349.6	6.2	355.8	14.0
Direct taxes	78.2	88.6	88.0	100.6	3.8	104.4	18.6
- Taxes on income	75.7	85.3	83.9	97.8		97.8	16.6
- Other direct taxes	2.5	3.3	4.1	6.6		6.6	61.0
Indirect taxes	215.8	275.1	224.2	249.0	2.4	251.4	12.1
- Import duties	88.9	113.0	83.0	87.0	4.0	91.0	9.6
- Excise duties	51.1	59.1	59.0	65.0	-0.5	64.5	9.3
- Sales tax	49.9	76.7	58.0	65.3	-1.1	64.2	14.6
- Surcharges	24.9	26.3	25.0	30.2		30.2	20.8
- Petroleum	15.1	19.5	19.5	25.2		25.2	29.2
- Natural Gas	9.8	6.8	5.5	5.0		5.0	-9.1
- Other indirect taxes	1.0	0.0	1.2	1.5		1.5	25.0
Non-tax revenues	53.8	80.9	52.3	76.4	3.6	80.0	53.0
Current Expenditure	316.0	400.9	343.1	391.8		391.8	14.2
General administration	18.9	23.2	21.1	20.5		20.5	-2.8
Law and order	7.2	7.4	7.6	8.1		8.1	6.6
Defense	119.7	131.4	127.4	134.0		134.0	5.2
Subsidies	8.0	7.4	7.6	7.4		7.4	-2.6
Debt Servicing	128.0	193.8	145.6	185.4		185.4	27.3
Community services	5.0	5.3	5.1	5.7		5.7	11.8
Social services	9.1	8.8	8.9	9.3		9.3	4.5
Economic services	2.8	3.0	2.6	2.7		2.7	3.8
Grants to Local Auth.	10.1	15.5	10.8	12.2		12.2	13.0
Other expenditures	7.2	5.1	6.4	6.5		6.5	1.6
Revenue Surplus	-89.5	-89.5	-110.2	-80.2		-80.2	-27.2
Net Capital Receipts	33.5	26.6	2.3	27.9		27.9	1113.0
Bank Borrowing	52.3	45.9	88.6	57.9		57.9	-34.7
Domestic Resources	-3.7	-18.6	-36.0	-39.4		-39.4	9.4
External Resources	97.9	103.8	121.2	129.5		129.5	6.8
Development	94.2	85.2	85.2	90.1		90.1	5.8
Memorandum items: (GDP market prices)	2172.0	2511.8	2469.5	2843.9		2843.9	15.2
% of GDP							
Total Revenue Receipts	16.0	17.7	14.8	15.0		15.3	
Transfer to Provinces	5.6	5.3	5.3	4.4		4.4	
Federal Govt. revenues	10.4	12.4	9.4	11.0		11.0	
Total Tax receipts	13.5	14.5	12.6	12.3		12.5	
Direct taxes	3.6	3.5	3.6	3.5		3.7	
- Taxes on income	3.5	3.4	3.4	3.4		3.4	
- Other direct taxes	0.1	0.1	0.2	0.2		0.2	
Indirect taxes	9.9	11.0	9.1	8.8		8.8	
- Import duties	4.1	4.5	3.4	3.1		3.2	
- Excise duties	2.4	2.4	2.4	2.3		2.3	
- Sales tax	2.3	3.1	2.3	2.3		2.3	
- Surcharges	1.1	1.0	1.0	1.1		1.1	
- Petroleum	0.7	0.8	0.8	0.9		0.9	
- Natural Gas	0.5	0.3	0.2	0.2		0.2	
- Other indirect taxes	0.0	0.0	0.0	0.1		0.1	
Non-tax revenues	2.5	3.2	2.1	2.7		2.8	
Current Expenditure	14.5	16.0	13.9	13.8		13.8	
General administration	0.9	0.9	0.9	0.7		0.7	
Law and order	0.3	0.3	0.3	0.3		0.3	
Defense	5.5	5.2	5.2	4.7		4.7	
Subsidies	0.4	0.3	0.3	0.3		0.3	
Debt Servicing	5.9	7.7	5.9	6.5		6.5	
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.	0.5	0.6	0.4	0.4		0.4	
Other expenditures	0.3	0.2	0.3	0.2		0.2	
Revenue Surplus	-4.1	-3.6	-4.5	-2.8		-2.8	
Net Capital Receipts	1.5	1.1	0.1	1.0		1.0	
Bank Borrowing	2.4	1.8	3.6	2.0		2.0	
Domestic Resources	-0.2	-0.7	-1.6	-1.4		-1.4	
External Resources	4.5	4.1	4.9	4.6		4.6	
Development	4.3	3.4	3.5	3.2		3.2	

PRIVATE INVESTMENT

(Current Billion Rs)

Sector	1995-96	1996-97		1997-98 Targets	% change over 1996-97
		Targets	Provisional		
Agriculture	21.8	26.7	21.7	30.2	39.2
Manufacturing	58.6	131.5	63.0	88.7	40.8
Large-scale	46.7	117.4	47.5	67.4	41.9
Small-scale	11.9	14.1	15.5	21.3	37.4
Energy	23.3	36.2	32.1	42.2	31.5
Transport and Communications	13.3	10.0	16.2	21.0	29.6
Ownership of dwellings	38.7	42.2	44.9	49.8	10.9
Services/ Others	38.1	31.3	46.2	48.7	5.4
Total:	193.8	277.9	224.1	280.6	25.2

EXPORTS
(Values in Million \$)

Commodities	1995-96	1996-97		1997-98	% Change	
	Actuals	Plan Target	Provisional	Projections	1996-97	1997-98
I. Primary Commodities	1010	833	490	730	-51.5	49.0
Raw Cotton	506	266	30	248	-94.1	726.7
Volume (Mill Bales)	1.83	1.10	0.12	1.00	-93.4	726.4
Price (Cents/Lb)	73.7	64.5	66.1	66.1	-10.3	0.0
Total Rice	504	567	460	482	-8.7	4.8
Basmati Rice	295	284	198	216	-32.9	9.1
Volume (000 MT)	716	710	454	500	-36.6	10.1
Price (\$/MT)	412	400	436	432	5.9	-0.9
Other Rice	209	283	262	266	25.4	1.5
Volume (000 MT)	884	1280	1263	1300	42.9	2.9
Price (\$/MT)	236	221	207	205	-12.3	-1.4
II. Cotton based Manufactures	4981	5582	4889	5331	-1.8	9.0
Yarn	1540	1760	1397	1375	-9.3	-1.6
Volume (Mill Kgs)	536	630	502	500	-6.3	-0.4
Price (\$/Kg)	2.87	2.79	2.78	2.75	-3.1	-1.1
Cloth	1276	1530	1217	1365	-4.6	12.2
Volume (Mill Sq. Meter)	1323	1530	1215	1300	-8.2	7.0
Price (\$/Sq Meter)	0.96	1.00	1.00	1.05	4.2	5.0
Readymade Garments	648	770	727	826	12.2	13.6
Tents and Canvas	39	30	34	30	-12.8	-11.8
Hosiery	703	750	671	763	-4.6	13.7
Made ups (incl. towels)	775	742	843	972	8.8	15.3
III. Other Traditionals	1066	1173	1078	1122	1.1	4.1
Fish and Fish Preparations	141	145	148	155	5.0	4.7
Leather	259	246	240	252	-7.3	5.0
Carpets	209	240	194	194	-7.2	0.0
Synthetic Textiles	457	542	496	521	8.5	5.0
IV. All Others	1650	2172	1805	1893	9.4	4.9
Total (gross)	8707	9760	8262	9076	-5.1	9.9
Total (fob)	8311	9682	8195	9003	-1.4	9.9

IMPORTS
(Values in Million \$)

Commodities	1995-96	1996-97		1997-98	% Change	
	Actuals	Plan	Target Provisional	Projections	1996-97	1997-98
Wheat	455	428	611	550	34.3	-10.0
Volume (Million MT)	2.0	1.8	3.2	3.3	60.0	3.1
Price (\$/MT)	227.5	241.8	190.9	166.7	-16.1	-12.7
Tea	170	177	134	160	-21.2	19.4
Volume (Mil. Kg)	115	118	86	100	-25.2	16.3
Price (\$/Kg)	1.48	1.50	1.56	1.60	5.4	2.6
Edible Oils	855	700	508	514	-40.6	1.2
Volume (000 MT)	1143	1172	892	892	-22.0	0.0
Price (\$/MT)	748	597	570	576	-23.9	1.2
POL	2002	2573	2235	2327	11.6	4.1
Crude Oil	521	630	583	583	11.9	0.0
Volume (Million barrel)	31.00	30.90	29.30	30.30	-5.5	3.4
Price (\$/barrel)	16.8	20.4	19.9	19.2	18.4	-3.3
POL Products	1481	1943	1662	1744	12.2	4.9
Volume (Million MT)	10.20	11.33	10.30	11.20	1.0	8.7
Price (\$/MT)	145.2	171.5	161.4	155.7	11.1	-3.5
Fertilizers	345	399	367	257	12.2	-33.6
Volume (000 MT)	1493	1692	1703	1203	14.1	-29.4
Price (\$/MT)	231	236	227	214	-1.7	-6.0
Capital Goods (Value)	4172	4400	4353	5000	4.3	14.9
All Others	5061	4304	4162	3538	-17.8	-15.0
Total (cif)	13060	12981	12400	12346	-5.1	-0.4
Total (fob)	12015	11959	11418	11368	-5.0	-0.4

BALANCE OF PAYMENTS

	(Million \$)			
	1995-96 Actuals	1996-97 Plan Target	1996-97 Provisional	1997-98 Projections
TRADE BALANCE	-3704	-2277	-3223	-2365
Exports (fob)	8311	9682	8195	9003
Imports (fob)	12015	11959	11418	11368
INVISIBLES BALANCE	-871	-1426	-869	-1066
Services (net)	-3249	-3413	-3820	-3662
Invisibles Receipts	2100	1941	1771	1899
Invisibles Payments	5349	5354	5591	5561
Freight & Insurance	1045	1022	1022	977
Public & Guaranteed Debt	997	1034	967	976
Others	3307	3298	3602	3608
Private Transfers	2378	1987	2951	2596
Remittances	1461	1217	1409	1400
F.C.A.(Resident Pakistanis)	763	600	1351	1000
Others	154	170	191	196
CURRENT ACCOUNT BALANCE	-4575	-3703	-4092	-3431
Long term capital (net)	2860	3033	2281	3171
Gross Disbursements	2566	2781	2508	2999
Project Aid	2151	2066	1980	1602
Commodity Aid	21	315	12	904
Food Aid	383	385	514	489
Refugees Assistance	11	15	2	4
Other official transfers (net)	102	179	83	79
Amortization	-1683	-1715	-1743	-1911
Private long term capital (net)	1875	1788	1433	2004
Errors & Omissions	-51	-	138	-
BAL. REQ. OFFICIAL FINANCING	-1766	-670	-1673	-260
Official assistance & debt relief	449	49	553	552
Debt relief	-	-	-	-
Medium/short term capital (net)	341	-61	211	361
Other short term assets/liability	154	-20	232	-
FEBC, DBC, FCBC, Eu. Bond(net)	-46	130	110	191
OVERALL BALANCE/ NET FOREIGN ASSETS	-1317	-621	-1120	292
IMF (net)	36	-14	-167	-241
Purchases	277	314	152	-
Fund SAF	-	-	-	-
Fund SBA	-	-	-	-
Repurchases	-241	-328	-319	-241
Repayment of deposits	-86	-	-	-
Bank's foreign currency deposits	967	210	195	150
Other deposit money banks	5	-28	-97	-201
CHANGES IN RESERVES	-395	-453	-1189	0

PHYSICAL TARGETS AND ACHIEVEMENTS

Sr. No.	Crops/ Livestock	Unit	1996-97		1997-98 Targets	% change over 1996-97
			Targets	Achievements		
1	2	3	4	5	6	7
A. Crops						
1	Wheat	"000"Tonnes	18900.0	16313.1	18000.0	10.3
2	Rice	"	4184.0	4304.8	4394.0	2.1
	Basmati	"	1482.1	1486.6	1486.0	-0.0
	Others	"	2701.9	2818.2	2908.0	3.2
3	Maize	"	1430.0	1260.3	1501.3	19.1
4	Other Cereals	"	670.0	561.8	602.8	7.3
5	Gram	"	670.2	697.3	680.0	-2.5
6	Sugarcane	"	49200.0	41998.1	48000.0	14.3
7	Cotton(lint)	Million Bales	10.8	9.3	10.0	7.5
8	Oilseeds					
	Cottonseed	"000"Tonnes	3674.2	3164.0	3402.0	7.5
	Rape & Mustar	"	258.0	182.0	91.0	-59.0
	Canola	"	0.0	128.7	400.0	210.8
	Non-Traditional	"	234.0	223.5	443.6	98.5
9	Potato	"	1141.0	970.0	1205.0	24.2
10	Onion	"	1136.0	1108.0	1160.0	4.7
B. Livestock						
11	Milk	"000"Tonnes	21040.0	20950.0	22039.0	5.2
12	Beef	"	1037.3	1029.0	1082.0	5.2
13	Mutton	"	990.7	1003.0	1075.0	7.2
14	Poultry	"	362.1	384.0	428.0	11.5

Source: Ministry of Food, Agriculture and Livestock.

FINANCIAL ALLOCATIONS AND UTILIZATION

Executing Agency	(Million Rs)		
	1996-97 Allocation	Utilization	Per cent Utilization
Federal	578.2	417.1	72.1
Punjab	427.4	323.0	75.6
Sindh	168.4	149.8	98.0
NWFP	261.5	161.7	61.8
Balochistan	187.9	158.0	84.1
Total	1623.4	1209.6	74.5

Source: Federal and Provincial PSDPs 1997-98

S.A. Table 7.3

PUBLIC SECTOR DEVELOPMENT PROGRAMME
All Pakistan

S.No.	Sub-sector	1996-97		1997-98 Allocation	(Million Rs. % change over actual 1996-97)
		Allocation	Utilization		
1.	Agriculture Research	419.0	287.1	484.5	68.7
2.	Agriculture Extension	118.4	86.2	55.5	-35.6
3.	Oilseed Maximization Programme	89.3	72.6	17.4	-76.1
4.	Agriculture Marketing	3.8	3.7	0.3	-91.7
5.	Agriculture Education	54.1	23.2	17.5	-24.7
6.	Improved Seed	19.3	15.1	1.6	-89.4
7.	Agriculture Economics & Statistics	29.0	29.9	7.4	-75.3
8.	Soil and Fertilizer	40.3	42.0	35.9	-14.6
9.	Plant Protection	1.0	1.0	1.6	60.0
10.	Soil Conservation and Land Development.	14.9	3.1	0.5	-83.9
11.	Livestock & Poultry Development	165.1	139.1	155.4	11.7
12.	Forestry and Wildlife	479.6	321.8	196.3	-39.0
13.	Range Management	17.6	19.4	1.8	-90.7
14.	Fisheries	89.8	58.8	67.3	14.5
15.	Cooperatives	6.9	6.8	2.3	-66.2
16.	Government Storages	20.5	12.2	8.5	-30.3
17.	Agriculture Mechanization	54.8	44.0	54.6	24.1
18.	Watershed Management	0.0	43.6	35.2	-19.3
	Total Agriculture	1623.4	1209.6	1143.5	-5.5

Source:- Federal and Provincial PSDPs 1997-98

PUBLIC SECTOR DEVELOPMENT PROGRAMME

Federal

(Million Rs.
% change
over actual
1996-97

S.No	Sub-sector	1996-97		1997-98	
		Allocation	Utilization	Allocation	
1.	Agriculture Research	289.5	176.8	323.8	83.1
2.	Agriculture Extension	37.6	36.9	38.1	3.3
3.	Oilseed Maximization Programme	89.3	72.6	17.4	-76.1
4.	Agriculture Marketing	1.5	1.4	0.3	-78.1
5.	Agriculture Education	45.5	23.2	17.4	-25.1
6.	Improved Seed	4.6	2.2	1.0	-54.8
7.	Agriculture Economics & Statistics	20.0	19.4	4.8	-75.3
8.	Soil and Fertilizer	15.5	31.7	16.4	-48.4
9.	Plant Protection	0.0	0.0	1.6	
10.	Soil Conservation and Land Development.	1.9	0.4	0.0	
11.	Livestock & Poultry Development	18.0	12.2	0.0	
12.	Forestry and Wildlife	7.2	0.2	0.0	
13.	Range Management	0.0	0.0	0.0	
14.	Fisheries	47.6	40.1	39.1	-2.5
15.	Cooperatives	0.0	0.0	0.0	
16.	Government Storage	0.0	0.0	0.0	
	Total Agriculture	578.2	417.1	459.8	10.2

Source:- Federal PSDP 1997-98

S.A. Table 7.5

**PUBLIC SECTOR DEVELOPMENT PROGRAMME
ALL PROVINCES**

S.No	Sub-sector	(Million Rs.)			% change over actual 1995-96
		1996-97 Allocation	1996-97 Utilization	1997-98 Allocation	
1.	Agriculture Research	129.5	110.3	160.7	45.7
2.	Agriculture Extension	80.8	49.3	17.4	-64.7
3.	Oilseed Maximization Programme	0.0	0.0	0.0	0.0
4.	Agriculture Marketing	2.3	2.3	0.0	0.0
5.	Agriculture Education	8.6	0.0	0.1	10.0
6.	Improved Seed	14.7	12.9	0.6	-95.3
7.	Agriculture Economics & Statistics	9.0	10.5	2.6	-75.2
8.	Soil and Fertilizer	24.8	10.3	19.5	89.3
9.	Plant Protection	1.0	1.0	0.0	
10.	Soil Conservation and Land Development.	13.0	2.7	0.5	-81.5
11.	Livestock & Poultry Development	147.1	126.9	155.4	22.5
12.	Forestry and Wildlife	472.4	321.7	196.3	-39.0
13.	Range Management	17.6	19.4	1.8	-90.7
14.	Fisheries	42.2	18.7	28.2	50.8
15.	Cooperatives	6.9	6.7	2.3	-65.7
16.	Government Storages	20.5	12.2	8.5	-30.3
17.	Agriculture Mechanization	54.8	44.0	54.6	24.1
18.	Watershed Management	0.0	43.6	35.2	-19.3
	Total Agriculture	1045.2	792.5	683.7	-13.7

Source:- Provincial PSDPs 1993-98.

**PUBLIC SECTOR DEVELOPMENT PROGRAMME
PUNJAB**

(Million Rs)

S.No.	Sub-Sector	1996-97		1997-98 Allocation	% change over actual 1996-97
		Allocation	Utilization		
1.	Agriculture Research	36.6	22.2	76.6	245.0
2.	Agriculture Extension	8.8	1.1	0.2	-81.8
3.	Oilseed Maximization Programme	0.0	0.0	0.0	
4.	Agriculture Marketing	0.0	0.0	0.0	
5.	Agriculture Education	0.0	0.0	0.0	
6.	Improved Seed	0.0	0.0	0.0	
7.	Agriculture Economics & Statistics	9.0	9.0	1.1	-87.8
8.	Soil and Fertilizer	24.2	9.7	19.5	101.0
9.	Plant Protection	0.0	0.0	0.0	
10.	Soil Conservation and Land Development	0.0	0.0	0.0	
11.	Livestock & Poultry Development	60.4	37.1	78.5	111.6
12.	Forestry and Wildlife	223.4	183.2	105.0	-42.7
13.	Range Management	1.3	16.1	1.8	-88.5
14.	Fisheries	20.0	6.1	3.6	-41.1
15.	Cooperatives	4.5	4.5	2.1	-53.3
16.	Government Storage	1.6	0.7	1.6	123.6
17.	Agriculture Mechanization	37.6	33.3	23.2	-30.4
	Total Agriculture	427.4	323.0	313.2*	- 3.0

* Excludes Rs 208.5 million and Rs.0.8 million, Rs.2.9 and 0.5 million for project reflected under Water Resources Sector, Rural Development Sector, Environment and Mass Media Sector respectively.

Source: Punjab PSDP 1996-97

PUBLIC SECTOR DEVELOPMENT PROGRAMME
Sindh

S.No	Sub-sector	1996-97		1997-98	(Million Rs. % change over actual 1996-97)
		Allocation	Utilization	Allocation	
1.	Agriculture Research	32.2	32.2	22.5	-30.1
2.	Agriculture Extension	2.0	11.1	3.5	-68.1
3.	Oilseed Maximization Programme	0.0	0.0	0.0	0.0
4.	Agriculture Marketing	2.3	2.3	0.0	0.0
5.	Agriculture Education	8.6	0.0	0.0	0.0
6.	Improved Seed	3.0	3.0	0.0	0.0
7.	Agriculture Economics & Statistics	0.0	0.0	0.0	0.0
8.	Soil and Fertilizer	0.0	0.0	0.0	0.0
9.	Plant Protection	1.0	1.0	0.0	0.0
10.	Soil Conservation and Land Development.	0.0	0.0	0.0	0.0
11.	Livestock & Poultry Development	21.3	18.8	10.1	-46.1
12.	Forestry and Wildlife	61.9	56.6	40.0	-29.3
13.	Range Management	0.0	0.0	0.0	
14.	Fisheries	11.9	4.4	12.4	179.2
15.	Cooperatives	2.1	2.1	0.0	
16.	Government Storages	12.0	8.4	3.7	-56.2
17.	Agriculture Mechanization	10.1	10.0	16.0	60.1
18.	Watershed Management	0.0	0.0	0.0	
	Total Agriculture	168.4	149.8	108.2*	-27.8

*Excludes Rs.51.79 million for projects reflected under Water Resources Sector.

Source: Sindh PSDP, 1997-98

**PUBLIC SECTOR DEVELOPMENT PROGRAMME
NWFP**

(Million Rs.
% change
over actual
1996-97

S.No	Sub-sector	1996-97		1997-98	
		Allocation	Utilization	Allocatoion	
1.	Agriculture Research	24.7	28.5	1.5	-94.7
2.	Agriculture Extension	44.8	17.9	13.7	-23.3
3.	Oilseed Maximization Programme	0.0	0.0	0.0	
4.	Agriculture Marketing	0.0	0.0	0.0	
5.	Agriculture Education	0.0	0.0	0.0	
6.	Improved Seed	11.7	9.9	0.6	-94.0
7.	Agriculture Economics & Statistics	0.0	1.5	1.5	0.0
8.	Soil and Fertilizer	0.6	0.6	0.0	
9.	Plant Protection	0.0	0.0	0.0	
10.	Soil Conservation and Land Development	0.0	1.5	0.5	-66.7
11.	Livestock & Poultry Development	22.0	18.2	5.0	-72.6
12.	Forestry and Wildlife	142.8	77.2	47.1	-39.0
13.	Range Management	1.3	1.3	0.0	
14.	Fisheries	6.9	4.8	3.2	-34.0
15.	Cooperatives	0.3	0.2	0.2	0.5
16.	Government Storages	0.0	0.0	0.0	
17.	Agriculture Mechanization	6.4	0.0	0.4	
Total Agriculture		261.5	161.7	81.2	-49.8

*Excludes Rs. 32.74 million and Rs. 1.64 million for projects reflected under
Water Resources and Local Government & Rural development Sectors respectively.
Source: NWFP PSDP, 1997-98.

PUBLIC SECTOR DEVELOPMENT PROGRAMME
Balochistan

S.No	Sub-sector	1996-97		1997-98	(Million Rs. % change over actual 1996-97)
		Allocation	Utilization	Allocation	
1.	Agriculture Research	63.0	27.5	52.6	91.5
2.	Agriculture Extension	25.2	19.2	0.0	
3.	Oilseed Maximization Programme	0.0	0.0	0.0	
4.	Agriculture Marketing	0.0	0.0	0.0	
5.	Agriculture Education	0.0	0.0	0.1	
6.	Improved Seed	0.0	0.0	0.0	
7.	Agriculture Economics & Statistics	0.0	0.0	0.0	
8.	Soil and Fertilizer	0.0	0.0	0.0	
9.	Plant Protection	0.0	0.0	0.0	
10.	Soil Conservation and Land Development.	0.0	1.2	0.0	
11.	Livestock & Poultry Development	43.4	52.8	61.8	17.1
12.	Forestry and Wildlife	57.3	4.6	4.2	-8.2
13.	Range Management	15.0	2.0	0.0	
14.	Fisheries	3.4	3.4	9.0	166.3
15.	Cooperatives	0.0	0.0	0.0	
16.	Government Storages	6.9	3.1	3.2	5.3
17.	Agriculture Mechanization	0.7	0.7	15.0	2073.9
18.	Watershed Management	0.0	43.6	35.2	-19.3
	Total Agriculture	214.9	158.0	181.1*	14.7

*Excludes Rs. 349.36 million and Rs. 10.0 million for projects reflected under
Water Resources and Local Government & Rural Development Sectors respectively
Source: Balochistan PSDP, 1997-98

**SUPPORT/PROCUREMENT PRICES OF
AGRICULTURAL CROPS**

Sr.No. 1	Crops 2	(Rs. per 40 kg)		
		1995-96 3	1996-97 4	1997-98 5
1.	Wheat	173.00	185.00	240.00
2.	Rice (Paddy			
	a) Super Basmati	-	-	360.00
	b) Basmati-385	222.00	255.30	310.00
	c) Irri-6 (Sup)	124.00	142.60	167.00
	d) Irri-6(FAQ)	112.00	128.80	153.00
	e) Ks-282, Dr-82&83 (Sup)	135.00	155.25	180.00
	f) Ks-282, Dr-82&83(FAQ)	124.00	142.60	167.00
3.	Seed Cotton			
	a) B-677 and Niab	400.00	500.00	600.00
	b) Sarmast, Qalandri, MS-38, MS-40, MNH-93, Deltapine	423.00	540.00	640.00
	c) Desi	340.00	440.00	480.00
4.	Oilseed			
	a) Soyabeen	275.00	345.00	
	b) Sunflower	315.00	450.00	
	c) Safflower	270.00	300.00	
	d) Canola	-	450.00	
5.	Sugarcane			
	a) Punjab andNWFP	21.50	24.00	35.00
	b) Sindh and Balochistan	21.75	24.50	36.00
6.	Vegetables			
	a) Potato			
	i) 40-45 mm	84.00	115.00	
	ii) Over 50 mm	87.00	-	
	b) Onion			
	i) 40-50 mm	85.00	100.00	
	ii) Over 50 mm	92.00	106.00	
7.	Gram	330.00	400.00	

Source: Ministry of Food, Agriculture and Livestock

PHYSICAL ACHIEVEMENTS AND TARGETS FOR LIVESTOCK PRODUCTS

S.No.	Item	Unit	1996-97 Achievements	1997-98 Targets
1.	Milk			
	a. Gross Production	Million Tons	21.0	22.0
	b. Available for human consumption.	" "	16.8	17.6
2.	Meat	'000' Tons	2416	2585
	a. Beef	" "	1029	1082
	b. Mutton	" "	1003	1075
	c. Poultry	" "	384	428
3.	Eggs	Billion Nos.	5.9	6.3
4.	Hides	Million Nos.	6.5	6.7
5.	Skins	" "	42.2	43.7
6.	Wool	'000' Tons	55.8	57.2

Source:- Ministry of Food, Agriculture and Livestock.

INSTITUTIONAL PERFORMANCE OF ANIMAL HUSBANDRY SUB-SECTOR

S.No.	Item	Unit	1996 - 97	1997-98
			Achievements	Targets
Infrastructure				
1.	Livestock Production Research Centre.	Numbers	5	5
2.	Veterinary Research Institute	"	4	4
3.	Disease Diagnostic Laboratories	"	48	48
4.	Veterinary Hospitals	"	705	793
5.	Veterinary Dispensaries/Centres	"	3887	4144
6.	Semen Production Units	"	9	9
7.	Artificial Insemination Centres	"	280	280
8.	Artificial Insemination sub-centres	"	470	470
9.	Sera/Vaccine Production	Million Dozes	175	175
Milk Processing				
10.	Milk Pasteurization Plants	Numbers	10	10
11.	UHT Plants	"	18	18
12.	Yoghurt Plants	"	8	8
13.	Cheese Plants	"	5	5
14.	Milk Powder Plants	"	3	3
Poultry				
15.	Hatcheries	Numbers	235	249
16.	Actual output of hatcheries	Million Nos.	146.0	195.0
a.	Broiler Chicks	"	119.0	160.0
b.	Layer Chicks	"	27.0	35.0
17.	Breeding Stock Maintained	Million Nos.	4.0	4.0

18.	Broiler Farms	Numbers	6800	9950
-	Broilers Produced	Million	125.8	179.1
		Nos.		
19.	Layer Farms	Numbers	4850	6500
-	Layers maintained	Million	18.4	26.0
		Nos.		
20.	Feed Mills	Numbers	118	118
21.	Processing Units	"	10	10

Source:- Livestock Departments of Provincial Governments.

PHYSICAL ACHIEVEMENTS AND TARGETS FOR FORESTRY SUB-SECTOR

S.No.	Item	Unit	1996-97 Achievements	1997-98 Targets
1.	Compact plantation	'000' Hectares	76.3	78.4
2.	Linear plantation	Avenue Kilometers	640	681
3.	Nursery raising	Hectares	301	290
4.	Distribution of plants	Million Nos.	200	208
5.	Wood production from Government Forests:	'000' Cu.M.	772	935
	a. Timber	" "	440	433
	b. Firewood	" "	332	502

Source:- Ministry of Environment, Local Government and Rural Development.

PERFORMANCE OF FISHERIES SUB-SECTOR

S.A. Table 7.14

S.No.	Item	Unit	1996-97 Achievements	1997-98 Targets
1.	Fish Production	000 Tons	570.0	645.0
	a. Marine	" "	425.0	490.0
	b. Inland	" "	145.0	155.0
2.	Fishing crafts	Numbers	24610	25200
	a. Marine	"	12650	13100
	Gill-netters	"	2950	3000
	Trawlers	"	2400	2600
	Motorized boats	"	7300	7500
	b. Inland	"	11960	12100
	Motorized boats	"	480	500
	Sail boats	"	11480	11600
3.	Population of fishermen	"	391000	400000
	a. Marine	"	112000	115000
	b. Inland	"	279000	285000
4.	Processing Plants	"	26	26
	Freezing	"	17	17
	Canning	"	1	1
	Fishmeal	"	8	8

Source:- Ministry of Food, Agriculture and Livestock.

DISTRIBUTION OF EXPENDITURE FOR 1986-87 AND ALLOCATION FOR 1987-88

Sector/ Sub-Sector	Federal		Punjab		Bihar		N.W.F.P		Bihar		Total Provincial		Federal and Provincial Total	
	Revised estimate for 1986-87	Allocation for 1987-88	Revised estimate for 1986-87	Allocation for 1987-88	Revised estimate for 1986-87	Allocation for 1987-88	Revised estimate for 1986-87	Allocation for 1987-88	Revised estimate for 1986-87	Allocation for 1987-88	Revised estimate for 1986-87	Allocation for 1987-88	Revised estimate for 1986-87	Allocation for 1987-88
	2	3	4	5	6	7	8	9	10	11	12	13	14	15
IPPT/Urban	141,050	103,000	-	-	-	-	-	-	-	-	-	-	141,050	103,000
Irrigation	1788,374	3087,500	298,868	3202,417	2082,502	1726,588	489,649	374,854	625,183	394,895	8764,204	8791,235	8532,578	8768,735
Drainage and Reclamation	4198,361	5882,000	1633,225	1540,372	81,833	182,000	80,000	37,000	65,500	42,810	1812,580	1821,982	8898,921	7773,982
Flood Control	555,000	638,540	68,532	198,767	-	-	-	-	0,000	9,475	68,532	268,242	821,582	835,582
1892 & 1894 Flood/ Rain Damages	149,000	40,000	775,000	148,430	298,928	3,536	0,000	0,000	53,138	0,800	1115,066	182,486	1258,066	188,066
O.F.W.M	47,000	58,320	1082,309	1638,546	841,685	143,790	11,200	47,800	308,237	349,350	2683,831	2178,466	2108,551	2237,516
Survey Investiga- tion and Research	78,894	41,800	4,775	19,314	1,800	56,000	3,600	47,400	3,800	7,500	16,782	130,414	90,486	171,914
Total Water	8914,478	9952,250	5990,737	6749,048	3844,530	2111,588	564,548	538,754	1035,890	804,140	8835,875	10191,835	18740,154	20984,982

KEY PHYSICAL TARGETS 1997-98

(Federal)

S.NO	SECTOR	UNIT	Target 1996-97	ACHIEVEMENT DURING 1996-97	TARGET 1997-98
1.	Water Availability	MHM	16.29	16.29	16.44
2.	Area Protected (Disastrous)	Mha	0.28	0.25	0.30
3.	SCARP Tubewells				
	a) Drilling	No	438	339	71
	b) Energization	No	377	251	1053
	c) Transition to Private Sector	No	225	127	---
4.	Surface Drains	MCM	15.32	17.06	17.88
5.	Tile drains	KM	2017	1703	1323
6.	Watercourse Improvement	No	4292	3142	2135
7.	Precision Land levelling	HA	17647	15141	13287
8.	Flood Control Programme:				
	a) Earth work	MCM	22.65	4.73	3.09
	b) Stone work	MCM	1.84	0.44	0.30

Data based on Reports from WAPDA ,Provincial Agriculture
Department, Federal Flood Commission.

Physical Targets and Achievements

(PUNJAB)

Item	Unit	1996-97		1997-98 (Target)	% Change Over actual in 1996-97
		Target	Achievement		
1- Survey & Investigation					
a. Reconnaissance Survey	Sq.K.M	35	10	5	-86
b. Topographic Survey	"	-	-	-	-
c. Detailed Investigation (Dam site)	No.	-	-	-	-
d. Investigation for Surface Water development Scheme	No.	-	-	-	-
e. Other					
2- Irrigation					
a. Extension of Canals	(K.M)	20	5	5	-75
b. Remodelling of Canals	"	20	5	5	-75
c. Rehabilitation of Canals	"	200	52	-	-
d. Enlargement of Canals	"	-	-	-	-
e. Remodelling of Structure	No	25	7	10	-60
f. New Structures	"	20	5	5	-75
g. Residential accommodation	"	-	-	-	-
h. Metalled Road	K.M	-	-	-	-
i. Public tubewells rehab.	No	-	-	-	-
j. Small Dams	No	2	1	-	-
k. Pumping Station	No	6	2	-	-
l. Subsidised Tubewells	No	-	-	-	-
m. Cropped Area benefitted					
i) Surface Water	Hectare	24282	6070	202	-99
ii). Ground Water	Hectare	-	-	-	-
3. Drainage & Reclamation					
a. Extension & Remodelling of Open Drains	(K.M)	25	7	8	-68
b. Area Protected	(Sq.KM)	259	11	29	-27
c. Strengthening/restoration	K.M	-	-	-	-
d. Structures	No	-	-	-	-
4. Flood protection					
a. Extension of Flood Embankment	(K.M)	-	-	-	-
b. Stone Pitching	MCM	2.83	0.71	0.2	-93
c. Strengthening/restoration	(K.M)	-	-	-	-
d. Structure	No.	-	-	-	-
e. Earth Work	MCM	3	0.76	0.6	-80
5. Water Management					
a. Water-courses Improved	NO.	3026	2132	1552	-49
b. Water-courses Cleared	No.	-	-	-	-
c. Precision Land Levelling	Hectare	9122	7430	9578	5
d. Training	No..	16094	13841	16899	5
e. Water Storage Tank	No.	-	-	-	-

PHYSICAL TARGETS AND ACHIEVEMENTS (SINDH)

Item	Unit	1996-97		(Target)	% Change Over actual in 1996-97
		Target	Achievement	1997-98	
1- Survey & Investigation					
a. Reconnaissance Survey	K.M	74	74	74	-
b. Topographic Survey	"	-	-	64	-
c. Detailed Investigation (Dam Sites)	No.	49	-	-	-
d. Investigation for Surface Water development Scheme	No	8	-	-	-
e. Other Economic Studies	No	-	-	-	-
2- Irrigation					
a. Extension of Canals	(K.M)	105	57	96	46
b. Remodelling of Canals	"	36	90	115	219
c. Rehabilitation of Canals	"	28	31	-	-
d. Enlargement of Canals	"	-	-	1	-
e. Remodelling of Structure	No	15	6	14	-6
f. New Structures	"	182	12	158	-13
g. Residential accommodation	"	12	35	11	-76
h. Metalled Road	(K.M)	-	-	-	-
i. Public tubewells rehab.	No	32	12	-	-
j. Small Dams(E/Work)	No	-	-	-	-
k. Pumping Station	No	42	23.5	18.5	-56
l. Subsidised Tubewells (SCARP Tubewells Transitions)	No	500	472	283	-43
m. Cropped Area benefitted					
i) Surface Water	Hectare	5342	-	1040	-
ii). Ground Water	Hectare	-	-	-	-
3. Drainage & Reclamation					
a. Extension & Remodelling of Open Drains	(K.M)	721	16	246	66
b. Area Protected	Hectare	24	24	-	-
c. Strengthening/restoration	(K.M)	984	27	38	-96
d. Structures	No	663	326	578	-13
4. Flood protection					
a. Extension of Flood Embankment	(K.M)	-	-	7	-
b. Stone Pitching	MCM	0.53	0.73	0.02	-99
c. Strengthening/restoration	(K.M)	7	4	3	-57
d. Structure	No.	-	-	-	-
e. Earth Work	MCM	0.89	1.8	-	-
5. Water Management					
a. Water-courses Improved	NO.	693	570	295	-75
b. Precision Land Levelling	Hectare	5206	5142	1742	-67
c. Demonstration Plot	No..	80	112	43	-46
d. Water Storage Tank	No.	-	-	-	-

**PHYSICAL TARGETS AND ACHIEVEMENTS
(N.W.F.P)**

Item	Unit	1996-97		1997-98	% Change Over actual in 1996-97
		Target	Achievement	(Target)	
1- Survey & Investigation					
a. Reconnaissance Survey	Sq.K.M	16	-	-	-
b. Topographic Survey	"	-	-	-	-
c. Detailed Investigation (Dam site)	No.	2	-	-	-
d. Investigation for Surface Water deve- lopment Scheme	No.	3	-	-	-
2- Irrigation					
a. Extension of Canals	K.M	-	-	2	-
b. Remodelling of Canals	"	-	-	1	-
c. Rehabilitation of Canals	"	-	-	-	-
d. Enlargement of Canals	"	-	-	-	-
e. Remodelling of Structure	No	-	-	-	-
f. New Structures	"	4	-	-	-
g. Residential accommodation	"	-	1	-	-
h. Metalled Road	K.M	16	24	-	-
i. Public tubewells	No	7	7	4	-43
j. Small Dams(E/Work)	No	-	-	-	-
k. Pumping Station	No	-	-	-	-
l. Subsidised Tubewells	No	-	-	-	-
m. Cropped Area benefitted					
i) Surface Water	Hectare	5747	-	3399	-41
ii). Ground Water	Hectare	536	172	40	-92
3. Drainage and Reclamation					
a. Area Protected	Hectare	749	-	-	-
b. Structures.	No.	266	-	-	-
4. Water Management					
a. Water-courses Improved	NO.	457	236	170	-63
b. Precision Land Levelling	Hectare	2524	1431	1133	-55
c. Demonstration Centres	No..	300	300	300	-
d. Water Storage Tank	No.	-	-	-	-

**PHYSICAL TARGETS AND ACHIEVEMENTS
(BALOCHISTAN)**

Item	Unit	1996-97		1997-98 (Target)	% Change Over actual in 1996-97
		Target	Achieve- ment		
1- Survey & Investigation					
a. Reconnaissance Survey (Dam site)	Sq.K.M	1955	1955	2052	5
b. Topographic Survey	"	862	862	905	5
c. Detailed Investigation (Dam site)	No.	22	22	23	5
d. Investigation for Surface Water deve- lopment Scheme	No.	19	19	20	5
e. Other	NO	16	16	17	5
2- Irrigation					
a. Extension of Canals	K.M	34	34	36	5
b. Remodelling of Canals	"	216	216	2227	5
c. Rehabilitation of Canals	"	56	56	58	5
d. Enlargement of Canals	"	-	-	-	5
e. Remodelling of Structure	No	365	365	383	5
f. New Structures	"	23	23	24	5
g. Residential accommodation	"	10	10	11	5
h. Metalled Road	K.M	-	-	-	
i. Public tubewells	No	-	-	-	
j. Small Dams	No	50	50	53	5
k. Pumping Station	No	-	-	-	
l. Subsidised Tubewells	No	-	-	-	
m. Cropped Area benefitted					
i) Surface Water	Hectare	81647	81647	85729	5
ii) Ground Water	Hectare	81	81	85	5
3. Drainage & Reclamation					
a. Extension & Remodelling of Open Drains	K.M	80	80	83	5
b. Area Protected	Hectare	7285	7285	7649	5
c. Strengthening/restoration	K.M	105	105	110	5
d. Structures	No	5	5	6	5
4. Flood protection					
a. Extension of Flood Embankment	K.M	34	34	36	5
b. Stone Pitching	MCM	0.70	0.70	1	5
c. Strengthening/restoration	K.M	30	30	31	5
d. Structure	No.	115	115	116	5
e. Earth Work	MCM	5.54	5.54	6	5
5. Water Management					
a. Water-courses Improved	NO.	116	116	118	5
b. Precision Land Levelling	Hectare	795	795	834	5
c. Demonstration Plot	No..	18	18	19	5
d. Water Storage Tank	No.	62	62	65	5
e. Sailaba Rehabilitation	No.	9	9	10	5

INDUSTRY - PSDP (1997-98)

S.No.	Name, Location and Status of the Scheme	Estimated cost Total	Foreign Aid	Expenditure upto June 1996	Revised Estimates 1996-97	Revised PSDP 1997-98 Total	Foreign Aid
1	2	3	4	5	6	7	8
A. INDUSTRIES & INVESTMENT DIVISION							
(PRODUCTION WING)							
State Engineering Corporation (SEC)							
1.	Rehabilitation of People's Steel Mills (PSM) Ltd Karachi (app in principle)	3378.050	0.000	1107.000	832.500	521.391	0.000
2.	Heavy Electrical Complex (HEC), Kot Najibullah, Haripur, NWFP	1158.241	0.000	803.777	0.000	0.000	0.000
(INVESTMENT WING)							
3.	Special Industrial Zone Nawabshah	135.640	0.000	62.050	0.000	8.690	0.000
I. Sub-Total (Federal)		4671.931	0.000	1972.827	832.500	530.081	0.000
B. PROVINCIAL							
a.	Punjab	338.962	0.000	0.000	53.183	133.970	0.000
b.	Sindh	5.000	0.000	0.000	5.500	5.000	0.000
c.	NWFP	53.183	0.000	0.000	53.492	8.560	0.000
d.	Balochistan	0.000	0.000	0.000	2.000	0.000	0.000
II. Sub-Total (Provincial)		397.145	0.000	0.000	114.175	147.530	0.000
Total Industry (I&II)		5069.076	0.000	1972.827	946.675	677.611	0.000

FINANCIAL ALLOCATION (1997-98) & UTILIZATION (1996-97)
S.A.Table-10.1

S.No.	Ministry / Division / Executing Agency / Project	1996 - 97		%	1997-98	% Increase /decrease of 97-98 (Alloc.) over 96-97 (Utiliz.)	(Rs in million) % Increase /decrease of 97-98 (Alloc.) over 96-97 (Alloc.)
		Allocation *	Utilization **				
1	2	3	4	5	6	7	8
I.	FEDERAL PSDP - BUDGET	607.000	650.450	107.2	414.758	-36.0	-32.0

A.	MINISTRY OF PETROLEUM AND NATURAL RESOURCES	607.000	637.320	105.0	384.758	-40.0	-37.0
			(JICA 69.00)		(JICA 20.00)		
1.	Geological Survey of Pakistan (GSP)	48.000	78.320	163.0	26.078	-67.0	-46.0
2.	Saindak Metals Limited (SML)	559.000	559.000	100.0	358.680	-36.0	-36.0
	SPECIAL AREAS:	16.000	13.130	82.0	30.000	128.0	88.0
B.	KASHMIR AFFAIRS AND NORTHERN AFFAIRS DIVISION	12.000	12.954	108.0	23.000	78.0	92.0
3.	Azad Kashmir Minerals and Industrial Development Corporation (AKMIDC)	7.000	8.000	114.0	8.000	0.0	14.0
4.	Northern Areas	5.000	4.954	99.0	15.000	203.0	200.0
C.	STATES AND FRONTIER REGIONS DIVISION	4.000	0.178	4.0	7.000	3877.0	75.0
5.	Federally Administered Tribal Areas Development Corporation (FATA/DC)	4.000	0.178	4.0	7.000	3877.0	75.0
II.	PROVINCIAL - BUDGET (D G)	23.572	23.581	100.0	9.770	-59.0	-59.0
D.	PUNJAB	3.072	6.133	200.0	1.500	-76.0	-51.0
6.	Punjab Mineral Development Corporation (PUNJMIN DC.)	3.072	6.133	200.0	1.500	-76.0	-51.0
E.	SINDH	0.100	0.000	0.0	0.000	-	-100.0
7.	Directorate of Mineral Development, Sindh	0.100	0.000	0.0	0.000	-	-100.0
F.	NWFP	15.000	12.778	85.0	6.050	-53.0	-60.0
8.	Sarhad Development Authority (SDA)	15.000	12.778	85.0	6.050	-53.0	-60.0
G.	BALUCHISTAN	5.400	4.670	96.0	2.220	-52.0	-59.0
9.	Directorate of Mineral Development, Baluchistan	3.800	4.670	123.0	2.220	-52.0	-42.0
10.	Balochistan Development Authority (BDA)	1.600	0.000	0.0	0.000	-	-100.0

	Total Budget - Federal & Provincial (I+II)	630.572	674.031	107.0	424.528	-37.0	-33.0

*** Excludes Rs 16.00 million for Special Areas (S&FR Div. & KA&NA Div.)

Sources:

* Detailed Annual Plan 1996-97

** Concerned Ministries / Divisions / Departments / Executing Agencies

**PRODUCTION OF SELECTED MINERAL ITEMS FOR 1996 - 97
AND
TARGETS FIXED FOR 1997 - 98**

Sr.No.	Items	Units "000" (Tonnes)	1994-95 Production	1995-96 Production	1996-97 Production	1997-98 Projection (Targets)*	% Increase / Decrease Over 1996-97
1	2	3	4	5	6	7	8
01.	Rock Salt	"	890	958	1161	1360	17
02.	Gypsum	"	620	420	465	560	20
03.	Limestone	"	9682	9740	9016	9760	8
04.	China Clay	"	31	43	66	72	9
05.	Soapstone	"	34	40	45	50	11
06.	Marble/Aragonite	"	467	458	460	530	15
07.	Silica Sand	"	152	194	190	200	5
08.	Chromite	"	13	27	26	29	12
09.	Dolomite	"	227	185	176	185	5

The projections are based on previous trends and expected increase in demand by the users.

Sources:

- i.
- ii.
- iii.

Planning and Development Division (Detailed Annual Plan 1996-97).
Federal Bureau of Statistics (Energy & Mining Statistics Section) Islamabad.
Directorate General of Minerals, Ministry of Petroleum & Natural Resources
Islamabad.

POWER PROJECTS FOR 1996-97 & 1997-98

S.No.	Name of the Project	Capacity (MW)	1996-97		1997-98 Target	Commissioning Date	Physical Progress (Reasons for delay, if any)
			Target	Achievement			
PUBLIC SECTOR							
1	Muzaffargarh Unit-4	320	320	320		January, 1997	Commissioned
2	Bin Qasim Unit-6	210	210	Delayed	210	September, 1997	Law and Order situation in Karachi. Leakage was developed in condenser tube which caused contamination in boiler and turbine
PRIVATE SECTOR							
3	Tapal Energy Limited	126	126	126	-	20-6-1997	Commissioned
4	HUBCO* Unit 2,3 & 4	969	969	969	-		Commissioned
5	Kohlnoor Energy	131	131	132	-	30-7-1997	Commissioned
6	Gul Ahmed Energy Limited	136			136	31-12-1997	Physical Progress of 97.7% achieved
7	Resistech Project	20			20		
8	AES Lohar	362			362	31-12-1997	Overall Project Progress - 99.9%
9	AES Pakgen	365			365	30-6-1998	Overall Project Progress - 99%
10	Japan Power	120			120	24-3-1998	Overall Project Progress - 49%
11	Altern Energy Limited	14			14	30-3-1998	Shipment of equipment started
12	Southern Electric	115			115	31-3-1998	Overall Project Progress - 72%
13	Liberty Power Project	235			235	31-3-1998	The issues related to Liberty Project are still not resolved. The project may be commissioned with out proper Gas supply agreement.
14	Habibullah Energy Limited	140			140	1-6-1998	Progress of construction activities - 19%
Total		3264	1796	1847	1717		

* HUBCO Unit-1 (323 MW) was commissioned in 1995-96.

FIELD WISE CRUDE PRODUCTION

S.A. Table-11.2
(BOPD)

No	Field	Main Operator	1995-96 Actual	1996-97		% change in		% change in 1997-98 over 1996-97
				Target	Achievement	1996-97 over 1995-96	1997-98 Target	
OGDC								
1	Tando Alam	OGDC	1003	500	808	-19.44%	1200	48.51%
2	Thora	"	2188	1500	2139	-2.24%	1600	-25.20%
3	Sono	"	2128	1700	1875	-11.89%	1400	-25.33%
4	Pasakhi	"	2646	2200	1585	-40.10%	1200	-24.29%
5	Lashari Center	"	1856	1750	1104	-40.52%	800	-27.54%
6	Lashari South	"	0	30	0		200	
7	Bobi	"	729	800	610	-16.32%	1600	162.30%
8	Pasakhi N	"	479	0	1132	136.33%	800	-29.33%
9	Daru	"	0	300	220		300	36.36%
10	Kummar	"	1213	1984	0	-100.00%	2900	
11	Qadir Pur	"	181	200	280	54.70%	187	-33.21%
12	Toot	"	456	250	362	-20.61%	250	-30.94%
13	Chak Naurang	"	924	750	860	-6.93%	700	-18.60%
14	Finkassar	"	2253	1570	3123	38.62%	3500	12.07%
15	Dakhni	"	637	1200	573	-10.05%	1200	109.42%
16	Dhodak	"	2730	2800	2220	-18.68%	2800	26.13%
17	Bhal Syedan	"	0	50	0			
18	Rajian	"	1603	2000	1138	-29.01%	2000	75.75%
19	Sadqal	"	1414	500	523	-63.01%	400	-23.52%
20	Missakiswal	"	3083	3000	1474	-52.19%	1000	-32.16%
21	Pali	"	0	0	245			-100.00%
22	Kal	"	1567	2400	1823	16.34%		-100.00%
TOTAL (OGDC)			27090	25484	22094	-18.44%	24037	8.79%
POL								
23	Balkassar	POL	280	350	379	35.36%	330	-12.93%
24	Dhulian	"	19	10	19	0.00%	300	1478.95%
25	Joyamir	"	285	325	311	9.12%	300	-3.54%
26	Khaur	"	6	10	6	0.00%	5	-16.67%
27	Meyal	"	1500	2136	1602	6.80%	2275	42.01%
28	Pariwala	"	718	981	841	17.13%	557	-33.77%
29	Minwali	"	0	0	266		825	210.15%
30	Pindori	"	261	1907	1834	602.68%	498	-72.85%
TOTAL (POL)			3069	5719	5258	71.33%	5090	-3.20%
UTP								
31	Bachal	UTP	45		52	15.56%	0	-100.00%
32	Bari	"	375	271	418	11.47%	604	44.50%
33	Dhabi	"	420	368	1284	205.71%	955	-25.62%
34	Chungro	"	1060	481	2216	109.06%	1568	-29.24%
35	Halipota	"	486	283	328	-32.51%	260	-20.73%
36	Khaskeli	"	900	643	1073	19.22%	821	-23.49%
37	Laghari	"	1251	856	976	-21.98%	821	-15.88%
38	Lisari	"	475	295	372	-21.68%	940	152.69%
39	Mazari	"	3754	1736	4123	9.83%	3384	-17.92%
40	Mazari S	"	3559	2985	3942	10.76%	1092	-72.30%
41	Meyal Ismail	"	607	474	353	-41.85%	668	89.24%
42	N Akri	"	1182	849	1020	-13.71%	231	-77.35%
43	Panero	"	29	0	260	796.55%	580	123.08%
44	Sono	"	0	179	155		394	154.19%
45	S Buzdar 1	"	55	0	65	18.18%	539	729.23%
46	SMZ Deep	"	369	254	268	-27.37%	850	217.16%
47	Tajedi	"	1169	962	898	-23.18%	745	-17.04%
48	Jabo	"	0	0	1		0	-100.00%
49	Jagir	"	0	0	2116		2250	6.33%
50	KhorewahDeep	"	0	0	21		0	-100.00%
51	Muban	"	0	0	2		0	-100.00%
52	Pir	"	0	0	2		0	-100.00%
53	Sakhi	"	0	0	594		3507	490.40%
54	Tangri	"	3211	4607	3271	1.87%	2754	-15.81%
55	New fields	"	0	0	80			-100.00%
56	Condensate	"	2723	2417	1958	-28.09%	1894	-3.27%
Sub Total (UTP)			21670	17660	25848	19.28%	24837	-3.83%
OXY								
57	Bangali	OXY	509	90	463	-9.04%	415	-10.37%
58	Dhurnal	"	2200	1353	1603	-27.14%	885	-44.79%
59	Pindori	"	0	0	0			
60	Ratana	"	580	800	465	-19.83%	217	-53.33%
Sub Total (OXY)			3289	2243	2531	-23.05%	1517	-48.06%
PPL								
61	Adhi	PPL	2431	2300	2454	0.95%	2381	-2.97%
62	Khankot	"	0	0	51		0	-100.00%
63	Sui	"	0	0	39		0	-100.00%
Sub Total (PPL)			2431	2300	2544	4.65%	2381	-4.41%
Grand Total			57549	53406	58275	1.26%	57882	-0.67%

Source:- Ministry of Petroleum and Natural Resources.

FIELD WISE GAS PRODUCTION

S.A. Table-213

No	Field	Main Operator	1995-96		1996-97		MMCFD		% Change in 1997-98 over 1996-97
			Actual	Target	Actual	Target	1996-97 over 1995-96	1997-98 over 1996-97	
A OGDC									
1	Dakhni	OGDC	15.4	21	15	-2.60%	23	53.33%	
2	Dhodak	"	39.9	42	33	-17.29%	46	53.39%	
3	Missakiswal	"	4.9	6	3	-38.78%	3	0.00%	
4	Sadgal	"	38.8	15	19	-34.03%	15	-3.05%	
5	Toot	"	1.4	2	11	685.71%	1	-90.91%	
6	Loti	"	44.2	40	42	-4.98%	40	-4.76%	
7	Pirkoh	"	168	129	144	-14.29%	50	4.17%	
8	Qadispur	"	126	205	211	67.46%	76	-16.59%	
9	Bobi	"	0	0	0		0		
10	Kunnar	"	0	3	0		0		
11	Lashari	"	0	0	0		0		
12	Daru	"	0	10	1	100.00%	0		
13	Bhalsecydan	"	0	2	0		0		
14	Firkassar	"	0	2	0		0		
15	Nand Pur/ Panjpir	"	0	0	0		2	100.00%	
16	Daru	"	0	0	0		7	100.00%	
17	U/CH	"	0	0	0		10	100.00%	
18	Sagi/Hundi	"	0	4	0		63	100.00%	
Sub Total (A)			432.5	481	482	11.45%	340	32.78%	
B UTP									
19	Bachal	UTP	1.8	10	2	11.11%	6	200.00%	
20	Bhatti/Nakurji	"	19	10	23	21.05%	22	-4.35%	
21	Bukhari	"	17.5	6	15	-14.29%	12	-50.67%	
22	Dhubi	"	0	1	0		3	100.00%	
23	Golarchi	"	3.3	5	3	-9.09%	13	0.00%	
24	Halipota	"	0	0	1		0		
25	Jalal	"	18.7	11	13	-30.48%	11	-15.38%	
26	Khowerah	"	45.9	48	26	-43.36%	4	-84.62%	
27	Khowerah Deep	"	0	4	3		2	-33.33%	
28	Koli	"	11.2	5	12	7.14%	10	-8.33%	
29	Liari	"	0	0	0		0		
30	Mahi	"	0	6	1	-90.91%	7	600.00%	
31	Mukhdumpur	"	12.9	11	8	-37.98%	6	-0.00%	
32	Matli	"	5.3	3	3	-43.40%	6	-66.67%	
33	Mazari	"	1.9	1	9	373.68%	10	100.00%	
34	Mazari S.	"	0	3	0		0	-100.00%	
35	Nari	"	0	0	1		0	-100.00%	
36	Tangri	"	0	0	0		0	-100.00%	
37	Buzdar S.	"	0	0	0		0	-100.00%	
38	Mukhdumpur Deep	"	0	22	15		15	0.00%	
39	Nakurji	"	0	6	2		2	100.00%	
40	Pir	"	0	4	0		0		
41	Jabo	"	0	3	0		0	-100.00%	
42	Kato	"	0	3	0		0	-100.00%	
43	Rind	"	0	5	0		0	-100.00%	
44	Zaur	"	0	0	0		0	-100.00%	
45	Turk	"	0	0	0		0	-100.00%	
46	Turk Deep	"	7.3	0	12	64.38%	12	41.67%	
Sub Total (B)			171.1	180	157	-8.24%	161	2.52%	
C POL									
47	Moyal	POL	10.1	11	9	-10.89%	8	-11.14%	
48	Dhullan	"	0	0	0		7	100.00%	
49	Pariwala	"	8.1	11	9	11.11%	6	-33.33%	
50	Pindori	"	0.4	5	5	1150.00%	2	-60.00%	
Sub Total (C)			18.6	27	23	23.66%	23	0.00%	
D OXY									
51	Bhanqali	OXY	0.6	0	0	-100.00%	0		
52	Dhurnal	"	9.4	6	7	-25.53%	5	-28.57%	
53	Ratana	"	13.5	17	13	-3.70%	8	-38.46%	
Sub Total (D)			23.5	23	20	-14.89%	13	-35.00%	
E PPL									
54	Adhi	PPL	18.8	16	18	-4.26%	17	-5.56%	
55	Khandkot	"	62.1	100	98	6.41%	96	-2.04%	
56	Sui	"	618.6	700	665	7.50%	712	7.07%	
Sub Total (E)			729.5	816	781	7.04%	825	5.83%	
F LASMO									
57	Kadanwari	LASMO	81.8	116	76	-7.09%	96	26.32%	
Sub Total (F)			81.8	116	76	-7.09%	96	26.32%	
G MGCL									
58	Mari	MGCL	364.3	390	372	2.11%	402	8.06%	
59	Miano	OMV	0	0	0		50	100.00%	
Sub Total (G)			364.3	390	372	2.11%	452	21.51%	
GRAND TOTAL									
(A+B+C+D+E+F+G)			1821.3	2033	1911	4.93%	2210	15.65%	

Source: Ministry of Petroleum and Natural Resources.

8 Mar
15 Mar

FINANCIAL ALLOCATION / UTILIZATION

No	Name of Agency	1996-97 PSDP			Utilization	1997-98 PSDP		
		REVISED				REVISED		
		Through Budget	Out side	TOTAL Budget		Through Budget	Out side Budget	TOTAL

S.A Table: 11.4

FINANCIAL ALLOCATION / UTILIZATION

No	Name of Agency	1996-97 PSDP			Utilization	1997-98 PSDP			
		REVISED				REVISED			
		Through Budget	Out side	TOTAL Budget		Through Budget	Out side Budget	TOTAL	
POWER									
Ministry of Water & Power									
1	SHYDO	T	23	0	23	23	5.82	0	5.82
		F	0	0	0		0	0	
		L	23	0	23		5.82	0	5.82
Prime Minister's Secretariat									
2	PAEC	T	2063	0	2063	3765	4370.91	0	4370.91
		F	0	0	0		0	0	
		L	2063	0	2063		4370.91	0	4370.91
	Sub Total	T	2086	0	2086	3788	4376.73	0	4376.73
		F	0	0	0		0	0	
		L	2086	0	2086		4376.73	0	4376.73
Corporations									
6	WAPDA	T	2510.0	26400.20	28910.2	24504	1829.68	25136	26965.68
		F	1900	1218520	14085.2		700	12000	12700
		L	610	14215	14825		1129.68	13136	14265.68
7	KESC	T	0	7722.1	7722.1	7722.1	0	9257.2	9257.2
		F	0	4326.4	4326.4		0	4549	4549
		L	0	3395.7	3395.7		0	4708.2	4708.2
	Sub Total (Corporation)	T	2510	34122.3	36632.3	32226.1	1829.68	39393	36222.88
		F	1900	16511.1	18411.6		700	16549	17249
		L	610	17610.7	18220.7		1129.68	17844.2	18973.88
	TOTAL (Power)	T	4596	34122.3	36014	36014	6206	34393	17249
		F	1900	16512	18412		700	16549	17249
		L	2696	17611	20307		5506	17844	23351

FINANCIAL ALLOCATION / UTILIZATION

No	Name of Agency	1996-97 PSDP				(Rs. Million) 1997-98 PSDP			
		REVISED			Utilization	REVISED			
		Through Budget	Out side	TOTAL Budget		Through Budget	Out side Budget	TOTAL Budget	
	FUEL								
	Ministry of Petroleum & Natural Resources								
8	DGPC	T	1124	0	1124	966.20	1101.18	0	1101.18
		F	0	0	0		113	0	113
		L	1124	0	1124		988.183	0	988.183
9	GSP	T	35	0	35	35	25.79	0	25.79
		F	0	0	0		0	0	0
		L	35	0	35		25.79	0	25.79
10	HDIP	T	0	0	0	0	1.74	0	1.74
		F	0	0	0		0	0	0
		L	0	0	0		1.74	0	1.74
11	LCDC (GOP'S Equity)	T	15	0	15	0	0	0	0
		F	0	0	0		0	0	0
		L	15	0	15		0	0	0
	M/O Planing & Development.								
14	ENERGY WING	T	5.35	0	5.35	5.45	0.20	0	0.20
		F	5.35	0	5.35		0	0	0
		L	0	0	0		0.20	0	0.20
	Sub Total (Fuel)	T	1179.35	0	1179.35	1006.65	1128.91	0	1128.91
		F	5.35	0	5.35		113	0	113
		L	1174	0	1174		1015.91	0	1015.91
	Corporation (Fuel)								
15	OGDC	T	300	5438.30	5738.3	5738.3	700	5383.3	6083.3
		F	300	0	300		700	0	700
		L	0	5438.30	5438.3		0	5383.3	5383.3
16	SNGPL	T	0	7047.0	7047	7047	0	5961	5961
		F	0	5575.0	5575		0	660	660
		L	0	1472.0	1472		0	5301	5301
17	SSGC	T	0	4173.2	4173.2	4173.2	0	4454	4454
		F	0	1560	1560		0	1387	1387
		L	0	2613.2	2613.2		0	3067	3067
18	PARCO	T	0	2098	2098	2098	0	8733	8733
		F	0	1270	1270		0	6068	6068
		L	0	828	828		0	2665	2665
19	PSO	T	0	470	470	470	0	850	850
		F	0	0	0		0	0	0
		L	0	470	470		0	850	850
20	NRL	T	0	50.1	50.1	50.1	0	46	46
		F	0	0	0		0	0	0
		L	0	50.10	50.1		0	46	46
	Sub-Total Fuel (Corporation)	T	300	19276.60	19876.6	19576.6	700	25427.3	26127.3
		F	300	8405.0	8705.0		700	8115	8815
		L	0	10871.60	10871.6		0	17312.3	17312.3
	Total (Fuel)	T	1479	19277	20756	20583	1828.90	25427	27255.90
		F	305	8405	8710		813	8115	8928
		L	1174	10872	120461		1015.91	17312	18327.90
	GRAND TOTAL (Energy)	T	6075	53399	59474	56597	8034.91	59821	67855.91
		F	2205	24917	27122		1513	24664	26177
		L	3870	28482	32352		6521.91	35157	41678.91

**TRANSPORT AND COMMUNICATIONS
FINANCIAL ALLOCATION AND UTILIZATION**

(Million Rs)

Sr. No.	Name of the Sub-Sector	Allocation for 1996-97	Utilization in 1996-97	Allocation for 1997-98	Increase(+) decrease (-) in Allocations in 1997-98 over 1996-97
1	2	3	4	5	6
PUBLIC SECTOR					
A. FEDERAL					
1. Ministry of Communications					
i)	Ports & shipping (Ports)	67.01	17.70	60.83	-9.23
ii)	National Highways Authority (NHA)	9838.00	9147.00	12200.00	24.00
iii)	National Logistic Cell (NLC)	5.00	5.00	8.69	73.80
iv)	Pak. Telecom. Company Limited (PTCL)	12000.00	15100.70	20000.00	66.67
v)	Pak. Telecom. Regulation & privatization Support Project	106.00	11.67	462.45	338.27
vi)	S.C.O. including Other Communications	81.10	43.00	142.79	76.07
vii)	Const. Machinery Institute, Islamabad.	13.00	8.85	0.00	-100.00
viii)	Pakistan Post Offices	0.00	0.00	8.69	-
ix)	Main Ministry	8.00	4.95	0.00	-100.00
x)	Pak. National Shipping Corporation (PNSC)	0.00	0.00	1.00	-
xi)	N.T.R.C.	7.00	10.50	4.78	-31.76
Sub-Total (1)		22125.11	24349.37	32889.23	48.65
2. Pakistan Railways		2351.70	3282.50	4687.36	107.82
3. Defence & Aviation Division					
i)	Pakistan Met. Deptt. (PMD)	0.00	0.00	3.58	-
ii)	Civil Aviation Authority (CAA)	988.00	556.10	1181.00	19.53
iii)	Airport Security Force (ASF)	1.46	0.00	4.67	220.36
iv)	Pakistan Intl. Airlines (PIA)	5675.00	1000.00	600.00	-89.43
Sub-Total (3)		6664.46	1556.10	6676.61	0.18
4. Special Areas					
i)	A.K.	371.40	381.19	222.00	-40.23
ii)	N.A.	170.00	687.68	224.00	31.76
iii)	F.A.T.A.	210.80	210.65	219.09	3.94
Sub-Total (4)		752.19	1279.52	665.09	-11.58
Total (Federal)		31693.47	30467.50	40230.93	26.14
B. PROVINCIAL					
1. Punjab		935.00	644.15	1042.66	11.51
2. Sind		589.00	303.79	542.00	-7.98
3. NWFP		283.51	187.17	312.70	-10.29
4. Baluchistan		281.82	195.81	647.26	129.67
Sub-Total (Provincial)		2089.34	1310.91	2544.62	21.79
Total (T&C)		33982.80	31778.41	42775.55	25.87

**TRANSPORT AND COMMUNICATION
PHYSICAL TARGETS AND ACHIEVEMENTS**

Sl. No.	Sub-sector	Unit	1996-97		Target For 1997-98
			Target	Achievement	
1	2	3	4	5	6

I. PAKISTAN RAILWAYS

1	Track Rehabilitations:				
	i) Rail Renewal	Kms	15	15	110
	ii) Sleeper Renewal	Kms	22	22	100
2.	Traction Motors	Nos	Rehab. of 306 Traction Motors	Rehab. of 306 Traction Motors	Installation of 306 Traction Motors in locos.
3.	Recommissioning of 46 Locos.	Nos	6	Mterial acquired	-
4.	Rehab. of 101 DE Locos.	Nos	20	4	30
5.	Fitment of Roller Bearing to Freight Wagons	Nos	3900	660	3900
6.	Track Circuiting on 94 stations.	%	30	18	18
7.	Procurement of Wagon Movers.	Nos	2	2	-
8.	Procurement of 18 Locomotives.	Nos	9	9	3
9.	Procurement of 30 Locomotives.	Nos	-	-	5
10.	Manufacture of Passenger Coaches.	Nos	-	-	Material of 15 coaches would be procured.
11.	Terminal Facilities at Pipri.	%	70	70	20

II. PAKISTAN TELECOMM. CORPORATION

1.	New telephones connections	Nos	506000	307730	-
2.	New telephones lines installed	Nos	262000	223736	600000
3.	Telephone exchanges	Nos	-	348	-
4.	Long distance PCOs	Nos	3000	587	587
5.	DRS Links	Nos	567	210	500
6.	Expansion of Gateway Exchanges	%	100	90	100
7.	2nd Optical Fibre link along Indus Highway	%	100	50	100
8.	Installation of Digital access cross connect equipment for leased circuits	Nos	150	140	14
9.	Number of Internet subscribers	Nos	10000	7446	10000

III. SPECIAL COMMUNICATION ORGANIZATION

1.	New telephones connections	Nos	39400	3040	36400
2.	Improvement of VHF PCOs	Nos	43	43	
4.	Fax Machines	Nos	20	20	

IV. PAKISTAN POSTAL SERVICES CORPORATION

1.	Post Office Buildings & Quarters.	Nos	-	-	16
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FINANCIAL UTILIZATION/ALLOCATION

MASS MEDIA

S/N	Sub Sector	ESDP Allocation	1996-97		(Rs. Million)
			Revised Estimates	Utilization %	Allocation
1	Printers & Publishers Corporation (PTV)	19324	192562	996233	16251
2	Printers & Publishers Corporation (PEC)	27528	181084	65940	34348
3	Printers & Publishers Corporation (APP)	1107	1107	100000	-
Total:		47959	281653	461457	49699

Includes Rs. 24 million ESDP allocation and Rs. 24 million as initial supplementary grant.

**MASS MEDIA
PHYSICAL TARGETS & ACHIEVEMENTS**

Sl. No.	Items	Unit	1996-97		1997-98
			Targets	Achievements	Targets
1.	2.	3.	4.	5.	6.
Television					
1.	Television Station	No.	-	-	-
2.	V.P.C./R.B. Centres	No.	3	-	5
3.	Telecasting hours				
	a. PTV	Hours	27650	30801	30801
	b. PTV-2	Hours	2145	2911	2911
Radio					
4.	Mediumwave Transmitters	No.	2	1	1
5.	Shortwave Transmitters	No.	-	-	-

(Rs. in Million)

SUB-SECTOR & AGENCY WISE ALLOCATION & EXPENDITURE ON EDUCATION DURING 1996-97

Prov./Area->	P U N J A B			S I N D H			N W F P			B A L O C H I S T A N			Total Provinces		
	Allo.	R.E.	%Uti	Allo.	R.E.	%Uti	Allo.	R.E.	%Uti	Allo.	R.E.	%Uti	Allo.	R.E.	%Uti
No. Sub-Sector	1925.0	876.8	46	468.8	197.9	42	685.1	685.1	100	175.8	72.6	41	3254.7	1832.4	56
1. Primary	160.0	153.2	96	97.4	74.5	76	112.2	112.0	100	131.7	90.7	69	501.3	430.4	80
2. Secondary				32.7	4.6	14	1.5	1.5	100	17.5	10.8	62	51.7	16.9	33
3. Teacher				36.2	32.1	89	16.4	15.8	96	1.0	0.1	10	131.7	115.8	88
4. Technical	78.1	67.8	87	36.2	32.1	89	16.4	15.8	96	1.0	0.1	10	131.7	115.8	88
5. College	148.5	154.4	104	49.5	54.6	110	18.9	18.7	99	9.5	7.2	76	226.4	234.9	104
6. Universities															
7. Scholarships	78.0	41.6	53				7.7	7.7	100				85.7	49.3	58
8. Literacy				5.0	3.5	70				6.6	6.6	100	11.6	10.1	87
9. Miscellaneous	13.7	10.3	75	13.4	0.9	7	7.5	7.5	100	60.6	18.0	30	95.2	36.7	39
Total :	2403.3	1304.1	54	703.0	368.1	52	849.3	848.4	100	402.7	206.0	51	4358.3	2726.6	63

Prov./Area->	M/O EDUCATION			M/O DEFENCE			A J & K			NORTHERN AREA			F A T A			Total Federal			* Total Pakistan		
	Allo.	R.E.	%Uti	Allo.	R.E.	%Uti	Allo.	R.E.	%Uti	Allo.	R.E.	%Uti	Allo.	R.E.	%Uti	Allo.	R.E.	%Uti	Allo.	R.E.	%Uti
No. Sub-Sector	137.0	49.5	36	13.3	13.3	100	57.4	48.3	84	32.2	32.2	100	74.5	71.2	96	314.4	214.4	68	3589.1	2046.9	57
1. Primary	73.2	54.9	75	18.8	18.8	100	54.0	61.8	115	8.3	8.3	100	51.2	50.5	99	265.5	194.3	95	706.8	624.7	88
2. Secondary	21.0	21.0	100				9.6	6.1	64				0.2	0.2	100	30.8	27.3	89	82.5	44.2	54
3. Teacher	196.6	20.8	11				3.5	0.6	17							200.1	21.4	11	331.8	137.2	41
4. Technical	30.9	36.7	119				20.6	15.7	76	32.6	32.8	101	10.4	10.4	100	94.5	96.7	101	320.9	330.6	103
5. College	271.9	243.8	90										19.7	19.7	100	271.9	243.8	90	271.9	243.8	90
6. Universities	173.7	159.5	92	0.3	0.3	100										193.7	179.4	93	279.4	228.7	82
7. Scholarships	113.0	113.0	100													113.0	113.0	100	124.6	123.1	99
8. Literacy	45.4	20.2	44				0.9	0.7	83	4.4	4.4	100	10.5	10.5	100	61.2	35.8	59	156.4	72.5	46
9. Miscellaneous	1062.7	719.3	68	32.4	32.4	100	146.0	133.3	91	77.5	77.7	100	166.5	162.4	98	1485.1	1125.1	76	5843.4	3851.7	66
Total :																11.6	7.8	67	11.6	7.8	67
Estt. Division																1496.7	1132.9	76	5855.0	3859.5	66

* Note: Original allocation was Rs. 8.1 billion. In October 1996 due to economy cut it reduced to Rs. 5.8 billion.

S.A. Table-15.2

**PHYSICAL ACHIEVEMENTS DURING 1996-97
EDUCATION & TRAINING SECTOR**

SL.No.	Item	Punjab	Sindh	NWFP	Balochistan	Federal	Total
1.	<u>PRIMARY EDUCATION:</u>						
(a)	Opening of Primary Schools	831	8	750	413	131	2133
(b)	Conversion of Mosque Schools to Primary Schools	71	0	178	0	0	249
(c)	Construction of building of existing shelterless Primary Schools	557	194	47	319	142	1259
(d)	Addition of classrooms in existing over-crowded Primary Schools	47	0	478	355	85	965
(e)	Consolidation & Improvement of existing Primary & Mosque Schools	825	653	298	21	137	1934
2.	<u>SECONDARY EDUCATION:</u>						
(a)	Upgradation of Primary Schools	547	10	2	35	35	629
(b)	Upgradation of Middle Schools	3	5	20	0	13	41
(c)	Upgradation of High Schools	8	1	16	0	2	27
(d)	Establishment of New High Schools	1	0	0	0	3	4
(e)	Reconstruction of building of existing Middle Schools	0	3	0	0	25	28
(f)	Reconstruction of building of existing High Schools	2	2	0	0	4	8
(g)	Addition of Classrooms in High Schools	1	30	0	72	59	162
(h)	Consolidation & Improvement of Existing Middle & High Schools	0	0	0	15	19	34

SUB-SECTOR WISE ALLOCATION FOR EDUCATION & TRAINING FOR 1997-98

No. Sub-Sector	(Rs. in Million)											
	Punjab	Sindh	NWFP	Baloch- istan	Total Prov.	M/O Educ.	M/O Def.	Estab. Div.	A.J.K.	N.A.	FATA	Total Federal
1. Primary	1687.1	361.8	805.0	1278.9	4132.8	47.5	3.5	93.9	145.0	104.4	394.2	4527.0
2. Secondary	817.7	113.8	75.9	371.0	1378.4	27.4	10.4	61.8	9.9	37.5	147.0	1525.4
3. Teacher	35.0	14.3	1.5	87.5	138.3	19.7		10.1		0.5	30.4	168.7
4. Technical	118.2	75.9	4.5	27.5	226.1	46.1		3.0			49.1	275.2
5. College	219.2	108.3	14.3	57.5	399.3	20.0		28.5	21.6	4.3	74.3	473.6
6. Universities					85.5	149.6	0.3			24.0	408.9	408.9
7. Scholarships	78.0	0.2	7.3		13.4	1.5					1.5	14.9
8. Literacy	10.9	2.5			102.0	98.8		3.8	2.7	8.5	3.2	219.0
9. Miscellaneous	69.7	9.3	6.0	17.0	102.0	819.4	14.2	3.8	200.0	185.0	173.9	7872.0
Total :	3035.9	686.0	914.4	1839.4	6475.7	819.4	14.2	3.8	200.0	185.0	173.9	1396.3
Foreign Aid	1552.0	667.5	910.3	*	3129.8	*		*	*	*	*	3129.8
G. Total :	4587.9	1353.5	1824.7	1839.4	9605.5	819.4	14.2	3.8	200.0	185.0	173.9	1396.3

SUB-SECTOR & AGENCY WISE SHARE OF ABOVE ALLOCATION IN PERCENTAGE (%)

No. Sub-Sector	PAKISTAN												
	Punjab	Sindh	NWFP	Baloch- istan	Total Prov.	M/O Educ.	M/O Def.	Estab. Div.	A.J.K.	N.A.	FATA	Total Federal	PAKISTAN
1. Primary	55.6	52.7	88.0	69.5	63.8	5.8	24.7		46.9	78.4	60.0	28.2	57.5
2. Secondary	26.9	16.6	8.3	20.2	21.3	3.3	73.2		30.9	5.4	21.6	10.5	19.4
3. Teacher	1.2	2.1	0.2	4.8	2.1	2.4			5.1		0.3	2.2	2.1
4. Technical	3.9	11.1	0.5	1.5	3.5	5.6			1.5		2.5	3.5	3.5
5. College	7.2	15.8	1.6	3.1	6.2	2.4			14.2	11.7		5.3	6.0
6. Universities					1.3	49.9	2.1				13.8	29.3	5.2
7. Scholarships	2.6		0.8		0.2	18.3						12.5	3.3
8. Literacy	0.4	0.4			0.2	0.2						0.1	0.2
9. Miscellaneous	2.3	1.4	0.7	0.9	1.6	12.1		100.0	1.4	4.6	1.8	8.4	2.8
Total :	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Foreign Aid:	1552.0	667.5	910.3	1456.3	4586.1	328.2			40.0	120.0		488.2	5074.3
SAP Allocation:	2395.0	414.3	805.0	1694.2	5308.5	55.0	10.0		93.9	145.0	104.4	408.3	5716.8

S.A. Table-15.4

**PHYSICAL TARGETS DURING 1997-98
EDUCATION & TRAINING SECTOR**

	Punjab	Sindh	NWFP	Balochistan	Federal	Total
1. PRIMARY EDUCATION:						
(a) Opening of Primary Schools	426	48	381	300	359	1514
(b) Conversion of Mosque Schools to Primary Schools	493	0	235	0	0	728
(c) Construction of building of existing shelterless Primary Schools	807	249	127	331	204	1718
(d) Addition of classrooms in existing over-crowded Primary Schools	801	0	3119	374	94	4388
(e) Consolidation & Improvement of existing Primary & Mosque Schools	500	1847	742	392	5	3486
2. SECONDARY EDUCATION:						
(a) Upgradation of Primary Schools	405	50	345	43	243	1086
(b) Upgradation of Middle Schools	33	15	12	12	113	185
(c) Upgradation of High Schools	85	9	19	0	18	131
(d) Establishment of New High Schools	5	10	12	2	2	31
(e) Reconstruction of building of existing Middle Schools	0	22	0	0	38	60
(f) Reconstruction of building of existing High Schools	5	18	0	0	2	25
(g) Addition of Classrooms in High Schools	13	70	0	0	96	179
(h) Consolidation & Improvement of Existing Middle & High Schools	0	0	0	52	40	92

**Women in Development
(Federal)**

(Million Rs)

Name of Agency Ministry/Division	Rev. Estimate for 1996-97		Demand for 1997-98		Allocation for 1997-98	
	Total	F.Aid	Total	F.Aid	Total	F.Aid
Regular Programme	48.26	-	105.70	-	30.41	-
SWAP	33.52	-	15.80	-	13.04	-
Total:-	81.78	-	121.50	-	43.45	-
B. II Provincial Programme **						
i. Sindh	-	-	-	-	-	-
ii. NWFP	0.24	-	2.943	-	2.943	-
Total:	82.02	-	124.443	-	46.393	-

N.B. Total may not tally due to rounding of figures.

** The Provinces of Punjab, Sindh and Blochistan have not made separate allocations for Women Welfare Programmes in their Provincial PSDPs.

FINANCIAL UTILISATION/ALLOCATION
CULTURE , SPORTS, TOURISM AND YOUTH SECTOR

(Rs. Million)					
S.No.	Sub-Sector	1996-97 PSDP Allocation	1996-97 Revised Estimates	Utilization % of col. 3	1997-98 Allocation
1	2	3	4	5	6
A: FEDERAL					
1	Culture & Archaeology	34.727	31.648	91.134	18.324
2	Sports	7.500	4.375	58.333	5.709
3	Tourism	29.760	6.497	21.831	60.657
4	Youth	2.489	4.239	170.309	4.279
Total A :		74.476	46.759	62.784	88.969
B: PROVINCIAL					
1	Punjab	30.500	9.485	31.098	33.890
2	Sindh	28.427	6.623	23.298	14.000
3	NWFP	45.800	4.300	9.389	8.832
4	Balochistan	6.500	0.000	0.000	5.700
Total B :		111.227	20.408	18.348	62.422
TOTAL (A+B) :		185.703	67.167	36.169	151.39

* There exists a separate allocation of Rs.4.00 million for AJK schemes against the revised estimates of Rs.2.27 million during 1996-97.

CULTURE SPORTS TOURISM AND YOUTH SECTOR
Physical targets & Achievements

S.No.	Items	Units	1996-97		1997-98
			Targets	Achievements	Targets
1	2	3	4	5	6
1	<u>Archaeology & Archives</u>				
	(a) Quaid-e-Azam residency	%	-	-	100
	(b) Extension of Lok Virsa museum galleries	%	100	100	-
	(c) Archeological 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 and Quaid-e-Azam's Residency.	%	-	-	100
	(e) Survey and Documentation of archaeological sites in Punjab and Ancient Gandhara.	%	-	-	100
2	<u>Sports</u>				
	Stadia at Sibi, Karachi Gojra & Toba Take 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
3	<u>Tourism</u>				
	Motel & Roadside facilities of PTDC.	No	2	-	-
4	<u>Youth</u>				
	Construction of Youth hostels at Larkana.	No	-	-	1

Revised PSDP Estimates 1996-97 by Sub-Sector and Executing Agency

S.No.	Name of Sub-Sector	Health Division	Planning Division	Narcotics Division	I.C.T.	PAEC	Revised Estimates							Million Rs.	
							A.J.K.	N.A.	FATA	Punjab	Sind	N.W.F.P.	Balochistan	Total	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
1.	Rural Health	1200.00	-	-	0.500	-	26.858	3.84	15.750	115.512	125.758	41.365	12.256	1541.789	
2.	Preventive Programme	790.00	2.00	17.020	1.200	-	0.167	0.362	11.350	13.901	30.554	3.662	34.742	904.946	
3.	Hospital Beds	435.575	-	-	-	25.00	59.379	8.555	23.630	322.94	43.288	55.101	31.556	1005.026	
4.	Health Manpower Developm	386.00	-	-	-	-	0.300	4.008	3.745	361.863	49.127	41.872	116.00	962.915	
5.	Nutrition	0.000	-	-	-	-	1.896	-	1.750	2.267	-	-	1.440	7.353	
6.	Mohallah/Urban Health Centre.	-	-	-	-	-	-	-	-	-	5.600	-	-	-	
7.	Health Foundation	-	-	-	-	-	-	-	-	10.187	5.00	-	-	15.187	
8.	Miscellaneous	-	-	-	-	-	-	0.145	2.754	6.574	34.00	-	0.792	44.265	
Total:		2811.575	2.00	17.020	1.700	25.00	88.60	16.900	58.979	833.246	287.677	142.00	196.786	4481.483	

PSDP 1987-88 ALLOCATIONS BY SUB-SECTOR AND EXECUTING AGENCIES

S.No.	Name of Sub-Sector	Health Division	Pakistan Atomic Energy Commission	Planning Division	Narcotics Division	ICT	AJK	NA	FATA	Punjab	Sindh	NWFP	(Rs. Million)	
													Balochistan	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1.	Rural Health	1056.500	-	-	-	0.434	34.007	11.00	50.00	122.914	128.705	134.313	16.79	1554.663
2.	Preventive Programme	606.570	-	2.0	20.537	1.043	2.00	1.00	21.00	15.071	29.026	13.187	46.30	757.734
3.	Hospital Beds	317.446	90	-	-	-	54.70	18.2	65.00	104.727	93.842	72.549	136.00	962.464
4.	Health Manpower Dev.	411.073	-	-	-	-	12.827	3.8	10.5	1229.616	27.117	35.951	154.534	1885.419
5.	Nutrition	-	-	-	-	-	3.190	-	3.5	-	-	-	2.227	8.967
6.	Health Foundation	-	-	-	-	-	-	-	-	12.313	5.00	-	-	17.313
7.	Miscellaneous	-	-	-	-	-	82.276	80.00	3.5	907.559	239.00	64.00	26.364	1382.697
Total		2391.589	90	2.0	20.537	1.447	189.00	94.00	153.5	2392.2	522.690	320.00	382.263	6559.256

* Includes allocation for Family Health Project + Health Care Development Project.

**NON-DEVELOPMENT ALLOCATION FOR 1996-97 AND REVISED
ESTIMATES 1995-96, 1996-97 AND ALLOCATION FOR 1997-98**

	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	43.5
- Social Security & Social Welfare	80.300	72.000	82.000	75.500	97.000	29
ii) <u>Interior Division</u>						
- I.C.T	6.500	6.750	7.625	4.000	8.500	112
- <u>Religious Affairs</u>	30.015	27.450	32.075	22.250	38.080	72
- S & T	27.960	26.730	29.155	18.000	33.220	84.5
- 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	167
iii) <u>Reimburse- ments</u>	8.500	8.470	9.000	3.600	11.750	226
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	40
Balochistan	850.318	765.286	969.312	885.292	1121.609	27
T o t a l (Provincial)	9493.294	8543.965	11163.588	10590.062	12254.136	15.71
GRAND TOTAL (A & B)	10614.749	9608.860	12356.728	11516.912	13586.906	17.997

PHYSICAL TARGETS AND ACHIEVEMENTS

.Sl ..N o	I t e m	Units	1996- 97 Target s	1996-97 Achiev- ements	Percent Achiev- ments during 1996-97	1997-98 Targets	% Change Over 96-97
	<u>RURAL HEALTH</u>						
1.	BHU	Nos	130	53	84%	85	60
2.	RHC	" "	30	17	76%	26	53
3.	Upgradation of RHC.	" "	132	55	74%	82	49
4.	Upgradation of BHU.	" "	322	200	68%	302	51
5.	Urban Health Centres.	" "	15	5	62%	10	100
	<u>HOSPITAL BEDS</u>						
6.	Beds in RHC/ BHU	" "	935	770	80%	950	23
7.	Beds in Hospital	" "	1675	1394	77%	1765	27
	<u>HEALTH MANPOWER DEVELOPMENT</u>						
8.	Doctors	" "	4290	3140	86%	4055	29
9.	Dentists	" "	375	298	75%	435	46
10	Nurses	" "	2500	2175	86%	2700	24
11	Paramedics	" "	6330	5250	89%	6750	29
12	Training of Birth Attendants	" "	9000	7600	91%	9100	20
13	Immunization	Mill	10.5	6.1	79%	9.25	52
14	Oral Rehydration	Mill. Packt	26.5	19.75	94%	27.00	50

AGENCY-WISE ACHIEVEMENTS FOR 1996-97 AND TARGETS 1997-98

S.No.	Sub-Sector	Unit	Federal		Punjab		Sindh		NWFP		Balochistan		Total	
			A	T	A	T	A	T	A	T	A	T	A	T
A. Rural Health Programme														
1.	RHC	No	3	5	6	10	3	5	2	3	3	3	3	26
2.	BHU	"	5	12	10	22	25	22	10	22	3	3	7	86
3.	Upgradation of Functioning RHC	"	3	8	15	30	5	14	25	80	6	10	55	82
4.	Upgradation of Functioning BHU	"	5	10	130	215	5	2	25	55	8	20	173	302
5.	Urban Health Centre.	"	-	-	5	8	-	2	-	-	-	-	5	10
B. Hospital Beds														
6.	Beds in RHC/BHU	"	90	100	60	80	125	180	315	350	180	240	770	950
7.	Beds in Hospital.	"	300	400	675	800	250	300	150	225	19	40	1394	1765
C. Health Manpower														
8.	Doctors	"	330	450	1300	1700	1250	1500	140	225	120	180	3140	4055
9.	Nurses	"	250	350	900	1100	725	800	225	325	75	125	2175	2700
10.	Dentists	"	12	25	130	175	110	160	28	40	18	35	298	435
11.	Paramedics	"	125	200	3500	4500	800	1000	600	700	225	350	5250	6750
12.	Training of TBA/CHWs.	"	150	200	3200	3900	3000	3200	900	1300	350	500	7600	9100
D. Preventive Programme														
13.	Immunization	Million	0.15	0.300	2.5	3.5	2.5	3.5	0.75	1.25	0.200	0.700	6.1	9.25
14.	Oral Rehyd. Salt (ORS)	Million	6.00	8.5	9.00	10.00	2.5	4.00	1.5	3.00	0.750	1.5	19.75	27.00

Source: Federal/Provincial Budget Documents

A= Achievement 1996-97

T= Target, 1997-98

S.A. Table-18.6

FINANCIAL ALLOCATION AND UTILIZATION

(Rs. Million)

Sub. Sector	1994-95 Revised Estimated (RE)	1995-96 Revised Estimates (RE)	1996-97 Revised Estimates (RE)	1997-98 Alloca- tion	% Change 1997-98 over 1996-97
Rural Health	482.649	261.151	1541.789	1554.663	0.84%
Preventive Programme	1162.473	2072.084	904.948	757.734	- 16%
Hospital Beds	792.524	553.873	1005.026	952.464	- 5%
Health Manpower	964.568	1083.026	962.915	1885.418	65%
Nutrition	19.935	6.878	7.353	8.967	22%
Health Foundation	54.863	10.969	15.187	17.313	14%
Mohallah/ Urban Health Care	3.420	5.600	-	-	-
Social Action Program	-	-	-	-	-
Miscellaneous	109.396	134.045	44.267	1382.697	-
T O T A L	3589.728	4127.626	4481.483	6559.256	46%

Source: - Budget Book/PSDP 1994-95, 1995-96 and 1996-97.
- Provincial ADPs.

**PSDP ALLOCATION AND PERCENT INCREASE/CHANGE
DURING 1997-98 OVER 1996-97**

(Rs.Million)

Executing Agency	1995-96	1996-97 Allocation	1997-98 Allocation	% Increase/ Change in 1997-98 over 1996-97
A. FEDERAL				
Health Division	2226.275	2867.715	2319.016	- 19%
I.C.T	1.724	1.700	1.477	- 13%
Narcotics Control	2.200	2.200	20.537	809%
Cabinet Division	12.000	35.000	72.573	133%
P.A.E.C (P.M.Sectt).	-	53.000	90.000	70%
Planning Division	21.800	4.000	2.000	- 50%
Sub.Total	2263.999	2910.615	2505.603	- 14%
B. SPECIAL AREAS				
F A T A	122.742	130.000	153.500	18%
A J K	-	167.000	189.000	- 13%
Northern Areas	45.000	45.000	94.000	108%
SUB.TOTAL	259.742	342.000	436.500	27%
TOTAL (FEDERAL)	2523.711	3252.615	2942.103	- 10%
C. PROVINCIAL				
Punjab	1250.000	1260.000	2392.200	- 89%
Sindh	762.905	720.000	522.690	- 28%
N.W.F.P	711.000	560.000	320.000	- 43%
Balochistan	493.420	437.274	382.263	- 13%
TOTAL	3217.325	2977.274	3617.153	21%
GRAND TOTAL	5741.066	6229.589	6559.256	5%

Source: Federal PSDP 1997-98.

Total Expenditure of Health
(At Current Prices)

Year	Development Expenditure	Non-Development	Total Expenditure	(Million Rs)	
				G.N.P	Total Expend. as % of GNP
1972-73	95.550	171.900	267.450	67.955	0.39
1973-74	175.670	210.100	385.670	88.719	0.43
1974-75	363.000	278.000	641.000	112.330	0.57
1975-76	629.100	360.640	689.740	133.356	0.76
1976-77	540.000	439.200	979.200	155.288	0.63
1977-78	512.000	558.600	1070.700	188.743	0.57
1978-79	569.000	641.600	1210.600	209.448	0.58
1979-80	717.000	661.890	1378.890	252.463	0.55
1980-81	942.000	794.820	1736.820	300.888	0.58
1981-82	1037.000	993.100	2030.100	349.508	0.58
1982-83	1183.000	1207.000	2390.000	403.782	0.59
1983-84	1526.000	1564.900	3090.900	459.397	0.67
1984-85	1587.450	1785.120	3372.570	510.468	0.66
1985-86	1881.510	2393.810	4275.320	555.891	0.77
1986-87	2615.000	3270.000	5885.000	608.857	0.97
1987-88	3114.410	4064.000	7178.410	704.484	1.02
1988-89	2802.000	4519.000	7321.000	797.750	0.92
1989-90	2681.000	4537.000	7218.000	892.843	0.81
1990-91	2741.000	4997.000	7738.000	1044.508	0.74
1991-92	2402.000	6129.650	8531.650	1223.780	0.7
1992-93	2152.308	7452.308	9604.616	1376.738	0.7
1993-94	3511.013	8306.534	11817.547	1599.770	0.74
1994-95	3590.000	8501.000	12783.000	1785.300	0.72
1995-96	5741.066	10613.749	16354.815	2175.400	0.75
1996-97	6485.400	11857.429	18394.810	2440.900	0.75
1997-98	6559.256	13586.906	20146.162	2804.900	0.72

DEVELOPMENT PROGRAMMES DURING 1996-97 AND 1997-98

Agencies	1997-98 Revised Estimates/ Expenditure	1997-98 Allocation
Federal		
Planning & Development Division:		
1. Salt Iodization Programmes	1.500	2.000
2. Pakistan Nutrition Project (PPF)	0.227	0.000
Sub Total Federal	1.727	2.000
Provincial Programme:		
Punjab	2.000	3.000
Baluchistan	5.788	2.237
NWFP	-	12.000
Sub Total (Provinces):	7.788	17.237
Total (Nutrition Programmes):	9.515	19.237

S.A. TABLE NO.19.1

PROJECT WISE ALLOCATION
1996-97

(Million Rupees)

SL. No.	Name of Project	1996-97 Utilization	1997-98 Allocation	Increase/ Decrease(+/-) change.
1	Federal.	376.04	625	66.2
2	Punjab.	491.74	673.5	37
3	Sindh.	187.258	300.2	60.3
4	NWFP.	138.493	219.1	58.2
5	Baluchistan.	63.365	103.091	62.7
6	Total:	1256.896	1920.891	52.8

MANPOWER AND EMPLOYMENT
(Summary)

Name of the Agency Ministry/Division	Rev. Estimate for 1996-97		Demand for 1997-98		Rev. Alloc. 97-98 (Million Rs.)	
	Total	FEC	Total	FEC	Total	FEC
	2	3	4	5	6	7
Manpower Division	556.43	516.664	244.00	0.00	175.80	-
Labour Division	6.24	4.16	11.00	8.00	4.74	3.0
Total	562.67	520.824	255.00	8.00	180.54	3.0

**FINANCIAL ALLOCATION AND UTILIZATION
MANPOWER AND EMPLOYMENT**

(Million Rs.)

Sl.No.	Name of the Agency Ministry/Division	1996-97 Allocation	Utilization	1997-98 Allocation	% Increase over Rev. Estimates
		2	3	4	5
I FEDERAL PROGRAMMES					
I.1	National Vocational Training Programme Phase-II	430.00	536.864	173.80	-67.6%
I.2	HRD, Data Base, Phase-II.	10.00	9.57	0.00	-
I.3	P.M.Spec. Training Programme.	10.00	10.00	0.00	-
I.4	Workers Population Education Programme.	6.00	6.24	4.74	-24.%
II Provincial Programme		49.50	19.14	42.20	220.48
II.1	Punjab	20.00	8.08	22.00	172.4%
II.2	Sindh	16.40	6.99	8.00	14.5%
II.3	NWFP	6.00	1.07	3.31	208.4%
II.4	Baluchistan	7.10	3.00	8.89	196.2%
Total		505.50	581.8	220.74	-62.1%

FINALCIAL UTILIZATION / ALLOCATION

S.No.	Sub-Sector / Agencies	1996-97		Utilization	(Rs. in Million)			
		Allocation	Revised Estimates		PSDP 1997-98			
					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	70.966	59.735	59.735	59.655	-	52.013	-
1.	Special Education and Rehabilitation Services (Directorate General of Special Education)	58.100	53.954	53.954	56.355	-	48.841	-
2.	Social Welfare Services (Social Welfare Wing)	10.366	3.281	3.281	1.000	-	1.000	-
3.	Promotion of Voluntary Welfare Services (NCSW)	2.500	2.500	2.500	2.500	-	2.172	-
(ii)	Establishment Division							
4.	Staff Welfare Services (Staff Welfare Organization)	24.020	14.118	14.118	22.006	-	19.123	-
Total Federal Government:		94.986	73.853	73.853	81.861	-	71.136	-

B - PROVINCIAL GOVERNMENTS**Punjab**

1.	Special Education and Rehabilitation Services	22.000	16.500	13.145	11.750	-	11.750	-
2.	Social Welfare Services	12.800	8.665	8.890	8.315	-	8.315	-
Total Punjab:		34.800	25.165	22.035	20.065	-	20.065	-

Sind

1.	Special Education and Rehabilitation Services	3.117	0.281	0.040	1.916	-	1.916	-
2.	Social Welfare Services	14.000	1.000	0.979	3.000	-	3.000	-
Total Sind:		17.117	1.281	1.019	4.916	-	4.916	-

NWFP

1.	Special Education and Rehabilitation Services	0.870	0.862	0.862	1.205	-	1.205	-
2.	Social Welfare Services	4.090	4.090	4.090	2.443	-	2.443	-
3.	Promotion of Voluntary Social Welfare Agencies	2.320	2.320	2.320	0.352	-	0.352	-
Total NWFP:		7.280	7.272	7.272	4.000	-	4.000	-

Baluchistan

1.	Special Education and Rehabilitation Services	-	-	-	2.500	-	2.500	-
2.	Social Welfare Services	2.983	0.350	0.350	0.833	-	0.833	-
3.	Promotion of Voluntary Social Welfare Agencies	3.000	-	-	-	-	-	-
Total Baluchistan:		5.983	0.350	0.350	3.333	-	3.333	-
Total Provinces:		65.180	34.068	30.676	32.314	-	32.314	-
Total Social Welfare Sector:		160.166	107.921	104.529	114.175	-	103.450	-

PHYSICAL TARGETS AND ACHIEVEMENTS

S.No.	Item	Unit	1996-97		1997-98
			Targets	Achievements	Targets
1	2	3	4	5	6

FEDERAL GOVERNMENT

1.	Special Education and Rehabilitation Services	Institutions/ Centres	30	28	14
2.	Social Welfare Services	-do-	14	10	1
3.	Promotion of Voluntary Welfare Services/NGOs	Aided NGOs	350	350	200
Total Federal:			394	388	215

PROVINCIAL GOVERNMENTS**Punjab**

1.	Special Education and Rehabilitation Services	Institutions/ Centres	11	10	11
2.	Social Welfare Services	-do-	14	14	15
3.	Promotion of Voluntary Welfare Services/NGOs	Aided NGOs	500	500	500
Total Punjab:			525	524	526

Sindh

1.	Special Education and Rehabilitation Services	Institutions/ Centres	11	1	4
2.	Social Welfare Services	-do-	17	3	9
Total Sindh:			28	4	13

NWFP

1.	Special Education and Rehabilitation Services	Institutions/ Centres	2	1	2
2.	Social Welfare Services	-do-	11	4	4
3.	Promotion of Voluntary Welfare Services/NGOs	Aided NGOs	230	-	200
Total NWFP:			243	5	206

Baluchistan

1.	Special Education and Rehabilitation Services	Institutions/ Centres	-	-	2
2.	Social Welfare Services	-do-	2	1	1
3.	Promotion of Voluntary Welfare Services/NGOs	Aided NGOs	70	-	-
Total Baluchistan:			72	1	3
Total Provinces:			868	534	748
Total Social Welfare:			1262	922	963

**ACHIEVEMENT DURING 1996-97
& TARGETS FOR 1997-98 IN RESPECT OF
SOCIAL & PHYSICAL INFRASTRUCTURE IN RURAL AREAS**

Sl.	Province/ Items	Unit	Targets Achievements During 1996-97.	Targets for 1997-98.
1	2	3	4	5
A.	Construction & Improvement 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	5.00	7.00
	ii) Rural Sanitation	do	1.10	1.77
C.	Rural Health			
	i) Basic Health Units.	Nos	130	130
	ii) Rural Health Centres	do	25	30
D.	Village Electrification.	do	5100	5100

SCIENCE AND TECHNOLOGY

FINANCIAL UTILIZATION AND ALLOCATIONS

Sl. No.	Agency-wise	(Million Rs)		
		1996-97		1997-98
		Allocation	Utilization	Allocation
A. Ministry of Science and Technology				
1.	Ministry of Science & Technology (Main)	74.1	71.7	75.3
2.	National University of Science & Technology (NUST)	38.6	34.2	35.3
3.	Pakistan Council for Scientific & Industrial Research (PCSIR)	29.4	9.8	48.3
4.	Pakistan Council of Research in Water Resources (PCRWR)	6.1	2.8	4.0
5.	Pakistan Science Foundation (PSF)	0.0	0.0	4.5
6.	National Institute of Electronics (NIE)	0.0	0.0	6.8
7.	National Institute of Oceanography (NIO)	5.5	0.8	0.0
8.	Central Testing Laboratories (CTL)	1.0	1.0	6.6
	Total:	154.7	120.3	180.8
B. PRIME MINISTER'S SECRETARIAT				
9.	Pakistan Atomic Energy Commission (PAEC)	53.0	53.0	30.0
C. AVIATION DIVISION				
10.	Pakistan Meteorological Department (PMD)	1.2	1.2	0.0
C. PROVINCIAL				
10.	S&T Department, Sindh	23.1	22.4	23.2
	Grand Total:-	232.0	196.9	233.9

**PHYSICAL TARGETS AND ACHIEVEMENTS
AZAD JAMMU & KASHMIR**

S. No.	Item	Unit	1996-97		1997-98
			Targets	Achievements	Targets
1	2	3	4	5	6
1 AGRICULTURE					
	i) Purchase of fertilizer for farmers	Bag	230	230	190
	ii) Purchase of vegetable seeds for farmers	Kgs	3000	3000	3000
	iii) Potato seeds	Kg	16400	16400	17000
	iv) plantation /soil conservation	Acres	1254	1254	1300
	v) Purchase of pesticides for compaign	Kgs	2457	2457	1925
2 FORESTRY					
	i) Plantation	Acres	16000	16198	15000
	ii) Maintenance Planting/Replacement	Acres	7200	7209	7000
	iii) Plants production	Million	9.850	9.850	9.100
	iv) Construction of Mini Dams	Nos	4	4	4
	v) Demarcation of Forest Area	Acres	1400	1400	2000
3 POWER SECTOR					
	i) Service connections	No	8498	3468	4886
	ii) 11 KV Lines	Km	148.80	122.10	86.29
	iii) 0.4 Kv Lines	Km	286.46	268.77	161.4
	iv) Transformers	No	227	123	192
	v) Express Feeders	Km	7.50	0.00	15.00
	vi) Renovation of 11 KV Lines to	Km	65.00	1.26	218.07
	vii) Augmentation of Transformers	No	33	5	28
4 TRANSPORT & COMMUNICATION					
	i) Double lane metalled Roads	Km	10	8	10
	ii) Major Roads / link Roads	Km	50	45	50
	iii) Fair weather Roads	Km	12	12	10
	iv) Reconditioning of Roads	Km	10	5	10
5 Education					
	i) Primary Schools(Addition of class rooms)	Nos	65	50	60
	ii) Middle Schools -do-	Nos	75	60	80
	iii) High Schools -do-	Nos	35	18	40
	iv) Colleges/Teachers Education				
	i) Construction of Main Building for three Colleges	Nos	3	1	3
	ii) Construction of Admn. and Science Block	Nos	1	1	1
	iii) Construction of Staff Hostel Buildings	Nos	3	2	3
	iv) Additional Accommodation	Nos	2	1	1
6 Health					
	i) Construction of BHUs	Nos	5	5	10
	ii) Construction of RHCs	Nos	3	2	3
	iii) Renovation of Dispensaries	Nos	5	5	5
	iv) MCH Centres	Nos	2	2	10
	v) Purchase of Ambulance	Nos	3	3	20

PHYSICAL TARGETS AND ACHIEVEMENTS
NORTHERN AREAS

S.A Table-24.2

S. No.	Item	Unit	1996-97		1997-98
			Targets	Achievements	Targets
1	2	3	4	5	6
AGRICULTURE					
Seed Distribution					
	i) Potato	Tons	3.000	10.550	-
	ii) Vegetable	Kg	2500	2500	2500
Horticulture					
	i) Area Developed under Fruit Nurseries	Kanal	10	8	5
	ii) Raising and Distribution of Fruit Plants	Nos	90000	91000	80000
LIVESTOCK & POULTRY					
Animal Husbandry					
	Animal vaccinated	Million	0.350	0.250	0.200
FORESTRY					
	i) Plantation	Million	0.100	0.100	-
	ii) Afforestation	Acres	310	310	-
INDUSTRIES					
	i) Survey of Exploration of gold	% area	90	90	100
WATER / IRRIGATION					
	a) Laying of Pipe lines	Rft	5000	5000	1200(M)
	b) Irrigation Channel	Rft	42500	42500	6.5(km)
POWER					
	a) Power Houses	Nos	8	5	-
	b) Power Channel	Rft	32000	31500	-
	c) Procurement of Penstock Pipe	Rft	23235	17730	-
	d) Transmission Lines	Km	95	60	90
	e) Distribution Line	Km	100	70	70
	f) Installation of TG Sets	Nos	1	10	19
	g) Procurement of Transformers	Nos	20	20	20
TRANSPORT & COMMUNICATION					
	a) Jeepable Roads	Km	80	75	107
	b) Metalled Roads	Km	30	24	30
	c) Truckable Roads	Km	25	34	-
	d) Truckable Metalled Roads	Km	5	5	-
	e) Suspension Bridges	Nos	18	6	-
	f) Truss Bridges	Nos	18	6	-
	h) RCC Bridges	Nos	3	3	-
	i) RCC Culverts	Nos	96	274	-
PHY. PLANNING & HOUSING					
	a) Residential Quarters	Nos	29	28	30
	b) Non Residential Accommodation	Nos	6	7	-
	c) Repair /Renovation of Govt. buildings	Nos	89	140	-
	d) P/F of pipeline of various dia	Rft	152000	101500	-
	e) Storage Tanks	Nos	4	2	-
	f) S/O D.I. Pipe	M	9000	2700	2100

<u>EDUCATION</u>				
i) Opening of P/Schools	Nos	46	46	-
ii) Const. of P/schools	Nos	60	29	30
iii) Upgradation of P/Schools to Middle schools	Nos	32	3	3
iv) Construction of Middle schools	Nos	6	-	-
v) Upgradation of Middle schools to High School.	Nos	8	3	2
vi) Construction/reconstruction of High Schools.	Nos.	4	1	-
vii) College Education.	Nos.	10	1	2
<u>HEALTH</u>				
i) BHUs	Nos	1	1	-
ii) R.H.C.	Nos	2	-	2
iii) E.P.I. Programme vaccine / Immunize Children	Nos	70000	6096	74000
<u>LB & RD</u>				
a) Schemes for completion	Nos	-	836	-
b) Water Supply Schemes	Nos	11	11	-

**PHYSICAL TARGETS AND ACHIEVEMENTS
FATA**

S. No.	Item	Unit	1996-97		1997-98
			Targets	Achievements	Targets
1	2	3	4	5	6
1	<u>AGRICULTURE (EXTENSION)</u>				
	i) Award of Scholarships	Nos	122	113	122
	ii) Holding of Agriculture shows.	Nos	14	14	14
	iii) Distribution of Fruit Plants	Nos	198900	198900	167516
	iv) Demonstration Plots	Nos	848	848	431
	<u>LIVESTOCK & DAIRY DEVELOPMENT</u>				
	i) Award of Scholarship for DVM Degree Course	Nos	10	10	10
	ii) Animals to be treated	Nos	17700	17700	147483
	iii) Animals to be Inseminated	Nos	8400	8400	13000
2	<u>(A) FORESTS (FORESTRY)</u>				
	i) Block Plantation	Acres	5479	5479	9027.65
	ii) Maintenance of Block Plantation	Acres	14246	14246	--
	iii) Nurseries	Acres	38.25	38.25	173.921
	iv) Linear Plantation	Miles	96	96	6.00
	v) Maintenance of Linear Plantation	Miles	325	325	--
	vi) Distribution of Plants	Nos	1000	1000	--
3	<u>(B) SERICULTURE</u>				
	i) Distribution of Mulberry Plants	Nos	32000	35000	-
	ii) Distribution of Silk Seeds	Pkt	535	535	-
	iii) Purchase of cocoons	Kgs	1300	1330	-
	iv) Production of silk yarn	Kgs	225	240	-
	v) Families involved	Nos	515	515	-
4	<u>POWER</u>				
	i) H.T. Lines	Miles	73.90	34.15	75.40
	ii) L.T. Lines	Miles	68.80	31.15	83.60
	iii) Transformers	Nos	109	26	111
	iv) Villages	Nos	44	7	63
5	<u>COMMUNICATION</u>				
	i) Shingle Roads	Kms	24.79	24.79	38.9
	ii) Black Topped Roads	Kms	39.30	38.30	69.4
	iii) Improvement of Roads	Kms	34.89	36.90	28.5
	iv) Bridges.	Nos	1	1	1
6	<u>PUBLIC HEALTH ENGG: EDUCATION (Non-SAP)</u>	Nos	31	31	37
	i) Upgrdn: of M. School to High Status	Nos	8	8	5
	ii) Estb: of High School building.	Nos	2	2	5
	iii) Estb: of Degree College	Nos	2	2	-
	iv) Re-const: of Bldgs: for existing H.S	Nos	2	2	-
	v) Re-const: of shelter less schools building	Nos	3	3	-
	vi) Const: of Hostel	Nos	1	1	-
	vii) Const: of Additional class rooms	Nos	19	19	-

7. EDUCATION-SAP

i) Estt: of Primary Schools	Nos	77	77	12
ii) Upgrdn: of Primary Shool to Middle Status	Nos	24	24	20
iii) Constn: of Addl: Class Rooms		8	8	-
iv Impvt: of Primary Edu:inst: in FATA		137	137	-

8. HEALTH

i) M.C.H. Centres	Nos	8	-	15
ii) Hospitals	Nos	6	3	5
iii Estab: of Basic Health units	Nos	4	4	10

SAP BUDGETED OUTLAYS & REVISED ESTIMATES FOR 1996/97

S.A. Table - 27.1

Sector / Area	BUDGETED OUTLAYS FOR 1996-97								REVISED BUDGETARY ESTIMATES FOR 1996-97								Million Rs	Grand Total	% Utilization
	Non-Development				Development				Non-Development				Development						
	Salary	Non-Salary	Total	Federal	Provincial	F. Aid	Total	Grand Total	Salary	Non-Salary	Total	Federal	Provincial	F. Aid	Total	Grand Total			
1	2	3	4=2+3	5	6	7	8=5+6+7	9=4+8	10	11	12=10+11	13	14	15	16=13+14+15	17=12+16	18		
Punjab	16774.6	1978.4	18753.0	0.0	4925.0	1350.0	6275.0	25028.0	16130.7	2145.1	18275.8	0.0	5282.6	1350.0	6632.6	24908.5	99.5		
Education	14760.4	706.1	15466.5		1925.0	648.0	2568.0	18044.5	14065.1	924.4	14989.5		1925.0	648.0	2568.0	24908.5	97.4		
Health	1784.2	825.1	2609.3		860.0	350.0	1210.0	3519.3	1855.6	773.5	2609.1		560.8	350.0	910.8	3519.3	100.0		
RWSS	230.0	447.2	677.2		2191.0	357.0	2548.0	3225.2	230.0	447.2	677.2		2648.0	357.0	3005.0	3482.2	114.2		
Monitoring & Eval.			0.0		249.0	0.0	249.0	0.0			0.0		149.0	0.0	149.0	0.0			
Siach	5861.9	756.7	6618.6	0.0	1933.6	1020.0	2953.6	9772.2	5861.9	756.7	6618.6	0.0	1299.5	1020.0	2319.5	8938.1	92.4		
Education	4734.4	350.2	5084.6		827.0	390.2	1217.2	6297.4	4734.4	350.2	5084.6		549.7	390.2	939.9	6224.4	94.4		
Health	942.5	293.8	1236.3		436.0	119.7	555.7	1792.0	942.5	293.8	1236.3		242.7	119.7	362.4	1598.6	89.2		
RWSS	185.1	112.7	297.8		52.8	310.2	363.0	1160.8	185.1	112.7	297.8		42.2	310.2	352.4	1051.2	88.8		
Monitoring & Eval.			0.0		22.1	0.0	22.1	0.0			0.0		33.9	0.0	33.9	0.0			
NWFP	3482.5	1200.7	4683.2	0.0	1845.8	1048.6	2894.4	7577.5	3482.5	1200.7	4683.2	0.0	1456.0	1122.4	2578.4	7243.4	96.1		
Education	2706.9	648.0	3354.9		700.0	391.0	1091.0	5045.9	2706.9	648.0	3354.9		686.0	1015.5	1701.5	5058.5	100.2		
Health	589.0	277.0	866.0		190.0	57.6	247.6	1113.6	589.0	277.0	866.0		41.1	89.4	124.5	973.5	87.4		
RWSS	186.6	275.7	462.3		950.0	0.0	950.0	1412.3	180.0	282.0	462.0		721.1	63.5	784.6	1246.6	88.3		
Monitoring & Eval.			0.0		5.8	0.0	5.8	0.0			0.0		5.8	0.0	5.8	0.0			
Balochistan	2030.6	493.5	2524.1	0.0	1039.3	1360.1	2399.4	4983.5	2030.6	418.7	2511.5	0.0	786.6	1340.0	2126.6	4660.2	95.5		
Education	1457.0	114.0	1571.0		348.0	972.1	1320.1	2911.1	1457.0	114.0	1571.0		377.0	972.0	1320.0	2900.0	99.6		
Health	381.0	215.0	596.0		250.0	156.0	406.0	1002.0	381.0	215.0	596.0		190.0	156.0	346.0	942.0	94.0		
RWSS	252.6	164.5	417.1		411.3	232.0	643.3	1060.4	252.6	164.5	417.1		231.6	232.0	463.6	806.2	76.2		
Monitoring & Eval.			0.0		10.0	0.0	10.0	0.0			0.0		10.0	0.0	10.0	0.0			
TOTAL PROV.	28209.5	4429.2	32638.7	0.0	9743.6	1778.7	11522.3	47161.1	27566.5	4905.4	32071.9	0.0	8826.8	4892.5	13719.3	45791.2	97.1		
Education	23687.7	1818.2	25505.9		3845.7	4778.7	8624.4	32518.9	23687.7	2036.5	24999.9	0.0	3519.7	3220.7	6740.5	31740.4	97.6		
Health	3696.7	1610.9	5307.6		1434.0	683.3	2119.3	7428.8	3753.1	1597.3	5280.4	0.0	1034.5	709.1	1743.6	7034.0	94.7		
RWSS	854.3	1000.0	1854.3		4105.1	892.2	5043.3	6858.6	850.0	991.5	1781.5	0.0	4023.9	962.7	4986.6	6788.2	98.7		
Monitoring & Eval.			0.0		0.0	0.0	0.0	0.0			0.0		0.0	0.0	0.0	0.0			
FATA	689.2	138.2	827.4	341.0	0.0	0.0	341.0	1168.4	689.2	138.2	827.4	0.0	248.6	0.0	248.6	248.6	69.7		
Education	500.7	46.3	547.0	115.5			547.0	662.5	500.7	46.3	547.0		115.5		547.0	115.5	122.1		
Health	140.6	44.9	185.4	66.5			185.4	251.9	140.6	44.9	185.4		66.5		185.4	66.5	102.9		
RWSS	47.9	47.1	95.0	156.0			156.0	251.0	47.9	47.1	95.0		156.0		156.0	156.0	100.0		
Monitoring & Eval.			0.0	3.0			3.0	0.0			0.0		0.0		0.0	0.0			
AJK	742.5	108.2	850.7	222.5	0.0	171.0	393.5	1241.2	718.8	92.4	811.2	0.0	156.7	195.5	352.2	1163.4	98.7		
Education	587.4	10.1	597.5	96.5			597.5	696.0	587.4	10.1	597.5		24.1	88.0	66.7	66.7	96.1		
Health	178.5	94.6	273.2	57.0			273.2	410.2	178.5	94.6	273.2		5.5	34.0	28.6	63.0	90.5		
RWSS	6.5	0.5	7.0	68.0			68.0	128.0	6.5	0.5	7.0		127.1	229.5	236.5	175.2	60.0		
Monitoring & Eval.			0.0	1.0			1.0	0.0			0.0		0.0	0.0	0.0	0.0			
PANA	202.9	37.8	240.7	72.7	0.0	112.0	184.7	445.4	202.9	37.8	240.7	0.0	66.0	0.0	66.0	329.5	72.6		
Education	121.0	17.2	138.2	34.9			138.2	173.1	121.0	17.2	138.2		33.8	0.0	33.8	171.0	98.8		
Health	73.3	59.1	132.4	16.8			132.4	173.3	73.3	59.1	132.4		15.1	0.0	15.1	126.3	75.0		
RWSS	8.6	1.5	10.1	20.9			10.1	99.0	8.6	1.5	10.1		17.1	0.0	17.1	26.2	26.5		
Monitoring & Eval.			0.0	0.0			0.0	0.0			0.0		0.0	0.0	0.0	0.0			
ICT	148.4	7.6	156.0	67.7	0.0	0.0	67.7	223.7	148.4	7.6	156.0	0.0	117.4	27.6	27.6	145.0	64.8		
Education	141.2	3.5	144.7	60.6			144.7	203.3	141.2	3.5	144.7		2.9	110.6	24.5	24.5	135.1	65.8	
Health	5.3	2.9	8.2	1.0			8.2	9.2	5.3	2.9	8.2		4.9	1.1	1.1	6.0	65.5		
RWSS	1.9	1.3	3.2	6.1			3.2	9.2	1.9	1.3	3.2		0.4	2.0	2.0	3.8	41.4		
Monitoring & Eval.			0.0	0.0			0.0	0.0			0.0		0.0	0.0	0.0	0.0			
TOTAL SPL. AREAS	1783.0	308.8	2091.8	703.9	0.0	283.0	986.9	3078.7	1877.0	295.2	2172.2	0.0	156.7	195.5	352.2	2952.1	96.0		
Education	1329.3	77.1	1397.4	307.5			1397.4	1759.9	1329.3	77.1	1397.4		24.1	261.8	285.9	1905.5	98.6		
Health	397.7	181.4	579.2	141.4			579.2	844.6	397.7	181.4	579.2		5.5	116.7	690.1	1027.7	107.7		
RWSS	65.0	50.3	115.3	291.0			115.3	375.0	65.0	50.3	115.3		127.1	404.7	517.5	104.7			
Monitoring & Eval.			0.0	0.0			0.0	0.0			0.0		0.0	0.0	0.0	0.0			
Population Welfare	30.2	1.8	32.0	103.6			32.0	203.0	30.2	1.8	32.0		463.3	1256.9	1284.4	63.3			
Monitoring & Eval.			0.0	0.0			0.0	0.0			0.0		0.0	0.0	0.0	0.0			
M/O Health	3.7	2.8	6.5	2343.7	0.0	355.0	2000.0	2327.0	26.7	1.8	28.5	0.0	463.3	1256.9	1284.4	63.3			
Malikia Control	2.4		2.4	180.0			180.0	182.4	2.4	0.0	2.4		180.0	180.0	180.0	100.0			
EPI			0.0	616.7			616.7	616.7			0.0		500.0	500.0	500.0	80.0			
PAPFP&PEC			0.0	1500.0			1500.0	1500.0			0.0		1200.0	1200.0	1200.0	100.0			
Aids	1.3	2.8	4.0	47.0			47.0	54.0	1.3	2.8	4.0		29.3	29.3	29.3	54.3			
T.B Control			0.0	0.0			0.0	0.0			0.0		0.0	0.0	0.0	0.0			
M/O Education	48.7	37.6	86.3	214.0	0.0	0.0	214.0	303.3	0.6	0.2	0.8	0.0	121.8	0.0	121.8	122.6	40.8		
Fed RMS	0.2	0.0	0.2	2.0	0.0	0.0	2.0	2.2	0.2	0.0	0.2	0.0	1.4	0.0	1.4	1.6	72.7		
P.M Literacy	47.3	37.3	84.6	200.0	0.0	0.0	200.0	284.6	0.0	0.0	0.0	0.0	112.0	0.0	112.0	112.0	39.4		
Education Regulation	1.2	0.3	1.5	12.0	0.0	0.0	12.0	13.5	0.6	0.3	0.9	0.0	8.4	0.0	8.4	9.0	66.7		
MISCELLANEOUS	0.0	0.0	0.0	10.0	0.0	29.7	39.7	39.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
MAE			0.0	1.0			1.0	1.0			0.0		0.0	0.0	0.0	0.0			
Auditor General			0.0	8.0			8.0	8.0			0.0		0.0	0.0	0.0	0.0			
PIRS			0.0	10.7			10.7	10.7			0.0		0.0	0.0	0.0	0.0			
TOTAL FEDERAL	1845.5	350.0	2195.5	4906.5	0.0	1280.7	5987.3	7803.7	1906.7	292.2	2199.0	0.0	3468.8	8826.8	5972.2	17802.8	94.9		
Education	1369.0	114.7	1483.6	321.5			1483.6	1858.5											

S.A.Table-27.2

SAP PHYSICAL TARGETS & ACHIEVEMENTS

Item	Unit	1995-96	1996/97		1997-98
		Benchmark	Targets	Achi.	Targets
1	2	3	4	5	6
Basic Education					
Enrollment at Primary School Level	Million	11.14	12.13	11.83	12.52
Male	Million	7.10	7.77	7.53	7.87
Female	Million	4.04	4.36	4.30	4.65
Enrollment at Primary School Level	(%)	68.00	75.00	71.60	77.23
Male	(%)	84.30	91.40	86.00	93.91
Female	(%)	52.30	61.38	56.00	70.96
Adult Literacy	(%)	37.90	39.00	38.00	40.00
Male	(%)	50.00	50.50	50.20	52.00
Female	(%)	25.30	26.00	25.50	27.00
Student Teacher Ratio in Primary Schools	(%)	95	117	62	97
Establishment of New Primary Schools	(Nos)	6918	4692	2570	1205
Additional Class Rooms in Primary Schools	(Nos)	1818	4233	2258	4217
Improvement, Reconst. & Repair of Primary Schools	(Nos)	3850	9986	6144	13689
Buildings for Shelterless Primary Schools	(Nos)	2368	1696	1384	1347
Conversion of Mosque Schools into Primary Schools	(Nos)	983	936	3620	655
Provision of Furniture to Primary Schools	(Nos)	15990	3600	1200	14412
Up-gradation of PS into Middle Schools	(Nos)	672	1636	1888	1008
Provision of Furniture to Middle Schools	(Nos)	1167	1200	1247	2810
Opening of Middle Schools	(Nos)	826	279	15	17
Establishment of Non-formal Schools	(Nos)	1445	13833	5686	5000
Training of Teachers	(Nos)	12286	18423	374	16782
Recruitment of Motivators	(Nos)	28472	21028	0	4500
Recruitment of Primary Teachers	(Nos)	26131	24718	1305	19472
BASIC HEALTH					
Immunization	Million	6.9	5.8	4.9	5.9
TBA Training	(Nos)	30972	4296	3328	3565
Lady Health Workers (LHWs)	(Nos)	40200	11800	4800	7276
LHW Supervisors recruited/trained	(Nos)	40	2899	2237	784
Training of Lady Health Visitors (LHVs)	(Nos)	428	1871	1256	1114
Training of Nurses	(Nos)	491	2322	1639	2231
Life Expectancy	Years	62.00	62.50	62.00	63.00
Male	Years	60.90	61.50	61.00	61.90
Female	Years	62.90	63.50	63.00	64.00
New BHUs	(Nos)	2634	79	70	102
New RHCs	(Nos)	352	24	23	24
Upgradation of BHUs	(Nos)	237	48	7	67
Upgradation of RHCs	(Nos)	50	54	22	46
Up-gradation of Dispensaries into BHUs	(Nos)	78	59	65	254
New Health Centres/Dispensaries	(Nos)	224	32	144	154
POPULATION WELFARE					
Growth Rate	(%)	2.8	2.5	2.78	2.46
Total Fertility Rate (TFR)	(%)	5.3	5.1	5.1	4.8
Contraceptive Users	Million	4.6	5.5	5.4	6.7
Contraceptive Prevalence Rate (CPR)	(%)	22	25.5	25	30
Population Coverage	(%)	50	60		
Rural	(%)	40	50		
Urban	(%)	77	80		
RURAL WATER SUPPLY & SANITATION					
Rural Water Supply	Million	49.55	53.46	69.80	75.72
Population Coverage	(%)	55.00	59.34	72.60	78.10
Rural Water Sanitation	Million	21.21	24.08	24.10	27.42
Population Coverage	(%)	23.30	26.08	25.00	29.56

SOURCE: Operational Plans 1996-97 and 1997-98 and Planning Documents prepared by the Provinces, Area Administrations and Federal Ministries of Health, Education and Population Welfare and SAP Sector Statistics prepared by MSU.

SAP PLANNED AND BUDGETED OUTLAYS FOR 1997/98

Million Rs

Sector / Area	BUDGETED OUTLAYS FOR 1997-98									BUDGETARY OUTLAYS FOR 1997-98								
	Non-Development			Development			Grand Total	Non-Development			Development			Grand Total				
	Salary	Non-Salary	Total	Provincial	F. Aid	Total		Salary	Non-Salary	Total	Federal	Provincial	F. Aid		Total			
1	2	3	4=2+3	5	6	7	8=5+6+7	9=4+8	10	11	12=10+11	13	14	15	16=13+14+15	17=12+15		
Punjab	19149.0	2390.0	21539.0	0.0	5392.0	2342.0	7734.0	29273.0	19965.5	2448.0	22413.5	0.0	5676.7	2709.0	8385.7	30799.2		
Education	16974.0	847.0	17821.0		2228.0	1552.0	3780.0	21601.0	17394.9	856.3	18251.1		2395.0	1552.0	3947.0	22198.1		
Health	2011.0	990.0	3001.0		644.0	450.0	1094.0	4095.0	2368.4	1118.9	3487.3		725.0	872.0	1597.0	5084.3		
RWSS	164.0	553.0	717.0		2520.0	340.0	2860.0	3577.0	202.3	472.8	675.1		2520.0	285.0	2805.0	3480.1		
Monitoring & Eval.	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0		36.7	0.0	36.7	0.0		
Sindh	6209.5	910.1	7119.6	0.0	1486.0	1016.2	2502.2	9621.8	8461.6	892.0	9353.7	0.0	1249.3	1126.2	2375.5	11723.2		
Education	4876.4	420.2	5296.6		632.2	396.5	1228.7	6523.3	6981.3	307.3	7488.6		414.3	567.3	981.6	8470.4		
Health	1132.5	363.2	1495.7		279.1	61.7	340.8	1836.5	1268.0	258.6	1526.6		236.0	180.0	416.0	1942.6		
RWSS	200.6	126.7	327.3		486.7	358.0	844.7	1172.0	212.3	126.1	338.5		513.7	378.8	892.5	1231.0		
Monitoring & Eval.	0.0	0.0	0.0		88.0	0.0	88.0	88.0	0.0	0.0	0.0		79.3	0.0	79.3	0.0		
NWFP	4013.7	1348.4	5362.1	0.0	1811.4	969.0	2780.4	8142.5	5177.1	1433.3	6610.5	0.0	1811.4	1287.4	3098.7	9769.2		
Education	3120.3	714.4	3834.7		805.0	905.0	1710.0	5544.7	4283.7	785.5	5069.3		805.0	1139.6	1944.6	7013.9		
Health	677.2	318.6	995.8		150.0	64.0	214.0	1209.8	677.2	332.4	1009.6		150.0	64.0	214.0	1223.6		
RWSS	216.2	315.4	531.6		850.0	0.0	850.0	1381.6	216.2	315.4	531.6		850.0	83.8	933.8	1463.4		
Monitoring & Eval.	0.0	0.0	0.0		6.4	0.0	6.4	6.4	0.0	0.0	0.0		6.4	0.0	6.4	0.0		
Balochistan	2453.6	564.9	2998.5	0.0	1221.0	2172.4	3393.4	6591.9	2297.5	568.7	2866.3	0.0	940.3	1804.5	2744.8	5611.1		
Education	1739.1	136.9	1876.0		459.8	1297.9	1757.7	3633.7	1459.0	86.5	1545.6		271.2	1423.0	1694.2	3239.7		
Health	457.0	232.0	689.0		288.0	399.0	687.0	1576.0	545.0	307.0	852.0		236.0	106.0	342.0	1194.0		
RWSS	237.5	196.0	433.5		473.2	275.5	748.7	1182.2	293.5	175.2	468.7		339.1	275.5	614.6	1083.3		
Monitoring & Eval.	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0		94.0	0.0	94.0	0.0		
TOTAL PROV.	31805.8	5213.4	37019.2	0.0	9910.4	6499.6	16410.0	53429.2	35901.8	5342.1	41243.9	0.0	9671.7	6927.1	16598.8	57842.6		
Education	26709.8	2118.5	28828.3		4125.0	4351.4	8476.4	37304.7	30118.9	2235.7	32354.6		3885.4	4682.1	8567.5	40922.1		
Health	4277.7	1908.8	6186.5		1361.1	1174.7	2535.8	8717.3	4858.6	2016.9	6875.5		1347.0	1222.0	2569.0	9444.5		
RWSS	818.3	1191.1	2009.4		4329.9	973.5	5303.4	7312.8	924.4	1089.5	2013.9		4222.9	1023.0	5245.9	7259.8		
Monitoring & Eval.	0.0	0.0	0.0		94.4	0.0	94.4	94.4	0.0	0.0	0.0		216.3	0.0	216.3	0.0		
FATA	918.6	156.4	1075.0	416.8	0.0	0.0	416.8	1491.8	922.3	99.7	1022.0	416.4	2.5	0.0	418.9	1449.9		
Education	720.2	53.2	773.4	180.7			180.7	954.1	720.2	5.9	726.1	153.4	0.0	0.0	153.4	879.5		
Health	148.0	55.0	203.0	69.8			69.8	272.8	153.4	45.9	199.4	107.5	0.0	0.0	107.5	306.9		
RWSS	50.4	48.2	98.6	163.8			163.8	262.4	48.6	47.9	96.5	155.5	0.0	0.0	155.5	252.0		
Monitoring & Eval.	0.0	0.0	0.0	2.5			2.5	2.5	0.0	0.0	0.0	2.5	0.0	0.0	2.5	0.0		
AJK	950.6	188.3	1138.9	283.8	0.0	475.6	761.4	1895.3	886.6	137.8	974.4	317.6	1.0	259.3	577.9	1553.3		
Education	685.2	38.7	723.9	123.1		126.6	249.7	973.6	628.0	15.2	643.2	98.6	0.0	40.0	138.6	781.7		
Health	256.0	144.0	400.0	88.0		94.0	182.0	582.0	201.0	112.0	323.0	112.0	0.0	60.0	172.0	492.0		
RWSS	9.4	0.6	10.0	73.5		235.0	328.5	338.5	7.7	0.6	8.2	107.0	0.0	159.3	266.3	274.6		
Monitoring & Eval.	0.0	0.0	0.0	1.2		0.0	1.2	1.2	0.0	0.0	0.0	1.0	0.0	1.0	1.0	0.0		
FANA	274.1	89.5	363.6	71.1	0.0	200.0	271.1	684.7	270.7	56.1	326.7	68.1	3.6	227.5	299.2	628.9		
Education	165.6	33.0	198.6	25.0		120.0	145.0	343.6	163.4	16.3	179.6	17.7	0.0	122.3	140.0	319.7		
Health	97.5	55.9	153.4	26.1		80.0	106.1	229.5	97.3	39.3	136.6	35.4	0.0	105.2	140.6	277.2		
RWSS	11.0	0.6	11.6	20.0		0.0	20.0	31.6	10.0	0.5	10.5	15.0	0.0	15.0	25.5	25.5		
Monitoring & Eval.	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0	3.6	0.0	3.6	3.6	0.0		
ICT	163.0	11.6	174.6	135.4	0.0	11.0	146.4	321.0	158.6	12.0	170.6	57.6	0.2	0.0	57.8	228.4		
Education	154.0	6.0	160.0	100.0			100.0	260.0	150.0	6.3	156.3	44.9	0.0	0.0	44.9	201.2		
Health	7.0	4.0	11.0	5.4		11.0	16.4	27.4	6.7	3.5	10.2	1.7	0.0	0.0	1.7	11.9		
RWSS	2.0	1.6	3.6	30.0			30.0	33.6	1.9	2.2	4.1	11.0	0.0	0.0	11.0	15.1		
Monitoring & Eval.	0.0	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	0.0		
TOTAL SPL. AREAS	2306.3	440.8	2747.1	909.1	0.0	686.6	1595.7	4342.8	2188.2	305.5	2493.7	859.7	7.3	486.8	1353.7	3847.5		
Education	1725.0	130.9	1855.9	428.8		246.6	675.4	2531.3	1661.6	48.6	1705.2	314.6	0.0	162.3	476.9	2182.1		
Health	508.5	258.9	767.4	189.3		185.0	374.3	1141.7	458.4	210.7	669.2	256.6	0.0	165.2	421.7	1096.9		
RWSS	72.8	51.0	123.8	287.3		0.0	287.3	566.1	68.2	51.2	119.4	288.5	0.0	159.3	447.9	567.2		
Monitoring & Eval.	0.0	0.0	0.0	3.7		0.0	3.7	3.7	0.0	0.0	0.0	7.3	0.0	7.3	7.3	0.0		
MCO Population	0.0	0.0	0.0	1336.0	0.0	865.0	2201.0	2201.0	33.1	0.0	33.1	1041.9	0.0	912.0	1953.9	1987.0		
MCO Health	2.6	0.4	3.0	2730.6	0.0	249.9	2980.5	2983.5	2.8	0.0	2.8	1313.7	0.0	540.0	1853.7	1856.4		
Malaria Control	2.6	0.4	3.0	36.0		171.0	207.0	210.0	2.8	0.0	2.8	115.0	0.0	0.0	115.0	117.8		
EPI	0.0	0.0	0.0	631.2		73.3	704.5	704.5	0.0	0.0	0.0	278.7	0.0	210.0	488.7	488.7		
PMFP&PHC	0.0	0.0	0.0	1975.0		0.0	1975.0	1975.0	0.0	0.0	0.0	870.0	0.0	330.0	1200.0	1200.0		
Air Control	0.0	0.0	0.0	88.4		5.6	94.0	94.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
T.B Control	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	0.0		
M/O Education	1.6	2.3	3.9	280.2	0.0	0.0	280.2	284.1	0.0	0.0	0.0	283.9	0.0	0.0	283.9	283.9		
Fed. BMIS	0.3	0.0	0.3	5.7			5.7	6.0	0.0	0.0	0.0	1.0	0.0	0.0	1.0	1.0		
PM Literacy	0.0	0.0	0.0	253.9			253.9	253.9	0.0	0.0	0.0	254.0	0.0	0.0	254.0	254.0		
Primary/Middle Edu.	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		
Education Foundation	1.3	2.3	3.6	20.6			20.6	24.2	0.0	0.0	0.0	28.9	0.0	0.0	28.9	28.9		
Monitoring & Eval.	0.0	0.0	0.0	9.5	0.0	28.7	38.2	38.2	0.0	0.0	0.0	11.5	0.0	52.3	63.9	63.9		
FSS	0.0	0.0	0.0	1.5		13.7	15.2	15.2	0.0	0.0	0.0	3.5	0.0	7.3	10.9	10.9		
Auditor General	0.0	0.0	0.0	8.0		8.0	8.0	8.0	0.0	0.0	0.0	8.0	0.0	8.0	8.0	8.0		
FIHS	0.0	0.0	0.0	15.0		15.0	15.0	15.0	0.0	0.0	0.0	15.0	0.0	15.0	15.0	15.0		
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	30.0	30.0	30.0		
TOTAL FEDERAL	2310.5	443.5	2754.0	5265.4	0.0	1830.2	7095.6											