

## The Challenge

Pakistan faces daunting challenges of poverty, low literacy, little foreign investment, sectarian strife, terrorism, and a fragile democracy. USAID programs improve the quality of education, health conditions of vulnerable populations, democratic governance, and economic growth opportunities and deliver humanitarian assistance. USAID works with the host country at all levels of government, local and international implementing partners, and other donors to address Pakistan's fundamental social and economic challenges. In response to the October 8, 2005 earthquake, USAID will continue to deliver basic humanitarian assistance while beginning the work of recovery and reconstruction.

## Objectives, Sectors and Workforce

Mission Director: Lisa Chiles

MCA Status: Currently Not Eligible

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Stand Alone

Program Budget (Appropriations by Objective)	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score	Direct SO Admin. Cost Ratio
391-003 Primary Education and Literacy	28,000	66,673	64,390	60,820	117.2%	1.41	Exceeded
391-004 Democracy and Governance	11,200	13,227	23,426	31,597	182.1%	0.83	Not Met
391-005 Emergency Economic Assistance	200,000	200,000	200,000	200,000	0.0%		0.00
391-006 Economic Growth	10,200	17,000	15,220	25,923	154.1%	0.88	Not Met
391-007 Basic Health	25,600	50,700	45,664	30,860	20.5%	0.89	Not Met
391-008 Earthquake Reconstruction	0	0	55,842	50,000	N/A	N/A	N/A
391-009 Program Support Objective	0	0	1,500	1,500	N/A	N/A	N/A
PL 480 Title II not Allocated to a Strategic Objective	13,067		3,427		N/A		
<b>Country Total</b>	<b>288,067</b>	<b>347,600</b>	<b>409,469</b>	<b>400,700</b>	<b>39.1%</b>		

### Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Child Survival and Health Programs Fund	25,600	21,000	28,357	21,700	-15.2%
Development Assistance	49,400	29,000	40,590	29,000	-41.3%
Economic Support Fund	200,000	297,600	337,095	350,000	75.0%
PL 480 Title II	13,067	0	3,427	0	N/A
<b>Total</b>	<b>288,067</b>	<b>347,600</b>	<b>409,469</b>	<b>400,700</b>	<b>39.1%</b>

### Program Budget by Sector and Account

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Basic Education DA	22,000	18,934	23,398	17,000	-22.7%
ESF	0	27,300	39,982	27,433	N/A
Agriculture and Environment DA	3,000	1,000	3,465	0	N/A
ESF	0	0	0	1,000	N/A
Higher Education & Training DA	6,000	1,639	438	1,993	-66.8%
ESF	0	18,800	20,298	22,267	N/A
Economic Growth DA	7,200	5,000	9,692	5,239	-27.2%
ESF	200,000	211,000	217,105	232,300	16.2%
Human Rights DA	0	0	0	1,000	N/A
Democracy and Governance DA	10,550	2,427	3,597	3,000	-71.6%
ESF	0	10,800	20,000	27,000	N/A
Conflict Management / Humanitarian Assistance DA	650	0	0	768	18.2%
Family Planning / Reproductive Health CSH	12,500	11,000	10,890	9,455	-24.4%
ESF	0	5,000	150	650	N/A
HIV / AIDS CSH	900	900	1,330	1,330	47.8%
ESF	0	0	0	1,100	N/A
Child Survival and Maternal Health CSH	11,600	7,600	14,652	9,415	-18.8%
ESF	0	24,700	39,560	38,250	N/A
Other Infectious Diseases CSH	600	1,500	1,485	1,500	150.0%
PL 480 Title II not Allocated to a Sector	13,067		3,427		N/A
<b>Total</b>	<b>288,067</b>	<b>347,600</b>	<b>409,469</b>	<b>400,700</b>	<b>39.1%</b>

### Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	8	11	14	14	75.0%
US Non Direct Hires	3	2	9	9	200.0%
Foreign Nationals	14	23	46	46	228.6%
<b>Total</b>	<b>25</b>	<b>36</b>	<b>69</b>	<b>69</b>	<b>176.0%</b>

<b>Operating Expense</b>	<b>FY 2004 (\$000)</b>	<b>FY 2005 (\$000)</b>	<b>FY 2006 (\$000)</b>	<b>FY 2007 (\$000)</b>	<b>Percent Change FY 04-07</b>
Salaries and benefits	241	282	505	688	185.5%
Travel	319	286	539	549	72.1%
Transportation of things	136	141	315	425	212.5%
Rent	237	152	275	266	12.2%
Security	41	55	95	1,219	2,873.2%
Equipment	303	539	262	82	-72.9%
ICASS - Operating Expense only	228	304	386	455	99.6%
Other Operating Expense	238	200	347	351	47.5%
<b>Total OE Budget</b>	<b>1,743</b>	<b>1,959</b>	<b>2,724</b>	<b>4,035</b>	<b>131.5%</b>
US direct hire salary and benefits	1,136	1,367	1,741	1,929	69.8%
Program Funded Administrative Expenses				662	
<b>Country Total Administrative Budget</b>				<b>6,626</b>	
<b>Percent of Bureau OE Total</b>				<b>#REF!</b>	

**Mission Summary**

	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
Program per US Direct Hire (\$000)	36,008	31,600	29,248	28,621
Program per All US (\$000)	26,188	26,738	17,803	17,422
Program per Position (\$000)	11,523	9,656	5,934	5,807
Operating Expense as % of Program Funding				1.0%
Program Funded Admin Expense as % of Total Admin				10.0%
Total Admin Expense as % of Program Funding				1.7%

**Other Major Donors:**

Bilateral: The United States is the major bilateral donor in Pakistan, followed by Japan and the United Kingdom. Other bilateral donors are Germany, France, and the Netherlands.

Multilateral: Major multilateral donors include the Asian Development Bank (\$1.2 billion/year proposed) and World Bank (\$900 million). Others include the European Union, World Health Organization, World Food Program, Islamic Development Bank, United Nations Children's Fund, International Labor Organization, United Nations Development Programme, and United Nations Population Fund.

## Pakistan PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2004 Actual	FY 2005 Actual	FY 2006 Current	FY 2007 Request
Child Survival and Health Programs Fund	25,600	21,000	28,357	21,700
Development Assistance	49,400	29,000	40,590	29,000
Economic Support Fund	0	297,600	337,095	350,000
ESF - FY 04 Supplemental	200,000	0	0	0
PL 480 Title II	13,067	0	3,427	0
<b>Total Program Funds</b>	<b>288,067</b>	<b>347,600</b>	<b>409,469</b>	<b>400,700</b>

### STRATEGIC OBJECTIVE SUMMARY

391-003 Primary Education and Literacy				
DA	28,000	20,573	19,183	18,993
ESF	0	46,100	45,207	41,827
391-004 Democracy and Governance				
DA	11,200	2,427	3,597	4,768
ESF	0	10,800	19,829	26,829
391-005 Emergency Economic Assistance				
ESF	0	200,000	200,000	200,000
ESF - FY 04 Supplemental	200,000	0	0	0
391-006 Economic Growth				
DA	10,200	6,000	7,310	5,239
ESF	0	11,000	7,910	20,684
391-007 Basic Health				
CSH	25,600	21,000	23,110	21,700
ESF	0	29,700	22,554	9,160
391-008 Earthquake Reconstruction				
CSH	0	0	5,247	0
DA	0	0	10,500	0
ESF	0	0	40,095	50,000
391-009 Program Support Objective				
ESF	0	0	1,500	1,500

Mission Director,  
Lisa Chiles

## Data Sheet

<b>USAID Mission:</b>	Pakistan
<b>Program Title:</b>	Primary Education and Literacy
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	391-003
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$19,183,000 DA; \$45,207,000 ESF
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2007 Obligation:</b>	\$18,993,000 DA; \$41,827,000 ESF
<b>Year of Initial Obligation:</b>	2002
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** USAID's education program in Pakistan provides the training, technical assistance, and infrastructure needed to enable appropriate government officials, citizens, and the private sector to deliver and maintain high quality education throughout Pakistan. The program improves classroom instruction in government schools in Pakistan's most impoverished areas -- selected districts in Sindh and Balochistan provinces, the Islamabad Federal Territory, and in the Federally Administered Tribal Areas (FATA) that border Afghanistan. USAID makes higher education more accessible to poor students by providing need-based scholarships to Pakistani universities. USAID also provides funding to the United States Educational Foundation in Pakistan, through the Department of State's Bureau of Educational and Cultural Affairs, to administer Fulbright scholarships for deserving candidates to study in the United States. Current USAID initiatives include support to the Government of Pakistan's (GOP) education reform strategy to develop strong policies and planning; conduct a national education census; increase the capacity of teachers and education administrators; improve youth and adult literacy; expand public-private partnerships to improve access to and the delivery of education services; and encourage teaching methods that are child-centered, interactive and promote critical thinking skills among students and draw families into the life of the school community.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Achieve Equitable Access to Quality Basic Education (\$18,745,000 DA; \$25,382,000 ESF). USAID is focusing on capacity building and support for systemic education sector reform at the national, provincial, and district levels in FY 2006. The program is developing and implementing School Improvement Plans in nine target districts in rural areas of Balochistan and Sindh provinces that will benefit 3,135 schools. USAID is continuing to construct 44 buildings under the FATA school reconstruction and rehabilitation program, although security issues may cause delays in some areas. Through the United Nations Children's Fund, USAID is beginning a water and sanitation program in 190 girls' schools. USAID is helping the GOP develop national policies for information communications technology, teacher training, and early childhood education; training 8,000 teachers and administrators; and supporting the Ministry of Education's census, the data from which will contribute to the USAID-funded Integrated Management Information System. Principal Implementers: Research Triangle Institute, Academy for Educational Development (AED), Children's Resources International, Aga Khan Foundation, United Nations Educational and Scientific Cultural Organization, and Associates in Development.

Improve Quality of Workforce through Vocational and Technical Education (\$239,000 DA; \$526,000 ESF). USAID is increasing assistance to Pakistani industry through new activities to develop a more skilled workforce. USAID technical assistance, in collaboration with the government and academia, is helping industry to identify potential opportunities and implementation mechanisms for workforce training and job placement. Principal Implementers: United States Educational Foundation, the GOP's Higher Education Commission, Aga Khan University, and Forman Christian College.

Increase Capacity of Higher Education to Contribute to Development (\$199,000 DA; \$19,299,000 ESF). To increase the capacity of higher education institutions and expand the human capital base in Pakistan, USAID is providing 550 merit-based scholarships for Pakistanis to study business and agriculture in their

country's leading universities. Professors from U.S. universities are providing technical assistance to improve the capacity of local training providers. Through the United States Educational Foundation of Pakistan, USAID is providing 126 scholarships to fund Pakistanis obtaining Master's and Ph.D. Degrees in the United States. USAID is continuing to support the establishment of an independent examination board for university aspirants, renovate a recently denationalized college to make it a center of academic excellence, and explore ways to increase opportunities for higher education for women. Principal Implementers: United States Educational Foundation, the GOP's Higher Education Commission, Aga Khan University, and Forman Christian College.

**FY 2007 Program:**

Achieve Equitable Access to Quality Basic Education (\$18,223,000 DA; \$20,033,000 ESF). USAID will continue to support the GOP's Education Sector Reform Program with more integrated technical assistance at the federal, provincial, and district levels. USAID will sponsor the Teacher Accreditation program of the Higher Education Commission as well as the Teacher Training Blueprint and continue to promote pre- and in-service teacher training, emphasizing child-centered methodologies. USAID will support the GOP's Adult Literacy Program through technical assistance. The School Improvement Grant program will continue. USAID will ensure that the examination system is sustainable and continue with FATA school construction and teacher training programs. Principal Implementers: Research Triangle Institute, AED, and Children's Resources International Pakistan.

Improve Quality of Workforce through Vocational/Technical Education (\$500,000 DA; \$495,000 ESF). USAID will further invest in the workforce development component and work with the GOP to improve its business environment. Principal Implementers: Nathan Associates, U.S. Chamber of Commerce, and U.S. Department of Commerce.

Increase Capacity of Higher Education to Contribute to Development (\$270,000 DA; \$21,299,000 ESF). USAID will continue to provide both Pakistan and U.S.-based scholarships for Bachelor's, Master's, and Ph.D. students through the in-country scholarship program and the Fulbright Commission. USAID will improve access to higher education for women by supporting women's universities. Principal Implementers: United States Educational Foundation, the GOP's Higher Education Commission, Aga Khan University, and Forman Christian College.

**Performance and Results:** USAID has trained 16,770 teachers and administrators. USAID continues to construct 44 sites under the FATA school reconstruction and rehabilitation program, although security issues cause construction delays in some areas. Another group of 63 teacher-educators completed a short-term intensive program in teaching mathematics, science, and English as a Second Language, while 172 teacher trainers are undergoing a comprehensive follow-up program. At the request of the Pakistani Ministry of Education, and in order to build the expertise of local training providers, the programs will now focus on in-country teacher training. Professors from U.S. universities will work with in-country training providers to build their capacity to impart teacher training in Pakistan. In 2005, ninety-two students departed for the U.S. under the USAID-supported Fulbright program, and 292 students enrolled in various universities in Pakistan for Bachelor's and Master's Degrees.

## US Financing in Thousands of Dollars

Pakistan

	DA	ESF
391-003 Primary Education and Literacy		
<b>Through September 30, 2004</b>		
Obligations	59,500	5,566
Expenditures	44,627	5,566
Unliquidated	14,873	0
<b>Fiscal Year 2005</b>		
Obligations	20,573	46,100
Expenditures	50	15,000
<b>Through September 30, 2005</b>		
Obligations	80,073	51,666
Expenditures	44,677	20,566
Unliquidated	35,396	31,100
<b>Prior Year Unobligated Funds</b>		
Obligations	0	0
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	19,183	45,207
<b>Total Planned Fiscal Year 2006</b>		
Obligations	19,183	45,207
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	18,993	41,827
Future Obligations	0	0
Est. Total Cost	118,249	138,700

## Data Sheet

<b>USAID Mission:</b>	Pakistan
<b>Program Title:</b>	Democracy and Governance
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	391-004
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$3,597,000 DA; \$19,829,000 ESF
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2007 Obligation:</b>	\$4,768,000 DA; \$26,829,000 ESF
<b>Year of Initial Obligation:</b>	2003
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** USAID's program to support Pakistan's progress toward more democratic, responsive, and transparent governance is sharpening its focus to address strategic issues relevant to Pakistan's democratic development. USAID used technical assistance, training, and grant mechanisms over the past year to: strengthen national and provincial legislative governance; create a more vibrant and active civil society; develop more democratic political parties; encourage a more assertive broadcast media; and support the devolution of power to local government. USAID built the capacity of the National Parliament and provincial assemblies and their members, developed advocacy skills in civil society organizations, nurtured future leaders of political parties, strengthened university-level journalism programs, and supported the Government of Pakistan's plan to give provincial and local governments greater authority in managing public sector resources. In FY 2006, the democracy and governance program is focusing on three strategic areas: electoral reform in the run-up to 2007 national elections, parliamentary process strengthening, and improved service delivery at the local level.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Promote and Support Credible Elections Processes (\$12,000,000 ESF). In anticipation of the 2007 national elections, USAID is strengthening the Election Commission of Pakistan's oversight capacity, in particular the application of election laws, impartial regulation of political parties, and administration of elections. Principal Implementers: To Be Determined (TBD).

Strengthen Democratic Political Parties (\$600,000 ESF). USAID is continuing to support the initiative to modernize and democratize political parties, thereby improving their internal governance structures and processes and encouraging the emergence of a new generation of party leaders. Training of political party members, with all parliamentary parties represented, is enhancing leadership skills. Principal Implementer: National Democratic Institute.

Strengthen the Legislative Function/Legal Framework (\$3,597,000 DA; \$2,000,000 ESF). In the first year of this two-year assistance program to the legislative branch of government, USAID is developing and institutionalizing a training curriculum for Members of the National Parliament and provincial assemblies. USAID is also providing assistance to continue the parliamentary intern program, strengthen Parliament's oversight function by building up the committee system, and improve public access to legislative processes. Resource centers to help Members of Parliament research legislation are being established in national and provincial assemblies. Principal Implementer: Development Alternatives, Inc (DAI).

Support Democratic Local Government and Decentralization (\$5,229,000 ESF). USAID is finalizing its support to the Devolution Trust for Community Empowerment -- a Pakistani initiative to help citizens provide feedback to local governments and prioritize and present their social and economic needs to local officials. A new Districts That Work program will focus increasingly on those districts where other USAID-supported programs are active and address governance issues that impede service delivery by local government education and healthcare providers. Principal Implementer: Urban Institute.

**FY 2007 Program:**

Promote and Support Credible Elections Processes (\$3,000,000 ESF). FY 2007 programming will address the critical issues leading up to the 2007 national elections, scheduled for October 2007. USAID will focus on ensuring an open and free electoral process. Work with political parties will need to focus on ensuring the credibility of the elections and the ability of the winners to rule afterward. Programming will also attempt to insulate the process from political interference. Principal Implementer: TBD.

Protect Human Rights (\$5,000,000 ESF). Programming will support local organizations and university legal departments in their efforts to launch public information campaigns that outline the rights of women in matters relating to inheritance, rape, domestic violence, and forced marriage. This will build the capacity of the legal sector to handle such cases. Principal Implementer: TBD.

Strengthen the Legislative Function/Legal Framework (\$4,768,000 DA; \$4,000,000 ESF). USAID will support further development of parliamentary institutions, including technical assistance to develop the committee system and build the capacity of staff to carry out support functions. Resources will also fund the construction of training facilities and committee rooms at the National Parliament. Principal Implementer: DAI.

Support Democratic Local Government and Decentralization (\$14,829,000 ESF). USAID will support the expansion of the Districts That Work program to five more districts in Pakistan. USAID assistance will improve local government capacity to plan programs, develop budgets, and ensure quality service delivery. A grants program will fund key infrastructure priorities in target districts. Principal Implementer: Urban Institute.

**Performance and Results:** The democracy and governance program was adjusted in FY 2005 to focus future activities more strongly on the key strategic issues relevant to Pakistan's democratic development. Concurrently, ongoing programs made good progress. The USAID devolution program created 73 partnerships in 37 districts involving community groups, local government, and the private sector in implementing priority development projects. USAID launched the first-ever internship program in the Senate of Pakistan that provided key Senate committees with assistance from 20 interns who competed from all provinces of Pakistan to be selected. Non-governmental organizations' capacities were increased to enable them to track national and provincial budgets in the Parliament and provide legislative oversight. Legislative Watch newsletter was created to track the performance of the National Parliament on issues such as the content of bills introduced and quality of debates on the floor of the National Assembly. Support provided to the Pakistani Senate Foreign Relations Committee enabled it to produce and disseminate reports regularly from its meetings. Legislative Affairs television aired programs in the North-West Frontier Province and Sindh Province that covered and analyzed provincial assembly proceedings and provided outreach to provincial legislators. To further expand Pakistan's media, USAID built a radio station and production studio at Fatima Jinnah Women's University (FJWU) in conjunction with its communications department. In addition, USAID enhanced the communications curricula at FJWU and Peshawar University to augment course offerings in radio journalism and production. The training of over 180 grassroots political party activists in three provinces resulted in the development of reform projects in the participants' respective political parties. At the end of this Strategic Objective, Pakistan will be recognized internationally as a strong emerging democracy.



## US Financing in Thousands of Dollars

Pakistan

391-004 Democracy and Governance	DA	ESF
<b>Through September 30, 2004</b>		
Obligations	19,200	3,742
Expenditures	13,345	3,678
Unliquidated	5,855	64
<b>Fiscal Year 2005</b>		
Obligations	2,427	10,800
Expenditures	7	0
<b>Through September 30, 2005</b>		
Obligations	21,627	14,542
Expenditures	13,352	3,678
Unliquidated	8,275	10,864
<b>Prior Year Unobligated Funds</b>		
Obligations	0	0
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	3,597	19,829
<b>Total Planned Fiscal Year 2006</b>		
Obligations	3,597	19,829
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	4,768	26,829
Future Obligations	0	0
Est. Total Cost	29,992	61,200

## Data Sheet

<b>USAID Mission:</b>	Pakistan
<b>Program Title:</b>	Emergency Economic Assistance
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	391-005
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$200,000,000 ESF
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2007 Obligation:</b>	\$200,000,000 ESF
<b>Year of Initial Obligation:</b>	2003
<b>Estimated Year of Final Obligation:</b>	2006

**Summary:** U.S. assistance to Pakistan advances the strategic goals of fighting terrorism and supporting peace in South Asia. Pakistan's political and economic stability are critical to realizing U.S. foreign policy objectives in South Asia.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Improve Economic Policy and the Business Environment (\$200,000,000 ESF). USAID will grant budget support funds as a cash transfer to enable Pakistan to invest in growth and macroeconomic stability as well as human capital and private sector development. The program is supporting the Government of Pakistan (GOP) during this time of economic hardship and political strain associated with the aftereffects of the October 8, 2005 earthquake and Pakistan's participation in the war on terror. Principal Implementer: GOP.

#### FY 2007 Program:

Improve Economic Policy and the Business Environment: (\$200,000,000 ESF). USAID will provide continued assistance to the GOP in FY 2007 for budget support. Principal Implementer: GOP.

**Performance and Results:** USAID utilized the FY 2005 funds to help the GOP meet critical foreign exchange needs and repay debts to multilateral institutions. The availability of U.S. dollars to meet these costs enabled the GOP to reallocate domestic resources within its budget to specific poverty reduction and social development activities. The grant funds will enable the GOP to increase budget allocations in priority development sectors and earthquake relief in accordance with mutually agreed-upon objectives.

## US Financing in Thousands of Dollars

Pakistan

391-005 Emergency Economic Assistance	<b>ESF</b>
<b>Through September 30, 2004</b>	
Obligations	1,000,000
Expenditures	1,000,000
Unliquidated	0
<b>Fiscal Year 2005</b>	
Obligations	200,000
Expenditures	200,000
<b>Through September 30, 2005</b>	
Obligations	1,200,000
Expenditures	1,200,000
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	0
<b>Planned Fiscal Year 2006 NOA</b>	
Obligations	200,000
<b>Total Planned Fiscal Year 2006</b>	
Obligations	200,000
<b>Proposed Fiscal Year 2007 NOA</b>	
Obligations	200,000
Future Obligations	0
Est. Total Cost	1,600,000

## Data Sheet

<b>USAID Mission:</b>	Pakistan
<b>Program Title:</b>	Economic Growth
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	391-006
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$7,310,000 DA; \$7,910,000 ESF
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2007 Obligation:</b>	\$5,239,000 DA; \$20,684,000 ESF
<b>Year of Initial Obligation:</b>	2003
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** USAID programs in Pakistan facilitate opportunities for people to improve their standard of living and for industries to become more globally competitive. Addressing the needs of the drought-affected areas, USAID works with community organizations to introduce better agricultural practices, livestock management techniques, and water conservation methods in Balochistan. In the financial sector, USAID provides financial services, including credit, in previously neglected areas of Balochistan, Sindh, and the Federally Administered Tribal Areas (FATA). USAID also assists microfinance institutions and commercial banks to design and deliver financial products tailored for micro, small and medium-sized businesses throughout Pakistan. Through a competitiveness approach, USAID facilitates private sector-led economic reform through direct support to small- and medium-sized industries.

### **Inputs, Outputs, Activities:**

#### **FY 2006 Program:**

Improve Private Sector Competitiveness (\$5,910,000 ESF). USAID and Government of Pakistan (GOP) co-financing is increasing key industry competitiveness in Pakistan's private sector by capitalizing on technology, human resources, infrastructure, and professional marketing. This assistance is helping to remove investment constraints by creating sustainable financing instruments for small- and medium-sized enterprises (SMEs), providing technical assistance and training to increase Pakistan's trade in regional and global markets, and reforming policies crucial for industrial growth. Sustainable or replicable outcomes are being funded on a matching basis with the private sector. USAID, the GOP, and U.S. and Pakistani academia are collaborating to initiate activities to develop a more skilled workforce for Pakistani industry. Together, they are identifying mechanisms to develop the workforce, in which job placement is a key component. An USAID-funded activity managed by the U.S. Department of Commerce (U.S. DOC) is strengthening the Pakistan Intellectual Property Rights Organization (PIPPO), raising public awareness about intellectual property issues, and training judges on PIPPO's enforcement practices. Principal Implementers: Nathan Associates and U.S. DOC.

Increase Agricultural Sector Productivity (\$4,155,000 DA). USAID is continuing to provide training to farmers in Balochistan on low technology and arid agriculture farming practices suitable for a region devastated by years of drought. The activity is providing technical assistance, training, and grant support to: test and disseminate better seeds, improve on-farm water practices, introduce high-value crops, improve livestock management, and encourage small-scale processing. In addition, USAID is helping Pakistan's avian influenza testing facilities to monitor and continue work on curbing the disease in the region. Principal Implementers: United Nations Food and Agriculture Organization (FAO).

Strengthen the Financial Services Sector and Increase Access to Capital (\$3,155,000 DA; \$2,000,000 ESF). USAID is continuing to support the expansion of microfinance services into the FATA, Balochistan, and Sindh provinces to reach an additional 125,000 clients in 2006. USAID is diversifying the range of financial services catering to the needs of SMEs, including new and larger loan products as well as micro-leasing services. Principal Implementers: Khushhali Bank, Pakistan Poverty Alleviation Fund, and Shorebank Advisory Services.

**FY 2007 Program:**

Improve Private Sector Competitiveness (\$679,000 DA; \$17,684,000 ESF). USAID will expand its competitiveness projects into additional sectors to increase their competitiveness, invest further in workforce development, and work with the GOP to improve Pakistan's business environment. Principal Implementers: Nathan Associates and U.S. Chamber of Commerce.

Increase Agricultural Sector Productivity (\$2,000,000 DA). USAID will continue to support arid agriculture and teach farmers in Balochistan low technology and arid agriculture farming practices suitable for a region devastated by years of drought. The overall activity will provide technical assistance, training, and grant support to: test and disseminate better seeds, improve on-farm water practices, introduce high-value crops, improve livestock management, and encourage small-scale processing. In addition, it will also help avian influenza testing facilities in Pakistan to monitor and continue work on curbing the disease in the region. Principal implementer: FAO.

Strengthen the Financial Services Sector and Increase Access to Capital (\$2,560,000 DA; \$3,000,000 ESF). USAID will continue to support financial services through its current microfinance activities in existing areas. Diversification of financial services will continue to expand and include microfinance institutions, leasing companies, and formal financial institutions in the program. Principal Implementers: Khushhali Bank, Pakistan Poverty Alleviation Fund, and Shorebank Advisory Services.

**Performance and Results:** USAID's microfinance activities leveraged substantial support from other donors in their first two years; provided technical assistance for product portfolio diversification; disbursed over 135,000 loans in rural areas of Balochistan and Sindh, approximately 30% of which were made to women; and helped five organizations develop credit products for small enterprises, with loans averaging \$1,400 and a total of over \$3,500,000 in credit available. The competitiveness activity has successfully organized the dairy, marble and granite, and gems and jewelry industries into sector working groups. These groups are strategizing to upgrade production and increase profits with the active involvement of the government. Based on their recommendations, the GOP incorporated seven policy reforms to further help these sectors. USAID and the GOP co-financed a \$20 million Competitiveness Support Fund to provide technical assistance and capital for pilot projects that will provide more than 500,000 people with access to financial services. As a result of this activity, entrepreneurs will have greater choices for financial products, seven to nine industry sectors will be more competitive internationally, and 50,000 farmers will have better livelihood options.

## US Financing in Thousands of Dollars

Pakistan

391-006 Economic Growth	DA	ESF
<b>Through September 30, 2004</b>		
Obligations	15,212	0
Expenditures	11,210	0
Unliquidated	4,002	0
<b>Fiscal Year 2005</b>		
Obligations	6,000	11,000
Expenditures	7	613
<b>Through September 30, 2005</b>		
Obligations	21,212	11,000
Expenditures	11,217	613
Unliquidated	9,995	10,387
<b>Prior Year Unobligated Funds</b>		
Obligations	0	0
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	7,310	7,910
<b>Total Planned Fiscal Year 2006</b>		
Obligations	7,310	7,910
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	5,239	20,684
Future Obligations	0	0
Est. Total Cost	33,761	39,594

## Data Sheet

<b>USAID Mission:</b>	Pakistan
<b>Program Title:</b>	Basic Health
<b>Pillar:</b>	Global Health
<b>Strategic Objective:</b>	391-007
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$23,110,000 CSH; \$22,554,000 ESF
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2007 Obligation:</b>	\$21,700,000 CSH; \$9,160,000 ESF
<b>Year of Initial Obligation:</b>	2003
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** Pakistan continues to face major challenges meeting the health needs of its people. Eighty percent of women deliver their babies at home but only 5% of home deliveries are cared for by a skilled birth attendant. This contributes to high levels of mother and newborn deaths. Spacing births by three to five years could reduce deaths, but one-third of families who have reached their desired family size or wish to space births lack access to contraception. Pakistan ranks sixth in the world in its burden of tuberculosis (TB), has a concentrated HIV epidemic that could spin out of control, and a few children still contract polio. USAID's health programs are designed to address all these problems. P.L. 480 resources will be used in FYs 2006 and 2007 to support and complement health and humanitarian activities in response to the Pakistan earthquake. All family planning assistance agreements incorporate clauses that implement the President's directive restoring the Mexico City policy.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Improve Child Survival, Health, and Nutrition (\$753,000 CSH; \$2,746,533 ESF). USAID is supporting a three-year child health program in the Federally Administered Tribal Areas (FATA). This program trains community health workers to treat children with acute respiratory infections and diarrhea and educate families on appropriate home-based health care and when to seek skilled health care. Community activities are being implemented in three of the seven FATA areas. Principal Implementer: John Snow International (JSI) and others To Be Determined (TBD).

Improve Maternal Health and Nutrition (\$5,135,000 CSH; \$11,827,467 ESF). In 10 districts, pregnant women and newborns are gaining access to safer, higher quality care in better equipped hospitals and rural health centers. USAID is training more than 3,000 health staff and renovating and equipping an estimated 40 hospitals and other health facilities. A national Demographic Health Survey is being initiated. The current agreement with the United Kingdom Department for International Development for health systems strengthening will be terminated March 31, 2006, and a replacement activity will be designed and awarded. Principal Implementers: JSI, Technical Assistance Management Agency, and Macro International.

Prevent and Control Infectious Diseases of Major Importance (\$3,465,000 CSH; \$7,980,000 ESF). USAID is continuing to fund National Immunization Days and community information campaigns on the importance of protecting children from polio, concentrating on districts with new polio cases. Personnel of public and private TB treatment centers are receiving further training to achieve better patient compliance with treatment and more accurate reporting of results. Attention is shifting to improve TB case management in private health facilities. USAID is funding a three-year safe drinking water activity to train local governments, non-governmental organizations (NGOs), and communities to manage government-provided water treatment units and to educate the community in safe transport and home storage of drinking water. Work is commencing in 13 districts/agencies in year one. USAID is establishing a field epidemiology training program to train district-level epidemiologists to investigate and respond to infectious disease outbreaks. Principal Implementers: World Health Organization (WHO), United Nations Children's Fund (UNICEF), and Centers for Disease Control and Prevention (CDC).

Reduce Transmission and Impact Of HIV/AIDS (\$1,330,000 CSH). A new three-year program is expanding HIV/AIDS efforts to two additional provinces -- the North-West Frontier Province and Balochistan; funding local NGOs to raise awareness among high-risk groups about how to prevent HIV infection; extending home-based care to additional people living with HIV/AIDS (PLWHA); and forming a network of PLWHA groups to advocate for better treatment options and reduce stigma. Principal Implementers: Research Triangle Institute (RTI).

Support Family Planning (\$12,427,000 CSH). An estimated 2.6 million couples who seek to space the births of their children will receive full information from well-trained health staff and have increased access subsidized family planning products. Principal Implementers: The Futures Group and Greenstar Social Marketing.

**FY 2007 Program:**

Improve Child Survival, Health and Nutrition (\$3,894,361 CSH). USAID's child health program will extend community activities to the remaining four FATA areas. Principal Implementer: TBD.

Improve Maternal Health and Nutrition (\$3,650,000 CSH; \$1,371,963 ESF). USAID will increase access for pregnant women and newborns to safer, higher quality care in better equipped hospitals and rural health centers. An additional 3,000 health staff will be trained, and an estimated 30 hospitals and other health facilities will be renovated and equipped. The national Demographic Health Survey will be completed. The new health systems strengthening program will be launched. Principal Implementers: JSI, Macro International, and others TBD.

Prevent and Control Infectious Diseases of Major Importance (\$3,405,639 CSH; \$7,478,037 ESF). If polio is eliminated, emphasis may shift to strengthening the overall immunization program. For TB control, public facilities will be monitored to determine where quality of diagnosis and treatment must be enhanced and improved. USAID's safe drinking water activity is expected to expand to 10 additional districts. Additional epidemiologists will be trained to manage infectious disease outbreaks. Principal Implementers: WHO, UNICEF, and CDC.

Reduce Transmission and Impact Of HIV/AIDS (\$900,000 CSH). USAID will continue strengthening local NGOs to raise awareness about HIV prevention and provide care to PLWHA. Principal Implementer: RTI.

Support Family Planning (\$9,850,000 CSH; \$310,000 ESF). An estimated three million couples will be able to space the births of their children through the purchase of subsidized family planning products. Principal Implementers: The Futures Group and Greenstar Social Marketing.

**Performance and Results:** Polio eradication efforts reduced polio cases by 60% from 2004 -- with 19 cases in 2005. Pakistan extended improved TB case management to 100% of government facilities in all districts but has yet to achieve the global target of at least 85% of patients completing their course of medication. To contain an HIV epidemic concentrated among high-risk groups, local NGOs delivered preventive messages to 120,000 people at risk for contracting HIV and supported 72 HIV-positive individuals and their 1,300 family members to obtain care. USAID provided information and family planning methods to nearly 1.8 million couples to help them space the births of their children. Strategies to reach poorer couples in rural and underserved areas are being implemented. Master trainers are being prepared to teach nursing and medical staff to respond better to pregnancy emergencies and to provide higher quality basic prenatal and newborn care. Pregnant women and newborns are obtaining greater access to care as ambulance service is commencing in seven districts, and authorities have agreed to initiate round-the-clock emergency obstetric care in 34 hospitals and rural health centers to cover ten districts. A national demographic health study is being planned to determine how many Pakistani women die during pregnancy and childbirth.



## US Financing in Thousands of Dollars

Pakistan

	CSH	ESF
391-007 Basic Health		
<b>Through September 30, 2004</b>		
Obligations	45,823	0
Expenditures	30,573	0
Unliquidated	15,250	0
<b>Fiscal Year 2005</b>		
Obligations	21,000	29,700
Expenditures	3,015	0
<b>Through September 30, 2005</b>		
Obligations	66,823	29,700
Expenditures	33,588	0
Unliquidated	33,235	29,700
<b>Prior Year Unobligated Funds</b>		
Obligations	0	0
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	23,110	22,554
<b>Total Planned Fiscal Year 2006</b>		
Obligations	23,110	22,554
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	21,700	9,160
Future Obligations	0	0
Est. Total Cost	111,633	61,414

## Data Sheet

<b>USAID Mission:</b>	Pakistan
<b>Program Title:</b>	Earthquake Reconstruction
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	391-008
<b>Status:</b>	New in FY 2006
<b>Planned FY 2006 Obligation:</b>	\$5,247,000 CSH; \$10,500,000 DA; \$40,095,000 ESF
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2007 Obligation:</b>	\$50,000,000 ESF
<b>Year of Initial Obligation:</b>	2006
<b>Estimated Year of Final Obligation:</b>	2009

**Summary:** On October 8, 2005, a magnitude 7.6 earthquake struck approximately 60 miles north-northeast of Islamabad near the capital of Pakistani-administered Kashmir, causing massive loss of life and damage. Initially, USAID worked with the U.S. military, other U.S. government agencies, and international non-governmental organizations to provide for the basic human needs of the survivors, committing \$58,582,969 in International Disaster and Famine Assistance funds and \$6,700,000 in P.L. 480 Title II Emergency Food for Peace funds for the relief phase of the earthquake response. In the next response phase, USAID will continue to deliver basic humanitarian assistance to survivors and begin the work of recovery and reconstruction. The transition from relief to reconstruction will be challenging given the large number of displaced persons and loss of livelihoods. To meet these challenges, USAID is working closely with U.S. military counterparts to develop coping scenarios for shelter and undertake needs assessments for food, water, sanitation, and building materials. In parallel, USAID reconstruction efforts will focus on rebuilding health and educational systems and facilities, and launching income generation programs to restore livelihoods in affected areas.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Achieve Equitable Access to Quality Basic Education (\$3,963,000 DA; \$14,738,000 ESF). USAID is initiating a teacher training program with the Government of Pakistan (GOP) to rebuild lost workforce and build the capacities of district government education officials who will guide the GOP's and donors' physical reconstruction efforts. Principal Implementers: To Be Determined (TBD).

Address Other Health Vulnerabilities (\$5,247,000 CSH; \$16,122,000 ESF). USAID is using reconstruction resources to help rebuild the lost healthcare workforce, as well as strengthen systems and capacities of the public health community. USAID is piloting innovative models with the public health community to better plan, manage, implement, and sustain an integrated package of primary healthcare services consistent with national GOP programs. These services take into account the high number of physical disabilities (amputations and other physical impairments) resulting from the earthquake. Services also target the psychosocial trauma suffered by children in affected communities with structured opportunities for children to study, play, and socialize throughout the day. Principal Implementers: TBD.

Expand and Improve Access to Economic and Social Infrastructure (\$9,235,000 ESF). To increase access to quality health services in areas of greatest damage and destruction, USAID is rebuilding primary health infrastructure to include both basic health units and secondary-level hospitals. In education, USAID is rebuilding primary and secondary public schools to ensure that young people have quality schools to attend. Specific school sites are being selected based upon land availability, critical mass of children, geo-technical suitability, and ready access to power, sanitation, and water. Principal Implementers: TBD.

Protect and Increase the Assets and Livelihoods of the Poor during Periods of Stress (\$6,537,000 DA). USAID is identifying local needs and capabilities to begin the design of a longer-term livelihoods program that incorporates and extends disaster relief activities as the emergency response phases out in the

spring. USAID is launching income generation programs to restore livelihoods to people in earthquake-affected areas. USAID is training skilled and unskilled individuals whose lives and communities have been destroyed. Training includes vocational training, agriculture and livestock development, asset formation, enterprise development, micro-credit, and market restoration in vocations such as masonry, carpentry, and plumbing. USAID's vocational training program trains Master Trainers, who in turn train residents living in isolated villages, urban areas, and temporary camps. Approximately 35% of all people trained are expected to be women. Principal Implementers: TBD.

**FY 2007 Program:**

Achieve Equitable Access to Quality Basic Education (\$4,104,000 ESF). USAID will continue a teacher training program with the GOP to rebuild lost workforce and continue capacity building of existing district government education officials. Principal Implementers: TBD.

Address Other Health Vulnerabilities (\$7,514,000 ESF). USAID will continue using reconstruction resources to help rebuild the lost healthcare workforce, as well as strengthen systems and capacities of the public health community. Based on the results of the pilot programs, USAID will implement innovative models with the public health community to better plan, manage, implement, and sustain an integrated package of primary healthcare services consistent with national GOP programs. Principal Implementers: TBD.

Expand and Improve Access to Economic and Social Infrastructure (\$30,178,000 ESF). To increase access to quality health services in areas of greatest damage and destruction, USAID will continue focusing health facility reconstruction on primary health care infrastructure and secondary-level hospitals. In education, USAID will continue focusing on rebuilding primary and secondary-level public schools to ensure that young people have quality schools for good basic education. Specific school sites will be selected based upon assessments to be completed in 2006. Principal Implementers: TBD.

Protect and Increase the Assets and Livelihoods of the Poor during Periods of Stress (\$8,204,000 ESF). USAID will base its activities upon an analysis of pre-earthquake livelihoods likely to be restored after reconstruction. Illustrative activities may include: vocational training, agriculture and livestock development, asset formation, enterprise development, micro-credit, and market restoration. Principal Implementers: TBD

**Performance and Results:** This is a new strategic objective. No performance data is available for FY 2005 but will be available at the end of FY 2006.

## US Financing in Thousands of Dollars

Pakistan

	CSH	DA	ESF
391-008 Earthquake Reconstruction			
<b>Through September 30, 2004</b>			
Obligations	0	0	0
Expenditures	0	0	0
Unliquidated	0	0	0
<b>Fiscal Year 2005</b>			
Obligations	0	0	0
Expenditures	0	0	0
<b>Through September 30, 2005</b>			
Obligations	0	0	0
Expenditures	0	0	0
Unliquidated	0	0	0
<b>Prior Year Unobligated Funds</b>			
Obligations	0	0	0
<b>Planned Fiscal Year 2006 NOA</b>			
Obligations	5,247	10,500	40,095
<b>Total Planned Fiscal Year 2006</b>			
Obligations	5,247	10,500	40,095
<b>Proposed Fiscal Year 2007 NOA</b>			
Obligations	0	0	50,000
Future Obligations	0	0	0
Est. Total Cost	5,247	10,500	90,095

## Data Sheet

<b>USAID Mission:</b>	Pakistan
<b>Program Title:</b>	Program Support Objective
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	391-009
<b>Status:</b>	New in FY 2006
<b>Planned FY 2006 Obligation:</b>	\$1,500,000 ESF
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2007 Obligation:</b>	\$1,500,000 ESF
<b>Year of Initial Obligation:</b>	2006
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** USAID's Program Support Objective (PSO) is designed to support programs and initiatives that impact each of its Strategic Objectives in Pakistan. USAID has identified four essential activities that cut across all strategic objectives: international cooperative administrative support services (ICASS), shared project-funded personnel, public outreach, and monitoring and evaluation. The impact of including these activities under the PSO will be improved program integration and reduced overlap and staff time.

### **Inputs, Outputs, Activities:**

#### **FY 2006 Program:**

Program Support (\$1,500,000 ESF). USAID resources will support programmatic and administrative functions for the entire program. The PSO will fund development outreach and communication efforts in Pakistan, including the services of a communications firm to develop indicators and materials that support USAID's communication strategy for Pakistan. The PSO will also fund monitoring and evaluation activities. The PSO will fund the information technology applications and services costs attributable to program-funded staff in Washington and Pakistan. Principal Implementers: To Be Determined (TBD).

#### **FY 2007 Program:**

Program Support (\$1,500,000 ESF). USAID plans to continue to fund program support costs that affect multiple strategic objectives. In FY 2007, funding will continue to support programmatic, administrative, and management needs such as technical assistance, staff salaries, performance monitoring and evaluation, financial analyses, program-funded information technology applications and services, and public outreach activities. Principal Implementers: TBD.

**Performance and Results:** The Program Support Objective is new in FY 2006. It is a mechanism to simplify essential financial management services and allocate them more efficiently, improve program integration, and support cross-cutting activities.

## US Financing in Thousands of Dollars

Pakistan

391-009 Program Support Objective	ESF
<b>Through September 30, 2004</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2005</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2005</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	0
<b>Planned Fiscal Year 2006 NOA</b>	
Obligations	1,500
<b>Total Planned Fiscal Year 2006</b>	
Obligations	1,500
<b>Proposed Fiscal Year 2007 NOA</b>	
Obligations	1,500
Future Obligations	0
Est. Total Cost	3,000