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October to December 2012

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Introduction

The Trade Bulletin is a quarterly report prepared by the USAID Trade Project to monitor and capture Pakistan's economic and trade trends. The objective is to inform public and private sector stakeholders. The areas of focus are:

- *Macroeconomic Outlook:* General economic indicators to ascertain the state of the economy.
- *Import and Export Markets:* Analysis of trends to ascertain the value and potential of these markets.
- *Export and Import of Goods:* Analysis of the value of goods and services exported from and imported to Pakistan.
- Specific trade trends of Pakistan-India; Pakistan - Afghanistan and Pakistan-Central Asia: Analysis of developments, trends or issues with Pakistan-India trade liberalization and Central Asia.

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The Trade Project collects secondary data from various sources like the State Bank of Pakistan (SBP), the Pakistan Bureau of Statistics and Pakistan Customs / FBR to carry out its analysis. In some instances, , data released by the SBP is provisional and subject to revisions. Background information is gathered through other sources such as local and international media, research papers/journals, books and other publications. In addition, volumes/quantity of products imported and exported are not reported by the Government of Pakistan. As such, trade is captured in US dollar terms ceteris paribus.

The term Fiscal Year 2013 (FY13) refers to Pakistan's Fiscal Year which starts from July 2012 to June 2013. The FY13 Q2 is the period from October 2012 to December 2012.

Quarterly Review *October to December 2012*

Pakistan's economy in Fiscal Year 2013 Quarter 2 (FY12 Q2) remained vulnerable due to poor fiscal policies, continued security challenges, and political uncertainty. A summary of macroeconomic and trade indicators are as follows:

- The economy continued to experience high inflation, widening macroeconomic imbalances and falling reserves due to increased fiscal debts
- The economy continued to suffer from high inflation, macroeconomic imbalances and falling foreign exchange reserves due to increased fiscal debts.
- Gross Domestic Product growth is expected to decrease by 50 basis points from 3.70% in 2012 to 3.20% in 2013.
- Inflation, or Consumer Price Index, decreased from 10.30% in FY12 Q2 to 7.50% FY13 Q2.
- The Current Account deficit decreased in FY13 Q2 to 1.33% of GDP from 1.73% in FY12 Q2.
- The Trade Account deficit is USD $3.94 billion for FY13 Q2 compared to USD $3.74 billion in FY12 Q2
- The FY13 Q2 foreign reserves amounted to USD $13.91 billion down from USD $16.94 in FY12 Q2
- The average month-end interbank floating rate reached a record high of PKR 97.19 to USD $1.00 in FY13 Q2, compared to PKR 89.34 to USD $1.00 in FY12 Q2.
- The top 10 export destinations collectively accounted for close to 62% in FY13 Q2 compared to 61% in FY12 Q2 of the country's total exports, highlighting Pakistan's undiversified export portfolio.
- Exports, by value, increased for cement, sugar, cotton yarn, ready-made garments, and towels and exports for raw cotton, knit wear, footwear, basmati rice and plastics declined by value.
- Import commodities that increased are petroleum products, telecom products, raw cotton, tea, fertilizers and iron and steel while a decrease was seen in fertilizer manufactured, palm oil, pulses, plastic materials and road motor vehicles.

*The goal of the **Trade Project** is to collaborate with the Government of Pakistan and the private sector to resolve trade challenges and support 'second generation' trade reform through the provision of technical assistance. Specifically, the project aims to encourage improvements in customs and trade facilitation, eliminate anti-export bias in trade policy and enable increased bilateral and regional trade with Pakistan's neighbors through the facilitation of trade and transit agreements and border improvements.*

Overview

Pakistan's economy continues to remain vulnerable across macroeconomic indicators like high inflation, energy shortages and declining foreign exchange reserves augmented by political instability and a variable security environment.

The International Monetary Fund (IMF) projected **Gross Domestic Product (GDP) growth** for FY13 to decrease to 3.20% from 3.70% in FY13, stating energy constraints, variable security and fiscal imbalances as the factors for the downgraded outlook[1]. The GDP growth rate in Asia is slowing with Pakistan at 3.70% growth rate having the lowest expected growth in the region, as demonstrated in Table 1[2].

Table 1: GDP Growth Rate for Developing Asia in 2013 (%)

Pakistan	India	Bangladesh	Afghanistan	Sri Lanka
3.20%	5.90%	6.10%	6.50%	6.70%

Source: International Monetary Fund

The World Bank provides insight on countries' microeconomic environment through the "2013 Doing Business Index." In the 2013 Report, Pakistan is ranked at 107 out of the 185 economies surveyed[3], declining from 104 in 2012. In South Asia, Pakistan is ranked third behind Sri Lanka and Maldives and ahead of Nepal, Bangladesh, India, Bhutan and Afghanistan[4]. Table 2 compares Pakistan to its neighbors.

Table 2: 2013 World Bank Doing Business Index
Comparison between Pakistan and its Neighbors

Indicator	Pakistan	India	Afghanistan
Global Ranking	***107***	***132***	***168***
Ranking in S. Asia	***3***	***6***	***8***
Starting a Business	6	8	1
Getting Electricity	7	3	4
Getting Credit	2	1	7
Paying Taxes	7	6	3
Trading Across Borders	2	4	8
Enforcing Contracts	5	8	6
Resolving Insolvency	3	5	4

Source: World Bank Doing Business 2013

Review of Economic Indicators

Although **Foreign Direct Investment (FDI)** increased by 64.42% in FY13 Q2 it is not indicative of a trend, as demonstrated in the Table 3. Investments were made in the oil and gas exploration sector followed by power, information technology and the transport sectors[5]. The Philippines, United Arab Emirates (UAE), Italy, Hong Kong and Switzerland were the top five FDI contributors[6].

Table 3: Foreign Direct Investment in Pakistan *(USD $ Millions)*

FY10 Q2	FY11 Q2	FY12 Q2	FY13 Q2
$540.90	$442.50	$268.10	$440.80

Source: State Bank of Pakistan

Although **foreign exchange reserves** were lower at USD $13.905 billion from USD $16.490 billion as compared to the same period last year, high remittances and the release of the US Coalition Support Fund in the end of December helped support the country's foreign exchange reserves[7].

The value of the Pakistani Rupee (PKR) continues to weaken against the US dollar. According to the State Bank of Pakistan (SBP), the **average month-end interbank floating rate** reached a record high of PKR 97.19 against USD $1.00 in December 2012.The exchange rate for the same period last year was PKR 89.34 to USD $1.00[8]. The trade deficit and ongoing debt payments to the IMF, Asian Development Bank, World Bank and other lending agencies, continue to apply pressure on the Pakistani Rupee. The currency's future stability remains uncertain as a result of continued volatility against the more stable US dollar.

Inflation levels, while still high, declined from 10.30% in FY13 Q2 to 7.50% in FY12 Q2. The SBP's Central Board of Directors lowered the interest rate by 50 basis points to 9.50% in December 2012[9]. The low level of credit available to the private sector due to credit being crowded out by bank's lending to the public sector and the lower production capacity of Pakistani enterprises due to energy constraints continue to have caused upward pressure on inflation[10]. Declining investments in the country can also be a contributing factor to the otherwise stagnant economy and high inflation.

Remittances in FY13 Q2 were recorded at USD $3.52 billion, rising by 16.15% compared to FY12 Q2. The top three origins of remittance transfers to Pakistan were Saudi Arabia, the UAE and the US and account for 47.32% of the total remittance[11]. The Ministry of Finance of the Government of Pakistan states that the remittances in the current fiscal year will hit a record high of USD$14 million[12]. The Pakistan Remittances Initiative (PRI) is a joint effort between the SBP, Ministry of Overseas Pakistanis and Ministry of Finance and helps the efficient flow of transfers.

Outlook

Two challenges that Pakistan's economy currently faces are managing the balance of payment position and containing inflation. Despite a current account surplus of USD $250 million, net outflows and Pakistan's repayment of part of its IMF debt obligations, to the sum of USD $1.4 billion, foreign exchange reserves, which declined to USD $8.7 billion this quarter, will continue to be strained. Similarly, the balance of payments in the medium term will sustain as a result of low financial inflows. In the remaining five months USD $1.6 billion of IMF loan repayments is expected to further exacerbate the situation. These factors combined with muted investor confidence due to the variable security environment and the economy's structural instability may not support the return of a healthy economy in the short to medium term.

Table 4: General Economic Indicators

#	Indicator	Period	2012	2013
1	Consumer Price Index % (12mma)	Oct-Dec	10.30%	7.50%
2	Current Account Deficit (% of GDP)	Oct-Dec	-1.73%	-1.33%
3	Exports (FOB) USD $ billion	Oct-Dec	5,637	5,606
4	Imports (CIF) USD $ billion	Oct-Dec	9,377	10,559
5	GDP growth rate (%)	Oct-Dec	3.70%	3.30%
6	AvgForex Reserves (USD $ million)	Oct-Dec	16,940	13,905
7	FDI (USD $ million)	Oct-Dec	268.1	440.8
8	Remittances (USD $ million)	Oct-Dec	3,028	3,517

Source: State Bank of Pakistan / Pakistan Bureau of Statistics

Import Markets

Imports by Country

Pakistan's top 5 countries of import (see Table 2) accounted for 55.76% of the total imports while the top 10 importing countries represent 71.24% of the total[13]. These figures indicate that Pakistan's source of imports remains undiversified and vulnerable to external shocks.

The **United Arab Emirates** (UAE) continues to be the top country for Pakistan's imports from the world with a total share of 16.06% between October and December 2012 compared to 13.45% for the same period last year. The main commodities imported included petroleum products, iron and steel, precious stones and fertilizers[14]. China and Kuwait also maintained their second and third positions, respectively, in the total share of import. An increase in the value of crude oil imports (by value) from Saudi Arabia was observed while imports from the US declined during the period by 6.47%.

Figure 1: Top 5 Import Countries

Source: State Bank of Pakistan

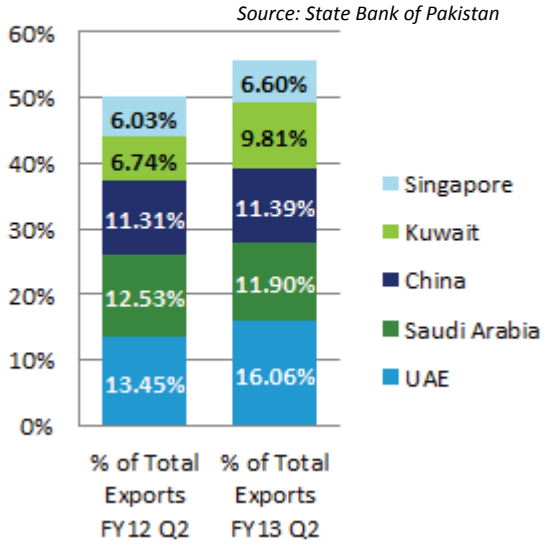

Table 5: Top 10 Importing Countries				
Country	Total Oct-Nov 11	Total Oct-Nov 12	% of Total Imports FY12 Q2	% of Total Imports FY13 Q2
UAE	$1,261,319	$1,695,535	13.45%	16.06%
Saudi Arabia	$1,174,648	$1,256,161	12.53%	11.90%
China	$1,060,279	$1,202,625	11.31%	11.39%
Kuwait	$631,953	$1,035,788	6.74%	9.81%
Singapore	$565,858	$697,398	6.03%	6.60%
Malaysia	$592,039	$349,714	6.31%	3.31%
Japan	$478,576	$347,627	5.10%	3.29%
India	$349,689	$344,777	3.73%	3.27%
UK	$173,354	$332,517	1.85%	3.15%
Switzerland	$504,101	$260,847	5.38%	2.47%
Source: State Bank of Pakistan				

Imports by Commodity

Petroleum: Petroleum, crude and its products continue to be Pakistan's top imported commodity. Imports increased by 38.45% in FY13 Q2, compared to FY12 Q2. High inconsistency in the availability of Compressed Natural Gas increased the demand for petroleum by the transport sector. In addition, Pakistan spent USD $7.7 billion on imports of petroleum and its products during the first half of the current fiscal year, a 1.15% increase over the same period last fiscal year, according to the Pakistan Bureau of Statistics[15].

Food: The overall import bill for general food items decreased by 33.31% in FY13 Q2 compared to FY12 Q2. Major food items which recorded a decrease in their imports this fiscal year include spices, palm oil, sugar and pulses[16].

Palm oil: Imports of Palm oil decreased by 33.45% this quarter compared to the same period last year. Malaysia and Indonesia remain the top suppliers of palm oil to Pakistan[17]. The import of palm oil decreased in FY13 Q2 as a result of increased import of soya bean oil[18]. Imports decreased due to an increase in the import of soya bean oil, a substitute of palm oil.

Pulses: Import of pulses declined by 33.35% in FY12 Q2 as compared to the same period last year and was also a contributing factor to Pakistan's overall decline in food items imports. A reason for this decline is that pulses were over-imported due to crop damage in the prior year[19].

Figure 2: % of Total Imports by Commodity Category (Oct-Nov 2012)

Source: State Bank of Pakistan

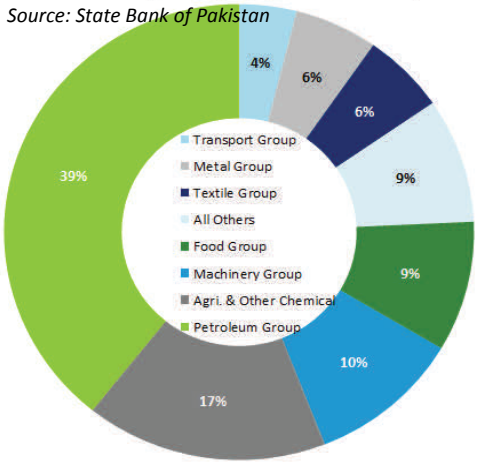

Table 6: Total Imports by Commodity Category				
Commodity	Total Oct-Nov 11	Total Oct-Nov 12	% of Total Imports FY12 Q2	% of Total Imports FY13 Q2
Miscellanous Group	$217,519	$220,013	2.32%	2.20%
Transport Group	$446,684	$385,649	4.76%	3.86%
Metal Group	$525,261	$560,307	5.60%	5.61%
Textile Group	$504,600	$560,534	5.38%	5.61%
All Others	$712,305	$864,927	7.60%	8.66%
Food Group	$1,354,322	$903,143	14.44%	9.04%
Machinery Group	$896,248	$1,030,405	9.56%	10.31%
Agri. & Other Chemical	$1,949,127	$1,628,195	20.79%	16.30%
Petroleum Group	$2,771,105	$3,836,564	29.55%	38.41%
Source: State Bank of Pakistan				
Notes:				
1. Miscellaneous Group refers to jute, rubber products and paper products				

Exports by Country

Pakistan's 5 five export destinations account for 46.54% of all exports while the top 10 destinations account for 60.82% of total exports[20]. Weak global demand, energy shortages and a narrow export base contribute to Pakistan's high trade deficit. Pakistan needs to pursue an effective export diversification strategy by expanding the non-textile industries, so that the economy can insulate itself from fluctuations in the trade of textile related commodities.

The **United States** maintained its position as the top export recipient. Pakistan continues to enjoy a trade surplus of USD $746,421 million. Exports mainly consist of textile products. Other major exports to the US include cotton and leather articles[21].

Exports to **China** grew by 42.85% between October and December 2012 compared to the same period last year. The increase in exports to China are a positive sign for the economy, however, Pakistan continues to have a trade deficit to the tune of USD $529.33 million[22].

Figure 3: **Top 5 Export Countries**

Source: State Bank of Pakistan

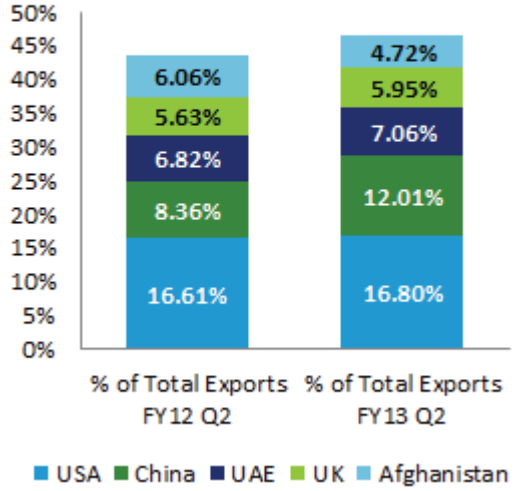

Table 7: Top 10 Exporting Countries				
Country	Total Oct-Nov 11	Total Oct-Nov 12	% of Total Exports FY12 Q2	% of Total Exports FY13 Q2
USA	$936,332	$942,055	16.61%	16.80%
China	$471,335	$673,293	8.36%	12.01%
UAE	$384,499	$395,532	6.82%	7.06%
UK	$317,229	$333,453	5.63%	5.95%
Afghanistan	$341,695	$264,749	6.06%	4.72%
Germany	$268,127	$240,394	4.76%	4.29%
Bangladesh	$152,483	$179,282	2.70%	3.20%
Spain	$133,639	$133,813	2.37%	2.39%
Italy	$162,739	$126,311	2.89%	2.25%
South Korea	$116,519	$120,601	2.07%	2.15%

Source: State Bank of Pakistan

Exports by Product

Textile: The textile industry is the largest industrial sector of Pakistan. It generates the country's highest export earnings and provides 39% of the country's employment[23]. The export of textile related commodities for FY13 Q2 increased by 0.45% over the exports recorded in FY12 Q2. Export of textiles accounted for 56.04% of the country's total exports in this quarter. Although energy shortfalls are reduced during winter season, it remains a supply side impediment to increasing export volumes.

Food: Exports of rice accounted for 46.06% of the 'Food' category for the quarter as compared to 57.73% in FY12 Q2, a decrease of 15.48%[24]. The Rice Exporters Association of Pakistan attributed this decline in exports of the commodity to load shedding of electricity, load management of natural gas and higher prices of Rice in international markets[25].

Other Manufactures: This category includes cement, carpets, leather products, sports goods, gems, chemical and pharmaceutical products, and engineering goods, among others. Cement exports increased by 13.36% in FY13 Q2 compared to FY12 Q2 while the exports of carpets, rugs and mats declined by 15.99% year over year.[24]

Figure 4: **% of Total Exports by Commodity Category (Oct-Nov 2012)**

Source: State Bank of Pakistan

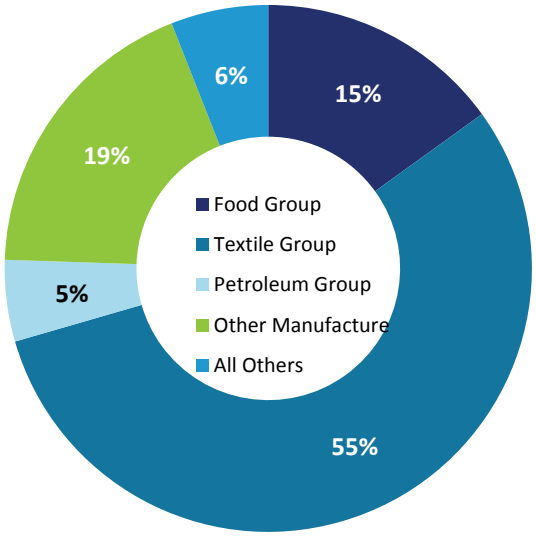

Table 8: Total Exports by Commodity Category				
Commodity	Total Oct-Nov 11	Total Oct-Nov 12	% of Total Exports FY12 Q2	% of Total Exports FY13 Q2
Food Group	$848,043	$898,325	15.04%	16.02%
Textile Group	$3,127,582	$3,141,610	55.48%	56.04%
Petroleum Group	$281,582	$173,245	4.99%	3.09%
Other Manufacture	$1,043,016	$1,041,532	18.50%	18.58%
All Others	$337,057	$351,138	5.98%	6.26%

Source: State Bank of Pakistan

Regional Trade

Overview

According to the World Bank, South and Central Asia are two of the least integrated regions in the world. Despite the high potential of trade in the South and Central Asian states, Pakistan and the associated countries are far from realizing the benefits. Trade with the region faces many barriers to international as well as extra-regional trade. These include complex and individual trade policy regimes, low capacity, poor infrastructure, distance from major markets, and an endogenous physical geography, among others. According to a research published in Central Asian Business Journal, "the Central Asian region emerges as one of the world's most expensive, time consuming, and bureaucratically encumbered regions with which to trade." While geography may be unavoidable, liberalizing trade policy may yield drastic increases in trade performance[26]. These are challenges that need to be overcome before Pakistan can increase regional trade.

Afghanistan

Exports to Afghanistan declined by 22.52% to USD $264.75 million in FY13 Q2 in comparison to FY12 Q2. Pakistan's exports to Afghanistan include edible oils, cement, plastics and iron and steel products[27]. The decline was primarily recorded in cement exports[28] and petroleum oil and lubricants (POL) products among others. Some of the reasons for this decline include restrictions on export of POL, slower developmental construction, frequent closure of the Afghanistan-Pakistan borders due to political reasons and congestion at border posts. The Imports from Afghanistan were USD $6.29 million in FY13 Q2[29]. The imports primarily consisted of cotton and soapstone (used in the manufacturing of dishes, pots and crockery)[30].

South Asia

India: Despite close proximity, Pakistan's exports to India accounted for only 1.41% of the country's total exports in FY13 Q2, while India's exports to Pakistan accounted for 3.27% of their total exports in FY13 Q2. Recently, the federal cabinet approved granting of MFN status to India aiming to boost trade ties between the two countries[31] however, due to pressure from lobbies like agriculture, automobiles and pharmaceuticals, it is not expected to be implemented before elections in Pakistan expected for June 2013[32].

Bangladesh: Pakistan's exports to Bangladesh rose from 2.70% in FY12 Q2 to 3.20% of total exports in FY13 Q2[33]. Total exports are valued at USD $73.30 million. The exports are largely dominated by intermediate textile products[34]. Imports from Bangladesh in FY13 Q2 were valued at USD $17.38 million declining from USD $20.89 million compared to FY12 Q2. It is largely dominated by jute[35]. Recently, the Bangladesh High Commissioner on his visit to Pakistan commented on the need of a direct shipping line between the two countries to boost trade[36]. It was decided that the two sides will continue to have dialogue on improving transportation and trade linkages between the two countries.

Sri Lanka: Pakistan's exports to Sri Lanka in FY13 Q2 increased to USD $73.30 million as compared to USD $62.90 million in FY12 Q2 representing an increase of 16.53%. Pakistan's exports are more diversified, in comparison to other countries in South Asia and include textile products, cement, rice, potatoes and wheat[37]. Similarly, Sri Lanka's imports increased by 50.30% and reached USD $17.57 million[38]. One contributing factor was the higher import of tea during the period possibly due to a reduction in the export tax in Sri Lanka. Trade between the two countries is increasing and more investment areas are being explored by the business community from both countries. This could possibly be due to frequent meetings of the business regular basis[39]. News sources state that National Bank of Pakistan is opening its branch in Colombo, Sri Lanka to mutually benefit and facilitate traders from both countries[40].

Central Asia

Trade with the Central Asian Republics (CARs), in comparison to the total export portfolio, is not a significant portion. The CARs represent a total of 0.070% of imports and 0.073% of exports of Pakistan[41]. Although there is a slight increase in trade with CAR states –Kazakhstan, Tajikistan, Turkmenistan, Uzbekistan, Kyrgyzstan, however, it still has no significant change on the country's balance of trade.

The CARs have a collective population of 66 million people distributed across five states – Kazakhstan, Kyrgyzstan, Turkmenistan, Tajikistan and Uzbekistan – and has the potential to develop into a significant exporting market for Pakistani commodities and investment destination for Pakistani businessmen.

Please note that as the percentage changes do not demonstrate trends or a meaningful comparison, the authors have chosen to only state the monetary value of imports and exports.

Table 9: Imports with Central Asian Republics

Country	Total Oct-Nov 11	Total Oct-Nov 12	% of Total Imports FY12 Q2	% of Total Imports FY13 Q2
Tajikistan	$0	$6,600	0.0000%	0.0625%
Kazakhstan	$0	$494	0.0000%	0.0047%
Turkmenistan	$52	$298	0.0006%	0.0028%
Kyrgyzstan	$0	$0	0.0000%	0.0000%
Uzbekistan	$0	$0	0.0000%	0.0000%

Source: State Bank of Pakistan

Kazakhstan: Exports to Kazakhstan declined slightly in FY13 Q2 and were valued at USD $1.13 million as compared to USD $1.39 million in FY12 Q2. Major exports include medical equipment, fruit, potatoes and tea[42]. Imports worth USD $494,000 were recorded for the quarter as compared to no imports in the same quarter last year.

Uzbekistan: Exports to Uzbekistan witnessed increase to USD $797,000 in this quarter as compared to USD $153,000 in same period last year[43]. More than half of the exports consist of medical and pharmaceutical products[44]. Rice and citrus fruits were some of the other exports. As far as imports for the quarter is concerned, State Bank of Pakistan reports no import activity for this quarter.

Tajikistan: Exports increased to USD $1.80 million in FY13 Q2 compared to USD $1.02 million in the FY12 Q2. The increase was contributed by higher volumes in sugars and sugar confectionery, milk and cream[45].

Turkmenistan: The exports for the period remain low despite increasing from USD $131,000 in FY12 Q2 to USD $ 198,000 in FY13 Q2[46]. Exports consist of small volumes of matches and pharmaceutical products[47]. Pakistan's imports from the country saw a significant change and was valued USD $298,000 as compared to USD $52,000 same period last year. Cotton fiber was the main import material[48]. The recent Economic Co-operation Organization (ECO) conference discussed the lucrative proposals of enhancing electricity trade and building a Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline boost trade in energy to enhance production in the country.

Kyrgyzstan: The volume of export for FY13 Q2 was recorded to be USD $177,000 in comparison to USD $64,000 in FY12 Q2[49]. According to the State Bank of Pakistan, there have been no imports from Kyrgyzstan.

Trade Projects in Pakistan

Name	Description	Status
European Union (EU) *Trade Related Technical Assistance II (TRTA)*	Trade Related Technical Assistance (TRTA-II) program is funded by the European Union (EU). Its objective is to assist Pakistan in developing the required capacity to deal with challenges in trade, to support the county's integration into the global economy. The UN Industrial Development Organization (UNIDO) is responsible for the implementation of TRTA-II. There are three components: Component-1 (Trade Policy Capacity Building) is managed by the International Trade Centre, Component 2 (Export Development through Improvement of the Quality Infrastructure) is under UNIDO, and the World Intellectual Property Organization is responsible for Component 3 (Strengthening of Intellectual Property Rights). TRTA II started was implemented on January 1, 2010.	Active
World Bank *Trade & Transport Facilitation Program (TTFP-2)*	The Trade and Transport Facilitation Program (TTFP-2) is a World Bank (WB) program with a total funding of USD $25 million. TTFP-2's objective is to improve Pakistan's international competitiveness through simplified export and import documentation procedures, modernization of related legislation and creation of a national capacity to solve potential problems between the transport users and providers. The project has two components: (I) National Trade Corridor, and (II) Trade and Transport Facilitation. The project is planned to continue operating until the end of 2013.	Active
Asian Development Bank *National Highway Sector Development Program*	The National Highway Sector Development Program (NHSD) is funded by the Asian Development Bank (ADB) up to USD $230 million. NHSD's objective is to reduce transportation costs for goods and passengers and improve the regional connectivity to the country's main economic centers. The project seeks to improve the road sector's efficiency in Pakistan's main transport corridor and build institutional capacity within the National Highway Authority. The project is scheduled to operate until 2013.	Active
Multi Donor Trust Fund *Economic revitalization of Khyber Pakthunkhwa and the Federally Administered Tribal Are- as*	The aim of the Economic Revitalization Program is funded by the Multi-Donor Trust Fund (MDFT) up to USD $20 million. The project's objective is to support the Government of Pakistan in its effort to stimulate economic growth in Khyber Pakhtunkhwa (KPK) and the Federally Administered Tribal Areas (FATA) through the creation of employment opportunities via institutional capacity building, investment mobilization and by providing support to Small and Medium Enterprises (SMEs). The project has three components: (1) SME development, (II) Attracting investments from the Diaspora, and (III) Institution Building to foster investment and implement regulatory reforms. The implementing agencies for this project include the Government of KPK and the FATA Secretariat.	Active
World Bank *Pakistan Poverty Alleviation Fund (PPAF)*	The Pakistan Poverty Alleviation Fund (PPAF) project is designed to improve the economy by providing better income opportunities to low-income groups in urban and rural communities. PPAF has a presence in 129 districts. It is funded by the World Bank and was initiated in August 2009 with an end date of 2015.	Active
UK Department for International Development *Punjab Economic Opportuni- ties Program (PEOP)*	The UK Department for International Development (DFID) Punjab Economic Opportunities Program (PEOP) was formulated in cooperation with the Government of Pakistan, fund up to BP £55 million. PEOP focuses on poverty alleviation in Punjab's four districts of Bahawalpur, Bahawalnagar, Lodhran and Muzaffargarh by enhancing livestock quality and quantity, thereby supporting local economic. Key features of the program include: (I) Skill development, (II) Livestock and dairy development, (III) Center for Inclusive Growth, and (IV) Technical assistance. The program is scheduled to continue operating till the end of 2012.	Active
US Agency for International Development *Karachi Harbor Crossing Project*	The Karachi Harbor Crossing Project (KHCP) is funded by the USAID for technical assistance to: (I) rationalize Karachi Port Trust's current business strategy and future investment plans; and (II) build its financial planning and forecasting capacity. It will also establish the Karachi Harbor Crossing Project on a non-sovereign basis. Additionally, a $200 million loan from the Asian Development Bank is in the pipeline for approval in 2013.	Active

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