

Planning Commission Newsletter

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New Development Approach (NDA)

In the ongoing seminar series on New Development Approach (NDA), Planning Commission held a consultative workshop on 29th September 2010 at Serena Hotel Islamabad. UKaid sponsored this event. Deputy Chairman, Planning Commission inaugurated the first session and Mr. Moazzam Malik (Director Finance and Corporate Performance Division - DFID) delivered the keynote address. Secretary, Planning Commission, Mr. Ashraf M. Hayat gave presentation on "Current State of Planning in Pakistan". He introduced the planning process, gave performance/achievements of PSDP over the past few

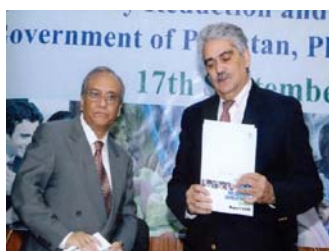
years. Moreover, he also revealed the PC-I process for projects.

Second session of the workshop was chaired by Her Excellency Ambassador Robin Raphel, US coordinator for non-military assistance for Pakistan. Dr. Vaqar Ahmed Deputy Chief (Macroeconomics Section) gave the presentation on "Productivity, Markets and Communities – A New Development Approach". He emphasized the need for new growth strategy and presented the key pillars of the new approach. Her Excellency US Ambassador described the presentation as a very articulate and rep-

resentative of fresh ideas. Most of the audience described it as a welcome change and suggested various measures for its effective implementation. The team working on NDA is also in the process of consultative one-on-one meetings with stakeholders. In this regard Dr. Haroon Sarwar, Assitant Chief (Macroeconomics Section) led a detailed meeting with ChenOne group, who also appreciated Planning Commission's efforts for a reformed consultative framework in order to frame a comprehensive development strategy.

Millennium Development Goals Report

Centre for Poverty Reduction & Social Policy Development (CPRSPD), Planning Commission, Government of Pakistan has launched the Pakistan Millennium Development Goals Report (PMDGR) 2010 on 17 of September, 2010. Dr. Nadeem ul Haque, Deputy Chairman, Planning Commission was the chief guest of the launching ceremony of the PMDGs Report 2010.



Mr. Ahmad Owais Pirzada, Additional Secretary, Planning Commission also the National Project Director, CPRSPD welcomed the participants.

Dr. Nadeem ul Haque in his address said that slow economic growth, severe energy crisis, socio-political problems, security issues, war on terror, recent floods and subsequent displacement of millions have definitely put enormous pressure on the economy. It is a great challenge to tackle these issues, which will be having far reaching adverse impact on the country not only in terms of achievement of the MDG goals and targets, but also in achieving sustained economic growth over the next few years.



He further added that the Government of Pakistan is putting all its efforts to cope with above mentioned challenges and aims at increasing the economic growth rate. To this end, Planning Commission is already working on devising a Growth Strategy, which aims at making Pakistan competitive in global markets. With regards to improving the livelihood of poor and marginalized segments of the society, the Government of Pakistan

Millennium Development Goals Report (continued)

has taken several measures, among which reaching consensus of National Finance Commission Award and introduction of social safety nets especially through Benazir Income Support Program are the most significant.

In his key note address, Mr. Ashraf M. Hayat, Secretary, Planning and Development Division, said that this report has significant importance as it is the only monitoring tool for measuring Pakistan's performance in achieving MDGs. While only five years are left towards the attainment of these goals by 2015, the UN Summit is very timely to

reassess the World's commitment with respect to MDGs. In spite of all the challenges and unfavourable circumstances faced



by Pakistan, the Government of Pakistan is resolved to fulfil its commitment of achieving MDGs. A number of initiatives have been taken towards this end, with the most signifi-

cant being the Benazir Income Support Programme (BISP) and allied social safety net programs.

A detailed presentation on the status of MDGs targets was presented by Ms Aisha Maqsood Ahmed, Gender Specialist, CPRSPD.

The Resident Coordinator, United Nations, Pakistan Mr. Onder Yucer and Country Director, UNDP, Pakistan, Mr. Toshihiro Tanaka also addressed the participants, highlighting the importance of MDGs and Pakistan's performance in this regard.

Plan Coordination

Plan Coordination Section has handled and disposed off 05 directives of Prime Minister /President Secretariats and the updated status of four other directives of the Prime Minister Secretariat have been sent to Balochistan government upon their request. The following activities are un-

der process.

- Preparation and circulation of year book 2009-10 of Planning & Development Division
- Consolidation of statistical tables for the supplement of Pakistan Economic Survey 2009-10
- Import financing of IDA

credit of US \$ 300 million for rescue and recovery of flood affected people.

- Coordinated with all stakeholders in Preparation of "Reconstruction Plan" for flood affected areas.

Money, Price and Fiscal Policy

Inflation has been on the rise. Latest data available up to August, 2010 shows that CPI (Consumer Price Index) has increased by 12.8% during July-August, 2010 against an increase of 10.9% during same period last year. Main causes for increase in inflation are the price hike during Ramazan, supply shortages due to unprecedented floods and rise in prices of commodities in international markets. Expectation of rising inflation coupled with fragile fiscal position has led the State Bank of Pakistan to

tighten its monetary policy by raising policy rate by 50 basis points to 13.50 % with effect from 30th September, 2010. Rise in policy rate may adversely affect growth of private sector credit

Capital market performed normally during September, 2010. KSE-100 Index which was at 9735.4 points on 1st September, 2010 rose to 10,063.6 points on 20th September, and closed at 10013.3 points showing a rise of 28.5% with market capitalization at Rs. 2.772 trillion. Positive Develop-

ments at capital market reflect investors' confidence in the overall economic situation of the country.

Reko Diq Gold/Copper Project

A project titled "Reko Diq Gold/Copper" at capital cost of Rs 8812.22 Million including foreign exchange of Rs 3603.22 Million has been initiated by the Federal Govt. in cooperation with the Govt. of Balochistan under the supervision of Dr. Sammer Mubarkmand, Member (S&T), Planning Commission. The said project would create a facility for processing of 15000 tones of copper ore per day to produce Copper metal, and other valuables such as Gold, Silver, Molybdenum and Sulphuric Acid etc. This facility will be for the production of copper and gold ingots only. This

project would provide necessary infrastructure to give boost to the mineral sector by exploiting the mineral resources of the country and generate approximately 38,325 tones of copper and 42,618 ounce of gold per year earning a profit of Rs 15,875.92 Million. The implementation span of project is four years while the recurring cost of the project would be Rs 4770.40 million. The project would help in achieving self reliance in the production of copper & gold ingots and some other materials such as Silver & Molybdenum and in improving the livelihood of the people of

Balochistan by providing employment opportunities of around 917 persons and generating economic activity in this under developed area of Pakistan. The spill over of this project would trigger development of mining related service industries, creating even more indirect benefits for the people and economy. Similarly the province's labor, health, environmental and safety standards would have a multiplier effect on the over all economy.

Transport and Communication

There are 10 projects of Roads, Railways and Ports & Shipping costing Rs. 114.5 billion including foreign loan component of Rs. 64.09 billion under Transport and Communication sector which have been cleared by the CDWP and are ready to be

considered by ECNEC. One project pertains to Railway sector, two projects pertain to Ports & Shipping and seven projects pertain to roads sector. These projects were on the agenda of ECNEC scheduled to be held on 28th September

2010, which was postponed and now the same would be considered for approval of ECNEC when it is convened.

National Fertilizer Development Corporation (NFDC)

Status Paper on Fertilizer Research and its Adoption in the Field: NFDC in collaboration with University of Agriculture, Faisalabad and Fertilizer Industry of Pakistan is preparing a **Position/Status Paper** comprising present status of fertilizer research at national level and its implementation in the field. Through this paper, the efforts will be made to collate useful information and highlight the deficiencies and missing links. This document

will serve as a base for developing future fertilizer research plans to improve agricultural productivity and profitability per unit of land.

The **Monthly Fertilizer Review of Mid September, 2010** has been published, which reveals that the total nutrient off take during August, 2010 was about 191 thousand tonnes and this recorded a decrease of 57.4 percent over August 2009. This overall decrease in fer-

tilizer off take is attributed to heavy rains and flood which inundated much of agricultural land.



Planning Commission
www.pc.gov.pk

PLANNING & DEVELOPMENT
DIVISION

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Food and Agriculture

Food and Agriculture Section performed the following main activities:

- Five development schemes have been evaluated by F&A section submitted by line Ministries.
- Conducted meeting with World Bank to form a working group for finalizing modalities for proposed seminar to be held in December, 2010 by World Bank in collaboration with P&DD and other concerned Ministries.
- Analyzed revised PC-I of Boosting fodder and forage project as per new request of MINFA.
- Prepared brief for ECNEC on Pak-China National Project for CA and Advanced Ventilated Cold storage as well as Punjab Economic opportunities.
- Examined two projects for their transfer from development to non-

development side.

- Represented Planning Commission in a symposium, "Food Security and Monitoring of Agriculture through Satellite Technology" jointly organized by SUPARCO and Asia – Pacific Space Cooperation Organization.

The activities regarding the project "**Strengthening of Agriculture Sector Comprising of Food, Nutrition, Crops, Livestock, Forestry and Irrigation**" were as under:

- Participated in conducting meeting with World Bank to form a working group for finalizing modalities for proposed seminar to be held in December, 2010 by World Bank in collaboration with P&DD and other concerned Ministries.
- Desk analysis of impact evaluation study of the project, "National Project

for Improvement of Water Courses"

- Field Visit to NARAC for the spot examination of on going major activities.
- Attended meeting on
 - Appraisal of four small dams.
 - Cooperation between international institute for applied system analysis (IIASA).
- Prepared material for the National conferences on Horticulture, Water use Efficiency and Wheat.