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DRAFT WORKING PAPER

LOCAL CURRENCY PROGRAM

SHELTER RESOURCE MOBILIZATION PROGRAM

Prepared for

Government of Pakistan
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A. BACKGROUND AND RATIONALE

The project document for the Pakistan Shelter Resource Mobilization Program was approved by USAID/Pakistan in June 1989. This document envisaged that the dollar proceeds of a US$100 million Housing Guaranty (HG) loan would be used by the Government of Pakistan (GOP) as unrestricted foreign exchange. The project document did not require tracking the use of the US dollars. Rather, USAID planned to establish a process to verify that the rupee equivalent was used to finance shelter programs affordable to households earning below the urban median-income level.

The GOP, through its normal Annual Development Program (ADP) and Special Development Program (SDP) budgetary process, was to provide initially national and local shelter and urban development institutions with local currency equivalent to the US$100 million HG loan. USAID, in turn, was to attribute the HG-related local currency to pre-qualified shelter programs such as the development of raw land for residential plots, the upgrading of public services in Katchi Abadis and other low-income settlements, and the development of new shelter programs.

Various discussions held between officials from USAID/Pakistan, RHUDO/Asia and government ministries and private sector entities subsequent to the authorization of the Project Paper reached the conclusion that A.I.D.'s desired "arms-length" relationship with the development of a local currency program was not a workable model. These ongoing discussions highlighted two modifications that were believed necessary to ensure the successful implementation of the HG program:

- Establish a direct financial linkage between the US$100 million foreign exchange loan and the development of a local currency program to cater to the needs of A.I.D.'s below median-income target group;
- Earmark all or part of the US$100 million to a GOP funding facility that could channel local currency to eligible market-oriented housing finance institutions.

The government officials involved in these discussions decided that some type of "housing finance fund" was the appropriate vehicle to channel these funds to the country's private housing finance sector. This consultant's two weeks of extensive conversations in Islamabad and Karachi corroborated the above sentiments regarding the need for such a fund.

There are essentially three principal reasons to establish a housing fund in order to facilitate the implementation of a local currency program:

- It has proven, and will undoubtedly continue to prove, very cumbersome and time-consuming to track and attribute eligible expenditures for affordable solutions to ADP and SDP shelter activities;
- At least initially, there will be a critical need for support to the newly-formed HFCs in the form of short-term liquidity;

- Direct access to local currency resources will provide incentives to existing DFIs and the new HFCs to finance shelter solutions that are affordable to below median-income households.

Therefore, the Scope of Work as contained in this consultant's TOR is two-fold:

- outline the broad parameters of a local currency program to support the market-oriented HFCs; its institutional arrangements, operational guidelines and programmatic criteria;
- estimate and document the perceived market and effective demand for housing finance broken down by income groups (above and below the urban median-income).

This brief report responds to the Scope's two main points. Following this section that presents the background and rationale for the proposed local currency program, the second section provides an estimate of effective demand for the market-oriented housing finance system. Finally, the third section outlines the principal design parameters of the proposed local currency program.

B. EFFECTIVE DEMAND FOR MARKET-ORIENTED HOUSING FINANCE

The SOW for this assignment requires "the documentation of the perceived market and effective demand for housing finance broken down by income groups (above and below the median income)". The previously-mentioned discussions in Islamabad and Karachi with the finance sector's most senior public and private sector managers underscored the almost limitless demand for housing finance. The reason most often given for this phenomenon is that current sources of formal housing finance (primarily HBFC and commercial banks) are meeting only a small fraction of present demand. Lack of present sources of supply, however, is but one variable in the complicated equation to precisely estimate effective demand for a new source of housing finance.

Effective demand for housing finance varies according to several long- and short-term factors. In the longer-term, demand for market-oriented housing finance is dependent on the growth in the size and distribution of the population, the magnitude and distribution of household income, and the relative cost of alternative sources of funds. In the short-term, demand is often constrained by the lack of liquidity that results from imperfections in capital markets. In the case of Pakistan, the lack of a market-oriented housing finance system is primarily due to government policies that discouraged such a system, as well as the existence of a large-scale, heavily-subsidized public sector shelter program that operates in a broad-range of market segments at negative real rates of interest. The latter reason will place any new market-oriented housing finance institution at a severe comparative disadvantage *vis-a-vis* the existing system.

Certainly there is no doubt regarding the potential to increase the demand for formal housing finance in Pakistan. A recently-completed ADB consultant's report[1] carries out a very interesting analysis of the future needs for investment in housing and, therefore by implication, the potential for new sources of demand for housing finance. This ADB consultant study developed a demand model that identifies trends in per capita

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[1]T.A. No.942-PAK, HBFC, Draft Final Report, BMB et al, February 1989.

consumption of housing at the national level during the past 26 years.[2] The results of this modeling exercise allow one to project the level of required investment in housing for the five-year period 1990/91 to 1994/95 covered by the HG program.

Table 1 estimates the overall investment requirements for housing for the five-year period 1990/91 to 1994/95. The total investment figure is estimated at Rs.111.5 billion (US$5.19 billion).

Arrayed against these dramatic five-year housing investment projections is the private sector's poor past performance at responding to these requirements. Table 2 highlights the flow of formal sector financing into housing for 1988/89, the last year for which information is available. Assuming that the amount of formal sector financing going toward housing has not changed significantly during the previous two years, the two previously-referenced tables clearly indicate that more than 70 percent of the total financial needs of the housing sector--Rs.13.1 billion--are met from informal sources such as private savings, personal remittances and informal borrowing. On the surface, this dramatic gap between overall investment needs versus formal sector resources provides an excellent opportunity for new sources of market-oriented housing finance.

But the question arises as to what portion of the total gap between formal and informal sources of financing for housing could be met by the US$100 million HG program. The previously-quoted ADB consultant report provides insights into answering this question.

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[2] Ibid. Working Paper 1, Annex 1, Projected Levels of Investment in Housing Sector.

TABLE 1
REQUIRED INVESTMENT IN HOUSING
1990/91 - 1994/95

CATEGORY OF INVESTMENT	INVESTMENT PER YEAR (Rs. Billion)					
	90/91	91/92	92-93	93-94	94-95	Total
Cost of Superstructure	12.7	14.0	15.4	16.9	18.6	77.6
Cost of Land (25% of cost of super-structure)	3.1	3.5	3.8	4.2	4.6	19.2
Transfers of Existing Housing	2.4	2.7	2.9	3.2	3.5	14.7
Total	18.2	20.2	22.1	24.3	26.7	111.5

Source:
PADCO elaboration of information contained in Table 1, Paper 2, Strategy for Housing Finance, Working Papers, House Building Finance Corporation, Pakistan, Draft Final Report, BMB et al, February 1989.

TABLE 2
SOURCE OF FORMAL SECTOR FUNDING FOR HOUSING
1988/89 (Rs. Billion)

SOURCE	AMOUNT
HBFC	Rs. 2.4 Billion
Commercial Banks	0.9
Government Loans to Staff	0.3
SBP Loans to Staff	0.1
Housing Cooperatives	0.5
Private Cooperatives	1.0
Total	Rs.5.2 billion

Source:
Table 1, Paper 2, HBFC Study, Draft Final Report, February 1989.

Later sections of this ADB report differentiate investment need by income category. Three categories are identified:

- an upper-income sector with household incomes above Rs.6,000 per month (approximately at the 90th percentile of all urban households); (see Annex 1 of this consultant's report for an 1990 estimated distribution of urban household incomes.)

The report notes that households with incomes above this cutoff would normally finance their own house construction from personal savings, although at times this income category might rely on an HBFC or commercial loan for partial financing.

- a middle- and upper-lower income group with household incomes ranging from Rs.2,000 to,Rs.6,000 (approximately covering the 30th to the 90th income percentiles);

This income category would be the obvious market group to take advantage of any increased formal sector financing mechanisms.

- a lower-income group with household incomes below Rs.2,000 per month (30th percentile);

This is the group for which market-oriented financing has traditionally played only an insignificant role. This is the group to which any government subsidies should be specifically and transparently earmarked.

Given the analytical framework for future investment in housing presented in the previously referred to ADB consultant report, Table 3 estimates the size of the potential investment market for the three income categories identified for Pakistan's urban areas for the period 1990/91 to 1994/95.

TABLE 3
ESTIMATED SIZE OF FUNDING REQUIREMENTS BY URBAN INCOME CATEGORY
(Rs. Billion)

INCOME CATEGORY	YEAR					
	90/91	91/92	92/93	93/94	94/95	Total
Upper	3.3	3.6	4.0	4.3	4.8	20.0
Middle	5.8	6.4	7.0	7.7	8.5	35.4
Lower	1.9	2.1	2.3	2.6	2.8	11.7
Total	11.0	12.1	13.3	14.6	16.1	67.1

Source:
PADCO elaboration of information contained in Table 2, Report 2, HBFC Study, Draft Final Report, February 1989.

The middle-income category identified in Table 3 is the market group that will be the primary recipient of the proposed US$100 HG loan. This market group corresponds to those urban households earning from approximately Rs.6,000 to Rs.2,000. This income range represents the 90th to the 30th percentiles of the urban household income distribution. The overall range of incomes included in this category clearly exceeds A.I.D.'s mandate to address the shelter needs of below median-income households (50th percentile). In order to estimate a gross order of magnitude for the investment needs of those households falling at or below A.I.D.'s mandated income level (the 60th to 30th income percentiles is used as a proxy for this group) for the five-year period of the HG program, the total investment figure of Rs.35.4 billion for the entire income category is divided in half. The required housing investment for A.I.D.'s target group is, therefore, estimated at Rs.17.7 billion (or about US$823 million).

The total funding required to meet the needs of A.I.D.'s target group for the five-year period of the HG loan is more than eight times the amount of the HG loan. If the proposed market-oriented housing finance system is properly structured with regard to appropriate terms and conditions, and is extensively promoted in the local media, there is every reason to believe that there will be an effective demand for new sources of formal housing finance by A.I.D.'s below median-income target group.

C. PROPOSED DESIGN OF LOCAL CURRENCY PROGRAM

The following sections provide the broad outline of a local currency program whose successful execution will facilitate the achievement of the HG program's policy goals and objectives.

1. Program Description

It is proposed that the local currency program take the form of a revolving Housing Finance Fund (the Fund). The Fund will be financed directly from the conversion to local currency of all or a part of the US$100 million HG loan. The objectives of the Fund are to:

- Facilitate the newly-created HFCs and existing DFIs in the mobilization and channeling of local private sector resources into the financing of shelter;
- Provide incentives to those market-oriented financial institutions to finance shelter solutions affordable to below median-income urban households.

The Fund would primarily serve as a "window" for the refinancing or purchase of mortgage portfolios from the market-oriented housing finance companies (HFCs), development finance institutions (DFIs), and commercial banks. However, it is envisaged that a portion of the Fund's resources could be used for short-term construction financing and, in exceptional cases, for direct lending.

Given the prime objective of the Fund to stimulate long-term, market-oriented lending in shelter, refinancing of mortgage portfolios will be provided for periods of up to 15-20 years. Where appropriate, construction financing will be provided for shorter periods (up to 36 months). A small share of the Fund's resources (say 5-10 percent) can be used as a very short-term bridging mechanism (maximum 180 days) to assist the new HFCs through initial liquidity problems caused by an imbalance in their need to borrow short and lend long.

The extent to which the Fund will participate in any financing scheme will depend primarily on the degree to which a financial intermediary's application meets the specific goals and objectives of the HG program. The principal criteria are: (1) the financial intermediary has mobilized its own resources in local capital markets; and, (2) the specific program or project is targeted to below median-income urban households. (See section C.3 for a discussion of the sliding percentage scale that will be applied to this review process.)

Private developers, housing cooperatives, NGOs can gain indirect access to the Fund through the intermediation of an HFC, commercial bank or DFI.

2. Institutional Arrangements

a. Policy Coordination and Control

The Ministry of Finance, Internal Finance Wing, will have overall responsibility for policy coordination of the Fund. The MOF will set the terms, conditions and guidelines for the Fund's overall financial activities. It will establish the broad criteria for designing the types of financial activities and institutions to be supported. It will provide the broad guidance regarding the format and information required to apply for use of the Fund's resources.

b. Project/Portfolio Appraisal, Monitoring and Supervision, and Regulation

The State Bank of Pakistan (SBP) will have responsibility for enforcing the HFC regulatory framework as per the terms and conditions to be established in the S.R.O. currently under review by the Ministry of Finance, Investment Wing.

The SBP will administer on a day-to-day basis the financial resources allocated to the Fund by the MOF. On the basis of the rules and regulations established by the MOF, the SBP will review and evaluate all applications for access to the Fund's resources. For this not insignificant task, the SBP will have to establish a small, highly-skilled unit (perhaps initially with 2-3 analysts with expertise in financial analysis, as well as housing-related experience in affordability calculations, project management, quantity surveying, etc.) to evaluate applications for financial assistance.

Fortunately, there already exists in the SBP the legal mechanism and experience to manage the proposed Housing Finance Fund. The Bank's 1956 Charter establishes a

"Housing Credit Fund" that provides for the financing or refinancing of medium- and long-term loans and advances for financing construction or the purchase of housing. Due to the limited recent lending activities for housing in the domestic financial markets, however, this SBP fund has been dormant of late.

Two hurdles will have to be surmounted in order to access the SBP's Housing Credit Fund for the purposes of the proposed Housing Finance Fund: (1) currently the Housing Credit Fund does not permit short-term lending; nor, (2) the making of unsecured loans (i.e., mortgages on real estate do not qualify as government-approved securities). While it would certainly be easier to access the existing fund for the purposes of the HG program, SBP officials have indicated that a separate fund could be set up if this does not prove feasible.

c. Eligible Housing Finance Institutions

Government and USAID will create the Housing Finance Fund expressly to support and facilitate market-oriented housing finance companies. The specific types of financial institutions that will avail themselves of the Fund's financial services will vary over the HG's five-year timeframe. There will most likely be an initial gap between approval of the HFC S.R.O. in the MOF and the launching of pure market-oriented HFCs. In the meantime, joint sector HFCs currently being planned by PICIC (with funding from the IFC and CDC), and possibly NIT in combination with the Dawood Corporation, are first "in line" to gain access to the Fund. This type of joint sector HFC will be permitted access to the Fund so long as it brings new resources into the housing finance system through the taking of time deposits and/or the floating of Participation Term Certitudes (PTCs) and Term Finance Certificates (TFCs) or other longer-term marketable securities.

The HBFC will also be allowed to participate in the Fund's financial activities if and when it shows that it has moved toward a commercial, market-oriented lending institution capable of raising its own resources in local financial markets.

Other DFIs (National Development Finance Corporation, for example), the foreign and domestic commercial banks, the new investment finance companies, as well as leasing companies will also be eligible for Fund membership as long as they generate their own resources for housing finance.

3. Financial Plan

a. Refinancing Mechanism

It is important to keep the mechanics of the Fund simple. Access to, and the degree of the Fund's participation in, any scheme for refinancing, direct lending, etc., will be evaluated and appraised primarily on the basis of whether a sound financial proposal meets the criterion of serving below median-income urban households. The intent of the HG loan is to serve the poor of Pakistan's urban areas. Therefore, the household income of the intended end user, rather than the overall cost of a shelter solution, will be the principal determinant for approval. The rationale for this is that a poorer household should not be penalized because it is able to afford a larger unit than its income would indicate (using personal savings as downpayment), while a more well-off family should not automatically gain access to the Fund because it wishes to borrow below its financial capability.[3]

Participation in the Fund would be based on the following sliding household income scale:

HOUSEHOLD INCOME	PERCENT OF FUND'S PARTICIPATION
Rs.3,000-2,500	25%
2,499-2,000	50
1,999-1,500	75
Less than Rs.1,500	100

For example, an HFC that applies for the refinancing of a loan portfolio with an average household income of say Rs.2,250 per month would receive 50 percent of its original long-term investment.

In the case of an application for short-term constriction financing (where the end user might not be known), the shelter program or project would have to be deigned in such a way that 80 percent of the total cost of a typical solution (assuming 20 percent downpayment) would have to be affordable to at least the highest of the above income categories.

[3]The average HBFC loan for 1986/87 was about Rs.77,000. This amount typically represents 40-45 percent of the total cost of an average unit. Thus, the total cost of the unit would be approximately Rs.170,000-192,500. This average unit cost would effectively exclude the great majority of the below median-income target group.

An application for short-term bridge financing (less than 180 days) to meet an institution's short-term liquidity problems would have to be secured by a portfolio of mortgages meeting the above household income criteria.

b. Flow of Funds

The flow of HG resources to the Fund and the cost of funds to the intermediate and end users is as follows.

1) The Ministry of Finance would borrow the HG funds from a US lender at a rate prevailing on the US capital markets. To the borrowing rate would be added one-half percent per annum on the outstanding guarantied amount of the loan plus a fixed amount equal to one percent of the amount of the loan authorized.

2) The MOF would allocate the local currency equivalent of the HG loan to the State Bank of Pakistan.

fixed or variable rate?

3) The SBP will lend and/or refinance mortgage portfolios of qualified HFCs, DFIs, commercial banks, etc., at the rate it receives its funds from the MOF plus coverage for foreign exchange fluctuations and approximately ___ percent (say one-half percent) administrative fee.

4) The HFCs, etc., will lend their own resources at prevailing commercial rates (including coverage for foreign exchange fluctuations plus a spread of approximately ___ percent (say 2-2.5 percent) to housing developers, housing cooperatives, NGOs, and individual end users.

The following chart summarizes the flow of funds for the proposed local currency component of the program.

4. Operational Guidelines

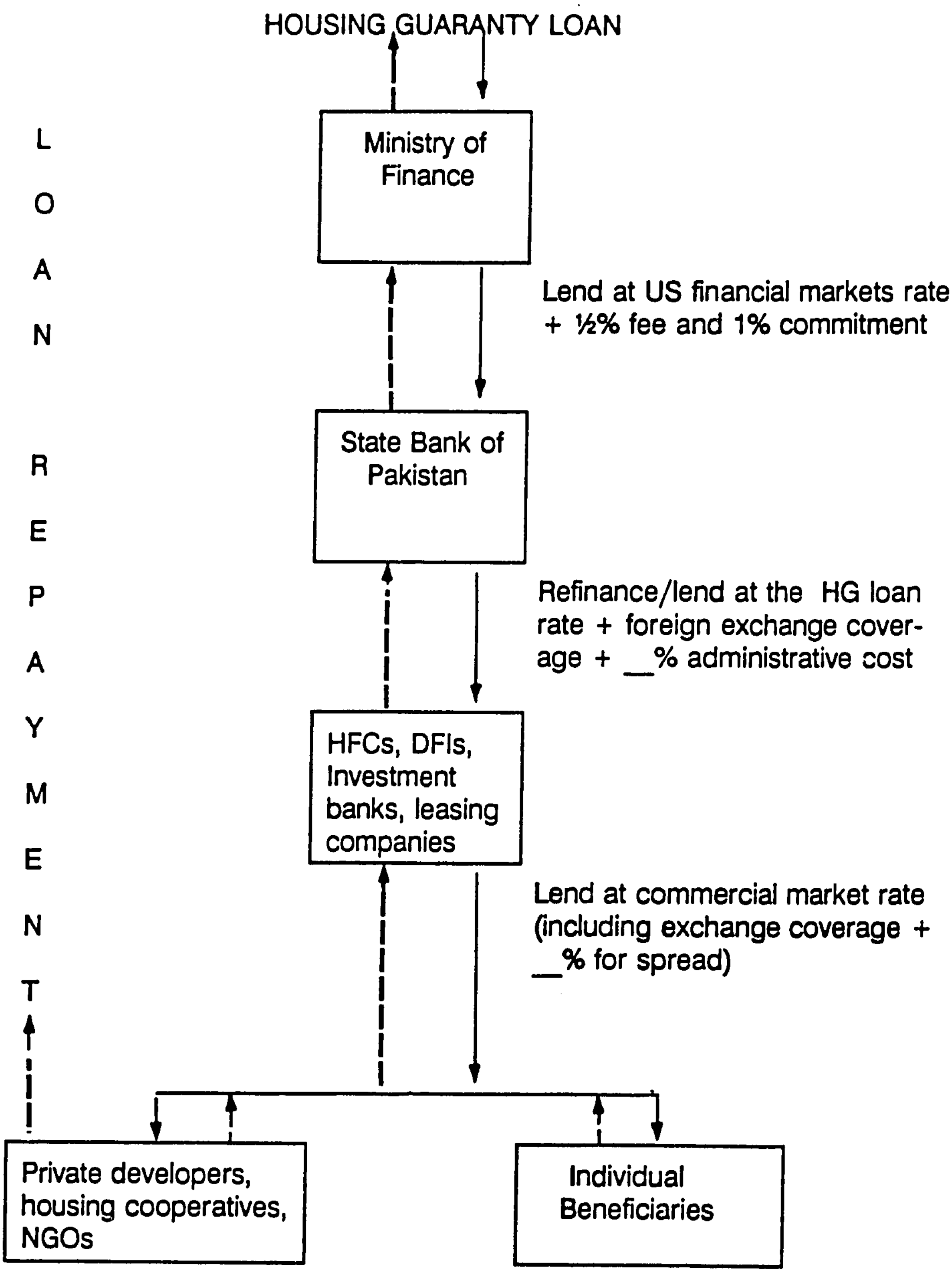
The previous section C.3 states that access to the Fund will be primarily determined on the basis of household income, rather than the total cost of a shelter unit. However, it is possible to approximate a maximum cost or loan amount that would qualify for lending or refinancing by the Fund. This maximum amount can be estimated on the basis of an affordability calculation that matches a household's ability to pay for a shelter solution with financial terms and conditions prevailing in commercial financial markets.

a. Affordability

Current commercial lending terms for housing under the prevailing profit and loss share system can be taken as 17 percent "markup" on profit, a loan term of 15-20 years, and a downpayment of 20 percent. For the purposes of the following analysis, it will be assumed that a household can spend up to 20 percent of its total income on monthly repayment. The income distribution for urban households presented in Annex 1 estimates monthly median income at Rs.2,600. Assuming, therefore, that a household can spend up to Rs.520 (20 percent) for the monthly repayment of a shelter debt, the above financing terms give a maximum loan amount of about Rs.44,300 at the median income.

However, this figure should only serve as a guide, since the goal of the HG program is to provide affordable shelter to as wide a range of below median-income families as

LOCAL CURRENCY PROGRAM - FLOW OF FUNDS



possible. The following sections present a variety of shelter solutions that would be eligible for lending and/or refinancing by the Housing Finance Fund.

b. Eligible Shelter Solutions

i. **New Scheme Development**

The plot configuration and repayment schedule contained in Annex 2 is typical of the Karachi Development Authority (KDA) sponsored schemes at Surjani Town in North Karachi. The typical nuclear unit contains one or two rooms, with kitchen and bath. The units measure 242 and 363 square feet, respectively, on a 64.6 square yard plot. The total cost of the more popular two-room unit is Rs.43,500. Downpayment is Rs.12,500, leaving a loan amount of Rs.31,000. Assuming the commercial lending terms described in the previous section for a repayment period of 15 years, gives a monthly payment of Rs.477. Assuming a 20 percent debt service ratio, the corresponding household income is calculated at Rs.2,385. This income represents the 46th percentile on the urban income distribution. Extending the repayment period to 20 years allows the affordability of this solution to reach the 43rd percentile.

ii. Serviced Plots

The second type of program that will be eligible for Fund resources is the 3-marla serviced plot scheme on which families construct their houses as part of urban area development plans. A recent ADB fact-finding mission estimated the cost of a fully-serviced 3-marla plot at Rs.17,800. Assuming the financing terms presented previously and a recovery period of five years, gives a monthly payment of Rs.354. This corresponds to a household income at the 25th percentile.

iii. Home Improvement Loans

A loan for the construction of an additional bedroom, the adding of a kitchen or bath, or the upgrading of a dwelling's wall and/or roofing materials will be an eligible expenditure for the Fund.The average cost for this type of addition or extension can be taken as Rs.10,000. On the basis of the assumed financing terms and a recovery period of four years, this type of solution would be affordable by urban households earning down to the 15th percentile.

iv. Katchi Abadi Upgrading

It is envisaged that schemes to improve the living conditions in Katchi Abadis through the upgrading of streets, the installation of water, waste water and drainage works, etc., will eventually become an acceptable lending activity of financially mature HFCs. Katchi Abadi upgrading is an especially effective means of meeting the shelter needs and targeting shelter resources to the urban poor. Assuming an average cost of Rs.7,000 to improve a 7-marla plot, commercial lending terms, and a three-year recovery period, an urban household with an income almost at the 10th percentile is able to afford this type of shelter solution.

c. Beneficiary Selection and Cost Recovery

The Housing Finance Fund will have no role or responsibility for beneficiary selection or cost recovery related to any shelter activity sanctioned by the Fund. These two functions will remain the exclusive responsibility of the HFC, DFI, commercial bank, etc., originating the loan.

ANNEX 1

ESTIMATE PAKISTAN URBAN HOUSEHOLD INCOME DISTRIBUTION 1990	
Percentile of Urban Households (%)	Estimated Monthly Household Income (Rs.)
90	Rs. 6,300
80	4,400
70	3,450
60	3,100
50	2,600
40	2,100
30	1,950
20	1,650
10	1,200

Source:
AIDE MEMOIRE, Preliminary Fact-Finding Mission, Low-Income Housing Project, Figure 9-1, Appendix 9, Urban Income Distributions 1988, ADB, March 1990; increased by an average inflation rate of 10 percent per year for the two-year period 1988/90.

ANNEX 2

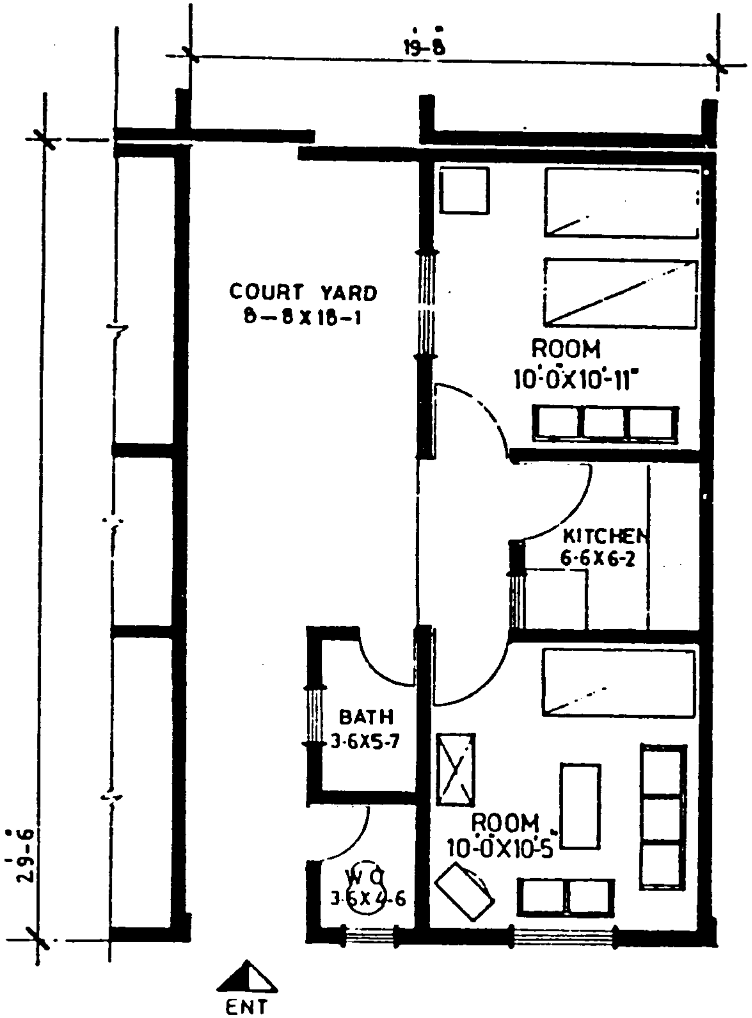
BASED ON INDEPENDENT WALLS

SCHEDULES OF PAYMENT BY THE BUYER
(SURJANI TOWN)

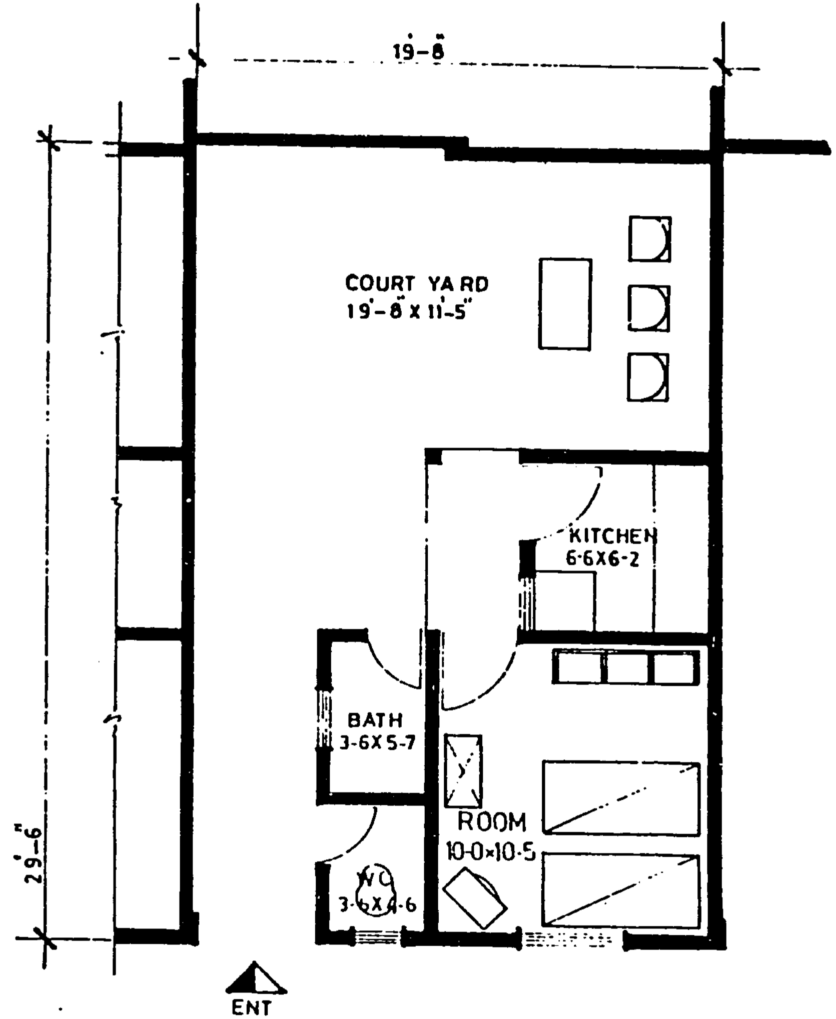
CASH-CUM-LOAN BASIS

CASH PAYMENT	One Room House	Two Room House
(a) at the time of booking:—	Rs. 6000/	Rs. 7000/-
(b) Subsequent Cash payments to be made as under:—		
i) 1 month after booking	Rs. 1500/-	Rs. 2000/-
ii) 2 months —do—	Rs. 1500/	Rs. 2000/-
iii) 3 months —do—	Rs. 1500/	Rs. 2000/-
iv) 4 months —do—	Rs. 1500/	Rs. 2000/-
TOTAL CASH PAYMENT:—	Rs. 12,000/-	Rs. 15,000/-
BALANCE:—		
By arranging loan from House Building Finance Corporation:—	Rs. 22,000/-	Rs. 31,000/-
TOTAL:—	Rs. 34,000/-	Rs.46,000/-

BASED ON INDEPENDENT WALLS



TWO ROOM HOUSE (TYPE-B)
PLOT SIZE 64·58 SQ,YDS
COVERED AREA 370·18 SQ,FT



ONE ROOM HOUSE (TYPE-A)
PLOT SIZE 64·58 SQ.YDS.
COVERED AREA 244·56 SQ.FT.

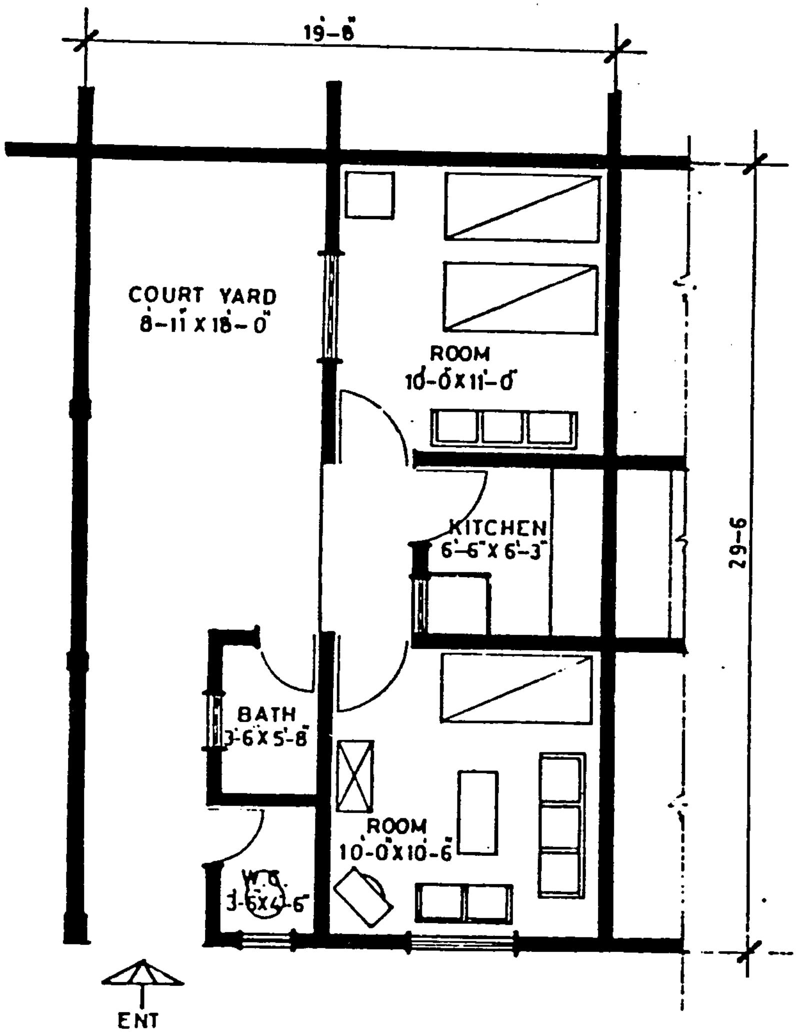
BASED ON COMMON WALLS

SCHEDULE OF PAYMENT BY THE BUYER
(SURJANI TOWN)

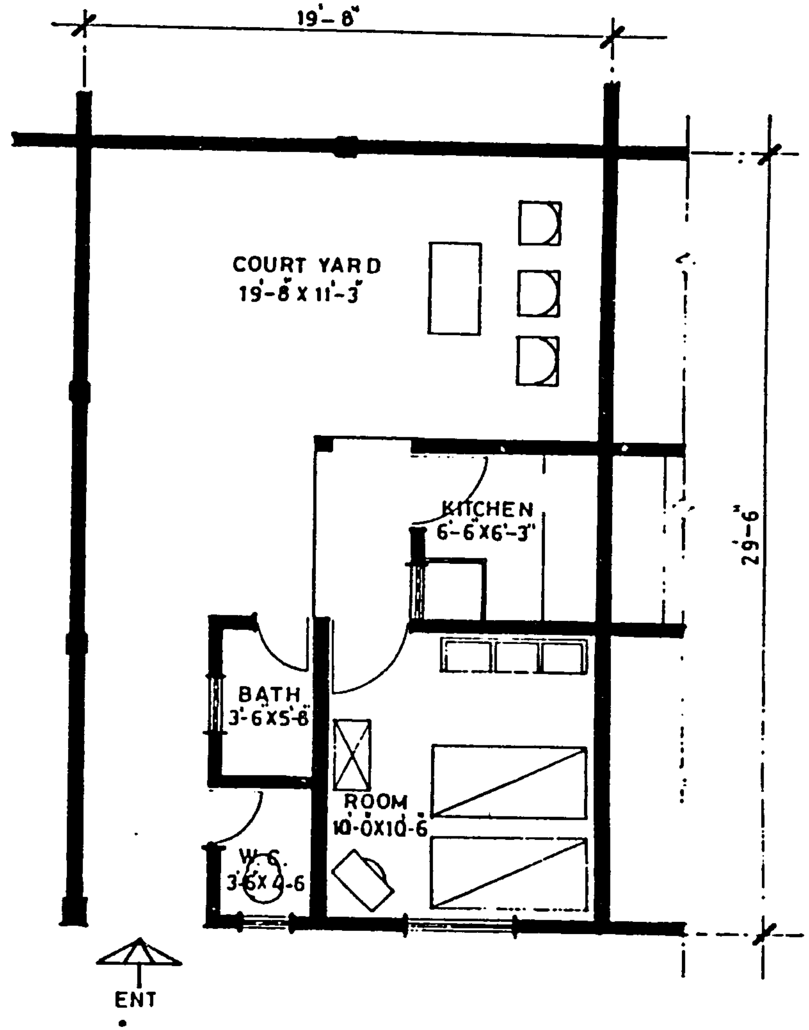
CASH-CUM-LOAN BASIS

CASH PAYMENT	One Room House	Two Room House
(a) At the time of booking:	Rs. 6000/-	Rs. 7000/-
(b) Subsequent Cash Payments to be made as under:–		
i) 1 month after booking	Rs. 1500/-	Rs. 1500/-
ii) 2 months –do–	Rs. 1500/-	Rs. 1500/-
iii) 3 months –do–	Rs. 1500/-	Rs. 1500/-
iv) 4 months –do–	Rs. 1500/-	Rs. 1000/-
TOTAL CASH PAYMENT:–	Rs. 12,000/-	Rs. 12,500/-
BALANCE:–		
By arranging loan from House Building Finance Corporation:–	Rs.20,000/-	Rs. 31,000/-
TOTAL:–	Rs. 32,000/-	Rs. 43,500/-

BASED ON COMMON WALLS



TWO ROOM HOUSE (TYPE-B)
PLOT SIZE 64 58 SQ.YDS.
COVERED AREA 363·12 ~~SQ.YDS.~~ SQ. FT.



ONE ROOM HOUSE (TYPE-A)
PLOT SIZE 64 58 SQ.YDS.
COVERED AREA 242·18 SQ.~~YDS.~~ FT.

ANNEX 3

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ANNEX 4

LIST OF PERSONS CONTACTED

I. FEDERAL GOVERNMENT

A. Ministry of Finance

1. Mr. Kazi Aleemullah, Additional Secretary (Investment)
2. Mr. Rifat Askari, Additional Secretary (Internal Finance)
3. Mr. Zafar Iqbal, Joint Secretary (Internal Finance)
4. Mr. Javed Ahmed Noel, Joint Secretary (Investment)
5. Mr. Athar Mahmood Khan, Deputy Secretary (Internal Finance)
6. Mr. Abdul Hafeez Chaudhry, Deputy Secretary (Investment)
7. Mr. Iqbal Rao, Section Officer (Internal Finance)

B. Ministry of Planning

1. Mr. S. Shaukat Kazmi, Joint Chief Economist

C. State Bank of Pakistan

1. Mr. R. A. Chughtai, Director, Banking Control Department

D. House Building Finance Corporation

1. Mr. Firozuddin Ahmed, Deputy Managing Director
2. Ms. Bilquees Fatima, Executive Director (Operations)
3. Mr. Abdul Rashid Ghani, General Manager (Computer)
4. Dr. F. A. Rabbani, ex-Managing Director

E. National Development Finance Corporation

1. Mr. Nessar Ahmed, Executive Vice President

F. Pakistan Industrial Credit and Investment Corporation

1. Mr. Naseemul Ali, Senior Vice President

G. National Investment Trust Ltd.

1. Mr. A. K. M. Sayeed, Senior Vice President (Finance & Investments
2. Mr. Imran Azim, Senior Vice President

II. USAID/PAKISTAN

1. Mr. Gordon West, Chief, O/PDM
2. Mr. Earl Kessler, Deputy Chief, RHUDO/Asia
3. Mr. Jonathan Conly, Chief, O/PRO
4. Mr. Javed Aktar, Alternate Project Officer, O/PDM

III. PRIVATE SECTOR

A. Association of Builders and Developers

1. Mr. Farooq Hasan, Chairman
2. Mr. M. M. I. Hussain, ex-Chairman
3. Ms. Ismat Sabir, Director (Research)

B. Brecast Industries Ltd. (Developer)

1. Mr. Ruknuddin Khan, Chairman
2. Mr. Abid Akhter Khan, Director
3. Mr. Zahid Akhtar, Managing Director

C. ANZ Grindlays Bank

1. Mr. S. M. Zaeem, Chief Manager
2. Mr. Tufail J. Ahmed, Senior Manager
3. Mr. Vasif Tamjied Imtiazi, Senior Manager

D. Crescent Investment Bank Ltd.

1. Mr. Ali Sameer, Managing Director
2. Mr. Mehmood Ahmed, Vice President

E. National Development Leasing Corporation Ltd.

1. Mr. M. Muzaffar, Managing Director
2. Mr. Fuad Rasul, Branch Manager (Islamabad)

F. Dawood Corporation

1. Mr. Ahmed Dawood, Chairman

IV. OTHER

1. Mr. Iqbal Mirza, Chief, Housing Unit, Master Plan and Environmental Control Department, Karachi Development Authority
2. Dr. Mehtab S. Karim, Associate Professor, Agha Khan University, Community Health Services
3. Mr. Samir Hoodbhoy, Urban Institute (Pakistan)
4. Mr. Abid Hussain, Asian Development Bank (Islamabad)