



UNITED STATES  
DEPARTMENT OF STATE



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## PAKISTAN

# U.S. FOREIGN ASSISTANCE PERFORMANCE PUBLICATION Fiscal Year 2009

### FY 2009 FOREIGN ASSISTANCE GOALS

In FY 2009, the United States Government (USG) made a strategic shift in direction to provide a greater share of U.S. assistance directly to efforts by the Government of Pakistan (GOP) to help Pakistan overcome the political, economic, and security challenges that threaten its stability, and in turn undermine regional stability. The primary objective of USG assistance is to build a long-term partnership with Pakistan based on common interests, including the recognition that neither country can tolerate a safe haven for terrorists. The USG portfolio of assistance provided in FY 2009 was aligned with the following goals:

- Helping Pakistan addresses immediate energy, water, and related economic crises, thereby deepening the U.S. partnership with the Pakistani people and decreasing the appeal of extremists
- Supporting broader economic and democratic reforms that are necessary to put Pakistan on a path towards sustainable job creation and economic growth, which is necessary for long-term Pakistani stability and progress
- Helping Pakistan build on its success against militants to eliminate extremist sanctuaries that threaten Pakistan, Afghanistan, the wider region, the United States, and people around the world
- A visible U.S. commitment to engage actively with Pakistan in its efforts to transform its economy and society, including challenging issues in such sectors as energy, water, education, and health
- Rehabilitating basic infrastructure and the restoration of basic services in conflict-affected or conflict-prone areas of the North West Frontier Province (NWFP) and Federally Administered Tribal Areas (FATA), Southern Punjab, Northern Sindh, and Baluchistan, involving public-private partnerships wherever possible

- Supporting the establishment of conditions for job creation and growth to improve economic and financial stability, including an available and affordable supply of energy, improved infrastructure, and a strengthened business-enabling environment
- Improving governance at the national and local levels to support the delivery of better educational and health services, especially for women, and to ensure basic security and justice

A deteriorating security situation has challenged implementation of activities, but significant gains in FY 2009 have positively affected the lives of millions of Pakistanis.

## **HIGHLIGHTS BY PROGRAM OBJECTIVE**

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### **Peace and Security**

Terrorism remains a threat to the national security of Pakistan, and terrorism in Pakistan poses a threat to the United States. Terrorist acts have taken place in much of the country, including in the capital of Islamabad, demonstrating the terrorists' ability to target the heart of the country's federal administration. This year also saw an increase in militant-led violence along Pakistan's western frontier in the region bordering Afghanistan. Acts of terrorism have killed many Pakistani political leaders and law enforcement personnel. The presence of terrorist groups in Pakistan has international implications, as it negatively affects the ability of the USG, its coalition partners, and local governments to eradicate the threat of extremism in and from Afghanistan.

The GOP is committed to combating terrorism and the increase in insurgent violence in the frontier region has been met by renewed resolve. The GOP has deployed significant military forces in this effort and lost many soldiers and security personnel.

In FY 2009, the USG directly assisted the Pakistani Government in its efforts to counter terrorism through a foreign assistance program designed to enhance regional stability, improve Pakistan's counterterrorism capacity, ensure Pakistan has the resources needed to support counterinsurgency operations, and develop Pakistani security forces' capacity to conduct counterterrorism and counterinsurgency operations. In FY 2009, USG assistance:

- Trained 168 student military officers in the United States and abroad. Pakistani military leaders attended 186 courses covering wide-ranging topics, including traditional professional military education, law, medicine, and language skills training. Programs worked in harmony to promote military-to-military cooperation, enhance professionalism, increase interoperability, and enhance both nations' ability to achieve mutual objectives.
- Trained 197 federal law enforcement officers in tactical and investigative techniques, and trained 20 officers as Bomb Disposal Technicians in rendering safe explosives and post-blast investigations. All trainings are conducted with an emphasis on training-the-trainers to increase the impact of the assistance and improve chances for sustainability.

### **Governing Justly and Democratically**

Public trust in Pakistan's institutions have eroded as civil and military rule have alternated in Pakistan. USG activities to help the GOP govern justly and democratically, focused on building public trust, addressing citizen expectations and enabling government institutions better to fulfill their roles and responsibilities in a transparent and accountable manner. In FY 2009, USG assistance:

- Supported the planning, budgeting, and local service delivery responsibilities of districts and municipalities through software and training to build the capacity of local officials, and to improve district government financial management
- Installed financial management systems in 30 municipalities to improve accountability, and supported trainings for municipal and district committees on data collection, analysis, and setting targets to improve performance in the health, education, and water sectors
- Trained 36 percent of Pakistan's Senators, 28 percent of Members of the National Assembly, as well as 21 percent of male members and 47 percent of female members of Provincial Assemblies
- Worked with the GOP to expand its reach into the FATA by supporting over 600 GOP-led activities, such as flood protection and drinking water supply schemes in more than 400 villages. These projects, which were often the first development activities in the area, provided a valuable venue for community-to-government engagement.

### **Investing in People**

Health activities helped meet some of the most critical needs in Pakistan as nationwide indicators continued to stagnate. The infant mortality rate in the country is higher than those of neighbors with lower economic status (Nepal and Bangladesh), and only Afghanistan has higher child mortality rates in South Asia. Dangerous infectious diseases continue to spread; Pakistan is one of only four countries in the world where polio has not been eliminated, and vaccination coverage for children is below 50 percent. Additionally, only 17 percent of Pakistanis have access to safe drinking water. In FY 2009, USG assistance:

- Sponsored the Maternal Child Health and Family Planning Best Practices Meeting in Karachi, which gave rise to a landmark agreement called the Karachi Declaration. This established new standards for Pakistan in family planning and maternal-newborn-child health. Implementation of these practices by the leading health institutions in Pakistan will both save lives and demonstrate GOP accountability. The Declaration will help bridge the gap between reproductive health (managed by the Ministry of Population Welfare) and primary health care (the purview of the Ministry of Health), a first for Pakistan. It also offers a framework for future United States-Pakistan health cooperation and will build on the foundation the United States has already laid over the past five years to increase the number of trained health providers, particularly women.
- Expanded its Maternal and Child Health program from a focus on maternal and newborn care to include child health and family planning. The program also expanded to 14 additional districts, which increased the target population from 13 to 34 million people.
- Trained nearly 11,000 health care providers, 82 percent of whom were women. Of these, 473 community midwives trained were young women who will start their own practices primarily in rural areas.
- Held over 6,500 Child Health Days for preventive and curative health services, reaching over 1 million women and children
- Worked with 51 local Pakistani partners to implement the Pakistan Safe Drinking Water and Hygiene Promotion Project to improve hygiene and build capacity in local partners in 40

districts, including all of the FATA Agencies and Frontier Regions except South Waziristan. In the target areas, the project trained over 1,600 personnel from government agencies, community water-user groups, and non-governmental organizations (NGOs) in the operation, maintenance, and financial sustainability of water filtration plants. The U.S. Agency for International Development (USAID) also facilitated the formation of 82 Water User Committees at the community level that, with the help of partner NGOs, were able to repair 21 non-functional filter units.

The formal education system in Pakistan – especially for basic education – is woefully inadequate and exacerbated by a population that is predicted to double by 2040. Today, approximately 20 million school-age children do not have access to basic education services, and half of Pakistani adults are illiterate. Women are particularly neglected, with literacy rates ranging from only 3 percent in FATA to 36 percent throughout the country. In the absence of adequate public education, the private sector and religious groups have stepped in to provide alternatives. Private sector schools now account for 30 percent of the education institutions in the country. To address these challenges, in FY 2009 USG assistance:

- Supported almost 900,000 children, of whom nearly 137,000 were girls, with a school feeding program that provides students in areas most affected by the food price shocks with wheat and oil, and ensures retention of primary school students at a time when there is a high risk of students dropping out of school in large numbers
- Provided 82,230 library books, 5,974 textbooks, 72 mathematic teaching kits, 18,461 school bags, 165 computer systems, and other learning materials for classroom use. These tools and learning materials serve to improve classroom teaching and increase teacher and student motivation, resulting in enhanced education quality.
- Trained more than 12,070 teachers and educators to improve education quality and student learning, and 2,847 (2,015 male and 832 female) education administrators and officials in techniques to improve school management
- Provided over 1,700 merit and needs-based higher education scholarships
- Sponsored 182 new students for FY 2009, including 78 women through the Fulbright Program in Pakistan. Additionally, there are currently 75 Pakistanis continuing studies as Master's and PhD candidates in the United States, and nearly 29 percent of total participants were women or minorities. This program has a 98 percent return rate with 106 Master's-level graduates returning to Pakistan this year to join an increasingly expanding alumni network across Pakistani universities.
- Supported the GOP to advance key education policy issues, such as the development of national standards and the development of licensing and accreditation system for teachers. These standards and accreditation contribute to a national effort to develop a strategic framework for teacher education in Pakistan. Once complete, an entire overhaul of the teacher education system in policy, organization, content, methodology, and delivery at the school level will improve educational quality in Pakistan.

## **Economic Growth**

Pakistan's robust economic growth rate of 6.5 percent from 2003-07 dropped to 2 percent in 2008 due to the global credit crunch, energy shortages, increased competition in the dominant textile

sector, the deteriorating security situation, and a stalling of the economic reform agenda. The inability of Pakistan's struggling national power grid to meet demand, with shortfalls at peak times estimated to reach 4,000-5,000 megawatts, results in rolling blackouts of 8 to 16 hours around the country, and is a major impediment to economic activity and growth, which ultimately undermines government credibility. Pakistan's agricultural sector is increasingly weak; although 43 percent of the population works in agriculture-related occupations, the sector accounts for only 20 percent of national output. Factors hampering production include inefficient supply systems for irrigation, fertilizer, food, and seed; post-harvest losses; and government control of procurement and pricing, which encourages farmers to retain their production. By freeing market mechanisms to determine input and product pricing and distribution, the production gap would quickly be remedied. In FY 2009, USG assistance:

- Supported capacity-building activities in the energy sector with the GOP to better plan supply, operate, and maintain existing power plants and reduce losses. USAID is also working with the GOP to improve tariff rationalization and conduct essential energy sector studies.
- Established three separate but coordinated processes of consultation between the public and the private sector on trade through the Pakistan Trade Project: a steering committee to oversee USG assistance, a Reconstruction Opportunity Zone (ROZ) working group to provide technical and design level input for the development of ROZs and for implementation of ROZ Legislation if it passes, and a working group on Trade Reform, Customs Harmonization, and Export Development to provide input on policy, procedural, and systems reform to improve the trade environment in Pakistan
- Led the establishment of a multi-donor group to harmonize the economic policy-reform agenda negotiations with the GOP to support implementation of USG projects and priorities
- Supported the Women's Leadership Training in Economics program to train a new generation of female economists by sending 10 women to the United States for a Master's in Economics, two of whom went during the reporting period
- Brought more than 1,200 acres of land in the FATA under cultivation using modern land management techniques, benefitting over 3,500 families

### **Humanitarian Assistance**

U.S. assistance under this Program Objective falls into two categories: supporting reconstruction efforts in areas affected by the 2005 earthquake and responding to the needs of displaced people as a result of Pakistan's ongoing military operations.

Although FY 2009 was the last year for the four-year funding commitment to restore damaged and destroyed infrastructure in earthquake-affected areas, train teachers and health care professionals, and restore the livelihoods of entrepreneurs and farmers, activities will continue into FY 2010 and FY 2011. In FY 2009, USG earthquake assistance:

- Completed 4 schools and 5 basic health units (BHU) and continued construction on 10 BHUs and 32 schools

- Provided extensive training in maternal, newborn, and child health and nutrition to 500 health staff in the 2 target districts
- Created over 1,100 full-time jobs and trained over 2,100 women in improved technologies to increase dairy, vegetable seedling, and poultry production

During the reporting period, the GOP conducted operations against the growing insurgency in the NWFP and FATA, which displaced millions of people from their homes. This led to a massive humanitarian assistance response from across the USG. In coordination with a large Office of Foreign Disaster Assistance-led effort in the affected areas, in FY 2009 USG foreign assistance funding:

- Provided more than 24,000 internally displaced persons kits, which provided non-food items, food items, or reconstruction tools
- Built the capacity of the GOP to respond to the crisis by providing vehicles and communication equipment, as well as supporting public information campaigns to inform the public about security and encourage returns