

cdpr

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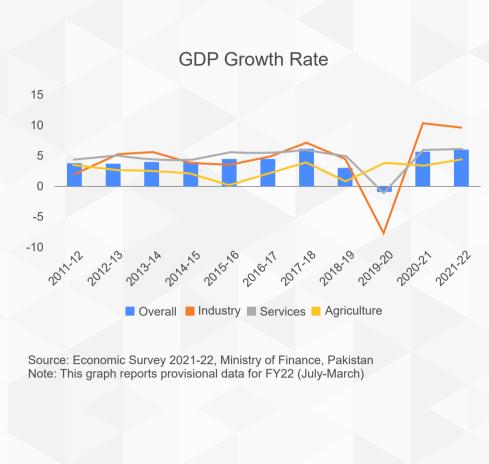
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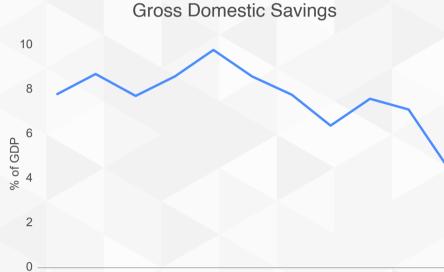


In our regular monthly newsletters, we report macro data on a month-by-month basis available here. Annual trends are only reported in the December edition.

of GDP

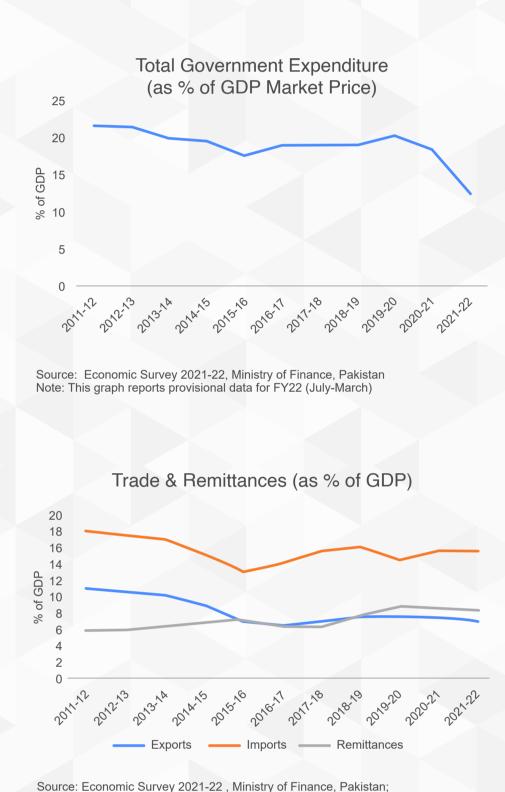
%





2011-12 2012-13 2017-18 2018-19 2019-20 2013-14 2014-15 2015-16 2016-17 2020-21 2021-22

Source: World Development Indicators (WDI)



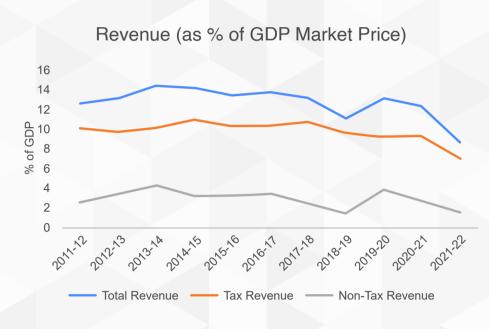
State Bank of Pakistan Annual Report (Various Years) Note: This graph reports provisional data for FY22 (July-March)

18 16 14 12 10 8 6 4

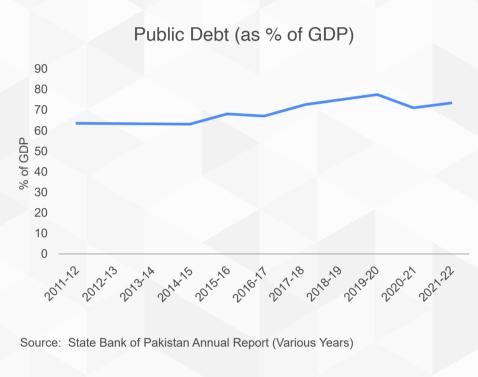
Investment (as % of GDP Current Market price)

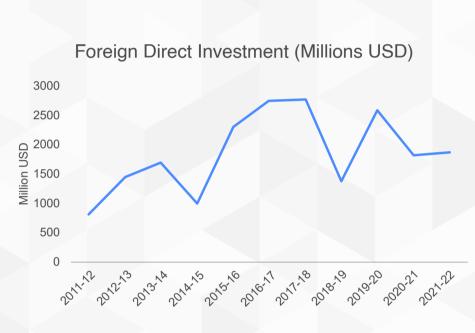


Source: Economic Survey 2021-22, Ministry of Finance, Pakistan Note: This graph reports provisional data for FY22 (July-March)



Source: Economic Survey 2021-22, Ministry of Finance, Pakistan Note: This graph reports provisional data for FY22 (July-March)





Source: State Bank of Pakistan Annual Report (Various Years)

10 9 8

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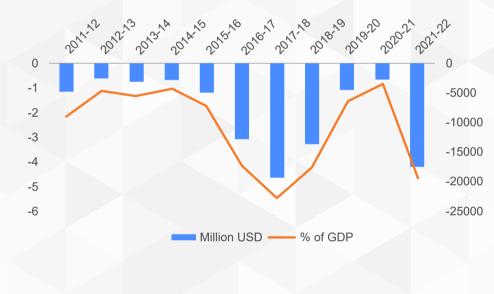
2011-12

2012:13

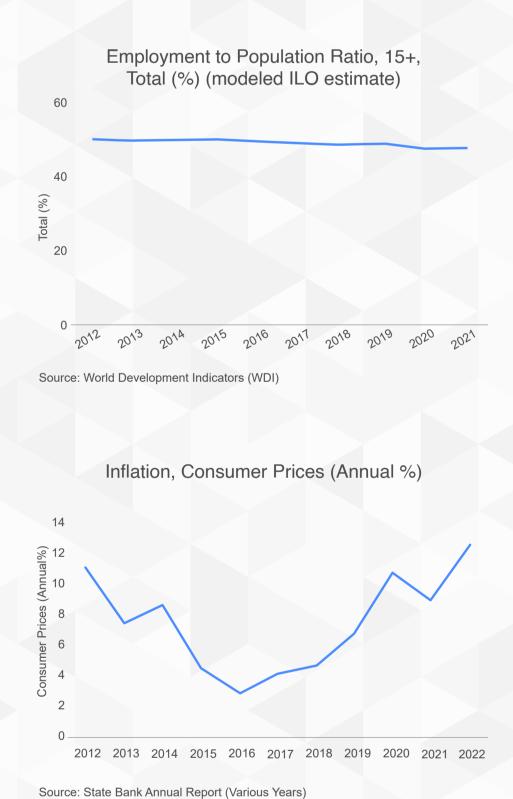
2013-14

% of GDP

Fiscal Deficit



Source: State Bank Annual Report (Various Years)



Source: Economic Survey 2021-22, Ministry of Finance, Pakistan Note: This graph reports provisional data for FY22 (July-March)

2015-16

2016-17

Unemployment, Total (% of Total Labour Force)

2017-18

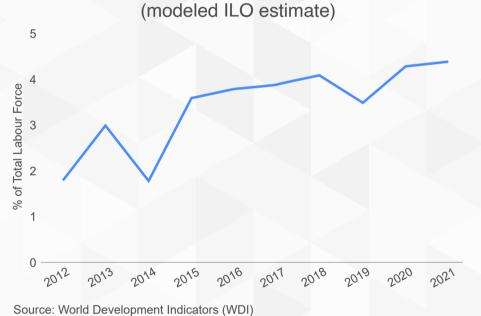
2014-15

2018-19

2019-20

2020-21

NSIGHTS FOR CHAN



INSIGHTS FOR CHANGE



THE POLITICAL ECONOMY OF PAKISTAN'S ECONOMIC RECOVERY

The unprecedented turnout at rallies across Pakistan protesting corruption and poor job prospects underscores the frustration among the rapidly growing middle class with governance failures. Pakistan's economic growth exceeded India's for over four decades after its independence in 1947, but since the 1990s, its growth rate has been consistently lower than India's. And, given Pakistan's higher population growth, its per capita income - a third higher than India's in 2000 - is now, 20 years later, a third lower. Pakistan has transitioned from the poster child of development to the sick person of emerging markets. For a country with a population of 220 million and on the frontlines of the fallout from global warming, this is not encouraging.

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DR. IJAZ NABI

RE-IMAGINING PUBLIC PRIVATE PARTNERSHIPS FOR BETTER HEALTH AND SECURITY

Public private partnerships are embraced by successive Pakistani policymakers as a panacea for improving health delivery, but beyond the first headline shout, there is much to be done in moving from promising ventures to impactful ventures.

Success of public private partnerships lies in repositioning partnerships within Pakistan's efforts to meet the global Sustainable Development Goal Agenda of Universal Health Coverage (UHC) and global health security. UHC involves

expanding affordable access to quality care with foremost attention to basic primary

health care services. More recently with the pandemic outbreak causing major health and economic disruptions, there is a call for building disease detection, risk communication and community engagement within

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GENDERED GEOGRAPHIES AND VACCINE HESITANCY AMONG **INFORMAL WORKERS**

Trust in state institutions - and, as a consequence, in the vaccines that they seek to administer-is often thought to be a key determinant of vaccine acceptance. However, a particular gap in our understanding is acceptance amongst marginalized groups in low income countries, who have tenuous connections to the state and to credible information and support networks. Ensuring that everyone is vaccinated across the globe requires that we better understand vaccine hesitancy amongst such groups, especially when these represent large populations.

The authors report on a project that explores health-seeking behavior and, in particular, attitudes towards Covid-19 vaccination programmes, from the perspectives of a group that is typically located at some 'distance' from the state -- informal workers in the lower-middle-income context of Lahore, Pakistan.

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ANNUAL EVENTS

Pathways to Development

Pathways to Development is a multidisciplinary conference that brings together empirical and historical research by economists, political scientists, sociologists, legal and constitutional scholars, and law and policy reform experts, within and outside Pakistan, to document and describe the scale of challenges facing Pakistan and to organize discourse about ways in which these can be mitigated. Finding pathways for mitigating and overcoming challenges requires engagement with knowledge and evidence on what works (and does not work) in terms of economic and social strategies and policies for Pakistan's context. This conference brings together a growing corpus of

historical and applied primary research from different disciplines to take stock of the country's trajectory and the reform strategies available to

The Conference Focuses on

EQUITABLE AND SUSTAINABLE GROWTH IN PAKISTAN

With Work Presented on The Following Themes

>>>> Macro-economic Stability

>>>> Catalysing Sustainable Economic Growth

>>>> Human Capital

put it on track for development.

>>>> Climate Change

>>>> Gender

- >>>> Energy for Development

>>>> Law and Social Justice

This conference is hosted jointly by the following institutions:

Institute of Development & Economic Alternatives (IDEAS), Chaudhry Nazar Muhammad Department of Economics at LUMS, Mahbub ul Hag Research Centre at LUMS, Institute of Development Studies at University of Sussex (IDS), Consortium for Development Policy Research (CDPR), International Growth Centre, and Centre for Economic Research in Pakistan (CERP).

///	FISCAL FOUNDATIONS TOP
	Sustainable Development

- >>>> Politics, Governance and Accountability
- >>>> Political Economy of Service Delivery

DEC, 19-21, 2022

WEBINARS

Lahore University of Management

Sciences (LUMS)

This year the conference was held during:

WEBINARS

Municipal Finance—How Can Cities Generate **Own-Source Revenue?**

CDPR held a webinar on "Municipal Finance: How can cities generate own-source revenue?" that took place on Thursday, February 3.

The webinar focused on how local governments can identify viable sources of own-source revenue including property tax and user charges, in addition to provincial transfers. Panelists discussed the key challenges in the design and administration of revenue-generation mechanisms.

The Panelists Were Dr. Rizwan Akram Sherwani

DG Excise & Taxation, Government of Punjab

Dr. Aisha Ghaus Pasha Economist, MNA, Former Finance Minister for the Government of Punjab

Dr. Anwar Shah World Bank, and Director of the Centre for Public Economics, Chengdu/Wenjiang, China

Mr. Altaf Sario Administrator, Karachi Metropolitan Corporation

Dr. Mahvish Shaukat (Moderator) Economist at the World Bank

The Session Was Co-chaired by Mr. Najy Benhassine

(Country Director for Pakistan, World Bank)

Dr. Ijaz Nabi (Country Director, IGC and Executive Director, CDPR) **Resilience and Inclusion in Education—Bridging** the Learning Gap

CDPR held a webinar on "Resilience and Inclusion in Education -Bridging the Learning Gap" in the Pakistan Development Policy Series, in collaboration with the World Bank. The webinar took place on Tuesday, March 29.

This webinar focused on the effects of the pandemic on the education sector and outlined cost effective interventions for immediate learning recovery.

The webinar included a panel discussion, chaired by Dr. Ijaz Nabi (Country Director, IGC and Executive Director, CDPR) and Dr. Jaime Saavedra (Director, Global Education Practice, World Bank).

The Panelists Were

Koen Geven (Economist at the World Bank)

Rachel Glennerster Associate Professor of Economics at the University of Chicago, and ex-Chief Economist at FCDO

Shahram Tarakai Minister for Education, Khyber Pakhtunkhwa

Riaz Kamlani Executive Vice President, The Citizens' Foundation

Sabrin Beg (Moderator) Assistant Professor of Economics at the University of Delaware

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Watch Here >

WORKSHOPS

A Conversation on Pakistan's Current Economic Crisis
CDPR in collaboration with IGC and Mahbub ul Haq Research Center held a webinar titled "A Conversation on Pakistan's Current Economic Crisis" on Thursday, August 4.
At the webinar three top experts discussed Pakistan's current economic challenges.
Georgetown University's Dr. Shanta Devarajan, who advises the Sri Lankan government, discussed how Sri Lanka got into economic difficulties and the way forward.
Dr. Reza Baqir, recent State Bank Governor and former chief of IMF's sovereign debt division, discussed the IMF's approach to handling sovereign debt distress and assessing the situation in Pakistan.
Dr. Homi Kharas, Senior Fellow in the Center for Sustainable Development at the Brookings Institution, discussed the role of international finance, including the IMF, in avoiding economic crises in low income economies.
The conversation was moderated by Dr. Ijaz Nabi, IGC Pakistan Country Director and CDPR Executive Director.

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WORKSHOPS

Roundtable on Water Governance and Sustainability

CDPR in collaboration with IGC hosted a virtual roundtable discussion on 'Water Governance and Sustainability' on Thursday, September 15.

The roundtable brought together a small group of experts, academics, and policy stakeholders together for a structured conversation around key challenges surrounding water management that are compounded by the impacts of climate change and the increasing need for more sustainable forms of economic development. The discussion focused on two distinct impacts of climate change and pollution on overall water supply in the country:

1. Floods 2. Droughts

ROUNDTABLE ON WATER GOVERNANCE AND SUSTAINABILITY (C]∎ cdpr

YouTube

The objective was to understand the trends, causes, and impact on human settlements, food security and economic activity and explore solutions as a collaborative effort between experts, researchers and policymakers with the underlying objective that improved management and governance can help Pakistan mitigate the impact of climate change.

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REMIT Tax Workshops in Lahore and Karachi

CDPR held two workshops on, "Reforming Pakistan's Taxes for Sustainable and Inclusive Growth", in collaboration with the Revenue Mobilization, Investment and Trade Programme (REMIT) funded by Foreign Commonwealth & Development Office (FCDO) on April 13 and April 25, in Lahore and Karachi.

The purpose of the workshops was to generate a dialogue on tax reform with a focus on improving the performance of various federal taxes in terms of both willingness to pay and collection. They also aimed to provide input into the upcoming budget to support the Federal Board of Revenue (FBR).

The workshops consisted of three panel discussions in each session, on income tax, sales tax performance and customs tariff. These were followed by interactive sessions with relevant stakeholders including representatives of the private sector, relevant government officials, academics and members of the civil society.

PROJECT HIGHLIGHTS

Recent Developments in Climate Finance: Implications for Pakistan

The Government of Pakistan (GoP) has ambitious plans for reducing 2030 greenhouse gas (GHG) emissions to 50% of baseline projected levels. These plans anticipate USD 151 billion of investment just for energy sector mitigation projects by 2040. In the GoP's view, any 50% reduction below baseline projected emissions should be financed 15% from domestic sources and 35% from international sources. International financing should be mostly on a concessional basis.

Despite Pakistan's relatively high emissions and relatively low GDP per capita. accessing concessional international climate finance (CF) will require meeting stringent qualifying criteria. Globally, the volume of concessionary finance is modest. Of the total CF of USD 632 billion in 2019-20, USD 65 billion was concessionary finance by multinationals to East Asian economies and only USD 20 billion was granted to the poorest countries. The Ukraine war clouds prospects for substantial increase in overall volume of funds.

Of about USD 325 billion in recent worldwide annual funding for renewable energy (RE), the great majority was private equity and market-rate debt. With decreases in per-KWH costs to within the range for fossil fuel alternatives, RE is now expected to cover its costs and provide an adequate return on investment (ROI). By contrast, only 13% of recent CF came in the form of concessional debt or grant financing focused on more challenging geographies (e.g., Sub-Saharan Africa) and sectors (e.g., agriculture, forestry, or other land-use projects).

This project suggests developing a strategy to target private external CF both for RE and for other climate change investments. Concessional CF may well be limited to non-remunerative climate mitigation projects (e.g., agricultural, or electricity transmission system upgrades to accommodate Variable Renewable Energy (VRE)), climate adaptation projects, or components (e.g., safety nets for laid- off coal sector or fuel sector workers) of otherwise remunerative mitigation projects that cannot be expected to earn a profit.

This report has been prepared by IGC and CDPR. The Principal Investigators were William P. Mako (CDPR fellow; former Lead Specialist, World Bank) and Ijaz Nabi (IGC Country Director; CDPR Executive Director) with support from Amna Mahmood (IGC Country Economist) and Shehrvar Khan (CDPR RA).

The Path to a Successful Pakistan

This project highlights the key features of the Kamyab Pakistan Programme launched by the Prime Minister on October 4 2021 to address low-income households' vulnerability to income shocks. Under KPP, the government will provide subsidized, interest-free microloans to 3.7 million families over a period of five years to support growth of small firms and farms. The KPP aims to reduce poverty and transition families towards sustainable livelihoods by building skills, making health insurance mandatory for all borrowers, and providing the opportunity to avail lowcost housing.

However, the vulnerability of low-income households is further exacerbated because low-income households are more susceptible to the high costs of pollution (air and water) and income shocks associated with climate change; and low levels of women participation in economic activity have deprived low-income households the opportunity to increase and diversify sources of income that can create a path to sustained economic growth.

This project reviews existing literature and datasets to investigate how to make Kamyab Pakistan Programme an intervention that strengthens low-income households' ability to manage economic vulnerability through lowering environmental costs and diversifying income sources by increasing the participation of women in the labor force. The team analyzed the sources of vulnerability differently, focusing on environmental risk factors affecting health and women's contribution to household income. Existing data and papers were reviewed to better understand Pakistan's current health burden linked with environmental risk factors and the situation with respect to gender inclusion, with a particular focus on vulnerable, low-income households. In doing so, the report also comes out with conclusions that go beyond Kamyab Pakistan Programme and appear to be foundational steps for any development program that strives to support Pakistan citizens to be healthier and more productive.

The report "The Path to a Successful Pakistan" was prepared by a team comprising Kulsum Ahmed (Director, Integrated Learning Means (ILM); CDPR fellow), Ijaz Nabi (Executive Director, CDPR and Country Director, IGC and former Sector Manager, World Bank), Sanval Nasim (Assistant Professor, Colby College), Farah Said (Assistant Professor, LUMS) and , Amna Mahmood (Country Economist, IGC).

Financing Sustainable Tourism in Khyber Pakhtunkhwa

The FCDO funded Sustainable Energy and Economic Development (SEED) program collaborated with CDPR to formulate a policy note on financing sustainable tourism in Khyber Pakhtunkhwa. The policy note explores how local resources can be mobilized to finance tourism development. It gives a preliminary assessment of ring-fencing revenue generated in the tourist areas of Khyber Pakhtunkhwa for developing specific tourism related infrastructure and services to promote sustainable tourism in these areas.

The lead author of this report was Dr. Turab Hussain (LUMS) with support from Emun Hafeez (CDPR) and Zohra Aslam (CDPR). Key input was provided by Hina Shaikh (International Growth Centre) and Zara Salman (CDPR). The report benefited from contributions from Dr. Ijaz Nabi (CDPR).

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- 1.2 **Balance of Payments**
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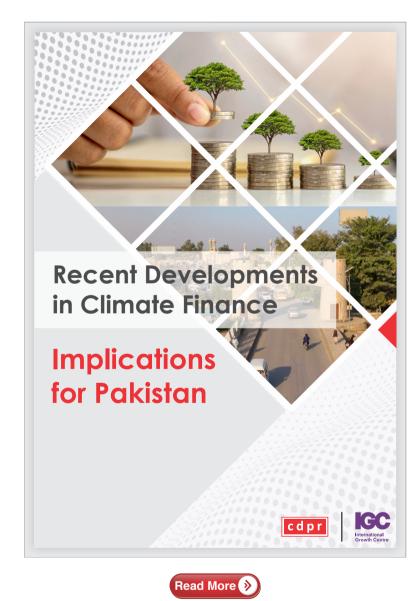
Impact of Covid-19 on Fresh Produce Supply Chains 3.1

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- 4.2 Dr. Faisal Bari Mothers: The Decisive Factor
- 4.3 Dr. Riaz Riazuddin
- Dr. Umair Javed 4.4

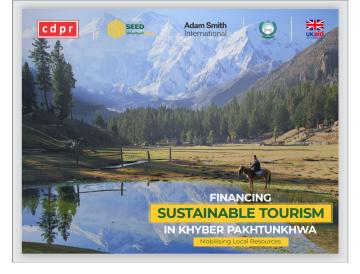
Our Dutch Disease

Campus and Tarmac

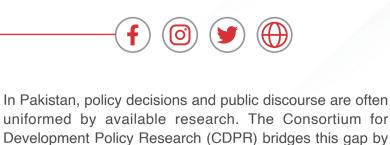


THE PATH TO A **SUCCESSFUL** PAKISTAN cdpr

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decision makers & the public.

communicating cutting-edge, evidence-based research on development issues in Pakistan to an audience of policymakers, students, the media and the wider public. With support from the International Growth Centre (IGC), CDPR disseminates policy briefs, hosts events, engages with the media and produces digital content to make topics in development research such as economic growth, energy, education, health and governance intelligible to both

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