

Basic Policy of Assistance	Building of a stable and sustainable society through expanding a vibrant middle class
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Priority Area 1	Improvement of economic infrastructure
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Development issue1-1	<p>【Background and current situation】 With the total installed generation capacity is 25,091 MW, the challenges such as aging facilities, circular debt(detailed later), lower power generation level due to shortage of domestic gas supply, increasing domestic demand and power losses in transmission and distribution need to be tackled. For now, prolonged load shedding is prevailing even in urban areas and Pakistan have incurred huge economic losses equivalent to Rs. 240 billion per year due to the power shortage. Out of the total amount of electricity generated per year, thermal power generation accounts for approx. 64% whereas hydro power generation accounts for approx. 30%. Since the output of hydro power generation is affected by seasonality (rainy or dry) and weather, main power source is thermal plants which utilize oil and gas. A major problem in the power sector, the circular debt, is caused by the failure of payments among the stakeholders, from the distribution companies to the transmission companies, from the transmission companies to the power plants, and from the power plants to the oil and gas suppliers. There are underlying structural problems in the power sector such as the power tariff set at economically unsustainable level, the increased power generation cost due to soaring import oil price, the low level of tariff collection, and the power losses in transmission and distribution. In order to achieve stable power supply, revision in the electricity tariff, lowering power generation cost by utilizing domestic resources, and reducing power losses in transmission and distribution are imperative. Furthermore, to lower the power generation cost, increase the capacity, and meet the increased demand in future, construction of economically more efficient thermal and hydro power plants and rehabilitation of existing plants are necessary. The Government of Pakistan is addressing the above-mentioned issues through the "National Power Policy 2013". The current ruling party PTI (Pakistan Tehreek-e-Insaf), whose chairman of Imran Khan was inaugurated as prime minister in August, 2018 has also given priority on power sector reform.</p>	<p>【Strategy】 As a part of the energy sector reform, which is the most urgently needed reform, GOJ will support the enhancement of power generation capacity and lowering the cost of power generation, and consider providing assistance for capacity building, and human resource development. To promote the power sector reform, in cooperation with the World Bank and the Asian Development Bank, GOJ will provide technical cooperation to develop the optimal power generation and transmission expansion plan, and energy saving system while utilizing the Japanese experience and know-how. Regarding power generation, GOJ will consider construction of power plants and rehabilitation of existing power plants to enhance the power generation capacity and lower its cost while paying attention to the environmental and social effects of the assistance. Regarding transmission and distribution of electricity, GOJ will consider providing assistance in strengthening the facilities, preparing development plans, and improving the management capacity in power transmission and distribution. With regard to the renewable energy, GOJ will consider providing assistance in response to the needs, and according to the priority of Pakistan, while noting that it is a supplementary power source due to cost and reliability issues.</p>
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Development and improvement of economic infrastructure in power sector	Japan's Assistance Program	Program Summary	Project	Scheme	Schedule						Assistance Amount (100 Million Yen)	Note		
					Before JFY 2017	JFY 2018	JFY 2019	JFY 2020	JFY 2021	JFY 2022				
Power sector development program		The Program aims at achieving stable power supply with efficiency and effectiveness, by supporting construction/reinforcement of power stations and power grid, and enhancement of O&M capacity.	The Project for the Study of Upgrading National Power System Expansion Plan	TCDP		■■■■■								
			Project for Developing Effective Phasing Out Strategy/Program of Inefficient Appliances to Support Energy Standards & Labeling Regime	TCP		■■■■■								
			National Transmission Lines and Grid Stations Strengthening Project	LA	■■■■■							233.00		
			Punjab Transmission Lines and Grid Station Project (I)	LA	■■■■■							119.43		
			Islamabad and Burhan Transmission System Network Reinforcement Project	LA	■■■■■							26.65		
			Project for Strengthening Training Center on Grid System Operations and Maintenance	GA	■■■■■							9.94		

investment climate program	Trade Promotion Advisor(II)	EXP	■	■						
	The Project for Skills Development and Market Diversification of Garment Industry	TCP	■	■	■				5.60	
	Investment Climate Improvement Advisor (III)	EXP	■	■	■					
	Project on Improvement of Traffic Management Capacity in Lahore Central Area	TCP	■	■	■				2.70	
	Indus Highway Construction Project (III)	LA	■						194.55	
	East-West Road Improvement Project (I)(N-70)	LA	■	■	■	■			154.92	
	The Project for Technical Assistance on Implementation of Bridge Management System in NHA	TCP	■	■	■					
	Strengthening Corporate Social Responsibility (CSR) for Social Development in Pakistan	ML	■						0.75 million USD	ADB (Japan Fund for Poverty Reduction)
	Training Program on Industry Development, Technical Education, and Transportation	TR	■	■	■					

Priority area 2	Ensuring human security and improvement of social infrastructure											
Development issue 2-1	<p>【Background and current situation】 Pakistan is prone to floods, earthquakes, landslides, and cyclones. After the 2005 great earthquake in the northern Pakistan, GOP reconsidered the past practice that focused on ex-post and event-specific measures and prepared disaster prevention measures that focuses on reduction of damages and cross-sectoral approach. Subsequently, the National Disaster Management Commission chaired by the Prime Minister was established in 2007, and, as its secretariat, the National Disaster Management Authority was established. Furthermore, as a federal policy framework, the National Disaster Management Act was enacted in 2010. With support from JICA, GOP formulated the National Disaster Management Plan (NDMP) which includes the National Multi-Hazard Early Warning System Plan, the National Human Resources Development Plan and Instructors' Guidelines on Community Based Disaster Risk Management. In order to minimize the social and economic loss and human casualties from natural disasters such as floods, the NDMP aims at (1)developing early warning system, (2)promoting disaster awareness in communities, (3)developing risk assessment system, (4)developing anti-disaster measures for buildings, and (5)developing disaster management capacity of relevant authorities. As for the early warning system, while the meteorological radar and other facilities/equipment and weather observation/forecasting capacities have been strengthened, they are not sufficient. In addition, it is necessary to address the issues of aging structures such as barrages, canals, and dikes as they are no longer effective in managing new pattern of floods.</p>					<p>【Strategy】 Aiming at establishing disaster-resilient society, based on the National Disaster Management Plan (NDMP), GOJ will consider supporting policy formulation, early warning system enhancement and disaster awareness promotion at community level, and anti-disaster plan development for buildings, focusing on flood-related disasters. Regarding policy formulation, based on NDMP and relevant human resources development plan, GOJ will provide technical cooperation for strengthening the capacity to arrange training programs for human resources development in disaster management. Based on the National Multi-Hazard Early Warning System Plan, in order to strengthen the early warning system, GOJ will provide facilities that are prioritized by GOP such as meteorological radar and flash flood forecasting & warning system. In addition, GOJ will support capacity development for weather observation that will contribute to strengthen forecasting and warning systems. Since many local organizations and other development partners are already active in promoting disaster awareness at community level GOJ will consider supplementing their efforts by sharing the output/outcome from Japan's cooperation in the past such as disaster prevention and evacuation manuals, based on the assessment of needs and comparative advantage of Japan. In addition, GOJ will consider providing technical cooperation for managing disaster-resilient physical structures, by utilizing knowledge and experiences of Japan.</p>						
	Japan's Assistance Program	Program Summary	Project	Scheme	Schedule						Assistance Amount (100 Million Yen)	Note
					Before JFY 2017	JFY 2018	JFY 2019	JFY 2020	JFY 2021	JFY 2022		
		The program aims at establishing disaster-resilient society, by supporting policy formulation for disaster management, early warning system enhancement, disaster awareness promotion at community level, and anti-disaster building measures development,	Project for Capacity Development of Disaster Management	TCP	■	■	■	■				
Enhancing disaster management system		Strategic Strengthening of Flood Warning and Management Capacity(Phase 2) (Collaboration with UNESCO)	GA	■	■	■				4.89		
		Project for Establishment of Specialized Medium Range Weather Forecasting Center and Strengthening of Weather Forecasting System	GA	■	■	■	■			26.15		

Disaster management program	based on the National Disaster Management Plan (NDMP).	Project for Installation of Weather Surveillance Radar at Karachi	GA	████████████████████						19.49		
		Preparatory Survey on Project for Installation of Weather Surveillance Radar at Multan	PS	██████████								
		Khyber Pakhtunkhwa Emergency Rural Roads Rehabilitation Project	LA	████████████████████							147.00	
		Economic and Social Development Programme	GA	████████████████████							5.00	Meteorological System
		Training Program on Disaster Management	TR	██████████								

Development issue 2-2 Provision of safe water and improvement of sanitation	<p>【Background and current situation】 The share of Pakistani population with access to safe water has increased from 86% in 1990 to 91% in 2015. However, permanent (consistent) water supply has been provided in very limited areas. Regarding the access to sewerage facilities, there are huge gaps among cities; Lahore and Karachi exceed 80%, Gujranwala is only 60%, and Rawalpindi is merely 35%. In urban areas, the capacity of existing water supply and sewerage facilities is insufficient for the rapidly increasing urban population. Aging facilities and lack of budget/uneconomic operation at water supply agencies are hindering new investment and rehabilitation. In addition, there are other challenges such as contamination of water supply pipes by sewerage water, excessive pumping of ground water and water contamination by arsenic. In order to provide safe water in urban area, (1) strengthening of the capacity of water supply and sewerage facilities, (2) enhancing management, planning, operation and maintenance and financial capacities of urban water utility agencies, (3) developing long term integrated water resources management plan, including water resources development planning for future population growth, are required.</p>	<p>【Strategy】 For efficient and sustainable utilization of water resources, support for (1) expansion and rehabilitation of water supply and sewerage facilities, (2) enhancement of operation and maintenance capacity of the water utility companies, (3) sound management of water utility companies for sustainable water service delivery, will be considered especially in Punjab province, where half of the total population live, with various mega cities. In the mid and long term, in preparation for future water shortage, assistance in strengthening water resources management will be considered while monitoring the development of new multi-purpose reservoirs and irrigation system.</p>
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Japan's Assistance Program	Program Summary	Project	Scheme	Schedule						Assistance Amount (100 Million Yen)	Note
				Before JFY 2017	JFY 2018	JFY 2019	JFY 2020	JFY 2021	JFY 2022		
Water and Sanitation program	The Program aims at improving the quality and coverage of water service delivery, by supporting expansion and rehabilitation of facilities for water supply and sewerage in the mega cities with rapid urbanization and aging facilities. In addition, GOJ will assist GOP in helping water utility companies become sustainable by providing support to strengthen the capacity in operation and maintenance and financial management.	Project for Improving the Capacity of WASAs in Punjab Province	TCP	██████████							
		Project for Improving the Capacity of WASAs in Punjab Province	TCDP	████████████████████						6.10	
		Project for Replacement of Pumping Machinery at Inline Booster Pump Station and Terminal Reservoir in Faisalabad	GA	████████████████████						16.16	
		Project for Upgrading of Mechanical System for Sewerage and Drainage Services in Gujranwala	GA	██████████						10.31	
		Project for Energy Saving in Water Supply System in Lahore	GA	████████████████████						25.54	
		Preparatory Survey on the Project for Improvement of Water Treatment Plant and Water Distribution System in Faisalabad	FS								
		Grant Assistance for Grass-roots Water & Sanitation Project	GA	██████████						0.19	
		Training Program on Water and Sanitation	TR	██████████							

Development issue 2-2 Provision of safe water and improvement of sanitation	<p>【Background and current situation】 Pakistan's health indicators are low. According to the Pakistan Economic Survey (2015/16), the under five mortality rate (U5MR) is 81 per 1,000 live births and the maternal mortality rate (MMR) is 178 per 100,000 live births, and they are far below the SDGs (U5MR:25, MMR:70). Communicable diseases, maternal health issues and under-nutrition dominate the causes of all deaths at 46%. The main reasons for the under five mortality are prematurity, pneumonia, and diarrhea. Also, Pakistan is one of the only three countries in the world with wild poliovirus. In 2017, Pakistan experienced the outbreak of 8 polio new cases (20 cases in 2016). Despite the reduction in new polio cases due to the continuous effort made by Government of Pakistan and international communities, more measures are required for stopping transmission and early eradication of the poliovirus. Moreover, the health workforce and infrastructure remain insufficient and Pakistan lags behind some neighbouring countries. Systematic improvement in primary, secondary and tertiary health care, expansion in the routine vaccination programs and special attention to the rural areas are necessary. As for the administrative division of labor, responsibilities between the federal bodies (Ministry of National Health Services, Regulation and Coordination) and the provincial governments are still unclear, as a result of the devolution of health administration in 2011. Challenges also remain in matters related to social security, support for the handicapped, and nutrition sub-sector. Overall development of the health sector is required.</p>	<p>【Strategy】 Maternal, neonatal and child health (MNCH) as well as communicable diseases are the main challenges in Pakistan. Therefore, GOJ will provide assistance for strengthening basic health services related to MNCH and immunization services including polio eradication initiative. In the mid and long term, aiming at the Universal Health Coverage, assistance for strengthening basic health services to improve MNCH will be considered, while evaluating the needs, Japan's comparative advantage and past assistance. GOJ will select target areas according to the progress of devolution in health administration and will collaborate with provincial and district governments.</p>
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Development issue 2-5	<p>【Background and current situation】 Pakistan's education indices are the lowest level in South Asia. The literacy rate is 58% (2015/16). The net enrolment ratio for the primary school is 56% for boys and 51% for girls (2015/2016). The drop out rate in the primary school is high. There are gaps between urban/rural areas, provinces, gender and economic hierarchy. It is considered that these circumstances stem from four factors. First, there is the economic factor. Many families are too poor. Second, there is the geographic factor. The location of houses and schools hinders the access to education. Third, there is the household factor. Parents do not allow children (especially girls) to go to school due to unawareness of importance of education. Lastly, there is the education factor. The quality of education is low. Especially for girls or women, the religious and cultural values hinder their access to education. Although non-formal education has been provided by the provincial and the federal government, they have not fully identified the target group. Further, the curriculum and teachers' qualification have not been standardized for the non-formal education, thus improvement of its quality is required. After the 18th Amendment of the Constitution in 2011, the administrative responsibility of education was delegated to the provincial governments, and, subsequently, disparities among provinces in education have been widening. In 2017, Ministry of Education prepared the "National Education Policy 2017-2025". In the Policy, GOP aims at achieving universal education at the primary level and expansion of early secondary education. The education budget is slightly increasing but stays around 2% of GDP which is below the minimum target of 4% of GDP.</p>			<p>【Strategy】 In the educational sector, other development partners such as the World Bank and DFID are focusing their assistance on formal education. In line with Japan's policy in promoting women participation in society, promoting education for peace and growth, and the SDG 4, GOJ will support girls education and non-formal education in order to improve the access to and quality of education.</p>										
	Improvement of quality and access of education	Japan's Assistance Program	Program Summary	Project	Scheme	Schedule						Assistance Amount (100 Million Yen)	Note	
Support for Education		To improve Pakistan's education indices, GOJ will provide assistance in improvement of quality of and access to education. In terms of improving the quality of education, Japan's support will focus on non-formal education and assist in bridging the non-formal education, the formal education and employment. In terms of improving the access to education, GOJ will assist construction of girls schools in rural areas. The Grant Assistance for Grassroots Human Security Projects will also provide assistance in constructing educational facilities.	The Project for Upgrading Primary Girls Schools into Elementary Schools in Northern Rural Sindh	GA	█							8.08		
			The Project for Upgrading Primary Girls Schools into Elementary Schools in Southern Rural Sindh	GA	█	█							9.73	
			Grant Assistance for Grass-roots Human Security Project	GGP	█	█							0.47	
			Grant Assistance for Japanese NGO projects	GANP	█	█							1.62	KnK AAR
			Advancing Quality Alternative Learning Project	TCP	█	█							6.10	
			The Project for Enhancement of Non-Formal Education (Collaboration with UNICEF)	GA	█	█							3.93	
			Training programme on basic education	TR	█	█								

