



2020-21 PAKISTAN DEVELOPMENT PROGRAM PROGRESS REPORT

The *2020-21 Pakistan Development Program Progress Report* summarises progress for the reporting period 1 July 2020 to 30 June 2021 of implementation of the Australia – Pakistan COVID-19 Response Plan and program highlights.

Our development program to Pakistan contributes towards achieving the following Sustainable Development Goals.



Program Budget	2020-21 Budget Estimate \$m*
Bilateral	0
Regional	5.8
Global	3.8
Other Government Departments	1.4
Total ODA	11.0

*Actual expenditure is expected to be available in December 2021/January 2022.

CONTEXT

Australia and Pakistan have a long-standing relationship. As our development relationship gradually transitions to a stronger economic partnership, we maintain a commitment to supporting inclusive development, prosperity and security.

Pakistan's development trajectory has long been impacted by protracted humanitarian crises and slow progress on key indicators. Pakistan is under added pressure from the situation in Afghanistan and COVID-19 and will continue to face challenges in meeting its sustainable development objectives without international assistance.

The volatile situation in Afghanistan presents downside risks, with any collapse in the Afghan economic and security situation likely to spill over to Pakistan's economy and to push large numbers to seek refuge in Pakistan.

Pakistan's economy was significantly impacted by COVID-19 but has since been showing signs of recovery – gross domestic product (GDP) growth was forecast by the Asian Development Bank (ADB) to be 3.9 per cent in 2021, up from -0.5 per cent in 2020. Recovery is expected to continue, with GDP growth forecast to be 3.9 per cent 2022. The economy continues to face serious challenges, including: limited capacity to implement reforms under the International Monetary Fund (IMF) program; low foreign investment; limited reserves; high fiscal deficits; and high food inflation. Sustained increases in remittances over the past year have boosted capital inflows.

Pakistan's COVID-19 response has focused on support for livelihoods of the most vulnerable (through its flagship social protection program Ehsaas), localised restrictions, increasing the surge capacity of the health system and procuring vaccines. As at October 2021, there have been over 1.2 million cases and over 27,000 deaths reported, although low rates of testing per capita mean actual figures could be higher. Pakistan has administered over 94 million individual vaccine doses to its 221 million population, with 65 per cent of the adult population having a first dose and 35 per cent fully vaccinated. Despite vaccine hesitancy, since the resumption of targeted polio vaccination drives in late 2020, Pakistan has recorded only a single case in 2021 (down from 84 in 2020). Community distrust, repeated attacks against vaccinators and the potential inflow of displaced Afghans threaten to unravel fragile gains.

AUSTRALIA'S RESPONSE AND PROGRAM HIGHLIGHTS

Though our bilateral development program to Pakistan ended in June 2020, several fully funded legacy investments continued to be implemented and these investments pivoted to a COVID-19 response in 2020-21. Other Australian regional and global development programs continued to provide support.

Health Security

Australia provided **emergency assistance** to respond to immediate COVID-19 health security challenges. Australia commenced work with the National Institute of Health to strengthen Pakistan's COVID-19 surveillance systems through procurement of testing equipment and expanding Pakistan's capacity to detect new variants. Through the Water for Women Fund, we **improved water, sanitation and hygiene (WASH)** facilities in Khyber Pakhtunkhwa (KP). This includes support for women and transgender entrepreneurs to expand businesses as well as establishing public WASH facilities and rehabilitating existing community water sources. Through Australia's partnership with United Nations Population Fund (UNFPA), Australia provided **sexual and reproductive health (SRH) and protection services** to Afghans and vulnerable host communities, plugging a gap in service delivery for women in deeply conservative regions. Training of health care workers in the provision of sexual and reproductive health (SRH), **family planning and gender-based violence services** improved the long-term sustainability of this program.

Stability

Australia supported refugees, host communities and vulnerable households in the Pakistan-Afghanistan border areas through **food and cash assistance in the reporting period**. The World Food Programme (WFP) provided **emergency assistance** to over 260,000 people in disaster-affected areas, as well as **income support to families of adolescent girls** to encourage them to continuing their schooling. WFP also advanced the nutrition agenda through a trial of wheat flour fortification in partnership with government. Australia's contribution to the World Bank Multi-Donor Trust Fund (MDTF) for KP, Balochistan and the former Federally Administered Tribal Areas, combined with other sources of financing, helped provide a range of citizen services, including emergency assistance grants for temporarily displaced families returning home and child wellness grants for new mothers. In its final year, the KP Education Sector Program, Australia's largest bilateral investment in Pakistan, strengthened the provincial education system and delivered **quality education** to children in KP.

Australia partnered with the United Nations Development Program (UNDP) to **empower vulnerable women in communities at risk of violent extremism** and provide pathways for leadership and resilience. The program also provided critical legal, protection and health services to over 300 women. The UNFPA's protection support services, including counselling and referrals for specialised services for women survivors of violence, paved the way for more stability. The Direct Aid Program (DAP) supported the capacity building of women parliamentarians in KP and Punjab, contributing towards the passage of **new legislation on domestic violence** and the strengthening of child protection policies. DAP also helped achieve a judicial decision against use of the death penalty for mentally ill prisoners through advocacy, training and capacity building.

Australia continued to share its expertise in water management through targeted support during the reporting period. CSIRO supported Pakistan to adopt a system to calculate water allocations between Sindh and Punjab accurately and efficiently. The Australian Water Partnership mapped opportunities to improve water investment, management and use in Karachi and Lahore. The new Regional Water Security Initiative was launched during the year.

Economic recovery

Australian aid investments continued to achieve strong results in economic recovery and growth in the reporting period. In its final year, the Market Development Facility stimulated additional market transactions and helped poor people increase incomes. Through the Food and Agriculture Organisation (FAO), Australia provided support to develop the Balochistan Agriculture Policy, approved in July 2021. The Australian Centre for International Agricultural Research (ACIAR) supported **reform of Punjab's horticultural sector** to enable entry of new business into the market and to support smallholder farmers. Australia's contribution to the MDTF resulted in the revenue authorities of KP and Balochistan substantially increasing tax collection, positively impacting the provinces' ability to finance their own development. In 2020 and 2021, 20 Australia Awards scholarships were awarded for Masters degrees in Australia, to commence as soon as international travel to Australia resumes; 11 were awarded to women.

ANNEX 1: PROGRESS AGAINST COVID-19 RESPONSE PLAN RESULTS INDICATORS

Health Security

Key Results Indicators	Progress/Result
<p>Number of medical products to which Australia has contributed that are available in Pakistan</p> <ul style="list-style-type: none"> Personal protection equipment (PPE) and ventilators procured and distributed (227,620 PPE, 31 ventilators) Number of contraceptives to protect from unplanned pregnancies made available through Australian support (Target: Couple Year Protection¹ [CYP] 3,500 in 2020-21) 	<p>Provided one RNA extraction machine, 10 ventilators and 213,971 other PPE including masks, face shields and gloves.</p> <p>Provided 18,164 Couple-Years of Protection during March 2020– Feb 2021.</p>
Number of safe deliveries attended by a skilled birth attendant (Target: 9,000 in 2020-21)	Supported 8,393 safe deliveries attended by a skilled birth attendant.
Number of vulnerable people reached with emergency assistance in conflict and crisis situations (Target: 146,370 men, 140,630 women in 2020-21)	<p>Supported emergency assistance to 261,341 people (128,057 women) in conflict and crisis situations.</p> <p>Supported emergency assistance to 82 families through recovery grants to assist displaced families to return home after displacement.</p>
Health systems and preparedness: number of partner countries where Australia has contributed to strengthened health systems including preparedness for health emergencies, with examples	<p>Supported 22 health facilities in Balochistan and Khyber Pakhtunkhwa (KP) provinces to provide Basic Emergency Obstetrics and Newborn Care services, while graduating one facility to offer Comprehensive Emergency Obstetrics and Newborn Care. Seven of these health facilities have also been included in the government supported plans to operate 24/7. Remaining facilities will continue to operate for the standard (set by government) half day duration.</p> <p>Supported WFP to integrate stunting prevention into the social safety net programmes. WFP also provided technical guidance to the government's Food Department and raised awareness of nutrition and fortification matters through health workers and radio messages.</p>

Stability

Key Results Indicators	Progress/Result
Number of women and girls survivors of gender-based violence (GBV) received services (Target: 5,587 in 2020-21)	In partnership with UNFPA and UNDP, supported GBV services to 2,269 women and 147 people with disabilities.

¹ Couple years of protection (CYP) is the estimated protection provided by contraceptive methods during a one-year period, based upon the volume of all contraceptives sold or distributed free of charge to clients during that period.

Key Results Indicators	Progress/Result
Number of people reached by digitised violence against women (VAW) messaging (Target: 50,000 in 2020-21)	Reached 5,112,332 people with information and positive messaging on VAW and COVID-19 through social media posts and the radio.
Number of people reached with VAW video content through social and electronic media (Target: 10,000,000 in 2020-21)	Reached 10,113,141 people through VAW videos and through social media and electronic media content.
Number of children in disadvantaged districts supported with inclusive distance learning as part of response and recovery from COVID-19 crisis (Target: 27,700 by December 2021)	Supported, with other donors, distance learning schemes across Pakistan to reach up to 11 million students who were already out of school before the pandemic hit. Also supported about 5.5 million girls to remain in school who may have left school due to the economic impacts of COVID-19.
Examples of improved urban water resource governance in two communities	Supported the mapping of opportunities to improve water investment, management and use in Karachi and Lahore. For example, urban water diagnostics, urban water security roadmaps and supplementary Action Plans were completed for these two cities. This supported Australia's ongoing water dialogue with Pakistan.
Examples of policy and technical advice provided to improve governance systems and enhance social protection	<p>In partnership with other donors and under the MDF, supported the KP Revenue Authority to improve revenue collection. This increased collection of Sales Tax on Services (STS) revenue by PKR 14.5 billion. Also supported the Balochistan Revenue Authority to improve revenue collection by PKR 9.04 billion in Sales Tax.</p> <p>Supported the Government of Pakistan to adopt a system to accurately and efficiently calculate water allocations between the Sindh and Punjab provinces. The Commonwealth Scientific and Industrial Research Organisation's Water Apportionment Accord tool helped to digitise calculations that were undertaken manually. The tool is being embedded across government department and provides a basis for data-driven policy making.</p>
Social protection measures: Numbers reached with new or improved social protection programs, including remote communities (M/F)	Supported 2,728 women through social protection programs. Consistent with the Pakistan Government's flagship 'Ehsaas' cash assistance program, women family leads received Australian-funded cash transfers directly.
School enrolments: Number of additional girls and boys enrolled in school (M/F)	Through the Khyber Pakhtunkhwa Education Sector Program and partnership with WFP's girls' education stipend initiative, 2,632 new children (2,587 girls and 45 boys) were enrolled in schools during July 2020 – June 2021.
Food security: Countries Australia has supported in the last 12 months with policy and technical advice and support on building capacity for food security (including examples of assistance provided and results achieved)	In partnership with FAO, supported the development of the Balochistan Agriculture Policy (2021-2030) and approved by the Cabinet of Balochistan. This policy is a sister document to the Balochistan Livestock Policy 2020-2030, also developed with support to FAO and launched in 2019.

Economic Recovery

Key Results Indicators	Progress/Result
Number of women entrepreneurs provided with financial and / or business development services (Target: 11,921 to June 2021)	Supported the creation of 669 jobs for women, plus provided grants to 206 women-owned small to medium enterprises to development income generating activities. COVID-19 related delays significantly impacted entrepreneurial training and income generation opportunities, resulting in targets not being met.
Number of poor women and men with increased incomes (Target: 40,317 women and 55,329 men to June 2022)	Under the Market Development Facility (MDF), supported 34,984 women and 35,016 poor men increased their incomes.
Value of Additional Market Transactions as a result of adoption of demonstrated models and innovations (Target: USD31,295,000 to June 2022)	Under MDF, stimulated USD 8,824,862 in additional market transactions. As business models mature, additional market transactions are expected to surge and reach targets by 2022.
Examples of policy and technical advice provided to improve economic recovery	<p>Under an ACIAR project, supported efforts to modernise Pakistan's horticultural sector. This influenced the amendment of the Punjab Agricultural Marketing Regulatory Authority Act. This in turn enabled the entry of more progressive-minded firms into the market and prioritising modernisation initiatives for smallholder farmers.</p> <p>Through the ADB Trade Finance Program, provided guarantees and loans through partner banks to enhance the trade in medical supplies and consumer goods. This supported 650 transactions valued at USD 1.2 billion – 32 percent of which was co-financed by the private sector.</p>

ANNEX 2: INVESTMENT PERFORMANCE RATINGS

Investment Details	Year	Effectiveness	Efficiency	Gender
Khyber Pakhtunkhwa Education Sector Program Investment duration: 2012-21; Budget: \$57.45m	2021	4	4	4
	2020	4	4	4
World Bank Multi Donor Trust Fund for Border Areas Investment duration: 2012-22; Budget: \$46.7m	2021	4	3	3
	2020	4	4	4
Humanitarian Assistance & Disaster Risk Reduction Investment duration: 2014-21; Budget: \$10.5m	2021	4	2	3
	2020	4	5	4

FINAL INVESTMENT PERFORMANCE RATINGS

Investment Details	Year	Effectiveness	Efficiency	Gender
World Bank Multi Donor Trust Fund for Nutrition Investment duration: 2013-20; Budget: \$26.1m	2021 FIMR	2	2	3
	2020 IMR	3	2	4
FAO Australia Balochistan Agribusiness Program Phase II Investment duration: 2016-20; Budget: \$12.65m	2021 FIMR	4	4	5
	2020 IMR	4	4	5

HUMANITARIAN INVESTMENT PERFORMANCE RATINGS

Investment Details	Year	Effectiveness	Efficiency	Gender
Pakistan Humanitarian Support WFP, UNFPA & IOM Investment duration: 2016-22; Budget: \$28.7m	2021 HIMR	4	5	5
	2020 HIMR	4	4	5

Definitions of rating scale:

Satisfactory (4, 5 and 6)

6 = Very good; satisfies criteria in all areas.

5 = Good; satisfies criteria in almost all areas.

4 = Adequate; on balance, satisfies criteria; does not fail in any major area.

Less than satisfactory (1, 2 and 3)

3 = Less than adequate; on balance does not satisfy criteria and/or fails in at least one major area.

2 = Poor; does not satisfy criteria in major areas.

1 = Very poor; does not satisfy criteria in many major area.