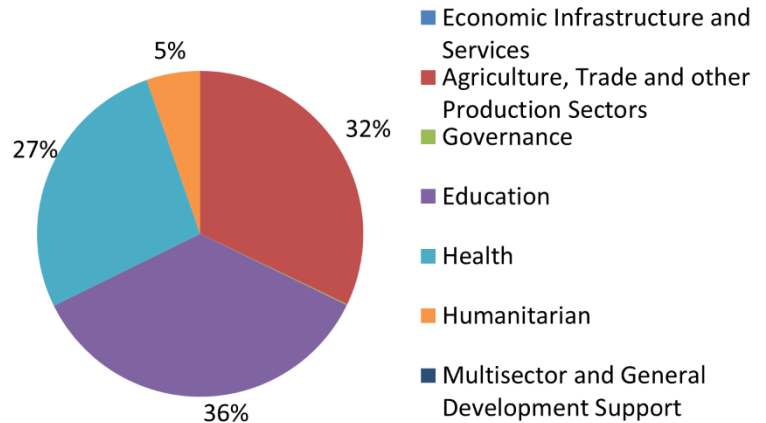


2021-22 PAKISTAN DEVELOPMENT PROGRAM PROGRESS REPORT

The COVID-19 Development Response Plan for Pakistan has been extended through 2022-23. In 2022-23, the Pakistan program will have a stronger focus on food security and health, in support of the critical humanitarian needs of the flood-affected communities, and climate change, given Pakistan has been ranked as the eighth most vulnerable country in the *Global Climate Risk Index 2021* and is facing the consequences of record flooding.

Program Budget	2021-22 Budget Estimate \$m*
Bilateral	0.0
Regional	2.6
Global	2.9
Other Govt. Departments	2.6
Total ODA	8.0

Pakistan Development Program, by Sector Group 2021-22 Budget Estimate*



*Actual expenditure is expected to be available in early 2023. Due to rounding, totals may not match the sum of components.

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




The 2021-22 Pakistan Development Program Progress Report summarises progress with implementation of the Australia-Pakistan COVID-19 Development Response Plan and highlights program results.

CONTEXT

Australia's development cooperation in FY21-22 focused on stability and humanitarian responses to protracted crises. The drought in 2021 was followed by record-breaking floods in 2022. Any collapse in the Afghan economic and security situation would easily spill over to Pakistan. As Australia's development relationship with Pakistan gradually transitions to an economic partnership, we maintain a commitment to support inclusive development, prosperity and security.

Pakistan's economy was significantly impacted by COVID-19 in 2020 but recovered strongly over the following two years. Real GDP growth is forecast to reach 6 per cent in 2022 (does not include flood impacts), up slightly from 5.7 per cent in 2021 after a contraction of 0.9 per cent in 2020. Export volumes in 2022 are estimated to grow 3.7 per cent (off a low base), while imports are expected to increase by 8.1 per cent. Pakistan's gross government debt in 2022 is expected to be 78.9 per cent of GDP, up from 77.9 per cent in 2021. Pakistan continues to face significant external and fiscal imbalances, constraining its capacity to implement required International Monetary Fund (IMF) structural reforms. Strong capital outflows in 2022 depleted foreign exchange reserves, leading to a sharp currency depreciation. **Challenges with high food inflation and flood impacts will impact ongoing economic recovery.**

At the outset of the COVID-19 pandemic, Pakistan was ranked in the top 20 countries for confirmed cases but managed largely to contain the virus's spread. To mitigate the economic hardship from local lockdowns, the government provided cash assistance to the most vulnerable. As of 28 September 2022, the Government of Pakistan reported



almost 1.6 million confirmed cases with a mortality rate of 1.95 per cent, which compares well with comparably populous neighbouring countries. Just under 57 per cent of the population is fully vaccinated. In the coming year, Pakistan must respond to the **critical humanitarian needs of an estimated 33 million flood-affected people, particularly in relation to an impending food crisis and spread of waterborne and infectious diseases.** As the recovery and reconstruction phases commence, we will monitor investments to support required climate adaptation and resilience.

AUSTRALIA'S RESPONSE AND PROGRAM HIGHLIGHTS

Health Security

Australia's investment in an Asian Development Bank (ADB) Disaster Response Fund supported Pakistan's COVID-19 surveillance and testing. It enabled the National Disaster Risk Management Fund to procure diagnostic and related equipment for the National Institute of Health (NIH). This project assisted the **expansion of the genomic sequencing capacity of the NIH laboratories in Islamabad and four provinces, as well as trained 754 (378 females) health workers.**

Australia also supported investments that aimed to mitigate the heightened risk of gender-based violence and assist Pakistan deliver uninterrupted family planning and sexual and reproductive health services to the vulnerable communities, including Afghan refugees, throughout the pandemic. Marie Stopes Society and Family Planning Association of Pakistan provided **sexual and reproductive health services, such as counselling on family planning methods and provision of contraceptives to 97,900 and 20,642 clients** respectively through medical camps and alternative service delivery models.

The UN Fund for Population (UNFPA) continued to deliver strong results by reaching out to 231,141 beneficiaries including 170,437 women and 60,704 men, as well as working to **improve the capacity of the provincial governments' health systems.** DFAT will continue to monitor the spread of infectious diseases, including resurgence of COVID-19, as done in the past 12 months, arising from the massive displacement of people caused by the devastating floods.

Stability

Disruptions to the food supply chain from the COVID-19 pandemic caused moderate to severe food shortages for 40 per cent of the population. Australia's regional and bilateral programs provided **food aid, cash assistance and livelihood support that assisted vulnerable households and refugees in the Pakistan-Afghanistan border areas.**

Our investments enabled the **World Food Programme (WFP) to reach out to over 390,000 beneficiaries,** of which 49 per cent were women. In the high threat districts near the Afghan and Pakistan border, WFP assisted 7,210 local community members by rebuilding and restoring community assets. WFP conducted a **trial of wheat flour fortification to enhance nutrition** and supported a **pilot program to incentivise schools' enrolment and retention of 13,958 girls through a cash-based stipend program.**

Australia's contribution through the World Bank Multi-Donor Trust Fund assisted **create over 2,200 jobs, supported 432 small enterprises (including 18 female entrepreneurs) and provided 800,000 child wellness grants for new mothers.**

Australia's water security and sanitation programs supported Pakistani **communities gain access to clean, usable and drinkable water during the pandemic, improving hygiene practices to help curtail the spread of COVID-19.** The Australia-Pakistan Water Security Initiative (APWASI) also supported two disadvantaged urban communities gain access to useable and drinkable water. A Water for Women Fund is building the capacity of under-privileged communities in Khyber Pakhtunkhwa to claim their rights to clean drinking water and sanitation services.

Administered funds supported the Australian Federal Police deliver training to strengthen the Pakistan's counterterrorism capabilities. Topics covered include **cryptocurrency, open-source intelligence techniques and geographic profiling analysis.** Home Affairs also delivered maritime security training through its International Capacity Building Program.



Economic recovery

While our economic investments were not directly targeted at addressing the socio-economic impacts of the pandemic, the program improved economic outcomes for small enterprises adversely affected by COVID-19 lockdowns. In its post-implementation period, the Market Development Facility (MDF) generated higher business turnover for businesses engaged in the program. MDF generated over USD 44 million in additional market transactions over the life of the COVID-19 response plan. DFAT's partnership with a large commercial dairy producer, **improved the socio-economic status of 4,000 rural women in Punjab**. The work of the Australian Centre for International Agricultural Research (ACIAR) strengthened value chains and productivity for vegetables and pulses. Once COVID-19 border restrictions eased, **20 Australia Awards Scholarship awardees (including 11 women) commenced study in Australia**. In the next 12 months, livelihood support for communities affected by the floods may need to be prioritised.

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

Health Security

Key Results Indicators	Progress/Result
Number of medical products to which Australia has contributed that are available in Pakistan: PPE and ventilators procured and distributed (227,620 PPE, 31 ventilators)	An additional 2,304 medical products (including 822 items of diagnostic equipment) were provided by Australia to the National Institute of Health to strengthen its COVID-19 surveillance capacity.
Number of contraceptive protections from unplanned pregnancies made available through Australian support (Target: Couple Year Protection (CYP) 3,500 in 2020-21)	2,254 clients for Couple Year Protection (CYP) using modern contraceptive methods were supported. In addition, Marie Stopes Society generated 116,798 CYP in FY 21-22.
Number of safe deliveries attended by a skilled birth attendant (Target: 9,000 in 2020-21)	10,502 deliveries were conducted by skilled birth attendants. The Family Planning Association of Pakistan supported 5,507 safe deliveries in FY-21-22
Number of vulnerable people reached with emergency assistance in conflict and crisis situations (Target: 146,370 men, 140,630 women in 2020-21)	248,404 vulnerable people (121,712 women and 126,692 men) were reached with emergency assistance in conflict and crisis situation
The Water for Women Fund assisted communities transition their villages to Open Defecation Free (ODF) sites	Water Sanitation and Hygiene activities encouraged communities in 73 villages in Khyber Pakhtunkhwa to adopt ODF practices.
Health system and preparedness: number of partner countries where Australia has contributed to strengthened health systems including preparedness for health emergencies with examples ¹	Through UNFPA, Australia supported delivery of sexual and reproductive health, family planning and gender-based violence services to communities in Balochistan and Khyber Pakhtunkhwa provinces which also host Afghan refugees. The program strengthened innovative health models and reinforced the public health systems in reaching vulnerable communities including Afghan refugees.

Stability

Key Results Indicators	Progress/Result
Improved urban water resource governance in two communities	Australia's investments 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.
Number of women and girls' survivors of gender-based violence (GBV) received services (Target: 5,587 in 2020-21)	UNFPA provided 4,986 women and girls survivors with gender-based violence services.

¹ This indicator was added in the Pakistan CDRP Progress Report for 2020-21.



Number of additional girls and boys enrolled in schools (M/F) ²	Australia's budget support to Khyber Pakhtunkhwa Education Department resulted in additional enrolment of 82 girls and 92 boys in FY 21-22.
Policy and technical advice to improve governance and enhance social protection	<p>The World Food Program provided conditional livelihood cash assistance (\$50) to targeted households in ex-Federally Administered Tribal Areas for six months, enabling the local community to rehabilitate and build assets, such as flood protection walls, irrigation-channels and water-ponds. Targeted women groups were given skills-based training to create income generation opportunities.</p> <p>The World Bank's Multi-Donor Trust Fund (MDTF) under the Child-Wellness-Grant promoted child health services to temporarily and permanently displaced persons with children (up to two years of age). The conditional grant was provided for attending health awareness sessions and covered services for immunization and referrals for complicated cases.</p>
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)	No data available for Pakistan for the FY 2021-22 from the supporting investment INN 768 – Global Partnership for Education.
Number of people reached by digitised violence against women (VAW) messaging (Target: 50,000 in 2020-21)	The supporting investment Oxfam – Curbing violence against women and girls through arts and entertainment ended in February 2021. No results available for FY 2021-22.
Number of people reached with VAW video content through social and electronic media (Target: 10,000,000 in 2020-21)	The supporting investment Oxfam – Curbing violence against women and girls through arts and entertainment ended in February 2021. No results available for FY 2021-22.
Social protection measures: Numbers reached with new or improved social protection programs, including remote communities (M/F) ³	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.
Food security: countries where 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) ⁴	Australia through WFP supported a pilot wheat fortification project through ten small scale flour mills, by fortifying the flour with important nutrients, such as B12, folic acid, iron and zinc. In addition, a Humanitarian Response Facility was established in Azad Jammu & Kashmir for a rapid response to disasters.

Economic Recovery

Key Results Indicators	Progress/Result
Number of female entrepreneurs provided with financial and / or business development services (Target: 11,921 to June 2021)	MDTF in Border Areas aided 18 female entrepreneurs through matching grants to sustain their businesses in the FY 2021/22.

² This indicator was added in the Pakistan CDRP Progress Report for 2020-21.

³ This indicator was added in the Pakistan CDRP Progress Report for 2020-21.

⁴ This indicator was added in the Pakistan CDRP Progress Report for 2020-21.





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), 42,255 poor women and 51,417 men increased their incomes, exceeding the target for women and meeting 93 per cent of the target for men.
Value of Additional Market Transactions as a result of adoption of demonstrated models and innovations (Target: USD31,295,000 to June 2022)	MDF exceeded the target by generating USD 44,897,341 in additional market transactions over the life of the COVID-19 response plan. This increase has mainly come from the horticulture sector with the implementation of two new interventions in 2021 and maturing of previous interventions.
Policy and technical advice provided to improve economic recovery	WB MDTF in Border Areas through its policy interventions helped the Balochistan and Khyber Pakhtunkhwa Revenue Authorities implement measures to improve revenue collection and sales tax. In FY 2021/22 Balochistan and Khyber Pakhtunkhwa collected PKR7.87 billion (AUD55.57 million) and PKR26.5 billion (AUD185 million)

ANNEX 2: INVESTMENT PERFORMANCE RATINGS

Investment Details	Year	Effectiveness	Efficiency	Gender Equality
Khyber Pakhtunkhwa Education Sector Program Investment duration: 2012-21; Budget: \$57.45m	2022	4	4	4
	2021	4	4	4
World Bank Multi Donor Trust Fund for Border Areas Investment duration: 2012-22; Budget: \$46.7m	2022	4	3	3
	2021	4	3	3
Disaster Risk Reduction (NDRMF) Investment duration: 2014-22; Budget: \$10.5m	2022	4	3	3
	2021	4	2	3

HUMANITARIAN INVESTMENT PERFORMANCE RATINGS

Investment Details	Year	Effectiveness	Efficiency	Gender Equality
Pakistan Humanitarian Support WFP, UNFPA & IOM Investment duration: 2016-22; Budget: \$28.7m	2022 HIMR	4	5	5
	2021 HIMR	4	5	5

Note: the above programs are those that Post monitors and evaluates.

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.