



Investing in rural people

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Action: The Executive Board is invited to review the country strategy and programme evaluation of the Islamic Republic of Pakistan.

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Note

It is noted that the following terms, used in this report, are to be interpreted and understood, in keeping with the standard United Nations practice, as follows:

- “Azad Jammu and Kashmir” or “AJK” means Pakistan-administered Jammu Kashmir; and
- “Gilgit-Baltistan” means Gilgit-Baltistan, Pakistan-administered.

IFAD further notes that the use of the above defined terms in this document does not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Executive summary

A. Background

1. As approved by the 128th session of the IFAD Executive Board in December 2019, the Independent Office of Evaluation of IFAD (IOE) undertook a country strategy and programme evaluation (CSPE) in the Islamic Republic of Pakistan in 2020.
2. **Objectives.** The main objectives of the CSPE were to: (i) assess the results and performance of the IFAD country programme; and (ii) generate findings and recommendations to steer the future partnership between IFAD and the Government. The findings, lessons and recommendations are expected to inform the preparation of a new country strategy.
3. **Scope.** The CSPE covered the period 2009-2020. The key dimensions assessed in the CSPE were: (i) project portfolio performance; (ii) non-lending activities, namely, knowledge management, partnership-building and country-level policy engagement; (iii) performance of IFAD and the Government; and (iv) relevance and effectiveness of the country strategy and programme.
4. **IFAD in Pakistan.** Pakistan became a Member State of IFAD in 1977. Its first IFAD loan was approved in 1979. Since then, IFAD has approved the financing of 27 projects (excluding two that were cancelled after approval) for a total cost of US\$2.58 billion, with IFAD financing of US\$780 million (75 per cent on highly concessional terms, 17 per cent on intermediate terms and 8 per cent on blend terms). The total cost of the seven investment projects covered by the CSPE is approximately US\$520 million,¹ of which US\$362 million was financed by IFAD. In the CSPE period, IFAD prepared two country strategic opportunities programmes (COSOPs) – in 2009 and 2016.
5. Two types of implementation arrangements were used for the projects covered in the CSPE. For the four area-based projects (covering Azad Jammu and Kashmir, Balochistan, Gilgit-Baltistan and Punjab), the Government of each province/territory is the lead implementing agency (through the Planning and Development Department/Board). For the other projects with wider geographical coverage and without pre-determined areas, the Pakistan Poverty Alleviation Fund (PPAF) has been the lead implementing agency. The main areas of project interventions were social mobilization and community development, microfinance, infrastructure (community-level and larger-scale such as roads), asset transfer and skills training, irrigation support with land development and value chain development.
6. **Country context.** Pakistan is the sixth most populous country in the world. Two thirds of the population are below 30 years old. It is a country of diversity in many aspects, e.g. agro-ecological conditions, population density, level of economic development, language and socio-cultural context. Significant progress has been made in reducing the poverty level over the past two decades, but about one quarter of the population still live under the national poverty line and about 39 per cent in multi-dimensional poverty. There are wide disparities in poverty/wealth levels between urban and rural areas, and between and within provinces or districts. Land ownership, in particular access to irrigated land, is highly concentrated. The extent of inequality in farmland holdings and landlord-tenant relationships and arrangements varies greatly across areas. Pakistan ranked 151st out of 153 countries on the Global Gender Gap Report in 2020.
7. The Government has had a number of anti-poverty initiatives. The PPAF, the National Rural Support Programme (NRSP) and a number of other Rural Support Programmes (RSPs) have been established with federal and provincial government funding. The Government supports one of the largest social protection programmes

¹ Actual cost for closed projects and planned costs for ongoing projects.

in the world, notably the Benazir Income Support Programme (BISP) which provides basic income support to the poorest households for consumption smoothing (reported to be about 5.7 million households in 2016). Eligible households for BISP were identified based on a proxy means test (known as poverty scorecard in Pakistan) and a survey conducted in 2010-2011. The current Government formed in 2018 launched the Ehsaas programme in 2019 as a major government umbrella anti-poverty initiative, with the objective “to reduce inequality, invest in people, and lift lagging districts”.

B. Project portfolio performance

8. **Relevance.** Overall, the projects have been aligned with the Government’s policy priorities and IFAD’s Strategic Framework. Project interventions were relevant to the needs of the rural poor, such as access to clean drinking water and improved sanitation, livestock and other productive assets, finance, skills training and access roads. Some adjustments during implementation were made in response to emerging needs, as was the case in the face of COVID-19 (e.g. cash transfers to participating households as start-up or working capital to be used for the protection of assets provided by the project).
9. The sectoral/subsectoral focus of some area-based projects was relevant in terms of supporting inclusive growth and systemic changes, for example, with ETI-GB² in Gilgit-Baltistan. Two microfinance programmes³ in the earlier part of the CSPE period were geared towards fostering an enabling environment and strengthening the capacity of financial service providers to better serve the rural population. On the other hand, as the portfolio investment in asset transfer (mostly goats) and skills training targeted at households selected based on the poverty scores has significantly increased over the CSPE period, some project strategies are less geared towards addressing structural constraints and systemic influence (e.g. value chain governance, regulatory environment). Similarly, support for financial inclusion has shifted away from a systemic approach to direct credit-focused interventions.
10. In a number of projects, the implementation arrangements had weak linkages with relevant institutions: limited attention was paid to fostering meaningful linkages between the target group and service providers and to investing in existing institutions at provincial and local levels to prepare them for future delivery and sustainability.
11. The projects have generally had a strong poverty focus, mainly using poverty scorecard as a targeting tool and including the Government’s cash transfer programme recipients, especially for interventions such as asset transfer, skills training and small housing units. At the same time, some issues with the overreliance on poverty scorecard for geographical and household targeting have not been critically reflected upon. For example, the poverty scores are based on observable indicators (e.g. assets) and may not be necessarily an accurate reflection of households’ capacity for sustainable livelihoods. Poverty status can also be highly transitory. Furthermore, even though poverty scorecard status is revalidated in the projects, those households whose poverty scores were above the threshold in the original registry (from 2010-2011) or who were not in the registry for some reason are not included in this revalidation process.
12. **Effectiveness.** The outreach of the closed and ongoing projects is estimated at 319,055 households: 126,660 (128 per cent of the combined target in the two closed projects in Azad Jammu and Kashmir, and Balochistan); and 192,395 (58 per cent achievement against the combined target in the two ongoing projects

² Economic Transformation Initiative – Gilgit-Baltistan.

³ Microfinance Innovation and Outreach Programme (MIOP) and the Programme for Increasing Sustainable Microfinance (PRISM).

in Southern Punjab and Gilgit-Baltistan). Community organizations have often been the main medium of project support, following the model widely adopted in Pakistan by the PPAF, NRSP and RSPs over the past decades. In the evaluated portfolio, 12,724 community organizations were reached with a total membership of 234,092. Overlapping with these figures, there were borrowers who benefited from the microfinance programmes as well as a broader population who benefited through rural infrastructure.

13. IFAD's infrastructure-related investments (e.g. drinking water schemes, roads) have led to highly positive outcomes in terms of enhanced livelihoods, access to basic services and living conditions for beneficiary communities. Apart from large-scale infrastructure such as roads, many of these schemes were planned and implemented effectively through community-led approaches.
14. Productive asset transfer (mostly livestock) and skills training have improved income opportunities and resilience, mostly for women. Vocational training support could have been more market-oriented and more effective with better planning and implementation. While irrigation rehabilitation or development has enhanced – or has the potential to enhance – agricultural productivity and crop diversification, promotion and adoption of improved agricultural techniques and practices were generally limited. In terms of access to markets, road improvement was the most effective: for example, in remote areas in Balochistan, the investment in link roads from the landing sites to the main roads greatly facilitates the transport of fish catch, resulting in a significant reduction in their spoilage. There are also promising early results from public-private-producer partnership initiatives in Gilgit-Baltistan, albeit still on a small scale.
15. There were good achievements in strengthening microfinance service providers in the earlier period through two sectoral programmes, but overall, the effectiveness in improving the access of the rural poor to community-based funds and financial services was found to be modest.
16. **Efficiency.** On the positive side, the share of project management costs has been low (2 per cent for one microfinance programme with PPAF) or reasonable (8 to 14 per cent for area-based projects). Despite the implementation and disbursement delays, the utilization of funds at completion has been high, with the disbursement rate for IFAD funds at 95 to 100 per cent. For the recently completed and mature ongoing projects, economic efficiency is likely to have been affected by implementation delays or changes in the main benefit streams, but they are still expected to be viable.
17. On the other hand, more than half of the portfolio has experienced significant delays in start-up, implementation and disbursement, which in turn affected the results. Common factors included: delays in government processes; staffing issues (e.g. high turn-over, delays in recruitment); under-design of some interventions and delays in their elaboration (e.g. value chain fund in ETI-GB); and security issues and delayed or non-issuance of no-objection certificates by the Government (e.g. in Balochistan).
18. There is also an important efficiency issue at the country portfolio level, given the number of projects developed that in the end fell through. During the evaluation period, two projects were cancelled after the signing of financing agreements. Another project was fully developed but in the end was not presented to the IFAD Executive Board.
19. **Rural poverty impact.** The portfolio had a very positive impact on human capital through infrastructure support. Interventions such as drinking water schemes, drainage and sanitation, and link roads have contributed to improving health conditions (e.g. a reported decline in intestinal diseases) and general well-being. The provision of small housing units to women has not only alleviated rural

homelessness but also liberated poor household members from exploitative arrangements of exchanging free labour for shelter.

20. Rural road improvement also had a visible impact on household incomes – notably by reducing travel time and costs, and wastage of fish catch and perishable crops. There are indications that productive assets – goats in the majority of cases – contributed to increased incomes. The evidence on impact of vocational and enterprise training on household incomes is mixed, due to the issue with the selection of trades and training quality, as well as differences in the market and economic opportunities in different areas.
21. Food banks in the Southern Punjab Poverty Alleviation Project (SPPAP) have mitigated the food gap during the lean season. More broadly, increases in incomes, coupled with the provision of livestock, are likely to have had a positive impact on food security and nutrition, but there is little data and evidence to confirm this. Agricultural productivity was not an explicit objective of the portfolio and the impacts in this regard were relatively limited. The portfolio made significant investments in supporting community institutions in collaboration with the PPAF, NRSP and other RSPs, but the portfolio impact on community empowerment is not evident: the project approach has mostly focused on community organizations as a channel of project service delivery. Apart from the microfinance programmes, impacts on policies and institutions were minimal.
22. **Sustainability of benefits.** Community physical infrastructure schemes (e.g. drinking water scheme, road pavements) generally have a high likelihood of sustainability owing to strong community ownership and clear responsibilities and arrangements for operation and maintenance. For the larger-scale roads developed in the Gwadar-Lasbela Livelihoods Support Project, operation and maintenance are ensured by the Communication and Works Department, which collaborated effectively with the project.
23. Conversely, the weak alignment of technical and vocational training with market needs and contextual realities poses risks to the sustainability of results in terms of employment generation and income opportunities. The longer-term sustainability of community institutions is uncertain, as these institutions have remained somewhat “project-centred”. In fact, community organizations are often reorganized based on the requirements of individual projects. There were also missed opportunities for closer engagement and institutional strengthening of government institutions for better sustainability. Furthermore, sustainability of benefits in terms of improved operations, outreach and services by microfinance service providers after MIOP (completed in 2011) and PRISM (completed in 2013) is mixed: some partner organizations expanded the operations, some stagnated and others stopped microfinance services. A major factor were the changes to the regulatory framework for microfinance, including the introduction in 2016 of the minimum capital requirement of PKR 50 million, which many were unable to comply with.
24. **Innovation.** IFAD’s portfolio shows several scattered examples of technological innovations, some of which have potential for significant impacts for communities (e.g. vertical farming), as well as innovations in approach and implementation modality (e.g. credit enhancement facility support in MIOP). However, some of these approaches remain untested, and knowledge management has been limited. Moreover, IFAD’s portfolio falls short of meeting the recommendation of the 2008 country programme evaluation, in that it has not explored innovative partnerships and the capacity for innovation has been constrained by weak linkages between loans and grants.
25. **Scaling up.** In general, examples and evidence of scaling up of successful interventions introduced in the IFAD portfolio by other actors are limited. The Government’s National Poverty Graduation Initiative and some recent donor-funded projects are described as examples of scaling up of the “poverty graduation

approach” supported in the IFAD portfolio, but there are some caveats to be noted. The available evidence indicates that PPAF has been the active promoter of the “poverty graduation approach” and it is probably more accurate to say that IFAD, the Government and other development partners have collaborated with PPAF and financed the piloting and scaling up of PPAF-supported or promoted initiatives, rather than say that a development approach was newly introduced by IFAD and scaled up by other actors. Similarly, the poverty-scorecard-based household targeting has been presented as an example of scaling up but the idea to use poverty scorecard for development-oriented programmes existed earlier and its use has been studied and promoted by PPAF. Of the various technological innovations introduced by the projects, as yet, there is little sign of replication or scaling up by other actors.

26. **Gender equality and women’s empowerment.** Women’s participation was generally strong, with many project activities targeted at women, such as vocational training, small land plots and housing, distribution of goats, and kitchen gardening. The projects have contributed to the social and economic empowerment of women by enhancing their access to resources, assets and services. Interventions such as water supply schemes reduced women’s workload and improved their health and well-being. Some projects have challenged social norms and enabled women to participate in activities that were not seen as women’s domains earlier, e.g. economic activities in the market and ownership of small housing units and land plots. At the same time, it is worthwhile noting BISP’s reported impact on women’s decision-making power and empowerment, given that many of the project beneficiaries were BISP recipients.
27. While the overall positive achievements are noted, there were also missed opportunities to maximize the benefits of some interventions and to diversify the income-generating opportunities. Vocational training mainly focused on traditional roles of women (e.g. tailoring, embroidery) without exploring opportunities to break down occupational segregation. Also, the important roles of women in the fishery and livestock sectors were not adequately taken into consideration.
28. **Environment and natural resource management.** There is no evidence of major environmental damage from IFAD-supported interventions, and even large-scale infrastructure works have been conducted in an environmentally-sensitive manner (e.g. tree planting to compensate for the loss of trees for road works in ETI-GB). SPPAP made efforts to reduce open defecation by introducing household latrines in Southern Punjab. On the other hand, the potentially negative impacts of goat distribution on the environment have not been carefully considered. Furthermore, considering how essential water is as a scarce commodity in Pakistan, there is insufficient emphasis on improved water use efficiency.
29. **Adaptation to climate change.** There are some examples of climate change adaptation co-benefits and enhanced resilience of communities as a result of IFAD’s interventions (e.g. through resilient roads, rainwater harvesting and irrigation development with attention to disaster risk reduction). However, these were not always intentionally based on a climate risk analysis. While climate change is mentioned in the project design documents, there has been limited analysis of context-specific risks within the project areas, also given the extensive geographic coverage.

C. Performance of non-lending activities

30. **Knowledge management.** The projects have invested significant effort in promotional and communication products, but there has been less emphasis on critically analysing and synthesizing successes, failures and challenges to draw lessons and to feed into policy briefs. Inputs by IFAD at the country programme level to distil learning from the project level have also been limited. Recently, IFAD has supported South-South knowledge-sharing activities with China at the country

level, utilizing the corporate-level facility, but outcomes and linkages with the country programme are not yet clear.

31. **Partnership-building.** IFAD has generally had good relationships with the government agencies at federal and provincial levels. It has also long pursued partnerships with well-established not-for-profit organizations such as PPAF, NRSP and other RSPs, mostly as implementing agency/partners for the loan projects, but the evaluation noted a lack of diversity. Collaboration with research and academic institutions has also been limited.
32. There were some examples of collaboration with other development partners and initiatives in earlier projects (e.g. the Food and Agriculture Organization of the United Nations in the Community Development Programme; the World Bank in microfinance programmes), but in other cases, linkages proposed at design often did not materialize and there were also missed opportunities. Overall, strategic and structured partnerships with other bilateral and multilateral development agencies have been minimal. There are emerging attempts to promote partnerships with the private sector within the project framework.
33. **In-country policy engagement.** For most areas proposed for policy linkage in the COSOPs (except for microfinance), there have been few or no achievements. While there is a recent case of directly providing support to the Government's Poverty Alleviation and Social Safety Division, in general, IFAD's inputs on policy engagement and concrete outputs/outcomes have been relatively limited – in terms of providing technical inputs to policy-related interventions under the projects, identifying emerging policy bottlenecks in the projects and tabling them for analysis and actions, helping systematize the experience and evidence at project level, and taking them to a higher level for broader debate and influence. This is also due to weak partnerships and under-utilization of non-lending activities and instruments – which are, in turn, also due to the human resource capacity constraints in the IFAD Country Office (ICO).

D. Performance of partners

34. **IFAD.** IFAD has tactfully managed the lending portfolio to meet the corporate targets. IFAD has been proactive and closely involved in supervision and implementation support for the portfolio and handled problem projects. While IFAD is generally well-appreciated by the federal and provincial governments despite its small portfolio, there is some mismatch between their expectations for IFAD's value addition (e.g. agriculture and livestock sectors with attention to improved technologies, advisory services, value chain development, climate change resilience) and the recent/current IFAD portfolio, which is relatively heavy on asset transfer and skills training to the households identified based on poverty scorecard. Limited human resources in the ICO and a non-resident country director have constrained IFAD's performance, particularly for non-lending activities and presence in policy dialogue.
35. **Government.** Overall, the Government has been a collaborative partner. Among other things, Pakistan's contribution to periodical IFAD replenishments has been consistently high. It also supported the alternative implementation arrangements through an institution outside the Government (i.e. PPAF). On the other hand, delays in the Government's internal processes and in setting up project teams and recruitment have continued to be the biggest bottleneck.

E. Conclusions

36. Overall IFAD support has been aligned with the Government's development strategies, demonstrating a strong poverty focus. IFAD embraced the use of the poverty scorecard as the main targeting tool with the aim of reaching the extremely and vulnerable poor, and promoted community institutions inclusive of these households. By including the Government's cash transfer recipients in the

target group, the portfolio's efforts were also aligned with and complemented the Government's social protection and poverty alleviation programmes.

37. IFAD has demonstrated a proactive and flexible approach to portfolio management, addressing issues with problem projects (e.g. cancellation of non-performing projects; dropping or scaling down of non-performing interventions in problem projects), while managing the pipeline to ensure the utilization of the available resources for lending. While these actions had positive effects on the portfolio delivery efficiency indicators, IFAD's comparative advantage and value addition as expected by government partners have become less pronounced. The lending portfolio has become skewed towards assets transfer and skills/enterprise training targeted at individual households under the label of "poverty graduation approach". Meanwhile, with one exception (ETI-GB), strategic investment to leverage rural economic growth around natural resources (i.e. agriculture, livestock and fisheries) has declined, and priority issues such as climate resilience and natural resource management (especially, water) have not been systematically integrated. Despite the importance of food security and nutrition among rural poor people, the efforts to integrate these issues into programming have not been adequate.
38. At the operational level, various targeted interventions were relevant to the needs of the rural poor and had positive impacts on their living conditions and livelihoods. Project results were particularly visible with investment in infrastructure, which mostly positively impacted on human capital – and to a varied extent on household incomes. Furthermore, the provision of productive assets, combined with skills training, contributed to improved livelihoods, although the scale, depth and sustainability of the results are not always evident. The portfolio made an important contribution to women's social and economic empowerment, although there were also missed opportunities to promote more gender-transformative changes. Support for community institutions has contributed to the effectiveness and sustainability of community-level infrastructure, but the approach has largely remained project-centred, whereas different development programmes have made substantial investment in forming or reactivating these organizations over the decades.
39. Notwithstanding cases of positive results on the ground, a critical shortcoming has been the limited consideration of how best to leverage systemic and sustainable changes. Project interventions have often lacked an effective strategy to address meso-level and structural constraints to inclusive rural economic development, such as access to advisory and other services. The geographical and household targeting approach, primarily driven by poverty scorecard, followed by asset transfer and vocational training, has overlooked a broader perspective on root causes and drivers of poverty and the opportunities for leveraging changes in agricultural production, agribusiness, and food systems that would benefit the rural poor. The overreliance on poverty scorecard has also not reflected the fact that poverty is dynamic and that many households move in and out of poverty. Furthermore, project efforts have mostly concentrated on delivering goods and services according to the targets rather than on improving and influencing the institutions, policies and systems to remain beyond the project period to create enabling conditions for pro-poor solutions.
40. The country programme has not demonstrated strong strategic coherence, synergy or linkages between different elements, nor visible learning and capitalization of experiences, thus curtailing the potential for greater influence and impact. This is in part due to a limited focus on non-lending activities and their ability to drive innovation, challenge traditional approaches and enhance IFAD's value proposition. The point for critical reflection would be how the country programme could become much more than a mere collection of stand-alone projects in different areas. In essence, there has been insufficient strategic consideration on how to get the best value out of the relatively small size of the portfolio/programme – in terms of an

effective strategy for promoting innovations and scaling up for greater influence and impact that reflects the areas of IFAD's strengths.

F. Recommendations

41. **Recommendation 1. Place greater emphasis on inclusive market systems development with due attention to climate resilience and natural resource management.** There should be careful consideration of the potential thematic foci and value chains/market systems in agriculture, livestock, fisheries and forestry sectors that are most relevant to the rural poor (on- and off-farm), followed by a diagnostic analysis of constraints and opportunities for strategic programming. The programme should also integrate more deliberately the aspects of climate resilience, disaster risk reduction and natural resource management (particularly water use efficiency) with due attention to innovative practices. Where relevant, it would be important that such investment be accompanied by support for addressing basic needs, in the project or through other complementary initiatives.
42. **Recommendation 2. Articulate a strategy to promote innovations and scaling up for greater rural poverty impact.** Given the relatively smaller resource envelope compared to many other development agencies, IFAD, in consultation with the Government, should better articulate how it plans to add greater value for a country programme with a deliberate focus and synergy. Rather than financing the scaling up of initiatives or repeating a similar approach in consecutive projects, there should be a stronger emphasis on introducing innovations (approaches, practices and technologies) with high potential impact on inclusive rural economic development with a strategy to promote scaling up by the Government and other partners. For this, greater attention should be given to leveraging resources and capacity through strategic partnerships, for identifying opportunities for innovations, designing and piloting innovations, and generating and disseminating knowledge – within the project framework and/or utilizing grants. This will require significant strengthening of IFAD's non-lending activities in Pakistan.
43. **Recommendation 3. Place more emphasis on strengthening and linking with institutions, policies and systems for greater likelihood of sustainability.** Working with, strengthening and preparing the institutions, policies and systems that will continue to exist after the projects should be given priority. This would also mean more systematic engagement of stakeholders right from the project conceptualization phase for greater ownership, and creating sufficient space and budget allocation for their meaningful participation in project implementation, monitoring and evaluation and oversight. It is imperative that the right entry points (in terms of partner institutions, policy and systems issues to be addressed) be identified at the project design stage and complemented by IFAD's investment in policy engagement. IFAD should also develop a strategy for closer involvement and stronger oversight by project steering committees.
44. **Recommendation 4. Adopt a more flexible and differentiated approach in targeting and programming.** Selection of geographical areas for interventions could be informed not only by the poverty rate or the number of poor households but also by other factors such as vulnerability, causes of poverty and opportunities for inclusive economic development, which IFAD would be well-placed to support. Depending on the nature of interventions, consideration should be given to diversifying the basis for household targeting from strictly relying on the poverty scores, also in recognition of the dynamic and transitory nature of poverty. There should be continued attention to inclusiveness of institutions of the targeted population, based on the analysis of socio-cultural contexts and power relations, but leaving flexibility for adapting the forms and approaches based on the main purposes and a long-term vision for such institutions and the contexts. Furthermore, in-depth differentiated analysis of the actual/potential roles in value

chains and market economy of different categories of the rural poor (men, women, young men and women, other vulnerable groups) is needed for effective targeting. Where relevant, non-traditional employment/income opportunities for women should be explored.

45. **Recommendation 5. Broaden and strengthen partnerships with other development agencies partners and non-governmental actors while upgrading the IFAD Country Office and its support systems.** IFAD should seek out opportunities for exchange, coordination and collaboration with other development partners. This could be for: knowledge exchange in areas where IFAD has accumulated experience; collaboration in analytical work and policy engagement; or better capitalizing on the work and lessons of others. IFAD should also explore opportunities to diversify non-governmental partners for different purposes beyond contracting as service providers, for example, to build capacities of smaller civil society organizations to provide services to the rural poor or strengthen the role of advocacy and representation, or for research and technical assistance. These would also require strengthening of the ICO in terms of human resource capacity and/or the technical support systems from its subregional hub or headquarters.

Agreement at completion point

A. Introduction

1. The Independent Office of Evaluation of IFAD undertook a country strategy and programme evaluation (CSPE) in Pakistan in 2020. This CSPE followed the country programme evaluation in 2008 by IOE and was the third country-level evaluation for Pakistan. The main objectives of the CSPE were to: (i) assess the results and performance of the IFAD-financed strategy and programme in Pakistan; and (ii) generate findings and recommendations for the future partnership between IFAD and the Government for enhanced development effectiveness and rural poverty reduction.
2. The CSPE covers the period 2009-2020. Three key dimensions of the country strategy and programme were assessed in the CSPE: (i) the loan portfolio; (ii) non-lending activities, namely knowledge management, partnership-building and country-level policy engagement; and (iii) performance of IFAD and the Government. Building on the analysis on these three dimensions, the CSPE assesses the relevance and effectiveness at the country strategy and programme level.
3. This agreement at completion point contains recommendations based on the evaluation findings and conclusions presented in the CSPE report, as well as proposed follow-up actions as agreed by IFAD and the Government. The signed agreement at completion point is an integral part of the CSPE report, in which the evaluation findings are presented in detail, and will be submitted to the IFAD Executive Board as an annex to the new country strategic opportunities programme (COSOP) for Pakistan. The implementation of the recommendations agreed upon will be tracked through the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions, which is presented to the IFAD Executive Board on an annual basis by the Fund's Management.

B. Recommendations and proposed follow-up actions

4. Recommendation 1: Integrate a strategy to support inclusive economic development – primarily around natural resources (agriculture, livestock, fisheries, forestry) – with a market systems development lens, while also exploring ways to respond to basic needs.

This could entail an identification of potential subsectors or thematic foci that are most relevant to the rural poor in different geographical areas or value chains/market systems, also in light of the priorities of counterpart provincial governments and current and planned support by other donors. This should be followed by a diagnostic analysis of constraints and opportunities for strategic programming. The programme should integrate more deliberately the aspects of climate resilience, disaster risk reduction and natural resources management (particularly water use efficiency), with due attention to innovative practices. Where relevant, it would be important that such investment be accompanied by support for addressing basic needs, in the project or through other complementary initiatives.

Proposed Follow-up: *IFAD and the Government of Pakistan agree with this recommendation and will integrate this recommendation in the next COSOP 2023-2028 by ensuring a coherent pathway to support inclusive economic development, basic needs, access to basic and economic services to its target groups, a greater focus on climate and natural resources, while always keeping in view the need for strategic alignment with priorities at national and provincial levels.*

Responsible partners: IFAD and Government of Pakistan (national and provincial)

Timeline: COSOP 2023-2028 period

5. Recommendation 2: Strategize and articulate how IFAD-Government partnerships can generate greater rural poverty impact, with attention to innovations and scaling-up pathways.

Given the relatively smaller resource envelope compared to many other development agencies, IFAD, in consultation with the Government, should better articulate how it plans to add greater value for a country programme, with a deliberate focus and synergy. Rather than financing the scaling-up of initiatives or repeating the similar approach in consecutive projects, there should be a stronger emphasis on introducing innovations (approaches, practices and technologies) with high-potential impact on inclusive rural economic development, with a strategy to promote scaling-up by the Government and other partners. For this, greater attention should be given to leveraging resources and capacity, through strategic partnerships, for identifying opportunities for innovations, designing and piloting innovations, and generating and disseminating knowledge – within the project framework and/or utilizing grants. This will require the significant strengthening of IFAD’s non-lending activities in Pakistan.

Proposed Follow-up: *IFAD and the Government of Pakistan agree with this recommendation and will integrate this recommendation in the next COSOP 2023-2028, and in future projects. Effort will go towards exploring additional partnerships, with attention to innovations and scaling up. In line with the recommendation, IFAD county office will showcase innovation to the Government at provincial and national levels as well as to the broader development partners. With respect to the non-lending side, the lessons learned from South-South and Triangular Cooperation will be leveraged for innovative development solutions under the IFAD portfolio as well as disseminated among development partners.*

Responsible partners: IFAD Country Office, Government of Pakistan, relevant project management units and development partners

Timeline: COSOP 2023-2028 period

6. Recommendation 3: Place more emphasis on strengthening and linking with institutions, policies and systems for greater likelihoods of sustainability. Working with, strengthening and preparing the institutions, policies and systems that will continue to exist after the projects should be given priority. This would also mean more systematic engagement of stakeholders right from the project conceptualization phase for greater ownership, and creating sufficient space and budget allocation for their meaningful participation in project implementation, monitoring and evaluation, and oversight. It is imperative that the right entry points (in terms of partner institutions, policy and systems issues to be addressed) be identified at project design stage and complemented by IFAD’s investment in policy engagement. IFAD should also develop a strategy for closer involvement of and stronger oversight by project steering committees.

Proposed Follow-up: *IFAD and the Government of Pakistan agree with this recommendation and will integrate this recommendation in the next COSOP 2023-2028 and in future projects. Efforts will go towards strengthening the links between IFAD-funded projects and beneficiary organizations with institutions, policies and systems for greater sustainability. IFAD’s new stakeholder engagement policy will be applied for new designs to ensure greater ownership. Entry points for policy engagement will be identified in new designs. The IFAD Country Office will also explore partnerships with development partners for co/parallel financing and seek complementarities with other development partners.*

Responsible partners: IFAD, Government of Pakistan (national and provincial), national institutions and development partners

Timeline: Immediate and ongoing

7. Recommendation 4: Adopt a more flexible and differentiated approach in targeting and programming.

Selection of geographical areas for interventions could be informed not only by the poverty rate or the number of poor households but also by other factors such as vulnerability, causes of poverty and opportunities for inclusive economic development which IFAD would be well-placed to support. Depending on the nature of interventions, consideration should be given to diversifying the basis for household targeting from strictly relying on the poverty scores, also recognizing the dynamic and transitory nature of poverty. There should be continued attention to inclusiveness of institutions of the targeted population, based on the analysis of social-cultural contexts and power relations, but leaving flexibility for adapting the forms and approaches based on the main purposes and a long-term vision for such institutions and the contexts. Furthermore, in-depth differentiated analysis on the actual/potential roles in value chains and market economy of different categories of the rural poor (men, women, young men and women, other vulnerable groups) is needed for effective targeting. Where relevant, non-traditional employment/income opportunities for women should be explored.

Proposed Follow-up: IFAD and the Government of Pakistan agree with this recommendation and will integrate this recommendation in the next COSOP 2023 – 2028 and subsequent projects. Efforts will go on studying how to adopt a more flexible and differentiated approach in targeting and programming. The targeting approach at a macro as well as micro target group level will be defined and clarified in the COSOP 2023-2028.

Responsible partners: IFAD, Government of Pakistan (national and provincial)

Timeline: COSOP 2023-2028 period formulation

8. Recommendation 5: Broaden and strengthen partnerships with other development agency partners and non-governmental actors while upgrading the IFAD country office and its support systems.

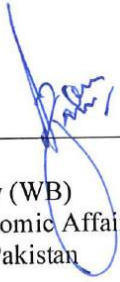
IFAD should seek out opportunities for exchange, coordination and collaboration with other development partners. This could be for: knowledge exchange in areas where IFAD has accumulated experience; collaboration in analytical work and policy engagement; or better capitalizing on the work and lessons from others. IFAD should also explore opportunities to diversify non-governmental partners for different purposes beyond contracting as service providers – for example, to build the capacities of smaller civil society organizations to provide services to the rural poor; or strengthen advocacy role and representation; or for research and technical assistance. These would also require strengthening of the IFAD country office in terms of human resource capacity and/or the technical support systems from its subregional hub or the headquarters.

Proposed Follow-up: *IFAD and the Government of Pakistan agree with this recommendation and will integrate this recommendation in the next COSOP 2023-2028. Efforts will go towards exploring the possibility of broadening and strengthening partnerships with other development agency partners and non-governmental actors and at the same time upgrading the IFAD country office and its support systems. As an immediate step to building human resource capacity, an additional national officer is under recruitment to be based in the country office in Islamabad. As soon as the host country agreement is signed, the Country Director will join the office. IFAD will seek to increase integration within the UN Country Team as well as strengthen collaboration and cooperation with the Rome-based agencies.*

Responsible partners: IFAD Country Office, IFAD headquarters and Government of Pakistan


Timeline: immediate

Signed by:



Mr. Azam Khan
Deputy Secretary (WB)
Ministry of Economic Affairs,
Government of Pakistan

Date: 30-06-2021



Mr. Donal Brown
Associate Vice-President, Programme Management Department,
International Fund for Agricultural Development

Date: 20/7/21

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The appendices are available upon request from the Independent Office of Evaluation of IFAD (evaluation@ifad.org).

Currency equivalent, weights and measures

Currency equivalent

Currency unit = Pakistan Rupee (PKR)
 US\$ 1 = approximately 160 PKR (2020)
 2010 approximately PKR 85

Weights and measures

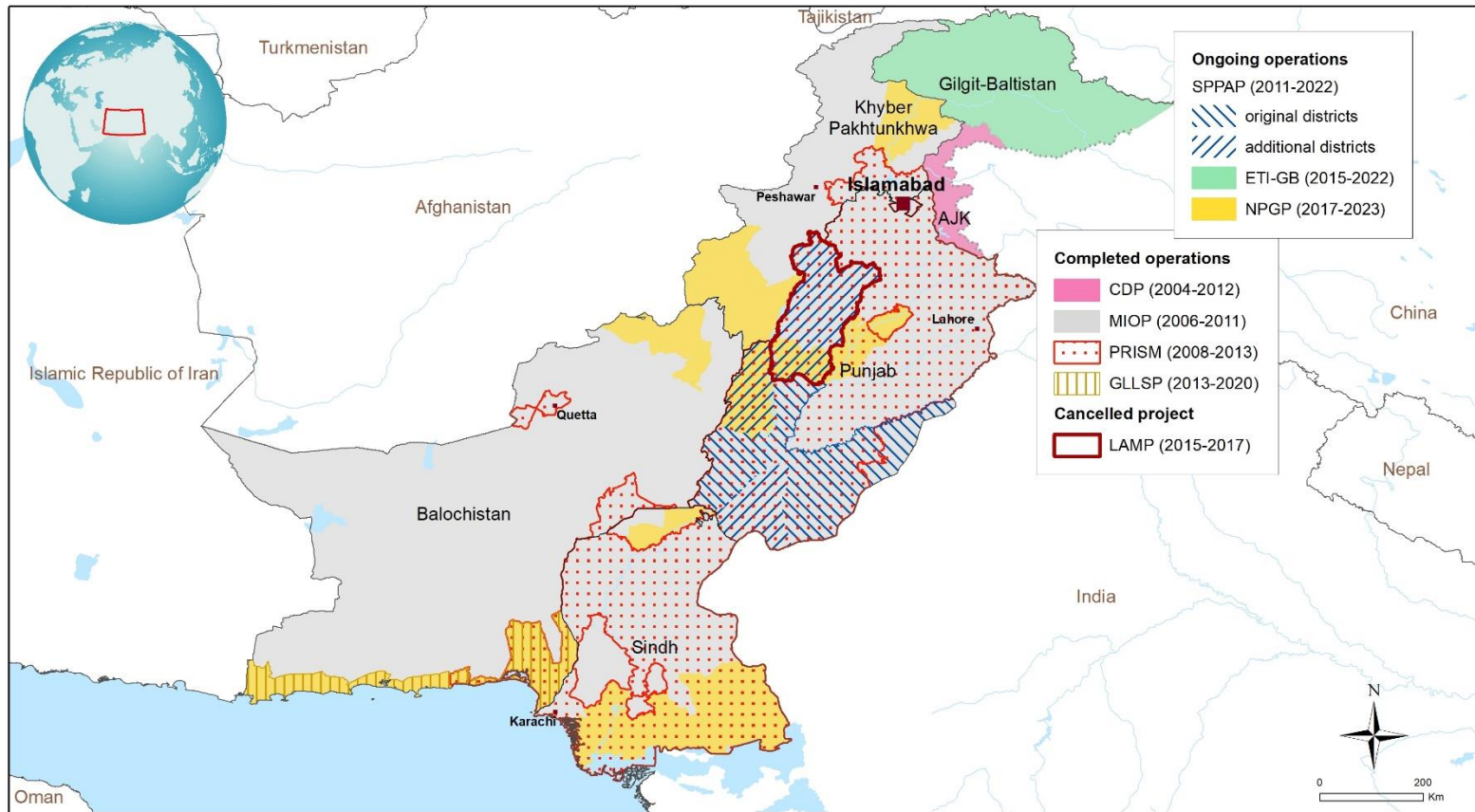
1 ton = 1,000 kg
 1 hectare = 2.47 acres

Abbreviations and acronyms

4P	Public private producer partnership
ACP	agreement at completion point
AJK	Azad, Jammu and Kashmir
AJKRSP	AJK Rural Support Programme
BISP	Benazir Income Support Programme
BRAC	Bangladesh Rural Advancement Committee
CGAP	Consultative Group to Assist the Poorest
CMSP	Crop Maximization Support Project
CDP	Community Development Programme
CDP II	Community Development Programme II
CO	community organization
CPE	country programme evaluation
CSPE	country strategy and programme evaluation
DAC	Development Assistance Committee
DFID	Department for International Development
DG Khan	Dera Ghazi Khan (district in Punjab province)
ETI-GB	Economic Transformation Initiative – Gilgit-Baltistan
FAO	Food and Agriculture Organisation of the United Nations
FATA	Federally Administered Tribal Area
GDP	gross domestic product
GLLSP	Gwadar-Lasbela Livelihoods Support Project
GNI	gross national income
IDA	International Development Association
IFAD	International Fund for Agriculture Development
IOE	Independent Office of Evaluation of IFAD
IPAF	Indigenous Peoples Assistance Facility
LAMP	Livestock and Access to Markets Project
LSO	local support organization
M&E	monitoring and evaluation
MFSP	microfinance service provider
MIOP	Microfinance Innovation and Outreach Programme
MTR	mid-term review
NGO	non-governmental organization
NPGR	National Poverty Graduation Programme

NRSP	National Rural Support Programme
O&M	operations and maintenance
ODA	official development assistance
OECD	Organization for Economic Co-operation and Development
PCR	project completion report
PCRV	project completion report validation
PMU	project management unit
PPA	project performance assessment
PPAF	Pakistan Poverty Alleviation Fund
PPAF II	Second Pakistan Poverty Alleviation Fund Project (World Bank funded)
PPAF III	Third Pakistan Poverty Alleviation Fund Project (World Bank funded)
PRISM	Programme for Increasing Sustainable Microfinance
RSP	rural support programme
RSPN	Rural Support Programme Network
SDG	Sustainable Development Goal
SO	strategic objective
SPPAP	Southern Punjab Poverty Alleviation Project
TVET	technical and vocational education and training
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
VO	village organization
WFP	World Food Programme

Map of IFAD-supported operations in Pakistan covered in CSPE portfolio assessment



CDP: Community Development Programme

GLLSP: Gwadar –Lasbela Livelihoods Support Programme

ETI-GB: Economic Transformation Initiative – Gilgit-Baltistan

LAMP: Livestock and Access to Markets Project

MIOP: Microfinance Innovation and Outreach Programme

NPGP: National Poverty Graduation Programme

PRISM: Programme for Increasing Sustainable Microfinance

SPPAP: Southern Punjab Poverty Alleviation Project

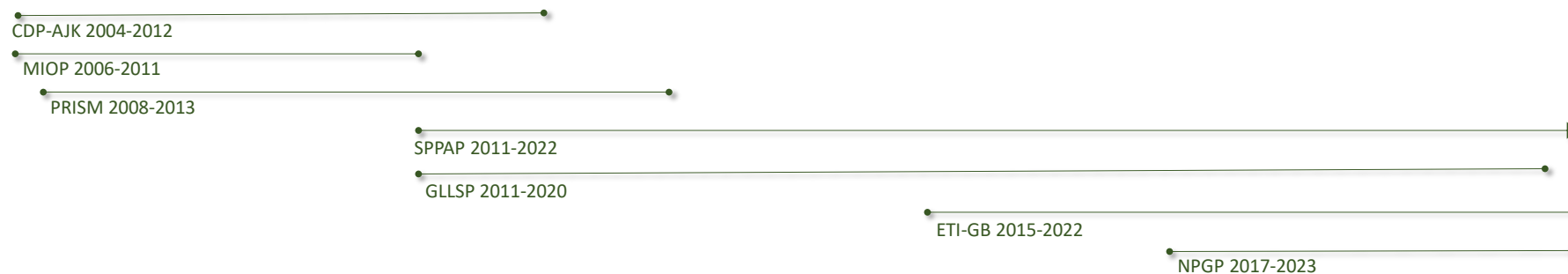
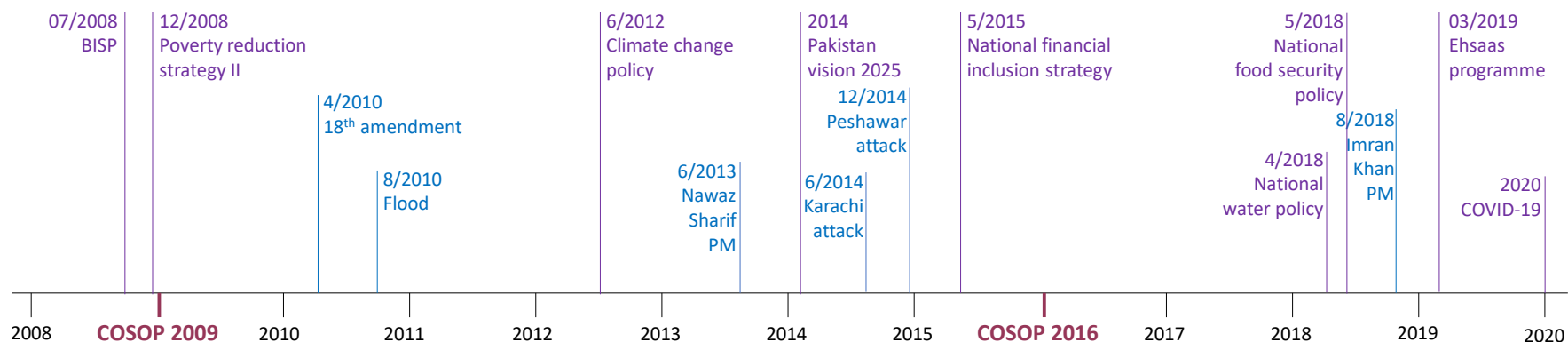


The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof. Dotted line represents approximately the Line of Control in Jammu and Kashmir agreed upon by India and Pakistan. The final status of Jammu and Kashmir has not yet been agreed upon by the parties.

Map compiled by IFAD | 29-01-2021

Pakistan timeline over the evaluation period 2009-2019

Events & Policies



Portfolio milestones



Islamic Republic of Pakistan

Country Strategy and Programme Evaluation

I. Background

A. Introduction

1. In line with the International Fund for Agriculture Development (IFAD) Evaluation Policy (2011) and as approved by the 128th session of the IFAD Executive Board in December 2019, the Independent Office of Evaluation (IOE) has undertaken a country strategy and programme evaluation (CSPE) in the Islamic Republic of Pakistan. This is the third country-level evaluation in Pakistan and follows the previous country programme evaluation (CPE) conducted in 2007-2008.

B. Objectives, methodology and processes

2. **Objectives.** The main objectives of the CSPE are to: (i) assess the results and performance of the IFAD-financed strategy and programme in Pakistan; and (ii) generate findings and recommendations for the future partnership between IFAD and the Government of Pakistan for enhanced development effectiveness and rural poverty reduction. The findings, lessons, and recommendations from this CSPE are expected to inform the preparation of the next IFAD's country strategy.
3. **Scope.** The CSPE assessed the results and performance of the partnership between IFAD and the Government of Pakistan between 2009 and 2020, covered by the two country strategic opportunity programmes (COSOPs), 2009 and 2016. The CSPE covered the loan portfolio, non-lending activities, as well as country programme strategy and management. The loan portfolio covers seven projects (table 1), including three projects designed prior to the 2009 COSOP. In addition, the two cancelled projects (Crop Maximization Support Project, CMSP⁴; Livestock and Access to Market Project, LAMP) were reviewed to inform some aspects of the CSPE (e.g. relevance, efficiency), but they are not rated for project performance.

Table 1
Evaluability of projects covered by Pakistan CSPE

Project Name	Implementation period	Project cost (US\$ mil)	Project status; disbursement % if ongoing ^a	Evaluation criteria ^b
Community Development Programme (CDP)	2004-2012	31	Closed	All (PPA conducted by IOE in 2014)
Microfinance Innovation and Outreach Programme (MIOP)	2006-2011	28	Closed	All (PCRVR prepared by IOE)
Programme for Increasing Sustainable Microfinance (PRISM)	2008-2013	52	Closed	All (PCRVR prepared by IOE)
Southern Punjab Poverty Alleviation Programme (SPPAP)	2011-2022	113 ^c	Approx 52% ^d	All
Gwadar-Lasbela Livelihood Support Project (GLLSP)	2013-2020	26	Closed	All (PCRVR prepared by IOE)
Economic Transformation Initiative Gilgit-Baltistan (ETI-GB)	2015-2022	120	51	Reviewed for all criteria but not rated for impact, sustainability, scaling-up
National Poverty Graduation Programme (NPGP)	2017-2023	150	18	Relevance efficiency

PCRVR: project completion report validation; PPA: project performance assessment.

^a Disbursement rate on IFAD financings still not closed. Data from Oracle Business Intelligence as of December 2020.

^b See annex I in this approach paper or Chapter 3 of the Evaluation Manual (second edition, IFAD 2015) for more information on the definition of the evaluation criteria.

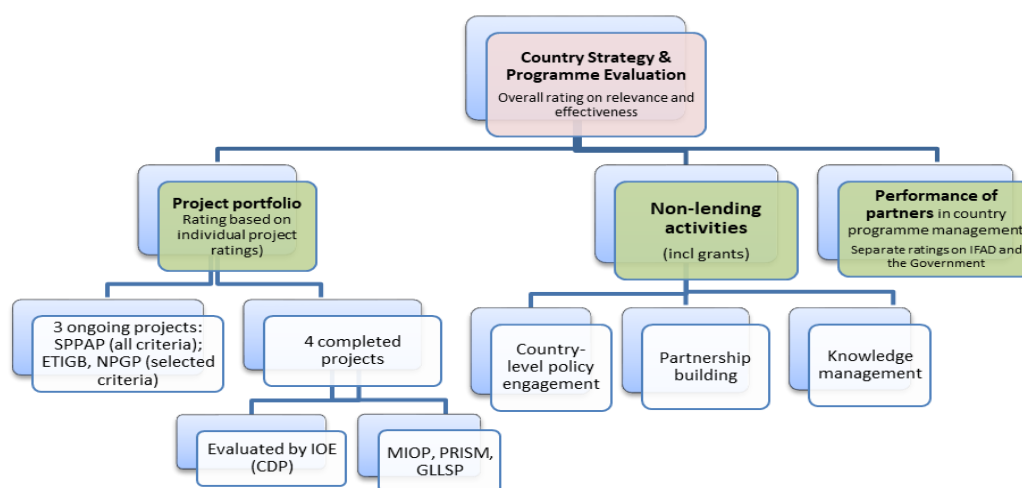
^c According to the data shared by the project team, including three additional financings by IFAD (in 2015, 2017 and 2018). Different sources indicate different figures for the total project cost. For example, IFAD system indicates US\$195 million but this does not reflect a reduction in the Government counterpart financing and beneficiary contribution.

^d All approved IFAD financings combined.

⁴ This project does not appear in the IFAD project database for some reason and it was not identified at the time of the CSPE approach paper preparation. The project was approved and signed – but cancelled with no disbursement.

4. **Methodology.** The CSPE followed the IFAD Evaluation Policy⁵ and the IFAD IOE Evaluation Manual (second edition, 2015).⁶ The approach paper for this CSPE served as a further guidance for the exercise.
5. The following three key dimensions are assessed in the CSPE:⁷
 - Investment portfolio performance, based on the standard IOE evaluation criteria for each project (i.e. relevance, effectiveness, efficiency, rural poverty impact, sustainability of benefits, innovation, scaling-up, gender equality and women’s empowerment, environment and natural resource management, climate change adaptation) – see annex I for the definition of criteria;
 - Non-lending activities (knowledge management, partnership-building, policy engagement, grants);
 - Performance of IFAD and the Government (both at project level and at the level of overall country programme management and related processes).

Figure 1
Overview of CSPE building blocks



6. Building on the analysis of these three dimensions, the CSPE assessed the relevance and effectiveness at the country strategy level. The performance in each of the criteria and the “building blocks” is rated on a scale of 1 (highly unsatisfactory) to 6 (highly satisfactory),⁸ which then informs an overall achievement rating for the IFAD-Government partnership.
7. Furthermore, while the assessment follows the standard evaluation criteria and the CSPE building blocks (see paragraph 5 and annex I), the evaluation paid attention to the following areas as identified in the approach paper: (i) participatory and community-led development; (ii) investments in rural infrastructure; (iii) support to microfinance service delivery; (iv) targeting; (v) poverty graduation approach; and (vi) IFAD’s value addition, contribution to scaling-up. Findings on these issues are discussed under different evaluation criteria as and where relevant.
8. The evaluation used a theory-based approach to establish plausible causal relationships between different interventions within and across each investment project, as well as different elements of the country strategy and programme (see also annexes VI and VII). Triangulating the data and evidence from different sources, the evaluation validated the reported results and impact – for example, by assessing to what extent intended results chains under the projects were

⁵ <http://www.ifad.org/pub/policy/oe.pdf>.

⁶ http://www.ifad.org/evaluation/process_methodology/doc/manual.pdf.

⁷ For more information, refer to the Evaluation Manual (second edition, IFAD 2015), in particular chapters 3 and 6. http://www.ifad.org/evaluation/process_methodology/doc/manual.pdf.

⁸ The standard rating scale adopted by IOE is: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory.

corroborated by available evidence, or examining broader contextual issues and potential alternative factors for results and impact and reassessing the plausibility of results chains and key assumptions.

9. **Sources of evidence.** The evaluation obtained data and evidence from multiple sources: (i) project-related documentation, including impact assessments; (ii) country programme-related documents (e.g. COSOPs, COSOP review); (iii) IOE and other evaluations; (iv) interviews and discussions with beneficiaries, project staff, government officials, partners (including those for closed projects), IFAD staff and consultants (virtual or face-to-face in the capital, provinces or project areas); (v) direct observations during field visits (e.g. infrastructures, assets provided); and (vi) self-assessments prepared by the project teams and IFAD. Furthermore, the CSPE team conducted broad literature reviews, as well as interviews with development partners and external key informants to contextualize and inform the CSPE assessment. See annex XIII for the list of persons consulted.
10. **Evaluation process.** IOE finalized the approach paper in May 2020 integrating the comments by IFAD management.⁹ Virtual meetings, and where possible face-to-face meetings in Pakistan (by national consultants), were held mostly between July and October 2020. Field visits were conducted in phases: Gilgit-Baltistan (12-18 August 2020, again 7-12 September 2020; seven districts); Punjab (27 September to 3 October 2020, five districts); and Balochistan (5-12 October 2020, two districts), respecting the Government standard operating procedures related to the COVID-19 pandemic. The field visits focused on the three projects that passed the mid-term point, GLLSP (closed in 2020), ETI-GB and SPPAP (both ongoing). See annex XIV for the field visit programme.
11. The evaluation team presented preliminary findings at a virtual wrap-up meeting on 24 November 2020 with the participation of IFAD Pakistan country team, government representatives (Economic Affairs Division at federal level, as well as Planning and Development Departments at provincial level), projects staff and project implementing partners. Thereafter, the team continued with additional meetings and further analysis of primary and secondary data obtained and prepared the draft report, which was peer-reviewed within IOE. The draft report was then shared with the IFAD's Asia and the Pacific Division and the Government of Pakistan. The comments by IFAD and the Government have been taken into account in the final report.
12. **Limitations.** Due to COVID-19 related travel restrictions, international evaluation team members were not able to visit the country. Field visits were conducted by two national consultants. In order to ensure adequate coverage of issues and data collection, the evaluators conducted a thorough desk review and remote interviews with provincial stakeholders to carefully consider the sampling of activities and areas for field visits, as well as to deliberate within the team on the key questions and focus for data collection in the field. Furthermore, additional time was spent on the field visits to ensure sufficient coverage of project interventions in different provinces.
13. The availability and quality of data (especially quantitative) was limited, especially on outcomes and impacts. Where impact assessments or surveys were conducted, the sampling approach and the methodology used, as well as the data quality and the reliability of derived findings, were questionable (see also annex XII, table XII-11). To address these limitations, the CSPE has drawn data and information from different sources to the extent possible (other available data, interviews and discussions with stakeholders, and direct observations) to be triangulated with the project data to make an informed assessment. The evaluation team also conducted

⁹ An endorsement was received from the Government of Pakistan through the Economic Affairs Division.

an extensive review of broad literature to put the evaluation findings into a context, as relevant.

Key points

- This is the third country-level evaluation in Pakistan, following the one conducted in 2008, and covers the period 2009-2020.
- The main purpose of this CSPE is to assess the results and performance of the IFAD-financed strategy and programme, and generate findings and recommendations for the future partnership between IFAD and the Government of Pakistan. The CSPE assesses the results and performance of the investment portfolio and non-lending activities, and the performance of IFAD and the Government, guided by the 2009 and 2016 COSOPs.
- The CSPE is based on a desk review of existing data and documentation, interviews and focus group discussions with stakeholders, beneficiaries, other key informants and resource persons, and direct observations in the field. Meetings and interviews with stakeholders (including many virtual ones) were conducted mostly between July and October 2020. Field visits were conducted in Balochistan, Gilgit-Baltistan and Punjab between August and October 2020 in a phased manner.

II. Country context and IFAD's strategy and operations for the CSPE period

A. Country context

14. **Geography and environment.** Pakistan shares borders with Afghanistan, China, India and Iran, and has a coastline on the Arabian Sea. The total area is 796,100 km²,¹⁰ characterized by a diversity of landscapes and agro-ecological conditions, ranging from coastal areas, desert, plateaus to mountains. About 80 per cent of the area is arid or semi-arid where annual average rainfall hardly reaches 300 mm. River flows are affected by snow/ice melt, seasonal rainfall variability, and monsoons, which at times can cause severe floods and damage¹¹ often aggravated by deforestation. Drylands are subject to periodic and prolonged droughts. Pakistan is one of the ten countries most affected by extreme weather-related events.¹² The country also suffered from a deadly Kashmir earthquake in October 2005. It was reported in 2017 that Pakistan had incurred about US\$18 billion in damages and losses from natural disasters in the preceding decade.¹³
15. **Demography.** With the total population estimated at 212 million in 2018,¹⁴ Pakistan is the sixth most populous country in the world. At close to 2 per cent, the pace of population growth is almost twice the average rate for South Asian countries. According to United Nations projections, the population could increase by a further 83 million in the next 20 years.¹⁵ About 60 per cent of the population live in rural areas. While Urdu and English are the two official languages understood by the majority of the population, about 70 regional languages are spoken in the country, reflecting the ethnic diversity.¹⁶ Pakistan has currently the largest percentage of youth in its history: two-thirds of the total population are below 30 years of age, and 29 per cent between 15 and 29 years.¹⁷ Over the last ten years, and for the foreseeable future, Pakistan food systems have been and will be under increasing pressure to meet population growth, increasing urbanisation and the evolving demands of the middle class.
16. **Economy.** Pakistan is classified as a lower-middle-income country since 2008 with the gross national income per capita of US\$1,590 in 2018. The annual growth rate for gross domestic product (GDP) has been above 5 per cent since 2016, but Pakistan's performance has been below the South Asia region average¹⁸ and mostly below the average of lower middle-income countries (figure 2). The economy was particularly negatively affected by the global financial crisis 2007-2008 and natural disasters in 2010. In 2019, Pakistan entered into a 39-month arrangement for economic reform with the International Monetary Fund for an amount of US\$6 billion due to severe balance-of-payments difficulties.¹⁹ The ongoing COVID-19 crisis as well as the locust outbreak in 2019-2020 have had further

¹⁰ World Bank country profile; Asian Development Bank, 2019b. The figure does not include the Pakistan-administered part of Jammu and Kashmir (known as Azad Jammu Kashmir and Gilgit-Baltistan).

¹¹ For example, the crop damage and loss from the 2010 flood were estimated at US\$5.1 billion. ([http://www.fao.org/emergencies/crisis/pakistan-floods-2010/intro/en/?page=3&ipp=10&no_cache=1&tx_dynalist_pi1\[par\]=YToxOntzOjE6lkwiO3M6MToiMC17fQ==](http://www.fao.org/emergencies/crisis/pakistan-floods-2010/intro/en/?page=3&ipp=10&no_cache=1&tx_dynalist_pi1[par]=YToxOntzOjE6lkwiO3M6MToiMC17fQ==))

¹² Pakistan was ranked 5th for the period 1999-2018 and 8th for the period 1998-2017, according to the Long-Term Climate Risk Index reported in 2020 and 2019, respectively. This index was developed by Germanwatch, a non-governmental organization based in Germany. <https://germanwatch.org/en/crri>

¹³ World Bank. Improving Pakistan's fiscal resilience to natural disasters. World Bank News, 13 June 2017.

¹⁴ World Bank Databank. According to the National Institute for Population Studies in Pakistan, estimated population in 2018 was 211.17 million.

¹⁵ Goujon, A. and Wazir, M.A. 2020.

¹⁶ Punjabi is the largest group (about 45 per cent), followed by Pashtun (15 per cent), Sindhi (14 per cent). The smaller groups (each less than 10 per cent) include Saraikis, Muhajirs, and Balochis, and there are many other minority groups.

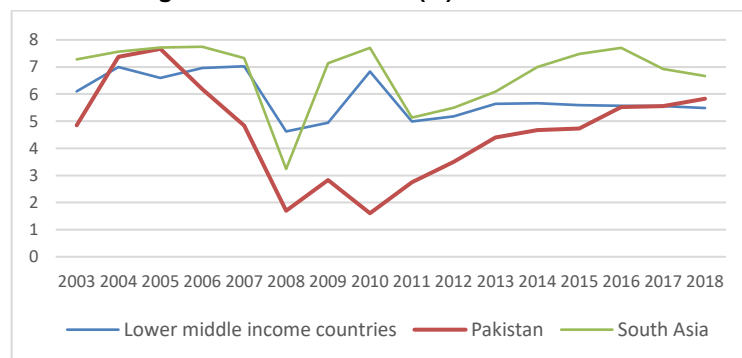
¹⁷ United Nations Development Programme (UNDP). 2017.

¹⁸ Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

¹⁹ Including reforms to public-sector energy utilities and privatization of some state-owned enterprises. Additional information available on <https://www.imf.org/en/News/Articles/2019/07/03/pr19264-pakistan-imf-executive-board-approves-39-month-eff-arrangement>

negative impact on the economy.²⁰ Pakistan ranks the last for business environment among the countries in Asia, with infrastructure being among the weakest features.²¹

Figure 2
Annual GDP growth rate 2003-2018 (%)



Source: World Bank Databank.

17. Internal and external **remittances**, the latter especially from Saudi Arabia, play a critical role in Pakistan's economy. They quadrupled from 2003 to 2011 and accounted for nearly 7 per cent of GDP in 2019.²² In 2018, the country was the 7th top recipient of remittances worldwide.²³
18. **Microfinance sector.** The microfinance sector registered a constant growth over the past two decades and currently serves more than 7.2 million active borrowers and 47.6 million active savers in the country (see also annex IX, figures IX-1 and IX-2).²⁴ The sector evolved significantly in this period (e.g. regulatory framework and architecture, alternative delivery channels, technology development). Currently, microfinance service providers (MFSPs²⁵) are: deposit-taking microfinance banks regulated by the State Bank of Pakistan; and non-bank (micro)finance companies and rural support programmes regulated by the Securities and Exchange Commission of Pakistan, as per change in the regulatory framework introduced in 2016. The latter change meant that non-bank MFSPs, most of which were non-governmental organizations (NGOs) involved in multi-sectoral development and social service activities, had to meet the minimum capital requirement (PKR 50 million) to apply for a license to continue the operations, with some exceptions.²⁶ About 26 entities have been issued licenses to operate as non-bank microfinance companies. However, these "companies" are still mostly structured as NGOs/not-for-profit organizations and face the challenges of compliance with regulations related to Anti Money Laundering / Counter Terrorism Financing laws. In this regard, non-bank MFSPs are increasingly separating their microfinance businesses from social mobilization activities while some are contemplating converting into for-profit entities.²⁷ Thus, the orientation of the microfinance sector has shifted from being philanthropic and NGO-type to being somewhat more commercial.

²⁰ The preliminary estimate by the Government of Pakistan is that the losses due to desert locusts over the two coming agricultural seasons in 2020 and 2021 may range from US\$3.4 billion to US\$10.21 billion.

(<https://www.unocha.org/story/pakistan-further-desert-locust-damage-forecast-coming-agricultural-seasons>)

²¹ Economist Intelligence Unit data on business environment, Pakistan country page.

²² International Monetary Fund, 2011; Pakistan Microfinance Network; World Bank DataBank.

²³ World Bank DataBank.

²⁴ Pakistan Microfinance Network. <http://microwatchonline.com:8080/MicroWatch/> (accessed in March 2020)

²⁵ The term MFSPs is used in this report instead of "microfinance institutions, MFIs", given that different types of organizations have provided microfinance services (e.g. NGOs in the earlier period, RSPs, currently non-bank (micro)finance companies).

²⁶ Small entities having less than 5,000 borrowers or a gross loan portfolio below PKR 50 million were exempted under the regulations. This has been the case for local support organizations managing community investment funds.

²⁷ Pakistan Microfinance Network, 2019.

19. **Federalism, governance and fragility.** Pakistan shifted from a semi-presidential republic to a federal parliamentary democracy following the 18th amendment to the constitution in 2010. The administrative units of Pakistan consist of four provinces (Balochistan, Khyber Pakhtunkhwa,²⁸ Punjab, and Sindh), one federal territory of the capital Islamabad, and two territories (Azad Jammu and Kashmir, Gilgit-Baltistan) administered by Pakistan.²⁹ Each province has administrative areas at four levels: divisions; districts; *tehsils*; and union councils. The 18th constitutional amendment removed the responsibilities of the federal government in various areas and ministries have been established at provincial level, including local government and rural development, youth affairs, women development and environment. Agriculture development is a provincial responsibility with some exceptions relevant to the national level.³⁰ At federal level, the Ministry for National Food Security and Research plays a role to support and guide agriculture development across the provinces.
20. Since its independence in 1947, the country experienced several military *coups d'état*, civil unrests and conflicts, both internal and with neighbouring countries, including wars and decades-long tensions with India over the control of Kashmir. The overall security situation improved over the last two decades but still remains a challenge in some areas such as Balochistan and the former Federally Administered Tribal Areas. At the end of 2018, the country hosted the second largest refugee population in the world (1.4 million), almost exclusively from Afghanistan.³¹ The fragile state index ranking has improved, particularly in the last 3-4 years: 9th in 2008, 14th in 2016, and 23rd out of 178 countries in 2019.³²
21. In the World Bank's Country Policy and Institutional Assessment, Pakistan's score for the "transparency, accountability, and corruption in the public sector" indicator improved from 2.5 (2005-2014) to 3 in 2015 (on a scale 1 [low] to 6 [high]) and has remained at 3 since then.

Natural resources and rural economy

22. **Land resources, tenure and inequality.** Land is a key economic factor of production and symbol of social, economic and political prestige. Land ownership (and particularly irrigated land) is highly concentrated in rural Pakistan.³³ Between 20 and 40 per cent of rural households in the Indus Valley were reported to be landless or near-landless, who lease or sharecrop land, or work as laborers on and off farms, and many raise livestock.³⁴ Unequal land ownership has historically fostered a feudal relationship in rural areas and created a range of privileged and underprivileged classes.³⁵ Post-independence, land reform efforts began with improvements in tenancy laws, followed by distributive reforms in 1959, 1972 and 1977, with mixed results,³⁶ largely due to political influence exerted by big landlords. The extent of inequality of farmland holdings, the importance of agriculture for poor rural households, and landlord-tenant relationships and arrangements vary greatly in different areas: inequality and feudal relationships are particularly pronounced in Balochistan, Sindh, and some parts of Punjab,

²⁸ In 2018, the Federally Administered Tribal Areas (FATA), which used to be a semi-autonomous tribal district situated in the north and existed since the independence, was merged with the province of Khyber Pakhtunkhwa for a combination of institutional, security and political interests.

²⁹ Colloquially, these administrative areas are collectively referred to as "provinces" and also in this report.

³⁰ Including import and export of agricultural inputs and products, price setting, standardization and quarantine issues.

³¹ <https://www.unhcr.org/pakistan.html> (accessed in March 2020).

³² Fund for Peace, 2019. Sub-indicators scoring relatively high (i.e. contributing to fragility) in Pakistan include: social and cohesion indicators (group grievance, factionalized elites and security apparatus), refugees and internally displaced people and generally high engagement from external actors in domestic affairs.

³³ According to the 2010 agricultural census, farms with less than 5 acres constituted 64 per cent in number but only 19 per cent of the areas, whereas the farms larger than 25 acres comprised only 4 per cent in number but 35 per cent of the areas.

³⁴ United States Agency for International Development (USAID). Undated.

³⁵ Bengali, K. 2017.

³⁶ Bengali, K. 2017.

whereas this is not so much an issue in Gilgit-Baltistan where the society is largely egalitarian.

23. **Water resources.** Water is a critical issue in Pakistan. The country is categorized as being under extremely high water stress,³⁷ and yet, it does not make the best use of its water endowment.³⁸ Water use is heavily dominated by agriculture, which contributes about one-fifth of national GDP but less than half of this is from irrigated cropping. Pakistan has the world's largest contiguous irrigation network and almost 80 per cent of the cultivated land (22 million hectares) is irrigated.³⁹ Ninety per cent of its agricultural output comes from irrigated lands – with a concentration on water-intensive crops (e.g. rice, cotton) with inefficient water use.⁴⁰ Low investment in, and access to formal irrigation has led to a huge increase in unregulated groundwater extraction across the country and severely depleted major aquifers.⁴¹ Furthermore, poor water supply, sanitation and hygiene have negative outcomes on well-being of the people. Regulating ground-water use, improving water use efficiency and productivity, delivery of water services and addressing environmental sustainability are the most pressing needs.⁴²
24. **Agriculture.** According to the Pakistan Economic Survey 2018-2019, agriculture contributed 18.5 per cent to the country's GDP and provided 38.5 per cent employment to the national labour force.⁴³ The sector's contribution to GDP was estimated at 19.3 per cent in the following year.⁴⁴ The agriculture sector performance has generally remained below expectations.⁴⁵
25. The **crop** sub-sector accounts for about 33 per cent of the value addition in agriculture,⁴⁶ with cotton, wheat, sugar cane, rice and maize being the main crops. Major constraints in crop production include inefficient use of inputs, weak research and extension services, limited availability of credits, lack or inadequate access to water, climate events, and plant pests and diseases.⁴⁷ The **livestock** sub-sector contributes to over 60 per cent of agricultural GDP. Its main challenges include pest and livestock diseases, shortages of feed and fodder, lack of processing units and modern facilities, and limited availability of insurance and financing tools.⁴⁸ Given highly unequal access to land and water, productivity gains in livestock are considered to be generally more pro-poor than productivity gains of major crops.⁴⁹ The **fishery** sub-sector's contribution to the *national* economy is insignificant,⁵⁰ but local economies of Sindh and Balochistan mostly depend on coastal fishing. The main challenges of the sub-sector include lack of infrastructures such as jetties/landing sites, and post-harvest losses.⁵¹

³⁷ World Resource Institute. <https://www.wri.org/resources/charts-graphs/water-stress-country> (accessed January 2021)

³⁸ World Bank. 2019.

³⁹ <http://www.fao.org/pakistan/our-office/pakistan-at-a-glance/en/> (accessed in March 2020)

⁴⁰ The reported percentage of irrigation water wasted ranges between 40 per cent (International Bank for Reconstruction and Development. 2017) and 60 per cent (<https://www.thenews.com.pk/print/372298-over-60pcof-irrigation-water-goes-waste>)

⁴¹ In many provinces this has been further exacerbated by Government electricity subsidies for pumping.

⁴² <https://www.worldbank.org/en/news/press-release/2019/02/04/pakistans-scarce-water-can-bring-more-value-to-people-and-economy>

⁴³ Government of Pakistan. 2019. The World Bank data indicates 41 per cent of total employment provided in agriculture as 2019 data.

⁴⁴ Government of Pakistan. 2020.

⁴⁵ The growth in the agriculture sector was only by "0.85 percent against the target of 3.8 percent". The under-performance was due to the "reduction in the area of cultivation, lower water availability and drop in fertilizer off take." (Government of Pakistan. 2019). The following year's edition of the Pakistan Economic Survey (2019-2020) reported a higher growth rate but still lower than the target (2.67 per cent against the target of 3.5 per cent).

⁴⁶ 21.7 per cent by the major crops and 11.5 per cent by other crops. (Government of Pakistan. 2020.)

⁴⁷ Pakistan is one of the 23 countries (in the Horn of Africa, Middle East and South Asia) affected by the locust outbreak in 2019-2020, with significant negative impact on the national economy, livelihoods of those engaged in farming and food security. In January 2020, the Government of Pakistan declared the desert locust a national emergency.

⁴⁸ It was only in 2013 that a Livestock Insurance Scheme was introduced by the Government.

⁴⁹ World Bank. 2007.

⁵⁰ 0.4 per cent of GDP, 2.12 per cent of agricultural GDP, almost 1 per cent to national employment in 2017.

(Government of Pakistan, 2017)

⁵¹ FAO, 2009.

26. **Non-farm rural economy.** Pakistan's rural non-farm economy plays a significant role in generating employment opportunities for rural households.⁵² Non-farm income sources may include a variety of enterprises, such as small village shops, transportation services, small-scale processing, as well as wages and salaries.⁵³ According to the Household Integrated Economy Survey (2015-16),⁵⁴ the main income sources for rural households include: wages and salaries (32 per cent of the total incomes); crop and livestock (30 per cent); and remittances (13 per cent). The share of wages and salaries tends to be higher for lower quintiles (e.g. 42 per cent for the first quintile). The development of rural non-farm sector would "require substantial improvements in rural service delivery, particularly for investments in rural and small-town infrastructure" and "greater investments in health and education... to both improve living standards today and to build human capital for the future."⁵⁵ In this context, technical and vocational education and training (TVET) is an important area for development interventions.

Poverty and inequalities

27. **Poverty data and trend.** Notwithstanding the significant progress in poverty alleviation over the past decade, the 2015 data showed that about one quarter of the population still lived under the national poverty line (table 2, also see annex IX, figure IX-3).

Table 2

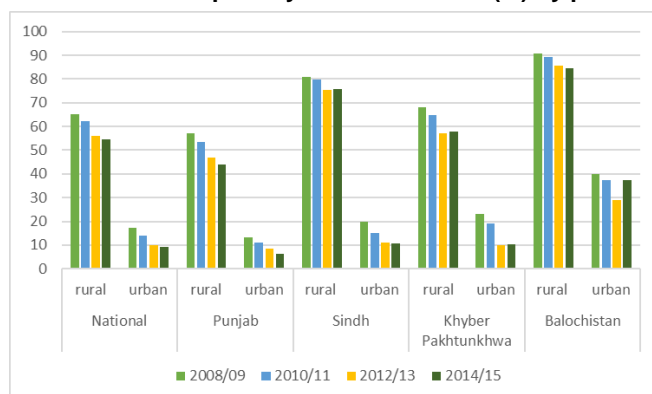
Population living below national poverty line – 2001, 2010 and 2015

	2001	2010	2015
Population living below national poverty line (million)	93.9	66	48.5
Poverty headcount ratio (%) - national poverty line ⁵⁶	64.3	36.8	24.3

Source: World Bank DataBank.

Figure 3

Multidimensional poverty headcount ratio (%) by province (2008–2015)



Source: Farooq, S. 2019; Government of Pakistan 2016.

28. Based on the broader multidimensional poverty index (covering the three dimensions of education, health and living standards), 39 per cent of the

⁵² "Various estimates from the early to mid-2000s indicate that nonfarm incomes contributed between 40 and 57 per cent to total rural household income, and even households engaged specifically in farming derived between 36 per cent and 51 per cent of their household income from nonfarm rural sources" (Spielman *et al.* 2016).

⁵³ Spielman *et al.* 2016.

⁵⁴ Pakistan Bureau of Statistics. Household Integrated Economy Survey 2015-2016.

⁵⁵ World Bank 2007.

⁵⁶ According to the new poverty line as redefined by the Government in 2015.

population were poor in 2014-15, a decline from 55 per cent in 2004-05.⁵⁷ Significant discrepancies exist across the provinces and between rural and urban areas (figure 3). District level data in the same report also shows wide intra-province disparities (see annex IX for district-wise maps between 2004/05 and 2014/15). For example, where feudal relationships prevail, there are stark disparities between rich landowners and poor landless farmers (as tenants or sharecroppers) or farm labourers. Rural poor may cultivate land only enough to sustain themselves, or work as sharecropper and remain at the mercy of exploitive tenancy arrangements with the landowners.

29. Despite a general trend of poverty reduction and increase in per capita gross national income,⁵⁸ inequality has widened as reflected in the Gini index, i.e. 29.8 in 2010 and 33.5 in 2015 - the latter the highest recorded since 1990, while still similar to or lower than other countries in the region.⁵⁹ Poverty reduction in Pakistan was mainly driven by an increase in average consumption, while little gain was achieved from distributional changes and shared prosperity, especially in more recent years.⁶⁰ A recent publication from the World Bank⁶¹ refers to "limited mobility and inequality traps in rural Pakistan" and states that "breaking inequality traps requires not only an increase in the resources devoted to human development but also stronger efforts to target lagging areas and marginalized segments of the population."
30. **Financial inclusion.** Despite the overall growth in the microfinance sector (paragraph 18), the level of financial inclusion is still considerably lower than its comparators (table 3). The 2017 data also show that Pakistan has one of the widest gender gaps in terms of account ownership - 28 percentage points difference between women and men.⁶²

Table 3
Financial inclusion – account ownership (% age 15+)

	<i>Pakistan 2011</i>	<i>Pakistan 2014</i>	<i>Pakistan 2017</i>	<i>South Asia 2017</i>
Account ownership	10	13	21	70
Account ownership – women	3	5	7	64
Account ownership - rural areas	7	13	19	69

Source: World Bank. Global Findex Database 2017.

31. **Human development.** According to the human development index,⁶³ Pakistan ranked 152nd out of 189 countries and territories, in the medium human development category. The value (0.560) is notably below the average of 0.642 for countries in South Asia. One of the three dimensions of the human development index is access to knowledge in which Pakistan lags behind other countries in the region and with significant gender disparities (annex IX, table IX-1). The literacy rate also shows a considerable gap between men and women, even more

⁵⁷ The Multidimensional Poverty Index is a measure to capture deprivations in terms of education, health and standards of living. It further segregates them into 15 indicators and is calculated using the Pakistan Social and Living Standards Measurements. (Government of Pakistan, 2016)

⁵⁸ US\$1,010 in 2009 to US\$1,590 in 2018 (Atlas method - current US\$) World Bank DataBank.

⁵⁹ The Gini index for some other countries are as follows: Bangladesh – 32.4 (2016); India – 37.8 (2011); Nepal – 32.8 (2010); and Sri Lanka – 39.8 (2016), World Bank DataBank.

⁶⁰ World Bank Group. 2019.

⁶¹ Redaelli, Silvia. 2019.

⁶² World Bank. Global Findex Database 2017. Account ownership by men was 35 per cent and 7 per cent by women.

⁶³ The human development index is a summary measure for assessing long-term progress in three basic dimensions of human development: a long and healthy life, access to knowledge and a decent standard of living.

accentuated in rural areas (annex IX, figure IX-4). For example, in Balochistan, the literacy rate for rural women is 25.8 per cent compared to 68.9 per cent for rural men.⁶⁴

32. **Food and nutrition security.** While the historical scores on the Global Hunger Index show some improvement, Pakistan still ranked relatively low at 88th out of 107 countries in 2020, classified in the “serious” category.⁶⁵ This is despite the fact that Pakistan is a “food surplus” country. According to the 2018 national nutrition survey, 36.9 per cent of the population faced food insecurity and 40 per cent of children under five suffered from stunting.⁶⁶ A regional comparison shows that stunting levels in Pakistan were the highest.⁶⁷ The difference between urban and rural areas is notable, for example, stunting of 43 per cent in rural areas compared to 35 per cent in urban areas.
33. **Gender inequality.** Based on the Gender Gap Index published in 2020,⁶⁸ Pakistan is ranked 151 out of 153 countries, above Iraq and Yemen. Gaps are particularly wide for economic participation, education and health dimensions. For example, a gap in literacy rate between women and men is striking (annex IX, table IX-2). Female labour force participation in Pakistan is low at 25 per cent (in 2014).⁶⁹ The gender contexts vary across the country, reflecting diverse cultural and social contexts. For example, some areas and groups can be much more conservative than the other regarding women’s participation in public spheres. See also annex X for an overview of the situation of women in Pakistan.
34. **Youth.** Thirty-six per cent of the youth (age 15-29) live in rural areas.⁷⁰ According to a study by the United Nations Development Programme (UNDP, 2017), Pakistan needs to generate 1.3 million jobs on average annually for the next five years to absorb both the unemployed, as well as the youth reaching the working age, if the country is to respond to the expected increase in labour force participation. The same UNDP report proposes three key drivers of youth empowerment: quality education for knowledge empowerment; gainful employment for economic empowerment; and meaningful engagement for social empowerment (through meaningful social, political and institutional integration of youth into the fabric of society and its collective decisions).⁷¹

Policy and strategic framework and relevant initiatives

35. The **Poverty Reduction Strategy Paper II** developed in 2008 underscored the important role of the agricultural and rural non-farm sector in terms of employment generation. Its nine pillars included “protecting the poor and the vulnerable”, “increasing productivity and value addition in agriculture”, “human development” and “removing infrastructure bottlenecks”.
36. The **Pakistan Vision 2025** (“One Nation - One Vision”)⁷² aims to reduce poverty by half and transform the country to upper middle-income status. The Vision, launched in 2014, focuses on seven pillars as follows: (i) people first: developing

⁶⁴ Government of Pakistan, 2019.

⁶⁵ 38.3 in 2000, 37 in 2005, 33.9 in 2010, 28.5 in 2019, and 24.6 in 2020. The score between 20.0 and 34.9 is considered as “serious”, while 35.0-49.9 as “alarming” and greater than 50 “extremely alarming”.
<https://www.globalhungerindex.org/>

⁶⁶ Ministry of National Health Services, Regulations and Coordination. National nutrition survey 2018. However, other sources present lower figure (37.6 per cent) as 2018 data, for example,
<https://globalnutritionreport.org/resources/nutrition-profiles/asia/southern-asia/pakistan/> (accessed in April 2020).

⁶⁷ The countries included in the analysis were Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. <http://www.unicefrosa-progressreport.org/stopstunting.html> (accessed in May 2020).

⁶⁸ The index focuses on gaps between men and women in four areas: health, education, economy and politics. (World Economic Forum 2020).

⁶⁹ World Bank Group. 2018.

⁷⁰ UNDP 2017.

⁷¹ UNDP 2017.

⁷² There were previous “vision” documents, which were presumably superseded by the Vision 2025 launched in 2014. The Vision 2025 notes that the preparation “exercise was started to restore the tradition of perspective planning in Pakistan” and that earlier versions, Vision 2010 and Vision 2030, “were derailed because of political disruptions.”

- social and human capital and empowering women; (ii) sustained, indigenous, and inclusive growth; (iii) democratic governance; (iv) energy, water, and food security; (v) private sector and entrepreneurship-led growth; (vi) competitive knowledge economy; and (vii) modernizing transport infrastructure and regional connectivity.
37. The current government formed in August 2018 launched the **Ehsaas programme** in 2019, which is a major government's anti-poverty initiative. The objective of Ehsaas is "to reduce inequality, invest in people, and lift lagging districts." The Ehsaas' strategy lays out four pillars (countering elite capture and strengthening governance; safety nets; human capital, creating jobs and livelihoods opportunities) and embodies 134 policies and programmes.⁷³
 38. Pakistan adopted the Sustainable Development Goals (SDGs) as its own national development agenda through a unanimous National Assembly Resolution in 2016. Since then, the country has made considerable progress by mainstreaming these goals in national policies and strategies and developing an institutional framework for SDGs implementation in Pakistan, including SDG support units at federal and provincial levels. In 2018, the Government approved a National SDGs Framework that envisages a national vision to prioritize and localize SDGs. For continuous strategic stewardship and oversight of the SDGs at the highest level, the National Economic Council constituted a sub-committee on SDGs. Moreover, SDGs index and dashboard have been developed to track progress on SDGs.
 39. Policy frameworks of relevance to the agriculture and rural sector include the: National Climate Change Policy (2012); National Water Policy (2018); National Food Security Policy⁷⁴ (2018) (see also annex IX, box IX-1). There is limited agriculture policies at the federal level largely focused on food security and agricultural research. The major crop, livestock and resource management policies are formulated at the provincial level.
 40. The **National Social Protection Strategy** (2007) provides a framework for social protection programmes. There were some initiatives earlier,⁷⁵ but since its launch in 2008, the **Benazir Income Support Programme (BISP)** has become the largest social assistance programme in Pakistan and one of the largest in the world. The Government adopted the "poverty scorecard" as a main targeting tool for BISP as well as other programmes (see box 1). Poverty scores determine the eligibility (or provide an indication) for types of public support (figure 4). Since 2010-11, the poverty scorecard data in the National Socio-Economic Registry have not been updated systematically, while some adjustments have been made using other available data (e.g. car ownership), which has led to the removal of some 800,000 beneficiaries in 2019. The second survey has reportedly been ongoing since 2017/18 but not finalized. The major development partners that have been supporting BISP such as the Asian Development Bank and the World Bank are looking into the ways to make the National Socio-Economic Registry more dynamic, e.g. to be responsive to shocks.⁷⁶

Box 1

⁷³ <http://www.pakistan.gov.pk/ehsaas-program.html#:~:text=On%20March%2027%2C%20I%20launched,people%2C%20and%20lift%20lagging%20districts.https://www.pass.gov.pk/Detail92a7fc95-647d-43bd-a86c-477897e596e2> Sub-programmes include: Ehsaas Kafaalat (sponsorship to run a household: PKR.2000 cash grants to poorest women), Ehsaas Amdan (income enhancement for poor: assets to the poor, e.g. livestock, auto-rickshaws, agricultural inputs), Ehsaas interest free loan and Ehsaas Langars (free regular food for the poor).

⁷⁴ It appears that the draft national *agriculture and food security policy* was prepared but the latest and final version approved in 2018 is called 'National Food Security Policy.

⁷⁵ Such as *Zakat* (a form of alms-giving treated in Islam as a religious obligation or tax, entailing the compulsory giving of a set proportion of one's wealth to charity) and the *Bait-ul-Maal* (targeted at "destitute" including widows, orphans, invalids and other needy persons <http://www.pbm.gov.pk/>).

⁷⁶ For example, the World Bank is preparing the Pakistan Crisis-Resilient Social Protection programme that would aim to "support the development of a more adaptive social protection system and build crisis-resilience among poor and vulnerable households". (World Bank. 2021).

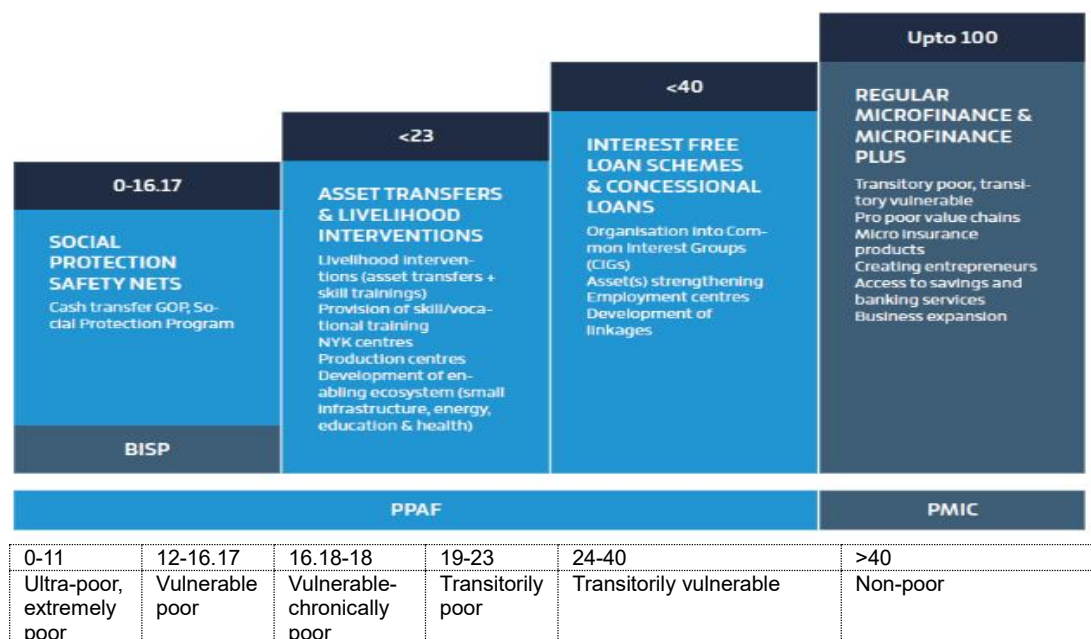
Benazir Income Support Programme and poverty scorecard

The Benazir Income Support Programme (BISP) was launched in 2008. Its short-term objective was to cushion the adverse impacts of food, fuel, and financial crises on the poor, but its broader objective was to meet the redistribution goal by providing a package of minimum income support and opportunities for human development to the poor. BISP provides basic income support unconditional cash transfers (currently about US\$13/month) to the poorest for consumption smoothing. Benefits are paid to the female representatives of eligible families. With reference to this operational modality, some studies have shown that BISP has had positive impact on women’s decision-making power and empowerment (Ambler and De Brauw 2017; Cheema *et al.* 2016). In 2016, BISP cash transfer beneficiaries were reported to include 5.7 million households.⁷⁷ Major donors that have been supporting BISP include the Asian Development Bank, the Department for International Development (DFID), the United States Agency for International Development and the World Bank.

The identification of eligible households was based on a door-to-door survey conducted in 2010-2011 using a proxy means test (known as **poverty scorecard** in Pakistan). The data are maintained in the National Socio-Economic Registry for more than 27 million households (approximately 167 million people) and its coverage of about 85 per cent of the population is one of the highest by social registries in the world (Leite 2017). The poverty scorecard was developed as “a practical way for pro-poor programmes to measure poverty rates, to track changes over time, and to segment clients for differentiated treatment” (Schreiner 2006). It is based on 10 simple indicators that are used to estimate the likelihood of a particular household having expenditure below a poverty line. Household welfare status is scored on a scale between 0 and 100 based on indicators such as type of housing and toilet facilities, education, household assets, agricultural landholding, livestock ownership and household size. A threshold of the poverty score 16.17 was set with the intention to target the poorest 20 per cent of households. The poverty scorecard data are used for BISP and other social and pro-poor development programmes.

Source: Ambler and De Brauw 2017. Cheema *et al.* 2017. Leite 2017. Schreiner 2006. World Bank 2017.

Figure 4
Poverty scores and types of support



Source: PPAF website; IFAD National Poverty Graduation Programme design report.

⁷⁷ “Using Poverty Scorecard method, around 7.7 million eligible families were identified and currently 5.7 million families are active beneficiaries as of 2016”. <https://bisp.gov.pk/Detail/ZTijNwY2NwU0DYwNC00MjVjLWFiODUtMDRhOGI0OTI5NzUw> (accessed January 2021). Some other sources indicates 5.4 million.

41. The **Pakistan Poverty Alleviation Fund (PPAF)** is a key partner of the Government's poverty alleviation initiatives. PPAF, set up by the Government as an autonomous not-for-profit company, started operations in 2000. The World Bank was the major supporter of the PPAF, through three phased projects between 1999 and 2016.⁷⁸ The Fund has provided financial and non-financial services across multiple sectors such as microcredit, water, infrastructure, livelihoods, health, education, social protection, capacity building and emergency responses. The microfinance arm of PPAF was carved out of PPAF and the Pakistan Microfinance Investment Company⁷⁹ was established in 2015 to be a national-level apex institution for microfinance providers. Shareholders are PPAF, Karandaaz Pakistan (supported by DFID) and KfW.
42. The PPAF mostly works through "partner organizations" (e.g. civil society and non-governmental organizations including rural support programmes, as well as microfinance service providers), and has been the lead implementing agency for a number of donor-funded programmes, including those financed by the World Bank and IFAD. PPAF is the lead implementation agency of the Government's National Poverty Graduation Initiative (under the Ehsaas programme) and of IFAD-financed NPGP.
43. In Pakistan, a number of "**rural support programmes**" (**RSPs**) have been set up as not-for-profit organizations, following the example of the Aga Khan Rural Support Programme. RSPs adopt a common approach to rural development: social mobilization and participatory community-driven development (see box 2).

Box 2

Rural support programmes and their network in Pakistan

The history of rural support programmes (RSPs) can be traced back to 1982, when the Aga Khan Foundation set up the Aga Khan Rural Support Programme (AKRSP) in Gilgit-Baltistan and Chitral areas. It was based on the belief that local communities have tremendous potential to plan and manage their own development, once they are organized and provided access to necessary skills and capital.

Following the success and widespread recognition received by the AKRSP, the Government of Khyber Pakhtunkhwa set up the Sarhad Rural Support Programme at Peshawar. In 1991, federal government supported the establishment of the National Rural Support Programme (NRSP) in the capital with a mandate to work in selected districts in all provinces and Azad, Jammu and Kashmir (AJK). These were followed by other organizations mostly with specific geographic coverage, including Punjab RSP, Sindh Rural Support Organization, Balochistan RSP and AJKRSP, among others. These organizations were supported by initial government financial endowments (federal or provincial governments), income from which pays for their operational expenses. The RSPs have also been contracted and financed by donor-funded projects for their community-based components or emergency rehabilitation, either directly or indirectly (e.g. through PPAF as its "partner organizations").

Typically, under RSPs communities are organized in three tiers: community organization (CO) consisting of 15-20 members; village organization (VO), which is a federation of COs at village level; and local support organization (LSO), which is federations of VOs at union council level.

As the replication of the AKRSP approach began, there was a need to support these nascent organizations and the Rural Support Programmes Network was established in 2000 as a not-for-profit company, which currently has 10 RSPs as members. At present, the work of RSPs reportedly has an outreach in 149 districts across the country, with 496,352 COs with a membership of over 8.4 million (population of 54 million). The RSPs and RSPN work with an array of development agencies and the governments on a variety of poverty alleviation, rural development and emergency rehabilitation programmes.

⁷⁸ Poverty Alleviation Fund Project (1999-2004, US\$90 million); Second Poverty Alleviation Fund Project (PPAF II) (2004-2011, US\$567 million); Third Poverty Alleviation Fund Project (PPAF III) (2009-2016, US\$250 million)

⁷⁹ www.pmic.pk

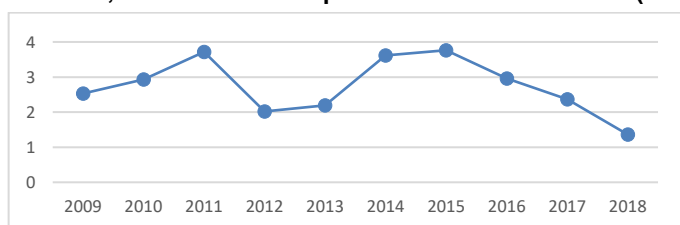
Source: Based on the information from RSPN and NRSP.

Official development assistance

44. During 2015-2017, Pakistan was the 4th largest recipient of official development assistance (ODA)⁸⁰ (annual average US\$3 billion, 2 per cent of the total). Following the 2010 and 2011 floods, net ODA recorded a surge. Based on the 2017-2018 average, the largest donors include: the International Development Association (US\$605 million), the United States (US\$504 million), the United Kingdom (US\$481 million) and the Asian Development Bank (US\$245 million). Nearly 60 per cent of the aid goes to the social sector. At the same time, it was estimated that Pakistan was among the world's top ten recipients of development assistance to agriculture between 2002 and 2017.⁸¹

Figure 5

Pakistan, net official development assistance received (2009-2017, current US\$ billion)



Source: World Bank Databank.

45. Pakistan is among the top 15 recipients of China's ODA and the second recipient of "other official flows" from China.⁸² In 2015, an agreement was signed between China and Pakistan originally for US\$46 billion as part of the One Belt One Road initiative and it was worth US\$62 billion in 2017 (approximately 20 per cent of Pakistan's GDP). Major areas of investments are the transportation networks, energy and special economic zones, particularly in Balochistan. Finally, Saudi Arabia has also provided significant financial assistance to Pakistan.

Important contextual factors during the evaluation period

46. There have been various contextual issues that have affected IFAD programme operations during the evaluation period (see table 4). Other events included: the change of the Government in 2013 and 2018; and the merger of the Federally Administered Tribal Area into Khyber Pakhtunkhwa province.

Table 4

Important contextual factors and implications

Contextual factors	Implications on country programme
Unstable law and order situation in some areas, though improvement in recent years (2016 onwards)	Affecting project implementation, monitoring and supervision (e.g. GLLSP)
18th amendment of the constitution (2010, implemented 2012)	Increasing responsibilities at provincial government level
Change in the regulatory framework for microfinance operators (2015)	Affected the outcomes achieved under earlier microfinance programmes
Tightened regulations on civil society organizations / NGOs and financial transactions (anti-terrorism, money laundering)	Implication on the operations of community-level institutions
Extreme climate events – e.g. super floods in 2010 followed by regional floods (Balochistan, Sindh, KP, GB)	Posing challenges to field movement, changing priorities of the Government and population

⁸⁰ After Syria, Afghanistan and Ethiopia. <https://www.oecd.org/dac/financing-sustainable-development/development-finance-data/World-Development-Aid-at-a-Glance-2019.pdf>

⁸¹ Additional information available on <http://www.fao.org/economic/ess/investment/flows/en/>

⁸² <https://www.aiddata.org/china-official-finance> "Other official flows" are defined as "non-concessional in terms (< 25% grant element), and primarily intended for commercial or representational purposes".

Locust crisis (2019-) and COVID-19 (2020)	Negative economic impact in general, although the locust crisis did not hit the project areas directly. COVID-19 affected project implementation
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Source: CSPE team based available information.

B. IFAD's strategy and operations for the CSPE period

47. **Overview.** Pakistan became a member state of IFAD in 1977. Since then, IFAD has approved the financing of 27 loan-financed projects for a total cost of US\$2.58 billion with IFAD financing of US\$780 million for the approved amounts (75 per cent on highly concessional terms, 17 per cent on intermediate terms and 8 per cent on blend terms).⁸³

Table 5

A snapshot of IFAD operations in Pakistan since 1979

Description	Key figures [covered by CSPE]
Total loan-funded projects and programmes approved	27 since 1979 [7 ⁸⁴ – of which 3 are ongoing]
Total project costs	US\$2.5 billion [US\$537 million] ⁸⁵
Total amount of IFAD loans	US\$780 million [US\$377 million] ⁸⁶
Country strategy	1991; 2002; 2009; 2016
Country presence	Country programme officer present since 2005. Country director* based at the sub-regional hub in China since 2018. The host country agreement has been discussed but not finalized.

* The title changed from country programme manager to country director recently.

48. **Country strategy.** The first IFAD country strategy in Pakistan was formulated in 1991, followed by three country strategic opportunities programmes (COSOPs) in 2002, 2009 and 2016. The preparation of the 2009 COSOP followed the country programme evaluation (CPE) conducted by IOE in 2008.⁸⁷ Key elements of the 2009 and 2016 COSOPs are presented in table below and annex VI. The main areas of interventions and expected outcomes linked to COSOP strategic objectives are presented in annex VII.

Table 6

Selected elements of 2009 and 2016 COSOPs

	2009 COSOP	2016 COSOP
Strategic objectives	Enhancing the access of poor rural men and women to productive assets, skills, services and improved technologies, with a particular attention to productivity enhancement. Including strengthening the capacity of the rural poor to engage in and benefit from local development process	Promoting the economic transformation of poor rural households by pursuing expansion and scaling up of successful poverty graduation approaches. Policy and institutional strengthening for community-led development: institutionalizing poverty graduation and community-driven development approaches at the provincial level Building resilience for sustainable nutrition and food security
Target group	(i) Small farmers (including small livestock herders and fishermen); (ii) landless farmers; and (iii) women headed households and women within poor households with little access to resources, services and assets of their own	The poorest household pre-identified through the BISP (those in bands 0-34, with a particular focus on extremely poor, chronically poor and transitorily poor)
Policy issues	Land tenure, microfinance and institutional transformation (line agencies and community grassroots organizations)	Institutionalisation of the community-development approach, the development of land tenure system and the adoption of the National Climate Change Policy at the provincial level

⁸³ Including latest GLLSP II approved in May 2020, but excluding LAMP and CMSP that were cancelled.

⁸⁴ Excluding two projects cancelled.

⁸⁵ The current cost amounts to US\$611 million (as of January 2021).

⁸⁶ These correspond to approved amount. Current cost is US\$735 million for total IFAD financing since 1979 and US\$367 million for seven investments projects (excluding cancelled projects) covered by the CSPE.

⁸⁷ The main evaluation mission conducted in July 2007 and the national workshop organized in July 2008.

	2009 COSOP	2016 COSOP
Project pipeline, proposed project areas	2-3 projects of 5 proposals expected to be financed, each covering specific geographical areas, namely: Southern Punjab; Chitral and Northern Areas; Punjab, Sindh and North-Western Frontier Province (livestock focus); Sindh coastal area; and Balochistan coastal areas	Four priority provinces: AJK, Balochistan, Gilgit-Baltistan and Punjab Two pipeline projects: (i) a follow-up project of CDP in AJK (not materialized); and (ii) National Poverty Graduation Programme (ongoing)

Source: 2009 and 2016 COSOPs.

49. The current IFAD resource envelope for Pakistan as per the performance-based allocation system is US\$111.5 million for the period 2019-2021, with a blend term,⁸⁸ and it is the fourth biggest in the region after Bangladesh, China and India.⁸⁹ The 2019-2021 allocation for Pakistan represents 12 per cent of the total allocation for the IFAD's Asia and Pacific Region Division, increased from 9.3 per cent in the region for 2016-2018. The resource allocations have been utilized and exceeded in all cycles (see table 7).

Table 7

Resource envelope for Pakistan and utilization in three-year resource allocation cycles (US\$)

Performance-based allocation system cycle	Allocated	Used
2009 - 2012	69 574 446	70 200 000
2013 - 2015	68 957 736	77 340 000
2016 - 2018	121 900 000	147 000 000
2019 - 2021	111 546 237	63 155 000*

Source: IFAD database (Oracle Business Intelligence)

* A pipeline project is expected to utilize the balance amount.

50. **Main findings of the previous country programme evaluation.** The 2008 CPE covered 14 projects approved after 1990. The evaluation found that IFAD's operations in Pakistan achieved satisfactory results, despite the challenge of working in remote, disadvantaged and conflict-affected areas and the challenges encountered during implementation (e.g. time overruns and frequent staff turnover). The supported interventions were found to be successful in improving agricultural productivity, establishing community assets (wells, mini-dams and irrigation facilities) and in enhancing food security. The evaluation also noted significant results on mobilizing community organizations and in empowering women. However, limited attention was paid to environmental issues, livestock development, promotion of high value crops, rural financial services, market linkages and to strengthening local government institutions. The CPE found that while achievements in agriculture investments were satisfactory, greater results could have been achieved through investments in non-farm activities and employment. Results were weak in terms of sustainability, innovation, and non-lending activities. Weaknesses were also noted in monitoring and evaluation systems and the linkages between loans and grants.
51. The CPE recommendations were: (i) better balance between agriculture and non-farm investments; (ii) enhancing capacities of decentralized entities; (iii) engaging in remote and disadvantaged areas according to a differentiated approach; (iv) promoting innovative approaches; and (v) adjusting the operating model by strengthening its country presence. See also annex XI.
52. **Country presence.** A country programme officer has been present since 2005, while the country programme manager (now called country director) operated from Rome until 2018. It was planned that a country director would be posted in

⁸⁸ The lending terms changed in 2018 from highly concessional to blend terms.

⁸⁹ EB 2015/116/R.2/Add.1, EB 2018/125/R.4/Add.1

Islamabad earlier, but this has not materialized since the host country agreement has not been finalized. The country director responsible for Pakistan is operating from a sub-regional hub in Beijing, China.

53. **Loan portfolio.** The total estimated cost of the seven loan-financed projects covered in the CSPE (excluding cancelled projects) amounts to US\$520 million,⁹⁰ of which US\$362 million financed by IFAD.⁹¹ There are currently three ongoing investment projects. The size of project costs increased over time due to a significant increase of IFAD financing per project. The three ongoing projects are all over US\$100 million. International cofinancing has significantly reduced compared to the earlier CPE period.
54. The focus of the projects included: microfinance, social mobilization and community development mostly following the RSP model, infrastructures (community-level, roads and irrigation), asset transfer and vocational training, irrigation support with land development and value chain development, and fisheries (though the component was significantly scaled down during the implementation). Key project information is presented in table 8.

Table 8

Loan-financed projects covered in the CSPE: summary information

<i>Project</i>	<i>Geographical coverage</i>	<i>Lead implementation agency</i>	<i>Project overview, main points</i>
Completed			
CDP (2004-2012)	AJK	Planning & Development Department, Government of AJK	Community development along the RSP model. There was a resource reallocation to respond to the post-earthquake support for community infrastructures.
Miop (2006-2011)	National, but activities mostly in Punjab and Sindh	PPAF	Aimed at generating innovations and increasing outreach of microfinance services. Focus on MFSPs, including support to “young” partners. Only project in the evaluated portfolio not supervised by IFAD (supervised by the World Bank)
PRISM (2008-2013)	National	PPAF	Focus on strengthening MFSPs through supporting them to access commercial funding and providing equity fund support to smaller organizations.
GLLSP (2013-2020)	Gwadar and Lasbela districts in Balochistan	Planning & Development Department, Government of Balochistan	Support to community institutions, roads and community infrastructures, community investment funds, asset transfer and vocational training. Largest component on fisheries in the original design significantly downscaled.
SPPAP (2011-2022)	10 districts in Punjab province (expanded from original 4 with additional financing)	Planning and Development Board, Government of Punjab	Initially two main components (livelihood enhancement and agriculture/livestock development), but the latter almost entirely dropped. Current focus is on asset transfer, vocational training, community infrastructures, small housing units for the extremely poor. Includes social mobilization and support to community institutions.
Ongoing			
ETI-GB (2015-2022)	Gilgit-Baltistan	Planning & Development Department, Government of Gilgit-Baltistan	Irrigation and land development, value chain development and policy support. Support to establish cooperatives (and not COs), partnership with the private sector
NPGP (2017-2023)	National, but 23 districts selected in Balochistan, Khyber Pakhtunkhwa Punjab and Sindh	PPAF	Entire programme on asset transfer and vocational training, combined with the Government-funded interest free loan scheme.

Source: Based on the project documentation.

⁹⁰ Actual cost for closed projects and planned costs for ongoing projects.

⁹¹ US\$359 million in loans on highly concessional terms and US\$2.9 million in grant (for SPPAP).

55. Two types of project implementation arrangements are identified. For “area-based” projects, the government of each province is the lead implementing agency⁹² and they take a decision on whether to take external borrowing or not for investment projects in their respective territories. This was the case for the projects covering AJK, Punjab, Gilgit-Baltistan and Balochistan (each project project contained within a certain province/territory). For three projects with wider geographical coverage and without pre-determined specific areas, PPAF has been the lead implementing agency, following its usual operational modality of working through its partner organizations. Two out of these projects had a focus on the microfinance sector, while the other focuses on poverty graduation. The World Bank was the cooperating institution for only one project, the Microfinance Innovation and Outreach Programme (MIOP).
56. At federal level, the Economic Affairs Division under the Ministry of Finance, Revenue and Economic Affairs⁹³ is the key counterpart and is the borrower’s representative for all loans. The Minister of National Food Security and Research is Governor to IFAD, while the secretary of the Economic Affairs Division is alternate Governor.
57. **Grants.** A preliminary desk review identified 10 grants approved between 2009 and 2019 (excluding one cofinancing a loan-financed project; see annex III, table A). Three of the ten grants are country-specific for a total grant funding of over US\$1 million, two are sub-grants less than US\$50,000 each under the Indigenous Peoples Assistance Facility, and five are regional/global grants covering multiple countries. The grants were in the areas of microfinance, post-flood support, remittances, community development, fishers’ organizations and knowledge sharing.

⁹² Mostly the Planning and Development Department of the Provincial Government, except for one project with the Livestock and Dairy Department under the Government of Punjab (LAMP).

⁹³ The Economic Affairs Division is responsible for assessment of requirements, programming and negotiations of external economic assistance related to the Government of Pakistan and its constituent units from foreign Governments and multilateral agencies. <http://www.ead.gov.pk/>

Key points

- Pakistan is a country of diversity in many aspects, e.g. agro-ecological conditions, the level of development, population density, languages and social and cultural contexts.
- Pakistan is the sixth most populous country in the world, and is facing a significant population increase. Currently about two-thirds of its people are below 30 years old.
- Significant progress was made in reducing the poverty level in Pakistan over the past two decades, but about one quarter of the population still live under the national poverty line, and about 39 per cent in multi-dimensional poverty.
- There are wide disparities in poverty/wealth levels, between urban and rural, between provinces or districts. Inequality is more pronounced in areas where access to irrigated land is skewed and feudal relationships have prevailed (e.g. Sindh, Balochistan, some parts of Punjab).
- The Government of Pakistan has had a number of anti-poverty initiatives. PPAF and other RSPs have been established with the Government funding and support. The Government supports one of the largest social protection programmes in the world, notably BISP. The latest Government has launched the Ehsaas programme in 2019.
- This evaluation covers the loan portfolio comprising seven projects (excluding cancelled projects), of which three are ongoing. Four area-based projects have covered four provinces and the lead implementing agency has been the Planning and Development Department in each area. For the remaining three projects with a national coverage, PPAF has been the lead implementation agency. The main areas of investment have included: microfinance, social mobilization and community development, infrastructures, asset transfer, vocational training, irrigation, value chain development, and fisheries.

III. The lending portfolio

A. Project performance and rural poverty impact

58. The CSPE examines seven IFAD-financed projects operational between 2009 and 2020. One project (CDP) was evaluated by IOE in 2014 and IOE has prepared project completion report validations (PCRVs) for three projects (MIOP, PRISM, GLLSP). SPPAP, ETI-GB and NPGP are ongoing and discussed in different sections, but while SPPAP is rated for all evaluation criteria as it is at a mature stage, ETI-GB and NPGP are rated only for selected criteria (see table 1 in section I; table 8 in section II).

A.1 Relevance

Alignment with country and IFAD policies and strategies

59. **The principal areas of the project objectives have been well aligned with key government development and pro-poor policies and strategies** (table 9). The overarching government frameworks are the Poverty Reduction Strategy Paper II (2008) and the Vision 2025 launched in 2014 (see paragraphs 35-36). For example, CDP, SPPAP, GLLSP and NPGP have responded to the policy focus on human capital and protection of the poor and the vulnerable through asset transfer, skills training, community infrastructures (except for NPGP). ETI-GB, GLLSP (as originally designed) and LAMP (cancelled) were to contribute to inclusive economic growth. MIOP and PRISM were in support of the Government's interest in harnessing the potential of microfinance development for poverty reduction and the need to expand outreach on a sustainable basis.
60. The Ehsaas programme, launched in 2019 (see paragraphs 39), includes the National Poverty Graduation Initiative, which aims to "reduce the population's dependence on government-led social safety nets and bring them into the mainstream of economic development and financial inclusion." The Initiative offers interest-free loans, vocational and skills trainings, and asset transfers and IFAD-financed NPGP is an integral part. NPGP, as well as GLLSP and SPPAP, have adopted the Government's poverty scorecard as a basis for targeting (with revalidation; see also paragraph 80), and all are to complement BISP, the largest social safety net initiative in the country (see box 1 in section II.A.).

Table 9

Alignment of project objective areas with Government and IFAD strategies

<i>Selected thrusts in PRSP II , Vision 2025, Ehsaas Strategy</i>	<i>Main project objective areas [relevant projects]</i>	<i>COSOP and IFAD strategic framework</i>
Economic and inclusive growth including agriculture (a, b) Job creation and livelihood opportunities including value chain building (c)	Improved agricultural practices and productivity (crops, livestock, fisheries) Access to markets and value chain development [ETI-GB, GLLSP, LAMP]	Better access by poor rural households to (and strengthened capabilities to manage) productive/economic assets, natural resources, services and markets
Microfinance, inclusive finance (a, b, c)	Access to financial services [MIOP, PRISM]	Access to inclusive financial services
Investing in human capital, human development (including access to water) (a, c), water security (b)	Access to basic services and improved living conditions [CDP, GLLSP, SPPAP, NPGP]	Access to productive assets, skills, services and improved technologies
Protection of the poor and the vulnerable and "graduation" of recipients of social safety net benefits (a, b, c)	Access to basic services and improved living conditions; livelihoods/income and employment opportunities for the vulnerable poor [CDP, GLLSP, SPPAP, NPGP]	Better access by poor rural households to productive/economic assets
Governance (a, b, c)	Strengthening of community organizations/institutions [CDP, GLLSP]	Empowerment of the rural poor and supporting enabling institutional and policy environment

Source: CSPE analysis based on PRSP II (a), Vision 2025 (b), Ehsaas Strategy (c), project documents, IFAD strategic frameworks (2007-10, 2011-15 and 2016-25).

61. There are also development strategies at provincial level, though relatively recent, and the respective projects are aligned with these. For example, the objectives of the Punjab Growth Strategy 2018 (dated March 2015) cover key sectors/areas including agriculture, livestock, skills development and job creation, education and health, to which SPPAP is expected to contribute, directly or indirectly. Since the responsibilities for repayment of IFAD loans fall on the sub-national governments (except for projects of national scope), their agreement to take on IFAD-financing itself is considered to be an indication that these projects are in support of the respective sub-national government priorities.

62. **The project objectives and focus have been overall aligned with key prevailing IFAD corporate level strategies and policies**, such as the IFAD strategic frameworks 2007-10, 2011-15, and 2016-25. Objectives of different projects have been in line with some or many of these, including access to productive assets, skills and financial services (see table 9).

Relevance to rural development priorities and the needs of rural poor

63. **In general, project interventions have been highly responsive to the needs of the rural poor.** These interventions concern access to clean drinking water and improved sanitation, distribution of livestock and other productive assets, skills training, access roads, and access to finance. In addition, SPPAP support for small housing units is of significant importance for the landless and vulnerable households without secure shelters. ETI-GB's intention to support land tenure issues in association with irrigation development is also crucial, especially with growing dynamics due to the development around the One Belt One Road initiative.

64. **There are other needs of the rural poor that could have been better reflected.** Attention to strengthening resilience of the rural poor to climate events and hazards has not been visible (see also section on climate change adaptation). Also, support for increasing productivity and returns from agriculture or livestock has been limited. Despite the importance of livestock for many rural households, the predominant intervention has been to distribute animals (mainly goats) as part of "asset transfer", with inadequate attention to productivity, animal health, quality management or marketing. In GLLSP and SPPAP (in particular, after mid-term review, MTR), crop-related activities have been mainly through irrigation schemes under the community physical infrastructure component, plus direct subsidized credits for agricultural inputs (SPPAP), without broader consideration of opportunities for productivity enhancement as well as agricultural and food systems.

Relevance of project objectives and strategy

65. **Sectoral/sub-sectoral focuses of some area-based projects, as designed, were relevant to the potential for inclusive growth in respective areas.** This is the case in ETI-GB with a focus on promising crops in the area (e.g. apricot) and promoting partnerships with the private sector, GLLSP with the fishery sector, and LAMP with livestock. Unfortunately, in the case of the latter two, the high relevance of the initial project proposals was not maintained: fisheries-related activities in GLLSP were substantially downscaled⁹⁴ and LAMP was cancelled.

66. **The objectives of MIOP and PRISM were highly relevant at a time when the microfinance sector was still at a nascent stage and seen as one of the priority areas.** The projects, with somewhat different but complementary elements, were geared towards fostering an enabling environment for the microfinance sector and strengthening the capacity of financial service providers to better serve rural populations, including the poor. Although there was significant

⁹⁴ The construction of jetties and support infrastructures was the most significant investment planned but not realized. While link roads from landing sites to main roads were highly relevant to fishing communities, apart from asset provision (e.g. fishnets) or limited training (e.g. fishnet making), other activities relating to fisheries development were relatively limited (e.g. fisheries cooperatives).

support in the sector by other donors,⁹⁵ MIOP had additional emphasis and support in terms of promoting innovations and “pushing” PPAF and its partner organizations to go to under-served rural areas with explicit attention to women and poor.⁹⁶

67. **In other cases, the project strategy is less geared towards pro-poor rural economic transformation and systemic influence.** The focus of the “poverty graduation approach” as has been pursued in the portfolio (see also annex XII, box XII-1), which basically entails asset provision (mainly livestock) and training, is principally on individual poor households selected based on poverty scores. The menu of assets and training are largely similar across different areas (SPPAP, GLLSP), although NPGP design does acknowledge the need for diversity and market orientation and has conducted value chain analyses covering some 20 programme districts scattered across the country. While SPPAP and GLLSP support other interventions such as small-scale infrastructures at community or household level, NPGP is entirely dedicated to asset transfer and skills training combined with the Government-funded interest free loan scheme (which is considered as counterpart funding).
68. In essence, not many projects have integrated an effective strategy to address meso-level and structural constraints⁹⁷ (e.g. bottlenecks along promising value chains, regulatory environment), let alone a careful assessment on the extent to which and how the households provided with assets and training can be meaningfully integrated into market economy (e.g. market surplus, issue of quantity, quality and timeliness).
69. Furthermore, there are cases where the project strategy could take into consideration the emerging economic and employment opportunities (e.g. in Gwadar and Gilgit-Baltistan with the One Belt One Road initiative, and in some parts of Punjab with the Greater Thal Canal development) - by anticipating the demand for different skillsets in the market to strategize the project support. It is acknowledged that there were some trainings for heavy machinery operators in ETI-GB, but the assumption that trained labourers could be absorbed by the One Belt One Road initiative turned out to be incorrect (see also footnote 134).
70. **Similarly, support for financial inclusion has shifted away from a systemic approach towards direct credit-focused interventions.** After MIOP and PRISM, there has been little support to build upon or follow up on their results (e.g. linkage with financial service providers or support to incorporate financial services, products and approaches in other projects⁹⁸). At MTR (2015), SPPAP introduced the subsidized credits (initially for agricultural inputs) through NRSP and NRSP Microfinance Bank, targeted at poverty scorecard band 0-23. A question may be raised as to whether there were not alternatives better linked to ongoing initiatives (e.g. interest free loan scheme by the Government of Punjab⁹⁹) or that would incorporate more attention to facilitating relationships between borrowers and financial service providers, also given the stronger presence of MFSPs in Punjab compared to other areas like Balochistan. Also, ETI-GB takes an approach of

⁹⁵ Namely, the World Bank funded PPAF II and III, DFID-funded Financial Inclusion Programme.

⁹⁶ Interviews with PPAF, PPAF’s partner organizations, key informants.

⁹⁷ A research paper by Hashemi and Umaira (2011) discusses meso and macro level constraints that can inhibit the effectiveness of household level economic activities supported under the graduation approach, such as low market absorptive capacity, poor infrastructure, poor communication and poor access to markets, limited presence of the private sector, limited access to water.

⁹⁸ Exceptions include the targeting the ultra poor approach and the community investment fund, both of which have been replicated and scaled up in other projects. However, none of them was microfinance services as such but broader development interventions.

⁹⁹ <http://www.agripunjab.gov.pk/initiatives> “Empowerment of Kissan through Financial and Digital Inclusion (E-Credit)” is to cover farmers, tenants and sharecroppers. One of the objectives of this scheme is “encourage the under-banked and non-banked farmers into the banking network, therefore around 70 per cent of the loan is to be disbursed to the farmers having no previous credit history.” In fact, the design report for SPPAP second additional financing (2017) indicated that instead of channelling the credit funds, SPPAP was to facilitate linkages between beneficiary households and a substantial input subsidy programme by the Government of Punjab. However, the third additional financing design (2018) brought back the allocation of project funds for targeted credit.

directly pre-financing business proposals by producer groups as well as by private sector entities (e.g. processing company) with part of the cost to be "paid back".¹⁰⁰ Justifications for such an approach - based on an assessment of the financial market and gaps and other potentially relevant initiatives - have not been provided.

71. **Social mobilization for planning and execution of community level and other infrastructures has been relevant, also as a contributing factor to the quality and sustainability of results.** This was the case not only in CDP, SPPAP and GLLSP with a component on community physical infrastructures but also in ETI-GB with irrigation and land development. Following what has become a standard good practice in development projects in Pakistan (e.g. PPAF/RSP type), these projects have mainstreamed participatory approach by incorporating community procurement and community-led works execution. This has contributed to the sense of ownership (see also paragraphs 89-91).

Relevance of project design

72. **Some project designs were overambitious or did not adequately take into account the context.** The CDP PPA found that one of the project objectives to "lay the basis for a successful devolution process" was disconnected from the existing national legal and institutional framework. ETI-GB's design significantly underestimated what it would take for land development (50,000 acres) to effectively utilize irrigation structures constructed, in light of the difficult terrain and climate. There is also lack of adaptation to contextual differences (economic, social and environmental) within the same project. For instance, the original GLLSP design focused on fisheries but without much specific consideration for agricultural potential in the hinterlands of Lasbela. Similarly, distinctive differences in SPPAP areas are not well accounted for¹⁰¹ and there is little room for flexibility. However, it is recognized that lack of flexibility for context-specific adaptation can also be due to the need to strictly adhere to the project proposal approved in the Government's system, known as "PC-I".¹⁰²
73. **In some cases, design aspects were not sufficiently thought through which led to suboptimal implementation preparedness.** For example, the proposal for the value chain fund (to provide matching grants) in ETI-GB was not adequately elaborated in the design, and there is no indication that opportunities for linkages with other initiatives or learning from other similar experiences were sought in the initial stage of the project. The financing started¹⁰³ but without any clear operational manual/procedures, which still have not been developed in the 5th year of the project.
74. **Some recurring issues across the projects indicate that lessons have not been adequately taken up to inform project designs and approaches.** The issue of sustainability of community institutions has been recognized in various documents, and yet, the project approach has continued to be largely project-centred.¹⁰⁴ Skills-training has also followed the same approach, with the same

¹⁰⁰ The original design proposed the establishment of a Value Chain Development Fund to be operated on a matching grant modality. However, changes made to the approach and rationale behind are not documented.

¹⁰¹ For example, Rahim Yar Khan is more industrial and richly agricultural in nature as opposed to Layyah which is largely dependent on livestock; Rajanpur / DG Khan are highly prone to floods and often tribal in social structure compared to Muzaffargarh where power structures are very strong due to large land holding concentrated in few hands.

¹⁰² Development project proposals are prepared in the format called Planning Commission Proforma I ("PC-I") and approved by the Executive Committee of the National Economic Council.

¹⁰³ ETI-GB started funding business proposals by small enterprises or cooperatives on a 100 per cent basis (and not matching grants as envisaged at design) on the premise that part of the cost will be "paid back".

¹⁰⁴ Including 2008 CPE, 2009 COSOP, other project documents, GLLSP PCR, CDP PPA.

limited menu of trades¹⁰⁵ (e.g. tailoring, embroidery for women) without sufficient consideration for market opportunities, despite the issue having been identified.¹⁰⁶

75. **Thinly spread geographical coverage had implications on efficiency and the depth of results.** With additional financing, SPPAP expanded the district coverage from four to ten, but in most districts only one tehsil (and selected union councils) and about 20 per cent of the eligible households in respective areas could be covered. The addition of four of six districts was motivated by the cancellation of LAMP which was to operate in these four districts in the western part of Punjab. This spread has brought a relatively heavy project management structure.¹⁰⁷ Also, the CDP PPA found that with the coverage of the entire AJK, the resources were spread too thinly to have a pronounced impact.
76. **For MIOP and PRISM, the implementation arrangement with PPAF being the lead agency was appropriate** given the nature of interventions, its mandate at the time, as well as its capacity. MIOP (and later PRISM) was indeed the first IFAD-financed project that was not managed under a government agency. The implementation arrangements with PPAF and its partner organizations were also consistent with the large-scale World Bank-funded programmes (PPAF II 2004-11; PPAF III 2009-2016).
77. **For most other projects, the implementation arrangements generally had weak linkages with relevant institutions and limited attention to their institutional strengthening.** Planning and Development Department was/is the lead implementing agency in each respective territory (AJK, Balochistan, Gilgit-Baltistan and Punjab) but there are other technical departments with roles to play in and after the projects. While ETI-GB has collaborative arrangements with line departments (e.g. agriculture, water management), such linkages with other Government departments or other institutions have been largely limited in GLLSP (with the exception of the Department of Communication and Works for roads) and SPPAP (see also paragraph 153). GLLSP and SPPAP mostly relied instead on project management units (PMUs) and their decentralized units with contracted implementation partners, such as National Rural Support Programme (NRSP). The decision to outsource the implementation of most of GLLSP's activities to NRSP, even including those in which NRSP had limited experiences (e.g. jetties construction, fisheries cooperatives), was also questionable. In general, the emphasis has been more on project service delivery rather than fostering meaningful linkages between the target group and service providers and investing in existing institutions at provincial and local levels for them to be prepared for future delivery and sustainability. As such, the 2008 CPE recommendation on this point has not been taken on board.
78. **Some adjustments made to the projects were highly responsive to the emerging needs.** The examples include the swift amendment of the loan agreement of CDP after the October 2005 earthquake in Kashmir, by reallocating part of the funds for civil works and recovery efforts. Also, the project support was adjusted in the face of COVID-19 (e.g. cash transfers to participating households as start-up or working capital, specifically to be used for the protection of assets provided to the households¹⁰⁸).
79. **Many other project design adjustments have served to accelerate the pace of implementation and disbursement - but not necessarily to improve the**

¹⁰⁵¹⁰⁵ For example, in GLLSP, about 77 per cent of women who participated in vocational training (2,131 out of 2,767 women) were trained on tailoring or embroidery, and 17 per cent trained to be beauticians.

¹⁰⁶ For example, the evaluation of CDP (implemented between 2004 and 2013) conducted by IOE in 2014 noted that many women "were given same kind of training in limited number of trades – most often sewing and embroidery, resulting in a glut with limited potential clientele and limited or nil opportunity for income generation".

¹⁰⁷ Including the central PMU (6-7 staff and administration), two regional offices north and south, 12 staff each), around 188 staff of NRSP and 94 staff of the Institute of Rural Management responsible for vocational training.

¹⁰⁸ <https://www.ifad.org/en/web/latest/story/asset/42055295>

relevance. In SPPAP, component 2 on “Agriculture and Livestock Development” was almost entirely cancelled on account of “weaknesses or delayed execution” at MTR.¹⁰⁹ With this change, the project remained relevant for poverty alleviation with regard to component 1 (assets, community physical infrastructures) but not in terms of leveraging improvement in agriculture and livestock production for poverty alleviation, even though the latter was part of the project objectives. Similarly, in GLLSP, the component on fisheries was significantly scaled-down due to delays in performance and shifting of resources to other activities, hence the relevance to coastal communities, in terms of improving returns to economic activities around fisheries, was reduced.

Relevance of targeting approach

80. **Most projects have had a strong poverty focus**, using the available poverty scorecard data as a basis for geographical area selection and household targeting, combined with a revalidation exercise prior to the project interventions. In particular, for asset transfer and skills training, SPPAP, GLLSP and NPGP principally target households in the poverty scores 0-23. Households in the band 0-16.17 are BISP cash transfer recipients. Within the overall project areas, the selection of geographical areas has taken a cascaded approach, i.e. within a district, “poorest” tehsil or union councils were selected, then “poorest” villages. In SPPAP and GLLSP, “poorest” has been interpreted as an administrative unit(s) with the highest number of households falling in the poverty scorecard 0-23. In NPGP, 23 districts are selected in four provinces based on the multi-dimensional poverty headcount ratio, as well as some other factors such as the presence of interest-free loan schemes and the presence of organized households, and within the selected districts, union councils and villages are selected based on some criteria.¹¹⁰
81. **The use of poverty scorecards for targeting is well-intended, but its rigid application warrants some cautions.** Even though the scorecard status as recorded a long time ago is revalidated, only those households which had poverty scores 0-23 in the original registry are subject to this revalidation process – and not those who were not covered in the initial survey for some reason or who were then above 24.¹¹¹ In addition, the poverty scorecard, largely based on observable indicators (e.g. assets; see also annex XII, box XII-1, box XII-4) may not necessarily be an accurate reflection of households’ capacity for sustainable livelihoods and their well-being. A reported high degree of mobility in and out of poverty (see also annex XII, table XII-12) also points to the importance of preventing those who may be considered “above” the poverty threshold from not moving to poverty.
82. **Apart from women, other specific groups of the vulnerable population were not directly targeted in most of the projects but at least some of them were covered by default of poverty scorecard-based targeting.** For example, persons with disabilities were not directly targeted by most projects, but they have indirectly benefitted as members of beneficiary households (as evidenced by CSPE field visits). For example, women-headed households in which the male head of household had previously become disabled or deceased were selected for the provision of small housing units in SPPAP. The only example of explicit focus on persons with disabilities was the ‘Microcredit Disability Project’ supported under the MIOP Innovation and Outreach Facility. The evaluation has not

¹⁰⁹ New interventions placed under this component after MTR are either: minor in scale (e.g. paravet training); are appreciated but do not really address the productivity issue (subsidized credit for agricultural inputs); or do not fit under this component (“institutional strengthening of community-driven development”).

¹¹⁰ Criteria for selecting union councils and village are as follows: (i) community institutions have been formed in these areas; (ii) less than 60 per cent of the households in the ultra-poor category have received assets from PPAF or under any other programme; and (iii) rural union councils of each district to be prioritized. NPGP programme implementation manual (2020).

¹¹¹ Based on discussions with multiple stakeholders (e.g. SPPAP, GLLSP and NRSP) as well as information gathered from the communities in the field.

noted specific attention to religious minorities in the portfolio, although the CSPE field visits came across with examples of such beneficiaries (see also paragraph 185). Also for the youth, the project designs did not explicitly pronounce a focus on this group, but many beneficiaries of vocational and enterprise trainings were among the young population.

Coherence with other interventions

83. **There are examples indicating external coherence.** In order to avoid duplication with ADB support in Sindh, GLLSP was located in Balochistan. MIOP and PRISM had some overlap with other initiatives in the sector, but they had an additional focus (e.g. rural poor, smaller or emerging financial service providers), and implementation arrangements with PPAF were consistent with the World Bank support.
84. **However, in some cases, the projects could have better ensured consistency, harmonization and coordination with others.** There is not much indication that the IFAD-financed projects have sought to understand and link up with other support for TVET where there has been substantial investment (e.g. DFID, EU, GIZ, Dutch) and active donor coordination. Even if the TVET sector (including the formal education side) may not be entirely relevant, there could have been more interaction in view of substantial investment in vocational and enterprise trainings in some projects. Also, as discussed earlier, support for inclusive finance has shifted away from a systemic approach also without visible effort to coordinate with other initiatives, for example, subsidized credits for agricultural inputs in SPPAP in the presence of the agricultural input subsidy programme of the Government of Punjab. There is no evidence that the plan in the ETI-GB design to coordinate with the State Bank of Pakistan for a pilot under DFID-funded Credit Guarantee Scheme for Small and Rural Enterprises has been pursued (and if not, why not).

Summary

85. The projects have been overall aligned with the Government policy priorities and IFAD strategic framework. Project interventions were relevant to the needs of the rural poor. The focus and strategy of some projects were relevant in supporting inclusive growth and systemic changes. However, as the investment in asset transfer and skills training to households selected based on the poverty scores has significantly increased, the project strategy is less geared towards addressing structural constraints. The projects have generally had a strong poverty focus, but some issues with the overreliance on the poverty scorecard for geographical and household targeting have not been critically reflected upon. Portfolio relevance is rated as **moderately satisfactory (4)**.

A2. Effectiveness

86. Effectiveness considers the extent to which the interventions have met (or are expected to meet) their objectives, taking into account their relative importance. The assessment focuses on the immediate outcomes of the projects and their initial effects, whereas broader and longer-term effects will be discussed in a later section on rural poverty impact. This section presents a review of the outreach data and targeting performance, followed by an assessment of the effectiveness of the investment projects (excluding LAMP and NPGP). The assessment is organized by major "outcome areas", based on an analysis of the objectives of the individual projects. Collectively, these outcome areas represent main causal pathways to COSOP outcomes (see also annex VII). These major outcome areas include (i) access to basic services and improved living conditions; (ii) livelihoods/income and employment opportunities improved for the vulnerable poor; (iii) strengthening of community organizations/institutions; (iv) adoption of improved agricultural practices (crops, animal husbandry, fisheries); (v) access to markets and value chain development; (vi) access to financial services.

Overall portfolio outreach

87. The estimated outreach of the projects are as follows (see annex XII, table XII-1 for breakdown): (i) 319,055 households (126,660 in AJK, Gwadar and Lasbela (Balochistan) exceeding the combined target of 99,000 in completed projects CDP and GLLSP; 192,395 in Southern Punjab and Gilgit-Baltistan in ongoing projects SPPAP and ETI-GB, against the combined target of 332,450); (ii) 12,724 COs supported, with a total membership of 234,092 (see annex XII, table XII-2); (iii) 250,084 estimated "borrowers" (accumulated number – hence most likely including double-counting) under MIOP¹¹² and PRISM by their completion; and (iv) broad benefits for indirect beneficiaries of farm to market roads, road soling, bridge construction, and community physical infrastructure schemes. Annex XII provides tables (XII-3, XII-4) showing a breakdown of the community-level infrastructures (number and cost) by types of schemes.
88. Field visits and available records indicate that the projects generally reached intended beneficiaries. Even though there were cases of some poor households having been excluded owing to a reliance on the BISP poverty scorecard registry as a starting point (see paragraph 81), the statement in the GLLSP project completion report (PCR) that "CO membership generally excludes community members from the lowest poverty scorecard ranks of 0-11" does not seem accurate.

Access to basic services and improved living conditions

89. **The portfolio has achieved positive outcomes with regard to the provision of drinking water, especially in water-stressed areas.** At the time of the evaluation mission, nearly 60,000 households were benefitting from drinking water schemes prioritized through a community-led approach from across the portfolio.¹¹³ Most of these schemes have been built in areas with acute shortage of drinking water or where access to clean drinking water was challenged by multiple factors (including poor quality of water).¹¹⁴ Such investments have improved the overall quality of life for beneficiaries, with reduced work burden for women (from not having to travel long distances to fetch water), as well as a reported reduction in water-borne diseases such as diarrhoea. The evaluation team met communities who reported a reduction in household health-related spending as well as cost savings from not having to purchase tankers of drinking water as before.¹¹⁵
90. **Community physical infrastructure for sanitation and waste management has led to improved hygiene, safety and living conditions for poor rural communities.** To date, SPPAP has provided 706 household toilets¹¹⁶, 49km of street paving at 100 locations and constructed 3.5 km of drains/sewers at 11 locations, all of which has improved hygiene and community environments.¹¹⁷ Women met by the evaluation team expressed particular appreciation for the increase in personal safety from having access to household toilets.¹¹⁸ GLLSP has installed 84 drainage systems, 28 smooth paths and dumpsters at various locations

¹¹² It is recognised that it could have been difficult to "differentiate" the clients directly linked to MIOP or others.

¹¹³ CDP made notable contributions to improving access of rural communities to small-scale social infrastructure, with 487 drinking water schemes established. More recently, GLLSP, SPPAP and ETI have successfully installed 585 drinking water supply schemes of different types using multiple techniques (reverse osmosis plants, rainwater harvesting, groundwater pumping, hand pumps, reservoirs, filtration plants, etc. Collective number of drinking water supply schemes as per the projects' MIS data, November 2020. GLLSP fell slightly short of its target, however, achieving 83.9 per cent of the planned drinking water schemes.

¹¹⁴ For example, in Gwadar - where most GLLSP rainwater-harvesting dams were constructed - annual average rainfall is less than 100mm.

¹¹⁵ Particularly in Gwadar and Lasbela where communities have been dependant on private tankers who reportedly stop supplying water over payment disputes, leaving citizens for up to a week without water. Many of the tankers are also used to supply petrol and diesel, polluting the water that is brought in them further putting the health of beneficiaries at high-risk.

¹¹⁶ In addition to the private toilets included in the construction of all social housing units.

¹¹⁷ Data provided by SPPAP project team during the September 2020 CSPE mission

¹¹⁸ While the provision of household toilets was greatly appreciated, the May 2019 SPPAP supervision mission noted that a more cost-effective and replicable toilet design was needed. The average cost of 51,000 per unit was unaffordable for most community members, thereby prohibiting the possibility of replication by other households.

to keep the environment clean, and 387 toilets, against a target of 235 (165 per cent achievement rate). Collectively, these initiatives benefit more than 21,000 households. The CSPE notes that certain schemes that were classed as 'community infrastructure' by the projects were in reality implemented at the individual household level - but still for collective benefits.¹¹⁹

91. **The rehabilitation and paving of roads as part of community physical infrastructure schemes has improved quality of life and access to services.** Both GLLSP and SPPAP have rehabilitated community roads using cost effective and durable brick soling. GLLSP supported the rehabilitation and upgrading of 137.5 km of road, against the original target of 97.4 km. During the evaluation mission, the CSPE team received very positive feedback on the paved roads, with reported benefits such as reduced travel time¹²⁰, rapid access to medical facilities during emergencies¹²¹, improved access to schools as children are not forced to miss school as a result of inundated roads during rains, reduced transportation costs, and overall improvement in mobility of both direct and indirect beneficiaries.

Box 3

Positive outcomes from road rehabilitation

Community members in Hashoo Bhit Goth village (Sakran union council), Lasbela reported that that the rehabilitation of a road had a significant impact on the mobility of nearly 1,300 households in the area. As earlier, the road was in bad condition, it would take approximately two hours for them to reach the main city. However, after the construction, commute time has reduced to 45 minutes, which not only encourages local transporters to provide service to the local residents but has also resulted in remarkably reduced fares by 75 per cent (from PKR 1,200rs/trip to PKR 300). To profit from these advantages, some community members invested in rickshaws as hired transport due to improved mobility while others opened small shops in the village since it is now easier and cheaper to restock goods from the main city. Not only have such measures resulted in income generation for the entrepreneurs but these initiatives have also improved the lifestyles of local residents and reduced prices.

Source: CSPE field visits, September 2020.

92. **The construction of low-cost small housing units has exceeded targets while remaining cost-effective, timely, and generally of good quality; resulting in improved basic living conditions and increased livelihood opportunities for ultra poor households.** The provision of small housing units allowed these families to save at least the rental expense while removing the need to offer labour and services at compromised wage rates in exchange for lodgings. The CSPE team also encountered beneficiaries who had become self-employed with a micro-business at their housing units such as confectionary, general store, cosmetics, bangles, and grocery stores.

¹¹⁹ Particularly sanitation in SPPAP (accounting for 60 per cent of the total community physical infrastructures for SPPAP) and solar lighting schemes under GLLSP (having a 23 per cent share of community physical infrastructures for GLLSP).

¹²⁰ Based on discussion with beneficiaries in DG Khan (Mor Jhangi), post rehabilitation, travel time has been reduced by as much as 75 per cent. For instance, where it took 30-45 min to traverse the road, after brick soling, it now only takes 5-10 minutes to make the same journey. This has eased children's access to schools and also enabled quick access to medical facilities.

¹²¹ Based on discussions with beneficiaries in Lasbela (Winder), before rehabilitation of the road, it was extremely difficult to transport sick people to medical facilities in the city. Since the road could not be accessed by vehicles, transport had to wait outside the village, while the communities brought out their sick people on donkey carts.

Box 4

SPPAP small housing units

By September 2020, SPPAP had built 2,945 small housing units for beneficiaries with poverty scorecard from 0-11, exceeding targets and benefitting an estimated 25,046 individual household members.¹²² All these housing units are registered in the names of women. Despite being a solid construction (made of brick and cement), and including all the basic amenities, the cost of one house containing a large room, a kitchen, a bathroom with running water and a solar energy system remains less than US\$4,000.¹²³ Furthermore, during the field visits, the CSPE mission did not come across any complaints regarding the quality of the units. In fact, the owners and their families were highly appreciative of the intervention. The entire process, from the procurement of the land to actually moving into the house, takes on average 4-6 months, which is remarkable given the involvement of multiple stakeholders and potential for delays. Most of the SPPAP beneficiaries of land plot/housing units are 'ultra-poor', (i.e. daily wages labourers, tenants, jobless or people living on charity). Prior to receiving small housing units, these beneficiaries reportedly had limited choices to find employment, or they were bound to provide labour in exchange for shelter.¹²⁴



Source: CSPE field visits, Sakhani Wala, Rajanpur, Southern Punjab. September 2020; SPPAP data and supervision reports.

Livelihoods/income and employment opportunities improved for the vulnerable poor

93. **The transfer of livestock and productive assets has improved income opportunities and the general resilience of beneficiaries, most of whom were women.** CDP provided chicks and goats free to poorer women, while cows and buffaloes were provided on a cost-sharing basis with 50 percent subsidized by the project, and the remainder paid by beneficiaries or financed through loans from 'community credit pools'. At the time of the evaluation, SPPAP had provided 60,315 women with a goat package (two goats each), already exceeding the target of 59,500 women.¹²⁵ During CSPE field visits, women showed great pride in their small ruminants and considered goats as an important asset that they can sell during emergencies or meeting critical expenditures such as investing in children's education¹²⁶, coverage for medical emergencies¹²⁷, or re-investment for the purpose of asset diversification.¹²⁸ In GLLSP, while the provision of productive assets was below target (4,196 assets transferred compared to a target of 6,154, i.e. 68 per cent), in general, the granting of cattle, goats, fibre glass boats, small housing units, and fishing nets enabled beneficiaries to engage in income generating activities.
94. **The projects have had mixed results in terms of achieving targets for technical and vocational skills training, with some challenges in engaging specialised training agencies.** SPPAP has exceeded original targets by providing vocational training to 22,581 participants¹²⁹, and remains on track to meeting

¹²² As of June 2020, 1,597 small housing units had been built under SPPAP's original financing, against the target of 1600 (i.e. 97 per cent), while the target for the additional financing had already been exceeded, with 1,446 small housing units built against the target of 1,232 (117 per cent). Source: SPPAP project team MIS data.

¹²³ The total covered area of the house is 549.2 sq. ft. and the average cost is PKR 525,000.

¹²⁴ Several beneficiaries from small housing units also reported that they previously paid rent for small shelters they temporarily occupied, or in the case of widows and divorced women with children, they had to shift from one relative house to another on a continual basis.

¹²⁵ 100 per cent under the original target (35,500 poor women) and (103 per cent) under the target of the second additional financing (24,815 out of 24,000). Source: SPPAP Presentation, IFAD COSOP Meeting 12 July 2020.

¹²⁶ (Ahmed Pur, Bahawalpur) One of the beneficiaries sold a goat for PKR 18,000 in order to meet the educational expenses for her children who had to be privately tutored during the COVID lockdown as schools remained out of session.

¹²⁷ (Muzaffargarh) A beneficiary hoped to raise money by selling her goats in order to fund a major medical operation for her son.

¹²⁸ One female beneficiary reported selling three goats and using the funds to set up a small shop for her husband.

¹²⁹ 50 per cent of whom were women, and 69 per cent were youth.

targets under the additional financing.¹³⁰ Conversely, GLLSP could only achieve 73 per cent of the total target for the vocational and technical skills program, due in large part to the delay in engaging a specialized agency to provide trainings.¹³¹ Moreover, in GLLSP, except for embroidery skills,¹³² there were serious reservations on the quality of trainings as the content and duration did not meet the National Vocational and Technical Training Commission specifications, thereby not being recognized in the job market.¹³³ ETI-GB has provided vocational and technical skills training to 229 male youth beneficiaries to date against a target of 400. However, after a tracer study conducted by the project yielded unsatisfactory results in post-training employment, the contract with the training agency, the National Logistics Cell, was cancelled which is likely to further hamper the achievement of this target.¹³⁴

95. **Youth, being the primary focus of vocational and technical training across the portfolio, have reported positive results, but continue to face structural challenges.** In SPPAP, the target of young beneficiaries trained in income-generating activities has been exceeded (137.5 per cent).¹³⁵ Although the project did not monitor the outreach, youth have also been targeted in terms of CO formation.¹³⁶ Findings from the CSPE field visits indicate that young beneficiaries are satisfied with the vocational and technical trainings delivered, and while some of them have even started their own small businesses, most beneficiaries, especially the ones aiming to start their own enterprise, have been constrained by a lack of start-up capital.¹³⁷
96. **Technical and vocational trainings have not always been based on market demands, and therefore have not achieved employment-related outcomes, with women in particular facing difficulties in creating or obtaining employment following the trainings.** For example, in CDP only 23 per cent of vocational training participants reported having used their new skills following the completion of training.¹³⁸ While the 2020 SPPAP supervision mission reported more positive results (i.e. 70 per cent of the trainees reportedly having found employment opportunities following their vocational or business training, against the target of 75 per cent),¹³⁹ the 2018 impact survey for SPPAP showed lower achievements for female trainees as compared to men, whereby female trainees generally faced more difficulties in creating their own employment or income-generating activities even after the training.¹⁴⁰ CSPE field visit for GLLSP also revealed that in the case of tailoring or embroidery, women tended to practice the skills more for themselves, and only infrequently as an income-generating activity. In addition, it appears that market demand may have been confused with trainee

¹³⁰ SPPAP March 2020 Supervision report

¹³¹ Targets for training outreach differed by gender: Only 33 per cent of the target for men's training has been achieved compared with 133 per cent the target for women.

¹³² In the case of embroidery, women performed tasks in groups and prepared material for themselves and for clients within the district or outside through private contacts and orders.

¹³³ Accordingly, the service provider's (Institute for Rural Management) contract was not renewed. GLLSP Supervision Mission Report, April 2019.

¹³⁴ According to the project, there was not enough demand for trained labourers due to very limited infrastructure activities in Gilgit Baltistan. The assumption that the projects under the One Belt One Road initiative would absorb the newly skilled labourers, turned out to be incorrect because they preferred Chinese labour and companies. Based on interview with ETI-GB project staff dated September 18, 2020.

¹³⁵ SPPAP Logframe Supervision mission report. March 2020.

¹³⁶ SPPAP Supervision mission report. May 2019. p. 14.

¹³⁷ SPPAP supervision report, March 2020.

¹³⁸ The 2014 CDP PPA found that a large number of women had been given the same kind of training in a limited number of trades – most often sewing and embroidery, resulting in a glut with limited potential clientele and limited or no opportunity for income generation.

¹³⁹ SPPAP supervision mission March 2020, p.13 and logframe p. 40

¹⁴⁰ The survey found that 10 female trainees (or 40 per cent) remained jobless after the training (against only 3 men or 18 per cent). Impact Assessment, 2018 (SPPAP)

demand: while the trades may be aligned with the trainee demand, they are not necessarily representative of employer demand or prevalent market dynamics.¹⁴¹

Strengthening of community institutions

97. **A large number of community institutions have been supported by IFAD's projects, generally meeting or exceeding targets, although the quality of this support has varied.** In total, CDP, SPPAP and GLLSP have supported 12,724 COs (with 234,092 total members), of which 2,754 COs were newly formed (see annex XII, table XII-2 for full breakdown).¹⁴² In addition, the projects have supported 789 VO's and 58 LSOs (see also box 2 on CO/VO/LSO three-tiered model). In the case of CDP, rushed implementation in the second half of the project meant there was little time for handholding support and consolidation, limiting prospects for longer-term sustainability.¹⁴³ GLLSP supported the formation of 2,715 new COs, exceeding its target by 133 per cent, although NRSP was already present in Lasbela in the past and had invested a lot in village organisations. In the case of SPPAP, existing COs were reorganised to fit with project requirements, while NRSP started from scratch in a few districts and tehsils (e.g. Muzaffargarh, Layyah, Rahimyar Khan) and formed new community institutions. The CSPE found that there were cases in GLLSP where households not registered with the poverty scores 0-11 were excluded from COs.¹⁴⁴
98. **The community institutions supported by IFAD have largely proven to be effective in terms of social mobilization and poverty targeting for project activities.** In the case of SPPAP, COs are actively involved in all project activities at the beneficiary level including the selection of beneficiaries for asset building grants, vocational and enterprise training, and prioritizing, planning, implementing and maintaining community physical infrastructures. Meanwhile, for GLLSP, the organizations' capacities were strengthened through organizational and financial trainings, which enabled them to be involved in the selection and implementation of project activities.
99. **Despite their appreciation by community members, these institutions remain somewhat 'project-centred'.** The project approach has mostly focused on COs as a channel of project service delivery, for example, in terms of validating poverty scorecards for the project, consensus building on which households could get what support (e.g. housing, assets), or proposal development for project-funded community infrastructures. GLLSP PCR noted that social mobilization focus was "entirely on delivery of project financed activities and all community plans revolve around project interventions" and that it did not "enable the communities to look at their development challenges and needs holistically and plan on how to address them." It is also noted that COs are often reorganized based on the objectives and requirements of individual projects.
- Improved agricultural practices (crops, animal husbandry, fisheries)**
100. **Rehabilitation of watercourses has enhanced agricultural productivity and allowed farmers¹⁴⁵ to diversify their production to other crops.** CDP, SPPAP and GLLSP have collectively rehabilitated and/or constructed 465 irrigation schemes as part of community physical infrastructure activities. Although most of these interventions focused on rehabilitation of water courses, others included the

¹⁴¹ In the brochure of the Institute for Rural Management on vocational training, there is a list of courses preferred by men and women beneficiaries, but there is no detail of how these courses were selected. The menu of trades for men (which includes heavy machinery operators, mobile repair, driving, tailoring, auto electrician), and for women (tailoring, beautician course, and embroidery) are all conventionally accepted trades that, in theory, have the potential to generate income.

¹⁴² Most of these new COs (2,316) were created in Balochistan by GLLSP

¹⁴³ CDP PPA.

¹⁴⁴ CSPE field visit to GLLSP; discussion with NRSP.

¹⁴⁵ Farmers are mostly smallholders who own less than 5 acres of land (in case of irrigated areas) and less than 10 acres (in case of rainfed areas). Livestock keepers are also referred to farmers and in IFAD's context the project refer to those who own less than 5 heads of animals for subsistence or economic use.

provision of piped networks. Some of the major benefits observed by the CSPE team include reduced water losses, fewer water disputes among farmers, reduced irrigation time¹⁴⁶, and an increase in overall agricultural productivity. In Balochistan, the CSPE team also noted crop diversification as a result of improved irrigation.¹⁴⁷

101. **Irrigation initiatives in Gilgit-Baltistan have greatly expanded areas under irrigation command, with already promising results even though land development and land use planning are still underway.** There are promising early results from the construction of irrigation channels.¹⁴⁸ In cases where newly irrigated land has actually been developed, communities show high returns from agricultural production and are already paying back their share of costs for channel construction. However, delays in the promulgation of a proposed land law, and the resulting lack of formalised land titles, has led to communities being hesitant to invest in land use planning and land development activities. In many cases, the only economic benefit people have already started accruing from these newly commanded lands is from the natural growth of grasses and cultivated fodder which grow profusely along water conveyance and the plots irrigated by water.¹⁴⁹
102. **For the projects that have included (to varying degrees) trainings on improved agricultural techniques, there has been little evidence of the uptake and adoption by farmers of these techniques, beyond the demonstration plots established by the projects.** Through FAO's technical assistance to CDP, over 1,500 demonstration plots were established each for cereal and fodder, and for vegetables, but there was no monitoring of the actual adoption level of these techniques during the project.¹⁵⁰ With the exception of kitchen gardening,¹⁵¹ the promotion of grants-based productivity enhancement initiatives was abandoned by SPPAP post-MTR owing to weak results for very poor farmers. In ETI-GB, the promotion of vertical farming shows promising results, especially amongst women farmers, allowing for increased and more intensive production of higher-value vegetables on small plots of land, although this has only been on a pilot basis.¹⁵²
103. **Outcomes related to fisheries development remained sub-optimal with implementation challenges.** Several factors hindered the achievement of fisheries development outcomes, including the lack of ownership by the Balochistan fisheries department, the changes in the jetties design from floating to fixed and the long delays in approvals. Ultimately, the entire fisheries component of GLLSP was cancelled with the IFAD funds being re-allocated to roads and community physical infrastructure schemes and the US\$3 million Saudi Development Fund grant being cancelled and returned to the donor.¹⁵³

¹⁴⁶ For example, a community in Ahmedpur East, Bahawalpur reported that after rehabilitation of a 1610 ft. long watercourse, irrigation time reduced by 50 per cent. It used to take one hour to irrigate 0.5 acres, but after lining the watercourse, an entire acre can be irrigated in one hour.

¹⁴⁷ For instance, in Winder, Lasbela, where previously farmers predominantly grew sapodilla orchards ("chikoo"), after the improvement of piped irrigation, farmers are now able to grow other crops including wheat, peanuts, and cotton.

¹⁴⁸ For example, in Saling, visited by the evaluation team, 272 households have progressed from a total ownership of 44 acres of productive land to 994 acres.

¹⁴⁹ The importance of readily available fodder crops cannot be understated since communities need to reserve fodder for up to six months of cold weather, and given the high nutritional dependence of communities on butter and dairy products during cold months. Beneficiaries already report savings from not having to buy fodder, as well as reduced drudgery for women who can now readily harvest grasses growing close to water channels.

¹⁵⁰ CDP PPA.

¹⁵¹ Beneficiaries of small housing units received trainings in kitchen gardening through the Agriculture Department with 55 per cent of the trained beneficiaries reportedly having adopted kitchen gardening (March 2020 supervision mission report).

¹⁵² The November 2020 supervision mission reported 545 demonstration plots having been completed to date (85 per cent of which are owned by women).

¹⁵³ The initial GLLSP project design proposed floating jetties, which are arguably more suitable for the small sized boats favoured by the majority of small fishers. However, the government opted for fixed jetties instead, on the premise that floating jetties would not be feasible in Gwadar's rough waters. This request never materialised due to delays in hiring international feasibility experts, difficulties in obtaining a No Objection Certificate from the Federal Ministry of Defence,

Access to markets and value chain development

104. **The development of business cooperatives has not yet reached maturity, owing in part to delays and a lack of requisite capacities.** Both ETI-GB and GLLSP aimed to establish business cooperatives/cooperative associations. At the time of the evaluation, ETI-GB had registered 45 cooperatives (out of the intended target of 220), whereas GLLSP has organized only eight. In the case of ETI-GB, the Village Agriculture Cooperatives are still in the early stages of development, with activities centred on business plans.¹⁵⁴ In the case of GLLSP, although registered, the cooperative associations were not fully active at the completion of the project. The poor performance of GLLSP in this regard was due to delays in organizing fishermen cooperative societies and an apparent lack of capacity among implementing partners.¹⁵⁵ The activity will be continued under GLLSP II, although care should be taken to manage expectations, and, in disrupting the existing reliance of fishing communities on middlemen, ensure a smooth transition to cooperatives that it is not at the cost of the existing local value chain.
105. **There have been limited early results in the development of agricultural value chains, mostly only evident in ETI-GB and still at a nascent stage.** Efforts have been made to support communities in Gilgit-Baltistan to improve the quality and marketability of apricot production, thereby increasing potential value added and market linkages. While the quality of production has improved significantly and some groups have been introduced to private buyers, the approach remains somewhat supply-driven, without a clearly defined market demand for consistent standards. Efforts to develop the seed potato value chain have faltered after the initial seed potato research partner failed to deliver and the contract was cancelled.¹⁵⁶
106. **Public private producer partnership (4P) initiatives have shown promising results, albeit on a small scale.** Of the twenty 4P initiatives planned in ETI-GB, seven are already on ground for businesses in dried fruits and dairy, and the remaining are in the pipeline. Although only recently introduced, the 4P approach has already stimulated the private sector to engage directly with rural poor producers and offers a promising model for economic transformation in the region by offering a market pull.¹⁵⁷
107. **Outside of community physical infrastructure, roads and bridges built by IFAD projects have been effective in improving access to markets and reducing the vulnerability of rural populations, especially smallholders in remote locations.** In total 442km of 71 roads have been built by ETI-GB and GLLSP where previously there were no roads or only dirt paths, while CDP reported 358 km of road constructed. The construction of bridges by ETI-GB was still underway at the time of data collection but targets are likely to be met (albeit, with some delays caused by COVID-19), and some 64m of suspension bridges were already completed and in full use. Most of the roads seen during the CSPE mission were built to a high standard, and the roads were well situated to allow a maximum number of farmers to be able to connect with the market.¹⁵⁸

as well as budget limitations. Consequently, the project decided to revert to the original idea of floating jetties, but by this time (mid-term) it was too late, and further delays led to the cancelling of the entire component.

¹⁵⁴ As of November 2020, 27 business plans have been finalised.

¹⁵⁵ Findings of the CSPE field mission indicated that no requisite preparation or risks had been taken into consideration when introducing the cooperative model in the project post-MTR; including NRSP's own complete lack of experience in establishing cooperatives.

¹⁵⁶ At the time of the evaluation, a new contract had been signed with federal National Agriculture Research Centre, and activities were once again underway.

¹⁵⁷ For example, ETI-GB has supported a private dairy, Mamo Dairy, with PKR 38.08 million to source milk from 1,000 (mostly women) farmers through local milk collection clusters, providing regular income for their small quantities of milk on a sustainable basis.

¹⁵⁸ In Gilgit Baltistan, the constructed roads were strategically built to connect villages, including the newly irrigated sites, to main roads and serve nerve routes to market high value agriculture products like potato, peas and other commodities.

Box 5

Rural roads serve as a lifeline for remote communities in Gilgit-Baltistan

An impressive example of road development was observed in Thalay Baroq, Ghanche District in Gilgit-Baltistan, a valley situated at an altitude ranging between 3,000-3,500 meters. Built at a cost of PKR 20.9 million, the 10.51 km road¹⁵⁹ practically serves as a lifeline for 893 households who use this critical artery to reach the most fertile agricultural area of the region. Prior to the road construction by ETI-GB, transporting agricultural produce to the markets was extremely arduous and cumbersome as the farmers could only rely on using hand trolleys or special carriers to transport goods. This also proved to be an extremely costly undertaking, rendering production costs too high to be recovered.¹⁶⁰ However, after road development, not only have the marketing costs of transporting goods decreased by 75 per cent, but the daily commute for farming communities (70 per cent of whom are women) has also become relatively convenient¹⁶¹ as now groups of farmers (including women) can also use the option of collective transport to get to the agriculture plots.

Source: CSPE field visits August 2020.

108. **Link roads and the development of fishery landing sites have led to reduced drudgery, time savings and reduction in post-harvest losses for fisher communities.** Previously due to no road infrastructure, and no coordinated waiting places for fishers to meet buyers, the transport of fish from the coast to markets could take hours or even days resulting in high losses from spoilage and reduction in value and freshness of the fish catch. GLLSP has built platforms at major landing sites of the coasts and link roads from landing sites to the main road. The transport hired by fishermen or buyers directly arrives at the landing site to pick up the catch. It is then quickly transported to the destination market, thereby reducing drudgery and increasing the value of fish catch.

Access to financial services

109. Different projects have had different pathways towards this objective (see table in annex XII, table XII-5). MIOP and PRISM had an explicit objective of improving access to sustainable financial services by rural poor (and rural enterprises in PRISM) and this was to be achieved through strengthening MFSPs' capacity to respond to the needs of the target group and supporting the enabling environment. Other – more direct – approaches primarily focusing on credit were: (i) strengthening capacity of community institutions to provide credit services (CDP, GLLSP); and (ii) providing credit funds to be channelled through financial service providers (SPPAP, GLLSP).
110. **MIOP and PRISM contributed to MFSPs' portfolio growth and increased outreach capacity, although it is not clear to what extent this has improved access to financial services by the rural poor.** This was in a way inevitable to some extent also due to the nature of the programmes (with a focus on service providers and sectoral environment). Another confounding factor in trying to assess the effectiveness and impact of these programmes is significant microcredit support by the World Bank through PPAF at the time.¹⁶² In relation to the issue of outreach, the 2013 survey by Gallup Pakistan on the microcredit

¹⁵⁹ The road also includes two bridges (one wooden, and one RCC)

¹⁶⁰ For instance, one sack of 100 kg potato would cost PKR 600 extra just to be carried to the road from the market. However, after the road development, it will cost PKR 150 from the source to the main Khaplu road, which can be conveniently covered within the profit margin.

¹⁶¹ Based on discussion in the field, prior to road development, many women faced health issues (and in few cases miscarriages or falls with fractures). At times they were also forced to camp or stay at relatives' place overnight to avoid the long journey back home after a long day in the field.

¹⁶² PPAF II (2004-2011) with a component on "Microcredit and Enterprise Development" (US\$758 million with reflows, 4.58 million loans issued during the project, 846,021 active borrowers as of June 2011) and PPAF III (2009-2016) with a component "Micro-credit Access" (actual cost US\$45 million) aimed at improving availability and access of the poor to micro-finance and enhancing their capacities, productivity and returns from livelihoods initiatives, with 82 per cent of earmarked for micro-credits. PPAF III completion report reported the programme reached 588,000 clients of which 379,884 were first-time users of formal credit.

recipients financed through PPAF reported that 39 per cent was “poor” (poverty scorecard >34) and 61 per cent “non-poor” (poverty scorecard 35-100).¹⁶³ While some caution may be needed on the categorization of “poor” or “non-poor” based on the poverty scorecard (see also paragraph 141; annex XII, box XII-1, box XII-4), these data prompted the World Bank report to comment on “a clear bias towards non-poor households” (by the microcredit component).¹⁶⁴ In terms of the geographical coverage, expanding the MFSPs’ outreach to certain geographical areas such as Balochistan and Khyber Pakhtunkhwa remained a challenge, also due to remoteness, higher costs, scattered population as well as terrorism / security issues in past.¹⁶⁵

111. **Nonetheless, MIOP supported a number of targeted interventions.** The sub-projects supported under MIOP’s “Innovation and Outreach Facility”, often involving additional elements beyond microcredit or financial services, were targeted at a particular segment population (e.g. persons with disabilities, widows, garbage collectors, those affected by floods) (see also annex XII, table XII-13). MIOP also supported the piloting of health insurance and livestock insurance.
112. **Microcredit was facilitated through a community-level revolving fund mechanism in CDP and GLLSP, but the outreach was modest.** Access to credit helped borrowers invest in productive activities (e.g. linked to vocational training in GLLSP) and diversify income sources. In GLLSP area (Balochistan) where the microfinance service penetration rate is extremely low and exploitative and informal money lending (e.g. input suppliers, or middlemen for fisheries marketing) is rampant, access to credit at affordable rates meant a lot for those who were able to get it.
113. **Government regulations have posed challenges on the community-level financial services model.** There are increasing difficulties in opening bank accounts for community organizations¹⁶⁶ or NGOs due to the legislations on anti-money laundering and the combating of financing of terrorism, which became even stricter as guidelines on these legislations were issued by the Securities and Exchange Commission of Pakistan in 2018.¹⁶⁷ Fisheries cooperatives planned under GLLSP, which could have worked around this problem, made little progress during the project period.
114. **GLLSP and SPPAP enabled extremely/vulnerable poor households to access credit by channelling the funds.** In GLLSP, credit funds were channelled through NRSP as a step before community-based financial services to be managed by LSOs/VOs, but the transition to VO/LSO managed services was limited (see table in annex XII, table XII-5). In SPPAP, subsidized credit has been extended to approximately 4,600 borrowers¹⁶⁸ in the households with poverty scorecard 0-23 for agricultural inputs through the NRSP Bank and the NRSP,¹⁶⁹ with a reported repayment rate of almost 100 per cent.

¹⁶³ PPAF and Gallup Pakistan. 2013. The survey covered 5,000 households, from a pool of about 800,000 borrowers at the time. Gallup Pakistan, the Pakistani affiliate of Gallup International, is a survey research and consultancy firm in Pakistan.

¹⁶⁴ World Bank. 2017. PPAF III implementation completion and results report.

¹⁶⁵ PPAF III implementation completion report, MIOP/PRISM data on partner organizations. Most of the MIOP/PRISM partner organizations operated in Punjab and Sindh and less than 10 out of 50 partner organizations in these programmes operating in Balochistan, Khyber Pakhtunkhwa or AJK (according to the list of POs in two programmes reported in completion reports).

¹⁶⁶ GLLSP PCR stated as follows: “a key drawback of the absence of a legal status of COs/VOs/LSOs is their access to formal banking, due to difficulties in opening bank accounts for community organizations or NGOs... Alternatively, CO savings are entrusted to an office holder e.g. the CO President.”

¹⁶⁷ These guidelines are based on Pakistan’s anti-money laundering and counter financing of terrorism legislation and reflect, so far as applicable, the 40 recommendations and guidance papers issued by the Financial Action Task Force.

¹⁶⁸ Based on the data from NRSP and NRSP Microfinance Bank. SPPAP March 2020 supervision mission reported 11,768 beneficiaries, but 11,768 was the number of loans issued on a cumulative basis and not the number of ‘unique’ borrowers.

¹⁶⁹ NRSP and NRSP Bank are different entities, the latter being the spin-off of the former. Both provide microfinance services, but NRSP is regulated by the Securities and Exchange Commission of Pakistan, while the NRSP Bank under

115. **There has been limited results in terms of access to non-credit financial services.** There were only a few sub-projects funded by MIOP that were clearly oriented to innovative/different financial services and products (e.g. health insurance, livestock insurance), as many of them were for MFSPs' modus operandi, for lending to a specific group for specific purpose (e.g. women mat makers in a certain area), or for social safety net (not strictly in the domain of MFSPs). Except for CDP, there has been no visible efforts for nurturing a savings culture in various projects such as GLLSP or SPPAP.

Effectiveness summary

116. In general, IFAD's infrastructure-related investments (e.g. drinking water schemes, farm-to-market roads, irrigation) have led to positive outcomes in terms of enhanced livelihoods and living conditions for beneficiary communities. Apart from large-scale infrastructures (e.g. roads), many of these schemes were planned and implemented through a community-led approach. Productive asset transfer and skills training have improved income opportunities and resilience, mostly for women, although vocational training support could have been more market oriented and more effective with better planning and implementation. Also, there are small but promising early results from 4P initiatives. Promotion and adoption of improved agricultural techniques and practices were generally limited. Strengthened community institutions were effective for improving targeting and project service delivery to rural communities, although they remained project-centred. While there were good achievements in strengthening MFSPs in the earlier part of the CSPE period, overall, the effectiveness of efforts to improve the access of rural poor to community-based funds and financial services was found to be modest. The portfolio effectiveness is rated as **satisfactory (5)**.

A.3. Efficiency

117. The efficiency criterion assesses how economically resources (e.g. funds, expertise, time) are converted into results. The standard indicator is the economic (or financial) internal rate of return (EIRR), which measures the stream of costs and benefits. Other parameters are used to assess the efficiency criterion such as: (i) timeline and implementation pace; (ii) disbursement performance; and (iii) project management, operating and recurrent costs. This section mainly reviews four completed projects (CDP, MIOP, PRISM and GLLSP) and three ongoing projects (SPPAP, ETI-GB and NPGP). This section also discusses the efficiency issue from the viewpoint of the country portfolio.

Overall timeline in projects

118. **Significant delays have been experienced during the start-up period after approval in some projects.** For the timeline from approval to entry into force, the average for Pakistan was negatively affected particularly by GLLSP (20.7 months from approval to entry into force). As for the timing of first disbursement, the Pakistan average is comparable to that of Asia (see table 10), but it was substantially delayed particularly in three projects: SPPAP, GLLSP and NPGP (see figure 6). In the case of GLLSP, the Government of Balochistan pre-financed some activities (e.g. PMU establishment, surveys and designs for jetties and roads), but these activities did not fully make up for the delays.¹⁷⁰ The delays in the initial stage have been mostly due to lengthy clearance and approval processes within the multiple layers of Government, especially in respect of PC-Is at federal and provincial levels and mobilizing teams before a practical start on ground.¹⁷¹

the State Bank of Pakistan and can also mobilize deposits as a microfinance bank. They normally operate in different geographic areas and NRSP is the main shareholder in NRSP Bank.

¹⁷⁰ GLLSP 2014 supervision mission report.

¹⁷¹ For NPGP, it was also due to lack of consensus within the Government on "whether the project needs to be placed before the Economic Coordination Committee for further approval despite signing of the financing agreement". This resulted in opening of the project account and submission of the first withdrawal application. (NPGP implementation support mission, September 2018).

Table 10
Timeline between approval to first disbursement (months)

	Approval to signing	Signing to effectiveness*	Approval to effectiveness*	Effectiveness to first disbursement**	Approval to first disbursement**
Pakistan portfolio average*	6.58	2.26	8.83	7.63	17.35
Asia average	4.28	2.56	6.83	9.60	16.91

Source: Analysis of the data from Oracle Business Intelligence.

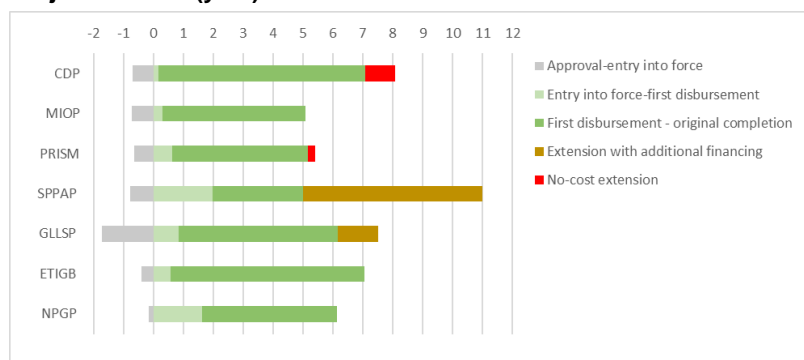
For projects approved between 2003 and 2019.

* All nine projects in Pakistan approved after 2003, including REACH (post-earthquake project approved in 2006) which is not in the CSPE scope and LAMP which was eventually cancelled.

** Including the timeline for additional financing.

119. **Overall project period time-over run has been minimum or justified.** Two cases of extension came with additional financing. Especially, the change in the SPPAP financing and implementation period is significant, from original US\$49 million over five years to about US\$121 million over 11 years. Thus, despite serious implementation and disbursement delays experienced in the majority of projects as discussed below (paragraphs 120-122), the overall implementation period (without additional financing) has been largely in line with the initial plans, while also achieving the disbursement rate of between 95-100 per cent for IFAD funding at completion in most cases (see figure in annex VIII).

Figure 6
Project timeline (year)



Source: IFAD database (Operational Results Management System).

Note: "Extension with additional financing" for GLLSP reflects the funding by Saudi Arabia, which, however, was not utilized in the end.

120. **Implementation and disbursement delays have been a recurrent issue in most projects.** Disbursement performance rating in project status reports (periodically prepared by IFAD for ongoing projects) has tended to be in the "unsatisfactory" zone (almost two-thirds of the historical ratings), except for MIOP and PRISM (see annex XII, figure XII-1). Under-performance in disbursement is particularly notable in recent projects: at MTR point, SPPAP recording only 22 per cent disbursement rate, GLLSP 23 per cent and ETI-GB 38 per cent. As for NPGP, as of September 2020, close to the half-way of the implementation period, the disbursement rate stood at only 18 per cent. Nonetheless, the pace of disbursement normally gets accelerated at a later stage of the projects.
121. As reflected in the disbursement performance, the pace of implementation tends to be slow especially in earlier part of the project period. In some cases, it has been the unavailability of funds that has constrained the implementation, rather than slow implementation resulting in slow disbursement. For example, the formalization of the third additional financing of SPPAP after 17 months after IFAD Board approval¹⁷² meant significant delays in starting the implementation in additional districts, where the effective implementation period would be limited to only 2-2.5 years. In the case of ETI-GB, the initially low disbursement was due to the earlier

¹⁷² Approved in September 2018, but the restated financing agreement signed in January 2020

years being spent on preparing infrastructure schemes; disbursement picked up when the actual implementation took place.

122. Common factors of implementation delays included: (i) delays in Government processes as in the case of start-up period, especially when revisions are introduced requiring amendments to PC-I (GLLSP, SPPAP); (ii) delayed decision making by PSCs to effect changes needed (GLLSP); (iii) frequent changes in key project staff (CDP, GLLSP); (iv) delays in project staff recruitment and under-staffing (GLLSP, NPGP); (v) under-design of some interventions and delays in their elaboration (jetties in GLLSP, value chain fund in ETI-GB); and (vi) security issues and delayed or non-issuance of no-objection certificates by the Government (GLLSP, NPGP). In some cases, what has been seen to be “delays” was also partly due to unrealistic plans, for example, irrigation and land development in ETI-GB, without sufficiently taking into consideration a short time window when construction works is possible and hence less work was conducted than envisaged.

Project management cost

123. **In terms of the management costs and operating/recurrent costs for completed projects, the use of project resources has been efficient.** The actual proportion of project management cost against the total project cost for the closed/completed projects has been notably low in the projects implemented through PPAF (e.g. 2 per cent in PRISM) or below the standard benchmark (i.e. between 10-15 per cent) in others (see annex XII, figure XII-2). The former can also be explained by the nature of the projects (MIOP/PRISM where most of the project funds were allocated for financing facilities for various purposes) and the implementation modality (benefiting from the existing structure of PPAF).
124. A review of the cost structure by “expenditure category” for the closed projects also shows reasonable or very low proportion for “operating costs”, especially for PPAF-led programmes (MIOP and PRISM). There could however be some under-estimation, especially when the implementation of a bulk of the project activities are led by partner organizations such as NRSP, as the operating/recurrent costs that they incur might have been categorized under other expenditure categories, such as consulting services or technical assistance.¹⁷³

Economic efficiency

125. **For recently completed (GLLSP) and ongoing post-MTR projects (SPPAP and ETI-GB), economic efficiency is likely to be affected by implementation delays or changes in the main benefit streams, but they are still expected to be viable.** The CSPE review also noted a number of formula errors in the economic and financial analysis carried for GLLSP (at completion) and SPPAP (at the time of latest additional financing), which would have inflated estimated economic internal rate of return (EIRR). In the case of GLLSP, while some of the project investments generated economic benefits for fishing communities (in particular, link roads from landing sites – see also paragraphs 108, 138), limited implementation of some other activities (e.g. jetties, fisheries cooperatives) would have reduced the expected economic benefits. See also tables in annex XII (tables XII-6, XII-7).
126. **For other completed projects, it is difficult to assess economic efficiency.** For CDP, the EIRR estimated at design was low (10-12 per cent), which was almost the same as the opportunity cost of capital used in other projects. An economic and financial analysis was not carried out at completion, nor was the assessment of financial viability of representative enterprises supported by the project.
127. Also for MIOP, an economic and financial analysis was not conducted at completion. At PRISM completion, financial benefits were quantified for different actors (i.e.

¹⁷³ For example, CDP (PPA),

end-borrowers, PPAF, banks, MFSPs, as well as the Government in terms of tax revenues). However, the CSPE review found a number of shortcomings in the analysis: lack of with- and without-project comparison (hence, the streams of benefits were potentially overestimated); the project cost timeline and amount not reflecting the actual implementation; and absence of net present value and economic prices computation. In any case, any estimate at PRISM completion could have been affected by a mixed picture of sustainability of supported MFSPs.

Unit cost and value for money

128. Unit cost comparison as a means to gauge efficiency is often not straightforward and not always meaningful, since it depends on many factors and the issue of quality nor benefits is not factored in. The discussion below should therefore be seen as indicative and not a decisive element of the efficiency assessment.
129. **Unit cost per households is higher than similar development programmes in the country but this can be at least in part explained by the types of investment.** The projects compared (see annex XII, table XII-8) share common characteristics in that they promote social mobilization and community organizations, support community infrastructures, technical and vocational skills training, and provide funding to be managed by community institutions in some cases. Unit cost per household in CDP, SPPAP and NPGP is US\$383, US\$498 and US\$468, respectively, compared to US\$121 and US\$178 in the European Union supported programmes. However, additional costlier investment in SPPAP and NPGP is small housing units (in SPPAP, average unit cost US\$4,300, 3,050 households targeted) and asset transfer (e.g. in NPGP US\$400 per household). On the other hand, when compared to the average cost of graduation programmes in multiple countries (US\$1,148 per household¹⁷⁴), the unit cost of NPGP and SPPAP is much lower, but there are multiple factors and a simple comparison is not possible. The evaluation has also noted cases of “underinvestment”: for example, the toolkits provided at the end of vocational/technical training in GLLSP (e.g. a set of needles, threads and frames after embroidery training) was not adequate to enable the participants to actually start the activity in a meaningful way.
130. **Unit cost for community physical infrastructure (per scheme) varies, but none of these stands out as unreasonably high.** This discussion is indicative, as it also depends on the size and types and it is not always possible to have a meaningful comparison. The average unit cost (per scheme) varies considerably between projects (CDP, SPPAP and GLLSP) and between different types of schemes, ranging from PKR 0.5 million (drinking water scheme in CDP and SPPAP) and the highest average cost for micro-hydro power unit in CDP (PKR1.81 million) (see annex XII, table XII-9). The variation would have been also due to the scale or technical requirements of each sub-project in different areas (e.g. mountainous in AJK).
131. **All types of infrastructures are generally of good quality, but there are opportunities to enhance the value for money.** Infrastructures include those prioritized by communities, i.e. community physical infrastructures (CDP, SPPAP and GLLSP), access roads (GLLSP) as well as major irrigation development in ETI-GB.¹⁷⁵ As discussed elsewhere, they generate considerable benefits for the communities. Nonetheless, the CSPE field visits noted that in some cases, small extra investment or innovations could have enhanced the value for money and sustainability. For example, a rainwater harvesting pond could have been fenced to prevent animals from fall or contaminating water, or rainwater harvesting could be supplemented by an overhead tank for safer drinking / domestic water.

Efficiency from country portfolio perspective

¹⁷⁴ Sulaiman *et al.* 2016

¹⁷⁵ CDP PPA and CSPE field visit.

132. **The evaluation notes efficiency issues at the country portfolio level**, considering the time and resources spent on designing and processing the projects that did not fully materialize. During the evaluation period, two projects were cancelled after the signing of financing agreements: the Crop Maximization Support Project (zero disbursement); and the Livestock and Market to Access Project (cancelled with 3 per cent disbursement). According to the IFAD database, 12 projects approved after 2008 have been cancelled globally, thus indicating a high proportion of cancelled projects in the Pakistan portfolio. In addition, there was another project that was fully developed but in the end was not presented to the IFAD Executive Board (CDP II) (see annex XII, table XII-10).

Summary

133. The portfolio performance in terms of efficiency is mixed. On the one hand, most projects have experienced significant delays, which affected implementation results and benefits. There is also an important efficiency issue at the country portfolio level, given the number of projects developed which in the end fell through. On the other hand, some other indicators are favourable, including the share of management costs, high utilization of funds *at completion*, and economic efficiency. Portfolio efficiency is rated as **moderately satisfactory (4)**.

A.4. Rural poverty impact

134. This section focuses on the four completed projects (CDP, MIOP, PRISM and GLLSP) and ongoing SPPAP. Emerging impact of ETI-GB will be discussed where relevant but not rated for this criterion.
135. **There is a lack of reliable data to establish the impact attributable to the project interventions**, in particular on household incomes and assets, food security and nutrition. Some kind of impact assessment surveys were conducted in completed projects and SPPAP, but they all suffer from methodological weaknesses (annex XII, table XII-11). Where relevant, available data are discussed, triangulated with the primary data collected during the CSPE field visit, as well as broad literature review, to inform the CSPE assessment.

Household incomes and assets

136. Main interventions in the evaluated portfolio that are expected to lead to increased household incomes include: (i) productive assets transfer (majority goats but also others - CDP, SPPAP, GLLSP); (ii) better access to markets leading to loss reduction of agricultural produce and fish catch, reduced transport cost and increased returns (GLLSP, ETI-GB); (iii) technical and business skills from training providing income opportunities (SPPAP, GLLSP); and (iv) secure small housing units saving on rents or providing opportunities for paid labour in lieu of unpaid labour for the landlords (SPPAP).¹⁷⁶ In addition, access to credit for productive activities and agriculture-related support (e.g. irrigation) could also lead to increased incomes. The CDP PPA did not rate this impact domain.
137. **There are indications that productive assets have contributed to increased household incomes.** The SPPAP impact survey reported that close to 90 per cent of 200 respondents who received animals still owned livestock. Majority of the SPPAP women beneficiaries met by the CSPE team in the field confirmed the project contribution to improving income sources and the importance of livestock as assets that they could also sell to meet urgent or critical expenditures such as investing in children's education or medical expenses. Also, according to the GLLSP impact evaluation, among 84 sampled asset transfer beneficiaries in the survey, 90 per cent were "still using the provided assets", which included livestock (52 per

¹⁷⁶ "Rural homelessness and resultant dependency on landlords for provision of shelter greatly compromises the rural poor's social, political and economic empowerment. In return for shelter, the entire family more than often ends up providing free domestic help and farm labour to the landlord. They have to often forego alternate remunerative employment options for fear of inviting landlord's ire and losing the available shelter." (SPPAP performance assessment, 2017).

cent), fishing nets (22 per cent), sewing machines (8 per cent). The presentation of the GLLSP impact survey data on incomes of asset transfer beneficiaries are not entirely clear (see annex XII, box XII-2). The “before” and “after” income levels reported by the respondents indicate a positive change, i.e. decrease in the proportion in the lower bracket (monthly incomes of less than PKR1,000) and an increase in the higher brackets, although the linkage with the project (or specifically asset transfer) is not evident.

138. **Improved roads have had visible impact on household incomes.** Under GLLSP, improvement in road conditions has enabled stable access (e.g. rainy season) and drastically reduced travel time and costs (see also box 4). Upgrading of link roads from fishing landing sites resulted in a remarkable reduction in the spoilage of fish catch to be sold.¹⁷⁷ Similarly, better roads have contributed to reduced loss of vegetables and fruits supplied from some hinterland areas of Lasbela to major cities such as Karachi. While quantitative data are limited, the CPSE field visits confirmed that major economic impact was evident. Also, in ETI-GB, similar impact of improved roads is clearly emerging in terms of access of products to markets besides providing access for social services in high altitude areas.
139. **Evidence on impact of vocational and enterprise training on household incomes is mixed,** also reflecting the difference in effectiveness (see paragraph 94). The SPPAP impact survey recorded a positive change in incomes and jobs (see annex XII, box XII-3). The definition of some terms is not clear (e.g. “daily income”, “self-employed”), but the results at least indicate there is a marked difference before and after as perceived by the respondents. The CSPE field visit gathered numerous accounts and examples of additional income opportunities emanating from the vocational/enterprise training (e.g. small shops, tailoring, electrician, mobile repairing). On the other hand, despite some successful cases, the overall impact of GLLSP in this regard is less visible. This is in part due to the issue with the selection of trades and training quality – as documented in the GLLSP PCR and confirmed in the field. But it is also recognized that the lower population density and less vibrant markets and economic activities in the GLLSP areas in Balochistan compared to the SPPAP areas in Punjab pose additional challenges, if not for men migrating to nearby cities (e.g. Karachi).
140. **The majority of beneficiaries of small housing units indicated that project support resulted in new economic or income generating opportunities.** The SPPAP impact survey (2018) showed that, to the question whether the project support provided “new economic or income generating opportunities”, close to 100 per cent agreed.¹⁷⁸ Even though the creation of new/additional income opportunities was not a direct aim of this support, the beneficiaries met in the field stated that their livelihoods and incomes improved, by being able to save on the rents they used to pay or getting opportunities to work for wages rather than being expected to work for landlords for no/low compensation. As also confirmed during the CSPE field visit, having a secure place to live meant less stress over daily survival and more possibility to shift attention to income generating activities (also using some space in the structure), which were also helped by vocational and business training offered by the project.
141. **While there are some indications on impact on household incomes as discussed above, a reported significant change in the poverty scorecard**

¹⁷⁷ The video published by GLLSP contains a testimony of a fish whole seller that half of the fish catch used to be wasted before. (<https://www.youtube.com/watch?v=iDE9AuDgPnQ>) Self-assessment of GLLSP for this CSPE indicated 30 per cent of reduction in loss for fish and agricultural produce and increase in value of fish catch by 100 per cent, but the basis of these data was not provided.

¹⁷⁸ The proportion of the respondents for “strongly agree” (62 per cent) was notably lower than other overall well-being indicators (e.g. sense of security, for which 90 per cent “strongly agreed”) but further 38 per cent “agreed”.

status should be seen with caution. Poverty scores are highly influenced by assets (including livestock) and housing (see also box 1; annex XII, box XII-1). Thus, project interventions would have immediately and directly changed the status (even if they are not recorded in the Government's registry), but this does not necessarily mean that these households are on their paths onto sustainable livelihoods. Cheema *et al.* (2016) reported the high degree of mobility and transient nature of poverty among BISP beneficiaries (according to the poverty line - and not poverty scorecard; see also annex XII, table XII-12), indicating the caution in declaring any household out of (extreme) poverty based on observable indicators (see annex XII, box XII-1 and box XII-4).

Table 11
Reported change of poverty scorecard status of SPPAP and GLLSP beneficiaries: before and after project (%)

Project	Poverty scorecard band	Extremely poor 0-11	Chronically poor 12-18	Transitory poor 19-23	Transitory vulnerable 24-34	Transitory non-poor 35-59	Non-poor 60-100
SPPAP	Before	58	36	7	0	0	0
	After	4	31	24	35	15	1
GLLSP	Before	29	24	16	31 (PSC 24-100)		
	After	1	9	18	72 (PSC 24-100)		

Source: SPPAP impact survey (2018), GLLSP impact evaluation (2020).

Note: Sample size was 247 in GLLSP and 705 in SPPAP

142. **There is limited evidence of MIOP/PRISM impact on poor household incomes and assets.** While the impact on financial service providers is clearer (see paragraph 154), assessing poverty impact is challenging due to a long way in the results chain and numerous assumptions to arrive at the target group.¹⁷⁹ Furthermore, there were other substantial interventions in the sector (e.g. World Bank-funded PPAF II and III). Findings of different studies are mixed and not conclusive.

Agricultural productivity

143. **With the exception of ETI-GB, agricultural productivity was not an explicit objective of the portfolio.** Nonetheless, several activities undertaken by the projects have reportedly had an impact on agricultural productivity, albeit on a modest scale. Activities under ETI-GB (irrigation, land development) could potentially have significant and transformative impacts on agricultural productivity at economic level in Gilgit-Baltistan, but as these activities are still ongoing, it is too early to predict a quantified impact.¹⁸⁰
144. **Water-related infrastructure (rainwater harvesting, channel lining, irrigation schemes) has led to increased agricultural productivity, but outside of ETI-GB, such interventions were limited in scale.** SPPAP, through its limited investments in irrigation schemes (which account for 16 per cent of the schemes constructed to date), has had only a modest impact on agricultural productivity.¹⁸¹ The impact may have been significant at the level of concerned households, but it was limited in scope overall. For GLLSP, benefits reported by communities included improved animal health,¹⁸² improved animal productivity, higher farm production, diversity in crops, and uptake of vegetable farming by

¹⁷⁹ This problem was also well-recognized in ACTED study.

¹⁸⁰ ETI-GB plans to irrigate over 50,000 acres of land under high value marketable agricultural crops including orchards of superior fruit varieties – benefitting 100,000 households.

¹⁸¹ According to the 2018 SPPAP impact survey,

¹⁸² This was a significant unexpected impact of drinking water schemes, even though animal health was not a primary focus of the project. While previously livestock was given any residual water from human use such as clothes washing, now animals have access to clean and abundant water, resulting in improved health and productivity.

households.¹⁸³ Communities met by the evaluation team in Gwadar also reported significant productivity gains as a result of increased water availability from agricultural embankment dams. In Balochistan, the uptake of fruit and vegetable production in areas where previously this was impossible due to water scarcity, has had significant impacts on beneficiary households. However, as in SPPAP, the overall scale of such interventions was small.

145. **Trainings and demonstrations in productivity enhancement techniques were reportedly appreciated by communities, but there is no concrete evidence that the adoption of these techniques has led to productivity gains.** The 2020 GLLSP impact study could only report anecdotal evidence of farmer’s appreciation of productivity enhancement trainings, and their perception of productivity enhancement as a result of the trainings.¹⁸⁴ In addition, GLLSP provided guidance to small fishermen on improved fishing techniques, including methods of location scouting, net usage, and safety at sea. Again, there is only anecdotal evidence that such guidance has led to an increase in fish-catch.¹⁸⁵ CDP promoted improved seeds varieties and demonstration plots for crops (e.g. wheat, maize, fodder), but there was no or little systematic data collection and analysis during the project regarding actual impact on yields, cost and benefit analysis, or adoption level. Impact of improved seeds on productivity is mostly predictable:¹⁸⁶ what is not known is their uptake by farmers, magnitude beyond demonstration plots and their accessibility in the cases where they are actually successful. In the case of ETI-GB, a value chain approach to seed potato production and multiplication has been planned, but this activity is still only in its initial stages.

Food and nutrition security

146. Main interventions that could contribute to improved food and nutrition security included: (i) provision of animals, mainly goats, providing milk; (ii) irrigation and other agriculture-related support for increased and diversified crop production that can be consumed at home (e.g. vegetables); and (iii) food banks enabling the poor households to access grains more economically (only SPPAP). Increased incomes are also expected to contribute to better food security.
147. **Some interventions have plausibly contributed to improved food security and nutrition.** The CSPE field visits found that milk from goats distributed (and generally well kept) – one of the most predominant and popular interventions of SPPAP and GLLSP – directly contributed to household nutrition. Another intervention directly impacting on access to food (wheat grains), albeit on a small scale in SPPAP, is food banks. Food banks have mitigated food gap during the season when the poorest households ran out of their own grain stock and the retail price in the market was very high due to shortage. Where vegetable farming has been supported (e.g. irrigation, home gardens), their home consumption has diversified diet.
148. **However, there is hardly any data on the extent and magnitude of project impact on food security – and none on nutrition.** SPPAP impact assessment (2018) reported “only 13 per cent of survey households... faced at least one period of food insecurity in the past two years” and favourably compared this with 2009 World Food Programme (WFP) data, i.e. 38.5 per cent of the population in Punjab being food insecure. However, these data may not be comparable due to the

¹⁸³ As reported in the 2020 GLLSP impact evaluation Report, from a survey of 247 beneficiaries across 12 villages in Gwadar and Lasbela.

¹⁸⁴ GLLSP provided training to 475 master trainers who in turn trained their fellow community members on improved land preparation for agriculture crop production techniques, and improved animal management and nutrition for livestock.

¹⁸⁵ The 2020 GLLSP impact study refers to only one focus group discussion with workshop participants who reported that “the chances of catching fish have improved significantly after attending the workshop.”

¹⁸⁶ The CDP PCR impact study indicated average yield increase from using improved seeds in demo plots and also with multiplied seeds, but the latter was based on a small number of respondents (a total of 32 for four types of crops).

difference in methodology,¹⁸⁷ let alone the time interval. The only data related to food security in the GLLSP impact assessment is that 98 per cent of asset transfer beneficiaries reported increased availability of food in their households. This may be a positive indication, but it is not clear 98 per cent of which and how many respondents, i.e. whether 98 per cent of only those indicating positive results.

Human and social capital and empowerment

149. **One of the main areas where the portfolio had very positive impact on human capital was through infrastructure support.** Different interventions such as drinking water schemes, drainage and sanitation, health facilities (first aid posts), and link roads have contributed to improving the overall community health. This is evident from the findings of the GLLSP impact survey, according to which, 67 per cent of surveyed households reported a decline in incidence of diseases such as diarrhea, typhoid, and gastrointestinal disorders since the installation of drinking water schemes.¹⁸⁸ In addition, as the collection of water was generally women's responsibility, drinking water schemes have contributed to women's health and general wellbeing by removing the need to travel long distances to fetch water. Meanwhile, the development of rural roads has facilitated quick access of communities to medical facilities in cases of emergencies, and children can travel more easily to schools. The development of primary schools by CDP has improved access and opportunities for children's education in better facilities, while across the portfolio, road construction and rehabilitation has made it easier for children to attend schools.
150. At the household level, solar-powered lighting at night has improved the security of houses and livestock, while enabling children to continue to study after dark.¹⁸⁹ Women too reported that lighting had allowed them to focus on their trade during hours after dark (e.g. embroidery). The granting of land titles to women, and the provision of small housing units by SPPAP have not only alleviated rural homelessness, but also in some cases, liberated women from exploitative arrangements of exchanging free labour for shelter. Owners of small housing units reported drastic reduction in home-based disputes and violence; several women who acquired microcredit from the SPPAP for productive purposes report a better social space in the family with a great sense of self-respect; several women reported they were able to contribute to better up-bringing of children and their education; reportedly there was more interest within households towards the education of young girls, leading to more enrolment in schools.
151. **Social capital has been enhanced through the strengthening of community institutions, although there are also scattered examples of exclusion.** In general, the COs supported by IFAD-financed projects exhibit a sense of collectiveness.¹⁹⁰ In the case of GLLSP, there was reportedly an improved sense of community cohesion through joint prioritization and identification of needs such as community physical infrastructures. However, while COs have been the entry point for social capital development in many of the projects, there are concerns that this approach may be inadequate in terms of inclusiveness and representativeness (COs representing only a segment of community, with poorer members sometimes excluded).¹⁹¹ In order to enhance impacts on social capital, the NPGP MTR has

¹⁸⁷ SPPAP impact assessment looks at whether the respondents had a period of food insecurity in the past two years, whereas WFP (2009, Food Insecurity in Pakistan) is based on computation of a composite index based on various indicators.

¹⁸⁸ GLLSP impact evaluation report, 2020.

¹⁸⁹ 100 per cent of respondents in the GLLSP impact evaluation reported feeling their livestock and household are more secure, while 87 per cent reported that the availability of lighting has improved the learning and education environment for their children. However, there were only 238 such installations in GLLSP.

¹⁹⁰ CDP PPA. 2015; Also confirmed by 2020 field visits to SPPAP and GLLSP.

¹⁹¹ For example, the GLLSP PCR noted that very poor community members with poverty scorecards of 0-11 were excluded from CO activities.

recently recommended shifting to a VO-based approach, whereby VOs would be representative of all households in the village, including poor households.¹⁹²

152. **The portfolio impact on community empowerment is not evident.** There was a mismatch between the stated intention on community empowerment and the project approach on the ground. Social mobilization in CDP, SPPAP and GLLSP have been based on the three-tiered model of RSPs (see also box 2 in earlier section)¹⁹³ and the empowerment of community institutions is one of the expected results.¹⁹⁴ However, the project approach has mostly focused on COs as a channel of project service delivery (see also paragraph 99).

Institutions and policies

153. **Apart from some projects (i.e. MIOP, PRISM, ETI-GB), the portfolio had insufficient attention to strengthening institutions and policies and had limited impact.** Some projects had objectives and/or component related to institutions and policies, but these were not realistic or not supported by interventions. For example, CDP had an objective “lay the basis for a successful devolution process”, which was disconnected from the realities and without supportive interventions (see also paragraph 72).¹⁹⁵ SPPAP objectives include “strengthened local capacity for agriculture and livestock service provision”, but there were no project activities to support this. The GLLSP design included institutional capacity building support (e.g. the Fisheries Department, a sanitary and phyto-sanitary compliance system) but the progress was limited mainly due to “the lack of coordination between the PMU and implementation agencies ... resulting in ownership issues and accountability.”¹⁹⁶ ETI-GB supports an important policy area (land titling) which is still ongoing.
154. **PRISM and MIOP had notable impact on MFSPs at project completion.** Areas of MFSPs institutional strengthening included¹⁹⁷: (i) improved knowledge and capacity of MFSPs to manage their organisations and provide services to their clients; (ii) improved financial stability; (iii) better outreach and improved products and services; and (iv) better monitoring and reporting on the credit portfolio. PRISM’s credit enhancement facility helped 12 MFSPs access funding from commercial banks for onlending.¹⁹⁸ Between 2008 and 2015, there was another guarantee facility for MFSPs under the State Bank of Pakistan¹⁹⁹ (with partial guarantee), but this served microfinance banks and well-established MFSPs,²⁰⁰ whereas the PRISM facility was utilised exclusively by non-bank MFSPs including smaller ones. PRISM also provided equity injection to 18 small/medium-sized MFSPs to strengthen their balance sheets. At completion, 9 MFSPs of them had negotiated a loan amount of US\$3 million from commercial banks against a collateral deposit (approximately 50 per cent of the loan funds leveraged).
155. **Both PRISM and MIOP contributed to sectoral research and debate on policy issues** – together with other donors and initiatives, such as the World Bank and the DFID-funded Financial Inclusion Programme. At the time, the sector was evolving rapidly and there were a lot of work on the policy and regulatory

¹⁹² NPGP MTR. December 2020.

¹⁹³ “Social mobilization” in ETI-GB is somewhat different from other projects, as it is about organizing farmers (including cooperatives) rather than “communities” *per se*.

¹⁹⁴ For example, SPPAP additional financing design states, “strengthening of local-level ‘institutions’ ... to represent development needs and demands of their members and to serve poor households” and development needs of the community were to be considered by “district coordination committees”. One of the objectives of GLLSP was “empowering poor communities to become effective partners in development and accessing development resources and mainstream an accountable system for development delivery”.

¹⁹⁵ CDP PPA.

¹⁹⁶ GLLSP PCR.

¹⁹⁷ From PRISM PCR, MIOP PCR, and CSPE interviews with MFSPs (MIOP/PRISM partner organizations), PPAF, Pakistan Microfinance Investment Company, the State Bank of Pakistan and the Pakistan Microfinance Network.

¹⁹⁸ At PRISM completion, US\$41 million had been mobilized, of which 37 per cent not covered by the facility.

¹⁹⁹ Micro Credit Guarantee Facility (2008-2015) under the Financial Inclusion Programme financed by DFID.

²⁰⁰ DFID Financial Inclusion Programme – 2015 annual programme review summary sheet.

framework. PPAF, by virtue of being the lead implementing agency of MIOP and PRISM, as well as the World Bank funded programme, was involved in groups discussing policy issues (e.g. with the State Bank of Pakistan). PRISM equity funding to the Pakistan Microfinance Network has resulted in opening up avenues of knowledge and policy advocacy for smaller MFSPs.

156. **The establishment of AJKRSP was prompted through CDP, but it is not functional at the time of the CSPE.**²⁰¹ AJKRSP was established with financial contribution from the Government of AJK based on the RSP model and the Government issued a notification in 2012 mandating AJKRSP to take over social mobilization and management of microfinance activities supported under CDP. At the time of the PPA in 2014, there was already a concern regarding the AJKRSP governance and its independence. The CSPE was informed that the organization continued facing various problems and it is not active at present. Apart from the organizational and internal governance issues, another background factor is that fund raising opportunities were limited for AJKRSP compared to other RSPs: due to AJK being part of the disputed areas, development funding from bilateral development agencies is less forthcoming.
157. **There were missed opportunities to table and support policy issues.** There is a number of policy issues emerging from the field which are of relevance to the target group, such as fishermen boats permits, daily fishing tokens, illegal trolleys, life insurance (for fishermen and high-altitude masons), influencing access to the Government-funded agricultural incentives and subsidised inputs by the project beneficiaries (especially in Punjab). Knowledge on practical policy bottlenecks by virtue of working at field level therefore has not been conveyed to stakeholders and policy makers, despite the advantage of working with the Planning & Development Departments at provincial level, which serve as the important hub for policy support to the government and house development projects financed by multiple donors.

Rural poverty impact - summary

158. The portfolio had very positive impact on human capital with improved basic living conditions particularly through infrastructure investment (e.g. drinking water, sanitation, roads, as well as small housing units albeit on a small scale). Support to COs has enhanced social capital, but there remain questions on inclusiveness and representativeness of these organizations. The portfolio's impact on household incomes was mixed, with some activities such as roads and asset transfers having a clearer impact than others (e.g. vocational trainings). Increases in income, coupled with the provision of livestock are likely to have had a positive impact on food security and nutrition, but there is lack of data and evidence. There were only limited impacts in terms of agricultural productivity, while impacts on policies and institutions were minimal, apart from the microfinance programmes. On balance, rural poverty impact is rated **moderately satisfactory (4)**.

A.5. Sustainability of benefits

159. This section assesses the likely continuation of benefits that were generated by the projects beyond the phase of external funding support. The main areas for which the sustainability of benefits is assessed are: (i) physical infrastructure; (ii) livelihoods development; (iii) financial services; and (iv) institutional aspects.

Physical infrastructure

160. **Community physical infrastructure schemes have a high likelihood of sustainability owing to strong community ownership, as well as clear responsibilities and arrangements for operations and maintenance.** The involvement of communities in the planning, the implementation and the monitoring of community physical infrastructure schemes (irrigation, road

²⁰¹ Based on information from the Government of AJK.

pavements, and drinking water schemes), created a strong sense of ownership in CDP, GLLSP, and SPPAP. Communities have been made de-facto custodians of community physical infrastructure schemes, through contributing a portion of the construction costs. CSPE field visits confirmed that communities were effectively undertaking the operations and maintenance of community physical infrastructures (such as reverse osmosis water plants and solar-powered water supply schemes) including the creation of management committees and the collection of charges fees. The business model adopted by the reverse osmosis plants in Balochistan is a notable example, in that operations and maintenance (O&M) costs are covered through user fees - a rare concept in Pakistan, where most drinking water is subsidized and seldom valued as an economic good. CSPE field visits found that communities highly value the schemes, and are willing to pay user fees, as doing so ensures consistent, clean drinking water supply in a highly water-stressed context.

161. **The sustainability of benefits from large infrastructure (roads, bridges, irrigation) is contingent on policy aspects relating to land titling, water management and roads O&M.** For GLLSP, the sustainable management of roads developed is ensured by the Communication and Works Department, which is the guardian of these infrastructures and their O&M. In contrast, in ETI-GB, although the project has outlined a clear exit strategy, longer term sustainability of benefits from land development, irrigation and road construction (particularly with regard to O&M arrangements) depends on the promulgation of a new land law, a Water User Management policy and the development of a Road Master Plan, respectively, which, to date, have not yet been initiated.²⁰² These delays notwithstanding, there are strong indications of community appreciation and ownership of ETI-GB's infrastructure works, with communities having contributed labour for construction and in some cases, having begun to pay back the 50 per cent community contribution for irrigation works.

Livelihoods development

162. **Lack of alignment of technical and vocational training with market needs and contextual realities poses risks to the sustainability of results.** As mentioned under effectiveness, the selection of trainings was not driven by an analysis of market demands and needs, resulting in trainees facing difficulties in finding employment. These results were observed across the portfolio. Meanwhile, employers did not always recognise the trainings, as they did not meet the necessary specifications (e.g. in GLLSP and ETI-GB), which limits longer term efficacy beyond the completion of the projects. Furthermore, beneficiaries of trainings, especially those aiming to start their own enterprise, are constrained by a lack of start-up capital.²⁰³
163. **The likelihood that results will continue to be derived from livestock and productive assets beyond project completion is not assured without adequate linkages to technical services.** Upon completion of GLLSP, there was still a need for continued capacity building for asset management to ensure sustainability,²⁰⁴ however, the CSPE found that, in general, there were weak linkages with government and private service providers, such as the relevant livestock department, agriculture department and private animal health providers for access to technical services. Stronger linkages with the private sector through

²⁰² These activities were further delayed in 2020 by COVID-19 and parliamentary elections.

²⁰³ SPPAP plans to address this need by broadening the eligibility for borrowing from the piloted revolving funds to include vocational and enterprise loans, although this has yet to bring results.

²⁰⁴ GLLSP PCR.

4P initiatives (e.g. Mamo Dairy in Gilgit-Baltistan) are likely to be more sustainable in this regard, but it is too early to say in the case of ETI-GB.

Financial services

164. **Sustainability of benefits in terms of improved operations, outreach and services by MFSPs after MIOP/PRISM is mixed, mainly due to the changes in the context.** Institutional sustainability was affected by the new regulatory framework (including the minimum capital requirement introduced in 2016), which led to the discontinuation of services by some MIOP/PRISM-supported organizations. Out of 18 young (smaller) partners, four of them²⁰⁵ have scaled up their operations and five of them²⁰⁶ are continuing but without much expansion, whereas the rest could not sustain the operations.²⁰⁷ Many MFSPs that are still operating said MIOP/PRISM support was extremely valuable for their institutional growth, and for the smaller operators, the PRISM equity fund support turned out to be vital when the minimum capital requirement of PKR50 million was introduced in 2016 to obtain a license from the Security and Exchange Commission of Pakistan as a non-bank (micro) finance company²⁰⁸ (see paragraph 18).
165. **For some of those surviving MFSPs, the benefits from MIOP and PRISM have been sustained and contributed to their operational growth.** These benefits were in terms of improved operational procedures and systems, increased equity base, or established linkage with commercial banks. PRISM support under its credit enhancement facility provided much impetus and confidence to MFSPs to better negotiate financing from commercial banks. As of March 2020, 17 MFSPs were able to obtain financing, independently, from commercial banks amount to PKR 33.7 billion (excluding borrowing from the Pakistan Microfinance Investment Company, see paragraph 41).²⁰⁹ These included 10 MFSPs that benefited from the PRISM credit enhancement facility and seven small institutions that were provided with equity support.²¹⁰
166. **Sustainability of access to finance through community institutions is not clear.** At the time of CDP evaluation, the indication of sustaining savings and credit activities managed by COs did not look promising: reduced saving activities, some COs reporting overdue amounts, the static level of usage of credit funds.²¹¹ On the other hand, the prospect for the VO/LSO level operations based on the community investment fund model (GLLSP) might be more positive, given the tendency of continued presence of NRSP (through different projects, for social sector such as health and education or economic development) and its linkages with and support to three-tier structure, as well as the GLLSP II's plan to convert them into cooperatives.

Institutional aspects

167. **The sustainability of COs, VOs and cooperatives supported by IFAD projects is uncertain.** Upon completion of CDP, many COs and their apex organizations (i.e. VOs, LSOs) were found to be still weak and unlikely to survive without further support.²¹² In particular, the roles of LSOs, sources of support from above, financing of operational costs if any, and their relationships with member COs were still not clearly defined.²¹³ Moreover, as informal organizations lacking

²⁰⁵ Mojaz (now Mojaz Support Program-MSP), SSSWA (now SSSF), Saya Foundation (now Saya Microfinance Company-SMC), Agahe (now AGAHE Pakistan)

²⁰⁶ AMRDO, Saath (now Saath Micro Finance Program-SMFP), OCT (now OPRCT), DWO (now MOSP) and VDO

²⁰⁷ Response by PPAF and PMIC on the CSPE questionnaire.

²⁰⁸ CSPE team's follow-up interviews with 12 partner organizations of MIOP and/or PRISM. About two-thirds of the MFSPs which got equity injections have been licensed.

²⁰⁹ Response by PPAF and PMIC on the CSPE questionnaire.

²¹⁰ Based on the data provided by and interview with PMIC / PPAF.

²¹¹ CDP PPA. 2015. IOE

²¹² CDP PPA, 2015. IOE.

²¹³ CDP supported the reactivation or formation of apex bodies of COs, cluster organization or LSOs normally at union council level. See also Box 2.

legal status, community institutions (especially COs) increasingly face barriers in accessing formal banking, also due to more stringent financial regulations in relation to anti-money laundering and counter-terrorism measures, thus further limiting their longer-term sustainability.²¹⁴ With regard to cooperatives, the sustainability of fisheries cooperatives established under GLLSP is at risk because they do not yet function on a clear business model.

168. **Efforts to support the devolution process through participatory community-based development planning have limited sustainability prospects, as they were not sufficiently embedded in government processes.**²¹⁵ The CDP evaluation found that the promotion of the participatory approach of community driven development through COs/VOs/LSOs has not been mainstreamed into government's regular development planning and budgeting processes: in other words, the efforts for identification of community needs based on a bottom-up approach are undertaken only when there is a "project". In the case of SPPAP and GLLSP, COs were found to be lacking a more comprehensive vision, beyond the planning and implementation for the projects.
169. **There were missed opportunities for closer engagement and institutional strengthening of government institutions for better sustainability.** Strong grassroots linkages between beneficiaries and government departments were an indicator of sustainability for CDP.²¹⁶ However, the CSPE field visits in Southern Punjab and Balochistan saw insufficient evidence of communities being linked with government departments for technical services, nor was there evidence of communities availing of the services of para-vets and agriculture extension staff.²¹⁷ In terms of project implementation, some projects have mostly relied on PMUs and their decentralized units with contracted implementation partners, with little engagement with decentralised government institutions. While the project attention on implementation and delivery is understandable, there could have been more consideration, with a longer-term view, for better linkage with government agencies (and other institutions) and preparing them for better sustainability of project results. In this regard, the portfolio has not adequately responded to one of the main conclusions and recommendations of the 2008 CPE, in that IFAD could have done more to strengthen local service delivery capacity,²¹⁸ even though this was among the specific project objectives in SPPAP.²¹⁹

Summary

170. Overall, the likelihood of benefits being sustained is somewhat mixed. In general, physical infrastructure investments in the IFAD portfolio, mostly through a community-led approach, have a high likelihood of sustainability with clear O&M arrangements, often based on sustainable systems of gathering user fees, as well as strong community ownership (owing to high community cost contributions) and dedicated O&M committees. Conversely, support to livelihoods development has been poorly aligned to market demands, thereby limiting the likelihood of

²¹⁴ Since the issuance of new guidelines by the State Bank of Pakistan, the banks are reluctant to open bank accounts for community organizations (across Pakistan).

²¹⁵ The absence of a long-term vision contrasts with some other donor-funded programmes which pay attention to policy and institutional framework for embracing community-development approaches, such as Community-Driven Local Development in Khyber Pakhtunkhwa supported by the European Union. The CSPE, however, is not in a position to comment on the implementation nor performance of this programme.

²¹⁶ The 2014 evaluation of CDP found that, as a result of the project, extension agencies had discovered the benefit of interacting with organized forums of farmers with predictable meeting dates and times and the coverage benefits that it brings.

²¹⁷ Changes to SPPAP post-MTR effectively removed activities relating to productivity enhancement initiatives, para-vet training and community service providers. While SPPAP still reports having trained 200 para-vets, the CSPE team did not see any evidence of linkages with the livestock department or private sector for the disease management of the ruminants granted.

²¹⁸ Recommendation 2 of the 2008 CPE: Provide capacity development support to decentralized entities and other bodies working at the local level to complement the work of other larger development partners... [The] Fund should take a more inclusive approach to supporting decentralization by establishing the building blocks for a more service orientated relationship between governments and local organizations.

²¹⁹ SPPAP's specific objectives included "strengthened local capacity for agriculture and livestock service provision".

sustainable employment creation. Changes to the regulatory framework for microfinance have constrained the sustainability of results achieved under MIOP and PRISM, although some MFSPs continue to benefit. Finally, across the portfolio, the support to community institutions has been effective for social mobilization and targeting, but the longer-term sustainability of these organizations, beyond the lifetime of the projects, is uncertain. On balance, the sustainability of benefits from IFAD's portfolio is considered to be **moderately satisfactory (4)**.

B. Other performance criteria

B.1. Innovation²²⁰

171. **Innovations in the evaluated portfolio were not significant.** Beyond the scattered examples of technological innovations (see next paragraph), earlier MIOP/PRISM, and still untested ongoing examples, overall, the portfolio has not adequately addressed the recommendation of the 2008 CPE in this regard.
172. **There have been some examples of innovative technologies introduced by IFAD projects.** For example, the construction of three reverse osmosis plants in GLLSP is not only highly relevant to the water-stressed context, employing state-of-the-art technology for water purification, but it operates on an innovative 'pay for water services' business model.²²¹ Communities are willing to pay as it ensures a steady and reliable water supply, and the money collected from sale proceed goes for maintenance of the plant.²²² Similarly, solar-powered groundwater lift irrigation directly from river in Gilgit-Baltistan was found to be highly innovative, cost-effective, and suited to the unique context where river water could not be channelled, and frequent power outages meant there was limited electricity supply. The introduction of vertical farming in ETI is already showing early positive results with a reported increase in vegetable production, especially for women farmers with small plots of lands who face inclement weather conditions.
173. **The use of cash deposit to entice commercial banks to lend to MFSPs under PRISM was considered to be innovative.** A similar guarantee fund mechanism for microfinance banks and non-bank MFSPs operated by the State Bank of Pakistan was introduced under the DFID support around the same time as PRISM start-up. Apparently, the State Bank of Pakistan was apprehensive about there being two parallel guarantee fund mechanisms with different coverage (100 per cent in PRISM, 40 or 60 per cent in the Financial Inclusion Programme), but the two facilities catered different types of financial service providers, and PRISM supported smaller and emerging institutions.
174. **MIOP and PRISM were contributors for supporting various practices and innovations driven by PPAF – among different initiatives.** PRISM PCR reported that PPAF was innovative, flexible and dynamic in adjusting the project design to the needs and opportunities of the microfinance sector, through research and publications, networking, and striving for areas of improvement and higher leverage. PRISM support (credit enhancement facility and equity fund) was probably unique and innovative. MIOP reportedly supported about 25 diverse types of "innovative" sub-projects, including those that were not in the domain of microfinance services (e.g. community investment funds, targeting ultra-poor; see annex XII, table XII-13). The CSPE interviews with PPAF and partner organizations indicated that this flexible facility provided a space for them to experiment and that PPAF actively promoted exchange of ideas. A good summary report of these sub-projects is available on the PPAF website,²²³ but it somewhat lacks a clear analysis

²²⁰ "Innovation" is: (i) new to its context of application: The novelty may refer to the country context, scale, domain, discipline or line of business; (ii) useful and cost effective in relation to a goal - positive value for its users; and (iii) able to "stick" after pilot testing.

²²¹ A very rare concept in Pakistan since most of drinking water is subsidized,

²²² Although the households in the direct vicinity of the plant do not have to pay for water, as their active participation in assuring maintenance of the plant has an economic value.

²²³ PPAF 2015.

on their innovativeness (e.g. what, how, replicability), especially for financial products and services. It is also difficult to say whether these “innovations” would not have happened without MIOP: the World Bank reported similar “innovations” in PPAF-III programme, which also included grant support for technical assistance and training to partner MFSPs to develop and pilot innovative products and delivery mechanisms.²²⁴

175. **In terms of innovative approaches to project implementation, ETI-GB’s unique mode of cost contribution by communities for irrigation infrastructure is innovative, but as yet unproven.** Unlike the prevailing practise in community executed schemes, where over 20 per cent community contribution is expected up front, ETI-GB has instead paid for 100 per cent of the infrastructure costs, but communities have agreed to payback 50 per cent cost of the scheme (over three cropping seasons) into a community-based account for future investment on their own social and economic development priorities in the village. Extremely poor households will be exempted from this obligation, as agreed by the community. This approach is expected to have two-fold benefit. First, the programme will pump almost half of the sub-component cost (around US\$22 million) into the economy of 200 plus villages in the shape of wages and local materials. Second, the recovered 50 per cent cost would be reinvested in the local social and economic development bringing further economic benefits for the village economy. Some communities have already begun to pay their share where land distribution has begun, but delays in land titling threaten to undermine the payback schedule. The risk remains that the communities will not pay back fully and there is no legal means to oblige them to pay their contribution especially when the project will have phased out.

Summary

176. IFAD’s portfolio shows several scattered examples of technological innovations, some of which have potential for significant impacts for communities, as well as innovations in approach and implementation modality. However, some of these approaches remain untested, while knowledge management has been limited. Moreover, IFAD’s portfolio falls short of meeting the recommendation of the 2008 CPE, in that it has not explored innovative partnerships and the capacity for innovation has been constrained by weak linkages between loans and grants (see non-lending section). Overall, innovation is rated as **moderately satisfactory (4)**.

B.2. Scaling up

177. **Some sub-projects supported by the MIOP innovation and outreach facility have been scaled up, while others not.** Some approaches initiated under MIOP under low-cost delivery channels (e.g. branchless banking, small sized branch kiosks) or life insurance for borrowers have been mainstreamed into regular activities of different MFSPs and scaled up to varied extent. However, for others, much scaling-up was not observed due to various reasons such as higher costs of intervention against the benefits (tunnel farming) or project-based approach (e.g. women livestock farming).
178. **The Government’s National Poverty Graduation Initiative and some recent donor-funded projects²²⁵ are described as examples of scaling-up of the “poverty graduation approach” supported in the IFAD portfolio, but there are some caveats to be noted.** Following the initial pilot activity “social safety net - targeting the ultra poor” under MIOP (see also annex XII, box XII-1), PPAF “went to scale with its asset transfer interventions”²²⁶ under the World Bank funded

²²⁴ “PPAF III (2009-2016) supported development innovative products and delivery mechanisms among microfinance institutions in order to improve outreach in rural and less penetrated area: (i) branchless banking; (ii) value chain development; and (iii) micro insurance” (PPAF III implementation completion report)

²²⁵ For example, the World Bank funded Punjab Human Capital Improvement Project is considered to be scaling up “the poverty graduation approach” (IFAD self-assessment for CSPE).

²²⁶ PPAF, undated.

PPAF III. "Taking to scale its poverty graduation approach" was already considered to be one of the noteworthy outcomes of PPAF III.²²⁷ The evidence indicates that PPAF has been the active promoter of the "poverty graduation approach" through the pilot in MIOP, upscaling in PPAF III, and collaboration with and support to research/studies. Hence, it is probably more accurate to say that IFAD, the Government and other development partners have collaborated with PPAF and financed the piloting and scaling-up of PPAF-supported initiatives, rather than a development approach newly introduced by IFAD being scaled up by other actors.²²⁸ Nonetheless, SPPAP reports having provided inputs to other pro-poor initiatives at the federal and provincial levels.²²⁹ The World Bank funded Punjab Human Capital Investment Project had a number of interactions with SPPAP (as well as NPGP and IFAD) to learn from the SPPAP experience, and has adopted the approach of using community institutions to validate the poverty scorecard for targeting (as practiced in SPPAP as well as GLLSP and NPGP), instead of entirely relying on the National Socio-Economic Registry, while also introducing additional or adjusted elements.²³⁰

179. **In general, examples and evidence of scaling-up of successful interventions introduced in the IFAD portfolio by other actors are limited.** For instance, the poverty scorecard based household targeting has been presented as an example of scaling-up (e.g. SPPAP, GLLSP) but the proposal to use poverty scorecard for development-oriented programmes already existed in 2009²³¹ and its use has been studied and promoted by PPAF.²³² Of the various technological innovations introduced by the projects, as yet, there are little signs of replication or scaling up by other actors. In light of the above, scaling-up is rated **moderately unsatisfactory (3)**.

B.3. Gender equality and women's empowerment

180. **Commitment to gender equality and women's empowerment has been integrated into project designs and implementation.** The objectives in certain projects explicitly addressed gender equality (e.g. NPGP, GLLSP and CDP).²³³ Gender mainstreaming and targeting activities relied on measures that proved to be appropriate including: (i) the elaboration of gender strategies and appointment of gender focal points (CDP, SPPAP, ETI-GB)²³⁴; (ii) training of project staff on gender awareness; (iii) quotas for participation (varying between 33 and 60 per cent); (iv) interventions tailored to women's need and aiming at promoting

²²⁷ PPAF II supported "vocational training and asset transfer, especially for females and disabled" (World Bank 2011). PPAF III, also using the poverty scorecard for targeting, provided productive assets to 96,000 ultra-poor and vulnerable poor and 397,000 beneficiaries received skills/entrepreneurial training. (World Bank 2017c).

²²⁸ Assessment of the scaling-up criterion is on "the extent to which IFAD development interventions have been (or are likely to be) scaled up by government authorities, donor organizations, the private sector and other agencies.

²²⁹ For example, SPPAP was invited to the meeting of the National Poverty Alleviation Coordination Council in January 2019 to present SPPAP experience. Furthermore, in relation to another provincial-level project funded by the World Bank (Punjab Human Capital Investment Project), the World Bank and the Punjab Social Protection Authority team reportedly visited SPPAP to conceive the project targeting approaches and interventions. (Source: SPPAP self-assessment for the CSPE).

²³⁰ Based on discussion with the World Bank social protection team. Additional or adjusted elements include the incorporation of support to enhance the readiness of beneficiaries for labour markets.

²³¹ World Bank 2009 appraisal report for PPAF III already presented this concept (for microfinance operations).

²³² PPAF 2012. "The poverty scorecard has been developed by the World Bank as a tool to measure change in poverty in an effective way and to support the management of development programmes that focus on poverty". "The PPAF senior management intends to use the findings and results of this survey to improve the poverty targeting in PPAF-III [funded by the World Bank]".

²³³ For instance, the project goal of CDP was "to consolidate, expand and improve the well-being of the target group through a gender-sensitive, community-based participatory process of village development. GLLSP goal and some specific objectives included gender issues.

²³⁴ GLLSP did not elaborate a strategy nor appointed a focal point at the PMU level. NPGP gender strategy was still under preparation at the time of the evaluation.

transformation in gender roles;²³⁵ (v) sensitization of men and traditional leaders at the community level.

181. **Monitoring and evaluation (M&E) systems lacked gender-sensitive reporting beyond listing the number of women.** In some cases, impact assessments were not sufficiently gender sensitive (e.g. SPPAP, GLLSP) and could not be used to generate findings on outcomes/impacts and lessons learnt on gender. The available project data on women was not differentiated in terms of age and it is possible that there is double counting between outreach figures for women and youth.²³⁶ For instance, ETI-GB and SPPAP have both foreseen the participation of young beneficiaries in COs; yet relevant indicators are not incorporated in the logframe.
182. **Women's participation in project activities was generally strong.** The proportion of women in the different activities varied between 30 and 100 per cent (see annex XII, table XII-14 for a full breakdown of targeting and participation of women in the projects).²³⁷ Many activities and support were mainly targeted at women and responded well to the needs of women, such as vocational training, small land plots and housing, community investment funds, community physical infrastructures (e.g. drinking water), kitchen gardening, and women's livestock farming. Following the RSP model, women-only COs were formed (about 60 per cent of all COs supported in different projects). Discussions with beneficiaries during the CSPE mission indicated that women have been actively involved in project implementation since the onset, namely in the selection of the community physical infrastructures (GLLSP, SPPAP). Social mobilisers and community resource persons played a key role in mobilising women and in raising awareness on gender among religious and tribal leaders, particularly in conservative villages.
183. **The portfolio has made good progress in economically empowering women.** In SPPAP, the provision of small housing units has enabled women to engage in income-generating activities in their homes, such as setting up beauty salons or small shops (also as a result of trainings, e.g. in shop management, or as beauticians). PRISM enabled 200 women to become entrepreneurs, through the provision of financial and non-financial services and through the facilitation of market access.²³⁸ Focus group discussions during the CSPE field mission indicated that women have control over the use of income generated from project activities and, in general, they spend earned money on health, the education of children and house renovation, and they feel very confident and proud of their activities.
184. **Vocational trainings have contributed to building the skills of women; but in some cases, opportunities to maximise the benefits have not been explored.** Vocational trainings mainly focused on traditional roles of women (such as tailoring, beautician, and embroidery), and did not explore opportunities to break down occupational segregation. In general, employment outcomes were sub-optimal for women (especially compared to men) (see also paragraph 96). In GLLSP, there was a missed opportunity to maximise the benefits for rural women in the fishery and livestock sectors, given their important role in these sub-sectors (identified also in the socio-economic study at the inception of the project design).²³⁹

²³⁵ Interventions including gender-specific targeting of value chains for crops and products (under women's control ETI-GB) Labour saving technologies for reducing domestic workloads, Food and nutrition backyard gardens and nutrition training, support of Women COs, engaging with men for gender equality

²³⁶ Project outreach figures for 'youth' were not disaggregated by gender, therefore it is not possible to ascertain the exact number of young women reached by the projects.

²³⁷ For instance under MIOP, BRAC and Chenab Development Foundation lend only to women borrowers, whereas 99 per cent of the micro credit clients of Aaghe and 47 per cent of the clients of Mojaz are women under the MIOP portfolio. (MIOP PCRV)

²³⁸ PRISM PCRV p. 44

²³⁹ Women are important actors in fisheries and aquaculture, particularly in small-scale operations. In the pre-harvest stages, women repair fishing gear and prepare aquaculture ponds, and to a lesser extent, take part in the fishing itself.

185. **The projects have sought to address the specific needs of different groups and strata of vulnerable rural women, although some groups appear to have been excluded.** CSPE field visits showed that young women have benefitted from vocational skills trainings in SPPAP (e.g. beautician). There was also evidence of ethnic and religious minority women having been included in project activities: SPPAP activities included Hindu families in Southern Punjab, while ETI-GB developed an additional gender action plan specifically for the Diامر District, a very traditional society, where a more careful and gradual approach needs to be adopted.²⁴⁰ Nonetheless, observations from the CSPE field mission indicate that, in some cases, widows or divorced women living with family members belonging to the PSC 0-23 have been likely excluded from projects activities, given that they were initially excluded from the BISP database. Meanwhile, M&E systems generally did not disaggregate reporting beyond the broad category of 'women'.
186. **Women have been underrepresented (or not represented at all) amongst project management teams; women's representation in implementing partners is stronger.** In GLLSP, while only 12 per cent of social mobilisers and NRSP staff were women, there were no women employed at the PMU level, nor was there any gender focal point. In SPPAP, women account for 71 per cent of staff among implementing partners and service providers, but there was only one woman at the sub-regional PCU. In ETI-GB, women represent 27.6 per cent of the staff involved in the implementation of the project. Appointed gender focal points in the PMUs and implementing partners are responsible for meeting the gender targets and implementing the gender strategies.²⁴¹
187. **Social mobilisation and the establishment of women's community organizations, actively promoted by the projects, has enhanced social space for rural women.** Sixty per cent of the COs supported (CDP, GLLSP and SPPAP) were exclusively for women. Seventy-five per cent of the membership in COs supported by GLLSP and SPPAP was women. Given the conservative context in several places where the projects operate, such high participation has helped women directly presenting their needs and meaningfully harness benefits from livelihood support and community infrastructure. It has contributed to enhancing their confidence and allowed them to take part in decision-making processes at the community level.²⁴² The impact evaluation conducted for GLLSP shows that 97 per cent of respondents perceived an improvement in women's participation in community issues while 67 per cent perceived an improvement in women's role in decision-making at the household level.
188. **While there are positive findings in terms of women holding leadership positions, this aspect has not been monitored in all projects.** In ETI-GB, 32 per cent out of 72 office-bearers in the mixed village producer groups are women.²⁴³ In CDP, the majority of mixed COs and LSOs have made a conscious effort to appoint women as office bearers of key positions and this has contributed to their increased participation in the decision-making process.²⁴⁴
189. **Specific interventions introduced by the projects have reduced the workload of women and contributed to their well-being.** Small housing

Women's role in fisheries and aquaculture is often greatest in the post-harvest stages, such as in cleaning, processing, and distributing the catch. (Patil *et al*, 2018). With the commercialization of fisheries, expansion of the fishing into an industry and over-crowding, women have been gradually pushed out of fishing activities. (GLLSP pre-design, socio-economic study, 2009). In the livestock sector, women play a dominant role in production and management. (FAO 2015).

²⁴⁰ ETI-GB supervision mission report, November 2019 p. 15.

²⁴¹ Except for GLLSP, where the gender focal point is a NRSP staff.

²⁴² GLLSP PCR; SPPAP Supervision report March 2020, ETI-GB MTR.

²⁴³ 6 COs with woman President, 9 COs with women General Secretary and 8 COs with women Finance Secretary. ETI-GB project team and MTR, p.8. After the MTR, the focus of the Value Chain Technical Assistance Team interventions shifted from graduation of clusters as village producer groups to legally-registered farmer cooperatives as village agriculture cooperatives, where women leadership position is very modest

²⁴⁴ CDP PPA, para 132.

units,²⁴⁵ community physical infrastructures including water supply schemes, solar panels, sanitation schemes and roads have contributed to a reduction in women's drudgery, and an improvement in health and social well-being. Social benefits were associated with sanitation installations, including good hygiene practices and a reduction of personal security issues for women.²⁴⁶ Equitable balance in workloads between women and men has not been documented.

190. **There have been some positive (but small) steps towards gender-transformative change (also with other initiative), although contextual challenges remain.** Some projects have challenged social norms and enabled women to participate in activities that are traditionally for men such as economic activities in the market and ownership of housing and land plots.²⁴⁷ For example, the registration of properties in the name of women is an important achievement in a context where women's access to land and properties is limited.²⁴⁸ In SPPAP, women have been linked to service providers and markets for the selection and procurement of small ruminants, which is traditionally a task for men. Discussions with beneficiaries during the CSPE mission suggest that men are supportive of women's empowerment through property ownership and they appreciate the role of women in improving the well-being of the family.²⁴⁹ Improved access to finance has likely enhanced women's recognition at the household level, but observations from the CSPE mission indicate that in most cases, men are the primary users of the credit. While it is likely that improved access to finance has increased the economic benefits of the whole family, it is still considered less transformative for women as individuals. Finally, it is important to keep in mind that BISP is reported to have had positive impact on women's decision-making power and empowerment (see box 1), and therefore, for project beneficiaries who are also BISP benefits recipients, the projects would not have been the sole contributor.

Box 6

Vocational training leads to empowering change for young women

In Bahawalpur, a young woman coming from a conservative family, was not allowed to pursue any work-related opportunities. Although it was also difficult for her to get the permission from her husband to participate to a vocational training in SPPAP, she managed to attend the beautician training and to open a model salon at her home. After the completion of training, she started receiving clients. Her current sales range between PKR10,000-12,000 a month, spent on her two children's education, on groceries and other household-related items. She saves the remaining funds to re-invest in her business. Revenues are higher during weddings and other festive seasons, such as Eid etc. She charges between PKR2,000-3,000 for bridal make-up. She considers herself a trendsetter in her family, being the first female to earn her own living. She is willing to train new girls from other villages in this skill.

Source: Interview by CSPE team.

191. **Summary.** The portfolio's gender-sensitive design, and specific focus on women-centred activities, has resulted in important achievements given the restrictive context and the barriers faced by women. The projects have contributed to the

²⁴⁵ An impact assessment conducted in 2018 for SPPAP shows the impact of small housing units on women headed households: 100 per cent of women-headed household respondents can meet their basic need of shelter, 77 per cent have a comfortable life, 89 per cent know what it means to own something, 86 per cent improved the social status of the family and 54 per cent have new economic benefits.

²⁴⁶ As reported by the SPPAP Supervision mission report March 2020, p.14; and further validated by the CSPE field visits in September 2020 (although there is no quantitative data to understand the true scale of these benefits).

²⁴⁷ In ETI-GB, women-headed households are among the main beneficiaries of the newly developed land. Once the legal framework is in place and implemented, these women, will be awarded with the official land title, which will grant them the property, providing them also with the needed collateral for bank loans.

²⁴⁸ Women in Pakistan are unable to exercise the rights to land granted to them by constitutional, statutory, and religious law, under pressure of customary law and traditional practice (USAID. Undated). Moreover, "The lack of information concerning the land registration system and the procedures involved negatively affect women's capacity to claim their rights to land. The absence of available and accessible protection and justice aggravates the situation" Mumtaz, K. & Noshirwani, M. M. 2006. Women access and rights to land and property in Pakistan. Ottawa, Canada, IDRC.

²⁴⁹ Discussion with beneficiaries of small housing units in SPPAP. CDP PPA, para 131; GLLSP supervision mission report April 2019

social and economic empowerment of different groups of women through enhancing their access to resources, assets and services. Overall, M&E systems have not adequately captured the improvements to women's economic empowerment and the projects seem to have made more progress than the limited data suggests. In addition, there have been missed opportunities to maximise the benefits of some interventions and to diversify the income generating opportunities, and overall, changes fall short of being gender-transformative. Gender equality and women's empowerment is rated as **satisfactory (5)**.

B.4. Environment and natural resources management

192. **There is no indication of any major harmful effects to the environment from IFAD's infrastructure and other investments with visible efforts to mitigate possible negative effects.** The mission observed and noted from stakeholders that the large and small infrastructure projects have made a genuine effort with sound engineering practices to minimize damages to the physical environment. In Gilgit-Baltistan in ETI-GB, over 60,000 trees were planted to prevent soil erosion and to mitigate the effect of disturbances from large infrastructure projects. These plantations are being integrated in land use plans of the channels. Land stabilisation has also been ensured through retraining walls and other means. In Doyan, Astore (ETI-GB), despite the efforts to prevent the loss of trees during alignment of farm to market roads, it was necessary to remove 152 trees of different ages. To compensate for this, the community planted 50 trees for every tree that had been removed (i.e. 7,600 trees planted). Similar efforts were made on the other sites where roads and irrigation channels were built. These aspects have contributed to offsetting physical damages to the environment from infrastructural activities. The projects have also made an utmost effort to use local material and avoid the use of non-degradable material in different project activities. In areas where declining level of groundwater is already a concern due to excessive pumping of water for agriculture (see paragraph 23), the indication from the field is that community based O&M established by VOs would ensure that groundwater is extracted for defined hours, but this may not be good enough unless the use by others is also properly regulated.
193. Apart from examples with infrastructure development mentioned above, vegetables in vertical farms in Gilgit-Baltistan and in small housing units are produced with low external chemical inputs because in case of vertical production, chances of pest issues are minimum, and agrochemicals are not available to or affordable for the women. The projects have not encouraged use of agrochemicals in value chain activities. With regard to microfinance (PRISM), given the nature of activities funded and the size of loans (where loans are used to finance productive activities), negative impact on the environment was not likely.²⁵⁰
194. **There are examples of interventions that have had positive impacts on the environment.** In SPPAP a genuine effort has been made to mitigate open defecation by introducing household latrines in Southern Punjab. The small housing units have been equipped with solar lighting, hand pumps and a private latrine to shift inhabitants from open defecation to safe sanitation. However, the effectiveness of this intervention could have been enhanced if coupled with hygiene training for women (and adolescents) to encourage behaviour change. Street pavements/soling, in addition to easing mobility, is also appreciated for having improved the overall cleanliness of villages. GLLSP has introduced solar electrification at household level in the villages, which not only improves quality of life in the villages, it also reduces the risk of using alternative unsustainable means for lighting (e.g. kerosene oil, wood). GLLSP has also introduced rainwater harvesting schemes which helps in resource development for rural population in water scarce areas.

²⁵⁰ PRISM PCR

195. **The potentially negative environmental impacts of goat distribution have been mostly overlooked.** Over 120,000 goats have been distributed by SPPAP alone with at least two offspring per year. Likewise, in GLLSP, women with limited productive skills were provided a package of five goats each. However, there appears to have been little to no consideration of the potentially negative impact on the natural environment. The projects' designs assumed beneficiaries had access to land upon which their goats could graze, but the CSPE field visits confirmed that the distributed goats were left to graze freely in the surrounding environs. The negative consequences of overgrazing by small ruminants in Pakistan have been well-documented, with potential adverse effects on vegetation, soil stability, and an increased likelihood of flash floods.²⁵¹ Such consequences were not factored into environmental impact assessments at design, nor were the effects on the environment monitored by the projects. Only recently, in the NPGP MTR, was it acknowledged that the increased number of livestock provided as an asset has increased pressure on the natural resource base, and that no mitigation strategy was in place to address the negative impact of livestock practices. In addition, the CSPE team noted that beneficiaries have limited means to assure proper housing and stall feeding for goats, which may lead to unhygienic living conditions in village environments, while environmental aspects were overlooked in the training of beneficiaries on livestock management (especially with regard to proper housing and feed management).
196. **There have been positive examples of equitable and sustainable water management, but insufficient emphasis on improved water use efficiency.** Across the portfolio, the project teams have put an immense energy and effort in making an appropriate choice of schemes, locations, and beneficiaries to ensure access to water by most deprived segments of the community. With regard to irrigation schemes visited by the evaluation team, an adherence to a customary system of taking turns for irrigating fields was noted to be working well. An affirmative step to generate freshwater resources (for food production and for drinking) is the construction of rainwater harvesting ponds in Lasbela and Gwadar. Also, in case of ETI-GB, where previously there were several examples of water wastage from glacial sources and springs causing slope erosion, this water has now been channelized by the project for productive use. In GLLSP, the lining of watercourses has helped to conserve water and mitigate waterlogging. However, considering that water is a highly critical and scarce commodity in Pakistan (see paragraph 23) and all the ecologies where IFAD-supported projects operate are water scarce and prone to drought, there is an insufficient emphasis on improved water use efficiency practices in cropping systems to compliment the irrigation schemes and to achieve high water productivity.

Summary

197. There is no evidence of major environmental damage from IFAD's interventions, and even large-scale infrastructure works have been conducted in an environmentally-sensitive manner. However, the actual impacts of goat distribution may have been underestimated at design and therefore remain unknown. Considering how essential water is as a scarce commodity in Pakistan, there is an insufficient emphasis on improved water use efficiency. There is further scope to support behaviour change amongst communities with regard to harmful or wasteful practices through integrating risk mitigation in the designs. In this regard,

²⁵¹ A lack of vegetation to retard the flow of water can result in flash floods, deteriorated water quality, increased sediment load, silting up of costly storage dams and reservoirs, and damage to livestock, human populations, crops, habitation, and communication systems. See, for example, *Approaches in Watershed Management in Areas Affected by Overgrazing and Misuse of Range Land Resources* - Mahmood Iqbal Sheikh. FAO. 1986. Conservation Guide 14. Strategies, approaches and systems in integrated watershed management <http://www.fao.org/3/ad085e/AD085e10.htm>

environment and natural resources management is rated **moderately satisfactory (4)**.

B.5. Adaptation to climate change

198. **Climate change has been indicated as a potential risk in all the project design documents, but this is not always based on in-depth analysis of the dynamic and varied contexts of project implementation.** While climate change is given consideration in the design of projects, there has been little analysis of context-specific risks within the project areas, based on secondary or primary data to more accurately ascertain opportunities and risks to poor households due to climate change. For example, the climatic conditions in Layyah, Southern Punjab, are already changing with average day temperatures increasing, winter nights becoming cooler and a shift to Monsoon rains in recent years. These changes have implications for crops²⁵², while river and canal flooding has become more frequent – all aspects that ought to have been taken into consideration in the design and implementation of SPPAP activities. With regard to GLLSP, the design considered the physical impacts of rising sea levels on the proposed infrastructure (floating jetties), but other impacts on the fishing industry as a whole do not appear to have been considered: climate change may affect fish availability due to extreme weather patterns and changing seasonality. For example, fishers met by the CSPE team were concerned that aggressive high tides and warmer seas in summer have affected the pattern of prevalence of certain types of fish, while winters are cooler with cold beaches.
199. **There are several examples of climate change adaptation co-benefits arising from IFAD interventions, although these were not necessarily intentional, nor were such activities specifically chosen based on an analysis of climate risks.** IFAD's projects have undoubtedly played an important role in enhancing the resilience of local inhabitants, especially smallholders and ultra-poor families, although climate change adaptation *per se* has not featured heavily in the design and implementation of the portfolio. Rather, there are naturally co-benefits from IFAD's interventions that will enhance communities' abilities to adapt to climate change. For example, farm to market roads in Gilgit-Baltistan, roads from landing sites to the main roads in Gwadar-Lasbela and street pavement (or soling²⁵³ as termed by NRSP in GLLSP and SPPAP) in southern Punjab have all contributed to improved resilience of communities against natural disasters as well as personal emergencies due to easier access to main roads. Rainwater harvesting in GLLSP is directly relevant to the effects of climate change in Gwadar and Lasbela (i.e. heatwaves, drought, scarcity of water). Rehabilitated/new irrigation channels for improved productivity and resilience not only mitigate ill effects of drought, but, in the case of ETI-GB, have been constructed to withstand flash floods, expected to increase in frequency and intensity in the context of increasing glacial melt (see box 7). Off-farm income diversification through vocational and technical training offers alternatives to land-based and unpredictable incomes, thereby increasing the resilience and adaptability of communities. Meanwhile, vertical vegetable farming introduced in ETI-GB has been shown to be successful in securing maximum production on small plots while losses due to hailstorm and torrential rainfall are minimised.

²⁵² Mid Term Review of SIDA GROW programme of Oxfam GB - 2018

²⁵³ Usually, streets in the villages are muddy pathways connecting houses or villages shops or the main access road to the village. These paths are also used for cyclists and motor-cyclists for commuting. During rainfall, however, these streets become extremely difficult for users due to sticky and clayey soil texture, poor drainage and stagnant water. Street pavement / soling helps keeping streets clear from dirt during bad weather and allow people to commute for their tasks. Streets are paved with bricks, ceramic tiles or stone masonry.

Box 7

An example of climate-proof irrigation channel in Gilgit-Baltistan

After two consecutive disasters and displacements by 2010, the community of Kanday village in Gilgit-Baltistan is confident that their households and future developments are now more safely situated. The old village location has turned into a seasonal pasture. Nonetheless, being aware of the particular vulnerability of this community, ETI has designed the irrigation infrastructure differently in order to ensure disaster risk reduction. There are protection walls throughout the channel, and a desilting water chamber wherefrom water is distributed through secondary channels. The desilting chamber is necessary to prevent silt infiltration from porous dry mountains during water conveyance. Where absolutely necessary, the channel has been covered with slabs and the protection walls are secured with galvanized wire mesh to prevent explosion (in times of flash floods). Water from the source has been conveyed through High Density Polyvinyl pipes and then a reinforced concrete channel at the head and the reinforced concrete chamber. The remaining structure consists of an earthen channel.



Source: CSPE field visits, Ganche, Gilgit Baltistan. August 2020.

Summary

200. There are some examples of climate change adaptation co-benefits and enhanced resilience of communities as a result of IFAD's interventions. These were not always intentionally based on or design on climate risk analysis, and in some cases, this has meant that certain risks may have been overlooked. On balance, climate change adaptation is rated as **moderately satisfactory (4)**.

C. Overall portfolio achievement

201. The portfolio achievements were particularly visible in support for the microfinance sector in the earlier part of the evaluation period, and infrastructure-related investments (both at community-level and larger-scale ones notably roads). The former contributed to the strengthening of financial service providers and policy issues. Community level infrastructure generally had very positive impact on human capital, for example, through drinking water schemes, sanitation and drainage facilities, and improved roads enabling better access to markets and health and other facilities. Upgraded roads have had positive impact also on household incomes. Productive asset transfer and vocational training increased income opportunities, although the effectiveness was undermined by lack of market orientation. The portfolio has mostly had a strong poverty focus, with due attention to directing project services to the extremely poor and vulnerable households and promoting inclusion within community institutions. In light of the challenging context, the portfolio has performed well in promoting gender equality and women's empowerment, although there were also some missed opportunities.
202. While some projects (as designed) were geared towards addressing structural issues in agriculture and rural sector, in other cases, the project interventions were directed at individual household level, principally with asset transfer and skills training support, which has become heavier in the portfolio over time. This was also at least in part a result of LAMP cancellation and design adjustments (SPPAP and GLLSP). There were few project interventions aimed at addressing agricultural (and livestock) productivity (apart from irrigation systems) or food systems. There is little evidence indicating the impact on food security and nutrition.

Table 12
Assessment of investment portfolio achievement

<i>Criteria</i>	<i>CSPE rating</i>
Rural Poverty Impact	4
Project Performance	
Relevance	4
Effectiveness	5
Efficiency	4
Sustainability of benefits	4
Other Performance Criteria	
Innovation	4
Scaling up	3
Gender equality and women empowerment	5
Environment and natural resources management	4
Adaption to climate change	4
Overall project portfolio achievement	4

Key points

- The projects were overall aligned with policy priority areas and relevant to the needs of the rural poor. While the focus and strategy of some projects were relevant in supporting inclusive growth, the increasing investment in asset transfer and skills training is less geared towards addressing structural constraints. The projects have generally had a strong poverty focus, but the overreliance on the poverty scorecard for household targeting had the risk of exclusion and has also disregarded some possible issues with the tool (e.g. difficulty in capturing the mobility in and out of poverty, and the focus on observable indicators not accurately reflecting the households' capacity for sustainable livelihoods or their well-being).
- The portfolio had positive outcomes in terms of improving access to basic services and living conditions by the rural poor households. Livelihood opportunities were also improved, but vocational training support could have been more market driven and more effective with better planning and implementation. Strengthened community institutions were effective for improving targeting and project service delivery to rural communities, but remained project-centred. Effectiveness of efforts to improve access to financial services by rural poor was found to be modest.
- Most projects have experienced significant delays, thus affecting the efficiency, even though close-to-full disbursement was achieved at completion. There was also an efficiency issue at the country portfolio level, with cases of approved/designed projects having been dropped. The share of management costs was reasonable.
- The portfolio had positive impact on human capital mainly through infrastructure investment (e.g. drinking water). Impact on household incomes was visible from upgraded roads and assets, but mixed from vocational trainings. The portfolio may have contributed to food security and nutrition, but there is little data and evidence. There were only limited impacts in terms of agricultural productivity, while impacts on policies and institutions were minimal beyond the microfinance-related programmes.
- Sustainability of benefits is mixed, generally positive on infrastructure investment, and less positive on community institutions and support to livelihoods development. With regard to the microfinance programmes, changes to the regulatory framework have constrained the sustainability of institutional-level benefits achieved with MFSPs, although some of these service providers have been able to grow, or if not, at least sustain the operations.
- Innovations were modest and scaling-up by other actors has been limited.
- The portfolio performed well in gender equality and empowerment with gender-sensitive designs, although there were also missed opportunities.
- There is no evidence of major environmental damage from IFAD's interventions, and even large-scale infrastructure works have been conducted in an environmentally-sensitive manner. However, there is an insufficient emphasis on improved water use efficiency. There are some examples of climate change adaptation co-benefits and enhanced resilience of communities as a result of IFAD's interventions. These were not always intentionally based on or design on climate risk analysis, and in some cases, this has meant that certain risks may have been overlooked.

IV. Non-lending activities

A. Knowledge management

203. **The 2009/2016 COSOPs' reference to knowledge management was general.** The COSOP 2016 includes an explicit reference to the role of knowledge management for informing policy issues. Planned measures to foster knowledge management included partnerships with strategic partners and institutions such as universities and research institutes, and provincial and federal ministries; linkages with networks; cross-learning and exchanges among the projects; and the establishment of knowledge-sharing platforms. However, the description was general and lack specific opportunities and plans (e.g. potential partners and entry points, potential topics/areas).
204. **Inter-project meetings were facilitated, although the extent to which they served as a platform for knowledge exchange is not clear.** Portfolio review meetings, chaired by the Economic Affairs Division, were periodically held and attended by project staff, lead project implementing agencies and IFAD. The meetings, at least in the earlier period,²⁵⁴ mainly focused on reporting on project progress and discussing implementation issues. Currently, IFAD sees "annual inter-project conferences"²⁵⁵ as an element of knowledge management. Furthermore, IFAD facilitated *ad hoc* exchange visits between the projects: for example, ETI-GB Gender and Poverty Section visited SPPAP to generate ideas for the poverty graduation activities with the ultra-poor and women-headed households in Gilgit-Baltistan.²⁵⁶
205. **IFAD also facilitated the exposure of project stakeholders to experiences in other countries.** Project staff from ETI-GB and GLLSP, implementing partners and government staff visited IFAD-supported projects in Indonesia and Sri Lanka, in relation to support for the fisheries sector and 4Ps.²⁵⁷
206. **Recently IFAD has supported South-South knowledge sharing activities at country level, but outcomes and linkage with the country programme are not yet clear.**²⁵⁸ IFAD and with the Governments of China and Pakistan organized one-day seminar in Islamabad in December 2019, "Pakistan-China Experience Sharing Seminar on Building Climate Resilience and Sustainable Reforestation".²⁵⁹ Furthermore, possibly linked to this event, the funding was mobilized from the "China-IFAD South-South and Triangular Cooperation Facility"²⁶⁰ to help Pakistan benefit from knowledge and expertise in China. This two-year US\$500,000 project aims to "establish and operate an effective knowledge generation and sharing platform to provide customized assistance for Pakistan to unleash the transformative power of the agriculture sector for the country's inclusive development".²⁶¹ Possible linkage and synergy with other elements of the country programme are not evident – also in view of relatively limited support to agriculture in the current portfolio except for ETI-GB.

²⁵⁴ Minutes of the meetings held on 19 July 2010 and 9 July 2013.

²⁵⁵ Self-assessment by IFAD for the CSPE.

²⁵⁶ ETI-GB MTR.

²⁵⁷ The visit to Indonesia focused on Community Coastal Development; participants included GLLSP project staff, implementing partners and government staff. The Sri Lanka visit in 2018 focused on 4Ps implemented by the National Agribusiness Development Programme financed by IFAD in Sri Lanka.

²⁵⁸ There was also a seminar organized by IFAD in collaboration with the Government of Pakistan in March 2018 titled "Preparing Rural Communities to Cope with Climate Change through South-South and Triangular Cooperation". However, from the report, the relevance of South-South cooperation is not at all clear.

(https://www.ifad.org/documents/38714170/40321822/ssstc_pakistan.pdf/ef116cb1-66d7-4379-bb73-4afed3a93667)

²⁵⁹ <https://my.southsouth-galaxy.org/en/solutions/detail/ifads-south-south-and-triangular-cooperation-ssstc-initiative-fostering-climate-resilience-agricultural-cooperation-between-china-and-pakistan>;
<https://www.ifad.org/en/web/latest/news-detail/asset/41482827>

²⁶⁰ This facility was established in 2018 with a contribution of US\$10 million in supplementary funds from the People's Republic of China. The facility finances South-South cooperation activities and exchanges.

²⁶¹ The grant agreement between IFAD and the Foreign Economic Cooperation Center, Ministry of Agriculture and Rural Affairs, China. The project period is from March 2020 to March 2022.

207. **At the project level, earlier MIOP and PRISM had visible inputs and outputs** – in terms of studies and research for sectoral discussions and exchange between practitioners.²⁶² This was in large part owing to the nature and focus of the programmes, as well as the implementation arrangements. PPAF was the lead implementing agency for MIOP, PRISM, and the World Bank-funded PPAF II and III, and it had close contact with other key players in the sector (e.g. the State Bank of Pakistan, Pakistan Microfinance Network).
208. **A number of projects have made visible efforts on knowledge management and communication practices.** Despite the lack of knowledge management strategy,²⁶³ the recent projects have produced numerous knowledge and promotional communication products, including YouTube short documentaries and project websites for a wider audience (see also annex XII, box XII-5).²⁶⁴ There is also a video produced in 2011, showing good practices from earlier IFAD support²⁶⁵ in terms of engaging in conservative area in the remote Diamer District in Gilgit-Baltistan. This video was reportedly picked up by the European Broadcast Union and the Associated Press Television News to be shown around the world.²⁶⁶
209. **However, these efforts have mainly focused on communication, rather than critically analysing and synthesizing project achievements and failures.** Case studies and individual success stories have been prepared, but there is insufficient critical reflection on what has made certain interventions a success or a failure, to what extent what works in one context may be replicated or adapted in different contexts. Also, analytical documentation on the sub-projects financed under the MIOP Innovation and Outreach Facility is not readily available (see also paragraph 174). While the projects have computerised management information system and substantial amount of data, the project M&E systems remain weak in terms of systematically collecting data and analysing them at outcome level and beyond. These weaknesses have reduced the scope to generate useful lessons and to inform ongoing and future interventions by other actors as well as policy makers.
210. **There has been limited inputs from IFAD – particularly outside the projects - for knowledge management at the country programme level.** IFAD could have done more to critically analyze and synthesize experiences from different projects to draw lessons, package and share knowledge, especially in view of the approaches replicated project after project (e.g. poverty scorecard based targeting, vocational training). The possibility of consultancy inputs or the strategic use of grants, together with collaboration with other development partners, may have been explored also in view of the limited human resource capacity in the IFAD country team.
211. **Summary.** The projects have invested significant efforts on promotional and communication products, but there has been a less emphasis on critically analyzing and synthesizing successes, failures and challenges to draw lessons and to feed into policy briefs. Inputs by IFAD at country programme level to distil learning from

²⁶² MIOP and PRISM PCRVs.

²⁶³ In general, supervision missions highlighted the need to develop operational knowledge management plans and to recruit KM officer.

²⁶⁴ GLLSP has demonstrated a good performance on using digital means for communication and sharing project results through documentaries, photo repositories, interviews and social media (<https://www.youtube.com/watch?v=iDE9AuDqPnQ> and <https://www.youtube.com/watch?v=StiaA3X2Sh0>). In SPPAP, several output-based knowledge management and communication products were produced including a documentary, a Facebook page, success stories and several contributions to government and IFAD publications (<https://www.youtube.com/watch?v=5MMtPAJRj6Y>). ETI-GB has developed several videos shared through a regularly updated Facebook page <https://www.facebook.com/ghaffar.etiqb/>

²⁶⁵ Grant funded project to support institutional building of the Diamer Poverty Alleviation Programme (2010-2014), which followed the loan-financed Northern Areas Development Project (1998-2008)

²⁶⁶ Making a difference in Asia and the Pacific. Newsletter. December 2011. https://www.ifad.org/newsletter/pi/40_full.htm

the project level have been limited. Knowledge management is rated as **moderately satisfactory (4)**.

B. Partnership building

212. **IFAD has generally had good relationships with the Government agencies around the loan projects.** These include the Economic Affairs Division and the Planning and Development Department/Board at provincial level (the lead implementing agency for the area-based projects). By and large, representatives of these agencies have expressed their appreciation for IFAD, despite the latter's small size of the portfolio. However, dialogues with the provincial governments are confined to the domains of the respective loan-financed projects, whereas there may be more opportunities to support analytical works and policy issues beyond the activities funded by the project, for example, with a more effective use of grant resources or cooperation with like-minded development partners.
213. **Within the project framework, IFAD could have paid more attention to linkage and collaboration with different government agencies.** Except for ETI-GB and CDP to some extent, engagement with the technical government departments or agencies (e.g. agriculture, livestock, water, fisheries, vocational training), who would have a role to play during and after the project, is generally limited (see also paragraph 77). Challenges to work with them (e.g. procedural difficulties, staff turnover, capacity, weak or non-collaborative leadership) have led to the cancellation of some components/activities (e.g. LAMP cancellation, dropping of the agricultural component in SPPAP). While such decisions may have been understandable to safeguard the project's limited time and resource vis-à-vis expected results, it is important to reflect on a strategy to better engage with them with an emphasis on institutional capacity building for better sustainability of project results.
214. **Outside the loan portfolio, IFAD has recently engaged with the Government's Poverty Alleviation and Social Safety Division** established in 2019 to lead the Ehsaas programme, which includes the National Poverty Graduation Initiative. According to IFAD, IFAD was among the first agencies that were approached by the Division for support. IFAD has been providing technical assistance on specific areas through consultants (see also paragraph 227).
215. **IFAD has also long pursued partnerships with well-established not-for-profit organizations.** Main areas of IFAD support over years – social mobilization, community infrastructure, microfinance, livelihood support – made such partnerships logical. In the earlier part of the evaluation period, following the World Bank examples, PPAF was the lead implementation agency for MIOP and PRISM.²⁶⁷ PPAF is a leading organization for a number of components of the Government's Ehsaas programme launched in 2018/19. PPAF has substantially contributed to shaping the designs and implementation of donor and Government programmes, also given its position as a long-term partner of the Government and as a main implementer for multiple donor-funded programmes (especially earlier).
216. IFAD's continued support for social mobilization and community institutions in Pakistan over three decades made RSPs natural implementation partners. Among others, NRSP has been involved in a number of projects.²⁶⁸ Other RSPs were also engaged in the projects as implementation partners, service providers or participants (also before the evaluation period), such as Aga Khan Rural Support Programme (ETI-GB), the Sarhad Rural Support Programme in Khyber

²⁶⁷ As well as the Project for the Restoration of Earthquake-Affected Communities and Households (REACH) (2006-2009), which is not covered in this evaluation.

²⁶⁸ NRSP was a pre-selected main implementation partner in GLLSP, has been engaged in SPPAP, and participated in MIOP and PRISM as PPAF's partner organization. It is also a sub grant recipient of the grant for South-South cooperation project with China (see also paragraph 206).

Pakhtunkhwa (earlier Mansehra Village Support Project 1993-2000, North-West Frontier Province Barani Area Project 2003-2008, as well as NPGP).

217. **On the other hand, there is lack of diversity of not-for-profit/non-governmental organizations as partners – within or outside the investment portfolio.** While the desire to work with well-established organizations (such as PPAF, NRSP and other RSPs) in the projects is understandable, IFAD could have explored the possibility of diversifying partners. There are many other NGOs or civil-society organizations. In some cases, RSPs may not be the most appropriate entities to support certain interventions due to lack of experience (e.g. support for cooperatives, market-oriented support). There is also no trace of efforts to build upon the MIOP/PRISM work with various organizations - whether those arms that became non-bank financial companies or those continuing to be engaged in multi-sectoral development work. Furthermore, there may be opportunities to bring in smaller local organizations (including LSOs) – not necessarily as a contractor/service provider but as a partner for better sustainability. The CSPE has noted that some procurement processes in the projects might have been too restrictive to provide opportunities to equally competent organizations.²⁶⁹ Outside the loan portfolio, there are only limited examples of grants working with not-for-profit/non-governmental organizations (see also section IV.D on grants).
218. **Collaboration with research or academic institutions has been limited,** despite the intention to do so as indicated in the COSOPs.²⁷⁰ In particular, opportunities to collaborate with research organizations (national or international) on relevant and innovative technologies and practices for natural resource based productive investments (crops, water management, climate change adaptation, livestock, forestry, fisheries) were not explored.
219. **Efforts for engagement with the private sector have recently become visible within the project framework.** Ongoing ETI-GB supports public-private-producer partnerships, and IFAD provided an impetus for such interventions, through the supervision and implementation support missions as well as support to exchange visits by the project staff to Sri Lanka. LAMP and GLLSP could have done more in regard to partnerships with the private sector but the former was cancelled and the latter's fisheries component was substantially cut down.
220. **In the projects, there were some examples of collaboration with other development partners and initiatives, but in general, linkages proposed at design often did not materialize; there were also missed opportunities.** In the earlier period with MIOP and PRISM, linkage and synergy with the World Bank and PPAF II/III were straightforward, as PPAF was the implementing agency for these programmes (and other donors), and the World Bank was the cooperating institution for MIOP. FAO was engaged through CDP to provide technical assistance. On the other hand, there are some cases where the intention for or potential of collaboration/ coordination were mentioned in the design but there is no evidence that these were pursued or actually looked into, such as: WFP's school feeding programme, DFID-funded credit guarantee scheme for small and rural enterprise, USAID-funded project in Gilgit-Baltistan, all in ETI-GB. Furthermore, there may have been missed opportunities for more exchange and coordination, for example, with FAO in relation to the grant-funded activity on the Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries linked to GLLSP.

²⁶⁹ For example, in terms of the channel/modality of advertising or the eligibility criteria favouring large organizations and the organizations with presence in broader geographical area.

²⁷⁰ For example, "IFAD will endeavour to expand its partnerships with national stakeholders, including NGOs and other civil society organizations, research institutions and universities.." (2009 COSOP, in the section "partnerships"); "partnerships will be actively sought with lead research institutions" (2016 COSOP, in the section on "policy engagement").

221. **Co-financing with other partners has been challenging – even when the resources were mobilized.** International co-financing has gone down drastically compared to the period 1990-2001 (18 per cent of the total cost with international co-financing). In the evaluated portfolio, there are only two projects with planned co-financing (4 per cent of the total), but one did not materialize (Saudi Fund for GLLSP, due to delayed implementation) and the other has not concretized (Government of Italy for ETI-GB) for procedural issues. Co-financing opportunities identified with the Asian Development Bank and the World Bank²⁷¹ did not materialise due to issues with financing modalities (e.g. financing for project preparation) and different and uncertain timelines, and these factors remain a challenge.
222. **Overall, strategic and structured partnerships with other bilateral and multilateral development agencies have been minimal.** There have been interactions and exchange with some organizations, such as the World Bank, Asian Development Bank, FAO and WFP. In 2020, IFAD joined hands with other organizations such as FAO and WFP to commemorate the World Food Day (16 October).²⁷² Beyond occasional interactions and project-driven collaboration, there is no indication of promoting strategic partnerships with other development partners around key issues in agriculture and rural development. IFAD's visibility among development partners is low.²⁷³ Also, among the 20 United Nations agencies listed in the One United Nations Programme III (2018-2022), IFAD is the only party with no signature and no mention in the text.²⁷⁴
223. A couple of points should be noted. First and foremost, limited human resources and the absence of the country director in the country office is an obvious bottleneck. Second, opportunities for knowledge exchange with other partners around strategic issues and experience from the projects have not been taken up (e.g. with regard to community development with the European Union; technical and vocational training with DFID, the European Union and GIZ). Third, IFAD is a member of the Agriculture Development Partners Coordination Group (chaired by FAO) and it participates, but the current portfolio – light on agriculture development – makes it difficult for IFAD to contribute evidence and table relevant policy issues based on its operational experience. On the other hand, in other sectors that may be related to the current IFAD portfolio, such as TVET, there are a number of donors providing strategic support over years (e.g. EU, DFID and GIZ) and there is a good coordination among them; but IFAD does not have sufficient expertise nor is it systematically part of such donor coordination.
224. **Summary.** IFAD has generally had good relationships with the Government agencies and well-established not-for-profit organizations such as PPAF and RSPs, mostly around the loan projects. There are emerging attempts to promote partnerships with the private sector within the project framework. On the other hand, partnerships with other development agencies, research and academic institutions have been minimum, and there is lack of diversity of not-for-profit/non-government organizations as partners. Partnership-building is rated as **moderately satisfactory (4)**.

C. Country-level policy engagement

225. **Policy engagement agenda proposed in the two COSOPs were mostly linked to envisaged project interventions, and the majority not realized.** This was in part because related project interventions did not materialize (e.g. land

²⁷¹ ADB for Jalalpur Canal Project in Punjab and Kurram Tangi Dan in KPK, and the World Bank for investment in Balochistan.

²⁷² <http://www.fao.org/pakistan/news/detail-events/en/c/1316460/>

²⁷³ CSPE team interviews with development partners.

²⁷⁴ United Nations Pakistan. 2018. According to IFAD, this was due to the nature of IFAD being the only international financial institution (i.e. lending to the Government being the main instrument) within the United Nations system and the difficulties associated with legal and technical issues.

issue in the 2009 COSOP, institutionalization of the community development approach in the 2016 COSOP). Furthermore, the potential role of IFAD and complementary non-project support, in terms of using and taking up the project results and evidence beyond the project level, were not articulated in the COSOPs. See also annex XII, table XII-15.

226. **MIOP and PRISM provided inputs to policy-related issues around the microfinance sector, but IFAD's contribution in this regard ended with the programme completion.** The two programmes, together with the World Bank funded PPAF II/III, supported PPAF making contributions to policy issues, whereas DFID/UK Aid provided support through the State Bank of Pakistan (under the Financial Inclusion Programme) (see also paragraph 155). In partnership with the State Bank of Pakistan and the Pakistan Microfinance Network, PPAF collaborated on policy forums through the establishment of Consultative Group of Microfinance, involving key stakeholders in the sector. However, there has been no further structured follow-up on policy issues in the sector by IFAD after PRISM completion in 2013 through a project or non-lending activities.²⁷⁵ In fact, IFAD-financed interventions shifted to a more direct approach of channelling credit funds through financial service providers or community institutions, rather than supporting an enabling policy and institutional environment as was done under MIOP/PRISM (see paragraph 70).
227. **IFAD has been responsive to a request by the Government for technical/advisory inputs.** IFAD has financed the cost of consultancy work to support the Poverty Alleviation and Social Safety Division on policy issues linked to the Ehsaas programme. This has been in two areas, i.e. the development of an inclusive agricultural value chains policy paper,²⁷⁶ and the restructuring of the Centre for Rural Economy to play a role in promoting sustainable investment in rural areas linked to the value chain policy. However, concrete outputs of this engagement are not yet available.
228. **IFAD has been involved in the Government's "poverty graduation" programming, principally through working with PPAF.** The pilot activity on the Graduation Approach was financed under MIOP and IFAD also reports that it had "engagement with and contributions to the high-level Prime Minister Task Force for National Poverty Reduction Policy" around the "poverty graduation approach".²⁷⁷ At the same time, it is noted that PPAF has played a substantial role in promoting the agenda - in terms of organizing numerous research/studies, organizing exchange (in which IFAD also contributed²⁷⁸), as well as "scaling-up" under the World Bank funded programmes after the MIOP pilot (see also paragraph 178).
229. **Summary.** For most areas proposed for policy linkage in the COSOPs (all except for the one on microfinance), there has been little or no achievements. While there is a recent case of directly providing support to the Poverty Alleviation and Social Safety Division, in general, IFAD's inputs on policy engagement and concrete outputs/outcomes have been relatively limited - in terms of providing technical inputs to policy-related interventions under the projects, identifying emerging policy bottlenecks in the projects and tabling them for analysis and actions, helping systematize the experience and evidence at project level, and taking them up to a higher level for broader debate and influence. This is also due to weak partnerships as well as under-utilization of non-lending activities and instruments - which are,

²⁷⁵ IFAD had a proposal for a follow-on project and a concept note was developed but the Government was not in agreement with it. (CSPE interview with former country programme manager).

²⁷⁶ <https://www.thenews.com.pk/print/546380-ehsaas-value-chain-building-committee-meets> "The [Value Chain Building] Committee ... will meet again shortly to deliberate on a detailed analysis to be presented by IFAD."

²⁷⁷ Self-assessment by IFAD for the CSPE.

²⁷⁸ For instance, IFAD country director participated to 3rd International Conference on Research and Learning, entitled 'Beyond Action, Towards Transformation'.

in turn, also due to the human resource capacity constraints at IFAD country office. In-country policy engagement is rated as **moderately unsatisfactory (3)**.

D. Grants

230. The CSPE desk review identified ten grants approved after 2009 that cover Pakistan (excluding grant co-financing loan-financed project). Three are country-specific, two are sub-grants under the Indigenous Peoples Assistance Facility,²⁷⁹ and five are regional/global grants covering multiple countries. The grants were in the areas of microfinance, post-flood support, remittances, community development, fishers' organizations and knowledge sharing (see annex V).
231. **Both COSOPs indicated the intention of using grants for policy engagement and innovation, but without specific guidance or potential areas to be supported.** The 2009 COSOP noted that grants would "help encourage innovation, risk taking, policy engagement and partnership-building" and that grant funding will "be explored to support small strategic projects implemented by NGOs, private-sector organizations or other appropriate institutions". It also repeatedly mentioned the intention to promote linkages with loan projects. The 2016 COSOP only generally indicated different types of grants as possible sources of funding without further indications.²⁸⁰
232. **The use of grants to add value to the country programme has been limited and the linkage with the portfolio is weak, though some with justifiable reasons** - an aspect that was also noted in the 2008 CPE. Only three country grants were conceived by the country team (approved in 2010, 2011 and 2014). Other grants had minimum involvement of the country team or project stakeholders - in the conceptualization or during implementation. However, this lack of involvement was inevitable for four grants that were based on the call for proposals under the two facilities managed under IFAD.²⁸¹ As for the remaining regional/global grants, Pakistan was only one of many countries covered (i.e. SAWTEE, CGAP). The multi-country grant programme on the small-scale fisheries guidelines may have been a missed opportunity: there was a workshop in Karachi in 2016,²⁸² but there is no evidence of linkage with IFAD support for GLLSP or follow-up after the workshop. See also annex XII, table XII-16.
233. **The country grant "Support for institution-building of the Diامر Poverty Alleviation Programme" (2010-2014) contributed to gradual social change in a conservative area.** The grant of US\$200,000 was to follow on the Northern Areas Development Project (1999-2008) and support the strengthening of the Diامر Poverty Alleviation Programme (not-for profit organization), capitalizing on the experience in engaging religious leaders in a conservative area in Diامر district in Gilgit-Baltistan.²⁸³ The most important outcome through the earlier loan and the grant support appears to be the contribution to social change in Diامر and the acceptance of community-based actions and non-governmental institutions, which was earlier resisted by the community.²⁸⁴ IFAD covered the

²⁷⁹ The Indigenous Peoples Assistance Facility is an innovative funding instrument that indigenous communities can use to find solutions to the challenges they face. The objective of the Facility is to strengthen indigenous peoples' communities and their organizations." It finances projects through small grants up to US\$50,000. There have been five cycles so far. <https://www.ifad.org/en/ipaf>

²⁸⁰ The 2016 COSOP mentioned non lending instrument as funding source, including the Adaptation for Smallholder Agriculture Programme, the Global Environment Facility, global/ regional/ country grants and alternative innovative instruments (e.g. fee-based advisory services, etc.).

²⁸¹ Two sub-grants under the Indigenous Peoples Assistance Facility to the Sukhi Development Foundation located in AJK and targeted at the Bakarwal community, mostly Muslim nomadic tribe with livestock (mainly goats), and two under the Financing facility for Remittances.

²⁸² <https://www.icsf.net/en/samudra/article/EN/75-4255-Looking-Ahead.html>

²⁸³ Following the completion of the Northern Areas Development Programme, the Government of Gilgit Baltistan established the Diامر Poverty Alleviation Programme as a non-profit organization. In June 2016, the Government decided to activate the Gilgit Baltistan Rural Support Programme, that was established in 2012 as a non-profit organization, by merging DPAP with all its assets and human resource.

²⁸⁴ Rural communities in Diامر have social affiliation with Kohistani culture from the neighboring Khyber Pakhtunkhwa and are strongly motivated by their religious beliefs and social ethics. Discussions with IFAD and ETI-GB project team.

stories of people from the Diامر District in one of its newsletters and a video was produced illustrating the change of attitude among the community.²⁸⁵

234. **Two sub-grants under the Indigenous Peoples Assistance Facility generated positive outcomes for on the ground for a marginalized community.** The grants provided to the Sukhi Development Foundation located in AJK were targeted at the Bakarwal community.²⁸⁶ One of the grants, aimed at enhancing income generating opportunities through improved knowledge and enhanced practices on medicinal plants and biodiversity conservation, has led to a behavioural changes with a shift away from over-harvesting of medicinal plants. Another important outcome from the project was the issuance of identity cards to some community members through awareness raising and support for registration process.
235. **The post-flood support showed IFAD's responsiveness to an emergency situation.** The grant funding for "Post-flood assistance for the recovery of production and livelihoods of smallholder farmers" in Punjab, Sindh and Balochistan was provided to FAO.²⁸⁷ The grant was processed relatively quickly. The completion report noted the contribution to the re-establishment and early recovery of the livelihoods and food security of the targeted household.²⁸⁸
236. **A country grant financed a research on the impact of microfinance, but the dissemination and use of the results are not clear.** "Measuring the impact of microfinance in Pakistan" aimed at informing policy-making and programming in rural finance through evidence and analysis of efficacy and lessons from IFAD-supported interventions. The scope of the research included impact evaluation of MIOP and PRISM.
237. **There are recent cases of integrating grant funding into loan-financed projects, but there may have been other opportunities to use the resources strategically.** The third additional financing for SPPAP in 2018 included the grant funding US\$2.9 million but the rationale of using the grant resources is vague.²⁸⁹ GLLSP II (approved in May 2020) includes a grant of US\$3 million, which is meant to facilitate technical assistance from FAO and WFP on nutrition and food security issues, but the financing has not entered into force and it is not certain how this will actually be operationalized. More strategic use of the grant resources not necessarily integrated into a project framework - for example, for partnerships, institutional buildings, analytical work - could have added more value to the country programme.
238. **There are ongoing efforts by the IFAD country team for collaboration with a regional grant programme aimed at strengthening the capacity of farmers organizations in Asia and the Pacific region.**²⁹⁰ Preliminary activities have been carried out in Pakistan, such as profiling of farmers' organizations and the implementing agency of the regional programme, the Asian Farmers Association has engaged with IFAD partners in Pakistan.

²⁸⁵ (Making a difference in Asia and the Pacific. Newsletter. December 2011.

https://www.ifad.org/newsletter/pi/40_full.htm. The DPAP grant – supervision report 2012 referred also to a video produced and picked up by the European Broadcast Union and the Associated Press Television News; Pakistan, changing attitude: <https://www.youtube.com/watch?v=kX6L0ecOAbE&t=90s>. the video is likely to be related to NADP as well.

²⁸⁶ Mostly Muslim nomadic tribe.

²⁸⁷ The grant mainly financed Post-flood assistance to vulnerable flood-affected farmers in in the areas of Punjab, Sindh and Balochistan over a period of twelve months between 28/01/11 - 28/01/12. The grant was a response to FAO appeal for a total of USD 170.6 million.

²⁸⁸ Grant final report, OSRO/PAK/015/IFA, FAO, July 2012

²⁸⁹ The grant was justified on the ground that it would be used for capacity building and institutional strengthening of institutions/ organisations that deliver services to the target group, knowledge management related-activities, and innovative and 'green' technologies and community physical infrastructures. However, these do not seem to be distinctively different from other activities financed by the loan.

²⁹⁰ Medium-Term Cooperation Programme with Farmers Organizations. It is only recently (in its last year of the phase two implementation) Pakistan became part of this programme.

239. **Summary.** While there were some examples of grants with positive results on the ground (e.g. Diemer Poverty Alleviation Programme, Indigenous Peoples' Assistance Facility, post-flood support), in general, the strategic use of grants and the linkage with the portfolio were limited.

Key points

- The projects have invested significant efforts on promotional and communication products, but there has been a less emphasis on analytical work for drawing lessons. Inputs by IFAD at country programme level to distil learning from the project level have been limited.
- IFAD has generally had good relationships with the Government agencies and well-established not-for-profit organizations, but there is lack of diversity of non-governmental partners. Partnerships with other development agencies or research institutions have been limited.
- IFAD's inputs and outputs/outcomes on policy engagement have been limited, partly also due to limited human resources in the country team and country office.
- While there were some examples of positive outcomes on the ground, overall, the strategic use of grants and linkage with the portfolio was limited.

V. Performance of partners

A. IFAD

240. **The Government stakeholders at federal and provincial levels interviewed expressed appreciations for partnership with IFAD despite the latter's small portfolio compared to other donors.** It is also worthwhile noting that Pakistan's contribution to IFAD's periodical replenishment (around US\$8-9 million per cycle) is on the high side among the developing member states, especially when compared to other countries with similar size of economy,²⁹¹ which may be seen as an indication of the Government's appreciation.
241. **At the same time, the Government's expectations for IFAD's technical expertise and value addition have not been adequately responded to in the evaluated portfolio.** While the government partners generally value the past and ongoing projects, the interviews by the CSPE team indicate that there is a sense that they would like IFAD to do more to support agriculture and livestock sectors (for example, non-irrigated agriculture in *barani* areas,²⁹² improved technologies, advisory services, value chain development, climate change resilience) in a systematic manner and with due attention to structural issues and "pull" factors.²⁹³
242. **It is noted that a shift away from the agriculture sector was in part a by-product of the IFAD's tactful and proactive management of the lending portfolio with considerable efforts.** In all past 3-year resource allocation cycles during the evaluation period (2009-2012, 2013-2015, 2016-2018), the available resource allocations were fully utilized and even exceeded. This was achieved through IFAD's flexible approach and efforts, despite changes in the pipeline project plans and the complexity of having to deal with governments at federal and provincial levels. IFAD also "cleaned up" the portfolio by cancelling two non-disbursing projects (CMSP in 2012 and LAMP in 2017). However, in the process of cancellation/dropping of some projects and reallocating of resources, the portfolio has become heavier on asset transfer and skills training and somewhat shifted away from the areas where IFAD's expertise is expected more.
243. **Project development and financing planning for CDP II could have been better handled to ensure a shared understanding with government counterparts.** CDP II was fully designed but was not processed in the end. Available documentation²⁹⁴ indicates that, with a closer dialogue with the Government of AJK involving the federal government, it might have been possible to propose alternative financial packages and design, or to halt the process before spending time and resources on the full design process.²⁹⁵
244. **The quality of project designs, in which IFAD plays an important role, was mixed.** MIOP and PRISM were of high relevance and were relatively well-designed. Also some other area-based projects had a focus on relevant areas and sub-sectors (ETI-GB; and GLLSP and LAMP as per design). A strong poverty focus is also a positive feature. On the other hand, there were also a number of design weaknesses, including inadequate reflection of contextual issues, unrealistic timeline, weak implementation preparedness, limited reflection on recurring issues

²⁹¹ The largest contributors are China and India, e.g. approximately US\$60 million and US\$37 million for IFAD10, respectively, but their economies are much larger. Pakistan's contribution is much higher than some other countries of similar size of economy such as Viet Nam. Also, in the 12th replenishment cycle under negotiation, Pakistan has pledged US\$10 million, which is the highest so far among developing member states (as of February 2021).

²⁹² *Barani* (rainfed) areas lack access to water for crop and livestock production, resulting in lower and uncertain crop yields and livestock productivity. IFAD financed some projects focusing on *barani* areas.

²⁹³ Including the interviews with the Economic Affairs Division, the Planning Commission, the Government of Punjab (Planning and Development Board), and the Department of Agriculture in Lasbela.

²⁹⁴ Comments made by the Government of AJK on proposed design of CDP II at different stages.

²⁹⁵ Despite the indication by the Government of AJK from the outset on the difficulties in providing much counterpart financing, the expected government contribution in the financing plan was increased by a large margin, from US\$12 million at the start of the design process to US\$62 million. There were also other comments by the Government of AJK which were repeatedly made but did not seem to be taken on board.

and lessons, lack of attention to institutional linkages for better sustainability in terms of implementation arrangements (see portfolio relevance section).

245. **IFAD's supervision and implementation support have been proactive, responsive and influential and generally contributed to addressing implementation bottlenecks.** Except for MIOP and the initial years of CDP, all the projects have been under IFAD's direct supervision. The participation and leadership of the IFAD Country Director has visibly increased in the second half of the evaluation period, despite the position being non-resident, but also in earlier years, IFAD staff led or participated in most of the IFAD-organized missions. The project teams, counterpart government officials and partners interviewed noted intensive engagement and hands-on support by IFAD. The presence of national staff/consultants of high calibre has provided easier access to senior government officials. When a project was classified as being "at risk" (CDP, GLLSP and SPPAP), intensive support by IFAD and design adjustments resulted in getting them out of the problem project category. Also, IFAD has flexibly and quickly responded to urgent needs in some projects by adjusting the interventions, e.g. after the 2005 earthquake for CDP, and COVID-19 for GLLSP and NPGP.
246. **In efforts to push the implementation, there have been some instances where the IFAD team would almost fill the vacuum of decision making by the Government.** This can be related to frequent bureaucratic delays, delays in important decisions and weak ownership by the Government which affect project traction. These issues may be influenced by the implementation and oversight arrangements as per project design, as well as frequent changes of senior government officials. The point for consideration – both to IFAD and the Government – would be whether and how more could be done to facilitate stronger ownership and an effective role of the Government in guiding the project strategy and implementation, still with support from IFAD, and how to balance it with the general pressure for implementation, disbursement and outputs.
247. **The continuous involvement of the same consultants throughout a project cycle could contribute to limitation in identifying design and implementation issues and new solutions.** In some cases, the same senior team members are involved in the conceptualization, design, supervision and implementation support missions and MTR. While this would help maintain some level of consistency between consecutive supervision missions, there is possible conflict of interest in having the same members in the design team and supervision missions. A better balance between continuity and objectivity is needed. IFAD could have purposefully brought in independent specialists to complement and challenge thinking at key stages of programme design and review.
248. **IFAD's performance, especially on non-lending activities, has been constrained by limited human resource at the country office.** Due to the impasse in the negotiation on the host country agreement between IFAD and the Government, the IFAD country director has been posted in the sub-regional hub in Beijing, China. It is questionable how advantageous it is for the country director to operate from Beijing even compared to Rome. At present, there is only one professional staff (country programme officer) in the country office. Also due to a thin presence, IFAD has a low visibility in the broader community of development partners. Partnerships or interactions with other development agencies for collaboration or knowledge sharing – within or outside the loan portfolio - have been limited (see also section on non-lending activities). According to the interviews for the CSPE, the Government counterparts are keen to see the country director posted in Islamabad, but it is not clear how the impasse around the host country agreement due to some legal issues could be solved.
249. **Summary.** IFAD has tactfully managed the lending portfolio to meet the corporate targets. IFAD has been proactive and closely involved in supervision and

implementation support for the portfolio and handled problem projects. While IFAD is generally well-appreciated by the federal and provincial governments despite its small portfolio, there is some mismatch between their expectations for IFAD's value addition and the recent/current IFAD portfolio. Limited human resources in the country office and non-resident country director have constrained IFAD's performance, particularly for non-lending activities and presence in the policy dialogue. IFAD's performance is rated as **moderately satisfactory (4)**.

B. Government

250. **In general, the federal and provincial governments have been collaborative partners.** The Government of Pakistan has been a significant contributor to IFAD replenishment among the developing member states (see also paragraph 240). The Economic Affairs Division has been chairing periodical inter-project (portfolio review) meetings. For three programmes, the Government has been supportive of the implementation arrangements with the lead agency being a non-governmental organization (PPAF),²⁹⁶ following what was practiced with the World Bank funding earlier. The Government of AJK financed the "sustainability of CDP project" for two years after the CDP completion and pre-financed some of the project expenditures where the loan disbursement was delayed.²⁹⁷
251. **The largest bottleneck in the Government performance is delays in internal processes, although this issue is prevalent also with other donor-funded programmes.** The delays have been experienced particularly in the processing of PC-I (see footnote 102) for the project at the start or when revisions are made. These delays have severely affected the efficiency (except for MIOP and PRISM), e.g. delays in entry into force and the start of implementation, or the effective suspension of some project activities due to delays in the approval of revisions (see efficiency section). It is noted that such delays are a common problem also with other development partners and not only with IFAD. Similar constraints were noted also in the 2008 CPE.²⁹⁸
252. **Issues with project management set-up and recruitment delays have also been common.** In some projects, there were frequent changes of project directors. For example, in CDP, there were ten programme directors during the life of the project, 6-7 of whom during the first three years. GLLSP also experienced frequent transfers of key staff and delays in recruitment, although the situation was reported to have stabilized post-MTR, also with the strong leadership of the project director who remained in position. Delays in staff recruitment has been an issue also in SPPAP, ETI-GB and NPGP.
253. **The leadership and steering by the government partner agencies have not been always sufficient.** While the Planning and Development Departments in respective areas (lead implementing agencies in CDP, GLLSP, SPPAP and ETI-GB) have generally been collaborative partners, leadership and guidance by the project steering committees (involving multiple partner departments) has tended to be weak. The CDP PPA noted the lack of oversight and guidance by programmer steering committee, but at the same time, positively commented on the Government's counterpart financing indicating the interest and ownership. GLLSP's performance was hindered by a lack of leadership and delays in actions by the project steering committee²⁹⁹ as well as lack of ownership by the Fisheries

²⁹⁶ "The Economic Affairs Division of the Ministry of Finance has positively provided the framework conditions for the project (PRISM)". (PRISM PCR).
²⁹⁷ CDP PPA.

²⁹⁸ "there are institutional constraints such as lengthy and complex approval procedures, inflexibility of the PC-I or a high turnover of provincial-level officials, all of which has led to late project start-up, slow recruitment of staff, and delays in procurement" (2008 CPE).

²⁹⁹ "... adoption of recommendations being subject to approval by the project steering committee faced significant lags due to delays of up to one year in organizing the committee meeting" (GLLSP PCR).

Department.³⁰⁰ In the case of SPPAP, however, the project steering committee has been more active and meeting regularly.

254. **Management information systems are developed in most projects, but there is room to improve the quality of M&E data and analyses for effective project management and knowledge sharing.** The volume of data maintained is substantial, in part benefiting from NRSP standard format and experience in different projects. However, it is not clear how accurate the data are³⁰¹ and how they are analyzed and used for decision making, corrective action and knowledge management. Furthermore, the evaluation notes positively the efforts made by the projects in preparing various visual and communication products.
255. **The project performance on fiduciary aspects has been mostly rated by IFAD as moderately satisfactory.** In earlier part of the evaluation period, there were numerous issues such as late audit report submissions and ineligible expenditures (including the earlier projects not covered in this evaluation). The latter issue was dealt with by a dedicated IFAD mission (January 2013) and ineligible expenditures were settled. Apart from this clean-up exercise, no other major issue has been recorded. Quality and timeliness of audit has been mostly rated moderately satisfactory or above in all project, and the same goes for the quality of financial management and procurement, except for ETI-GB. ETI-GB which received a moderately unsatisfactory rating between 2016 and 2017³⁰² (then improved to moderately satisfactory after 2018).
256. **Except for CDP, the government counterpart funding has fell short of what was planned.** For CDP, the Government of AJK provided timely and adequate counterpart funding and provided an endowment fund for AJKRSP. In GLLSP, the much lower Government counterpart fund at completion (US\$0.87 million compared to planned US\$4.73 million) was explained by "the lower tax requirements due to implementation of most of the project through an implementing partner and community organizations except for road construction."³⁰³ For ongoing projects (ETI-GB, SPPAP, NPGP), the latest supervision mission records indicate the level of government counterpart fund is much lower than what may be expected given the timeline (see figure in annex VIII). As for SPPAP, the reasons for a substantial gap between the counterpart financing proposed in the additional financing design document (US\$120 million) and the Government's commitment in the financing agreement (US\$8 million)³⁰⁴ are not clear.
257. **Summary.** Overall, the Government has been a collaborative partner. Among other things, Pakistan's contribution to periodical IFAD replenishment has been consistently high. It also supported the alternative implementation arrangements through an institution outside the Government. On the other hand, delays in the Government's internal processes and in setting up project teams and recruitment

³⁰⁰ "The Fisheries Department, despite having the largest share in the project, experienced issues in taking charge of the fisheries related activities". (GLLSP PCR).

³⁰¹ During the desk review, the CSPE team noted some inconsistencies in the data in the supervision mission reports and the management information system.

³⁰² Moderately unsatisfactory rating was given for procurement between 2016 and 2017. The October 2017 supervision mission noted a number of weaknesses and some irregularities such as incompleteness of contract register, filing, uncertainty over the legitimacy of quotations filed, lack of evidence of competitive selection process for individual consultant selection.

³⁰³ GLLSP PCR. The Government counterpart funding was mostly to be in the form of tax foregone, but there were lower expenditures to be taxed.

³⁰⁴ For the second additional financing in 2017, initially, the Government counterpart financing of US\$120 million was planned with a five-year extension. According to the available document in the internal project review process, when the decision was taken to reduce the extension period from five to three years, the Government decided to reduce its counterpart financing to US\$4.5 million but also indicated that it would provide US\$75 million for the second phase project. Instead of the second phase, the project was injected with the third additional financing in 2018 when it turned out that CDP II was not going to utilize the resource allocation. The third additional financing was planned with the Government counterpart financing of US\$76 million in the design document. However, the actual amount reflected in the financing agreement is much lower at US\$3.5 million.

have continued to be the biggest bottleneck. The Government's role in oversight and steering has not been strong enough. On balance, the Government's performance is rated as **moderately satisfactory (4)**.

Key points

- IFAD has demonstrated a proactive and flexible approach to portfolio management. It has been closely and proactively engaged in supervision and implementation support for the projects. However, the quality of project designs was mixed, and IFAD's comparative advantage and value addition to the projects was often not clear. IFAD's performance, especially in non-lending activities, has been constrained by limited human resource at the country office.
- In general, the Government - at federal and provincial levels - has been a collaborative partner and a significant contributor to IFAD's replenishment exercise. However, institutional constraints on the side of the Government have reflected on significant delays in start-up, recruitment and implementation. The leadership and steering by the government partner agencies for the projects have not been sufficiently strong. Except for one project, counterpart financing fell short of the planned amounts.

VI. Synthesis of the country programme strategy performance

A. Relevance

258. The assessment of relevance at country strategy and programme level covers the alignment of strategic direction and objectives, thematic focus and geographic priorities with the Government and IFAD's strategies, as well as with the national priorities. It also covers the coherence of the main elements in the COSOPs. As the elements presented in the documents (COSOPs) and the country programme actually pursued are not entirely aligned, the discussion below distinguishes these, as and where necessary.
259. **Overall, key elements of the 2009/2016 COSOPs are aligned with the Government's development strategies and priorities.** Keywords in the COSOP strategic objectives include the following: (i) access (by the target group) to assets, skills/training, services/technical assistance (2009 and 2016 COSOPs); (ii) productivity enhancement (2009); (iii) economic transformation of poor rural households (2016); (iv) strengthening the capacity of the rural poor and their institutions (2009 and 2016); (v) policy strengthening and institutionalization of poverty graduation and community-driven development approaches at provincial level (2016); and (vi) building resilience (2016). In line with the assessment of portfolio relevance, these mostly resonate with the Government strategies and initiatives, such as PRSPII, the Vision 2025 and the Ehsaas Programme.
260. **However, both COSOPs somewhat lack clear strategic guidance and coherence - within the document and with the actual operations.** For example, two major microfinance sector programmes ongoing at the time were hardly reflected in the 2009 COSOP, although they together represented an important area of support. The key elements in the 2016 COSOP seem to have been mainly driven by two pipeline projects (e.g. the first two strategic objectives). Where two pipeline or ongoing projects were not directly related, the intention on what and how was vague.³⁰⁵ Another shortfall, similar to the earlier COSOP, is that the 2016 COSOP did not sufficiently reflect the ongoing projects at the time (ETI-GB and GLLSP). This is despite the fact that the two projects represented an important strategic direction in the country programme.
261. **The 2016 COSOP indicates IFAD's intention to reach the poorest, but it does not clarify how best IFAD would support inclusive rural economic development.** The centrality of poverty scorecards for asset transfers and other support targeted at household level meant limited consideration on addressing structural issues and drivers of rural poverty in strategic ways and opportunities for pro-poor growth which IFAD would be well-placed to support (see also paragraph 67). The COSOP provides little analysis of the role that agriculture and food system interventions could have for reducing rural poverty.
262. **Regardless of the COSOPs, IFAD operations have been influenced more by circumstances than strategic considerations, which has led to the portfolio that does not sufficiently capitalize on IFAD's comparative and strategic advantage as a development partner.** When LAMP was cancelled in 2017, the Government requested that the cancelled amount be "re-invested" in the same Punjab province, hence, shifted to SPPAP as additional financing. When a fully designed project (CDP II) fell through in 2018, the unused balance needed to be deployed quickly and a decision was taken to top up SPPAP for another time. By that time, on the account of poor performance, SPAPP agriculture component had

³⁰⁵ For example, strategic objective 3 (resilience for sustainable nutrition and food security) was to "be achieved through Government, WFP and FAO support of the National Zero Hunger Action Plan" but it was unclear on how and what IFAD would support. Similarly, the COSOP proposed to support the "translation of the National Climate Change Policy for adoption at the provincial level" in four provinces, but it lacked a concrete proposal on how this was to be achieved and what this meant in practice.

practically been dropped. Similarly, GLLSP fisheries' component was significant downscaled. With these design adjustments and with NPGP, the portfolio in recent years has become heavy on asset transfer and skills training. This does not fully match with the Government's idea of IFAD's corporate strengths, as a number of officials interviewed by the CSPE team expressed their expectation for more IFAD support for strategic development interventions around agriculture and natural resources with attention to climate change and disaster risk management/reduction (see also paragraph 241). While some projects such as ETI-GB, GLLSP or LAMP have been in line with this direction, the latter two projects could not be pursued as intended (with reorientation and cancellation).

263. **Strategic considerations for geographical priorities are not evident.** (i) The 2016 COSOP mentions four priority provinces (AJK, Balochistan, Gilgit-Baltistan and Punjab) but without a clear basis for this selection. While districts covered in the portfolio mostly match the areas of high poverty level (in terms of multi-dimensional poverty or human development index) with some exceptions,³⁰⁶ in the current portfolio plus a pipeline project (in Khyber Pakhtunkhwa), IFAD operations cover all territories except for AJK, with direct engagement with four sub-national governments in addition to the federal level. Geographical coverage spread has implications on portfolio management, as well as policy engagement given the federalized context. Questions that may be considered include whether the country programme should engage with a fewer sub-national governments through investment project(s), complemented by non-lending activities; or if not, how the country programme should become much more than a mere collection of stand-alone projects in different areas. These strategic considerations are not evident.
264. **The quality of results frameworks in both COSOPs was inadequate.** In most cases, indicators are poorly formulated (e.g. unclear linkage with the strategic objective), they lack clarity on what they mean, and whether and how they can be measured.³⁰⁷ This may be in part also due to the unclear formulation of strategic objectives, e.g. "promoting the economic transformation of poor rural households". In fact, the 2009 COSOP completion review reported that 6 out of 8 outcome indicators had not been monitored. Two indicators which had been reported on were either not meaningful or wrongly interpreted, because the indicators were not useful.³⁰⁸
265. **The 2008 CPE recommendations have been only partially followed up in the country strategy and programme** (see annex XI). In particular, the recommendations on promoting innovations (recommendation 3) and capacity development support to decentralized entities and other organizations working at local level (recommendation 2) have not received enough attention (see also section III.B.1 innovations; paragraphs 77, 169, 217).
266. **Summary.** While the interventions supported under individual projects have largely responded to the needs of the country and the target group, when put together also with non-lending activities which were limited, the country strategy and programme has not demonstrated a clear strategic direction, synergy and coherence that match the potential areas of IFAD's comparative advantage. Relevance is rated as **moderately unsatisfactory (3)**.

³⁰⁶ AJK in closed CDP and western part of Punjab in SPPAP "inherited" from the cancelled LAMP.

³⁰⁷ For example, outcome indicators for the 2016 COSOP strategic objective "promoting rural poor households economic transformation", include: "20 per cent of the beneficiary households are bankable" [it is not clear what is meant by "bankable" and what interventions could lead to such outcome]; or "25 per cent ultra-poor beneficiaries have own secure housing" [as the provision of small housing units was envisaged as project intervention, this is like a project output, and this would not necessarily mean "economic transformation"].

³⁰⁸ For example, the reported data on the number of households with increased access to finance (250,000 households) were likely to be cumulative (with double counting). The microfinance industry data on active borrowers (2.8 million in 2014) may not be very meaningful especially in the face of other initiatives with a substantial investment in microfinance (e.g. World Bank).

B. Effectiveness

267. This section assesses the extent to which the strategic objectives have been achieved. It also takes into account whether and to what extent other significant results have been attained at the country programme level. As discussed in the previous section, the formulation of strategic objectives and indicators are not well thought through and, in some cases, the linkage between the strategic objective and the narrative thereunder is not clear. Given the limited investment in non-lending activities (i.e. efforts outside the project framework, grants), the assessment in this section overlaps with the portfolio performance assessment to a large extent.
268. **2009 COSOP strategic objective 1: Enhancing the access of poor rural men and women to productive assets, skills, services and improved technologies, with particular emphasis on productivity enhancement. The achievement on this strategic objective at the end of the 2009 COSOP period was modest.** Productive assets had been directly provided to beneficiary households and *skills* development in various areas were also supported in CDP and SPPAP in the 2009 COSOP period. GLLSP outcomes in terms of access to productive assets and skills development were lagging behind around 2015-2016. Access to productive assets would have also been enabled by MIOP/PRISM beneficiaries who were able to access finance.
269. MIOP and PRISM contributed to the institutional growth of microfinance service providers and their outreach in general. However, the extent of change and sustainability in terms of access to financial *services by the rural poor* is not evident (see paragraph 110, 142).
270. The achievement with regard to access to production-oriented *services* (e.g. agricultural extension) and *improved technologies* was generally low. Attention to these areas was limited, and if there were relevant interventions, they were modest or had weaknesses. The CDP PPA did find that strengthened linkages between communities and extension agencies were positive outcomes, but there was lack of a strategic approach to natural resource related activities and some activities were supply driven rather than based on market and profitability analysis. LAMP was considered as a problem project and eventually cancelled in 2017. SPPAP component on agriculture and livestock was reported to be poorly performing and was dropped in 2015. GLLSP fisheries component also did not work well and got reduced substantially. Support for irrigation schemes under community physical infrastructure is likely to have had positive impact on productivity, but other complementary support (e.g. improved technologies) was missing.
271. **2009 COSOP strategic objective 2: Strengthening the capacity of the rural poor to engage in and benefit from local development processes. The achievement against this objective was modest.** The support for social mobilization and community development was largely oriented to the project implementation, rather than strengthening these organizations “to engage in and benefit from local development processes”. CDP was the only project with an explicit objective to support the “devolution process”, but it was disconnected from the reality and there were no supportive interventions.³⁰⁹
272. **2016 COSOP strategic objective 1: Promoting the economic transformation of poor rural households. The achievement against this objective is substantial.** While the formulation of this objective may not be the most appropriate (e.g. “promoting” or “economic transformation of households” being vague), there are a number of results that have contributed to substantially improved or diversified livelihoods and improved living conditions, for example, though small housing units (SPPAP), livestock distribution (mostly goats), other

³⁰⁹ CDP PPA.

productive assets provided, coupled with skills training. Furthermore, ongoing ETI-GB presents a huge potential to bring positive impact on the rural economy as a whole and rural households well-being.

273. **2016 COSOP strategic objective 2: Policy and institutional strengthening for community-led development. The achievement against this objective is negligible.** This objective was specifically linked to CDP II, pipeline project in the COSOP, but this project did not materialize. Under the heading of this strategic objective, the COSOP also refers to the institutionalization of poverty graduation approach at provincial level, even though the linkage with “community-led development” is not clear. NPGP implementation is based on PPAF and its partner organization and the programme design did not indicate consideration for “institutionalization at provincial level”.
274. **2016 COSOP strategic objective 3: Building resilience for sustainable nutrition and food security. The achievement against this strategic objective is modest.** This objective and the description in the COSOP do not present a coherent intention. The specific measures envisaged in the COSOP (see annex VI) have hardly been implemented, except for food banks (SPPAP), although the linkage with provincial disaster management agencies (as envisaged in the COSOP) is not clear. While not mentioned in the COSOP, support to kitchen garden (e.g. SPPAP) would also contribute to this objective. More broadly, one could argue that the provision of housing (SPPAP) and other community infrastructures (e.g. water) and the portfolio results on improved livelihoods would have helped the resilience of beneficiary households to shocks, but in general, the portfolio did not clearly articulate pathways for improved resilience or improved nutrition and food security.
275. **While not explicitly mentioned as part of the COSOP objectives, an important area of results relates to the institutional strengthening of MFSPs and contribution to the enabling environment.** Despite two flagship programmes in the microfinance sector (MIOP and PRISM), this was not adequately reflected in the 2009 COSOP. There was a proposal to have a follow-on programme with PPAF (with the initial concept including value chain development, value chain financing) but the idea was not taken forward. In the meantime, IFAD-supported interventions shifted to a direct approach by providing credit funds. While the changes in the context (i.e. regulatory framework) affected the institutional sustainability of the PPAF partner organizations supported under MIOP and PRISM, there is no trace of IFAD exploring opportunities to build on the results (e.g. surviving partner organizations or products/approaches introduced) – under other projects or outside the loan portfolio.
276. **Overall, IFAD adapted to the contextual factors and emerging situations where possible.** IFAD responded flexibly to the emergency situations. This was the case in CDP after the 2005 earthquake (even though this is not covered in the evaluation period) and the 2010 flood (grant to FAO). The 18th amendment to the Constitution in 2010 and the shift of the power to the provincial level was an important development, but the IFAD-financed projects were already well anchored at the provincial level even before and hence this did not necessitate particular adjustments. The security situation in different parts of the country brought about challenges in terms of scrutiny and clearance required by the Government as well as by the United Nations. When relevant, IFAD adapted to this constraint by fielding missions mostly with Pakistani nationals (staff and consultants) for whom the requirement was somewhat lighter.
277. **Summary.** It is difficult to draw an assessment on effectiveness of the country strategy and programme solely based on the COSOP strategic objectives, due to inadequate formulation of the strategic objectives, poorly argued results pathways, or missing elements (i.e. achievements in the areas not reflected in the strategic

objectives). Due to limited non-lending activities, the results achieved in the country programme largely reflects the portfolio achievements. These achievements largely responded to the part of the 2009 COSOP strategic objective 1 and the 2016 COSOP strategic objective 1, particularly in terms of meeting the basic needs and improving the living conditions, physical access to markets and services, assets and skills. The level of achievements related to policy, institutions/organizations were limited. The effectiveness of the country strategy and programme is rated as **moderately satisfactory (4)**.

Key points

- While the interventions supported under individual projects have largely responded to the needs of the country and the target group, the country strategy and programme as a whole have not demonstrated a clear strategic direction, synergy and coherence that match the potential areas of IFAD's comparative advantage as expected by the Government stakeholders.
- Due to limited non-lending activities, the results achieved in the country programme largely reflects the portfolio achievements, particularly in terms of addressing basic needs and improving living conditions and livelihoods mainly through access to assets and skills training and physical access to markets and services.

VII. Conclusions and recommendations

A. Conclusions

278. **IFAD support has been overall aligned with the Government's development strategies, demonstrating a strong poverty focus.** From SPPAP onwards, IFAD embraced the use of the poverty scorecard as a main targeting tool with the aim of reaching the extremely and vulnerable poor and promoted community institutions inclusive of these households. By including the Government's cash transfer recipients in the target group, the portfolio's efforts were aligned with and complemented the Government's social protection and poverty alleviation programmes.
279. **IFAD has demonstrated a proactive and flexible approach to portfolio management, addressing issues with problem projects while managing the pipeline, but also with implications on the portfolio structure and country-level strategy.** IFAD has collaborated with the Government counterparts to effectively deal with problem projects. The cancellation of non-performing and non-disbursing projects helped the portfolio become "cleaner". Dropping or scaling down non-performing interventions in other problem projects helped improve the implementation pace and disbursement, and move them out of the problem project category, even though the issue of delays has persisted throughout the period. On the side of project preparation, when one fully designed project was dropped in the last minute, the unused balance was quickly shifted to an ongoing project so that the available resources for lending were fully utilized. While these actions had positive effects on the portfolio delivery efficiency indicators, they also had implications on the direction and the structure of the portfolio (see next paragraph).
280. **IFAD's comparative advantage and value addition as expected by Government partners has become less pronounced.** The lending portfolio has become skewed towards assets transfer and skills / enterprise training targeted at individual households under the label of "poverty graduation approach". This was partly because the IFAD's operations have been influenced more by circumstances than strategic considerations, but it was also because of the decision to dedicate a whole investment programme (NPGP) to asset transfer and skills training activities. Meanwhile, with one exception (ETI-GB), strategic investment to leverage rural economic growth around natural resources (i.e. agriculture, livestock, fisheries, forestry) has declined, and the priority issues such as climate resilience and natural resource management (in particular, water management) have not been systematically integrated. Despite the importance of food security and nutrition among rural poor, as well emerging scope for agricultural market interventions, there has been limited systematic efforts to integrate these issue into programming. Yet, these are precisely the areas where IFAD is expected to contribute – as expressed by the Government counterparts as well as other development partners.
281. **At the operational level, various targeted interventions were relevant to the rural poor's needs and had positive impacts on their living conditions and livelihoods.** Project results were particularly visible with investment in infrastructures, including community-level infrastructures, major market-access roads, and other social facilities. These interventions had positive impacts, most notably on human capital (e.g. through better access to safe drinking water, drainage and sanitation) – and also on household incomes to varied extent (e.g. improved physical access to markets and reduction in loss of marketable produce). Small land plots and housing were empowering for women and brought significant positive changes to living conditions for the poorest households. Furthermore, the provision of productive assets, combined with skills training, contributed to

improved livelihoods, although the scale, depth and sustainability of these results are not always evident.

282. **The portfolio's gender-sensitive design and specific focus on women-centred activities have made important contributions given the restrictive context in Pakistan and the barriers faced by women.** The projects have contributed to the social and economic empowerment of different groups of women by enhancing their access to resources, assets and services through activities such as the provision of goats, small land plots and housing, social infrastructures (e.g. drinking water), kitchen gardening, vocational training and access to finance. Nonetheless, there were also missed opportunities to promote more gender-transformative changes, against the backdrop of the challenging gender context.
283. **Support for inclusive community institutions has contributed to social capital and enhanced the effectiveness and sustainability of community-level infrastructures, but the approach has remained largely project-centred.** The project support has mostly focused on COs as a channel of project service delivery, regardless of the stated intention on community empowerment or "institutionalization" of community-driven development approaches. The RSP model has been widely adopted in Pakistan – including by IFAD over the past two decades in many area-based projects which have made substantial investment in forming or reactivating COs. There may be scope to reflect, also in collaboration with other partners, on how the RSP model or its adaptation should be taken forward - and apart from COs and three-tiered structures as has been supported by RSPs, what types of institutions of the targeted population would be suitable for what purposes, depending on the contexts (e.g. remote areas, service availability and delivery capacity, power relations), types of interventions (e.g. public infrastructure, social services, production and marketing), their roles beyond the project life, and relevant supportive systems and enabling environment.
284. **Notwithstanding cases of positive results on the ground, a critical shortcoming has been the limited consideration on how best to leverage systemic and sustainable changes.** Project interventions have often lacked an effective strategy to address meso-level and structural constraints to inclusive rural economic development, such as access to advisory and other services. The geographical and household targeting approach primarily driven by poverty scorecard followed by asset transfer and vocational training to identified households has overlooked a broader perspective on root causes and drivers of poverty and the opportunities for leveraging changes in agricultural production, agribusiness, and food systems that would benefit the rural poor. While there are ongoing international debates on the accuracy and effectiveness of proxy means test (poverty scorecard in Pakistan) for social protection or development programmes, the overreliance on poverty scorecard has also neglected that poverty is dynamic and many households move in and out of poverty and that preventing those households that may be above the poverty line today from not falling back under tomorrow is equally crucial. Furthermore, the project efforts have mostly concentrated on delivering goods and services according to the targets rather than on improving and influencing the institutions, policies and systems to remain beyond the project period to create enabling conditions for pro-poor solutions.
285. **The country programme has not demonstrated strong strategic coherence, synergy or linkages between different elements, nor visible learning and capitalization, thus curtailing the potential for greater influence and impact.** This is in part due to a limited focus on the non-lending activities and its ability to drive innovation, challenge traditional approaches, and enhance IFAD's value proposition. In the Pakistan context, with the need to consult and work with the federal and provincial governments, it could be challenging to strive for strong synergy and coherence at country level, especially if the main instruments are the

lending operations. However, the point for critical reflection would be how the country programme could become much more than a mere collection of stand-alone projects in different areas. A number of projects have tended to follow the same or similar approaches (e.g. social mobilization and CO formation, asset transfer and vocational and enterprise training, community-level infrastructures), whereas there may have been more room to explore opportunities for adaptations and innovations in light of differences or changes over time in the context. IFAD has not invested much to generate and synthesize field-based evidence from different operations. The results and experience of earlier microfinance programmes have hardly been capitalized upon in later projects. The use of grants and inputs in terms of non-lending activities, which may have helped improve coherence and synergy, have been minimal. In essence, there has been insufficient strategic consideration on how to get the best value out of its relatively small size of portfolio/programme compared to many other development agencies as well as in view of the Pakistan's rural poverty challenges – in terms of an effective strategy for promoting innovations and scaling-up for greater influence and impact that reflects the areas of IFAD's strengths.

B. Recommendations

286. **Recommendation 1. Place greater emphasis on inclusive market systems development with due attention to climate resilience and natural resource management.** There should be a careful consideration of potential thematic foci and value chains/market systems in agriculture, livestock, fisheries and forestry sectors that are most relevant to the rural poor (on- and off-farm), followed by a diagnostic analysis of constraints and opportunities for strategic programming. The programme should also integrate more deliberately the aspects of climate resilience, disaster risk reduction and natural resource management (particularly water use efficiency) with due attention to innovative practices. Where relevant, it would be important that such investment be accompanied by support for addressing basic needs, in the project or through other complementary initiatives.
287. **Recommendation 2. Articulate a strategy to promote innovations and scaling-up for greater rural poverty impact.** Given the relatively smaller resource envelope compared to many other development agencies, IFAD, in consultation with the Government, should better articulate how it plans to add greater value for a country programme with a deliberate focus and synergy. Rather than financing the scaling-up of initiatives or repeating the similar approach in consecutive projects, there should be a stronger emphasis on introducing innovations (approaches, practices and technologies) with high potential impact on inclusive rural economic development with a strategy to promote scaling-up by the Government and other partners. For this, greater attention should be given to leveraging resources and capacity, through strategic partnerships, for identifying opportunities for innovations, designing and piloting innovations, generating and disseminating knowledge - within the project framework and/or utilizing grants. This will require the significant strengthening of IFAD's non-lending activities in Pakistan.
288. **Recommendation 3. Place more emphasis on strengthening and linking with institutions, policies and systems for greater likelihoods of sustainability.** Working with, strengthening and preparing the institutions, policies and systems that will continue to exist after the projects, should be given a priority. This would also mean more systematic engagement of stakeholders right from the project conceptualization phase for greater ownership, and creating sufficient space and budget allocation for their meaningful participation in project implementation, M&E and oversight. It is imperative that the right entry points (in terms of partner institutions, policy and systems issues to be addressed) be identified at project design stage and complemented by IFAD's investment in policy

engagement. IFAD should also develop a strategy for closer involvement and stronger oversight by project steering committees.

289. **Recommendation 4. Adopt a more flexible and differentiated approach in targeting and programming.** Selection of geographical areas for interventions could be informed not only by the poverty rate or the number of poor households but also by other factors such as vulnerability, causes of poverty and opportunities for inclusive economic development which IFAD would be well-placed to support. Depending on the nature of interventions, consideration should be given to diversifying the basis for household targeting from strictly relying on the poverty scores, also recognizing the dynamic and transitory nature of poverty. There should be continued attention to inclusiveness of institutions of the targeted population, based on the analysis of social-cultural contexts and power relations, but leaving flexibility for adapting the forms and approaches based on the main purposes and a long-term vision for such institutions and the contexts. Furthermore, in-depth differentiated analysis on the actual/potential roles in value chains and market economy of different categories of the rural poor (men, women, young men and women, other vulnerable groups) is needed for effective targeting. Where relevant, non-traditional employment/income opportunities for women should be explored.
290. **Recommendation 5. Broaden and strengthen partnerships with other development agencies partners and non-governmental actors while upgrading the IFAD country office and its support systems.** IFAD should seek out opportunities for exchange, coordination and collaboration with other development partners. This could be for: knowledge exchange in areas where IFAD has accumulated experience; collaboration in analytical work and policy engagement; or better capitalizing on the work and lessons from others. IFAD should also explore opportunities to diversify non-governmental partners for different purposes beyond contracting as service providers, for example, to build capacities of smaller civil society organizations to provide services to the rural poor or strengthen advocacy role and representation, or for research and technical assistance. These would also require strengthening of the IFAD country office in terms of human resource capacity and/or the technical support systems from its sub-regional hub or the headquarters.

Definition of the evaluation criteria used by IOE

Criteria	Definition *	Mandatory	To be rated
Rural poverty impact	Impact is defined as the changes that have occurred or are expected to occur in the lives of the rural poor (whether positive or negative, direct or indirect, intended or unintended) as a result of development interventions.	X	Yes
	<i>Four impact domains</i>		
	<ul style="list-style-type: none"> Household income and net assets: Household income provides a means of assessing the flow of economic benefits accruing to an individual or group, whereas assets relate to a stock of accumulated items of economic value. The analysis must include an assessment of trends in equality over time. 		No
	<ul style="list-style-type: none"> Human and social capital and empowerment: Human and social capital and empowerment include an assessment of the changes that have occurred in the empowerment of individuals, the quality of grass-roots organizations and institutions, the poor's individual and collective capacity, and in particular, the extent to which specific groups such as youth are included or excluded from the development process. 		No
	<ul style="list-style-type: none"> Food security and agricultural productivity: Changes in food security relate to availability, stability, affordability and access to food and stability of access, whereas changes in agricultural productivity are measured in terms of yields; nutrition relates to the nutritional value of food and child malnutrition. 		No
	<ul style="list-style-type: none"> Institutions and policies: The criterion relating to institutions and policies is designed to assess changes in the quality and performance of institutions, policies and the regulatory framework that influence the lives of the poor. 		No
Project performance	Project performance is an average of the ratings for relevance, effectiveness, efficiency and sustainability of benefits.	X	Yes
Relevance	The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, institutional priorities and partner and donor policies. It also entails an assessment of project design and coherence in achieving its objectives. An assessment should also be made of whether objectives and design address inequality, for example, by assessing the relevance of targeting strategies adopted.	X	Yes
Effectiveness	The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.	X	Yes
Efficiency	A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted into results.	X	Yes
Sustainability of benefits	The likely continuation of net benefits from a development intervention beyond the phase of external funding support. It also includes an assessment of the likelihood that actual and anticipated results will be resilient to risks beyond the project's life.	X	Yes
Other performance criteria			
Gender equality and women's empowerment	The extent to which IFAD interventions have contributed to better gender equality and women's empowerment, for example, in terms of women's access to and ownership of assets, resources and services; participation in decision making; work load balance and impact on women's incomes, nutrition and livelihoods.	X	Yes
Innovation	The extent to which IFAD development interventions have introduced innovative approaches to rural poverty reduction.	X	Yes
Scaling up	The extent to which IFAD development interventions have been (or are likely to be) scaled up by government authorities, donor organizations, the private sector and others agencies.	X	Yes
Environment and natural resources management	The extent to which IFAD development interventions contribute to resilient livelihoods and ecosystems. The focus is on the use and management of the natural environment, including natural resources defined as raw materials used for socio-economic and cultural purposes, and ecosystems and biodiversity - with the goods and services they provide.	X	Yes
Adaptation to climate change	The contribution of the project to reducing the negative impacts of climate change through dedicated adaptation or risk reduction measures.	X	Yes

<i>Criteria</i>	<i>Definition *</i>	<i>Mandatory</i>	<i>To be rated</i>
Overall project achievement	This provides an overarching assessment of the intervention, drawing upon the analysis and ratings for rural poverty impact, relevance, effectiveness, efficiency, sustainability of benefits, gender equality and women's empowerment, innovation, scaling up, as well as environment and natural resources management, and adaptation to climate change.	X	Yes
Performance of partners			
• IFAD	This criterion assesses the contribution of partners to project design, execution, monitoring and reporting, supervision and implementation support, and evaluation. The performance of each partner will be assessed on an individual basis with a view to the partner's expected role and responsibility in the project life cycle.	X	Yes
• Government		X	Yes

* These definitions build on the Organisation for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) Glossary of Key Terms in Evaluation and Results-Based Management; the Methodological Framework for Project Evaluation agreed with the Evaluation Committee in September 2003; the first edition of the Evaluation Manual discussed with the Evaluation Committee in December 2008; and further discussions with the Evaluation Committee in November 2010 on IOE's evaluation criteria and key questions.

Ratings of IFAD lending portfolio in Pakistan^a

<i>Criteria</i>	<i>CDP</i>	<i>MIOP</i>	<i>PRISM</i>	<i>GLLSP</i>	<i>SPPAP</i>	<i>ETI-GB</i>	<i>NPGP</i>	<i>Overall portfolio</i>
Rural poverty impact	4	4	5	4	5	n.p.	n.p.	4
Project performance								
Relevance	4	5	5	4	4	4	4	4
Effectiveness	4	5	5	4	5	4	n.p.	5
Efficiency	4	5	6	4	4	4	3	4
Sustainability of benefits	4	4	5	4	4	4	n.p.	4
Project performance^b	4	4.75	5.25	4	4.25	4	n.p.	4
Other performance criteria								
Gender equality and women's empowerment	5	5	4	4	5	4	n.p.	5
Innovation	3	5 ^d	5 ^d	4	4	4	n.p.	4
Scaling up	3	4 ^d	4 ^d	3	4	n.p.	n.p.	3
Environment and natural resources management	3	3	n.p.	4	4	5	n.p.	4
Adaptation to climate change	3	n.a.	n.p.	4	4	4	n.p.	4
Portfolio performance and results^c	4	5	5	4	4	4	n.p.	4

^a Rating scale: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory; n.p. = not provided; n.a. = not applicable.

^b Arithmetic average of ratings for relevance, effectiveness, efficiency and sustainability of benefits.

^c This is not an average of ratings of individual evaluation criteria but an overarching assessment of the project, drawing upon the rating for rural poverty impact, relevance, effectiveness, efficiency, sustainability of benefits, gender, innovation, scaling up, environment and natural resources management and adaptation to climate change.

^d At the time of the PCR, the innovation criterion and the scaling-up criterion were combined and the combined criterion was rated 5 for MIOP and PRISM.

Final ratings of the country strategy and programme in Pakistan

	<i>Rating</i>
Project portfolio performance and results^a	4
Non-lending activities^b	
Knowledge management	4
Partnership-building	4
Country-level policy engagement	3
Overall non-lending activities	4
Performance of partners	
IFAD ^c	4
Government ^c	4
Country strategy and programme performance (overall)^d	
Relevance	3
Effectiveness	4

^a Not an arithmetic average of individual project ratings.

^b Not an arithmetic average for knowledge management, partnership-building and country-level policy engagement.

^c Not an arithmetic average of individual project ratings. The rating for partners' performance is not a component of the overall assessment ratings.

^d This is not an arithmetic average of the ratings of relevance and effectiveness of the country and strategy programme and performance. The ratings for relevance and effectiveness take into account the assessment and ratings of portfolio results, non-lending activities and performance of partners but they are not an arithmetic average of these.

List of IFAD-supported investment projects approved³¹⁰

Project ID	Project name	Project Sector	IFAD financing ³¹¹ (US\$ mill)	Co-financing (US\$ mill) (main international co-financiers)	Total project cost (US\$ mill)	Approval date	Signing date	Entry into Force	Current Completion date	Closing date	Cooperating Institution
110000018	Small Farmers Credit Project	CREDIT	26.62 (HC)	30.0 (IDA ³¹²)	387.62	27-Jun-79	14-Dec-79	04-Jun-80	30-Jun-85	31-Dec-85	IDA
110000033	South Rohri Fresh Groundwater Irrigation Project	IRRIG	5.68 (HC)	33.0 (AsDB ³¹³)	43.48	19-Dec-79	25-Jan-80	28-Mar-80	30-Jun-90	31-Dec-90	AsDB
110000048	Barani Area Development Project	AGRIC	5.44 (HC)	-	7.89	03-Dec-80	20-Feb-81	27-Aug-81	30-Jun-90	31-Dec-90	AsDB
110000083	On-Farm Water Management Project	IRRIG	10.18 (HC)	41 (IDA)	109.78	17-Dec-81	18-Jun-82	28-Jul-82	30-Jun-85	31-Dec-85	IDA
110000138	Small Farmers' Credit Project II	CREDI	25 (HC)	77.77 (IDA, IBRD ³¹⁴ , Italy)	661	13-Dec-83	29-Mar-84	09-Jul-84	30-Jun-87	31-Dec-87	IDA
110000162	Gujranwala Agricultural Development Project	AGRIC	8.57 (HC)	28 (AsDB)	45.97	12-Dec-84	15-Jan-85	21-Jun-85	30-Jun-93	31-Dec-93	AsDB
110000209	Chitral Area Development Project	RURAL	8.68 (Inter)	17.68 (AsDB)	29.02	10-Sep-87	27-Nov-87	25-Nov-88	30-Jun-97	31-Dec-97	AsDB
110000234	Punjab Smallholder Dairy	LIVST	7.66 (Inter)	1.6 (UNDP)	14.08	30-Nov-88	14-Feb-89	18-Feb-91	30-Jun-98	31-Dec-98	AsDB
110000257	Second Barani Area Development Project	AGRIC	19.37 (Inter)	24.87 (AsDB)	56.67	19-Apr-90	27-Jun-90	18-Feb-91	31-Dec-97	30-Jun-98	AsDB
110000265	Smallholder and Women's Rural Credit Project	CREDI	24.95 (Inter)	54.5 (IBRD)	411.2	02-Oct-90	22-May-91	19-Jun-92	31-Dec-95	30-Jun-96	IDA
110000288	Neelum and Jhelum Valleys Community Development Project	RURAL	15.84 (Inter)	4.63 (UNDP)	24.3	04-Sep-91	04-Oct-91	05-Jun-92	31-Dec-03	30-Jun-04	UNOPS ³¹⁵
110000319	Mansehra Village Support Project	RURAL	14.55 (Inter)	5.4	24.23	03-Dec-92	06-Dec-92	26-Mar-93	30-Jun-00	31-Dec-00	UNOPS

³¹⁰ According to IFAD database (Oracle Business Intelligence). The financial figures are basically those planned, and for closed projects, they may not necessarily reflect the actual data.

³¹¹ HC: loans on highly concessional terms; Inter: intermediate;

³¹² IDA: International Development Association

³¹³ AsDB: Asian Development Bank

³¹⁴ IBRD: International Bank for Reconstruction and Development

³¹⁵ UNOPS: United Nations Office for Project Services

Project ID	Project name	Project Sector	IFAD financing ³¹¹ (US\$ mill)	Co-financing (US\$ mill) (main international co-financiers) (IsDB ³¹⁶)	Total project cost (US\$ mill)	Approval date	Signing date	Entry into Force	Current Completion date	Closing date	Cooperating Institution
110000353	Pat Feeder Command Area Development Project	IRRIG	27.14 (Inter)	-	40.05	19-Apr-94	28-Sep-94	02-Feb-95	30-Jun-03	31-Dec-03	AsDB
110000524	Dir Area Support Project	RURAL	16.49 (HC)	-	25.37	11-Sep-96	21-Nov-96	15-Apr-97	30-Jun-08	31-Dec-08	IFAD
1100001042	Northern Areas Development Project	RURAL	14.63 (HC)	2.56 (UNDP)	22.59	11-Sep-97	20-May-98	11-Sep-98	31-Dec-08	30-Jun-09	IFAD
1100001077	Barani Village Development Project	AGRIC	15.26 (HC)	-	25.15	03-Dec-98	12-May-99	01-Sep-99	30-Jun-07	31-Dec-07	UNOPS
1100001078	Southern Federally Administered Tribal Areas Development Project	IRRIG	17.15 (HC)	-	21.86	07-Dec-00	22-Jan-01	24-Jul-02	30-Sep-10	30-Sep-11	IFAD
1100001182	North-West Frontier Province Barani Area Development Project	RURAL	14.45 (HC)	52 (AsDB)	98.67	26-Apr-01	16-Aug-01	09-May-03	30-Jun-08	31-Dec-08	AsDB
1100001245	Community Development Programme (CDP)	RURAL	21.77 (HC)	-	30.74	18-Dec-03	09-Mar-04	02-Sep-04	30-Sep-12	31-Mar-13	IFAD
1100001324	Microfinance Innovation and Outreach Programme (MIOP)	CREDI	26.46 (HC)	-	30.54	13-Dec-05	18-Jan-06	01-Sep-06	30-Sep-11	31-Mar-12	IDA
1100001385	Project for the Restoration of Earthquake-Affected Communities and Households (REACH) ³¹⁷	RURAL	26.39 (HC)	-	29.56	20-Apr-06	14-Jun-06	01-Aug-06	30-Sep-09	31-Mar-10	IDA
1100001413	Programme for Increasing Sustainable Microfinance (PRISM)	CREDI	35.01 (HC)	-	46.58	12-Sep-07	22-Nov-07	07-May-08	30-Sep-13	31-Mar-14	IFAD
1100001514	Southern Punjab Poverty Alleviation Project (SPPAP)	RURAL	104.57 ³¹⁸ (HC + blend, grant)	-	195.12 ³¹⁹	15-Dec-10	30-Sep-11	30-Sep-11	30-Sep-22	31-Mar-23	IFAD

³¹⁶ IsDB: Islamic Development Bank

³¹⁷ In view of the timing, duration and nature of the interventions, this project is not covered by the CSPE, as indicated in the CSPE approach paper. The project aimed to enable rural households to rebuild livelihoods and reduce vulnerability in earthquake-affected areas. assist vulnerable households in AJK and NWFP affected by the earthquake to rebuild their asset base. The components included: (i) Infrastructure rehabilitation; (ii) building up household livestock assets; (iii) operational assistance and technical support.

³¹⁸ Original loan (US\$40 million, of which US\$10 million cancelled), first additional financing in 2015 (US\$10 million), second additional financing in 2017 (US\$25 million) and third additional financing in 2018 (US\$36.5 million loan on blend terms, US\$2.9 million grant).

³¹⁹ According to the documents for submitted for the additional financings, the total was indicated as US\$195.12 million. However, the Government commitment for the counterpart financing in the financing agreement was much less (US\$13.5 million instead of US\$76.2 million).

<i>Project ID</i>	<i>Project name</i>	<i>Project Sector</i>	<i>IFAD financing³¹¹ (US\$ mill)</i>	<i>Co-financing (US\$ mill) (main international co-financiers)</i>	<i>Total project cost (US\$ mill)</i>	<i>Approval date</i>	<i>Signing date</i>	<i>Entry into Force</i>	<i>Current Completion date</i>	<i>Closing date</i>	<i>Cooperating Institution</i>
1100001515	Gwadar-Lasbela Livelihoods Support Project (GLLSP)	RURAL	30 (HC)	3 (Saudi Arabia)	38.27	11-May-11	31-Jan-13	31-Jan-13	31-Jul-20	31-Jul-20	IFAD
1100001676	Livestock and Access to Markets Project (LAMP)	LIVST	3.6 (HC)	-	9.34	11-Dec-13	12-Feb-15	12-Feb-15	31-Jul-17	30-Sep-21	IFAD
2000000836	Economic Transformation Initiative - Gilgit-Baltistan (ETI-GB)	IRRIG	67 (HC)	-	120.12	22-Apr-15	16-Sep-15	16-Sep-15	30-Sep-22	31-Mar-23	IFAD
2000001467	National Poverty Graduation Programme (NPGP)	RURAL	82.6 (HC)	-	149.8	14-Sep-17	14-Nov-17	14-Nov-17	31-Dec-23	30-Jun-24	IFAD
2000002331	Gwadar-Lasbela Livelihoods Support Project II (GLLSP II)	Fisheries	63.2 (Blend, grant ³²⁰)	-	72.8	08-May-20	NA	NA	NA	NA	IFAD

³²⁰ IFAD grant in the amount of US\$3 million.

List of IFAD-supported grants covering Pakistan approved since 2009

Country-specific, global and regional grants

Grant project ID	Grant title	Grant Recipient	Effective	Closing Date	IFAD financing US\$	Benefiting countries
Country-specific						
1000003922	Support for institution-building of the Diamer poverty alleviation programme	Diamer Poverty Alleviation Programme [DPAP]	22/12/2010	30/09/2014	200,000	Pakistan
1000003876	Post-flood assistance for the recovery of production and livelihood of smallholder farmers in Pakistan	FAO	28/01/2011	18/12/2012	500,000	Pakistan
2000000875	Microfinance, land access and poverty reduction in Pakistan	Agency for Technical Cooperation and Development [ACTED]	23/12/2014	30/06/2016	340,000	Pakistan
2000000493 ³²¹	Empowering Bakarwals: income generation through propagation and marketing of medicinal plants in Neelum valley of Azad Jammu Kashmir (4 th cycle) [The Indigenous Peoples Assistance Facility]	Sukhi Development Foundation (through Tebtebba Foundation)	12/2015	12/2017	41,400	Pakistan
2000002049 ³²²	Empowering Bakarwals' youth through livelihood diversification and social integration in Neelum valley, AJK (5 th cycle) [The Indigenous Peoples Assistance Facility]	Sukhi Development Foundation (through Tebtebba Foundation)	01/09/2019	02/2021	46,086	Pakistan
Global-Regional						
2000000511	Regional Programme on Remittances and Diaspora Investment for Rural Development	PF Technical Advisory Services Inc. [PFTAS]	18/02/2015	16/11/2018	900,000	Pakistan, Philippines
2000001135	Direct Support to Farmers and Rural Producers Organisations - Fisheries Sub-grant	Centro Internazionale Crocevia [CIC]	07/10/2015	30/06/2018	347,215 ³²³	Indonesia, Maldives, Mozambique, Pakistan, Philippines, India
2000001363	Strengthening the Role of SAARC in the Sustainable Intensification of Agriculture in South Asia	South Asia Watch on Trade, Economics and Environment [SAWTEE]	19/05/2016	31/07/2017	100,000	Pakistan, Bangladesh, Afghanistan, India, Sri

³²¹ The total grant amount is US\$100,000 whereas a sub-grant of US\$41,400 is granted to the Sukhi Development Foundation in Pakistan.

³²² The total grant amount is US\$665,000 whereas a sub-grant of US\$46,086 is granted to the Sukhi Development Foundation in Pakistan.

³²³ The initial amount is 312,807 EUR converted to US\$ as per the exchange rate of the approval date

<i>Grant project ID</i>	<i>Grant title</i>	<i>Grant Recipient</i>	<i>Effective</i>	<i>Closing Date</i>	<i>IFAD financing US\$</i>	<i>Benefiting countries</i>
						Lanka, Maldives, Nepal and Bhutan
2000001738	Adding "Valyou": Advancing financial inclusion through remittances from Malaysia	Valyou	04/05/2017	31/03/2019	500,000	Pakistan, Malaysia
2000001624	Inclusive rural finance for smallholder families and other vulnerable groups	Consultative group to assist the poorest [CGAP]	06/02/2018	30/06/2023	2,250,000	Pakistan, Nigeria, United Republic of Tanzania, Uganda, Bangladesh, Côte d'Ivoire, Mozambique
Co-financing investment projects						
2000000873	Gwadar-Lasbela Livelihoods Support Project - GLLSP	Government of Pakistan	22/12/2015	30/03/2020	Saudi Fund	3,000,000
2000002541	Southern Punjab Poverty Alleviation Project - SPPAP	Government of Pakistan	29/01/2020	30/03/2023	APR-IFAD	2,900,000

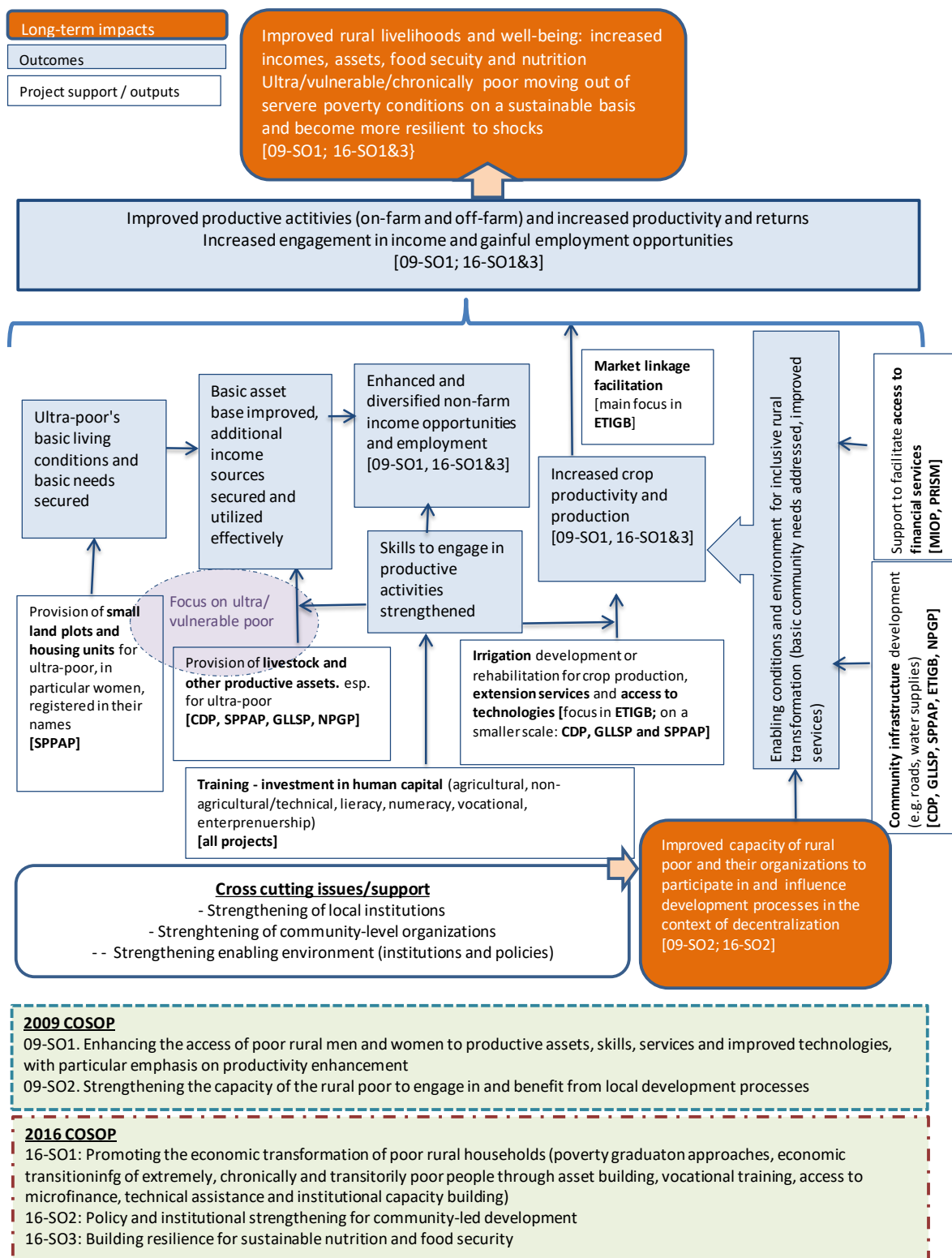
Key elements of 2009 and 2016 COSOPs

	COSOP 2009	COSOP 2016
Strategic objectives (SOs)	<ul style="list-style-type: none"> • SO1: Enhancing the access of poor rural men and women to productive assets, skills, services and improved technologies, with a particular attention to productivity enhancement. • SO2: Strengthening the capacity of the rural poor to engage in and benefit from local development process 	<ul style="list-style-type: none"> • SO1: Promoting the economic transformation of poor rural households. Expansion and scaling up of successful poverty graduation approaches. Key interventions include: asset building, vocational training, access to microfinance, technical assistance and institutional capacity-building. • SO2: Policy and institutional strengthening for community-led development: institutionalizing poverty graduation and community-driven development approaches at the provincial level • SO3: Building resilience for sustainable nutrition and food security. Key interventions include: women's management of community food banks linked to provincial disaster management agencies; promotion of climate-smart agriculture and production systems; and investments in and promotion of innovative irrigation and water-harvesting systems. • Nutrition considerations will be mainstreamed in the design of IFAD-supported investments and interventions include: strong nutrition education in all projects (to raise awareness of nutrition-related problems and how to overcome these challenges); improving the quality of processing, storage and preservation of food; expanding markets for nutrient-rich products and market access for vulnerable groups; and improving the agricultural natural resource base.
Targeting strategy	<ul style="list-style-type: none"> • Geographically, the target areas are with high poverty incidence or with specific problems because of their location (mountains, coastal belt and low rainfall areas) • Target groups are: (i) small farmers (including also small livestock herders and fishermen); (ii) landless farmers; and (iii) women headed households and women within poor households with little access to resources, services and assets of their own. • Community organizations to be used for organising poor household and identifying the most vulnerable ones. • Gender and climate change will be a special area of focus. 	<ul style="list-style-type: none"> • Geographically, the programme will focus on the poorest villages in four priority provinces (AJK, Balochistan, Gilgit-Baltistan and Punjab), • The poorest household pre-identified through the BISP (people in band 0-34 will remain IFAD target group with a particular focus on extremely poor, chronically poor and transitorily poor). • Enabling measures for gender and youth mainstreaming include interventions targeting exclusively women and packages tailored to the needs of youth (vocational and entrepreneurial training, access to finance)
Opportunities for innovation	<p>Under strategic objective 1</p> <ul style="list-style-type: none"> (i) Pilot scheme on land distribution – an invitation by the Government of Punjab to test an innovative land distribution scheme in southern Punjab; (ii) New microfinance products based on IFAD's projects in the micro-finance sector (e.g., micro-savings, micro health insurance, etc.), and new expected links between the micro-finance NGOs and the commercial banks; and (iii) market access. 	<p>Key innovative elements include: water harvesting and conservation; climate change resilience agriculture and rural infrastructure; women-controlled food banks and nutrition for poor people; remittance investments in rural development</p>

COSOP 2009	COSOP 2016
<p>Under strategic objective 2:</p> <ul style="list-style-type: none"> (i) Pro-poor institutional transformation: through a more participatory approach by line agencies in their planning and implementation of development programmes (ii) Institutional innovation at grassroots level: through the development of community organizations into credit unions, agriculture and dairy cooperatives. 	
<p>Policy linkages</p> <p>Under strategic objective 1:</p> <ul style="list-style-type: none"> (i) Land distribution scheme: IFAD's strategy would be to assist the Government of Punjab with the implementation of innovative projects in land distribution (ii) Enhanced access to microfinance: IFAD will pursue a policy reform for a greater participation of formal sector institutions by engaging with key partners such as DFID and ADB (which have ongoing programmes of financial inclusion) <p>Under strategic objective 2:</p> <ul style="list-style-type: none"> (i) Strengthen policy linkages through supporting institutional transformation to ensure greater performance in line agencies (ii) A legal reform where needed to transform grassroots organizations to cooperatives and credit union 	<p>Policy engagement will be guided by the strategic objectives. Key priority themes by province are:</p> <ul style="list-style-type: none"> • Community development: the institutionalisation of the community-development approach through support to the development of required legislation and regulations (AJK) • Land tenure: development of a fair and enforceable land tenure system, relevant to the transformation of smallholder agriculture; • Climate change: adoption of the National Climate Change Policy at the provincial level and the advocacy and support for the establishment of responsible institutional bodies (four targeted provinces)
<p>Non-lending instruments / grants</p> <ul style="list-style-type: none"> • Grant financing will help encourage innovation, risk taking, policy engagement and partnership building. Grant programme will be explored to support small strategic projects implemented by NGOs, private sector or other appropriate institutions. • The grant programme in support of participatory research in smallholder livestock production implemented by ICARDA will be given a main focus to ensure linkages with the loan-funded projects. 	<ul style="list-style-type: none"> • Non-lending instruments could include Adaptation for Smallholder Agriculture Programme, the Global Environment Facility, global/regional/country grants and alternative innovative services (e.g. free-based advisory services, remittances, etc.)
<p>Partnerships</p> <ul style="list-style-type: none"> • Partnership with national stakeholders: IFAD will expand partnership with national stakeholders such NGOs and other civil society organizations, research institutions and universities, and the private sector. • Partnership with UN agencies: IFAD will continue to collaborate with FAO and WFP to explore potentials for joint programmes. (IFAD is engaged <i>in the One UN pilot programme, and participates in the UN Country Team Thematic Group. IFAD continues to collaborate with FAO and WFP to explore potentials for joint programmes</i>) • Partnerships with other development partners: IFAD will explore opportunities of collaboration with WB and ADB and other international financial institutions such as the Islamic Development Bank. Dialogue with the bilateral donors would be enhanced, both within the context of the informal donor group on microfinance and individually. 	<ul style="list-style-type: none"> • Strategic partnerships will be built or consolidated at provincial, federal and/or international levels mainly with: (a) line ministries and provincial governments on results management, knowledge management and policy dialogue; (b) the BISP, PPAF and RSPs on the SSN-TUP, social protection, the poverty registry and pro-poor policies and investment; (c) the World Bank and Asian Development Bank on poverty reduction, water security, policy dialogue and investments; and (d) FAO, WFP, the International Centre for Integrated Mountain Development, the National Agricultural Research System and the Consultative Group on International Agricultural Research on nutrition, agriculture and climate-resilience capacity development. • IFAD will partner with Leadership for Environment And Development Pakistan and with the Agricultural Universities of Peshawar and Faisalabad to develop new and innovative climate adaptation strategies under strategic objective 3.

	<i>COSOP 2009</i>	<i>COSOP 2016</i>
Knowledge management	<p>A strategic action plan will be developed, with KM organized at two levels</p> <ul style="list-style-type: none"> At the country programme level, existing products (such as the country programme newsletter, special studies, etc.) will be continued and improved. The linkage with networks such as the Electronic Knowledge Sharing Network for Asia and Pacific (ENRAP) will be further enhanced to ensure sharing of knowledge among a wider audience. At the project level, a KM or learning agenda will be included in the design of loan and grant projects. Inter-project exchange of knowledge will be promoted through events such as exchange visits, workshops, etc. 	<p>Knowledge management plan includes analysis of the data collected by the M&E system that will include lessons learned and best practices. Activities to be pursued:</p> <p>(i) establish and/or systematize horizontal knowledge-sharing mechanisms;</p> <p>(ii) strengthen vertical knowledge management mechanisms; and (iii) foster partnerships with strategic partners and institutions (e.g. universities/research institutes, and provincial and federal ministries, etc.).</p> <p>In support of policy formulation, the establishment of knowledge-sharing platforms, alignment between poverty reduction and social protection programmes, and synergy with key development finance institutions and rural support programme (RSP) interventions are expected to support policy formulation.</p>
COSOP monitoring Country programme/ portfolio management	<ul style="list-style-type: none"> The country programme management team (CPMT) is the main instrument for the programme management and in charge of the preparation of the annual implementation progress report. Its members include federal agencies and ministries, provincial representatives, donor and UN agencies, NGOs and other civil society organisations, the private sector, and IFAD headquarters and country staff responsible for the country programme. The IFAD country presence was to be upgraded in 2009 into a country office, with an option of outposting country programme manager. 	<ul style="list-style-type: none"> The monitoring of the COSOP strategic objectives will be tracked using the COSOP results framework. A COSOP midterm review planned for 2018. The M&E systems will report on both lending and non-lending activities such as policy dialogue and knowledge management. The country office will lead activities under policy engagement and will play a role in scaling up.
Scaling up and South-South Cooperation	N/A	<ul style="list-style-type: none"> Promoting the scaling up of innovations is a main priority of IFAD/Pakistan partnership. Scaling up strategy will be defined during designs at the project level Mechanisms will be employed to share best practices and scalable innovations between Pakistan and other countries through South-South cooperation as one possible outlet for scaled up good practice The main focus for SSTC will be within the South Asian Association for Regional Cooperation region, also with the Africa and Latin America regions, in the areas of value chain development (China, Nicaragua), cash transfer and poverty graduation (Brazil, Mexico), climate change resilience (Ecuador), or women-and youth-centred rural development and income generation (Cambodia, Peru).

Schematic presentation of main country programme intervention areas and strategic objectives



SO: strategic objective

Source: CSPE team based on COSOPs.

Investment projects covered in the CSPE: basic project information and project cost by financier

<i>Project Project areas</i>	<i>Target group</i>	<i>Project objectives</i>	<i>Components</i>	<i>Project lead/ implementing agencies and partners, implementation arrangements</i>
AJK (CDP) All districts in AJK	120,000 rural households (i.e. 33 per cent of the rural population in AJK). Two thirds of them were expected to be in COs that already existed and would be strengthened under the programme, and one third in COs to be newly established. Three target sub-groups were identified: (i) the landless (10 per cent of the target group); (ii) smallholders (75 per cent); and (iii) woman-headed households (15 per cent).	(i) strengthen the role and capabilities of existing COs and establish new COs; (ii) lay the basis for a successful devolution process by promoting effective governance, transparency and accountability through operational and financial improvements and better relationships between central and local institutions; (iii) improve natural resource management; and (iv) expand social and economic infrastructure necessary to increase the rural poor's income and employment opportunities and reduce their poverty level. *	(i) gender-sensitive community development, to establish new COs as well as strengthen existing COs; (ii) community development fund, including the microfinance window, financing of small-scale social and economic infrastructure and financing innovative initiatives; (iii) natural resource management; and (iv) programme management.	Government of AJK as lead programme agency. The PMU and district programme offices as responsible for planning and coordination and backed by the FAO' assistance under a "unilateral trust fund" arrangement financed by the programme.
MIOP National in scope and rural areas. In terms of outreach, the programme would assist POs focus on those communities that either do not currently come within their operational area or do not have adequate access to microfinance services from the PO.	(i) small farmers, livestock owners, traders and microentrepreneurs; (ii) women and women-headed households; and (iii) rural poor households living below the poverty line. An estimate of 180 000 households as direct beneficiaries.	To enable the active rural poor increasingly to access a wider range of sustainable financial services and products that respond to their needs.	(i) innovation and outreach facility; (ii) young partner programme (strengthen emerging capacities in the microfinance sector in rural area); (iii) support for partner organizations (strengthen POs' ability to sustainably extend their outreach and expand the scope of current microfinance operations in rural areas); (iv) management support	PPAF and its partners organizations Supervised by the World Bank
PRISM National in scope and geographically will concentrate exclusively on rural areas and poor communities	(i) small farmers, livestock owners, traders and micro-entrepreneurs; (ii) women and women headed households; and (iii) poor rural households below the poverty line.	To enable active rural poor and rural enterprises benefiting the poor to increasingly access sustainable financial services	(i) credit enhancement; (ii) equity fund; (iii) technical support/institutional strengthening fund for partner organizations; (iv) knowledge management and policy dialogue; and (v) programme management	(i) Pakistan Poverty Alleviation Fund ; (ii) Ministry of Finance and Economic Affairs Division ; (iii) State Bank of Pakistan and commercial financial institutions.

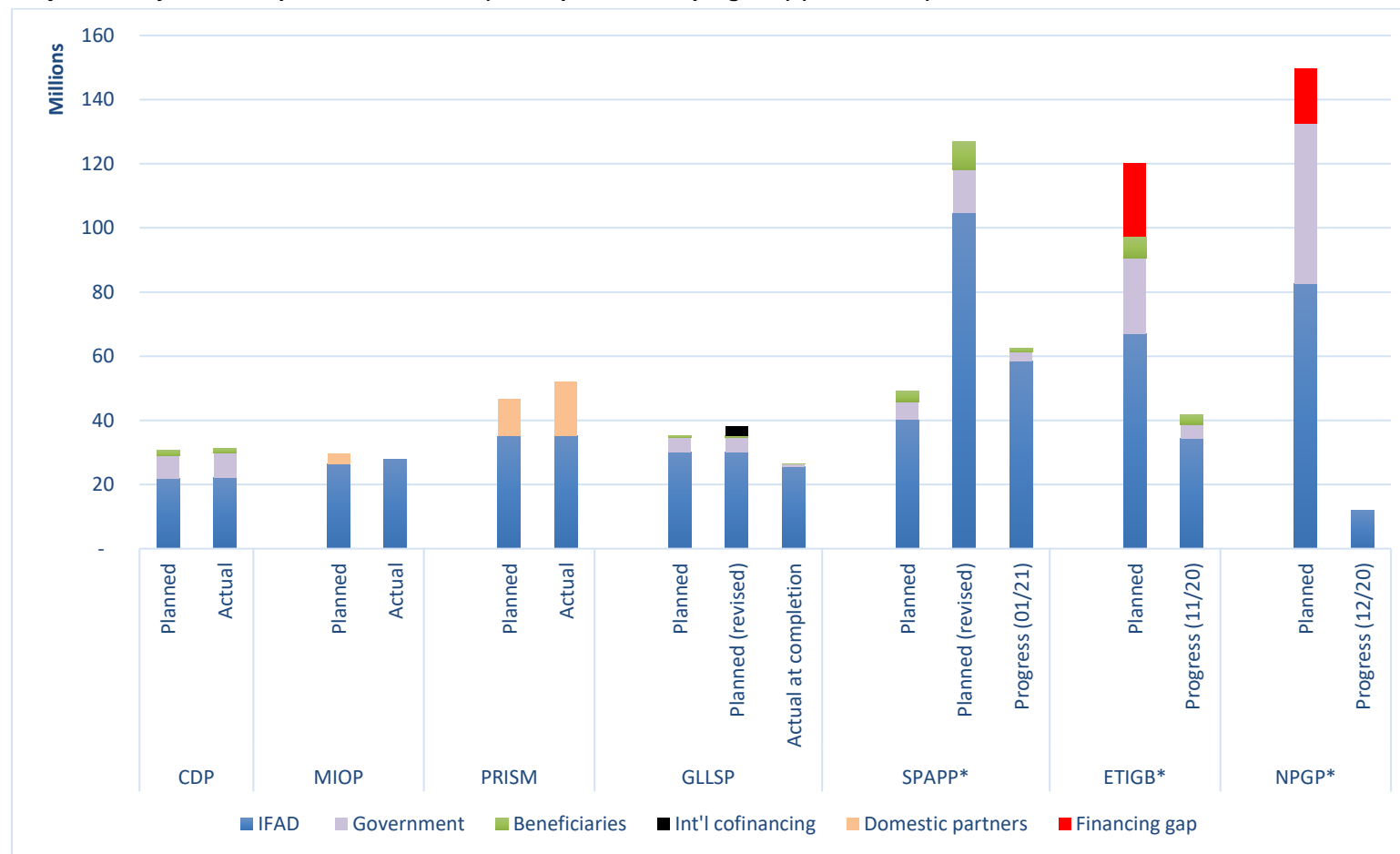
<i>Project Project areas</i>	<i>Target group</i>	<i>Project objectives</i>	<i>Components</i>	<i>Project lead/ implementing agencies and partners, implementation arrangements</i>
<p>SPPAP</p> <p>Originally 4 districts in southern Punjab (Bahawalnagar, Bahawalpur, Muzafargarh and Rajanpur)</p> <p>6 more districts with additional financing Bhakkar, DG Khan, Khushab, Layyah, Mianwali, Rahim Yar Khan) (south/western part of Punjab)</p>	<p>Landless casual labourers, smallholder farmers and woman-headed households. Expected 80,000 poor rural households as direct beneficiaries. (In each of these categories, the target households will be those who obtain a score of equal to or less than 23 based on the National Poverty Score Card Survey. Design report)</p>	<p>To increase the incomes of the target population by enhancing their employment potentials and by increasing agricultural productivity and production. Enhanced capacity for sustainable livelihoods through asset transfers. Enhanced capacity for employment and productive self-employment, enhanced access to basic services, increased productivity and production of agriculture produce and strengthened local capacity for agriculture and livestock service provision.</p>	<p>(i) livelihoods enhancement; (ii) agriculture and livestock development; and (iii) project management.</p>	<p>Planning and Development Department (Board), Government of Punjab</p>
<p>GLLSP</p> <p>Gwadar and Lasbela Districts</p>	<p>Poor rural households in 26 rural union councils (i.e. 382 villages) including small-scale landowners or landless tenants, small-scale fishers (either owning small boats of less than 30 feet and working as hired hands or khalasis/manual worker), and women. Expected 20,000 rural households (i.e. about 116,000 people) – some 35 per cent of the rural households in the two districts.</p>	<p>To increase the incomes and enhance the livelihoods of poor rural/fishers' households in the project area.</p> <p>Specific objectives: (i) organizing the rural poor men and women in target villages to be active partners in implementation of project activities and their own development; (ii) improving the access to poor men and women to productive assets, including skills, knowledge, capital, means of production and markets; (iii) assisting in addressing local development and services lags through provision of support for local productive infrastructure; (iv) improving production support infrastructure of fishermen's communities through improved landing sites and strategically located road network; and (v) empowering poor communities to become effective partners in development and accessing development resources and mainstream an accountable system for development delivery</p>	<p>(i) community development (mobilization, capacity-building & training, asset creation for women); (ii) fisheries development; (iii) rural infrastructure (road linkages and community based infrastructure schemes); and (iv) project management</p>	<p>Planning and Development Department of the provincial Government of Balochistan as the implementing agency, NRSP. NRSP as community mobilization partner. Provincial- and district-level Fisheries, and Communication and Works (C&W) as responsible for implementation of their respective components PMU in Gwadar and Satellite PMU in Lasbela</p>

<i>Project Project areas</i>	<i>Target group</i>	<i>Project objectives</i>	<i>Components</i>	<i>Project lead/ implementing agencies and partners, implementation arrangements</i>
ETI-GB Districts of Hunzar/Nagar, Gilgit, Ghizer, Diamer, Astore, Skardu, Ghanche	Primary target: smallholder farming households engaged in apricot and potato production with an average landholding <1 ha. Estimated 100,000 households including 5% women headed and/or landless. Other beneficiaries: small-scale processors, trading and export cooperatives, people engaged in value adding activities, input suppliers and transporters. 100 local entrepreneurs will be assisted in scaling up their services for different segments of value chains.	to increase agricultural incomes and employment for at least 100,000 rural households (in particular) enhanced capacity for sustainable livelihoods through asset transfers; enhanced capacity for employment and productive self-employment; enhanced access to basic services; increased productivity and production of agriculture produce; and strengthened local capacity for agriculture and livestock service provision (ETI-GB Financing Agreement - same as SPPAP)	(i) productive infrastructure (irrigation and land development); (ii) value chain development; and (iii) programme management and policy support.	Planning and Development Department, Government of Gilgit-Baltistan. Sub-regional coordination units will be established in each of the three regions, i.e. Gilgit, Diamer and Baltistan.)
NPGP 23 districts comprising 388 union councils in Balochistan, Khyber Pakhtunkhwa, Punjab and Sindh (latest information, adjusted from the design document)	Corresponding to the PSC poverty scorecard thresholds, the categories of beneficiaries are: extremely poor people (band 0-11); chronically poor people (band 12-18); transitorily poor people (band 19-23); transitorily vulnerable people (band 24-34); and transitorily non-poor (band 35-40). It is expected to reach nearly 320,000 households (representing over 2 million individuals).	Goal: to assist the ultra-poor and very poor in graduating out of poverty on a sustainable basis; simultaneously improving their overall food security, nutritional status and resilience to climate change. Objective: to enable rural poor people – especially women and youth – to fulfil their development potential and attain a higher level of social and economic well-being through a proven flexible and responsive assistance package	(i) poverty graduation (asset creation combined with skillset training, Interest Free Credit, training of livelihood and interest free loan); (ii) social mobilization and programme management	(i) Federal Ministry of Finance -the Economic Affairs Division; (ii) PPAF. Field activities implemented by a network of PPAF's partners organizations
Cancelled				
LAMP (cancelled) Districts of Mianwali, Khushab, Bhakkar and Layyah.	Approximately 112,500 poor households in the project districts (financing agreement). Men and women smallholder farmers who own livestock, and whose incomes, nutrition security and safety net depend primarily on livestock.	To enhance the livelihoods of 112,500 poor households in the districts of Mianwali, Khushab, Bhakkar and Layyah.	(i) production support (livestock production and productivity); (ii) marketing support; (iii) project management	Livestock and Dairy Development Department of the Government of Punjab as the lead implementing agency

Source: President reports, project design reports.

* The objectives in the president's report, appraisal report and the loan agreement were slightly different. Only the loan agreement included an objective specifically related to saving and credit systems, instead of the objective related to devolution process and local government found in the president's report and appraisal report. (PPA 2015).

Project cost by financier: planned and actual (at completion or in progress) (US\$ million)



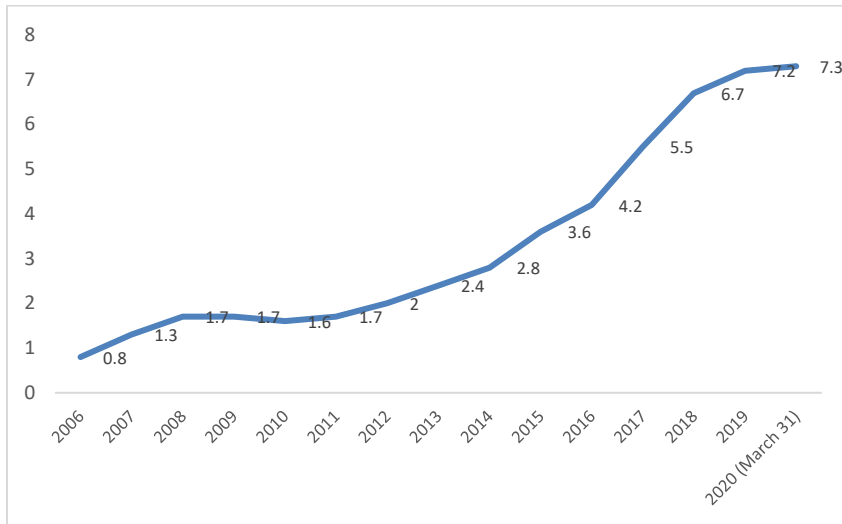
* Ongoing projects

Country context: additional data and information

[paragraph 18]

Figure IX-1

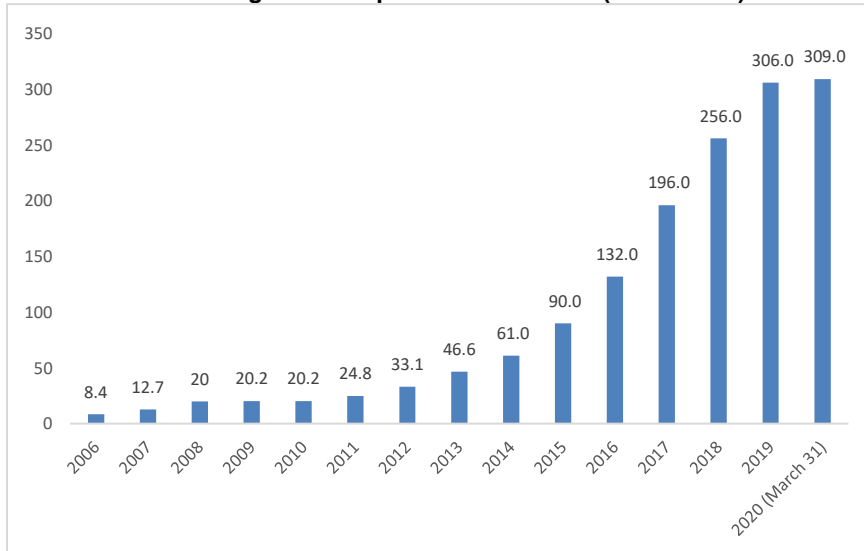
Microfinance sector: number of borrowers between 2006 and 2020 (million)



[paragraph 18]

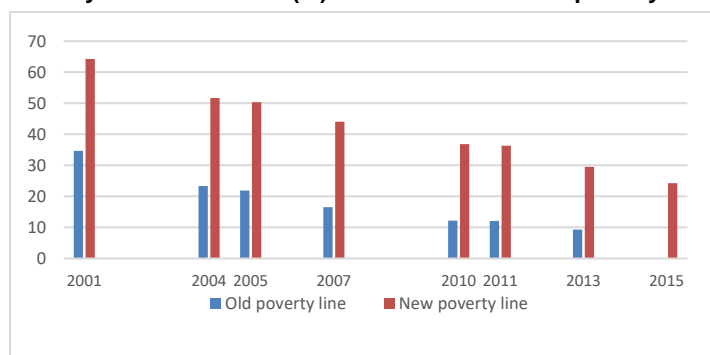
Figure IX-2

Microfinance sector: gross loan portfolio 2006-2020 (PKR billion)



[paragraph 27]

Figure IX-3
Poverty headcount ratio (%) – under old and new poverty lines³²⁴



Source: Redaelli 2019 and World Bank databank.

[paragraph 31]

Table IX-1
Selected component indicators for human development index

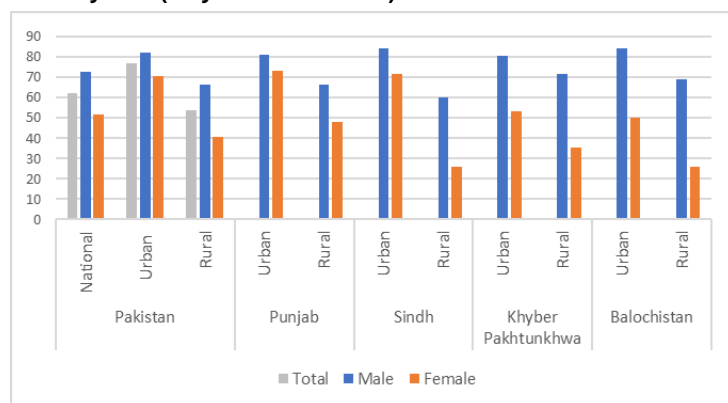
	Expected years of schooling		Mean years of schooling	
	Male	Female	Male	Female
Pakistan	9.3	7.8	6.5	3.8
South Asia	11.6	12.0	8.0	5.0

Measured by mean years of schooling among the adult population, which is the average number of years of schooling received in a life-time by people aged 25 years and older; and access to learning and knowledge by expected years of schooling for children of school-entry age, which is the total number of years of schooling a child of school-entry age can expect to receive if prevailing patterns of age-specific enrolment rates stay the same throughout the child's life.

Source: UNDP 2019. Human Development Report – Briefing note on Pakistan

[paragraph 31]

Figure IX-4
Literacy rate (10 years and above)



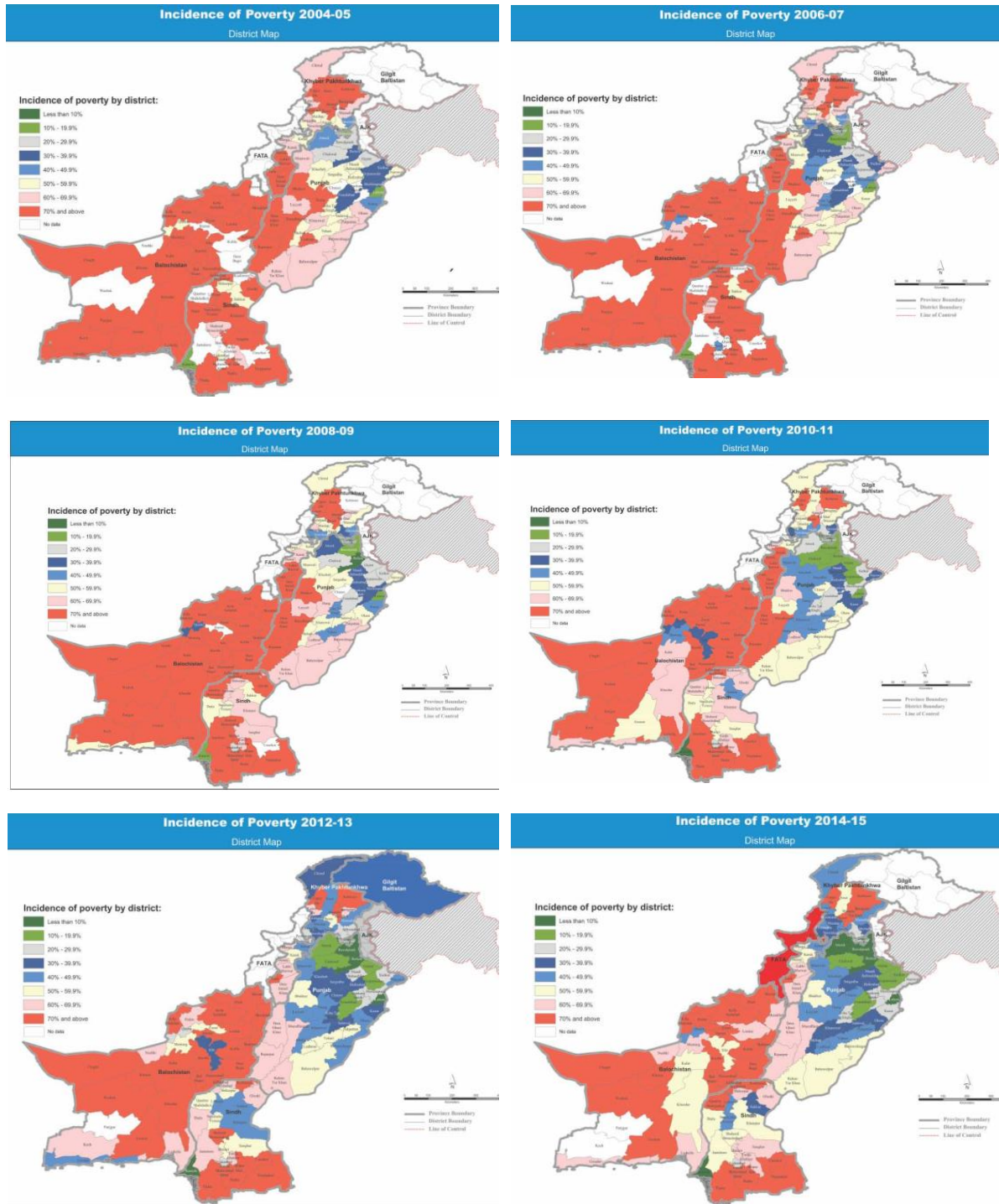
Source: Government of Pakistan 2019.

³²⁴ Old poverty line was based on the level of expenditure or income, which provides basic food enough to generate 2,350 calories per adult equivalent per day. In 2015, the Government redefined the cost of the calorie-based poverty line (“new poverty line”) to include non-food items (e.g. including expenditures on education, health and mobile phones).

[paragraph 28]

Map

Incidence of multidimensional poverty – district maps between 2004 and 2015



Source: Government of Pakistan 2016. Multidimensional Poverty in Pakistan.

[paragraph 39]

Box IX-1

Key policies and policy framework

After the 18th Constitutional Amendment, policy making in several areas including education, health and local government has been devolved to the provinces. The provinces are also expected to develop their own strategies for sustainable management of multiple sectors. Policy making track record of the Government has been quite significant in Pakistan during the last decade. Some of the notable steps include the following:

National Food Security Policy 2017

The National Food Security Policy recognizes that food security in Pakistan is still a key challenge due to high population growth, rapid urbanization, low purchasing power, high price fluctuations, erratic food production, and inefficient food distribution systems. Food insecurity in Pakistan is primarily attributable to limited economic access of the poorest and most vulnerable to food. A key factor limiting access to food, particularly since 2007, is increase in the prices of essential food items. The policy recommends improved food availability and resilient agricultural growth, especially in rainfed areas. It is interesting enough to note that the policy's main focus is on securing water resources for land development with multiple measures (e.g. to reduce groundwater depletion, harness rainwater potential, reduce losses) and improve water productivity in agriculture through climate smart solutions as means to improving food security.

National Water Policy 2018

Pakistan's first National Water Policy (NWP) was approved in 2018. Water is the most important issue in Pakistan due to the country's economic reliance on agriculture. It is however also the most contentious resource in nature due to an increasing scarcity, which explains why it took decades to agree on a national water policy. This highly awaited policy helps to raise the importance of water, give a serious direction to the provinces for integrated management of water resources, and starts the discussion on water secure future. The NWP recognizes importance of water for Pakistan's future and challenges ahead with the slogan of 'more crop per drop'. The Policy emphasizes conservation of available water, improving water use efficiency, increasing water storage capacity through providing more infrastructure, taking advantage of technologies in all aspects of water (rainwater harvesting, conservation, storage and effective usage), use of renewable energy, efficient and sustainable use of groundwater, integrated water resource management and establishing comprehensive regulatory framework for water sector.

National Power Policy, 2013

The National Power Policy envisages that "Pakistan will develop the most efficient and consumer centric power generation, transmission and distribution system that meets the needs of its population and boosts its economy in a suitable and affordable manner". Though most of the goals set in the power sector policy pertain to power generation either from hydel or thermal and other resources, efficient transmission and distributions, yet many of these directly or indirectly hint at conservation of hydel resource to ensure sustainability of inexpensive and affordable power supply. Similarly, it is a long-term priority of the Government to start and bring up Public Private Partnership projects in hydropower, finish large infrastructure hydro projects and retire high cost energy contracts.

Improving nutrition

Malnutrition is recognized as a health problem and a contributor towards increasing child morbidity and mortality rates. During the last 10 years, Pakistan has increased its efforts to reduce problems of malnutrition through a number of interventions. The government has created a dedicated Nutrition Wing under the Ministry of Health Services. Other initiatives include National Food Security Policy, Nutrition Status Assessments, Integrated Nutrition Indicators, Pakistan Demographic and Health Survey (PDHS), Multi-indicator Cluster Survey (MICS) and national and provincial nutrition strategies and action plans. Pakistan has enhanced its collaboration and coordination mechanisms with global actors including global Scaling up Nutrition (SUN) secretariat, UNICEF, WFP, FAO and WHO to improve nutrition and food security situation in the country. Despite making such efforts, the prevalence of malnutrition among population remains a national concern. As a result in recent years, provincial SUN chapters have become more active in taking decentralised decisions. Policy makers' awareness is higher today on supporting nutrition sensitive programmes as much as nutrition specific actions.

Climate change policy 2012

The Ministry of Climate Change launched a Climate Change policy in 2012 and a National Framework for Implementation (2014-2030). According to this document, appropriate adaptation actions need to be spelled out in local adaptation action plans. The framework also aims at mainstreaming adaptation into all development initiatives including those related to water and agriculture. Pakistan signed United Nations Framework Convention on Climate Change (UNFCCC) in 1994 as a Non-Annex I Party. Initially focusing more on mitigation, a major leap in favour of adaptation to climate change was felt in 2010 when Pakistan was hit by a recurrent flood but much larger in its scale and devastation. While this flood displaced millions of people and pushed the country development decades behind, the positive side was that longer-term resilience became a priority with suitable strategies. The history of realization that adaptation is important for the country for a huge stake involved due to a big population, is rather nascent. Practical actions to support adaptation at the moment therefore are even rare. Overall, Pakistan has been successful in enacting legislations and formulating policies and procedures to meet international obligations. Adaptation, however, has not objectively trickled down to the provinces with practical action.

Environment

The *National Environment Policy* 2005 aims to protect, conserve, and restore Pakistan's environment for sustained development and to improve quality of life of citizens. This policy was amended when in 2011 the 18th Constitutional Amendment devolved Central Government's functions to the Provinces. The Government approved *National Climate Change Policy* in 2012 with major focus on adaptation to climate change. This policy resulted in the establishment of Ministry of Climate Change at Federal level. At the moment the ministry is engaged in preparing action plan under the policy and an effective implementation of Environment Protection Acts after revision by the provinces.

Situation of women in Pakistan

1. The constitution of Pakistan defines and recognizes the rights of Pakistani women under Article 25, 27, 34, 35 and 37. Pakistan is signatory to the Universal Declaration on Human Rights and ratification of Convention on Elimination of All Forms of Discrimination Against Women (CEDAW), besides approval of a National Plan of Action (NPA) for the empowerment of women in pursuance of Beijing Platform for Action. Pakistan is also signatory to the Commonwealth Plan of Action for Youth Empowerment (2006-15), which includes a commitment to taking affirmative and direct action to establish gender equity and equality of treatment for all young people.
2. In 2002, the federal government developed the first national level policy for the development and empowerment of women (NPDEW) aiming at 'removing inequities and imbalances in all sectors of socio-economic development and to ensure women's equal access to all development benefits and social services. In 2005, the government developed the "National Gender Reform Action Plan (GRAP) aided by the Asian Development Bank's Decentralization Support Program. The plan sought gender equality in four key areas: Political; administrative and institutional; in public sector employment; policy and fiscal. The provincial governments of Khyber Pakhtunkhwa, Punjab and Balochistan formed Women Development Department within their departments of Social Welfare to encourage gender mainstreaming within all departments at the provincial level and to operationalize various initiatives.
3. In 2014, the Government of Pakistan approved its medium-term strategic plan, Vision 2025, including goals and initiatives for increasing gender equality and women's empowerment. The National Commission on the Status of Women (NCSW) outlined additional priority areas for action, including: quotas for women seats in representative bodies, improving gender mainstreaming in public planning, and improving the collection and analysis of sex-disaggregated statistics, ect.³²⁵
4. Despite these commitments, Pakistan's ranking for gender equality remains one of the lowest in the world. Pakistan ranks third-to-last (151st) on the 2020 Global Gender Gap Index. Only one-quarter of women participate in the labour force (i.e. working or looking to work) compared with 85% of men (148th). Only 5% of senior and leadership roles are held by women (146th), twice the rate of 2016. It is estimated that only 18% of Pakistan's labour income goes to women (148th). Less than half of women are literate, compared with 71% of men. As of 1 January 2019, there were three women in the 25 member cabinet, while in 2017, a female minister was elected.³²⁶ In 2013, the proportion of female-headed households nationally was 11%. The percentages of female-headed households were higher in rural areas, and highest in Khyber Pakhtunkhwa.³²⁷ Weak governance systems and a lack of enforcement of legal instruments undermine access to rights.
5. The country enjoy a great deal of social norms and practices that vary greatly across the different social classes, urban/rural areas and tribal areas where local customs establish men's authority over women's lives. Social norms also do not support women's involvement in economic activity outside their homes, forcing them to rely upon low skilled jobs, mostly home-based or to simply not participate in the wider economy.
6. Women often work as **unpaid family labour**, and have restricted mobility limiting their access to supplies and/or markets. Their conditions and the level of their involvement in decision-making differ according to the socio-cultural norms of the various provinces. According to World Bank data, Pakistani women already spend

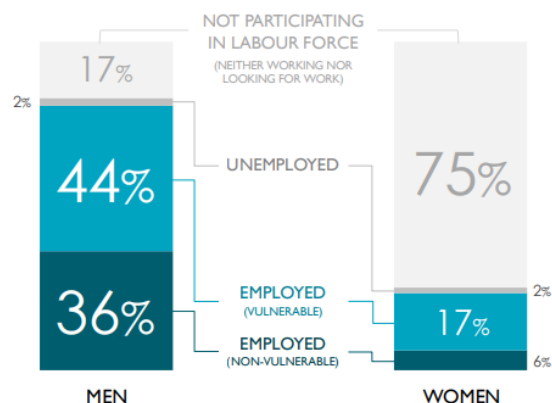
³²⁵ Asian Development Bank. 2016.

³²⁶ World Economic Forum. 2020.

³²⁷ World Bank data; Asian Development Bank. 2016.

on average 10.5 times more time than men on **unpaid domestic care work**, including household chores and caring for children and older relatives.³²⁸ This leads to women being more time-poor and getting less time to spend on their own health and economic and skills development.

Pakistan labour force summary (% of total population)



Source: World Bank, 2017.

7. Seventy-two per cent of women are associated with agriculture sector out of the total women labour force in Pakistan in particular in farm work and livestock management. In general, men deal with marketing (outside villages) and incomes.³²⁹ They manage every aspect of farm work (harvest, process and produce), yet they are not landowners. Despite the crucial role in this sector, their involvement in decision-making is limited, their work in land is not counted as an economic activity. They have also limited access to asset and landownership, limiting their access to credit. They have limited access to extension services and agricultural training and farm equipment.
8. Pakistani women are unable to exercise the rights to land granted to them by constitutional, statutory, and religious law, under pressure of customary law and traditional practice. Generally, women do not inherit property or land. Exception to this rule is made for widows. Despite this exception, widows do not control any of the land they might inherit from their deceased husbands. The control passes instead to their sons or other male relatives, leaving widows dependant on their husbands' families.³³⁰
9. **Gilgit-Baltistan** has an agro-pastoral economy. The division of labour between men and women differs. Women are involved in a full range of agricultural activities (weeding, harvesting, herding, fruit processing, collecting fodder, growing vegetable and raising poultry). They have also daily household activities. Their work cycle is continuous and increases in summers due to the harvest period. Men have more responsibility/participation in irrigation, forestry and wool management. Marketing and income possession are also men's responsibilities. For instance, women involvement in apricot production is 70 per cent but men, assisted by women, lead the entire cycle of production because of the local cultural norms.³³¹
10. Despite all the constraints, women situation in GB differs from other provinces. Women have a stronger role to play at the household and community level and have taken up their own development initiatives and organized themselves into village-based organizations and local support organizations. A key factor boosting women's empowerment is labour migration that is a prominent livelihood strategy in GB. While this phenomenon increases the workload of women, it gives them the

³²⁸ Quresh, Uzma. 2019. World Bank blog.

³²⁹ FAO. 2015.

³³⁰ Asian Development Bank. 2007; USAID. Undated.

³³¹ FAO. 2015.

possibility to be greatly involved in decision-making at the household and community level. This aspect has also paved the way for institutions like the Aga Khan Development Network to be active in the overall socio-economic development of women through its various interventions. Furthermore, the Government of GB and NGOs over the years have initiated a number of programmes focused on gender and development. The Government has fixed a 33 per cent quota for female representatives in various tiers of local government and also established a Women Development Directorate. A number of projects like "Self Employment Project for Women (2004-5)", "Women's Vocational Training Project (2004-5)", "Doorstep Employment Project (2005-10)" have been implemented so far.³³² The situation may differ in religious and socio-cultural systems in conservative areas (e.g. Diamer and Astore).

11. **In Punjab**, women are among many landless labourers and small farmers. They play major role in agriculture production, livestock rearing and running cotton industries and are in charge of domestic and farm work, while men deal with markets. Women either earn very low wages or their work is unpaid at all with the men of the family receiving the payment. Key constraints faced by women in Punjab are similar to other provinces, including limited access to basic services, to microfinance, to extension services and to skills development³³³. However, trends in Punjab are changing with the economy of Punjab strengthening and changing social norms. Women are becoming financially independent due to their lead role in agriculture. The government of Punjab has undertaken a number of initiatives for women's empowerment including the "Punjab Women Empowerment Package (2012, 2014, 2016 and 2017)", in order to address social and economic issues faced by women.³³⁴ Features of these initiatives include skills development in agriculture, livestock & food processing, veterinary training in livestock management, animal production and protection and poultry husbandry, free of cost vocational training to women belonging to minority communities, support to the development of women micro entrepreneurs in rural and urban areas.
12. **Balochistan** is the most underdeveloped province of the country having multi-dimensional, widespread and profound poverty. The economy is dominated by agriculture including livestock and fisheries. The society is predominantly patriarchal and is structured on kinship bases and each group is attached to a particular tradition. Many representatives in the political arena are tribal chiefs and Sardars. Balochistan government elaborated a Gender Equality Policy 2013 that focused on social, economic and political empowerment of women, enhancing leadership role of women in humanitarian crisis and ending violence against women. However, this policy has not backed up by an implementation plan, which limits its usefulness. This was followed by a Strategic Action Plan 2016–2020, which is being reviewed with the support of UN Women to be aligned with the SDGs.³³⁵ An analysis reveals that where Balochistan actually lacks with respect to SDG 5 targets is in institutions and the enforcement of existing legislation and laws and not necessarily the existence of laws.³³⁶
13. In Balochistan, women have weak bargaining positions in the household and are excluded from decision-making at the household and community levels, mostly due to embedded traditional gender divisions. Physical isolation due to the distances between roads and villages contributes to their sense of disempowerment. Women are not allowed to move freely outside of the settlement of their clan within the village except for special occasions when they are accompanied and supervised by

³³² IFAD, ETI-GB project design, 2015

³³³ World Bank, 2015. State-provided skills programmes typically require 5 years of formal education, precluding often the participation of women due to their low inclusion in the formal education sector.

³³⁴ FAO, 2015

³³⁵ UNDP Development advocate Pakistan, vol.5 2018 & GLLSP II project design report

³³⁶ LEAD 2017 Sustainable Development Goal 5: A Legislative and Policy Gap Analysis for Balochistan (in collaboration with UNDP and USAID)

male relatives. Tribal norms dictate women's rights in matters of property and inheritance. Women are rarely allowed to own productive assets such as land or livestock. And they generally lack control over their labour and its proceeds.

14. Women in Balochistan are involved in almost every sphere of life but their participation is much higher in agriculture (precisely in weeding, seed cleaning and storage of crops). Men dominate activities including land preparation, threshing, marketing, and transport. In some areas (e.g. Kalat and khuzdar regions) have the culture of using medicinal plants used traditionally by women as treatment various diseases. Women participate considerably to livestock production and management including wool processing and cleaning, milk processing, collecting fodder, whilst men's responsibility include slaughtering and marketing. Major decisions regarding livestock production are taken by men, but women decide on matters relating to smaller animals and birds, especially poultry; the latter being a significant source of their personal income and covers their personal expenses such like embroidery, glasswork, ornamental dressmaking and cosmetics. Women are also important actors in fisheries and aquaculture, particularly in small-scale operations. In the pre-harvest stages, women repair fishing gear and prepare aquaculture ponds, and to a lesser extent, take part in the fishing itself. Women's role in fisheries and aquaculture is often greatest in the post-harvest stages, such as in cleaning, processing, and distributing the catch.³³⁷

³³⁷ Patil *et al.* 2018.

2008 country programme evaluation – conclusions, recommendations and CSPE comments

A. Conclusions (extract from 2008 CPE)

1. The Fund has made an important contribution to agriculture and rural development in Pakistan, which is even more significant in the light of the current surge in food, commodity prices and related shortages. This has been achieved despite its relatively limited investments in the country and the lack, until recently, of a permanent country presence. It is also particularly noteworthy as several IFAD operations have been implemented in highly challenging environments.
2. The Fund was instrumental in further developing the successful Agha Khan Rural Support Programme model to grass-roots development, by scaling it up and adapting it to a government implementation model. IFAD has also contributed to strengthening community-based organizations, to women's empowerment (including in difficult contexts such as Federally Administered Tribal Areas, FATAs³³⁸) and to improving the agricultural productivity of small farmers, which led to better food security and incomes. These achievements are the result of IFAD's focus on pursuing largely agricultural-based interventions. However, a number of areas such as environmental issues, rural financial services and market linkages, as well as livestock development and the promotion of high-value crops, did not receive the attention they deserved.
3. Notwithstanding the above, the CPE concludes that even greater results could have been achieved by IFAD through wider consideration of and investments in non-farm activities and employment, including attention to the development of rural microenterprises with adequate linkages to rural financial services. Moreover, greater attention to the consequences of migration, and to ways of tapping the vast amount of remittances flows would have been useful. This is particularly relevant in light of Pakistan's categorization as a 'transforming country' and agriculture's modest 30 per cent contribution to the incomes of the poorest rural people.
4. Good results were seen with regard to social mobilization and the building of community-based organizations. However, the CPE concludes that the Fund could have taken a more broad-based approach to supporting Pakistan's devolution plan of 2000 and to overall decentralization, including greater attention being paid to strengthening local governments and representatives of elected bodies through capacity building of locally based employees of different levels of government and encouraging a service orientated culture, as well as proactively seeking partnerships with the private sector.
5. IFAD has worked in various remote, disadvantaged and conflict-affected areas of Pakistan, including the FATAs, parts of the North-West Frontier Province³³⁹ and AJK. Despite the difficulties associated to working in these geographic areas, the performance of IFAD-funded activities in such areas in Pakistan has been moderately satisfactory on the whole, and future IFAD assistance in these areas of the country deserves serious consideration. While the CPE noted the strong desire of the Government to ensure the Fund's continued engagement in such areas, the Fund cannot continue with an undifferentiated approach.
6. Two overarching factors call for special consideration by the Fund. First, sustainability – an institution-wide issue for IFAD and also a concern in the Pakistan portfolio; and second, innovation, which despite various examples in the portfolio, has not been conspicuous in the country. Moreover, results remain weak in terms of the replication and scaling up of innovations promoted through IFAD operations, which is partly attributed to inadequate attention to non-lending activities, as well

³³⁸ This area was merged with Khyber Pakhtunkhwa province in 2018.

³³⁹ The area became Khyber Pakhtunkhwa (province) in 2010.

as to poor links between grants and loans. Even though limited in terms of resources and authority, the establishment of a proxy country presence in 2005 has contributed to better positioning of IFAD in Pakistan. Monitoring and evaluation systems were weak.

B. Recommendations and CSPE comments

Recommendation 1: Better balance between agricultural and non-farm investments

7. The need to develop a better balance between agricultural and non-farm investments in the rural sector in Pakistan. This is important, as most (57 per cent) of the rural poor are from non-farm households (that derive their income from activities other than crop and livestock production) and more off-farm opportunities are now being offered by the country's growing business environment. The CPE recommends that more resources be devoted to non-farm opportunities, including small agribusinesses and family-based rural microenterprises. It also stresses the importance of promoting wider market linkages for both agricultural and non-farm outputs. In addition, further developing rural financial services and products for agriculture and non-agricultural activities is central to ensuring that the poor have access to financing for rural poverty alleviation initiatives. In terms of agricultural activities, greater attention should be paid to livestock development and high-value crops such as fruit, vegetables and flowers that provide higher returns on investments. Agricultural land investments should be accompanied by measures aimed at improving environmental and natural resource management, such as integrated catchment management and increasing the efficiency of water use under rainfed conditions, and to instituting environmental assessments for infrastructure constructed by projects.

CSPE comments: The recent/current portfolio is not well-balanced, as it has become heavier on asset transfer and vocational training, in part also due to the cancellation of LAMP and design adjustment of SPPAP design, in addition to NPGP totally dedicated to this type of support. In some ways, this CPE recommendation has been used to promote the "poverty graduation approach", but it should be recalled that non-farm does not necessarily mean non-agriculture, as many employment opportunities in rural areas can still be related to agriculture, if not production. As for the 2008 CPE recommendation to pay greater attention to livestock and high-value crops for higher returns, coupled with sustainable natural resource management, it is not well reflected in either COSOP, but to some extent it has been taken up in some projects (cancelled LAMP, ETI-GB). **[partially implemented]**

Recommendation 2: Capacity development support to decentralized entities

8. Provide capacity development support to decentralized entities and other bodies working at the local level to complement the work of other larger development partners. This requires that continued attention be given to social mobilization and the strengthening of CBOs, local NGOs and rural civil society in general. At the same time, the Fund should take a more inclusive approach to supporting decentralization by establishing the building blocks for a more service orientated relationship between governments and local organizations. This entails building up the capacity both of local governments (at the district, tehsil and union levels) and of representatives of elected bodies (e.g. village councils, local legislative assemblies, etc.) that play an important role in planning and resource allocation for rural poverty alleviations at the grass-roots level and in promoting accountability and transparency of local administrations involved in IFAD-supported projects. Greater participation by private-sector groups of farmers and enterprises is also warranted to ensure better results.

CSPE comments: This recommendation has not been sufficiently taken up. Capacity development support at local level has mostly focused on the formation and strengthening of community institutions, which are largely project-centred. There has been steady working collaboration with well-established not-for-profit organizations (e.g. PPAF, NRSP), but there has not been much attention to strengthening smaller/local NGOs or civil society organizations (except for LSOs in some projects). Similarly, there has been little emphasis on institutional strengthening of government agencies at decentralized level. GLLSP had a sub-component in this regard, but it did not take off. **[Not implemented]**

Recommendation 3: Working in disadvantaged, remote and conflict-ridden areas

9. The CPE recommends that the Fund continue to support the Government in its engagement in disadvantaged, remote and conflict-ridden areas such as the North-West Frontier Province, AJK and the FATAs. However, this requires a much more differentiated approach which is flexible and adapted to such challenging areas, paying careful attention to the specific social context, culture and priorities of the rural people living there. The importance of ensuring the commitment and ownership of provincial and federal governments to IFAD's efforts in these areas cannot be overemphasized. In addition, it will be also essential to mobilize specific expertise for project design, implementation and supervision. In fact, IFAD could play a complementary developmental role – in support of the rural poor – to the Government's own initiatives and those of other donors working in such environments. The interventions should be given more time in project execution, without having negative impact on country performance-based allocation system score.

CSPE comments: The current CSPE considers that this recommendation has been largely followed as and where feasible. The programme covered remote and disadvantaged areas such as southern parts of Balochistan, southern Punjab and parts of Gilgit-Baltistan. Most of these areas (especially Balochistan and South Gilgit-Baltistan) are remote and faced some sort of fragility over the years. IFAD projects have contributed to galvanize potential and energy within these context for positive results. **[Implemented]**

Recommendation 4: Promote innovations

10. The strengthening of IFAD's capacity to promote innovations that can be scaled up and replicated by the Government, donor organizations and the private sector, merits increased attention and resources in Pakistan. This will include a more systematic approach to identifying and piloting innovative approaches to agriculture and rural development; better documentation; the sharing of successfully tested innovations; greater resources and capacity to engage in policy dialogue (e.g. on local governance issues, rural finance outreach, pro-poor agricultural policies); and carefully selecting partner institutions with a good track record both in introducing and nurturing innovations and in working with the rural poor in similar IFAD priority areas. This will also call for greater synergies between, and the wider use of, the mix of instruments (loans, grants, policy dialogue, etc.) available to the Fund as well as enhanced country involvement in and ownership of grants. Innovative approaches are needed in a number of areas such as remittances (savings accounts, investment opportunities); migration (improving the value of landless people on the employment market through vocational training and helping them find employment in small towns, urban centres and overseas); promotion of local governance; and the use of grants (as opposed to loans) to support efforts by larger development actors in conflict areas such as FATAs.

CSPE comments: Innovation featured heavily in the 2009 COSOP. The CPE and the 2009 COSOP called for a greater capacity for policy dialogue, the use of grants, and the careful

selection of partner institutions to support the introduction, testing/validation and sharing of innovations.³⁴⁰ While some innovative approaches were pursued under the early years of the 2009 COSOP, in particular with regard to the two micro-finance projects, the focus on promoting innovation was largely diluted in the 2016 COSOP, with many of the cited 'innovations' not being particularly new to the context.³⁴¹ Beyond the scattered examples of technological innovations, and microfinance approaches, overall, the portfolio has not adequately addressed this recommendation: IFAD has not explored innovative partnerships, choosing instead to replicate existing arrangements with the same partners for each new project; policy dialogue has generally been weak across the portfolio, with limited capacity for knowledge management and the testing and validation of the few innovations that have been piloted by the projects; meanwhile, the use of grants has been minimal, with weak links between grants and loans (see non-lending section). Despite the efforts at project level for promotional materials and communications, knowledge management at project and portfolio level remained weak, with little capitalization of viability or feasibility of innovations. The use of grants and other non-lending activities were minimal. **[Not implemented]**

Recommendation 5: Adjust IFAD's operating model

11. The Fund's overall development effectiveness would be further enhanced by adjustments to its operating model that take account of the size and specificities of its programme in Pakistan. This includes establishing a more consolidated and permanent country presence in line with Executive Board approved policies and budget allocation (one option to strengthen country presence in Pakistan is to outpost the Country Programme Manager from Rome); undertaking direct supervision and implementation of IFAD-funded projects and programmes which, in fact, IFAD has already started since the beginning of 2008; and making efforts to improve both knowledge management and project- and country-level monitoring and evaluation systems.

CSPE comments: Since the previous CPE, the country office and the country programme officer position have been formalized. However, the planned Host Country Agreement has not been finalized and the country director operates from the sub-regional hub in Beijing since 2018; this has not brought the staff much closer to Pakistan. Nonetheless, on a positive note, the involvement and leadership of country director in design, supervision and other missions have visibly increased, especially in the latter part of the CSPE period. **[Not implemented]**

³⁴⁰ For example, the 2009 COSOP envisaged increased partnerships with NGOs that would be more open to piloting innovations, or through citizen community boards.

³⁴¹ For example, the 2016 COSOP cited the targeting of the ultra-poor and the engagement of RSPs for social mobilisation, as examples of innovations – neither of which were new in the Pakistan context, and neither of which can be attributable to IFAD.

Supporting data for CSPE assessment

For section III. The lending portfolio

III.A.1 Relevance

[paragraph 67]

Box XII-1

Origin of the Graduation Approach and reflection on “poverty graduation approach” as practiced in Pakistan

Origin of the Graduation Approach

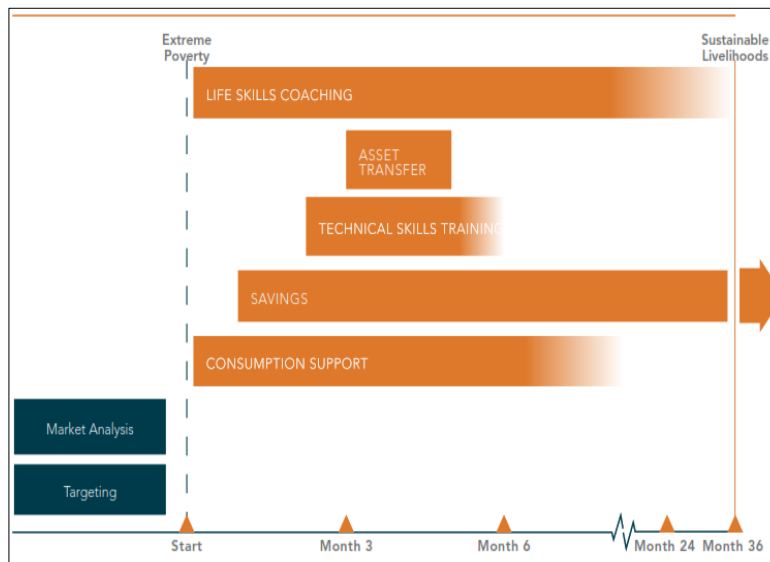
The origin of introducing what is termed as a “poverty graduation approach” in the IFAD-supported portfolio in Pakistan was the approach/model developed in Bangladesh, i.e. “the Graduation Approach”, which has become known as a promising model (also known as “big push”) to help put the extremely and vulnerable households onto a pathway out of extreme poverty. The initiative was pioneered by the Bangladesh Rural Advancement Committee (BRAC) in 2002, originally called “Challenging the Frontiers of Poverty Reduction

– Targeting the Ultra Poor”. This initiative was based on the recognition that its microfinance programmes were not reaching many of the poorest. BRAC then designed and supported “a set of carefully sequenced measures tailored to the unique set of challenges faced by the ultra-poor” (BRAC 2013). Based on the positive results on various indicators (such as consumption, food security, assets, incomes) from a number of randomized control trials, the BRAC Graduation Approach has attracted significant attention of policy makers and development practitioners as a promising development model that can contribute to moving more people out of poverty. Since then, there has been a proliferation of “graduation programmes”, following the Graduation Approach in its original holistic five-step form or some adaptation thereof, often in combination with social protection programmes.

Pilot and research in Pakistan

Pakistan was part of the well-known multi-country research,³⁴² with the interventions implemented by PPAF between 2007 and 2010 as a pilot with its five partner organizations in Sindh (Aga Khan Planning and Building Service, Badin Rural Development Society, Indus Earth Trust, Orangi Charitable Trust and Sindh Agricultural and Forestry Workers Coordinating Organization). The pilot was financed under MIOP Innovation and Outreach Facility, even though the intervention was much broader than microfinance.³⁴³ This pilot activity in Pakistan, in line with how the Graduation Approach was operationalized in other countries, entailed productive assets, skills development, cash allowance, facilitation of voluntary savings and access to health services/health insurance.³⁴⁴

PPAF further supported a research on the impact of asset transfers on household incomes compared to cash transfers. In collaboration with the Centre for Economic Research in Pakistan, the University College London and London School of Economics conducted a randomized control trial, with the sample of randomly selected 1895 extremely and vulnerable households, who



³⁴² Banerjee *et al.* 2015.

³⁴³ PPAF report (2011) refers to the pilot activities with five partner organizations from 2007-2010 and this matches the list of organizations and projects funded under MIOP under the heading “Social Safety Net – Targeting Ultra Poor”, but there is no mention of IFAD nor MIOP in the 2011 PPAF report.

³⁴⁴ PPAF 2011.

would either receive asset or cash. The research results have showed that asset transfers increased household economic activities more than cash transfers.

Graduation Approach as defined by BRAC and CGAP

According to BRAC, “the Graduation Approach is a comprehensive, time-bound, integrated and sequenced set of interventions that aim to enable extreme and ultra-poor households to achieve key milestones towards sustainable livelihoods and socioeconomic resilience, in order to progress along a pathway out of extreme poverty.” CGAP technical guide defines it as “a fully integrated, five-step suite of interventions, delivered in a specific sequence”, with five steps being: consumption support, savings, asset transfer, technical skills training, and life skills coaching, for a defined period of time (generally 18-36 months).

“Poverty graduation approach” in Pakistan

In a number of aspects, the IFAD-financed interventions – except for the MIOP-financed pilot activities in Sindh - differ from the original Graduation Approach as defined as above. For example, the project support in Pakistan has had a predominant focus on assets and skills training with a limited emphasis on other ingredients of the Graduation Approach, such as savings, life-skills training or access to health services. Furthermore, careful sequencing of interventions - one of the important traits of the Graduation Approach - is not evident in the IFAD portfolio.³⁴⁵ Without these features, it is not entirely clear how may be distinguished from a combination of the provision of assets (especially livestock) and skills training (often coupled with savings promotion and microcredit) as have been supported by RSPs and other programmes over decades.³⁴⁶ While the original Graduation Approach targets specifically the extremely poor for time-bound intensive support, NPGP (and the Government’s National Poverty Graduation Initiative) is designed to provide different types of support for different poverty scorecard bands (between 0-40).

What does “graduation” mean?

The definition of “graduation” by BRAC and CGAP is somewhat nuanced, in that it is about moving people onto a pathway out of extreme poverty (and not necessarily out of poverty) and is the point at which a participant is deemed to be able to “sustain an economically viable livelihood and has lower risk of reverting back into extreme poverty” (De Montesquiou, A. *et al.* 2014). However, in the social protection and the development communities, the term “graduation” seems to have been used and (mis)understood in different ways, including, graduation to be able to access microfinance services (linked to the original motivation of the BRAC initiative), graduation into social protection (for those that were not in the system), graduation out of social protection or graduation out of poverty.

In the IFAD Pakistan portfolio, “graduation” is mostly interpreted as removing households out of the social safety net support, or moving households from one poverty scorecard band to a higher band (>24). However, a caveat is required in declaring households as “graduated” based on the poverty scorecard status change which is largely influenced by assets. Also it is difficult to ascertain how sustainable this change in the poverty scorecard status might be, as it could be affected or reversed by critical events (such as natural disasters, death in the family). Another point of caution is, as was noted by the CPSE field visit, some beneficiaries apparently prefer to stay within lower poverty scorecard bands not to lose the benefits of asset and cash transfer programmes.³⁴⁷

Sceptical views on the Graduation Approach

While the Graduation Approach has become popular, there are some sceptical views on its effectiveness and impact. Kidd and Bailey-Athias (2017), for example, state that claims made about the successes of graduation programmes are misleading as they give the impression that impacts are much greater than they actually are. There is also a question raised on sustainability of benefits.

Source: BRAC website; De Montesquiou, A. *et al.* 2014; Kidd and Bailey-Athias, 2017; PPAF 2011.

³⁴⁵ For example, according to the NPGP MTR (November 2020), 28,213 asset packages (against the target of 177,000) were transferred but no training had taken place.

³⁴⁶ The World Bank funded PPAF III completion report (2017) noted that the programme provided productive assets to 96,000 ultra-poor and vulnerable poor households and skills training to many more households. The same report already referred to, as one of the major programme outcomes, “taking to scale the poverty graduation approach that has shown to significantly and positively impact income, consumption and wealth of the poorest households”

³⁴⁷ This view was expressed by female beneficiaries of asset transfer and training in SPPAP in more than one focus group discussions.

III.A.2 Effectiveness

[paragraph 87]

Table XII-1

Outreach estimates for portfolio projects

<i>Project</i>	<i>Geographical coverage</i>	<i>Original target (households)</i>	<i>Revised target (households)</i>	<i>Actual (households)</i>	<i>Actual (persons)</i>
Projects with “communities” as an entry point					
CDP (completed)	Azad Jammu and Kashmir	123 000	63 000	73 265	
GLLSP (completed)	Gwadar and Lasbela (Balochistan)	20 000	36 000	53 395	350 014
SPPAP (ongoing - 2022)	Southern Punjab	131 000	232 450	135 680	175 680
ETI-GB (ongoing – 2022)	Gilgit-Baltistan	100 000	100 000	56 715	425 362
Estimated total		374 000	431 450	319 055	951 056
Microfinance programmes				Borrowers (accumulated number, with possible double counting)	
MIOP				73 796	
PRISM				176 288	1 198 758

Source: CSPE team, based on project documents and consultations with project teams and implementing partners.

[paragraph 97]

Table XII-2

Project support to community institutions – reported results

<i>Project / District</i>	<i>Number of COs</i>	<i>Male COs</i>	<i>Female COs</i>	<i>Mixed COs</i>	<i>Total members</i>	<i>VOs</i>	<i>LSOs</i>
CDP (completed)							
Neelum	212	153	54	5	4,581		
Muzaffarabad	499	239	231	29	14,082		
Kotli	561	234	261	66	12,479		
Poonch	448	229	191	28	12,283		
Sudhnoti	264	122	85	57	5,950		
Hattian Bala	70	38	26	6	1,912		
Haveli	44	15	20	10	968		
Bagh	443	230	179	34	10,677		
Mirpur	243	157	84	2	5,439		
Bhimber	199	139	45	15	4,909		
CDP total	2,983	1,556	1,176	252	72,380		
GLLSP (completed)							
Gwadar	770	233	488	49	12,970	137	16
Lasbela	2,557	1,130	1,217	210	41,049	413	26
GLLSP total	3,327	1,363	1,705	259	54,019	550	42
SPPAP (ongoing)							
Bahawalnagar*	1145	5	885	255	18,193	87	6
Bahawalpur*	976	25	822	129	15,385	19	3
Muzafargath*	1200	122	866	212	22,416	37	2
Rajanpur*	2,077	107	1302	668	35,764	96	5
Rahim Yar Khan	312	0	297	15	4,958		
DG Khan	295	0	276	19	4,511		
Layyah	159	0	126	33	2,262		
Bhakkar	62	0	62	0	835		
Khushab	99	0	61	38	1,295		
Mianwali	89	0	88	1	1,174		
SPPAP total	6,414	259	4,785	1,370	106,793		
TOTAL	12,724	3,178	7,666	1,881	234,092	789	58
		25%	60%	15%			

Source: Project data obtained by IOE for CDP PPA and CSPE.

* Original SPPAP districts (before expansion with additional financing)

[paragraph 87]

Table XII-3

Community infrastructure outputs – number by type of scheme

Project										
<i>District or area</i>	<i>Drinking water</i>	<i>Drainage and sanitation</i>	<i>Access/link roads, bridges</i>	<i>Irrigation / agriculture</i>	<i>Protection works</i>	<i>Primary school</i>	<i>First aid posts</i>	<i>Micro-hydro power unit</i>	<i>NRM</i>	<i>Solar Lighting System</i>
CDP (completed)										
AJK	487	226	256	184	22	61	33	31	52	
GLLSP (completed)										
Gwadar	114	24		4	22					59
Lasbela	410	56	20	55	37					179
SPPAP (ongoing)										
Bahawalnagar*	12	172	32	55				2		
Bahawalpur*	24	135	34	23				4		
Muzafargarh*	5	174	85	24				6		
Rajanpur*	10	253	75	117				5		
Bhakkar										
Dera Ghazi Khan		20	9	3						
Khushab										
Layyah		5	1							
Mianwali										
Rahim Yar Khan		42								
Total	1,062	1,107	512	465	81	61	33	31	69	238

Source: CDP PPA and project data shared with CSPE.

* Original SPPAP districts (before expansion with additional financing)

[paragraph 87]

Table XII-4

Community infrastructure outputs – cost by type of scheme (PKR million)

<i>Project District</i>	<i>Drinking water</i>	<i>Drainage and sanitation</i>	<i>Access/link roads, bridges</i>	<i>Irrigation/agric</i>	<i>Protection works</i>	<i>Primary school</i>	<i>First aid posts</i>	<i>Micro-hydro power unit</i>	<i>NRM</i>	<i>Solar Lighting System</i>
CDP										
AJK	233.8	345.8	376.3	101.2	13.6	219.0	44.9	56.1	37.4	
GLLSP										
Gwadar	118.32	34.75		4.30	25.25					52.09
Lasbela	268.10	69.32	16.01	50.78	36.15					141.43
SPPAP										
Bahawalnagar*	4.92	138.56	22.25	65.57					1.08	
Bahawalpur*	9.83	104.96	32.12	24.68					2.36	
Muzafargarh*	4.42	144.78	83.43	16.04					4.69	
Rajanpur*	7.58	176.31	63.9	94.53					3.15	
Bhakkar										
Dera Ghazi Khan		15.13	6.73	4.66						
Khushab										
Layyah		4.35	1.02							
Mianwali										
Rahim Yar Khan		40.33								
Total	646.93	1,074.28	601.78	361.75	75.04	218.99	44.88	56.11	48.72	193.52

Source: CDP PPA and project data shared with CSPE.

* Original SPPAP districts (before expansion with additional financing)

[paragraph 109, 114]

Table XII-5

Access to financial services: different approaches and results

	<i>Interventions</i>	<i>Outreach / results</i>	<i>CSPE comment</i>
Indirect	MIOP Support to MFSPs including “young” partners. Funding facility to promote innovations and better outreach. Enabling environment	Outreach number not clearly estimated. At MIOP completion, active rural clients supported by PPAF was estimated as 506,452, but this would have included those not directly relevant to MIOP support.	Due to the nature of the programme, difficult to assess the results on the ground. A broad survey on microcredit clients under PPAF showed 61% as non-poor.
	PRISM Credit enhancement facility, equity fund for MFSPs. Enabling environment.	At completion, incremental number of clients funded through PRISM reported as 176,288 (73 per cent women)	Same as above. The reported number is “incremental” and therefore, actual outreach would be less.
Direct	CDP Matching funds for Community Organization (CO) savings to be used for internal lending	CDP reported 17,074 loans (52 per cent by female). With frequent repeat borrowing, the number of borrowers would have been notably lower.	CDP overall outreach was 73,000 households through 2,950 COs, thus microcredit loan outreach limited.
	GLLSP Provision of funds through NRSP to LSOs/VOs to extend credit to poor (following the step below). This follows the approach/mechanism known as “community investment fund” ³⁴⁸	At project completion, 19 VOs (3.5 per cent of the total VOs formed) and 21 LSOs (70 per cent) operated the facility and disbursed credits to <u>3,381 beneficiaries</u> (75 per cent of the target of 4,520) ³⁴⁹ , which constitute 6 per cent of members of all COs.	Low achievement attributed to delays in fund transfers to NRSP. But given limited availability of formal financial services in Balochistan, GLLSP results are considered non-negligible.
	GLLSP Funds through NRSP to onlend as a step before “community-managed financial services” (above)	Against the target of 5,000, NRSP disbursed <u>2,984 loans</u> .	The impact assessment reported 68 per cent of the 131 surveyed borrowers had not taken a loan before. ³⁵⁰
	SPPAP Provision of funds through NRSP Bank and NRPS for onlending to PSC 0-23 households for agricultural inputs at subsidized interest rate (15%). The scope expanded to enterprise/ vocational training beneficiaries.	NRSP Bank: 6,952 loans issued to about 2,100 borrowers. NRSP: 5,747 loans to 2,536 borrowers (as of June 2020) Total outreach approximately <u>4,600 borrowers</u> . Close to 100% repayment.	March 2020 supervision mission reported 11,768 beneficiaries, but this is misleading, since this would have been the number of loans issued on a cumulative basis and not ‘unique’ borrowers.

Source: MIOP/PRISM PCR and PCRVs; CDP PPA; GLLSP PCR; SPPAP 2020 supervision mission report; data provided by NRSP Bank and NRSP for SPPAP

³⁴⁸ “Community investment fund (CIF) is a grant provided to the apex bodies of COs known as Local Support Organization (LSO). The LSO uses this grant to provide microcredit to the poor members of the COs for various income generating purposes. Social mobilization process prepares the base for proper targeting and women inclusion. The poor members of the CO are identified through the poverty score card survey. NRSP builds the capacity of the LSO to manage the CIF.” (GLLSP Design report working paper). Capacity building of LSOs may include supporting them in formation of management committee and organizing the structure of LSO comprising of office bearers and hiring of a book keeper to keep record of disbursements and recoveries.

³⁴⁹ GLLSP PCR.

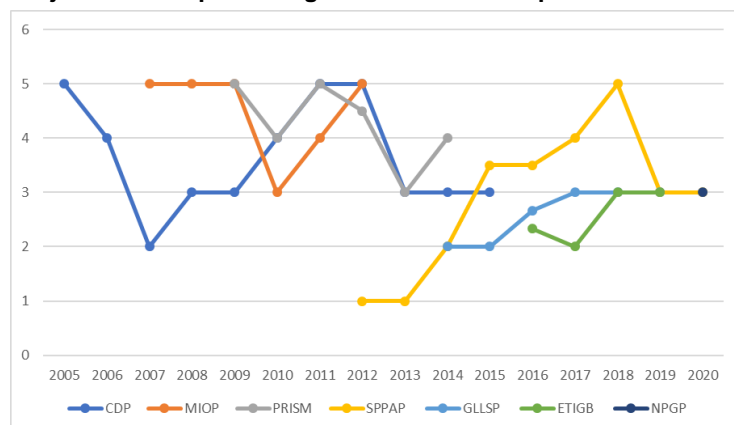
³⁵⁰ GLLSP impact assessment and response to CSPE inquiry from the company which conducted the survey.

III.A.3 Efficiency

[paragraph 120-121]

Figure XII-1

Project status report ratings on disbursement performance

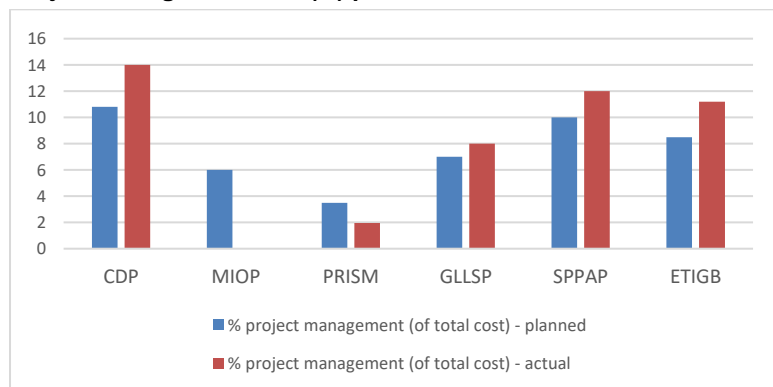


Source: Project status reports periodically prepared by IFAD.

[paragraph 123]

Figure XII-2

Project management cost (%) planned vs. actual



Source: PCRs/PCRVs for CDP, PRISM and GLLSP. Latest supervision missions for SPPAP and ETI-GB.

No record on component-wise expenditure for MIOP.

[paragraph 125]

Table XII-6

Economic efficiency indicators reported in recent projects

Project	EIRR estimation		Opportunity cost of capital (%)	Net present value estimate at completion (US\$ million)	CSPE team comment
	Design (%)	Completion (%)			
GLLSP (completed)	19.2	27.02	12	12.33	EIRR computed at completion may have been overestimated (see below)
SPPAP (ongoing)	25.36	Not applicable	11.55	Not applicable	Overall on track
ETI-GB (ongoing)	28.67 ³⁵¹	Not applicable	11.17	Not applicable	On track – current delays could be compensated by higher benefits the long run

Source: GLLSP project design report, ETI-GB MTR, SPPAP third additional financing design report, GLLSP PCR, including working papers and EFA excel spreadsheets.

³⁵¹ As revised by MTR from 30.5 per cent estimated at design.

[paragraph 125]

Table XII-7

Review of economic internal rate of return estimation

	<i>Main drivers of net incremental benefits</i>	<i>Other benefits not quantified in EIRR</i>	<i>Factors that would reduce EIRR estimated (at design or completion)</i>
GLLSP (completed)	<ul style="list-style-type: none"> • Livelihoods enhancement (e.g. vocational training, productive asset transfer) • Increased crop and livestock productivity and production (e.g. irrigation, livestock distribution) • Reduced fish catch loss (improved road access) • Other benefits from community physical infrastructures (e.g. health and sanitation, time saved) 	Environmental benefits	<ul style="list-style-type: none"> • Formula errors in beneficiaries aggregation and assessment of net incremental benefits • Revised timing of accrual of benefits due to implementation delays
SPPAP (ongoing)	<ul style="list-style-type: none"> • Livelihoods enhancement (particularly, vocational and enterprises training, SHUs) • Livestock activities (livestock distribution) • Health and sanitation benefits from access to drinking water 	Women's empowerment deriving from SHUs and other activities	<ul style="list-style-type: none"> • Aggregation of beneficiaries • Delayed benefits from revolving fund
ETI-GB (ongoing)	<ul style="list-style-type: none"> • Increased returns from better agricultural productivity (irrigation and land development) and market access (value chain development, 4P support) 	Social and environmental benefits Ancillary benefits from irrigations (improved availability of grass for animal feeding)	<ul style="list-style-type: none"> • Delayed stream of benefits, particularly value chain development • Difficulties to market access (as per current implementation status) • Additional labour costs in certain districts, not quantified by the project

Source: CSPE analysis.

[paragraph 128-129]

Table XII-8

Comparison of unit cost per household in selected projects

	<i>IFAD-financed projects</i>			<i>SUCCESS (EU-funded)</i>	<i>BRACE (EU-funded)</i>
	<i>CDP³⁵²</i>	<i>SPPAP³⁵³</i>	<i>NPGP</i>		
Location	Azad Jammu and Kashmir	Punjab	Selected districts of the country	Sindh	Balochistan
Total project costs (US\$ million)	28.04	115.83	149.8	93.45 (€82.13 mill)	53.5 (€47 mill)
Duration (in years)	8.5	11	6	5	5
No. of districts	10	10	17	8	8
No of beneficiary households*	73,265	232,450	320,000	770,000	300,000
Cost per household (US\$)*	383	498	468	121	178

Source: CDP PPA; SPPAP data provided by PMU (due to the change from the additional financing design document); GLLSP; NPGP design document; for SUCCESS and BRACE data available on internet.

* Not all households receive the same support, therefore, there will be a wide variation in the actual cost for different households

[paragraph 130]

Table XII-9

Community physical infrastructure - average cost of different types of scheme (PKR million)³⁵² Figures at completion as reported by CDP PPA 2015, Annex II.³⁵³ Including the three additional loan financing and one grant. Duration takes into account three extensions approved by the IFAD EB

Project	Drinking water	Drainage and sanitation	Access/ link roads, bridges	Irrigation/ agriculture	Protection works	Micro-hydro power unit	NRM	Solar Lighting System
CDP ³⁵⁴	0.48	1.53	1.47	0.55	0.62	1.81	0.72	NA
GLLSP	0.74	1.30	0.80	0.93	1.04	NA	NA	0.81
SPPAP	0.52	0.78	0.89	0.93	NA	NA	0.66	NA

Source: CDP PPA; data from SPPAP and GLLSP

[paragraph 132]

Table XII-10

Projects/IFAD financing cancelled or designed but not processed

Project (planned IFAD financing)	Timeline	Note
Crop Maximization Support Project (US\$18 million)	IFAD Board approval: Sep 2009 Entry into force: Nov 2009 Cancellation (with zero disbursement): May 2012	Initially conceived as a response to 2008 food crisis and was to contribute to the Government's national programme. ³⁵⁵ Conditions for IFAD funds disbursement were never met. Some of the changes in implementation arrangements/approach the Government wanted to introduce were not considered appropriate by IFAD, and also for other reasons, it was agreed that the loan be cancelled rather than project redesigning.
Livestock and Access to Markets Project (US\$35 million)	IFAD Board approval: Dec 2013 Entry into force Feb 2015 MTR: Jan 2017 Cancellation: 2017 (with 3% disbursement)	With implementation delays, the project was considered "at risk" and some counter-measures agreed upon with IFAD missions remained un-implemented. The issue of ownership and understanding of the project was reported. At MTR, it was agreed with the Provincial and Federal Government to cancel IFAD financing. Of the cancelled amount, US\$25 was reallocated to SPPAP as additional financing.
Community Development Programme – II	Submission to IFAD Board planned for Dec 2017	Project design process started late 2016. Project fully designed and internally reviewed and cleared at IFAD (Sep 2017). During the design process, the Government of AJK made comments on different versions of draft design report, which included the issue with their fiscal space for co-financing. Proposed IFAD financing was reduced significantly (at one point US\$66 million to US\$25 million in the latest proposal) and expected Government cofinancing increased (US\$12 million to US\$62 million) despite concern expressed on their fiscal issue from the start. Agreement was not reached in the end.

Source: project reports for LAMP and CMSP (e.g. supervision or technical mission reports); correspondence between the Government of AJK and IFAD on CDP II draft design

³⁵⁴ CDP also financed social infrastructure, though small in number, such as primary schools (highest average cost of PRK3.59 million) and first aid posts.

³⁵⁵ "Crop Maximization Programme"

III.A.4 Rural poverty impact

[paragraph 135]

Table XII-11

Summary information on impact assessments and comments

Reports (year) [conducted by]	Methodology, sample size	Parameters covered, key results	Note, CSPE comments
AJK-CDP (2003-2013)			
Baseline survey (2004) [Socio-Engineering Consultants]	Household questionnaire. 1,018 households from 91 villages	Broadly on socio economic situation	Both surveys covered a broad range of issues with lengthy questionnaires. The baseline survey seemed more like a broad socio-economic study of the area. Rigor of the surveys and usability of data are questionable, due to a number of factors such as unfocused questionnaires in both surveys (e.g. about 15 water borne diseases or expenditures on medicines, without clear linkage to project activities); poorly formulated questions that may not have facilitated meaningful or reliable responses, weak analysis, incomparability of data sets (e.g. due to the use of slightly different parameters or units for the same/similar data), as well as absence of a comparison group. ³⁵⁶
Impact study ³⁵⁷ (2012)	Household questionnaire. 1,400 households from 40 villages, all from COs supported under CDP	As above	
MIOP (2005-2011)			
Baseline survey ³⁵⁸ (2008) [Punjab Economic Research Institute (PERI)]	Follows the IFAD's RIMS methodology. Questionnaire adapted. The deviations are the sample size (smaller); and the addition of the control group. 112 beneficiary households (HHs) (from the tentative list of beneficiaries prepared by CSC) and 123 HHs as the control group/non beneficiaries. ³⁵⁹	Demographics, housing conditions, cultivation status, livestock ownership, household asset ownership, household income and expenditure, HH economic behaviour (income and expenditure), food security, anthropometry, decision making	Covers one partner organization (PO): Community Support Concern (CSC) based on Lahore, Punjab. It is assumed that the survey was in Punjab but no further details on the CSC coverage or the locations of sampled households.
RIMS ³⁶⁰ (2008-2009) [Punjab Economic Research Institute (PERI)]	Follows the IFAD's RIMS methodology. Questionnaire adapted. The deviations are the sample size (smaller); and the addition of the control group.	For both: household demography, housing conditions, type of fuel used for cooking, cultivation status (method of cultivation), livestock ownership, asset ownership, household income and expenditure, economic behaviour of households, food security,	Two POs: Sarhad Rural Support Programme (SRSP), in North West Frontier Province (NWFP) and Centre for Women Cooperative Development (CWCD), in Punjab.

³⁵⁶ Source: CDP PPA.

³⁵⁷ The PCR, which preceded the impact study, stated that it was not possible to compare impact information with the baseline survey because of overall change in the socio-economic situation (e.g. earthquake), but a well-designed survey with a comparison group and in different parts of AJK with different levels of the impact of the earthquake could have responded to such issue. (ref. PPE, section III B).

³⁵⁸ "IFAD's MIOP phase I, Baseline survey" by Punjab Economic Research Institute, 2008.

³⁵⁹ The reported logic behind surveying a higher number of non-beneficiaries was to control for sample contamination (non-beneficiaries becoming beneficiaries after the execution of the project). They were selected from the adjacent areas with socio-economic characters similar to the sampled beneficiaries.

³⁶⁰ "IFAD's MIOP phase II, Baseline survey" by Punjab Economic Research Institute, 2008

Reports (year) [conducted by]	Methodology, sample size	Parameters covered, key results	Note, CSPE comments
	The sample size of the study for the SRSP in NWFP and as well as for CWCD in Punjab, included 300 HH in total (150 each). ³⁶¹ Control group: 172 non-beneficiaries for the sample of SRSP and 175 for CWCD. ³⁶²	anthropometry, decision making in the household.	
Impact Evaluation ³⁶³ (2013) [Punjab Economic Research Institute (PERI)]	Follows the IFAD's RIMS methodology. Questionnaire adapted. The deviations are the sample size (smaller); and the addition of the control group. 3POs: CSC, SRSP, CWCD. The sample size of the study was 816 household respondents, including 401 beneficiaries and 415 non-beneficiaries (control group). CSC: 101 beneficiary and 104 non-beneficiary households interviewed. ³⁶⁴ SRSP: 150 beneficiary and 163 non-beneficiary households interviewed. CWCD: 150 beneficiary and 152 non-beneficiary households interviewed.	Majority of borrowers in the baseline and impact evaluation surveys (61% and 66% respectively) were non poor (based on poverty scorecard). The report commented that this "negates the prime objective of IFAD-PPAF partnership". Increased incomes between the surveys except for the chronically poor. Higher % of borrowing women have control over cash, income, assets and budget compared to non-borrowing women (over 60% for the former compared to less than 40% for the latter).	Survey carried by the same institution (PERI) as the baseline surveys with a focus on the same three PPAF partner organizations (CSC, CWCD and SRSP). The report is not reflected in the MIOP project completion mission aide-memoire (by the World Bank: final PCR is not available), since it was undertaken later. The attribution or linkage of the reported results to MIOP would be difficult to establish due to a number of factors, including: (a) treatment group households in the baseline survey were selected from the list of beneficiaries provided by partner organizations, which indicates that they were already clients; and (b) the nature and specific inputs/support by or through MIOP for the treatment group is not clear. In other words, the counterfactual is not clear.
PRISM (2007-2013)			
RIMS baseline survey PPAF (2011) [Semiotics Consultants Limited]	Follows the IFAD's RIMS methodology. Questionnaire and additional information on poverty scorecard. 932 households in 31 sampled villages under 5 SAFWCO ³⁶⁵ settlement branches under PRISM, 3 settlement branches in district Matiari and 2 in district Sanghar in Sindh province. No control group	Data on broad areas (IFAD RIMS)	Settlement branch concept – supported under MIOP. See comments below.
RIMS Impact survey (2014) [Semiotics Consultants Limited]	Follows the IFAD's RIMS methodology. Questionnaire and additional information on poverty scorecard. 900 households: 30 clusters with 30 households per cluster No control group.	Data on broad areas (IFAD RIMS). The most directly relevant data relates to access to loans. The report indicated that 73% of the borrowers stated that obtaining a loan improved their social status; however, annex indicates that this is 73% of 28% of all respondents.	It appears that the households were randomly sampled in randomly sampled villages, communities, which were covered by the SAFWCO satellite branches – hence the linkage with PRISM support is not clear. Also, it is not the case that all or most of the villagers covered by the branches are expected to borrow. In fact, the report (annex) indicates that out of 900

³⁶¹ The 300 beneficiary households were selected randomly for interview from the list of beneficiaries provided by SRSP and CWCD.

³⁶² Selected from the adjacent areas with reported socio-economic characteristics similar to the sample beneficiaries.

³⁶³ "RIMS impact evaluation of MIOP" by Punjab Economic Research Institute (PERI), 2013.

³⁶⁴ 37 respondents from the baseline survey were not located, and no respondent from the control group in the baseline survey was found.

³⁶⁵ SAFWCO: Sindh Agricultural Forest Workers Coordination Organization.

Reports (year) [conducted by]	Methodology, sample size	Parameters covered, key results	Note, CSPE comments
		(conclusion) “PRISM has performed well to meet its development goal of reducing poverty, promote economic growth and improve livelihoods of rural households”	respondents, 28% (256) had taken a loan and no comparison to before (or “without”) project. In any case, due to the nature of the programme, it would have been difficult to seek out impact at household level and the report’s conclusion that the report’s claim about PRISM achievement on poverty reduction is not tenable.
MIOP & PRISM			
Measuring impact of microfinance in Paksitan (grant funded) – including impact assessment of MIOP and PRISM (2016) [ACTED]	Mixed method, quantitative and qualitative (focus group discussions, key informant interviews). Sample size about 1,500 for treatment group and over 2,000 for control group.	Mixed findings about the impact of microfinance on poverty (based on proxy indicators – wealth index, poverty scorecard and asset index), positive in Sindh and negative in Punjab. ³⁶⁶ The same report indicated that microcredit did not generate assets for poor and very poor borrowers, while in several cases access to microcredit led to a rise in the income of tenants.	As discussed above, the nature of the programmes (MIOP and PRISM, with a focus on MFSPs) and possible other development initiatives make it difficult to seek out the impact at household levels that can be attributed to the programmes. This challenge was recognized in the report (“a weak link in the results chain”). The World Bank funded PPAF III was also providing substantial support to MFSPs and overlap of their support for the partner organizations sampled in the survey is not clear.
SPPAP (2010-2022)			
Impact survey (2018) M&E staff supervised by IFAD consultant	Follows the guidelines on impact surveys under IFAD’s RIMS. No baseline available, recall method adopted (asking the respondents to remember the conditions of the previous 12 months). Poverty scorecard analysis (same firm involved in original poverty scorecard survey) 705 households, no control group. The sampled households were drawn from the beneficiaries of four types of interventions: small ruminants (200); housing (167); vocational training (178); and community infrastructure (160) (with no overlap).	Changes in incomes (highest for community infrastructure beneficiaries), changes in savings. Only 13% faced at least one period of food insecurity in the past two years 93% of small ruminants activities still own some livestock Reduction in unemployment (63% jobless before vs. 21% after).	Some useful data and analysis, for example, when they combine the respondents’ perceptions (e.g. on the contribution by the project), even if this may not be rigorous. However, the data in the report are not always consistent, seemingly with errors in presentation. For example, the breakdown in percentage or numbers does not add up (e.g. tables 23, 28, 32 in SPPAP impact survey). Some survey questions were not adequately formulated. For example, for livestock beneficiaries, “in the past one year, has your income from livestock activities increased, decreased or remained the same?” it is not clear increased or decreased from what. The survey also asked vocational training beneficiaries about “dairy income”, but it may not be correct to assume that the respondents get incomes daily. Nonetheless, the response on the “before” and “after” does indicate a perceived positive change.
GLLSP (2011-2019)			
Impact evaluation (2020) [Cynosure]	Mixed method, using household survey, focus group discussions and key informant interviews. Also collected data based on the poverty scorecard method to compare to before-project status. No control group. In the survey, sampled 247 beneficiaries covered 574 person-activities	Change in poverty scorecard status (e.g. reduction of households in the poverty scorecard band 0-11 - 29% at baseline (presumably original poverty scorecard data in the registry) to 1%).	Some useful data and indications on positive outcomes, even though the rigor and the quality are not always clear. The questionnaires were organized around different types of support, but given that some beneficiaries received multiple types of support, it could have been difficult for these

³⁶⁶ “.. the impact of microfinance on poverty reduction in Punjab is negative and significant”.

Reports (year) [conducted by]	Methodology, sample size	Parameters covered, key results	Note, CSPE comments
	(i.e. a number of beneficiaries benefited from multiple activities). Questionnaire was organized around different types of support.	62% of vocational trainees practicing trade after the training (15% practiced trade before – but not clear whether this is sub-set of 62%). 68% of microcredit beneficiaries had not taken a loan before project. 90% asset recipients still using the provided assets. Reduction of 35% in household reporting monthly incomes of <PKR1,000 (low level) and increase in those reporting PKR5,000-10,000 (15% increase?).	respondents to differentiate the results/outcomes from one type of activity from the other. The responses are presented in percentage only but not in number (hence, it is not clear % of how many or how no response was treated). Data are not disaggregated by gender. Some data are not presented in a clear manner. For example, for asset transfer beneficiaries, the data on incomes in para 156 and table 14 are not consistent. Para 156 discusses comparison to “before’ but the presentation not clear.

[paragraph 137]

Box XII-2

GLLSP impact evaluation: data on incomes of asset beneficiaries

Extract from GLLSP impact evaluation report	
<p>The level of reported income generation by asset beneficiaries is spread across a wide spectrum, ranging from PKR 1,000 to PKR 10,000 and above. These include 45% earning a monthly income of up to PKR 5,000; 24% earning PKR 5,000 – PKR 10,000; and 26% earning more than PKR 10,000 per month. A comparison between before and after incomes showed encouraging trends, with a reduction of 35% in households reporting monthly incomes of less than PKR 1,000 and a proportional increase in those earning PKR 5,000–10,000 per month (15%) and PKR 10,000 and above (26%). Moreover, of those operating a business, e.g. shop, 23% also reported hiring a worker(s) to assist with business operations.</p>	
Beneficiaries income levels	
Amount	Percent of Respondents
< PKR 3,000	18.6%
PKR 3,001 to 5,000	44.1%
PKR 5,001 to 10,000	18.6%
PKR 10,001 to 15,000	8.5%
PKR 15,001 to 20,000	5.1%
PKR 20,001 or above	0.0%
Don't Know	5.1%
CSPE comment	
<p>The narrative refers to “before” and “after” comparison and indicates a positive change (i.e. <i>reduction of 35% in households reporting monthly incomes of PKR less than 1,000 and a proportional increase in those earning PKR 5,000–10,000 per month (15%) and PKR 10,000 and above (26%).</i>). However, the table does not present before and after data and the data in the table do not match the narrative.</p>	

[paragraph 139]

Box XII-3

SPPAP data on impact of vocational training on incomes

Table Daily income before and after vocational training in SPPAP: percentage (%) of respondents (N=178)						
	No income	PKR100-300	PKR301-500	PKR501-700	PKR701-1000	>PKR1000
Before	55	38	2	1	1	3
After	17	45	33	1	3	1
Source: SPPAP impact survey (2018)						
Table Job situation before and after vocational training in SPPAP: percentage (%) of respondents (N=178)						
	Jobless	Employee	Self-employed	Casual/daily labourer		
Before	63	1	4	32		
After	21	7	49	22		
Source: SPPAP impact survey (2018)						
CSPE comment						
<p>While the definition of the terms and how it was understood by the respondents is not clear; for example, whether it is correct to expect to assume that beneficiaries would have “daily” incomes steadily, or whether there would be a difference between being engaged in income generating activities and being “self-employed”. Nonetheless, the data above indicate that at least there is a marked difference in the perception of the respondents.</p>						

[paragraph 141]

Box XII-4

Poverty scorecards – some considerations

The poverty scorecard is based on the proxy means test method, which seeks to estimate household incomes by associating indicators or “proxies” such as assets and household characteristics with household expenditure or consumption. Proxy means testing has been increasingly adopted as a targeting methodology for social protection programmes. It is favoured due to its simplicity and cost-effectiveness compared to comprehensive household surveys. However, there are also critical views on the effectiveness of the proxy means test, including the likelihood of exclusion error (e.g. AusAid 2011; Kidd, Gelders and Bailey-Athias 2017).

In the case of Pakistan’s poverty scorecard, it is based on 10 indicators (see also box 1 in the main report). The indicators are based on only “observable information” (Schreiner 2006) which means that it is largely based on economic or physical assets of a household. The tool does not look into root causes of poverty. It assumes that the lack of certain observable ingredients of wellbeing determines the households’ economic deprivation. For example, one of the indicators is the ownership of any type of land, but the method cannot take into consideration the owner’s liabilities (such as indebtedness, marginalisation of land, inability to produce from land, and absolute uselessness of land as an economic factor of production for multiple factors including debt or no access to water). A World Bank economist also highlighted a critical aspect of poverty scorecard tool when used to evaluate the impact of a development programme: “the relationships between observed indicators may change overtime, especially if the population is subject to shocks or beneficiaries of projects’.³⁶⁷

An argument in favour of the poverty scorecard for development interventions is that an alternative targeting mechanism, such as a participatory wealth ranking exercise, proved too expensive to be employed among the geographically dispersed population and poverty scorecard was relatively cost effective. This could be true for IFAD too if RSPs would not spend resources in revalidation (or reassessing in case of NPGP) the poverty scorecard in the field. Hence the claim that it is essentially a cost and time efficient tool may be reassessed.

Source: CSPE team based on various sources; AusAid 2011; Kidd, Gelders and Bailey-Athias 2017.

[paragraph 141]

Table XII-12

Proportion of BIS beneficiary households by the number of surveys in which they were poor (as defined by having a value of consumption expenditure below the poverty line)

Number of surveys	Proportion of BISP beneficiary households who are below poverty line (ultra-poor/poor) per number of surveys	
	All Beneficiaries	Beneficiaries with poverty score less than 11.17
Never poor (poor in 0 surveys)	20%	15%
Transient poor (poor in 1 survey)	29%	28%
Transient poor (poor in 2 surveys)	29%	34%
Chronic poor (poor in 3 surveys)	22%	23%
Proportion of poverty that is chronic ²³	27%	27%

Source: BISP impact evaluation surveys (2011 - 2014).

Source. Cheema et al. 2015. (table originally titled “Decomposition into chronic and transient poverty”).

The surveys were those conducted in 2011, 2013 and 2014. The poverty line is set as with reference to the minimum level of per adult equivalent consumption expenditure necessary to provide a food basket of at least 2,350 calories daily.

Based on the data, the report noted the high degree of poverty mobility among BISP beneficiary households. The data above may also indicate a methodological and conceptual difference in the definition of (and degree of) “poverty” between the poverty scorecard and the poverty line.

³⁶⁷ Utz Pape, World Bank. 2019. Blog “Why measuring poverty impacts is more difficult than simply using score cards” <https://blogs.worldbank.org/developmenttalk/why-measuring-poverty-impacts-more-difficult-simply-using-score-cards>

III.B.1. Innovation

[paragraph 174]

Table XII-13

Types of sub-projects financed under MIOP Innovation and Outreach Facility

<i>Project type</i>	<i>Details</i>
a. Increasing outreach/low cost delivery channels	(i) Settlement branches/kiosks (ii) Village banking (iii) Branchless banking (iv) Increasing outreach through small rural partners (v) Increasing outreach in Balochistan
b. Value chains	(i) Women livestock cooperative farming (ii) Rural development through livestock and dairy management (iii) Farmers' emancipation loans (iv) Strengthening microenterprise (v) Linkages for enhancement of income for mat makers (vi) Enhancing agricultural productivity (vii) Tunnel farming
c. Insurance	(i) Health insurance (ii) Livestock insurance
d. Social safety net	(i) Targeting ultra-poor (iii) Business revival project for flood affected areas (iv) Widows strengthening project (v) Project for rehabilitation of garbage collectors
e. Projects with special focus	(i) Housing finance for flood hit areas (ii) Emergency loans (iii) Microcredit disability project (iv) Training centers and microcredit (v) Business social capital (vi) Islamic microfinance (vii) Community investment fund

Source: PPAF.

III.B.3. Gender equality and women's empowerment

[paragraph 182]

Table XII-14

Targeting and participation of women

<i>Project</i>	<i>Outreach</i>
CDP-AJK	Women COs: 33%; mixed COs: 12.5%; women membership: 44.3% Poultry and kitchen gardening training: close to 90%
PRISM	Women beneficiaries: 73% Women beneficiaries of microcredit fund: 81%
MIOP	Women in the Young Professional Scheme 36%
GLLSP	Women beneficiaries: 54% Women COs: 41%; mixed COs: 8%; women memberships: 55% Women beneficiaries of: vocational training: 73 % and 133% of target; of asset transfer : 85% of CMFS: 93%
SPPAP	Women beneficiaries: 51%; women headed-household: 39% Women COs: 74.6%; mixed COs: 21.5%; women memberships: 84.4% Women trainees in business management or income generating activities: 53.5% women beneficiaries of housing units: 87% of target
ETI-GB	Women beneficiaries 56.4% Women office bearers in mixed village producer groups: 32% Women trainees (55% of total number of trainees) Women beneficiaries of vertical farming: 85% Women in the Value Chain Technical Assistance Team: 28%

Source: Project documents, MIS, CSPE field mission.

For section IV. Non-lending activities

IV.A. Knowledge management

[paragraph 208]

Box XII-5

List of project knowledge and communication products and website links

SPPAP

Website <http://sppap.org.pk/>

Newsletters (available on the website), supposed to be quarterly but available for 2014 and 2015 only
<http://sppap.org.pk/category/news/newsletters/>

Only KM doc available in 2016 concerns the women day <http://sppap.org.pk/2015/06/19/pd-sppap-field-visit-dated-12022015/>

No information for following years (with the exception of vacancy announcement in Nov. 2019)

Twitter <https://twitter.com/hashtag/sppap?lang=en>

Gender

<https://www.facebook.com/PnDBPb/posts/pds-south-punjab-poverty-alleviation-project-gets-international-award-for-gender/2483268118416053/>

<https://ifad-un.blogspot.com/2019/10/gender-awards-2019-celebrating-real.html>

Video

<https://www.youtube.com/watch?v=5MMtPAJRJ6Y> long version

https://www.youtube.com/watch?v=NGEI_8kv97k short version

<https://www.ifad.org/en/web/latest/video/asset/40786083>

<https://www.facebook.com/IFAD/videos/pakistan-breaking-the-poverty-cycle/692912571084122/>

Government official pages (very limited info available)

<http://pspa.punjab.gov.pk/sppap>

<https://pnd.punjab.gov.pk/sppap>

GLLSP:

Videos:

<https://www.youtube.com/watch?v=iDE9AuDqPnQ>

<https://www.youtube.com/watch?v=StiaA3X2Sh0>

Facebook page (last updated in 2018): <https://www.facebook.com/GLLSP-1615745608749291/>

ETI-GB:

Website: <https://www.etigb.com.pk/>

Facebook: <https://www.facebook.com/ghaffar.etigb/>

Twitter: <https://twitter.com/etigb2?lang=en>

Video:

- YouTube page (49 videos as of June 2020)
https://www.youtube.com/channel/UCB1p5tACNGcaj_U9b2G1Q0w/videos
- High quality English-subtitled videos produced in 2019:
- Overview of project: <https://www.youtube.com/watch?v=rNMWD6GWoDI>
- Youth employment: <https://www.youtube.com/watch?v=DT0-xHe8r2E&t=7s>
- Women empowerment: https://www.youtube.com/watch?v=S_Yuna6xHBw&feature=emb_title

Success story: Modern farming methods enables female farmer to enhance household income

<https://drive.google.com/file/d/18jkzu7jw3BO-IQhVUxrlL-i6PXgXWwRn4/view>

MIOP

List of the Research/ Informative publications financed under MIOP included:

1. Micro watch (A Quarterly Update on Microfinance Outreach in Pakistan)
2. Microfinance Industry Salary Survey (Pakistan Microfinance Network)
3. Institutional Profile- Scaling New Heights (PPAF)
4. Credit and Enterprise Development at Pakistan Poverty Alleviation Fund
5. Risks to Microfinance in Pakistan (Pakistan Microfinance Network)
6. Estimating Micro-Business, Ability to Pay (Pakistan Microfinance Network)
7. Social Performance Report 2009 (Pakistan Microfinance Network)
8. PPAF Microcredit Financing- Assessment of Outcomes 2009 (by GALLUP Fund)
9. What Make Microfinance Apexes Work? (Paper for Global Microcredit Summit)
10. Rural Development Through Livestock and Dairy Management (Project Documentation-NRSP)
11. Housing Finance (Project Completion Report-NRSP)
12. Village Banking in Poonch District (Project Completion Report-NRSP)
13. Community Investment Fund (Project Completion Report-NRSP)
14. Women Livestock Cooperative Farming (Project Completion Report-OCT)

15. Microcredit Disability Project (Project Completion Report -STP)
 16. Microcredit Tunnel Farming Project (Mojaz Foundation)
 17. Village Banking (Project Completion Report -FFO)
 (Source: MIOP project completion report mission aide-memoire annexes)

List of Workshops/Trainings arranged under MIOP

No	Workshop Title	Month	No of Participants
1.	One Day Workshop on Social Safety Net Project	September 2008	16 (POs & PPAF)
2.	One Day Workshop on Social Safety Net Project	October 2008	15 (POs, PPAF & IFAD)
3.	Meeting with POs - World Bank Supervision Mission	November 2008	16 (POs & PPAF)
4.	IFAD Portfolio Review Meeting	June 2009	17 (POs & PPAF)
5.	One Day Workshop on Social Safety Net Project	June 2009	17 (POs & PPAF)
6.	Workshop with PO's- Mid Term Review Joint Meeting	June 2009	30 (POs & PPAF)
7.	One Day Workshop on Social Safety Net Project	December 2009	20 (POs & PPAF)
8.	One Day Workshop on Social Safety Net Project	January 2010	25 (POs & PPAF)
9.	Technical Assistance Session with YPOs	January 2010	10 (YPOs, LPOs & PPAF)
10.	One Day Workshop on Social Safety Net Project	March 2010	25 (POs & PPAF)
11.	Inception workshop on microcredit for person with disabilities	March 2010	16 (POs & PPAF)
12.	Meeting with social safety net partners	July 2010	10 (POs & PPAF)
13.	Meeting with PPAF Partners-Up Scaling under MIOP Innovation & Outreach Facility	November 2010	33 (POs & PPAF)
14.	Meeting with Partners-COSOP Knowledge Management	December 2010	18 (POs & PPAF)
15.	Policy Dialogue in Lahore	February 2011	40 (POs, PMN & PPAF)
16.	Risk Management Workshop by PMN	February 2011	16 (POs & PPAF)
17.	Workshop for Partners- Review of activities undertaken to date	May 2011	60 (POs, IFAD & PPAF)
18.	Trainings on Corporate Governance	October 2011	30 (POs & PPAF)
19.	Stake Holder Workshop on PCR of IFAD	December 2011	68 (POs, IFAD, PMN & PPAF)

Source: MIOP project completion report mission aide-memoire annexes.

LPO: linkage partner organization; PMN: Pakistan Microfinance Network; PO: partner organization; YPO: young partner organization

IV.C. Country-level policy engagement

[paragraph 225]

Table XII-15

Main areas of policy engagement indicated in COSOPs

<i>Indicated areas/issues for policy linkage/dialogue</i>	<i>CSPE comments [level of achievement]</i>
2009 COSOP	
<ul style="list-style-type: none"> Land distribution schemes (to contribute to the land reform agenda and the development of a strategy for enabling poor households to gain access to land) 	<ul style="list-style-type: none"> This was linked to the pipeline project in the COSOP (basis of SPPAP), but the land distribution activity was scaled down in the project design process. Nonetheless, SPPAP has supported the acquisition of small land plot with small housing units. The policy implication is not clear. [Low]
<ul style="list-style-type: none"> Enhanced access to microfinance (policy reform for greater participation by formal sector institutions in microfinance and for a more enabling environment for existing providers such as NGOs) 	<ul style="list-style-type: none"> This agenda was pursued through MIOP and PRISM, which, through PPAF, made contributions to policy issues around microfinance together with other donor support. However, no further follow-up after PRISM completion in 2013. [High]
<ul style="list-style-type: none"> Policy lineage for strategy objective 2 (capacity of the rural poor to engage in and benefit from local government processes). 	<ul style="list-style-type: none"> The support to community institutions has not gone much beyond the project operational activities. CDP had an objective which was however disconnected from the reality. [Low]
2016 COSOP	
<ul style="list-style-type: none"> AJK: institutionalization of the community development approach through support to the development of required legislation and regulations 	<ul style="list-style-type: none"> This was directly associated with one of the two pipeline projects proposed in the COSOP in AJK, but it did not materialize. Nonetheless, IFAD intends to follow up on the similar issue in other provinces with other projects. [Low]
<ul style="list-style-type: none"> Gilgit-Baltistan: development of a fair and enforceable land tenure system, demonstrating its relevance to the transformation of smallholder agriculture in selected provinces 	<ul style="list-style-type: none"> This is directly associated with ongoing ETI-GB and being pursued. [Ongoing]
<ul style="list-style-type: none"> AJK, Balochistan, Gilgit-Baltistan and Punjab: translation of the National Climate Change Policy for adaption at the provincial level; advocacy and support for the establishment of responsible institutional bodies 	<ul style="list-style-type: none"> It is not clear how this was going to be pursued.³⁶⁸ [None]

Source: 2009 and 2016 COSOPs; CSPE analysis.

³⁶⁸ According to the self-assessment by IFAD for the CSPE, "Climate Resilience and Mitigation for Agriculture, based on the principles of National Policy for Climate Change mitigation, has been incorporated in GLLSP II design", which was approved in April 2020.

IV.D. Grants

Table XII-16
Review of grants

<i>Grant title [recipient, grant amount]</i>	<i>CSPE comments [relevance/linkage to country programme and strategy]</i>
Country specific grants	
Support for institution-building of the Diامر Poverty Alleviation Programme [Diامر Poverty Alleviation Programme, US\$200,000]	<ul style="list-style-type: none"> The grant followed up on the earlier loan-financed Northern Areas Development Project. Positive impact on the ground, contribution to gradual social change in a conservative area
Post-flood assistance for the recovery of production and livelihood of smallholder farmers in Pakistan [FAO, US\$500,000]	<ul style="list-style-type: none"> The grant mainly financed post-flood assistance to vulnerable flood-affected farmers in Punjab, Sindh and Balochistan. The grant was a response to FAO appeal for a total of USD 170.6 million and it was processed relatively quickly. The completion report noted the contribution to the re-establishment and early recovery of the livelihoods and food security of the targeted household.³⁶⁹
Measuring the impact of microfinance in Pakistan [Agency for Technical Cooperation and Development, ACTED, US\$340,000]	<ul style="list-style-type: none"> The grant financed the research into the impact of microfinance (also with a focus on MIOP and PRISM) in Pakistan and involved a large-scale survey.
Empowering Bakarwals: income generation through propagation and marketing of medicinal plants in Neelum valley of Azad Jammu Kashmir (4 th cycle) Empowering Bakarwals' youth through livelihood diversification and social integration in Neelum valley, AJK (5 th cycle) [The Indigenous Peoples Assistance Facility] Sukhi Development Foundation (through Tebtebba Foundation)	<ul style="list-style-type: none"> Small grant support under the Indigenous Peoples Assistance Facility. Possibly interesting activities and outcomes in the Bakarwal community in remote areas (in AJK). (Understandably) no linkage with the country programme, also due to the nature of the proposal-driven funding facility, but positive impact on the ground for a marginalized community
Regional grants	
Regional Programme on Remittances and Diaspora Investment for Rural Development PF Technical Advisory Services Inc. [PFTAS]	<ul style="list-style-type: none"> This was supposed to be implemented in Pakistan and the Philippines, but in the end, only limited activities took place in Pakistan
Direct Support to Farmers and Rural Producers Organisations - Fisheries Sub-grant [Centro Internazionale Crocevia, US\$347,215]	<ul style="list-style-type: none"> Involving six countries, the grant was aimed at supporting the adoption of the Securing Sustainable Small-Scale Fisheries (SSF) guidelines. In Pakistan, a workshop on the topic was organized in Karachi in 2016 (https://www.icsf.net/en/samudra/article/EN/75-4255-Looking-Ahead.htm). However, no evidence of linkage with GLLSP nor collaboration with FAO.
Strengthening the Role of SAARC in the Sustainable Intensification of Agriculture in South Asia [South Asia Watch on Trade, Economics and Environment SAWTEE, US\$100,000]	<ul style="list-style-type: none"> Aimed to strengthen the cooperation among the South Asian association for regional cooperation (SAARC) member countries in support of a sustainable intensification of agriculture with a particular focus on poor smallholder farmers. From Pakistan, the Pakistan Agriculture Research Council was involved. No linkage with the portfolio
Adding "Valyou": Advancing financial inclusion through remittances from Malaysia [Valyou, US\$500,000]	<ul style="list-style-type: none"> Financed under the Financing Facility for Remittance managed by IFAD, based on the proposal. (Understandably) no evident linkage with the country programme.
Inclusive rural finance for smallholder families and other vulnerable groups [Consultative group to assist the poorest, CGAP, US\$2,250,000]	<ul style="list-style-type: none"> Multi-country global grant programme (indicated coverage of 8 countries including Pakistan). Linkage with the country programme not clear.

³⁶⁹ Grant final report, OSRO/PAK/015/IFA, FAO, July 2012

Source: CSPE team desk review and some interviews.

List of key persons consulted/met

National government/public institutions

Mr Adil Akbar Khan, Joint Secretary, Economic Affairs Division
 Dr Hamid Jalil, Member/Food security & climate change, Planning Commission
 Dr. Syed Waseem-ul-Hassan, Food Security Commissioner, Ministry of National Food Security & Research
 Mr Syed Anwar-ul-Hasan, Additional Secretary, Ministry of National Food Security & Research
 Dr Javed Humayun, Senior Joint Secretary, Ministry of National Food Security & Research
 Dr. Ashfaq Hassan Khan, Board member of BISP
 Ms Khalida Habib, Head, of Department, Specialized Companies Division Specialized Companies Division Security & Exchange Commission of Pakistan
 Mr Aqeel Ahmed Zeeshan, Additional, Director, Policy, Regulations and Development Department, Specialized Companies Division, Security & Exchange Commission of Pakistan
 Mr Raja Ateeq Ahmed, Assistant, Director, Specialised Companies Division, Security & Exchange Commission of Pakistan
 Mr Noor Ahmed, Director, Agriculture and Micro Finance Department, State Bank of Pakistan
 Mr Hassan Murtaza, Joint, Director, Policy Micro Finance, State Bank of Pakistan
 Mr Muhammad Nadeem Khanzada, Senior Joint, Director, Agricultural Policy Division, State Bank of Pakistan

Provincial government institutions

Mr Muhammad Alam, Assistant Chief, NRM, Planning and Development Department (P&D) Gilgit-Baltistan (GB)
 Ms Nilofar, Reseach Officer, Planning and Development Department (P&D) GB
 Mr Asghar Ali, Director, Agriculture, Agriculture department (GB)
 Mr Sher Jehan, Director,, Water Management Agriculture department (GB)
 Mr Imran Jamal, Focal Person for ETI-GB from Agri Extension Agriculture department (GB)
 Mr Iftikhar Ali, Agri Engineer and focal person for ETI-GB Agriculture department (GB)
 Mr Nasrullah, Agriculture Officer, Agriculture Department GB
 Mr Muhammad Asif, Engineer, Water Management Department GB
 Mr Rab Nawaz Khan, Chief, Foreign Aid Foreign aid division, Planning and Development Department (P&D) Balochistan
 Mr Ali Bin Mehmood, Assistant Chief, Foreign Aid Foreign aid division, Planning and Development Department (P&D) Balochistan
 Mr Hamid Yakoob Sheikh, Chairman, P&D Board Punjab
 Mr Rana Muhammad Azhar, Senior chief (External Capital Assessment), P&D Board Punjab
 Mr Muhammad Ali Amir, Chief (regional planning), Planning and Development Department (P&D) Board Punjab
 Mr Khalid Sultan, Senior, chief (regional planning), Planning and Development Department (P&D) Board Punjab
 Mr Azfar Zia, Deputy Commissioner, Layyah District, Punjab

Mr Mazher Ali, Assistant Director, Planning and Development Department (P&D) Department, District Govt. Layyah, Punjab
 Mr Muhammad Atif, Deputy Director, Livestock Department, District Government, Layyah, Punjab
 Mr Capt (R) Abdul Sattar Lsani, Director General, Agency for Barani Development
 Ms Qurrat-Ul-Ain Shah, Chief, Agency for Barani Development
 Dr Syed Asif Hussain, Additional Chief Secretary (Dev), Planning & Development Department Government of AJK

IFAD-financed projects

Mr Ahsanullah Mir, Project Coordinator, ETI-GB
 Mr Barkat Ali, Regional Program Coordinator, ETI-GB
 Mr Khabeer Abdul, Specialist Agriculture Value Chains, ETI-GB
 Mr Mohammad Ali Baig, Regional Program Coordinator, RCU-BLN, ETI-GB
 Mr Mustafa, Assistant, Finance & Admin RCU-BLN, ETI-GB
 Ms Noureen Maryam, Business Development Officer, RCU-BLN, ETI-GB
 Mr Shahid Hussain, Resident Engineer, RCU-BLN, ETI-GB
 Mr Zulfiqar Ali, M&E Officer, RCU-BLN, ETI-GB
 Mr Ejaz Hussain, Site Supervisor, ETI-GB
 Mr Ghulam Nabi, Field Engineer, ETI-GB
 Mr Ghulam Muhammad, Site Supervisor ETI-GB
 Mr Nazar Abbas, Site Supervisor, ETI-GB
 Mr Rehmat Dashti, Project Director, GLLSP
 Mr Saif Ullah, M&E Specialist, GLLSP
 Mr Umar Mehmood, Deputy Finance Manager, GLLSP
 Ms Aisha Salma, QA, design & research NPGP
 Ms Fatima Abbas, M&E Officer, NPGP
 Ms Samia Liaquat Ali Khan, Programme, Director, NPGP
 Mr Fazel Muhamad, General Manager - Operations, NPGP
 Mr Zahid Hussein, Head, of M&E unit, NPGP
 Mr Imran Nazir, Gender Specialist, DG Khan, SPPAP
 Mr Raja Saghir Ahmed, Project, Director, DG Khan SPPAP
 Mr Zahoor Babr, Regional Coordinator DG Khan SPPAP
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 Mr Fiaz Jamal, Training Specialist, SPPAP
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 Mr Muhammad Saleem, Agriculture expert SPPAP
 Mr Muhammad Saghir, Project director, SPPAP
 Mr Muhammad Mazhar, Finance and accountant manager, SPPAP
 Mr Muhammad Imran Nazir, Gender and poverty specialist, SPPAP
 Mr Gulzar Ahmad A.D, Agriculture Jatoi, SPPAP-DMU
 Mr Zahoor Baber, Regional coordinator, SPPAP-Layyah
 Mr Sagheer Ahmad, Raja Project, Director, Bahawalpur, SPPAP-PMU Bahawalpur

Project partners

Pakistan Poverty Alleviation Fund

Mr Qazi Azmat Isa, Chief Executive Officer, PPAF

Mr Amir Naeem, Senior Group Head, Financial Management and Corporate Affairs, PPAF

National Rural Support Programme

Mr Agha Ali Javad, General Manager, Operations, NRSP

Mr Tallat Mahmood, Chief finance officer, NRSP

Mr Azhar Muhammad, Senior programme officer, NRSP

Mr Asad Mahmood, Programme manager, Microfinance & Enterprise Development, Programme, NRSP

Mr Abdul Rauf, Social organizer, NRSP Balochistan

Mr Abdul Wahab, Admin & finance, NRSP Balochistan

Mr Amjad Shah, Social organizer, NRSP Balochistan

Mr Chakar Babo, Social organizer, NRSP Balochistan

Mr Jangeer Baloch, M&E, NRSP Balochistan

Mr Shahab ul Deen, District engineer, NRSP Balochistan

Ms Marzia Younes, Senior programme officer, Gender specialist, NRSP (Balochistan)

Mr Mir Yousaf Yousaf Khan, Regional general manager, NRSP Balochistan

Mr Pir Jan, District incharge, NRSP Balochistan

Mr Mohammad Khan Buzdar, District programme officer, NRSP Balochistan

Mr Abdul Razzaq Sherani, Project coordinator, NRSP Punjab

Mr Abid Mehmood, Social organizer Jatoi, NRSP Punjab

Ms Almazia Khan, Assistant coordinator, NRSP Punjab

Mr Adeel Aslam, District Engineer, NRSP

Mr Ahsan Razan, Regional officer, NRSP Punjab

Ms Farzana Anjum, Women social organizer, NRSP Punjab

Mr Fateh Malik, Region general manager/CEO, Ghazi Barotha Taraqati Idara (GBTI) NRSP

Mr Ghulam Murtaza, Senior social organizer, NRSP Punjab

Mr Haider Ali, District engineer, DG Khan, NRSP Punjab

Ms Hasina Baloch, District programme officer, NRSP Punjab

Mr Hassan Raza, Field worker Jatoi, NRSP Punjab

Ms Iqbal Bano, Social organizer, NRSP Punjab

Mr Mohammad Asghar, Senior social organizer DG Khan, NRSP Punjab

Mr Mohammad Mahboob, Social organizer, DG Khan, NRSP Punjab

Ms Ms. Bilqees Mashori, Women social organizer, NRSP Punjab

Mr Muhammad Usman, Programme officer, HRD, NRSP Punjab

Mr Muhammad Azhar, Senior programme officer, M&E Bahawalpur Region, NRSP Punjab

Mr Muhammad Noman, District engineer Jatoi, NRSP Punjab

Mr Muhammad Rehan Zafar, Social organizer Jatoi, NRSP Punjab

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Ms Nahida Kanwal, Social organizer Jatoi, NRSP Punjab

Ms Nosheen Manzoor, Woman social organizer DG Khan, NRSP Punjab

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 Mr Shadil Khan, Program officer, M&E and Research, NRSP Punjab
 Mr Tajammal Hussain, Senior programme officer, NRSP Punjab
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Institute of Rural Management (IRM)

Mr Adnan, Business Development Officer, Institute of Rural Management
 Mr George Chughtai Project Coordinator Bahawalpur, Bahawalpur
 Mr Khalid Jamal, District in-charge Jatoi
 Mr Naseem, Coordinator, Bahawalpur
 Ms Samar, Coordinator, Bahawalpur
 Mr Nosheen Bibi, Master Trainer Jatoi
 Mr Suresh Kumar, Master Trainer Jatoi
 Ms Sumaira Shoukat, Master Trainer Jatoi
 Mr Muhammad Javed, Master Trainer Jatoi
 Ms Samar, Project Coordinator, ETO, DG Khan
 Mr Mohammad Kafeel, District Incharge VTO, DG Khan
 Mr Shahbaz, M&E, Research, DG Khan
 Ms Naseem, Business development, DG Khan
 Mr Dilshair, Entrepreneurial training officer, ETO DG Khan
 Ms Gull Sumaira, Master trainer, Rajanpur
 Ms Shazia, Vocational training officer VTO, Rajanpur
 Mr Mehboob Yazdani Entrepreneurial training officer ETO Rajanpur
 Ms Nasra, Entrepreneurial training officer, ETO Rajanpur
 Mr Anwar Urlhaq, SPM Punjab
 Ms Sammar Qureshi, Project coordinator, ETO Punjab
 Ms Naseem Akhtar, Business development officer, Punjab
 Ms Georje Chughtai, Project coordinator VTO, Punjab

MIOP/PRISM partner organizations

Mr Arora Ramesh, Advisor, Mojaz
 Ms Jan Shaista, CSC (Community Support Concern) Empowerment and inclusion Programme (CEIP)
 Mr Talpur Rafique, Chief Executive Officer, Villagers Development Organization (VDO)
 Mr Jabbar Abdul, Chief Executive Officer, Al Mehran Rural Development Organization (AMRDO)
 Mr Mirza Arshid, Chief Executive Officer, Baidarie
 Mr Syed Yasir Arjumand, Head, of Finance Kashf Foundation
 Mr Ali Mirza, Chief Executive Officer, Saath Micro Finance
 Mr Rashid Anwar, Director, Orangi Pilot Project (OPP)
 Mr Hussain Khadim, Programme , Head, Badin Rural Development Support (BRDS)
 Mr Javed, Chief Executive Officer, Support With Working Solution (SWWS)
 Mr Mohsin Mohamed, Chief Executive Officer, Pakistan Microfinance Network
 Mr Ali Basharat, Head of operations, Pakistan Microfinance Network
 Mr Syed Sajjad Ali Shah, Chief Executive Officer, Sindh Agricultural and Forestry Workers Coordinating Organization (SAFWCO)

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Other project partner institutions

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Mr Karimuddin, CEO, Mamo Dairy (private sector partner, ETI-GB)

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Mr Amjad Iqbal, Head, of business (Microfinance), NRSP Microfinance Bank Limited

Mr Asif Mahmood, Head, Finance & Treasury, Company Secretary, NRSP Microfinance Bank Limited (SPPAP)

Mr Kashif Imran, Manager - Group Loans, NRSP Microfinance Bank Limited

Pakistan Microfinance Investment Company

Mr Saqib Siddiqui, Head, Sector Development Department, Pakistan Microfinance Investment Company

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Mr Ali Said, Vice President, Portfolio Management Department PMIC

Mr Muhammad Ahmad, Vice President, Portfolio Management Department, PMIC

Development agencies (by agency, alphabetical order)

Mr Ahsan Tayyab, Agriculture and Natural Resources Management, Asian Development Bank

Mr Omer Bin Zia, Senior Project Officer (Social Protection Development Project), Pakistan Resident Mission, Asian Development Bank

Mr Amir Hamza Jilani, Asian Development Bank

Ms Emanuela Benini, Director, Agenzia Italiana per la Cooperazione allo Sviluppo (Italian Agency for Development Cooperation)

Ms Gill Rogers, Team Leader – Private sector development, DFID/FCDO

Ms Vivien Rigler, Team leader/Rural Development and Economic Cooperation, European Union Delegation to Pakistan

Mrs Arshad Rashid, Program Manager, Rural Development, European Union Delegation to Pakistan

Ms Roshan Ara, Development Advisor, Trade and Economic Cooperation, European Union Delegation to Pakistan

Ms Saadia Ainuddin, Technical and Vocational Education and Training, European Union Delegation to Pakistan

Ms Rebecca Bell, Head of Balochistan Office and FAO humanitarian activities, FAO

Mr Aamer Irshad, Head of Programme, FAO

Mr Tobias Becker, Country Director, GIZ

Ms Iris Cordelia Rotzol, Team Leader, Private Sector Engagement Sindh and Balochistan and Training Fund, GIZ

Mr Raja Saad Khan, Team Leader, Policy and Governance, GIZ

Mr Jawad Ali, Climate and Water Specialist, Helvetas

Mr Nadeem Bukhari, Team Leader- skill development, Helvetas

Mr Julien Harneis, UN Resident Coordinator

Mr Guo Li, Senior Agriculture Economist, World Bank

Ms Maha Ahmed, Senior Rural Development Specialist, World Bank
 Ms Myriam Chaudron, Senior Agriculture Specialist, World Bank
 Mr Amjad Zafar Khan, Senior Social Protection Specialist, World Bank
 Mr Gul Najam Jamy, consultant, social protection, World Bank
 Mr Sohail S. Abbasi, Senior Social Protection Specialist, Social Protection & Jobs, World Bank
 Mr Chris Kaye, Country director, World Food Programme
 Mr Arshad Jadoon, Programme Policy Officer, World Food Programme

Other organizations

Ms Lany Rebagay, programme officer, Asian Farmers' Association for Sustainable Rural Development (AFA)
 Mr. Asif Javed, Chief Executive, Sukhi Development Foundation
 Ms Ruby Espanola, Tebtebba, IPAF [Indigenous Peoples Assistance Facility] Coordinator for Asia and the Pacific Division (Tebtebba)
 Ms Eleanor P. Dictaan-Bang-oa, Tebtebba, former IPAF coordinator

Other key informants

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 Ms Aude De Montesquieu, Deputy Executive Director, The Partnership for Economic Inclusion, World Bank (former Initiative Lead for the Graduating the Poorest and Vulnerable Segments, Consultative Group to Assist the Poor, CGAP)
 Mr David Swete Kelly, Former DFAT Contracted Adviser
 Mr Imtiaz Alvi, Senior Agriculture Specialist, World Bank (former task team leader for PPAF III, World Bank)
 Mr Stephen Rasmussen, Lead, Digital Rail, Consultative Group to Assist the Poor (CGAP)

IFAD (current and former staff and consultants)

IFAD current and former staff (alphabetical order)

Mr Jonathan Agwe, Lead Regional Technical Specialist (Rural Finance, Markets and Value Chains), Sustainable Production, Markets and Institutions Division
 Mr Fabio Bencivenga, Operations Associate, Field Support Unit, Corporate Services Department
 Mr Hubert Boirard, Country Director, Pakistan, Asia and the Pacific Division
 Ms Martina Huonder, Programme Assistant, Asia and the Pacific Division
 Mr Matteo Marchisio, former Country Programme Manager, Pakistan
 Ms Sara Mirmotahari, Senior Operations Specialist, Field Support Unit, Corporate Services Department
 Mr Fida Muhamad, Country Programme Officer, IFAD country office in Pakistan, Asia and the Pacific Division
 Mr Qaim Shah, former Country Programme Officer
 Mr Ya Tian, former Country Programme Manager, Pakistan

Consultants (alphabetical order)

Mr Karim Abdul, IFAD consultant (IFAD country office)
 Mr Inshan Ali Kanji, IFAD consultant
 Mr Tariq Husain, IFAD consultant
 Ms Maliha Hussein, IFAD consultant (MIOP, PRISM, LAMP)
 Mr Rab Nawaz, IFAD consultant (lead/co-lead supervision missions)

CSPE field visit programme

<i>Date</i>	<i>Project</i>	<i>Province / territory</i>	<i>District</i>	<i>Tehsil</i>
12-Agu	ETI-GB	Gilgit-Baltistan	Astore	Doyan
12-Agu	ETI-GB	Gilgit-Baltistan	Astore	Patipura
13-Aug	ETI-GB	Gilgit-Baltistan	Astore	Pakora
13-Aug	ETI-GB	Gilgit-Baltistan	Astore	
15-Aug	ETI-GB	Gilgit-Baltistan	Ganche	Khaplu
16-Aug	ETI-GB	Gilgit-Baltistan	Ganche	Kanda/Hushay
17-Aug	ETI-GB	Gilgit-Baltistan	Ganche	Thalay
18-Aug	ETI-GB	Gilgit-Baltistan	Skardu	
07-Sep	ETI-GB	Gilgit-Baltistan	Gilgit	Ghizer
08-Sep	ETI-GB	Gilgit-Baltistan	Gilgit	Gualpur
08-Sep	ETI-GB	Gilgit-Baltistan		Gahkush
08-Sep	ETI-GB	Gilgit-Baltistan	Gilgit	Danyore
09-Sep	ETI-GB	Gilgit-Baltistan	Hunza	Gilmit
09-Sep	ETI-GB	Gilgit-Baltistan	Hunza	Aliabad
10-Sep	ETI-GB	Gilgit-Baltistan		
10-Sep	ETI-GB	Gilgit-Baltistan	Gilgit	
11-Sep	ETI-GB	Gilgit-Baltistan	Gilgit	
11-Sep	ETI-GB	Gilgit-Baltistan	Gilgit	
28-Sep	SPPAP	Punjab	Bahawalpur	(PMU)
29-Sep	SPPAP	Punjab	Muzaffargarh	Jatoi
29-Sep	SPPAP	Punjab	DG Khan	Taunsa
30-Sep	SPPAP	Punjab	Rajanpur	Rajanpur
01-Oct	SPPAP	Punjab	Layyah	(P&D)
02-Oct	SPPAP	Punjab	Bahawalpur	Ahmaddpur East
02-Oct	SPPAP	Punjab	Bahawalpur	(PMU)
05-Oct	GLLSP	Balochistan	Lasbella	Hub
06-Oct	GLLSP	Balochistan	Lasbella	Winder &Uthal
07-Oct	GLLSP	Balochistan	Lasbella	Ormara
08-Oct	GLLSP	Balochistan	Gwadar	Kallag & Surbandar
09-Oct	GLLSP	Balochistan	Gwadar	Pasni
10-Oct	GLLSP	Balochistan	Karachi	PMU

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Key project related documentation

- Project design documents
- Documentation from project design review processes (quality enhancement, quality assurance)
- Project implementation manuals
- Financing agreements and amendments
- Supervision mission and implementation support mission reports
- Mid-term review reports
- Project status reports
- Baseline and impact assessment survey reports
- Other knowledge products

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