Update on IDC’s ‘UK development assistance to Pakistan’ report recommendations

Case for reform

Recommendation 1: However critical our witnesses were of the failings of successive Pakistan governments to deliver development, all agreed that the UK should maintain a development assistance programme. We agree that DFID should have a bilateral programme in Pakistan which has an important strategic position in the world, strong ties with the UK and its stability and prosperity is currently in question.

Agree. During their visit to Pakistan, the IDC heard that DFID is a trusted and valued partner able to operate at scale and make a positive impact on millions of people’s lives. Pakistan is the sixth most populous country in the world with an estimated population of 180 million. As many as one in three Pakistanis live on 30p a day or less. One in eleven children die before their fifth birthday. Levels of under nutrition are above emergency thresholds at 19%. Pakistan also faces an education emergency. Half of all adults, and two thirds of women, are illiterate and 12 million children are out of school.

Entrenched poverty is denying opportunities to millions of people and undermining Pakistan’s long term stability and prosperity. Furthermore, population growth is high. By 2020 the population could exceed 205 million, with nearly 40% aged 10-29 years. With economic growth averaging only 3.5% over the past 5 years and the population increasing by 2% year on year, Pakistan is struggling to maintain living standards or to create jobs for millions of young people, leading to increased poverty and instability.

A stable Pakistan can also help support security and development across the region. As NATO troops withdraw from Afghanistan in 2014, Pakistan will have a key role to play in regional stability. Helping Pakistan take advantage of opportunities for trade with India and the wider region will make a significant contribution to regional and global prosperity.

On election day on 11 May, Pakistan made a crucial step in the transfer of power from one democratically elected Government to another for the first time in its history. This nascent democracy creates potential for positive change and real progress. But the development challenge is enormous and support is needed to help Pakistan get on track to stability and growth.

Pakistan remains one of the UK’s most important foreign, defence and development priorities. The UK has one of the largest Pakistani diasporas in the world (1 million people, 1.7% of the UK population), creating strong family and business links. A prosperous and stable Pakistan is in everyone’s interests.

Update: Pakistan remains one of the UK government’s largest bilateral aid programmes. In 2013/14 the bilateral aid spend in Pakistan was £253 million. This is expected to increase to an estimated £310 million in 2014/15 subject to project performance and continued progress with key policy reforms, including on tax.

Over the last year the new Government of Pakistan has prioritised, and taken action, to stabilise the economy through the IMF programme and agreed an ambitious structural reform plan including on taxation; secured trade preferences with Europe,
worth more than €250 million a year to the Pakistani economy; and shown resolve to tackle the security situation including through entering into negotiations with the Pakistani Taliban and the launch of a new national security policy.

Within the region the Government of Pakistan has increased engagement and dialogue with Afghanistan and continues to be supportive of reconciliation. There has also been renewed engagement with India, including potential progress on granting India Non-Discriminatory Market Access after the Indian election. There are further encouraging signs with regional economic relationships particularly on energy connectivity and trade corridors throughout the region.

It will be critical for Pakistan’s own internal stability, and the stability of the region, for the Government of Pakistan to continue to make progress on these priorities.

**Recommendation 2: It is for the Pakistan federal and provincial governments to shape reform programmes and institutions to improve public services and alleviate poverty. DFID has a role to play working alongside the federal and provincial governments.**

**Agree.** In the long term, only the GoP has the responsibility and reach to solve Pakistan’s problems and make significant, sustainable progress on tackling poverty.

The UK Government works at both the federal and provincial level to catalyse and support GoP commitment to implement reforms that will create a stronger economy, deliver better services and strengthen governance.

For example, on education the Constitutional guarantee to free and compulsory education for all 5-16 year olds is a bold new step. The UK Government’s sector support programmes in Punjab (with the World Bank and CIDA) and Khyber Pakhtunkhwa (with AusAid) are supporting this through: reforming teachers’ pay and performance to improve the quality of education; improving budgeting and public financial management, so more funds are directed to areas most in need; decentralising management functions to the school level so that schools have more control over their budgets and issues like teacher numbers; and empowering school councils to make head teachers more accountable to parents. Combined with political leverage gained by the Roadmap approach - led by Sir Michael Barber, DFID’s Special Representative for Education in Pakistan – UK aid has helped increase student attendance by almost one million and led to an investment of around $2 billion (2012/13) from the Government of Punjab (GoPb). The Roadmap has also resulted in GoPb recruiting teachers on merit, rather than political and family patronage, having a direct impact on teacher quality.

At the federal level, the UK Government, together with international partners including the IMF, has been engaging with the Caretaker Government and political parties to emphasise the need for tough decisions to be taken on tax reform when the next Government assumes power. DFID’s new Sub-National Governance programme will also have a strong focus on tax reform, supporting the establishment of provincial revenue authorities and improved revenue generation in Punjab and Khyber Pakhtunkhwa.

The UK Government engages with both the federal and provincial Governments on women’s empowerment, using the annual ‘International Day for the Elimination of Violence Against Women’ as an advocacy platform. DFID programmes work with local communities across Pakistan to provide support to and protect women from
honour killing, acid burning, domestic violence and other abuses. Other examples of DFID support include providing stipends to girls in some of the poorest districts in Punjab and Khyber Pakhtunkhwa to complete secondary education; supporting more women to vote in the national and provincial elections; and supporting the Acid Survivors Fund.

**Update:** The UK Government is continuing to work at both the federal and provincial levels to encourage and support the Government of Pakistan to implement reforms that will create a stronger economy and make significant, sustainable progress on tackling poverty.

Close cooperation between DFID and the Government of Punjab on the Education Road Map for Punjab has led to significant success. In the space of two years we have seen student attendance in the Punjab province increase from 83% to 92%. This means around 750,000 more children are attending school every day in Punjab. Over the same period teacher attendance has increased from 81% to 92%, which is equivalent to 34,000 more teachers attending school each day. The success of the Road Map approach in education has led the Government of Punjab to apply a similar model to improve delivery of health services. The Health Roadmap aims to improve basic primary healthcare provision across the province, including increasing immunisation coverage and reducing maternal and child deaths.

At a federal level the Government of Pakistan has committed to continue and extend the national cash transfer programme. Through this programme, delivered in partnership with the UK, the Government of Pakistan is now reaching almost close to 5 million of the poorest and most vulnerable families with quarterly cash transfers, helping them to become more resilient to economic shocks and move out of extreme poverty. UK support for this programme has helped secure a significant increase in the funding committed by the Government of Pakistan, equivalent to £2 billion over the next four years. Furthermore, the government has committed to extend the programme’s coverage, increase the value of the quarterly payment, and provide an additional cash transfer for every primary school aged child that an eligible family sends to school. This education conditional cash transfer is currently being piloted and is due to be rolled out nationwide in September 2014.

We have continued to build and strengthen our relationships with the Government of Pakistan at both a federal and a provincial level in Khyber Pakhtunkhwa and Punjab. This has included annual aid talks between the UK and Pakistan which took place in October 2013 and the establishment of development partnership agreements at the provincial level in both Punjab and Khyber Pakhtunkhwa (KP). These enable the federal and provincial governments and the UK to take stock of development progress and address any concerns on performance or issues which affect the partnership.

For example, in KP the provincial Government has adopted a Strategic Development Partnership Framework, which sets out the shared and individual commitments both of the Government of KP and international donors, including the UK. This provides a clear, agreed framework for delivery of assistance in line with the Government of KP’s priorities. In each priority area the framework sets out a clear set of time-bound indicators of progress to mutually hold to account both the donors and the Government of KP. A high level dialogue, led by the Chief Minister and Senior Cabinet Ministers, takes place approximately every three months to assess progress within the framework. This approach helps accelerate and expand the delivery of programmes in KP province and is designed to improve aid effectiveness.
Recommendation 3: DFID’s development assistance should be conditional on the Pakistan authorities committing to and implementing economic reforms and policy changes that will foster inclusive economic and social development.

Agree. UK aid programmes with GoP only proceed when GoP provides the majority of funds, commits to increase spending and delivers results and reforms. It is also vital that UK aid is protected from corruption. These benchmarks are at the heart of all our joint programmes with both federal and provincial governments. This is a standard approach for DFID and many other donors. In Pakistan, examples of recent progress achieved through this approach include:

- **Education**: Through our Punjab Education Programme coupled with the Education Roadmap we successfully pushed GoPb to adopt objective and transparent criteria for recruiting district education officials and new teachers, delivering a shift from patronage to merit-based appointment of 81,000 teachers.

- **Governance**: With our support, the Government of Khyber Pakhtunkhwa (GoKP) has established a budgeting model which gives decision making power to local communities. The cost of classroom construction fell by over 40% during the pilot, while quality increased. GoKP is now scaling up the model across the province.

- **Health**: With our support GoPb has increased skilled birth attendance from 33% in 2006 to nearly 60%.

- **Social protection**: Our support for Pakistan’s national cash transfers programme has helped secure significant increase in GoP financial commitments. It is driving improved transparency and reducing corruption – through e-banking and better use of technology. Careful data collection has generated a national poverty database; a pre-requisite for a wide range of other pro-poor initiatives.

Our investment plans also take into account progress on key reforms areas specified in the 2006 Development Partnership Agreement and discussed with the Government at the UK/Pakistan Annual Aid Talks:

- **Social sector spending**: Pakistan must increase its own investments in poverty reduction if DFID resources are to be additional. Working with GoP, DFID will only invest where the Government is committed to increasing its own spending.

- **Tax revenue**: Pakistan must broaden its tax base. Without this, it will not be able to meet the needs of a population projected to reach 205 million by 2020. This is central to Pakistan’s discussions with the IMF. DFID is leading donors to ensure that the IMF programme takes a firm line on tax; and encouraging the World Bank to lead work on tax reform.

- **Anti-corruption** (including public financial management): DFID is working through our programmes and new anti-corruption strategy to safeguard tax payer’s funds and help GoP strengthen its own systems to reduce corruption.

- **Human rights and democracy**: Working with Foreign Office colleagues, DFID has regular discussions with GoP counterparts and others to seek improvements on human rights and governance, particularly to improve the rights of women and girls and minorities.
The UK has begun discussions with the new governments, at both official and Ministerial level, on reform priorities and encouraging urgent action. We will continue these discussions, including through visits by Ministers and senior officials. We will undertake formal bilateral aid talks with the new federal and provincial governments in our two focus provinces, Punjab and KP, at the earliest opportunity. These will be within 6 months and will discuss reform, review results, assess risks and agree action, including on economic reform, tax and corruption.

**Update:** Our joint programming benchmarks remain: UK aid programmes with the federal and provincial Governments of Pakistan only proceed when the government provides most of the funds; commits to increase its spending; delivers results and reforms; and when we know UK aid is protected from corruption.

Since June 2013, we have continued to build and strengthen our relationships with the Government of Pakistan at both a federal and provincial level in Khyber Pakhtunkhwa and Punjab. This included Annual Aid Talks between the UK and Pakistan which took place in October 2013, led by Nargis Sethi, Secretary Economic Affairs Division, and Richard Montgomery, Head of DFID Pakistan. These talks enabled an frank discussion on the scale and priorities of the UK’s development partnership with Pakistan and improvements to facilitate better alignment of programmes and priorities, including on availability of poverty data, increased transparency, the need for fundamental tax reforms to fund social sector spending, and meeting international human rights obligations.

Since the IDC review the Government of Pakistan has agreed a $6.64 billion programme with the IMF. This is dependent on the delivery of a programme of economic reforms which aims to help stabilise the economy and set Pakistan on a trajectory to long-term, inclusive economic growth. IMF funds are set to be disbursed evenly over three years, with disbursements only made following the successful completion of specified reforms verified in quarterly reviews. The reforms linked to the IMF programme offer the best prospect for long term economic recovery in Pakistan, and this remains on track after three successful quarterly reviews.

As part of the IMF programme, and with UK support, the Government of Pakistan has committed to significantly increase its own budget for the national cash transfer programme. This will help to protect the poorest and most vulnerable as untargeted subsidies are reduced under the IMF programme. (See recommendation 2)

**The Pakistan Government and its progress on reform**

**Recommendation 17:** If the political system in Pakistan continues to be characterised by corruption, insufficient tax collection, poor human rights and a failure to protect minorities, the effectiveness of donor supported programmes will always be undermined. We recommend that:

- the UK use its influence with the IMF to ensure that any additional loans are contingent upon prior commitments and action by the Government of Pakistan to meet clear conditions and targets;
- the UK Government communicate clearly to the Pakistan authorities the conditions under which UK development assistance will either increase or be reduced;
- DFID only increase official development assistance expenditure to the planned £446 million per annum if there is clear evidence that the newly elected Pakistan administration will increase tax revenues in general and
income tax, in particular, and if it subsequently succeeds in increasing the amount of tax taken; and

- if the Pakistan Government is unwilling to take action to increase its revenues and improve services for its people, it cannot expect the British people to do so in the long run. We cannot expect the citizens of the UK to pay taxes to improve education and health in Pakistan if the Pakistan elite is not paying income tax.

**Agree.** The UK Government has made it clear to GoP and opposition politicians, both in public and in private, that it is not acceptable in the UK for British tax payers to fund public expenditure in Pakistan if GoP is not taking steps to increase its own tax take.

A new IMF programme will offer the best long term prospects to support tax reform efforts. The UK Government will remain fully engaged and redouble efforts with the IMF to ensure any future programme leads to credible economic reforms, stands firm on the need for federal tax reform and includes robust prior actions - including on tax revenue.

Over the last three years DFID has built close relationships with the core donors in Pakistan to share information and thinking on economic policy. We will step up our work with international partners to lay the groundwork for reform, ensuring GoP has sound policy options and support in place to develop an ambitious and realistic reform programme. Co-ordinated action across international partners, rather than individual donors setting their own economic reform conditions, offers the best potential for securing results.

As noted above, the UK Government will undertake formal bilateral aid talks with the new GoP at federal and provincial level at the earliest opportunity and within 6 months, to discuss reform, review results, assess risks and agree action. These talks will help us think about the prospects for reform, investment choices and overall shape of our portfolio. Our resources will continue to be linked to reform measures through individual programmes.

Due to a combination of massive floods in 2010 that consumed significant resources both in DFID and GoP; decentralisation of basic service delivery in mid-2011; delays in Pakistan due to the elections this year; and on-going challenges in the security/operating environment, our spending profile from 2011-2015 has been revised downwards to £1.184bn. Despite this, Pakistan could still potentially become our largest bilateral aid programme in 2014/15.

If the new federal government can meet the challenge of setting out a credible programme for macroeconomic reform, DFID will work with the IMF and World Bank to explore opportunities to support their efforts. Any such support will be linked to progress under an IMF programme.

**Update:** In September 2013 the Government of Pakistan agreed a three year $6.64 billion programme with the IMF, based on a major programme of economic reforms. Agreement of this programme was dependant on the Government of Pakistan delivering a number of prior actions, which included reducing the projected fiscal deficit by 2% of GDP through reduced untargeted subsidies and increased taxation; and cutting untargeted electricity subsidies by 0.75% of GDP.
The programme is structured to release IMF funds evenly over three years, following the completion of specified economic reforms verified in quarterly reviews. Improving tax performance is a central feature of the programme, with a target of increasing the tax/GDP ratio from 9.7% in 2012/13 to above 12% in 2015/16 mainly through increased enforcement, an income tax registration drive and eliminating tax exemptions.

The programme remains on track after three successful quarterly reviews and Pakistan looks set to achieve the 2% of GDP fiscal deficit reduction target. Tax revenue has increased by 15% since the programme was agreed and the Federal tax/GDP ratio is expected to reach 9.2% in 2013/14 (from 8.5%). A start has been made on broadening the tax net with the issuing of 80,000 tax notices to non-taxpayers. This has already increased the number of tax filers by some 8,000-10,000. In an encouraging sign of government commitment to tax reform, Pakistan recently became one of the first countries to publish tax directories, for both elected politicians and the general public, showing how much tax each person paid in 2012/13.

Under the IMF programme the Government of Pakistan has committed to raise an additional 0.8% of GDP in new tax measures in the 2014/15 budget through further broadening of the tax net and removal of exemptions from indirect taxes.

Outside of tax revenue, the economic reform programme also has measures on energy, privatisation and social protection. So far the Government of Pakistan has delivered a coherent National Power Policy; reduced energy subsidies; increased tariffs; has agreed a plan and initial steps to privatise a number of state owned enterprises; and has continued and extended the national cash transfer programme to protect the poorest from the bite of reforms (see recommendation 2).

The UK Government is working closely with the Government of Pakistan, the IMF and other donors to ensure joined-up programming and support to the reforms tied to the IMF programme, including on tax.

We have maintained our strong position on tax reform with the Government of Pakistan and continue to make it clear, through private and public lobbying that it is not acceptable for British taxpayers to fund public expenditure in Pakistan if the Government is not taking steps to increase its tax take. The Government of Pakistan has publicly committed to raise the tax to GDP ratio to 15% and has taken some initial steps towards this.

In the financial year 2013/14, the DFID Pakistan programme has not been scaled up as much as originally planned. This was a result of delays due to the 2013 elections, the limited space for reform in the final year of the previous government and the inevitable hiatus while new policy reforms emerged from the new leadership. The bilateral aid spend in Pakistan for 2013/4 was £253 million. Given the change in government and the scale of reform commitments agreed, as well as the DFID programmes currently in design, we expect the budget will increase to £310 million in 2014/15 subject to performance and progress with key policy reforms, including on tax.
**Tax reform**

**Recommendation 6:** We recommend that DFID work with other donors to encourage Pakistan to make progress on tax policy and revenue collection and seek to ensure this is a high priority for all donors. We further recommend that the UK Government use its influence in the IMF to ensure this institution presses for reforms to Pakistan’s tax system. The UK Government also should be ready to support the new Pakistan government in implementing a nationwide, strategic communication plan to explain the need and benefits of the desired tax policy changes so as to help the authorities to build political momentum for reform within Pakistan.

**Agree.** The IMF and World Bank are leading work on tax reform including measures to increase the tax base. The UK Government is fully engaged and will use our Board role to ensure that any future IMF programme stands firm on the need for federal tax reform.

DFID will continue to work with the World Bank in their efforts on provincial tax reform in order to generate revenue to improve health and education services, which are now provincial responsibilities. DFID’s new Sub-National Governance Programme will also have a strong focus on tax, supporting the establishment of provincial revenue authorities and revenue generation in Punjab and Khyber Pakhtunkhwa. In Punjab, we will work with the World Bank to implement our programme and co-ordinate policy dialogue with the new GoPb.

We will continue to encourage reform efforts by federal and provincial governments through a combination of:

- High level policy dialogue with government partners and in concert with international partners.
- Direct conditionality in our programme partnerships to drive reforms and improve delivery in specific sectors by linking programme payments to indicators and policy dialogue. DFID will only invest in poverty reduction where the Government is committed to increasing its own levels of resources.
- A detailed policy dialogue within those sectors around the government’s policy and budget decisions, building on our programme conditionality.
- Support to civil society and the private sector to help build demand and accountability for reform across Pakistani society.
- Exploring options for what further support the UK can provide to the new government to help them increase tax revenue, including the possibility of HMRC expertise through the new, DFID-funded, Developing Countries Tax Unit.

DFID is committed to supporting a credible IMF programme with technical assistance and a nationwide strategic communications plan on tax reform where a credible case of effective impact can be made. The World Bank also has a key, overarching, role to play.

**Update:** We continue to work closely with the IMF and World Bank, and in coordination with other international partners, to support the Government of Pakistan in delivering the tax reforms required to increase revenue and fund essential basic services.
Over three years the IMF programme aims to increase the tax to GDP ratio to above 12%, although the Government of Pakistan has publicly committed to raise this to 15% by 2018. As described earlier, the Government of Pakistan has taken some initial steps towards these targets. These include: increasing the rate of general sales tax; issuing income tax notices to over 80,000 non-tax payers, which has so far broadened the tax net by some 8,000-10,000 people; publication of a general tax directory containing the names of more than 800,000 taxpayers with amounts paid and a parliamentarians’ tax directory, for the 2013 tax year; and a commitment to remove indirect tax exemptions worth at least 0.35% of GDP.

The UK government continues to lobby at the highest levels of Government and with the media to build public and political consensus for tax reform. UK Ministers have routinely discussed progress on taxation with their counterparts in the Government of Pakistan, most recently during Prime Minister Nawaz Sharif’s visit to the UK. Tax was a focus of the review of DFID’s governance portfolio in August 2013. This included close co-operation with Pakistan’s tax authority and advice on reform priorities from DFID tax experts. Additional UK support on tax reform has been agreed which includes:

- A new partnership between the Pakistan Federal Board of Revenue (FBR) and the UK’s HM Revenue and Customs (HMRC) Tax Capacity Building Unit. This aims to provide expertise from HMRC across a number of areas considered key to reform. A delegation from the FBR has already visited the UK. In May 2014 a reciprocal visit by HMRC staff secured a Memorandum of Understanding outlining areas of support and the key deliverables of the partnership.
- Support to the FBR to develop an external tax communications and advocacy campaign. This will aim to create a shift in the tax culture, nudging individual and business attitudes and behaviours towards pride in paying their fair share of taxes and shaming those who do not. A pilot campaign is planned ahead of the 2013/14 tax deadline.

In addition to encouraging reform at the federal level, we have continued to support provincial governments’ own efforts to increase tax revenue collection. Provincial governments are responsible for funding and delivering basic services such as education and health, and helping them to generate revenue to improve these services through the Sub-National Governance programme has remained a priority. For example, in July 2013, the Khyber Pakhtunkhwa Revenue Authority was established and is now collecting provincial General Sales Tax on services (GST). Rs2.2 billion (approximately £12.9 million) GST was collected during the first four months of the authority’s establishment.

**DFID’s current governance and security projects**

**Recommendation 4:** We commend DFID anti-corruption aspirations but recommend that in its response to us DFID should:

- confirm that:
  - the Pakistan Government remains committed to an anti-corruption strategy and programme led by the National Accountability Bureau;
  - once appointed, the Bureau’s principal officers cannot be dismissed by the President, Government, Parliament or the armed forces of Pakistan; and
the Bureau has the budget and power to investigate, charge and prosecute people without seeking approval from the President, Government, Parliament or armed forces of Pakistan.

set out measurable targets to see if its investment in anti-corruption is having the desired, positive effect.

indicate at what point monitoring and evaluation will take place to determine whether DFID and the Government of Pakistan’s investment in anti-corruption is being achieved.

hold discussions with the Commonwealth Secretary General about what further steps the Commonwealth can take to help all Commonwealth Governments to reduce corruption.

Agree. Following the May elections, the new GoP will set out its policy priorities and commitments. This should include how GoP will tackle corruption and the continued role of the National Accountability Bureau (NAB). Pakistan is currently being reviewed on its compliance to the UN’s Convention Against Corruption (UNCAC), providing an assessment of the country’s progress against international standards. DFID will actively seek opportunities to engage with the new GoP’s anti-corruption efforts, including discussing the review’s main recommendations.

The National Accountability Ordinance 1999, passed by General Musharraf, established the National Accountability Bureau (NAB) and states: “Chairman NAB to be appointed by the President in consultation with the Leader of the House and the Leader of the Opposition in the National Assembly for a non-extendable period of four years on such terms and conditions as may be determined by the President and shall not be removed except on the grounds of removal of Judge of Supreme Court of Pakistan.” The NAB has the budget and power to investigate, charge and prosecute people without seeking approval from the President, Government, Parliament or armed forces of Pakistan.

DFID’s Anti-Corruption Strategy sets out our commitment to protect UK funds in Pakistan through robust programme and financial management, risk assessments, audit, increased beneficiary monitoring and the use of new technologies to bypass intermediaries. The strategy also sets out our commitment to support efforts to reduce corruption by building political commitment for accountability, supporting better access to information and transparency, improving public financial management, strengthening civil society’s ability to hold the government to account and working through UNCAC. All our programmes, including anti-corruption elements like audit and establishing payrolls, are also monitored on an annual basis according to standard DFID programme management procedures. Our Anti-Corruption Strategy is underpinned by a detailed work plan monitored on a 6 monthly basis.

As set out in the Commonwealth Secretariat’s strategic plan, there is a role for the Secretariat in tackling corruption. DFID will seek to ensure that their work in this area adds value and supports members to take action. We will also explore the potential for regional bodies to support Pakistan in this area.

Update: DFID Pakistan’s anti-corruption action plan was updated following the review of its governance portfolio in August 2013, and continues to be monitored on an ongoing basis.
Since DFID’s governance portfolio review in August 2013 and appointment of a new Chairman in October 2013, we have been engaging more closely with the National Accountability Bureau (NAB). DFID continues to press for progress on the review of Pakistan’s implementation of UNCAC and is working with development partners to arrange an UNCAC workshop during the summer of 2014.

DFID is actively involved in the donor Anti-Corruption Working Group, and has helped to revise its engagement strategy. In addition to ensuring all DFID Pakistan programmes take account of corruption and report impact in this area, we have strengthened our work with other UK government departments on corruption-related issues. In particular, we are engaging with the Pakistan State Bank on money laundering, working closely with the National Crime Agency, to improve their regulatory regime including strengthening their engagement in key international fora such as the Financial Action Task Force (FATF).

**The ‘Golden Thread’**

Recommendation 7: Pakistan is a country where the Golden Thread is lacking – there is corruption, a frequent absence of the rule of law and low tax collection. We were surprised that addressing these important failings does not seem to be the main focus of DFID’s governance work. We recommend DFID review and re-design the DFID Governance programme to support key Pakistani reformers to design and deliver a credible reform programme, involving increases in revenue collection, applying the rule of law and reducing corruption.

**Partially agree.** The ‘Golden Thread’ runs through DFID’s portfolio of assistance in Pakistan. We agree that more could be done and, together with the new GoP, will review our governance portfolio to identify opportunities to increase our focus particularly on tax and corruption. However, DFID’s governance programmes already focus on sustainably improving the lives of the poorest by helping to address the drivers of conflict; promoting the rule of law; supporting credible elections; empowering citizens to have a voice on how services are delivered; and strengthening political institutions to be more accountable and responsive to citizens.

For example, DFID is supporting the government to build peace in Pakistan’s border areas in a number of ways. DFID is the largest contributor to the World Bank managed Multi Donor Trust Fund (MDTF) for Khyber Pakhtunkhwa, FATA and Balochistan which aims to rebuild trust between the people and state by supporting a GoP led programme of reconstruction and development interventions. As part of the MDTF we are supporting a new legal tribunal in FATA – the first time people in FATA have been granted access to any institution providing justice. DFID’s new Peace Building Support programme will help build citizen-police interaction in KP to build trust and deliver better policing. DFID is also working with other parts of the UK Government on a major new programme to support GoP to reform the counter-terrorism legal process, from crime scene management and evidence collection through to prosecutor training and changes to legislation. We have also worked with other donors including the EU to ensure that support for the rule of law is prioritised through other donor programmes.

DFID has worked closely with the Elections Commission and civil society to support the delivery of credible elections and a more inclusive political process. 43,000 domestic election observers were trained with our assistance and 172,000 national identity cards (a pre-requisite for voting) issued, 60% of which are for women.
DFID is also supporting GoPb and GoKP to be more accountable and responsive to citizens through the new Sub-National Governance Programme. In Khyber Pakhtunkhwa we have helped to improve financial management by supporting the Government to link budgets and spend to performance as well as increase citizens’ say in how budgets are drawn up, reducing corruption and improving service delivery. For example, school enrolment in the pilot district of Buner has increased from 38% to 84% as a result. We are currently scaling up support to 15 districts with matching funding of 1 billion rupees a year from GoKP. In Punjab, DFID is supporting GoPb to contact 30,000 people a day through mobile phones to track the quality of services delivered. At least ten officials have already been suspended for corruption as a result. The programme will also have a strong focus on tax reform in both Provinces, supporting the establishment of provincial revenue authorities and revenue generation.

DFID recognises that this work is both innovative and challenging. We have built flexibility into the management arrangements for our programmes to allow us to scale up interventions that work and stop those that do not.

Update: Following the IDC report DFID Pakistan undertook a review of its governance portfolio in August 2013, focusing specifically on tax, the rule of law and anti-corruption. This led to a significant increase in focus on taxation in Pakistan (see update to recommendation 6) and a revision on DFID Pakistan’s anti-corruption action plan (see update to recommendation 4).

We are supporting the implementation of the World Bank’s Citizen Feedback Model in Punjab which enables citizens to directly report by text message any corruption they experience in accessing public services. The data collected enables provincial governments to crack down on corrupt or poor performing officials.

DFID’s support for building peace and promoting the rule of law is making good progress. A cross-government Joint Analysis on Conflict and Stability is currently underway which will help inform future work. We are supporting the Government of KP through the Government-Donor Strategic Development Partnership Framework to develop a more holistic approach to rule of law issues. We are in discussions with the World Bank, provincial governments, and donors to explore how the Multi-Donor Trust Fund for Reconstruction and Development in Khyber Pakhtunkhwa, the Federally Administered Tribal Areas and Baluchistan can be expanded and how it can best contribute to conflict reduction.

DFID Pakistan continues to work with other parts of the UK Government including considering how the new Conflict Stability and Security Fund can support rule of law and peace-building activities. DFID’s work with the Elections Commission and with civil society helped to deliver credible elections in 2013 and DFID Pakistan is now supporting the local elections process including increasing women’s representation and voice in local and provincial decision-making. Looking ahead, we will continue to consider how DFID’s work on governance and democratic accountability can be further enhanced.
DFID’s education projects

Recommendation 8: The connections between education and extremism are unclear. The UK Government believes that education will counter extremism, but others are sceptical. Nevertheless, recruitment into a jihadist movement would seem likely to be easier where there is hardship, poverty and unemployment.

Partially agree. The drivers of extremism are complex and multi-dimensional. Research by the Brookings Institute and others suggests that lack of education is one of a range of factors that can increase vulnerability to radicalisation. This is not to say all militants come from low or no education backgrounds, but weak education systems can make young people vulnerable to extremist messages. In Pakistan, inequity over access to education can also fuel grievances amongst those who are not able to go to or complete school and therefore unable to access economic opportunities; for example, the poor, rural based population, minorities and non-Urdu speakers. Education is one strand of a much broader strategy to reduce extremism and conflict over the medium term.

Update: Education is one of a number of factors which determines vulnerability to radicalisation. Our sector-wide programmes to improve access and quality of education in both Punjab and Khyber Pakhtunkhwa will help produce a generation of young people with the skills to find work and the ability to critically engage with ideas. These people are likely to be more resilient to, although not immune from, radicalisation.

Recommendation 9: All are agreed that it is vital that the quality and coverage of education is dramatically improved in Pakistan. The Punjab Road Map looks to be a good project, but DFID will need to be able to adapt it should there be a change in Chief Minister with a successor less enthusiastic about the programme. A similar US programme in Sindh failed once the US withdrew funding. To help ensure this does not happen in Punjab and that the programme is sustainable, DFID should continue to help the Government of Punjab build widespread public support for an improved education policy and programme. The aim is to build informed demand from parents and an accountable response from education managers and the teaching profession that continues from one political administration to the next.

Agree. The interest and support of the former Chief Minister of Punjab has been important to the success of the Education Reform Roadmap. This initiative aims to engage political leaders and secure commitment to reform. Election scenario planning has helped ensure risks around post-election sustainability are mitigated as far as possible.

Following the dissolution of the Punjab Assembly, the Chief Secretary chaired the March 2013 stocktake, which was attended by Chairman Planning and Development as well as Secretaries for Education and Finance. Decisions were taken in the absence of a Chief Minister and the Chief Secretary stated that the Roadmap would continue into the next administration signalling a clear commitment to the process on the part of Punjab’s most senior officials.

Building parental demand for education reform and a cross-party coalition of political will for change is the main purpose of DFID’s Transforming Education in Pakistan programme, developed to underpin the UK’s portfolio of investments in the sector at
provincial level. In recent months this programme has delivered nationwide advocacy ahead of the elections by highlighting education manifesto commitments and encouraging voters to ask politicians what they are doing to tackle the education emergency. A network of district-level advocates is currently being built who will work directly with parents and communities to build demand for reform.

**Update:** The Education Reform Road Map in Punjab continues to be monitored closely by the Department of Education, through bi-monthly reviews with the Chief Minister and also fortnightly with civil servants. The education stocktake meeting in March 2014 was the 25th meeting, and the Road Map approach has led to significant progress: student attendance in Punjab has increased to 92%, meaning around 770,000 more children are attending school every day. Over the same period teacher attendance has increased to 92%, equivalent to 34,000 more teachers attending school each day; the number of functioning facilities in primary schools in Punjab has significantly increased, improving the quality of school facilities for 2.5 million children; and all primary-level textbooks are now aligned with the 2006 curriculum.

Lessons learnt from the Education Reform Road Map in Punjab have motivated the provincial government to initiate a similar road-map delivery approach in the health sector. The government of KP has also recognised the success of the roadmap process in Punjab, and in late 2013 adopted a similar model to focus on access, retention and quality in education through significantly strengthened monitoring systems, transparency of reporting, and ensuring senior officials are held to account for progress. For example, the Government of KP has launched an Independent Monitoring Unit that is able to provide real-time data on the education sector on a public website. Although it is clear that the levels of need are even higher than previously thought, the Government now has up-to-date information on which to prioritise policy and budgeting decisions. It is expected that this will benefit all children in primary and secondary school across the province over time.

These activities have been supported by work with non-government organisations to increase public demand for quality education, through the Transforming Education in Pakistan programme. Independent Gallup data on Pakistan TV ratings has shown that communications activity from this campaign reached over 116 million Pakistanis, including 96% of TV viewing parents with children aged 6-10, and has helped to influence politicians to engage more fully and take action on education challenges.

**Recommendation 10:** We are concerned by the quality of education provided by the schools we visited in Punjab, but are pleased that DFID’s Punjab education programme has planned improvements to teacher quality and action against corruption of the examination system. DFID should report regularly on progress in improving the quality of education.

**Agree.** The quality of teaching and therefore learning levels in public schools is generally poor, and the assessment system weak. DFID is working through our Punjab sector reform programme and the Education Reform Roadmap to make progress on teaching quality and learning levels.

Current education priorities in Punjab include intensive work with the cadre of teacher educators in Punjab to improve their coaching skills and commitment to providing regular support to teachers in the classroom. DFID is working with the Punjab Examination Commission to strengthen its management capabilities by setting quality assessments and interpreting data on learning outcomes. We will also track how
exams are conducted by the Department for Education and work with the new GoP to deal with issues of misconduct.

**Update**: Improving quality and addressing disparities in education in Punjab continue to be two major priorities for our education programme in Punjab. Since the IDC review we have started a province wide teachers' mentoring programme to help improve lesson delivery in primary schools, including a strong focus on peer-to-peer learning through local-level professional development days. Through this programme over 4,000 teacher trainers visit primary school classrooms around the province, assessing the delivery skills of teachers, providing coaching and recording how teachers progress. This data is being collected and remedial attention is provided for low performing schools. We are also working with the Directorate of Staff Development in Punjab to help develop a quality institution, helping build its capacity and prioritise delivery of higher quality education.

In parallel we are helping government to re-write text books based on a small number of key learning objectives which are essential to build the foundation-level learning skills of children, enabling them to understand complex topics in their later classes. We are also about to commence a province-wide learning assessment to track the performance of children in key areas such as languages and numeracy.

Finally we are continuing to work with the World Bank and Punjab Examination Commission to support reform of the provincial examination systems at primary and middle school level. This includes improving the design of examinations as well as strengthening the administration and management of the system to make it more efficient. Having prioritised primary education (where close to 5 million children are out of school in Punjab alone) we are now exploring future work reforming examinations in middle school (grade 9-10) with the government of Punjab. Our aim is to work with the school boards across the province to ensure that examinations are more fair and credible.

**DFID's health projects**

**Recommendation 11**: DFID needs to look carefully at its health programme following the ICAI criticism. We have not seen enough of a change in the design of the Maternal and New-born Health programme to be reassured that the problems identified by ICAI at the national level will not just be replicated at the provincial level – mainly the interaction and relationship between the Community Midwives and Lady Health Workers. We support the basis of both programmes so are not asking for the funding to be stopped for either but that the remuneration packages and way of working are made complementary not competitive.

**Partially Agree.** Subsequent to ICAI recommendations, DFID has completed a significant redesign of its support to the health sector in Pakistan to ensure full opportunity is taken of the devolution process and transfer of health services from the federal to the provincial level. The new Provincial Health and Nutrition Programme (PHNP) was approved in December 2012 by the Secretary of State and, responding to the issues raised by ICAI, differs from the earlier Maternal New-born and Child Health Programme in a number of ways:

- it works directly at the provincial and district level rather than supporting federal funded health programmes;
- payments will be made directly to provincial governments on achievement of results with supporting evidence;
contracts between all districts and provincial Governments link the provision of additional resources with performance;

- there is a focus on improving the clinical skills of health staff and to strengthen pre-service training, rather than funding less effective short courses;

- it addresses critical areas like nutrition and reproductive health; and

- it supports performance management of both Lady Health Workers (LHW) and Community Midwives (CMW) cadres.

Provincial Governments are also funding, managing and supervising LHW. These play an important part in the health system by reaching girls, women and children, often in remote rural areas, with primary health services such as family planning, immunisation and nutrition. In addition, Provinces are now responsible for managing the new cadre of Community Midwives who provide essential pre and post natal care and ensure safe delivery for pregnant women (the key factor in reducing the unacceptably high rates of maternal mortality in Pakistan). Given complementary mandates, there should be no competition between their roles, and whilst LHWs are paid through the Provincial Governments, CMWs are permitted to charge modest fees to supplement their incomes.

**Update:** Since the ICAI recommendation was made the financial aid component of the Maternal, New-born and Child Health (MNCH) Programme has ended. Although technical assistance supporting devolution of health services to the provinces continues until March 2015, there will be no further disbursements to the Government of Pakistan under the programme, which was designed to support the Federal Government's own MNCH programme.

We continue to work at the provincial and district level through the Provincial Health and Nutrition Programme (PHNP). As part of this we are continuing to work with the provincial governments in Punjab and Khyber Pakhtunkhwa to improve complementarity between the Lady Health Workers (LHW) and Community Midwife (CMW) cadres. This has included: further steps to integrate the two previous federally-managed programmes; more clearly defining the roles of LHWs (primary preventive, nutritional monitoring and prenatal care and referrals) and CMWs (skilled delivery in the communities, post-delivery care for mothers and newborn, referrals for complicated deliveries and high risk pregnancies); bringing both cadres together to report into Lady Health Supervisors at the primary care level, which ensures that coordination between both is improved; and formalising referral reporting requirements for both LHWs and CMWs.

The Punjab Chief Minister's agreement to adopt the Road Map approach in the health sector in April 2014 is an opportunity to drive significant improvements in maternal and child care. The Road Map will ensure DFID is able to identify how best to support and ensure more effective performance of basic health units and a range of health workers, including LHWs and CMWs.
Recommendation 12: We welcome DFID’s recognition of the need to improve the nutrition of mothers and new born children in Pakistan. However we are unconvinced that ‘scaling up’ the Lady Health Worker interventions is the solution until we see evidence of the redesign of the health programmes as suggested by ICAI. We ask DFID in its response to explain what has been done to date to rectify the issues. In addition we would like to receive information on the progress towards a food fortification intervention programme.

Partially Agree. Since the ICAI visit and report, the Secretary of State approved a new provincial health programme, the Provincial Health and Nutrition Programme (PHNP), for Punjab and Khyber Pakhtunkhwa. PHNP will not increase the number of LHWs, who number over 100,000 nationwide, or fund salaries. Through PHNP, DFID will deliver better health services through LHW networks by helping LHWs deliver interventions based on evidence that they have a positive impact on nutritional status. This could include identifying micronutrient deficiency among girls and pregnant women; providing preventive nutritional services including iron and folic acid supplements; implementing a globally-proven Infant and Young Child Feeding strategy to promote behaviour change; and screening and referring severe acute malnourished children. PHNP also seeks to address institutional weaknesses at the hospital and basic health unit levels by helping medical staff identify and treat severe acutely malnourished patients.

A new programme focusing on food fortification in Pakistan is being designed. Areas under consideration include: the provision of micro-nutrients; technical support to the legislative and regulatory framework; the role of the private sector in developing a market-based approach to food fortification; and options within the agricultural sector for example on bio-fortification and crop diversification. We expect the programme to be approved by autumn 2013. DFID is also considering options for investing in a World Bank-led multi-donor trust fund on nutrition.

DFID is the co-chair of the donor network for the global Scaling up Nutrition (SUN) movement. We have successfully advocated for Pakistan to join this movement which is founded on the principle that all people have a right to food and good nutrition. It unites people – from government, civil society, the United Nations, donors, businesses and researchers – in a collective effort to improve nutrition. On 15 April 2013, GoP signaled their commitment to SUN. Pakistan sees adequate nutrition as a key ingredient for overall development and the Government has agreed with donors and developments partners to develop federal and provincial nutrition plans of action.

Update: Since the IDC report in April 2013, DFID Pakistan has re-designed the proposed Supporting Nutrition in Pakistan programme, to include both investments in nationwide food fortification and support to a World Bank Multi-Donor Trust Fund for non-health sector nutrition interventions. The planned programme aims to improve access and consumption of sufficient, nutritious and safe food to improve nutritional status across Pakistan.

The Scaling Up Nutrition (SUN) movement in Pakistan was officially launched by the Government of Pakistan in December 2013. DFID is a donor convenor. The launch was supported by provincial governments who reiterated their commitment to reducing under-nutrition and the need for multi-sectoral coordination. The Government of Sindh announced at the launch the publication of its multi-sectoral nutrition strategy, which commits to reducing both chronic malnutrition in children under two years and maternal anaemia by 10 percentage points by the end of 2016.
**UK Pakistani Diaspora**

**Recommendation 13:** We recommend that DFID explore innovative ways of working with the UK Pakistani diaspora:

- to improve the effectiveness of the development assistance programme, in particular by involving the diaspora in monitoring projects; and
- to align, where appropriate, diaspora funding and remittance flows to Pakistan with DFID supported programmes.

**Partially agree.** The diaspora have an important voice both in the UK and in Pakistan. There are a number of areas where the community already plays a strong role and could do more:

- advocating for positive change in Pakistan through business, family and friendship networks;
- contributing to the flow of remittances and charitable donations from the UK to Pakistan; and
- advocating for Pakistan in the UK, particularly on development, trade and investment.

DFID already engages with the UK Pakistani diaspora in a number of ways. We regularly participate in outreach events in London, Birmingham and Manchester. The Secretary of State made a keynote speech at the Pakistan Minority Majority Programme Event in March 2013 and in May hosted a media event with representatives from the diaspora media. Senior officials have attended and addressed outreach events in Birmingham and Manchester organised by the British Pakistan Foundation. DFID has improved communications through contributing articles and editorials about our programme in Pakistan to diaspora media networks. DFID officials also meet with diaspora organisations individually and collectively to discuss programme work in Pakistan and operating challenges.

DFID is considering how to engage further, to help British Pakistanis become more aware of DFID activity in Pakistan and encourage their support for development in Pakistan through donations or volunteering. DFID is also considering how to broaden existing initiatives, such as UK Aid Match, to make funding more accessible to diaspora organisations involved in development work in Pakistan.

We disagree that diaspora funding flows and remittances should be aligned with DFID supported programmes. These are choices for individuals to make for themselves and it is unlikely that DFID efforts to steer public donations this way would be successful or represent a good use of time. However, DFID is engaged with diaspora groups to explain our assessment of the interventions needed and how they can help support development efforts in Pakistan.

**Update:** DFID has continued its engagement with the UK Pakistani diaspora community through Ministers, officials and DFID’s electronic channels. This has included two Ministerial round table events with community leaders in Yorkshire and Glasgow. These were used to provide an update on DFID work in Pakistan and seek views on how the Department can engage the diaspora more in its work. In May the Secretary of State attended Islamic Relief’s 30th anniversary event in Birmingham and delivered a speech and answered questions from the local diaspora community; and in June the Secretary of State attended and spoke at the Pakistan Society Annual dinner.
We have established the new Pakistan Network Group, which brings together diaspora groups, NGOs and other stakeholders engaged on Pakistan to share current work and issues. This is an opportunity for DFID to provide an update on current priorities and progress, and to maintain regular contact and hear views from the diaspora community. This has met twice, in December 2013 and in early June 2014.

Regular communication on DFID activities is also provided through our regular e-bulletin which is circulated in the UK to interested groups including the diaspora. During July 2013, to coincide with the Secretary of State’s visit to Pakistan, DFID communications focused on Pakistan on its external website and featured and co-published articles with Islamic Relief, Oxfam Pakistan and others. We also worked with the British Pakistan Foundation to share communications material and both reach a larger UK diaspora audience.

DFID has also taken steps to make some central funding more accessible to smaller groups, such as diaspora organisations. Out of the £40 million annual UKaid Match fund (the initiative through which DFID will match, pound for pound, public donations made to not-for-profit organisations’ appeals) £2 million is now ring-fenced for applications from such groups and is available to organisations whose applications are of a sufficiently high standard. UKaid match has already provided funding to The Read Foundation and Islamic Relief for projects in Pakistan following their Ramadan appeals.

This engagement is further strengthened by work undertaken by the Foreign and Commonwealth Office (FCO). For example, through their ‘Celebrating Connections’ programme, diaspora groups are provided with funding to deliver projects to help strengthen and celebrate connections between the UK and Pakistan. DFID also contributes speaking points for FCO ministers’ engagements with diaspora groups, for example to Baroness Warsi when she attended the Kashmir Orphans Relief Trust fundraising dinner in April 2014.

**Flexibility to respond to political events**

**Recommendation 14:** We recommend that DFID ensures that its programmes have sufficient flexibility to respond to future political events especially following the elections due to be held in May this year.

**Agree.** It is important that DFID’s programmes have the flexibility to respond to political events and other uncertainties in Pakistan while ensuring our investment delivers the best results. This includes building a portfolio that has a mix of programmes at the National and Provincial levels; and a balance across Government, multilateral, civil society and private sector delivery channels. Where appropriate, post-election scenario planning has helped manage risk in individual programmes such as the Punjab Education Reform Roadmap.

As noted above, the UK Government will undertake bilateral aid talks with Government within six months of the election to discuss reform, review progress on results, assess risks and agree actions going forwards. In addition, risks and results will continue to be kept under review as programmes are designed and implemented through monthly progress meetings with senior management at HQ; and quarterly meetings of the DFID Pakistan Programme Board.
**Update:** We are continuing to ensure that DFID programmes have the flexibility to respond to political events and other uncertainties in Pakistan, while ensuring our investment delivers the best results. Although none of our programmes were adversely affected by the change of government in May 2013, we continue to monitor political commitment to our work through Annual Aid Talks; provincial level dialogue on our aid frameworks in Punjab and KP; and through Ministerial meetings such as during the International Development Secretary’s visit to Pakistan in 2013 and during Prime Minister Nawaz Sharif’s visits to London in October 2013 and April 2014.

We continue to have a mix of programmes at national and provincial levels; and a balance across government, multilateral, civil society and private sector delivery channels. Programme risk is also routinely reviewed through the quarterly meetings of the DFID Pakistan Strategic Board. Retaining flexibility to respond to events in Pakistan has been a key factor in our planning for the next spending review period (post-2015).

**Recommendation 15:** We are concerned that DFID funding for the Benazir Income Support Programme and the Punjab Education programmes may lead some in Pakistan to believe that DFID is working unwittingly for selected Pakistan political parties, albeit these major programmes support different parties. In its response to this report, DFID should state how it will dispel such perceptions before Pakistan’s forthcoming elections.

**Partially Agree.** DFID has worked to ensure all our programmes remain technically sound and politically neutral through the election process. We have worked to ensure that our support is not misunderstood by political parties and have actively engaged with them at a policy level to explain our education and national cash transfer programmes. This has been reflected by politicians in Pakistan, for example the Benazir Income Support Programme was unanimously passed by all political parties through an act of parliament. In the run up to the elections, political parties noted the importance of social protection, education and health delivery as part of their campaigns. The new government has signalled its intention to continue and possibly expand the national cash transfer programme. It plans to change its name to the ‘Pakistan Income Support Programme’, underscoring a commitment to ensure the programme delivers for poor Pakistanis across the country.

**Update:** The new administration has committed to continue and extend the national cash transfer programme. This programme, delivered in partnership with the UK, uses an objective poverty assessment to now reach more than five million of the poorest and most vulnerable families with quarterly cash transfers. This helps them to become more resilient to economic shocks and move out of extreme poverty.

Since the IDC report in April 2013, the Government of Pakistan has committed to increase funding for the national cash transfer programme, equivalent to £2 billion over the next four years; has extended the programme’s coverage; increased the value of the monthly payment; and extended the programme to encourage school enrolment for the poorest families by providing an additional cash transfer for every primary school aged child that an eligible family sends to school. This education conditional cash transfer is currently being piloted and is due to roll-out nationally in September 2014.
Women and girls
Recommendation 16: It is essential that DFID makes the position of women and girls central to its work and that gender analysis and action is at the core of its Pakistan programme. We recommend that DFID establish a gender advisory group made up of Pakistani women. We believe it should include women like Mariam Bibi. The group would advise on the impact of development work on women and explore where DFID could do more. We will continue to monitor the progress of women’s role and inclusion in development in Pakistan.

Agree. DFID agrees on the importance of women and girls in our programme portfolio. Social Development Advisers already provide robust analysis on all programmes and endeavour to ensure that all programme indicators are disaggregated by sex wherever possible. In April, a gender expert from DFID HQ reviewed our programmes to ensure their compatibility with DFID’s Strategic Vision for Women and Girls, identify gaps where more effort is required, capture synergies, lessons and learning across the office and update the DFID Pakistan Operational Plan.

DFID already works closely with Maryam Bibi and other women activists. We will discuss with them the recommendation to establish a Gender Advisory Group and explore what options are possible. We will also seek to include Pakistan in the wider Girls and Women Advisory Group being established by DFID. In the run up to the March 2013 UN Commission on the Status of Women meeting on Violence Against Women, DFID lobbied in Pakistan and New York to help secure Pakistani delegation approval of all the draft conclusions (including those which Pakistan had previously blocked). This is a positive step forward and we will work with other donors, Pakistani gender violence networks and Pakistani officials to take forward these conclusions.

Update: DFID Pakistan has continued to raise the profile of gender across its work. Headline results are now disaggregated by gender, for example:
- an additional two million female voters were registered and voted in the 2013 May general election;
- 300,000 of the poorest women will receive quarterly cash transfers to meet their family’s basic needs (this is DFID’s attributable share of the 6 million women beneficiaries the national cash transfer programme aims to reach by 2020, determined by our share of the funding for the scheme);
- 615,000 poor women will be helped to access microfinance;
- two million more girls will benefit from our education programme by 2015/16 and 800,000 girls will be helped through secondary school with stipends.

Gender is fully integrated into DFID Pakistan’s programme portfolio and future plans and we are looking at supporting new investments for longer term transformation and to address social and cultural discriminatory norms. Over the last year our Aawaz Voice and Accountability programme has significantly increased women’s representation and voice in local and provincial decision-making, scaling up from 7 to 45 districts in Khyber Pakhtunkhwa and Punjab. It played a notable role in the passage of new legislation in Punjab for a provincial level gender watchdog. The programme continues to campaign for a national domestic violence bill.

DFID Pakistan continues to work closely with leading gender activists at all levels including supporting the Minister for Women’s Development in Punjab and the Punjab Government’s Empowerment Package. We are currently establishing a bi-yearly panel of high level Pakistani gender experts to review progress against DFID’s
gender commitments across the programme. In KP DFID co-chairs the gender working group of the Government/Donor Strategic Development Partnership Framework.

DFID also continued to work closely with the Pakistan Commission on the Status of Women in the run up to this year’s UN Commission on the Status of Women event, and helped secure a positive Pakistani position on the conclusions. We will continue to work with them to consolidate these gains. In a positive move the Government of Pakistan has also signed up to the Preventing Sexual Violence Initiative (PSVI) and we expect Sartaj Aziz, Special Adviser on Foreign Affairs, to represent Pakistan at the PSVI event in the UK in June 2014.